

Articles of Incorporation

Revised on March 30, 2022

 **CHIYODA INTEGRE CO.,LTD.**

**Articles of Incorporation
of
CHIYODA INTEGRE CO., LTD.**

CHAPTER I. GENERAL PROVISIONS

(Trade Name)

Article 1. The trade name of the Company shall be “Chiyoda Integre Kabushiki Kaisha,” and “CHIYODA INTEGRE CO., LTD.” in English.

(Purpose)

Article 2. The purpose of the Company shall be to operate the following businesses:

- (1) Sales of synthetic resin goods relating to felt, non-woven fabrics, glass wool, parts for electric appliances, automotive parts, parts for stationery goods, cushion materials, and heat-insulating materials;
- (2) Processing of articles described in the preceding item, metalworking relating thereto, and the sale of products processed from the same;
- (3) Manufacture and sale of medical equipment;
- (4) Casualty insurance agency;
- (5) Installation and sale of interior and exterior products;
- (6) Planning, manufacture, and sale of handicraft materials, handicraft products, and related goods;
- (7) Fabrics wholesale business;
- (8) Sale of fiber products for clothing and miscellaneous fashion goods;
- (9) Planning, manufacture, and sale of embroidery products;
- (10) Mail-order business;
- (11) Sales of general daily necessities and miscellaneous goods;
- (12) Provision of information and service relating to the preceding items; and
- (13) Any and all businesses relating or incidental to the preceding items.

(Location of Head Office)

Article 3. The head office of the Company shall be located in Chiyoda-ku, Tokyo.

(Establishment of Organs)

Article 4. The Company shall establish a Board of Directors, Audit & Supervisory Board Members, Audit & Supervisory Board, and Accounting Auditor.

(Method of Public Notice)

Article 5. Public notices of the Company shall be electronic public notices; provided however, that if accidents or other unavoidable reasons prevent the Company from issuing public notices electronically, the public notices shall be issued by publication in The Nikkei.

CHAPTER II. SHARES

(Authorized Number of Shares)

Article 6. The total number of shares the Company is authorized to issue shall be thirty-two million six hundred thousand (32,600,000).

(Acquisition of the Company's Own Shares)

Article 7. The Company may, by resolution of the Board of Directors, acquire the Company's own shares through market trading, etc., pursuant to Article 165, Paragraph 2 of the Companies Act.

(Number of Shares Constituting One Unit of Stock)

Article 8. The number of shares constituting one unit of stock of the Company shall be one hundred (100).

(Rights with Respect to Shares of Less Than One Unit)

Article 9. A shareholder of the Company may not exercise rights other than those specified in the following with respect to shares of less than one unit he/she holds.

(1) The rights specified in the items of Article 189, Paragraph 2 of the Companies

Act

- (2) The right to make requests to the Company as set forth in Article 166, Paragraph 1 of the Companies Act
- (3) The right to receive share subscriptions or the allotment of stock acquisition rights in proportion to the number of shares held by the shareholder

(Transfer Agent)

Article 10. The Company shall have a transfer agent for the shares of the Company.

2. The transfer agent and its service office shall be designated by resolution of the Board of Directors of the Company, and a public notice of the designated matters shall be issued by the Company.
3. The preparation and retention of the shareholders register and the ledger of stock acquisition rights of the Company, as well as any other business with respect to the shareholders register and the ledger of stock acquisition rights of the Company, shall be entrusted to the transfer agent and shall not be handled by the Company.

(Share Handling Regulations)

Article 11. Handling and charges pertaining to shares of the Company shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to laws and regulations and these Articles of Incorporation.

CHAPTER III. GENERAL MEETING OF SHAREHOLDERS

(Time of Convocation)

Article 12. The ordinary general meeting of shareholders of the Company shall be convened in March of each year and an extraordinary general meeting of shareholders shall be convened whenever necessary.

(Record Date for the Ordinary General Meeting of Shareholders)

Article 13. The record date of the voting rights for the ordinary general meeting of shareholders of the Company shall be December 31 of each year.

(Person Authorized to Convene the Meeting and Act as Chairman)

Article 14. Except as otherwise provided by laws and regulations, the President shall, by resolution of the Board of Directors, convene and chair the general meeting of shareholders.

2. If the President of the Company is unable to so act, another Director, determined in accordance with an order of priority resolved in advance by the Board of Directors, shall act in his/her place.

(Measures for Electronic Provision, Etc.)

