

**Articles of Incorporation**  
**(Translation)**

**Moriroku Company, Ltd.**

# **Articles of Incorporation (Translation)**

## **Chapter I (General Provisions)**

### **(Corporate name)**

#### **Article 1**

The trade name of the Company shall be “Moriroku Kabushiki Kaisha.” In English translation, it shall be “Moriroku Company, Ltd.”

### **(Objective)**

#### **Article 2**

1. The objective of the Company shall be to carry out the following business activities.
  - (1) Sale, import, and export of industrial chemicals, synthetic resins, dyes, pigments, paints, agricultural chemicals, fertilizer, feed, and other goods
  - (2) Sale of poisonous substances and deleterious substances, non-prescription drugs, and high-pressure gas
  - (3) Manufacture, processing, sale, import, and export of chemicals, synthetic resin products, dyes, and fertilizer as well as technical guidance related thereto
  - (4) Manufacture, processing, sale, import, and export of synthetic resin products related to automobiles and other transportation equipment as well as manufacture, sale, import, and export of manufacturing equipment, molds, jigs and tools, raw materials, and secondary materials for said products
  - (5) Engineering and technical guidance related to the above business activities as well as development, sale, and provision of industrial property rights, manufacturing technology, know-how, etc. related to the above items
  - (6) Transportation business and warehousing business
  - (7) Non-life insurance agency business, insurance agency business pursuant to the Act on Securing Compensation of Automobile Accidents, and business related to life insurance solicitation
  - (8) Civil engineering contracting, design, and construction
  - (9) Buying, selling, and rental of real estate as well as brokerage, ownership, management, and operation thereof
  - (10) Manufacture, sale, rental, repair, maintenance, and management of wastewater treatment equipment and facilities
  - (11) All business incidental or related to the above items

2. The Company may conduct business in the above items, all business incidental to said businesses, and other business necessary to carry out the objective in the preceding paragraph.

**(Location of head office)**

**Article 3**

The Company shall have its head office in Minato-ku, Tokyo.

**(Organizational bodies)**

**Article 4**

The Company shall establish the following organizational bodies in addition to the General Meeting of Shareholders and the Directors.

- (1) Board of Directors
- (2) Audit and Supervisory Committee
- (3) Independent Auditors

**(Method of public notice)**

**Article 5**

Public notices of the Company shall be made by means of electronic notification. In the event that electronic notification cannot be made due to an accident or other unavoidable circumstance, the public notice shall be published in *The Nikkei*.

**Chapter II (Shares)**

**(Total number of issuable shares)**

**Article 6**

The total number of issuable shares of the Company shall be sixty million (60,000,000) shares.

**(Acquisition of treasury stocks)**

**Article 7**

The Company may purchase treasury stocks through market transactions, etc. by a resolution of the Board of Directors as provided for in Article 165, Paragraph 2 of the Companies Act.

**(Number of shares constituting one round lot)**

**Article 8**

The number of shares constituting one round lot of shares of the Company shall be one hundred (100) shares.

**(Rights to odd-lot shares)**

**Article 9**

The shareholders of the Company cannot exercise any rights regarding odd-lot shares they own other than those stipulated below.

- (1) Rights as set forth in Article 189, Paragraph 2 of the Companies Act
- (2) Rights to make demands as set forth in Article 166, Paragraph 1 of the Companies Act
- (3) Rights to receive allotment of subscribed shares and share options, in proportion to the number of shares held by each shareholder
- (4) Rights to make demands as set forth in the following Article

**(Demand for sale to holder of odd-lot shares)**

**Article 10**

Pursuant to share handling regulations, shareholders of the Company with odd-lot shares may demand that the Company sell the number of shares required to make, together with the odd-lot shares held by the shareholder, a single share unit.

**(Administrator of the shareholder registry)**

**Article 11**

1. The Company shall appoint an administrator of the shareholder registry.
2. The administrator of the shareholder registry and its business office shall be determined by a resolution of the Board of Directors and public notice shall be given thereof.
3. The Company shall not create or keep the Company's shareholder registry or share options registry or handle related office work, and shall delegate such tasks to the administrator of the shareholder registry.

**(Share Handling Regulations)**

**Article 12**

Handling of shares of the Company and handling charges therefor shall be pursuant to laws and regulations, these Articles of Incorporation, and Share Handling Regulations established by the Board of Directors.

## **Chapter III (General Meetings of Shareholders)**

### **(Convocation of General Meetings of Shareholders)**

#### **Article 13**

Ordinary General Meetings of Shareholders of the Company shall be convened in June of each year, and Extraordinary General Meetings of Shareholders shall be convened when necessary.

### **(Reference dates of Ordinary General Meetings of Shareholders)**

#### **Article 14**

The reference date for voting rights at Ordinary General Meetings of Shareholders shall be March 31 of each year.

