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Articles of Association

Linde Aktiengesellschaft

Munich

I. **General Rules**

1. **Company Name, Principal Place of Business**

1.1 The Company is named Linde Aktiengesellschaft.

1.2 The principal place of business of the Company is Munich.

2. **Object of the Company**

2.1 The object of the Company is

- a) the manufacture and sale of industrial and other gases and their secondary products and the construction, acquisition, sale and operation of plants in which industrial and other gases are manufactured or used;
- b) the manufacture and sale of products in the field of apparatus and mechanical engineering;
- c) the manufacture and sale of products in the field of medical technology, of pharmaceutical products and of other products in the healthcare area; and
- d) the design and construction, acquisition, sale and operation of industrial process and other industrial plants, facilities in the healthcare area as well as plants for research purposes.

2.2 The Company is entitled to take any measures and actions that are related or appropriate to directly or indirectly serve the object of the Company. This includes research and development as well as cooperation with third parties in the fields stated in 2.1 above. The Company is entitled to trade and provide services of any kind in the fields named in 2.1 above. It can also limit its activities to individual fields stated in 2.1 above. The Company can establish branch offices in Germany and abroad, establish, acquire and invest in other companies, especially companies that are engaged, in whole or in part, in the aforementioned fields. The Company can change the structure of companies in which it owns investments, unite such companies under common management, or restrict its activities to their management or administration, and dispose of holdings and investments. It can outsource its operations to affiliates, in whole or in part.

3. **Share Capital and Shares**

3.1 The share capital is EUR 475,476,940.80.

3.2 The share capital is divided into 185,733,180 no-par value shares.

3.3 All shares are bearer shares. Shareholders are not entitled to charter their shareholding.

- 3.4 By subscribing for or acquiring shares or scrip, shareholders submit to the normal place of jurisdiction for the Company in all disputes with the Company or the Company's executive bodies.
- 3.5 In capital increases, participation of the new shares in profits may be regulated at variance with section 60 para. 2 German Stock Corporation Act.
- 3.6 The Executive Board is authorised, with the consent of the Supervisory Board, to increase the share capital until 2 May 2023 by up to EUR 47,000,000 by issuing (once or several times) a total of up to 18,359,375 new no-par-value bearer shares with a proportionate interest in the share capital of EUR 2,56 each against a cash contribution and/or a contribution in kind (Authorised Capital I).

In principle, the new no-par-value shares have to be offered to the shareholders for subscription.

However, the Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right of shareholders with respect to fractional amounts and also to exclude the subscription right to such extent as may be required in order to grant to holders of option and/or conversion rights, or conversion obligations, respectively, issued by Linde Aktiengesellschaft or its direct or indirect subsidiaries a subscription right to new no-par-value shares in such amount as they would be entitled to following exercise of the option and/or conversion rights or following fulfilment of a conversion obligation, respectively.

Furthermore, the Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right of the shareholders if, in the case of a capital increase against cash contributions, the new shares are issued at an issue price which is not significantly below the stock exchange price of the no-par-value shares of the same kind which are already publicly traded, and the proportion of the share capital which mathematically is represented by the issued shares does not exceed in aggregate 10 percent of the share capital, neither at the time this authorisation takes effect nor at the time of the exercise thereof. The proportion of the share capital represented by any other issuance of shares in the context of servicing option and/or convertible bonds must be mathematically taken into account in these 10 percent of the share capital. This proportion shall, however, only be taken into account to the extent that the option and/or convertible bonds are issued in analogous application of section 186 para. 3 sentence 4 German Stock Corporation Act excluding the subscription right of the shareholders during the term of this authorisation. The share capital which mathematically is represented by those shares which, during the term of the authorisation pursuant to or in analogous application of section 186 para. 3 sentence 4 German Stock Corporation Act, are issued on the basis of an authorised capital, or following a repurchase are sold as treasury shares, shall also be taken into account.

Furthermore, the Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right in the case of capital increases against contributions in kind, and in particular where such capital increases are effected for the purpose of acquiring companies, shares in companies or stakes in business entities, in the course of corporate mergers or any contribution of other assets including receivables against the Company.

The Executive Board is also authorised, with the consent of the Supervisory Board, to exclude the subscription right for an amount up to EUR 3,500,000 to the extent necessary in order to issue shares to

employees of Linde Aktiengesellschaft and/or its affiliates under exclusion of the shareholders' subscription rights.