Article 15. The Company shall, when convening the general meeting of shareholders, provide information contained in the Reference Documents, etc. for the General Meeting of Shareholders electronically.

2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.

(Method for Adopting Resolutions)

Article 16. Except as otherwise provided by laws and regulations or these Articles of Incorporation, resolutions of a general meeting of shareholders shall be adopted by a majority of votes of the shareholders in attendance entitled to exercise voting rights.

2. Resolutions to be adopted pursuant to Article 309, Paragraph 2 of the Companies Act may be adopted by two-thirds (2/3) or more of the votes of the shareholders in attendance who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.

(Exercise of Voting Rights by Proxy)

Article 17. A shareholder may exercise his/her voting rights by authorizing one (1) other shareholder with voting rights to act as his/her proxy.

2. In the case described in the preceding paragraph, a shareholder or his/her proxy shall submit to the Company a document evidencing the proxy's power of representation for each general meeting of shareholders.

CHAPTER IV. DIRECTORS AND BOARD OF DIRECTORS

(Number of Directors)

Article 18. The number of Directors of the Company shall not exceed eight (8).

(Method for the Election of Directors)

Article 19. Directors of the Company shall be elected at a general meeting of shareholders.

2. A resolution for the election of Directors shall be adopted by a majority vote of the shareholders in attendance who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.
3. No cumulative voting shall be used for the election of Directors.

(Term of Office of Directors)

Article 20. The term of office of a Director shall expire upon conclusion of the ordinary general meeting of shareholders held with respect to the last fiscal year ending within two (2) years from his/her election.

(Representative Directors and Directors with Specific Titles)

Article 21. The Board of Directors shall, by resolution, elect Representative Directors from among the Directors.

2. The Board of Directors may, by resolution, appoint one (1) Chairman, one (1) President, and one or more Vice Presidents, Executive Directors, and Managing Directors.

(Execution of Business)

Article 22. The President shall supervise the business of the Company. The Chairman, Executive Directors, Managing Directors, and other Directors shall assist the President and execute their respective predetermined office duties.

2. If the President of the Company is unable to so act, another Director, determined in accordance with an order of priority resolved in advance by the Board of Directors

of the Company, shall act in his/her place.

(Advisors and Senior Advisors)

Article 23. The Board of Directors may, by resolution, appoint one or more Advisors and Senior Advisors.

2. Advisors and Senior Advisors shall provide advice and suggestions as requested with regard to the business of the Company.

(Person Authorized to Convene the Board of Directors Meeting and Act as Chairman)

Article 24. Except as otherwise provided by laws and regulations, the President shall convene and chair the Board of Directors meetings.

2. If the President of the Company is unable to so act, another Director, determined in accordance with an order of priority resolved in advance by the Board of Directors of the Company, shall act in his/her place.

(Notice of Convocation of the Board of Directors Meeting)

Article 25. A notice of convocation of a Board of Directors meeting shall be issued to each Director and Audit & Supervisory Board Member at least three (3) days before the meeting; provided however, that such period may be shortened in the event of urgency.

(Omission of the Procedure for Adopting Resolutions of the Board of Directors)

Article 26. When the requirements provided for in Article 370 of the Companies Act are satisfied, resolutions of the Board of Directors shall be deemed to have been adopted.

(Board of Directors Regulations)

Article 27. Except as otherwise provided by laws and regulations or these Articles of Incorporation, the matters concerning the Board of Directors shall be governed by the Board of Directors Regulations adopted by the Board of Directors.

(Remuneration, etc. of Directors)

Article 28. Remunerations, bonuses, and other economic benefits the Company provides to Directors for the execution of their duties (hereinafter referred to as “remuneration, etc.”) shall be determined by resolution of the general meeting of shareholders.

(Exemption of Liabilities of Outside Directors)

Article 29. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with each of the Outside Directors to limit his/her liability for damages arising from negligence in the performance of his/her duties; provided however, that the limit of liability under the agreement shall be the total amount set by the items of Article 425, Paragraph 1 of the same act.

CHAPTER V. AUDIT & SUPERVISORY BOARD MEMBERS AND AUDIT & SUPERVISORY BOARD

(Number of Audit & Supervisory Board Members)

Article 30. The number of Audit & Supervisory Board Members of the Company shall not exceed five (5).

(Method for the Election of Audit & Supervisory Board Members)

Article 31. Audit & Supervisory Board Members of the Company shall be elected at a general meeting of shareholders.