### **(Convener and Chairperson)**

#### **Article 15**

1. The President of the Company shall convene General Meetings of Shareholders and serve as Chairperson unless otherwise provided for by laws and regulations.
2. If the President is unavailable, another Director shall convene the General Meeting of Shareholders and serve as Chairperson in accordance with the order determined in advance by the Board of Directors.

### **(Measures, etc., for providing information in an electronic format)**

#### **Article 16**

1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for general meetings of shareholders, etc., in an electronic format.
2. Among the items for which the measures for providing information in an electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who have requested the delivery of paper-based documents by the record date of voting rights.

### **(Method of adopting resolutions)**

#### **Article 17**

1. Unless otherwise provided for by laws and regulations or these Articles of Incorporation, resolutions of a General Meeting of Shareholders shall be adopted by a

majority of the voting rights of those shareholders with exercisable voting rights present at the meeting.

2. Resolutions stipulated in Article 309, Paragraph 2 of the Companies Act shall be adopted by an affirmative vote of two-thirds (2/3) or more of the voting rights held by shareholders present, where such shareholders present hold shares representing one-third (1/3) or more of the exercisable voting rights of shareholders.

#### **(Exercise of voting rights by proxy)**

##### **Article 18**

1. A shareholder may exercise his or her voting rights by appointing one (1) other shareholder of the Company with voting rights as a proxy.
2. The shareholder of the Company or his/her proxy must submit to the Company a document certifying the proxy at each General Meeting of Shareholders.

#### **(Minutes)**

##### **Article 19**

The substance of the proceedings of the General Meeting of Shareholders, the results thereof, and other matters prescribed by laws and regulations shall be entered or recorded in the minutes.

### **Chapter IV (Directors and the Board of Directors)**

#### **(Number of Directors)**

##### **Article 20**

1. The Company shall have no more than nine (9) Directors (excluding Directors who are Audit and Supervisory Committee Members).
2. The Company shall have no more than five (5) Directors who are Audit and Supervisory Committee Members.

#### **(Method of election)**

##### **Article 21**

1. Directors shall be elected by a resolution of the General Meeting of Shareholders, distinguishing Directors who are Audit and Supervisory Committee Members and other Directors.
2. A resolution for the election of Directors shall be adopted by an affirmative vote of a majority of the voting rights held by shareholders present, where such shareholders

present hold shares representing one-third (1/3) or more of the exercisable voting rights of shareholders.

3. Cumulative voting shall not be used for a resolution for the election of Directors.

#### **(Term of office)**

##### **Article 22**

1. The term of office of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall expire at the close of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within one (1) year after their election.
2. The term of office of Directors who are Audit and Supervisory Committee Members shall expire at the close of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within two (2) years after their election.
3. The term of office of a Director who is an Audit and Supervisory Committee Member elected to fill the vacancy of another Director who was an Audit and Supervisory Committee Member and resigned before expiration of his or her term of office shall expire at the close of the term of office of said other Director who was an Audit and Supervisory Committee Member.
4. The election of a substitute Director who is an Audit and Supervisory Committee Member elected pursuant to Article 329, Paragraph 3 of the Companies Act shall expire at the beginning of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within two (2) years after their election.

#### **(Representative Directors and President)**

##### **Article 23**

1. Representative Directors shall be designated from among Directors (excluding Directors who are Audit and Supervisory Committee Members) by a resolution of the Board of Directors.
2. One (1) President shall be designated from among Directors (excluding Directors who are Audit and Supervisory Committee Members) by a resolution of the Board of Directors.

#### **(Convener and chairperson of the Board of Directors)**

##### **Article 24**

1. A Director who has been designated by the Board of Directors in advance shall convene meetings of the Board of Directors and serve as Chairperson unless otherwise provided for by laws and regulations.

2. If the Director in the preceding paragraph is unavailable, another Director shall convene the meeting of the Board of Directors and serve as Chairperson in accordance with the order determined in advance by the Board of Directors.

**(Notice for convening a meeting of the Board of Directors)**

**Article 25**

1. Notice for convening a meeting of the Board of Directors shall be dispatched to each Director at least three (3) days prior to the date of the meeting. Such period of notice may, however, be shortened in case of urgency.
2. A meeting of the Board of Directors may be held without the convening process with the consent of all Directors.

**(Method of adopting resolutions of the Board of Directors)**

**Article 26**

Resolutions of the Board of Directors shall be adopted by a majority of the Directors present at a meeting, where a majority of Directors are present.

**(Omission of resolutions of the Board of Directors)**

**Article 27**

If all Directors agree in writing or through an electromagnetic record to a matter to be resolved at the Board of Directors, the Company shall deem the matter to be adopted by a resolution of the Board of Directors.