The proportionate amount of share capital attributable to shares issued on a non-pre-emptive basis, other than shares issued to employees of Linde Aktiengesellschaft and/or its affiliates under exclusion of the subscription right, may not exceed a total of 20 percent of the Company's capital stock existing at the time this authorisation becomes effective or, if lower, at the time this authorisation is used. This limit is reduced by the amount of share capital attributable to those shares which are to be issued according to another authorisation of the Executive Board to service convertible bonds and/or bonds with warrants, so far as these have been issued during the period up to the time this authorisation is used under exclusion of the subscription right of shareholders or that is attributable to shares that are issued or sold according to another authorisation of the Executive Board during the period up to the time this authorisation is used under exclusion of the subscription right other than shares issued or sold to employees of Linde Aktiengesellschaft and/or its affiliates under exclusion of the subscription right.

The Executive Board is authorised, with the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation. The new shares may also be subscribed by certain credit institutions subject to the obligation to offer such shares to the shareholders (indirect subscription right).

- 3.7 The Executive Board is authorised, with the consent of the Supervisory Board, to increase the share capital until 2 May 2021 by up to EUR 47,000,000 by issuing (once or several times) a total of up to 18,359,375 new no-par-value bearer shares with a proportionate interest in the share capital of EUR 2.56 each against a cash contribution and/or a contribution in kind (Authorised Capital II).

In principle, the new no-par-value shares have to be offered to the shareholders for subscription.

However, the Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right of shareholders with respect to fractional amounts and also to exclude the subscription right to such extent as may be required in order to grant to holders of option and/or conversion rights, or conversion obligations, respectively, issued by Linde Aktiengesellschaft or its direct or indirect subsidiaries a subscription right to new no-par-value shares in such amount as they would be entitled to following exercise of the option and/or conversion rights and/or following fulfilment of a conversion obligation, respectively.

Furthermore, the Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right of the shareholders if, in the case of a capital increase against cash contributions, the new shares are issued at an issue price which is not significantly below the stock exchange price of the no-par-value shares of the same kind which are already publicly traded, and the proportion of the share capital which mathematically is represented by the issued shares does not exceed in aggregate 10 percent of the share capital, neither at the time this authorisation takes effect nor at the time of the exercise thereof. The proportion of the share capital represented by any other issue of shares in the context of servicing option and/or convertible bonds must be mathematically taken into account in these 10 percent of the share capital. This proportion shall, however, only be taken into account to the extent that the option and/or convertible bonds are issued in analogous application of section 186 para.

3 sentence 4 German Stock Corporation Act excluding the subscription right of the shareholders during the term of this authorisation. The share capital which mathematically is represented by those shares which, during the term of the authorisation pursuant to or in analogous application of section 186 para. 3 sentence 4 German Stock Corporation Act, are issued on the basis of an authorised capital, or following a reacquisition are sold as treasury shares, shall also be taken into account.

Furthermore, the Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right in the case of capital increases against contributions in kind, and in particular where such capital increases are effected for the purpose of acquiring businesses, parts of businesses or stakes in business entities, in the course of corporate mergers or any contribution of other assets including receivables against the Company.

The Executive Board is authorised, with the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation. The new shares may also be subscribed by certain credit institutions determined by the Executive Board subject to the obligation to offer such shares to the shareholders (indirect subscription right).

