

# **ARTICLES OF INCORPORATION**

Last Revised on June 22,2022

**TEIJIN LIMITED**

# Articles of Incorporation

## Chapter I. General Provisions

### Article 1. (Trade Name)

The name of the Company shall be TEIJIN KABUSHIKI KAISHA and in English TEIJIN LIMITED.

### Article 2. (Objectives)

The objectives of the Company shall be to carry out the following businesses and related businesses, and to control or manage the business of companies or others carrying out the following businesses and related businesses through holding shares or interests of such companies and others.

1. Manufacturing, processing and sale and purchase of the following items
  - (1) Chemical and other fibers, and their materials and by-products;
  - (2) Textile raw materials and products;
  - (3) Plastics and other chemical products, and their materials and by-products;
  - (4) Petrochemical products, and their materials and by-products;
  - (5) Medicines, quasi-medicines, cosmetics and other chemical products, and their materials and by-products;
  - (6) Textile, chemical and other machinery, equipment and instruments;
  - (7) Medical equipment and appliances;
  - (8) Electronic, analysis and data processing equipment, and related materials;
  - (9) Automobile-related equipment;
  - (10) Civil engineering and construction materials;
  - (11) Furniture, ornaments, leisure goods and other sundry goods;
  - (12) Foodstuffs and food additives, and their materials and by-products;
2. Leasing of the above items and others
3. Development and sale of software, and the data communication, data processing and data provider business;
4. Business relating to home healthcare and aiding and nursing in non-hospital facilities, and operation of medical related facilities;
5. Transportation, forwarding agency and warehousing business;
6. Sale and purchase, leasing and renting, and administration, and agency services for real property, and designing, administration and contracting of land reclamation and construction works;

7. Financing, accident insurance agency and life-insurance soliciting business;
8. Operation of educational facilities;
9. Collection, transportation, processing and recycling of industrial and general waste; and
10. Sale and purchase, research, design, technical assistance and consulting business of technology and information related to the above items.

Article 3. (Location of Headquarters)

The headquarters of the Company shall be located in Osaka-city.

Article 4. (Method of Public Notices)

The Company shall use an electronic public notice as a method of public notice. If the electronic public notice should fail due to accident or other unavoidable circumstances, the public notice shall be made through the Nihon Keizai Shimbun.

Article 5. (Establishment of Organizations)

The Company shall have the following organizations in addition to the Ordinary General Meeting of Shareholders and Directors:

- (1) The Board of Directors
- (2) Statutory Auditors
- (3) The Board of Statutory Auditors
- (4) Accounting Auditor(s)

## Chapter II. Shares

Article 6. (Total Number of Authorized Shares)

The total number of authorized shares of the Company shall be 600,000,000.

Article 7. (Number of Shares to constitute One Unit and Rights to Shares less than One Unit (“Odd-Lot Shares”))

1. The number of shares to constitute one unit shall be 100.
2. The shareholders having only Odd-Lot Shares shall not be allowed to exercise rights other than the followings:
  - (1) Rights as per each Item of Article 189, Paragraph 2 of the Companies Act
  - (2) Right to request as per Article 166, Paragraph 1 of the Companies Act

- (3) Rights to have allotment of shares and stock option according to the number of shares held by the shareholder
- (4) Rights to request the Company to sell Odd-Lot Shares as stipulated in Article 9

Article 8. (Administrator of Shareholder Registry)

1. The Company shall have an Administrator of Shareholder Registry.
2. The Administrator of Shareholder Registry and the place of its office shall be selected by a resolution of the Board of Directors and notified to the public.

Article 9. (Additional Purchase by Shareholders of Odd-Lot Shares)

Each shareholder who owns the Odd-Lot Shares may request the Company to sell the exact number of shares that would constitute one unit together with the Odd-Lot Shares then such shareholder holds.

Article 10. (Place of Custody of Shareholder Registry and Stock Option Registry, and the Affairs delegated to the Administrator of Shareholder Registry)

The preparation and custody of the Company's Shareholder Registry and the Stock Option Registry and the other affairs related to the Shareholder Registry and the Stock Option Registry shall be delegated to the Administrator of Shareholder Registry and not be done by the Company.

Article 11. (Share Handling Regulations)

The handling of the Company's shares and their charges shall be governed by the share handling regulations adopted by the Board of Directors as well as laws and these Articles of Incorporation.

### Chapter III. General Meeting of Shareholders

Article 12. (Time and Venue of the General Meeting of Shareholders)

1. The Ordinary General Meeting of Shareholders shall be convened in June of every year.
2. An Extraordinary General Meeting of Shareholders shall whenever necessary be convened from time to time.
3. The Company shall hold the General Meeting of Shareholders in Prefecture of Osaka or Tokyo.

Article 13. (Record Date of the Ordinary General Meeting of Shareholders)

The record date of the Ordinary General Meeting of Shareholders for exercising voting rights shall be March 31 of each year.