**(Delegation of the decision on the execution of important operations)**

**Article 28**

Pursuant to the provisions in Article 399-13, Paragraph 6 of the Companies Act, the Company may delegate the whole or part of the decision on the execution of important operations (excluding matters as set forth in Paragraph 5 of the same article) to Directors by a resolution of the Board of Directors.

**(Minutes of meetings of the Board of Directors)**

**Article 29**

The substance of the proceedings of the meetings of the Board of Directors, the results thereof, and other matters prescribed by laws and regulations shall be entered or recorded in the minutes. Directors in attendance shall sign, affix their name and seal to, or electronically



sign said minutes.

### **(Regulations of the Board of Directors)**

#### **Article 30**

Matters relating to the Board of Directors shall be determined in accordance with laws and regulations, these Articles of Incorporation, and Regulations of the Board of Directors established by the Board of Directors.

### **(Remuneration, Etc.)**

#### **Article 31**

The remuneration, bonus, and other property benefits which Directors receive from the Company in compensation for their performance of duties shall be determined by a resolution of the General Meeting of Shareholders, distinguishing between Directors who are Audit and Supervisory Committee Members and other Directors.

### **(Exemption of Directors from liability)**

#### **Article 32**

1. The Company may, by a resolution of the Board of Directors, exempt Directors (including former Directors) from liability for damages due to negligence of their duties, as per Article 426, Paragraph 1 of the Companies Act, to the extent authorized by laws and regulations.
2. The Company may enter into a contract with Directors to limit each Director's (excluding Executive Directors, etc.) liability for damages due to negligence of their duties, as per Article 427, Paragraph 1 of the Companies Act; provided, however, that said contract shall limit liability to a predetermined amount of at least one million (1,000,000) yen or an amount stipulated by laws and regulations, whichever is higher.

## **Chapter V (The Audit and Supervisory Committee)**

### **(Full-time Audit and Supervisory Committee Members)**

#### **Article 33**

The Audit and Supervisory Committee may, by resolution of the same, elect full-time Audit and Supervisory Committee Members.

**(Notice for convening a meeting of the Audit and Supervisory Committee)**

**Article 34**

1. Notice for convening a meeting of the Audit and Supervisory Committee shall be dispatched to each Audit and Supervisory Committee Member at least three (3) days prior to the date of the meeting. Such period of notice may, however, be shortened in case of urgency.
2. A meeting of the Audit and Supervisory Committee may be held without the convening process with the consent of all Audit and Supervisory Committee Members.

**(Method of adopting resolutions of the Audit and Supervisory Committee)**

**Article 35**

Resolutions of the Audit and Supervisory Committee shall be adopted by a majority of the Audit and Supervisory Committee Members present at a meeting, where a majority of Audit and Supervisory Committee Members are present.

**(Minutes of meetings of the Audit and Supervisory Committee)**

**Article 36**

The substance of the proceedings of the meetings of the Audit and Supervisory Committee, the results thereof, and other matters prescribed by laws and regulations shall be entered or recorded in the minutes. Audit and Supervisory Committee Members in attendance shall sign, affix their name and seal to, or electronically sign said minutes.

**(Regulations of the Audit and Supervisory Committee)**

**Article 37**

Matters relating to the Audit and Supervisory Committee shall be determined in accordance with laws and regulations, these Articles of Incorporation, and Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee.

**Chapter VI (Accounts)**

**(Fiscal year)**

**Article 38**

The fiscal year of the Company shall be one (1) year from the 1st day of April of each year and end on the 31st day of March of the following year.

**(Organizational body to determine dividends of surplus, etc.)**

**Article 39**

The Company shall determine the matters listed in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, etc., through a resolution of the Board of Directors rather than a resolution of a General Meeting of Shareholders unless otherwise stipulated by laws and regulations.

**(Reference date for dividends of surplus)**

**Article 40**

1. The reference date for the Company's distribution of year-end dividends shall be the 31st day of March every year.
2. The reference date for the Company's distribution of interim dividends shall be the 30th day of September every year.

**(Exclusion period for dividends, etc.)**

**Article 41**

In the event that a monetary dividend has not been received after an elapse of three (3) years from the date of commencement of payments, the Company shall not be liable for such payments.

**Chapter VII (Supplementary Provisions)**

**(Transitional measures for exemption of Audit and Supervisory Board Members from liability)**

**Article 42**

The Company may, by a resolution of the Board of Directors, exempt Audit and Supervisory Board Members (including former Audit and Supervisory Board Members) from liability for damages due to negligence of their duties, relating to acts committed prior to the close of the 109th Ordinary General Meeting of Shareholders, as per Article 426, Paragraph 1 of the Companies Act, to the extent authorized by laws and regulations.