- 3.8 The share capital is conditionally increased by up to EUR 47,000,000 by issuing up to 18,359,375 new no-par-value bearer shares, with a pro rata amount of the share capital attributable to each share of EUR 2,56 (Conditional Capital 2018). The conditional increase in capital shall be implemented only to the extent (i) that the bearers or holders of conversion or option rights which exist or are attached to convertible bonds or bonds with warrants issued by the Company or by group affiliates controlled by the Company up until 2 May 2023 based on the authorisation resolution of the Annual General Meeting of 3 May 2018 exercise their conversion and/or option rights, or (ii) that the bearers or holders obligated to conversion of convertible bonds issued up until 2 May 2023 by the Company or by group affiliates controlled by the Company based on the authorisation resolution of the Annual General Meeting of 3 May 2018 fulfil their conversion obligation, in cases (i) and (ii) in each instance provided that no treasury shares are used to service such rights. The new shares are issued at the option or conversion price, as the case may be, to be determined in accordance with the above authorisation resolution. The new shares shall be entitled to participate in the profit as of the beginning of the business year in which they are issued as a result of the exercise of conversion or option rights or as a result of compliance with conversion obligations; where legally permitted, the Executive Board may, subject to the approval of the Supervisory Board, stipulate that new shares are, in departure from Section 60 (2) AktG, also eligible for dividends for the immediately preceding year. The Executive Board is authorised, with the consent of the Supervisory Board, to determine all further details regarding the implementation of the conditional increase in capital.
- 3.9 The share capital is conditionally increased by up to EUR 10,240,000 by the issuance of up to 4,000,000 new no-par-value bearer shares with a pro-rata amount of the share capital attributable to each share of EUR 2.56 (Conditional Capital 2012). The conditional capital increase is resolved solely for the purpose of granting subscription rights (share options) to members of the Executive Board of the Company, to members of management bodies of affiliated companies in Germany and abroad, and to selected executives of the Company and affiliated companies in Germany and abroad, in accordance with the authorising resolution of the Annual General Meeting of 4 May 2012. It shall only be implemented if and to the extent subscription rights are exercised in accordance with this authorising resolution and the

Company does not pay cash or grant treasury shares in return. New shares which are issued upon exercise of subscription rights shall be entitled to profit participation for that financial year for which a resolution on the appropriation of the balance sheet profit has not been passed at the time when the shares were issued.

## **II. Constitution and Management of the Company**

### **4. Company executive bodies**

The executive bodies of the Company are:

- The Executive Board
- The Supervisory Board
- The General Meeting

#### **Executive Board**

### **5. Composition, Resolutions**

- 5.1 The Executive Board is composed of a multiple number of members. The number of members of the Executive Board is determined by the Supervisory Board.
- 5.2 The Supervisory Board can appoint one member of the Executive Board as the Chairman and one member as the Deputy Chairman of the Executive Board.
- 5.3 Votes taken in the Executive Board are decided by simple majority. If voting is equal, the vote is decided by the vote of the Chairman, who is responsible for presiding at the meetings of the Executive Board.

### **6. Representation**

The Company is legally represented by two members of the Executive Board or by one member of the Executive Board and one agent holding power of attorney (Prokurist). For the rest the Company is represented by agents holding power of attorney and other agents holding signature authorization as determined fuller by the Executive Board.

## Supervisory Board

### **7. Composition, Election, Reserve Members**

- 7.1 The Supervisory Board is composed of the minimum number of members required by applicable law. Also the election of the members shall be governed by applicable law.
- 7.2 All members of the Supervisory Board are elected for the period until conclusion of the General Meeting deciding on the formal approval of the acts of the members of the Supervisory Board for the fourth business year following the commencement of their term of office, not counting the business year in which the term of office commences. The General meeting can elect shareholder members of the Supervisory Board to serve a shorter term of office. Replacements for prematurely retiring members of the Supervisory Board are elected for the remaining term of office of the retiring member or members.
- 7.3 Together with the ordinary members of the Supervisory Board, a maximum of four reserve members are to be elected by shareholders. The reserve members take the place of prematurely retiring shareholders' members of the Supervisory Board (including retirement due to challenging of election) according to the order determined at the time of election insofar as no other member has been appointed for the retiring member of the Supervisory Board by the Registry Court (Registergericht) or the General Meeting within ten days of the retirement. The term of office of a reserve member acceding to the Supervisory Board terminates as soon as his or her place is taken by a member of the Supervisory Board elected by the General Meeting, however not later than on expiry of the term of office of the retiring member of the Supervisory Board.
- 7.4 Each member of the Supervisory Board may resign his or her office without an important reason by declaring resignation with at least two months notice. Said notice may be waived subject to the approval of the Chairman of the Supervisory Board. These rules apply in like manner to reserve members.

### **8. Chairman, Committees**

- 8.1 At a meeting convened without separate invitation immediately following the General Meeting upon the conclusion of which the new term of office commences, the Supervisory Board elects among its members a Chairman and a Deputy Chairman for the respective term of office in accordance with the provisions of the German Co-Determination Act.

The Supervisory Board also elects an additional Deputy Chairman. If the Chairman of the Supervisory Board or a Deputy Chairman retires prior to expiry of the term of office, the Supervisory Board is required to elect without delay a replacement for the retiring Chairman or Deputy Chairman for the remaining term of office.

