

# **Articles of Incorporation**

**NAGASE&CO., LTD.**

## Chapter 1 General Provisions

### Article 1. (Trade Name)

The Company's trade name shall be Nagase Sangyo Kabushikigaisha.

2. In English, it shall be called NAGASE & CO., LTD.

### Article 2. (Purpose)

The purpose of the Company shall be to engage in the following businesses.

1. Imports, exports, purchases, sales, wholesaling and agency business in respect of the following goods.  
Chemicals, chemical products, petroleum products, plastics and plastic products, movie materials, photographic materials, magnetic products, miscellaneous electronic products and materials, machinery, equipment and devices, abrasive materials, textile products, leathers, paper, paper products, toys, personal ornaments, sundries, lumber, construction materials, steel, nonferrous metals, precious metals, precious stones, mining products, food additives, animal feed additives, foods, alcoholic drinks, fresh flowers, plants.
2. Imports, exports, purchases, sales, processing and manufacturing in respect of the following goods.  
Chemical agents, pharmaceuticals, quasi-drugs, cosmetics, medical devices, plastics, agrochemicals, toxic-substances and hazardous products, preservatives for beverages, high-pressure gases, bicycle parts, scooter parts, agricultural, livestock and marine products, fertilizers, feeds and their raw materials, enzymes, food additives, veterinary medicines and medical devices for animals.
3. Construction work, telecommunications construction work, painting work, plumbing work, installation of machinery and equipment, interior finishing work, tiling, brick and block work, and landscape gardening work.
4. Purchases, sales, leasing, rental, intermediation and management of real estate, and management of parking lots.
5. Leasing of movables and intermediation in leasing and rentals.
6. Publishing.
7. Design, manufacture, installation work, subcontracting and broking in connection with various kinds of machinery, equipment and devices.
8. Purchases and sales of measuring instruments.
9. Acquisition, planning, development, preservation, use and intermediation of industrial property rights, copyright and other intangible property rights, know-how, system engineering, etc.
10. Development and sales of computer software.
11. Financing.
12. Holding, trading and investment of negotiable securities.
13. Management of sports facilities.
14. General travel business and travel agency business.

15. Temporary worker business.
16. Management of food service establishments.
17. Trading in, and commissioned sales of, used goods.
18. Any businesses incidental and related to the above items.

Article 3. (Head Office)

The Company's Head Office shall be located in Osaka City.

Article 4. (Establishment of Bodies)

The Company shall have a Board of Directors, Company Auditors, a Board of Auditors, and Accounting Auditors.

Article 5. (Public Notices)

The Company's public notices shall be made by electronic means. However, if incidents or other unavoidable circumstances occur that prevent electronic notifications from being made, notifications shall be placed in the Nihon Keizai Shimbun.

## Chapter 2 Shares

Article 6. (Total Number of Shares Authorized)

The total number of shares that the Company is authorized to issue is 346,980,000.

Article 7. (Number of shares constituting a unit of stock and requests for sale of odd lots of shares)

The number of shares constituting a unit of stock shall be one hundred (100).

2. A shareholder holding an odd lot of shares may request that the Company sell to the shareholder such amount of shares that will, when added together with the odd lot of shares, constitute a unit of stock.

Article 8. (Administrator of Shareholders' Register)

The Company shall have an administrator of the shareholders' register.

Article 9. (Stock Handling Regulations)

Procedures related to the Company's shares shall be governed by the Stock Handling Regulations stipulated by the Board of Directors.

## Chapter 3 General Meeting of Shareholders

Article 10. (Date of Record)

The shareholders entitled to exercise their rights at the Company's regular general meeting of shareholders shall be those shareholders recorded in the shareholders' register as at March 31 of each year.

Article 11. (Convocation)

The Company's regular general meeting of shareholders shall be convened in June each year.

2. The Company's general meetings of shareholders shall be convened at the location of the Head Office, or in Chuo-ku, Tokyo, or a venue in the vicinity of these locations.

Article 12. (Parties with the Right to Convene and Chairman)

The President shall convene and act as chairman of the Company's general meetings of shareholders. If the President is prevented from attending, his place shall be taken by another Director selected according to the order of priority stipulated in advance by the Board of Directors.

Article 13. (Resolutions)

Resolutions of the Company's general meetings of shareholders shall be decided by a majority of the voting rights of the shareholders present, except where laws and ordinances or the Articles of Incorporation make stipulations to the contrary.

2. To adopt a resolution at the shareholders' meeting in accordance with Article 309 Section 2 of the Companies Act, the attendance of shareholders holding not less than one-third of the voting rights of shareholders entitled to exercise their voting rights and votes of not less than two-thirds thereof shall be required.

Article 14. (Disclosure of Reference and Other Materials via the Internet)

In accordance with orders of the Ministry of Justice, the Company may disclose on the Internet any information on matters that are to be entered or recorded in reference materials for the general meetings of shareholders, accounting documents, consolidated accounting documents, and business reports.

Article 15. (Exercise of Proxy Voting Rights)

Shareholders may exercise the voting rights of one other shareholder holding Company voting rights by acting as that shareholder's proxy. In such cases, the shareholder or proxy holder must submit written evidence of the right of proxy to the Company.

## Chapter 4 Directors and the Board of Directors

Article 16. (Number of Directors)

The Company shall have up to 12 Directors.

