

(TRANSLATION)

## **Articles of Incorporation**

**SHINSHO CORPORATION**

## CHAPTER I. GENERAL PROVISIONS

### Article 1 (Trade Name)

The trade name of the Company shall be "Shinko Shoji Kabushiki Kaisha," and "Shinsho Corporation" in English.

### Article 2 (Purpose)

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

- 1) Sale and purchase and export and import of the following articles:
  - (a) Iron, steel and nonferrous materials, semi-finished products and finished products made from the same, and main and auxiliary raw materials for the same
  - (b) Various ores, mineral products, and fuels, and various high-pressure gasses, liquefied petroleum gasses, and containers for the same
  - (c) Industrial machinery, construction machinery, chemical machinery, machine tools, various types of transportation machinery, electric machinery and appliances, optical instruments, tools, meters, and medical machinery and appliances
  - (d) Semiconductor devices, integrated circuits, electronic application apparatus, and parts of the same
  - (e) Industrial chemical products, chemical products, medical and pharmaceutical products, poisonous substances, hazardous substances, and explosives
  - (f) Various materials for civil engineering and construction
  - (g) Foods, alcoholic beverages and other beverages, feed, fertilizers, fats and oils, animals and plants, agricultural products, marine products, forest products, livestock products, and processed goods made from the same
  - (h) Sporting goods

- 2) Development, production, manufacture, and processing of the preceding articles;
- 3) Design, supervision, and contracting of construction work;
- 4) Design, manufacture, installation, repair, and leasing of industrial machinery and other machinery and equipment, etc., and sales and guidance of technology and information thereon;
- 5) Provision of electricity and other energy;
- 6) Sale and purchase and leasing of real property, and brokerage and administration thereof;
- 7) Development and utilization of land and water resources, residential land developments, and landscape gardening and tree planting;
- 8) Leasing of movable property and real property;
- 9) Management and leasing of cultural facilities and facilities for physical training, tourism, entertainment, and lodging;
- 10) Sale and purchase of artworks and antiques;
- 11) Warehousing business;
- 12) Land transportation, marine transportation, and airborne transportation, agency thereof, and travel agency;
- 13) Stock-farming, aquaculture, forestry;
- 14) Information processing, information provision, and other information services, telecommunication, broadcasting, and advertising;
- 15) Worker dispatch;
- 16) Treatment of general and industrial waste, and sale of recycled products thereof;
- 17) Wholesale business, intermediary business, and agency of the preceding items;
- 18) Casualty insurance agency, insurance agency under the Automobile Liability Security Act, and other insurance agency;
- 19) Money lending, exchange transactions, debt guarantee, sale and purchase

of claims, possession, sale, purchase, and management of securities and other financial business, and possession, administration, and disposal of real property and movable property covering mortgages, pledges, and other security rights relating to these financial transactions;

20) Acquisition, planning, usage, lending, and distribution of industrial property rights, copyrights, and other intangible property rights, know-how, systems engineering, and other software; and

21) Any and all businesses relating or incidental to the preceding items.

#### Article 3 (Location of Head Office)

The head office of the Company shall be located in Osaka City.

#### Article 4 (Organs)

The Company shall establish the following organs in addition to the General Meeting of Shareholders and Directors:

- 1) Board of Directors;
- 2) Audit & Supervisory Board Members;
- 3) Audit & Supervisory Board; and
- 4) Accounting Auditor.

#### Article 5 (Method of Public Notice)

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 Nihon Keizai Shimbun.

## CHAPTER II. SHARES

### Article 6 (Total Number of Shares Authorized)

The total number of shares the Company is authorized to issue shall be twenty-seven million (27,000,000).

### Article 7 (Acquisition of the Company's Own Shares)

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

### Article 8 (Number of Shares per Trading Unit)

The number of shares per trading unit of the Company shall be one hundred (100).

### Article 9 (Restriction on Rights with Respect to Shares of Less than One Trading Unit)

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

- 1) The rights specified in the items of Article 189, Paragraph 2 of the Companies Act
- 2) The right to receive share subscriptions or the allotment of stock acquisition rights in proportion to the number of shares held by the shareholder.