- 8.2 Declarations of intent of the Supervisory Board and its Committees are made by the Chairman of the Supervisory Board or, if unable to do so, by a Deputy Chairman.

8.3 The Supervisory Board may form Supervisory Board Committees from among its members and establish the duties and rights of said Committees in Rules of Procedure. Where permitted by law, the Committees of the Supervisory Board may be assigned the powers of voting on resolutions.

## **9. Resolutions**

9.1 Resolutions of the Supervisory Board are usually made at meetings. Meetings and adopting resolutions in writing, by telephone, or with the aid of other means of telecommunication are acceptable if the chairman of the Supervisory Board decides this in a specific case. There is no right to raise an objection against this method of adopting resolutions. This applies accordingly to the adoption of resolutions at Supervisory Board committees meetings.

9.2 The Chairman of the Supervisory Board calls meetings of the Supervisory Board and appoints the place of meeting.

9.3 The Supervisory Board has the necessary quorum if at least half of the members, from which the Supervisory Body has to be made up, take part in the adoption of the resolution. If an equal number of shareholder members and employee members do not take part in the adoption of a resolution, or if the chairman of the Supervisory Board does not take part, four members of the Supervisory Board can request jointly that the adoption of a resolution on individual or all matters on the agenda be deferred. Further postponement of the adoption of a resolution on such matters on the agenda can only be demanded by a majority of the members of the Supervisory Board at a new, properly called meeting.

9.4 Insofar as not subject to other provisions under law, resolutions of the Supervisory Board and its Committees are decided by simple majority vote. The form of voting is determined by the member presiding at the meeting. If voting is equal and insofar as not conflicting with binding provisions under law, each member of the Supervisory Board or Committee is entitled to demand renewed vote on the same item. If voting is equal on renewed vote, the vote of the Chairman of the Supervisory Board counts double.

9.5 The Supervisory Board is empowered to make amendments to the Company's Articles of Association restricted to their wording.

9.6 The members of the Supervisory Board are not bound to orders and instructions. Their obligations to exercise care and maintain secrecy and their responsibility are subject to the provisions of sections 116, 93 German Stock Corporation Act.



## **10. Rules of Procedure**

- 10.1 The Supervisory Board establishes for itself Rules of Procedure within the provisions of statute law and the Company's Articles of Association.
- 10.2 The Supervisory Board determines which steps the Executive Board should take only with its consent.

## **11. Remuneration**

- 11.1 Each member of the Supervisory Board receives a fixed yearly remuneration in the amount of EUR 150,000.
- 11.2 Instead of the remuneration pursuant to number 11.1, the Chairman of the Supervisory Board shall receive a fixed yearly remuneration in the amount of EUR 450,000 and each Vice Chairman in the amount of EUR 225,000. This remuneration covers membership and chairmanships in committees.
- 11.3 Each member of the Standing Committee and of the Audit Committee receives in addition to the remuneration specified in number 11.1 a compensation in the amount of EUR 30,000; the Chairman of the Audit Committee receives additional EUR 60,000.
- 11.4 Supervisory Board members who have been members of the Supervisory Board or of one of its committees or who have held the position of Chairman or Vice Chairman of the Supervisory Board or have chaired one of its committees for only a part of the fiscal year receive a lower compensation on a pro-rated basis.
- 11.5 In addition, each member of the Supervisory Board receives an attendance fee of EUR 1,000 for each meeting of the Supervisory Board and its committees in which he or she participates. If several meetings take place on one day, the attendance fee shall be paid only once.
- 11.6 The compensation shall be paid after the end of the respective fiscal year.
- 11.7 The Company reimburses the members of the Supervisory Board the expenses incurred through the exercise of their office, including any value added tax payable on their remuneration and on the reimbursement of their expenses. The Company may take out liability insurance for the members of the Supervisory Board to cover their legal liability arising from their activities as members of the Supervisory Board.
- 11.8 The foregoing provisions of this section 11 apply as from 29 May 2013. The remuneration of the Supervisory Board for the business year 2013 shall be determined for the period from 1 January 2013 through 29 May 2013 in accordance with the provisions of the Articles of Association in effect at that time and for the subsequent period through 31 December 2013 in accordance with the foregoing provisions of this section 11, provided that the amounts stipulated in the applicable provisions shall be reduced on a pro rata temporis basis.