Article 14. (Measures for Providing Information in Electronic Format, etc.)

Upon convening a General Meeting of Shareholders, the Company shall take measures for providing information that constitutes the content of reference documents, etc. for the General Meeting of Shareholders in electronic format.

Among items to be provided information in electronic format, the Company may exclude all or part of the items stipulated in the Ordinance of the Ministry of Justice in the document that will be issued to shareholders who requested issuance of the document by the record date for voting rights.

Article 15. (Chairman of General Meeting of Shareholders)

The Representative Director of the Company appointed by the Board of Directors shall act as chairman of a General Meeting of Shareholders. When said Director is prevented from so acting, one of the other Directors shall act in his/her place in the order determined by the Board of Directors.

Article 16. (Method of Adopting Resolutions)

1. Unless otherwise provided for by laws or ordinances or by these Articles of Incorporation, the resolutions at the General Meeting of Shareholders shall be adopted by a majority of the voting rights of the shareholders present at the Meeting who are entitled to exercise voting rights.
2. The resolutions at a General Meeting of Shareholders stipulated in Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds (2/3) or more of the votes of the shareholders present at the Meeting, a quorum of which is one-third (1/3) or more of voting rights of the shareholders entitled to exercise voting rights.

Article 17. (Exercise of Right of Voting by Proxy)

1. A shareholder or its legal representative may exercise by proxy its voting right at the General Meeting of Shareholders through one (1) representative who shall be a shareholder of the Company entitled to vote at that Meeting.
2. In such a case, such shareholder or its representative shall submit to the Company a document certifying his/her power or representation, prior to the opening of the General Meeting of Shareholders.

Article 18. (Minutes of the General Meeting of Shareholders)

The substance of proceedings at the General Meeting of Shareholders, the results thereof and other matters stipulated by laws and ordinances shall be recorded in the Minutes of the Meeting.

Article 19. (Matters to be resolved by a General Meeting of Shareholders)

The decision shall be made at a General Meeting of Shareholders on the takeover defense measures employing allotment of shares or stock option without contribution, which will be adopted before the commencement of an acquisition of the Company's shares by persons or companies regarded as inappropriate in light of the Company's basic policy regarding its shareholders.

#### Chapter IV. Directors and the Board of Directors

Article 20. (Number of Directors)

The Directors of the Company shall not be more than ten (10).

Article 21. (Election of Directors)

1. Directors shall be elected at a General Meeting of Shareholders.
2. Resolutions for the election of Directors shall be adopted by a majority of the votes of the shareholders present at a General Meeting of Shareholders, a quorum of which is one-third (1/3) or more of voting rights of the shareholders entitled to exercise voting rights.
3. No cumulative voting shall be used for the election of Directors.

Article 22. (Term of Office)

The terms of office of Directors shall end at the closing of the Ordinary General Meeting of Shareholders convened for the last fiscal year that closes within one (1) year after his/her election.

Article 23. (Election of Representative Director)

The Board of Directors shall appoint by its resolution certain number of Representative Directors.

Article 24. (Selection of Directors with Executive Power and Appointment of Counselors and Councilors)

1. Among the Directors, the Board of Directors may appoint by its resolution one (1) Chairman, one (1) President, and certain number of Vice-Chairmen, Executive Vice-Presidents, Senior Managing Directors and Managing Directors.
2. The Board of Directors may appoint Counselors and Councilors.

Article 25. (Directors' Compensation)

The remuneration, bonuses and other financial benefits of Directors receivable from the Company in consideration of the execution of duties (collectively, "Compensation") shall be determined by the General Meeting of Shareholders.

Article 26. (Reduction and Release of Directors' Liabilities)

The Company may release any Director from its liabilities stipulated in Article 423, Paragraph 1 of the Companies Act, within the limitation provided in the Companies Act by a resolution of the Board of Directors where such Director performed his/her duties in good faith and without gross negligence in relation to such performance and such release is considered necessary in light of the cause of such liabilities, the manner of such performance and any other circumstances.

Article 27. (Liabilities Limitation Agreement with Directors)

The Company may enter into an agreement with any Director(excluding Executive Director) which limits his/her liabilities to the amount equal to the higher of twenty million yen (Yen 20,000,000) and the amount aggregated by each Item of Article 425, Paragraph 1 of the Companies Act, with respect to the liabilities stipulated in Article 423, Paragraph 1 of the Companies Act, in case that such Director performed his/her duties in good faith and without gross negligence in relation to such performance.

Article 28. (Notice of Convocation of Meetings of the Board of Directors)

Notice of convocation of meeting of the Board of Directors shall be sent to every Director and Statutory Auditor three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.

Article 29. (Omission of Resolutions of the Board of Directors)

In case a Director proposes a matter to be determined by a resolution of the Board of Directors and all the Directors entitled to vote to the matter express unanimous consent in writing or via an electronic method, the resolution of the Board of Directors to the matter shall be deemed to have been adopted to that effect unless a Statutory Auditor expresses objection.