### Article 10 (Shareholder Registry Administrator)

The Company shall have a shareholder registry administrator for the shares of the Company.

2. The shareholder registry administrator and its services corporation shall be

designated by resolution of the Board of Directors of the Company, and public notice of the designation shall be issued by the Company.

3. The preparation and retention of the shareholder registry and the ledger of stock acquisition rights of the Company, as well as any other business with respect to the shareholder registry and the ledger of stock acquisition rights of the Company, shall be entrusted to the shareholder registry administrator and shall not be handled by the Company.

#### Article 11 (Share Handling Regulations)

Handling and charges pertaining to the shares and stock acquisition rights 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

#### Article 12 (Convocation)

The Ordinary General Meeting of Shareholders of the Company shall be convened in June of each year and an Extraordinary General Meeting of Shareholders shall be convened if necessary.

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

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

#### Article 14 (Person Authorized to Convene the Meeting and Act as Chairman)

The President and CEO shall convene and chair the General Meeting of Shareholders of the Company.

2. If the President and CEO is unable to convene and chair the General Meeting of

Shareholders, another Director, determined in accordance with an order of priority resolved in advance by the Board of Directors, shall convene and chair the General Meeting of Shareholders.

#### Article 15 (Measures to Provide Information in Electronic Format)

The Company shall electronically provide information contained in reference documents and other documents for the general meeting of shareholders in convening the general meeting of shareholders.

2. Among information to be provided electronically, the Company reserves the right to exclude, in whole or in part, any or all of the information set forth by the Ordinance of the Ministry of Justice in the documents to be delivered to shareholders who have requested delivery of hardcopies of documents by the record date for voting rights.

#### Article 16 (Method for Adopting Resolutions at the General Meeting of Shareholders)

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.

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.

#### Article 17 (Exercise of Voting Rights by Proxy)

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

2. In this case, the shareholder or the 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

### Article 18 (Number of Directors)

The number of Directors of the Company shall not exceed twelve (12).

### Article 19 (Method for the Election of Directors)

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.

### Article 20 (Election of Representative Directors and Executive Directors)

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 CEO, and several Executive Vice Presidents, Senior Executive Directors, and Executive Directors.

### Article 21 (Division of Duties of Executive Directors)

The President and CEO shall supervise the affairs of the Company.

2. Executive Vice Presidents, Senior Executive Directors, and Executive Directors shall assist the President and CEO and conduct the daily affairs of the Company. If the President and CEO is unable to execute his/her duties, another Director, determined in accordance with an order of priority resolved in advance by the Board of Directors, shall act in his/her place.

### Article 22 (Term of Office of Directors)

The term of office of a Director shall expire upon conclusion of the Ordinary



General Meeting of Shareholders held with respect to the last business year ending within one (1) year from his/her election.

#### Article 23 (Remuneration, etc. of Directors)

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.

#### Article 24 (Notice of Convocation of the Board of Directors Meeting)

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.

2. When the consent of all Directors and Audit & Supervisory Board Members is obtained in advance, a Board of Directors meeting may be held without following the procedures for convening a meeting.

#### Article 25 (Person Authorized to Convene the Meeting and Act as Chairman)

Except as otherwise provided by laws and regulations, the President and CEO shall convene and chair the Board of Directors meeting.

2. If the President and CEO is unable to convene and chair the Board of Directors meeting, another Director, determined in accordance with an order of priority resolved in advance by the Board of Directors, shall convene and chair the Board of Directors meeting.

#### Article 26 (Method for Adopting Resolutions of the Board of Directors)

Resolutions of the Board of Directors shall be adopted by a majority of the Directors in attendance who constitute a majority of the total number of Directors.

Article 27 (Omission of the Procedure for Adopting Resolutions of the Board of Directors)

The Company shall, if all Directors express their consent in writing or by electromagnetic means to a matter to be resolved by the Board of Directors, deem that the matter has been approved and resolved by the Board of Directors; provided, however, that this shall not apply if the Audit & Supervisory Board Member expresses any objection thereto.

Article 28 (Exemption of the Liabilities of Directors)

Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Directors (including former Directors) from liability for damages arising from negligence in the performance of their duties, to the extent permitted by laws and regulations.