## General Meeting

### 12. Convening, Participation Right, Participation, Voting in Absentia, Proxy

- 12.1 The General Meeting shall be convened by the Executive Board or the Supervisory Board.
- 12.2 The General Meeting shall be convened – to the extent no shorter notice period is permitted by law – at least thirty days prior to the day of the meeting. For the purpose of calculating the above notice period, the day of the meeting and the day of convening shall not be counted. This convening notice period shall be extended by the number of days of the registration period pursuant to number 12.3 sentence 2 of these Articles of Association.
- 12.3 Shareholders who wish to attend the General Meeting or exercise their voting rights must register prior to the meeting in text form in German or English language. The registration must be received by the Company at least six days prior to the General Meeting at the address stated for this purpose in the invitation. For the purpose of calculating the above period, the day of the General Meeting and the day of receipt of the invitation shall not be counted. The invitation may provide for a shorter period of days.
- 12.4 The shareholders must also provide proof of their right to attend the General Meeting and exercise their voting rights. Proof requires confirmation of ownership of the shares in text form in German or English language provided by the depository bank or financial services institution. The proof of the shareholding shall refer to the beginning of the 21st day before the General Meeting and shall be received by the Company at the address provided for this purpose in the invitation at least six days prior to the meeting. For the purpose of calculating the above period, the day of the General Meeting and the day of receipt of the invitation shall not be counted. The invitation may provide for a shorter period of days.
- 12.5 The Executive Board shall be entitled to provide that the shareholders may attend a General Meeting without being personally present thereat and without appointing a proxy, and exercise any or all of their rights at a General Meeting in whole or in part through electronic means of communication. The Executive Board may determine detailed rules in respect of the scope of online participation and the respective procedures.
- 12.6 The Executive Board is authorised to provide that shareholders may cast their votes, even without participating in the General Meeting, in writing or by electronic means of communication (voting in absentia). The Executive Board may determine detailed rules in respect of the procedure of voting in absentia.
- 12.7 Voting rights can be exercised by proxy. The granting of the power of attorney, its revocation and the proof of authorisation vis-à-vis the Company require text form; section 135 German Stock Corporation Act shall remain unaffected. The invitation may stipulate a less strict form.

**13. Voting Rights, Resolutions**

- 13.1 Each no-par value share has one vote at the General Meeting.
- 13.2 Insofar as not conflicting with binding provisions under law, resolutions are decided by the General Meeting by simple majority of the votes cast and, where a capital majority is required, by simple majority of the share capital represented at the time of voting on the resolution.

**14. President at the General Meeting, Voting**

- 14.1 The Chairman of the Supervisory Board or another shareholders' member of the Supervisory Board appointed by the Chairman shall preside over the General Meeting. If neither the Chairman nor another member of the Supervisory Board appointed by the Chairman for this purpose is present, the shareholders' members of the Supervisory Board present shall elect the person to preside at the General Meeting.
- 14.2 The person presiding determines the sequence of consideration of the items on the agenda and of voting. The person presiding also determines the form of voting. The result of voting is normally determined by deducting the number of yes or no votes and abstentions from the total number of votes attributed to eligible voters. The person presiding may order a different procedure.
- 14.3 The person presiding determines the sequence of speakers. The person presiding may reasonably limit the time for shareholders to speak and ask questions. The person presiding is particularly empowered to set a reasonable time limit at the beginning or during the General Meeting for the entire General Meeting, for individual items on the agenda, and for individual questions and statements.
- 14.4 The chairman of the meeting may permit video or audio transmission of the entire General Meeting or of parts thereof in a manner to be determined by him.

**III. Business Year, Financial Statements, Notices**

**15. Business Year**

The business year is the calendar year.

**16. Company Financial Statements, Group Financial Statements, Reviews of Operations**

16.1 The Executive Board is annually required to prepare the Company financial statements, Group financial statements and reviews of operations for the preceding business year and to submit them to the auditor. The Executive Board is also required to submit the said statements and reviews together with the distribution of net disposable profit to be proposed at the General Meeting to the Supervisory Board.

16.2 The Company financial statements are passed as final when approved by the Supervisory Board.

**17. Announcements, transmission of information**

17.1 The Company's announcements shall be published in the Federal Gazette.

17.2 The Company may transmit information to shareholders by remote data transmission in case the respective shareholder has granted its consent to such transmission.