Article 30. (Regulations of the Board of Directors)

Matters concerning the Board of Directors shall be subject to the Regulations of the Board of Directors adopted by the Board of Directors.

Chapter V. Statutory Auditors and the Board of Statutory Auditors

Article 31. (Number of Statutory Auditors)

1. The Statutory Auditors of the Company shall be three (3) or more.
2. Even if a vacancy occurs among Statutory Auditors in office, the vacancy may be left until the next election of Statutory Auditor(s) so long as their number does not fall below the number required by laws and is recognized not to deteriorate the duties of the other Statutory Auditors.

Article 32. (Election of Statutory Auditors)

1. Statutory Auditors shall be elected at a General Meeting of Shareholders.
2. Resolutions for the election of Statutory Auditors shall be adopted by a majority of the votes of the shareholders present at a General Meeting of Shareholders, a quorum of which is one-third (1/3) or more of voting rights of the shareholders entitled to exercise voting rights.

Article 33. (Term of Office of Statutory Auditors)

1. The term of office of Statutory Auditors shall end at the closing of the Ordinary General Meeting of Shareholders convened for the latest fiscal year that closes within four (4) years after his/her election.
2. The term of office of a Statutory Auditor elected to fill the vacancy arising from the resignation of a Statutory Auditor prior to the expiration of his/her term shall be the same as the remaining term of the retiring Statutory Auditor.

Article 34. (Selection of Full-time Statutory Auditors)

The Board of Statutory Auditors shall appoint by its resolution full-time Statutory Auditor(s).

Article 35. (Statutory Auditors' Compensation)

Compensation payable to Statutory Auditors shall be determined by the General Meeting of Shareholders.



Article 36. (Reduction and Release of Liabilities of Auditors)

The Company may release any Statutory Auditor from its liabilities stipulated in Article 423, Paragraph 1 of the Companies Act, within the limitation provided in the Companies Act by a resolution of the Board of Directors where such Statutory Auditor performed his/her duties in good faith and without gross negligence in relation to such performance and such release is considered necessary in light of the cause of such liabilities, the manner of such performance and any other circumstances.

Article 37. (Liabilities Limitation Agreement with Statutory Auditors)

The Company may enter into an agreement with any Statutory Auditor which limits his/her liabilities to the amount equal to the higher of twenty million yen (Yen 20,000,000) and the amount aggregated by each Item of Article 425, Paragraph 1 of the Companies Act, with respect to the liabilities stipulated in Article 423, Paragraph 1 of the Companies Act, in case that such Statutory Auditor performed his/her duties in good faith and without gross negligence in relation to such performance.

Article 38. (Notice of Convocation of Meetings of the Board of Statutory Auditors)

Notice of convocation of meeting of the Board of Statutory Auditors shall be sent to every Statutory Auditor three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.

Article 39. (Regulation of the Board of Statutory Auditors)

Matters concerning the Board of Statutory Auditors shall be subject to the Regulations of the Board of Statutory Auditors adopted by the Board of Statutory Auditors.

## Chapter VI. Accounts

Article 40. (Fiscal Year)

The Company's fiscal year shall be one (1) year from April 1 of each year through March 31 of the next year.

Article 41. (Organ to Determine the Distribution of Retained Earnings)

The Board of Directors may determine the matters listed in each item of Article 459, Paragraph 1 of the Companies Act, including the distribution of retained earnings, unless otherwise stipulated by laws.

Article 42. (Record Date of the Distribution of Retained Earnings)

1. Dividends of retained earnings may be paid to the shareholders or pledgees of shares appearing or recorded on the latest Shareholder Registry as of March 31 of each year.
2. Dividends of retained earnings may be paid to the shareholders or pledgees of shares appearing or recorded on the latest Shareholder Registry as of September 30 of each year.
3. In addition to the preceding Paragraphs, the Company may distribute dividends of retained earnings with setting any other record date.

Article 43. (Limitation Period for Dividends)

Given that the dividends of retained earnings are monetary, should any dividends remain unclaimed for five (5) years from the date of commencement of payment, the Company shall be exempt from its duty to pay such payment.

(Supplementary Provisions)

Article 1

1. The change from current Article 14 of the Articles of Incorporation (Internet Disclosure of Reference Document for the General Meeting of Shareholders and Deemed Provision) to the proposed amendment to Article 14 of the Articles of Incorporation (Measures for Providing Information in Electronic Format, etc.) shall be effective on September 1, 2022 (the "Date of Enforcement").
2. Notwithstanding the provisions of the preceding paragraph, current Article 14 of the Articles of Incorporation (Internet Disclosure of Reference Document for the General Meeting of Shareholders and Deemed Provision) shall remain effective with regard to any General Meeting of Shareholders held on a date within six months from the Date of Enforcement.
3. This Supplementary Provision shall be automatically deleted on the date when six months have passed from the Date of Enforcement, or when three months have passed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever comes later.

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