2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with each of the Directors (excluding Directors who execute business operations, etc.) to limit the liability of such Director for damages arising from negligence in the performance of his/her duties; provided, however, that the limit of the liability under the agreement shall be the minimum liability amount set by laws and regulations.

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

Article 29 (Number of Audit & Supervisory Board Members)

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

Article 30 (Method for the Election of Audit & Supervisory Board Members)

Audit & Supervisory Board Members of the Company shall be elected at a

General Meeting of Shareholders.

2. A resolution for the 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.

#### Article 31 (Term of Office of Audit & Supervisory Board Members)

The term of office of an Audit & Supervisory Board Member shall expire upon conclusion of the Ordinary General Meeting of Shareholders held with respect to the last business 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 caused by the retirement of an Audit & Supervisory Board Member prior to the expiry of his/her term of office shall be the same as the remaining term of office of the retired Audit & Supervisory Board Member.

#### Article 32 (Standing Audit & Supervisory Board Members)

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

#### Article 33 (Remuneration, etc. of Audit & Supervisory Board Members)

The remuneration, etc. of Audit & Supervisory Board Members shall be determined by resolution of the General Meeting of Shareholders.

#### Article 34 (Notice of Convocation of the Audit & Supervisory Board Meeting)

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.

2. When the consent of all Audit & Supervisory Board Members is obtained in advance, an Audit & Supervisory Board meeting may be held without following

the procedures for convening a meeting.

Article 35 (Method for Adopting Resolutions of the Audit & Supervisory Board)

Except as otherwise provided by laws and regulations, resolutions of the Audit & Supervisory Board shall be adopted by a majority of Audit & Supervisory Board Members.

Article 36 (Exemption of the Liabilities of Audit & Supervisory Board Members)

Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages arising from negligence in the performance of their duties, to the extent permitted by laws and regulations.

2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with each of the Audit & Supervisory Board Members to limit the liability of such Audit & Supervisory Board Member for damages arising from negligence in the performance of his/her duties; provided, however, that the limit of the liability under the agreement shall be the minimum liability amount set by laws and regulations.

## CHAPTER VI. ACCOUNTS

Article 37 (Business Year)

The business year of the Company shall commence on April 1 of each year and end on March 31 of the following year.

Article 38 (Decision-making Organization with respect to Distribution of Surplus, etc.)

Except as otherwise provided by laws and regulations, the matters specified in each item of Article 459, Paragraph 1 of the Companies Act, including distribution

of surplus, shall be determined by resolution not of the General Meeting of Shareholders but of the Board of Directors of the Company.

#### Article 39 (Interim Dividend)

The Company may, by resolution of the Board of Directors, pay interim dividend.

#### Article 40 (Record Date for Distribution of Surplus)

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

2. The record date for the interim dividend of the Company shall be September 30 of each year.
3. In addition to the preceding two paragraphs, the Company may distribute surplus by specifying any other record date.

#### Article 41 (Expiration Period for Distribution of Surplus)

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.

### SUPPLEMENTARY PROVISIONS

#### Article 1 (Transitional Measure for Electronically Providing Documents for the General Meeting of Shareholders)

The deletion of the Article 15 (Disclosure on Internet and Deemed Provision of Reference Documents for General Meetings of Shareholders and Related Documents) in the pre-amended Articles of Incorporation and the establishment of the new Article 15 (Measures to Provide Information in Electronic Format) shall

take effect from the date of the enforcement (Enforcement Date) stipulated in the Article 1 proviso of the supplementary provisions to the Act Partially Amending the Companies Act (Act No. 70 of 2019).

2. Notwithstanding the provisions in the preceding paragraph, the Article 15 (Disclosure on Internet and Deemed Provision of Reference Documents for General Meetings of Shareholders and Related Documents) shall have effect for a General Meeting of Shareholders held within six months of the Enforcement Date.
3. These provisions shall be deleted after whichever comes later of the date on which six months have passed since the Enforcement Date or the date on which three months have passed since the date on which the General Meeting of Shareholders in the preceding paragraph is held.