Article 17. (Election of Directors)

To elect a director of the Company, the attendance of shareholders holding not less than one-third of the voting rights of shareholders entitled to exercise their rights and

votes of a majority thereof shall be required.

2. Cumulative voting shall not be used to elect Company Directors.

Article 18. (Term of Office of Directors)

The terms of office of Company Directors shall extend to the conclusion of the regular general meeting of shareholders pertaining to the final fiscal year ending within one year of their election.

Article 19. (Ranking Directors and Representative Directors)

The Board of Directors may appoint a Chairman, Vice Chairman, President, Vice President, Senior Managing Director and Managing Director by resolution.

2. The Director(s) representing the Company shall be appointed from among the Company Directors by the Board of Directors.

Article 20. (Convener and Chairman of Board of Directors' Meetings)

Notification of convocation of meetings of the Company's Board of Directors shall be issued to each Director and Auditor at least three days prior to the meeting. However, this notice may be made closer to the date of the meeting when urgency is necessary.

2. The role of convener and chairman of Board of Directors' meetings shall be filled by the Chairman or the President in that order of priority. When the convener and chairman is otherwise engaged, his place shall be taken by another convener and chairman in accordance with the order of priority stipulated by the Board of Directors.
3. Where separate stipulations exist in laws and ordinances, another Director or Auditor may convene and chair meetings of the Board of Directors.
4. If a director proposes any item for resolution by the Board of Directors, the item shall be deemed an approved resolution of the Board of Directors if all of the Directors entitled to participate in the resolution indicate their agreement by written or electro-magnetic record and none of the Auditors raises an objection.

Article 21. (Board of Directors' Regulations)

Matters relating to the Company's Board of Directors shall be governed by the Board of Directors' Regulations stipulated by the Board of Directors as well as the stipulations of laws and ordinances and the Articles of Incorporation.

## Chapter 5 Auditors and the Board of Auditors

Article 22. (Number of Auditors)

The Company shall have up to five Auditors.

Article 23. (Election of Auditors)

To elect an auditor of the company, the attendance of shareholders holding not less than one-third of the voting rights of shareholders entitled to exercise their rights and

votes of a majority thereof shall be required.

Article 24. (Term of Office of Auditors)

The terms of office of Company Auditors shall extend to the conclusion of the regular general meeting of shareholders pertaining to the final fiscal year ending within four years of their election.

2. The term of office of an Auditor elected to fill a vacancy left by an Auditor retiring before his term of office expires shall extend for the remainder of his predecessors' term of office.

Article 25. (Standing Auditor)

The Board of Auditors shall appoint a Standing Auditor from among the Company's Auditors.

Article 26. (Convocation of Board of Auditors' Meetings)

Notification of convocation of meetings of the Company's Board of Auditors shall be issued to each Auditor at least three days prior to the meeting. However, this notice may be made closer to the date of the meeting when urgency is necessary.

Article 27. (Board of Auditors' Regulations)

Matters relating to the Company's Board of Auditors shall be governed by the Board of Auditors' Regulations stipulated by the Board of Auditors as well as the stipulations of laws and ordinances and the Articles of Incorporation.

## Chapter 6 Release from Liability of Directors and Auditors

Article 28. (Partial Release from Liability for Damages)

In accordance with resolutions of the Board of Directors, the Company may, to the extent permitted by laws and ordinances, release Company Directors (including former Company Directors) and Company Auditors (including former Company Auditors) from any liability to the Company for damages.

2. The Company may conclude agreements with Outside Directors and Outside Auditors regarding liability to the Company for damages. However, such liability for damages shall be limited to amounts stipulated by laws and ordinances.

## Chapter 7 Calculations

Article 29. (Fiscal Year)

The Company's fiscal year shall last from April 1 each year to March 31 the following year.

Article 30. (Distribution of Retained Earnings)

In accordance with resolutions of the general meeting of shareholders, the Company

may pay a year-end dividend to shareholders and registered stock pledgees recorded in the shareholders' register as at the final day of each fiscal year.

2. In addition to the previous item, the Company may, in accordance with resolutions of the general meeting of shareholders, pay an interim dividend to shareholders and registered stock pledgees recorded in the shareholders' register as at September 30 of each year

Article 31. (Share Repurchases)

In accordance with resolutions of the Board of Directors, the Company may repurchase shares of its stock in open-market transactions or by other similar means.

Article 32. (Period of Limitations on Dividends)

If a year-end or interim dividend has not been claimed after three full years have elapsed from the date of payment, the Company is exempted from the obligation to pay that dividend

Revised May 30, 1964  
Revised May 21, 1965  
Revised May 23, 1966  
Revised May 29, 1968  
Revised May 28, 1969  
Revised May 28, 1970  
Revised May 27, 1971  
Revised May 30, 1973  
Revised May 29, 1975  
Revised June 28, 1979  
Revised June 28, 1982  
Revised June 25, 1987  
Revised June 29, 1989  
Revised June 28, 1990  
Revised June 27, 1991  
Revised June 29, 1994  
Revised June 26, 1998  
Revised June 29, 1999  
Revised June 29, 2000  
Revised June 28, 2001  
Revised June 27, 2002  
Revised June 27, 2003  
Revised June 29, 2004  
Revised June 28, 2006  
Revised June 25, 2009  
Revised April 1, 2011  
Revised June 24, 2015