2. A resolution for election of Audit & Supervisory Board Members shall be adopted by a majority vote of the shareholders in attendance who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.

(Term of Office of Audit & Supervisory Board Members)

Article 32. The term of office of an Audit & Supervisory Board Member shall expire upon conclusion of the general meeting of shareholders held with respect to the last fiscal year ending within four (4) years from his/her election.

2. The term of office of an Audit & Supervisory Board Member elected to fill a vacancy of an Audit & Supervisory Board Member who has retired before the

expiration of his/her term of office shall be the same as the remaining term of office of the retired Audit & Supervisory Board Member.

3. The resolution to elect an Audit & Supervisory Board Member to fill a vacancy pursuant to Article 329, Paragraph 3 of the Companies Act shall remain effective until the beginning of the general meeting of shareholders held with respect to the last fiscal year ending within two (2) years from his/her election.
4. The term of office of the Audit & Supervisory Board Member who took office to fill a vacancy as stated in the preceding paragraph shall be until the expiration of the term of office of the retired Audit & Supervisory Board Member; provided such term of office shall not exceed the period until the conclusion of the general meeting of shareholders held with respect to the last fiscal year ending within four (4) years from his/her election.

(Standing Audit & Supervisory Board Members)

Article 33. The Audit & Supervisory Board shall, by resolution, elect Standing Audit & Supervisory Board Members.

(Notice of Convocation of the Audit & Supervisory Board Meeting)

Article 34. A notice of convocation of an Audit & Supervisory Board meeting shall be issued to each Audit & Supervisory Board Member at least three (3) days before the meeting; provided however, that such period may be shortened in the event of urgency.

(Audit & Supervisory Board Regulations)

Article 35. Except as otherwise provided by laws and regulations or these Articles of Incorporation, the matters concerning the Audit & Supervisory Board shall be governed by the Audit & Supervisory Board Regulations adopted or amended by the Audit & Supervisory Board.

(Remuneration, etc. of Audit & Supervisory Board Members)

Article 36. The remuneration, etc. of Audit & Supervisory Board Members shall be determined by resolution of the general meeting of shareholders.

(Exemption of Liabilities of Outside Audit & Supervisory Board Members)

Article 37. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with each of the Outside Audit & Supervisory Board Members to limit his/her liability for damages arising from negligence in the performance of his/her duties; provided however, that the limit of liability under the agreement shall be the total amount set by the items of Article 425, Paragraph 1 of the same act.

CHAPTER VI. ACCOUNTS

(Fiscal Year)

Article 38. The fiscal year of the Company shall commence on January 1 of each year and end on December 31 of the same year.

(Record Date for Distribution of Dividends)

Article 39. The record date for the year-end dividend of the Company shall be December 31 of each year.

(Interim Dividends)

Article 40. The Company may, by resolution of the Board of Directors, distribute an interim dividend by prescribing June 30 of each year as a record date.

(Expiration Period for Distribution of Dividends)

Article 41. If dividends, which are to be paid in cash, are not claimed after a period of three (3) years has elapsed from the date of commencement of payment thereof, the Company shall be relieved of the obligation to make such payment.

2. No interest shall accrue from the unpaid dividends in the preceding paragraph.

SUPPLEMENTARY PROVISIONS

Article 1. An amendment to the provision of Article 12 (Time of Convocation) shall become effective on April 1, 2016. This supplementary provision shall be deleted after the effective date of the same.

Article 2. Amendments to the provisions of Article 13 (Record Date for the Ordinary General Meeting of Shareholders), Article 38 (Fiscal Year) and Article 39 (Record Date for Distribution of Dividends) shall become effective on January 1, 2016. This supplementary provision shall be deleted after the effective date of the same.

Article 3. An amendment to the provision of Article 40 (Interim Dividends) shall become effective on July 1, 2016. This supplementary provision shall be deleted after the effective date of the same.

Article 4. Notwithstanding the provision of Article 38 (Fiscal Year), the 61st fiscal year to commence on September 1, 2015 shall be a sixteen (16) month period through December 31, 2016. This supplementary provision shall be deleted after the elapse of the 61st fiscal year.

Article 5. The term of office of the Accounting Auditor elected or reelected at the ordinary general meeting of shareholders to be held in November 2015 shall expire upon conclusion of the ordinary general meeting of shareholders to be held with respect to the 61st fiscal year ending on December 31, 2016. This supplementary provision shall be deleted after the conclusion of the ordinary general meeting of shareholders to be held in March 2017.