

ARTICLES OF INCORPORATION

< Translation >

KURARAY CO., LTD.

**ARTICLES OF INCORPORATION
OF
KURARAY CO., LTD.**

CHAPTER I. GENERAL PROVISIONS

Article 1. (Trade Name)

The name of the Company shall be “*Kabushiki-Kaisha KURARAY*” and shall be expressed in English as “KURARAY CO., LTD.”

Article 2. (Purpose)

The purpose of the Company shall be to carry out the following businesses:

1. R&D, Manufacture, processing, sale, purchase, import and export of each of the following products, and raw materials therefor and by-products thereof:
 - (1) Synthetic fibers, man-made leather, hook- and- loop fasteners, nonwoven fabrics and industrial fiber products;
 - (2) Synthetic resins, synthetic rubbers, films, plastics, composite materials and various other chemical products and products related thereto;
 - (3) Adhesives, paint, dyestuffs and pigments, fertilizers, industrial chemicals, agrochemicals, aromatics and cosmetics, foodstuffs, feeding stuff and feed additives and various other chemical industrial products and products related thereto;
 - (4) Water treatment membranes, wastewater treatment equipment, activated carbon, and various other products related to environmental improvement ;
 - (5) Dental materials, medical materials, medical devices, medical equipment, pharmaceuticals, quasi-pharmaceuticals, and various other healthcare products;
 - (6) Textile machinery, chemical machinery, electrical appliances, electronic equipment, data processing units, medical equipment and various other machinery, instruments and equipment;
 - (7) Rubber products for industrial use and various other rubber products;
 - (8) Materials for civil engineering and building;
 - (9) Furniture, jewelry and accessories, goods for leisure use and various sundries; and
2. Designing and contracting for construction works;
3. Purchase, sale, lease, management and utilization of real estate;
4. Development, sale and purchase of data processing systems and communication systems;
5. Rendering of home care services;
6. Management of facilities for sports and leisure;
7. Fee-based job placement service for managers and worker dispatch service;
8. Financial business, non-life insurance agency business and life insurance

- agency business;
9. General accounting service and cash handling service;
 10. Corporate personnel service, including payroll accounting, benefit package, recruiting, education and training;
 11. Forwarding agency and warehousing business;
 12. Transportation and treatment of industrial waste;
 13. General travel business and travel agency business;
 14. Business of issuing environment measurement certificates;
 15. Development and utilization of energy resources, ocean resources and other natural resources;
 16. Sale and purchase of technology and information relating to each of the preceding items and consulting service relating thereto;
 17. Investment in various fields of businesses; and
 18. Any and all business incidental to each of the preceding items and transactions and any act in connection with or appertaining to the businesses provided for in the preceding items.

Article 3. (Location of Head Office)

The Company shall have its head office in Kurashiki, Okayama.

Article 4. (Establishment of Organizations)

The Company shall have following organizations:

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

Article 5. (Method of Public Notice)

The method of public notices of the Company shall be electronic public notice; provided, however, that if the Company is prevented from using an electronic public notice because of an accident or any other unavoidable reason, public notices of the Company shall be made in the *Nihon Keizai Shimbun*.

CHAPTER II. SHARES

Article 6. (Total Number of Shares Authorized to be Issued)

The total number of shares authorized to be issued by the Company shall be one billion (1,000,000,000) shares.

Article 7. (Acquisition of Company's Own Shares)

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

Article 8. (Number of Shares Constituting One Share Unit ("Tangen"))

The number of shares constituting one share unit ("Tangen") shall be one hundred (100) shares.

Article 9. (Limitation of Rights for Shares not Constituting One Share Unit)

Shareholders of the Company may not exercise any rights in respect of shares not constituting one share unit except for the following rights:

- (1) Rights set forth in each item of Article 189, Paragraph 2 of the Companies Act;
- (2) Rights to receive the allotment of offered shares and offered share acquisition rights in proportion to the number of shares held by the shareholder; and
- (3) Rights to make a request provided for in the immediately following Article.

Article 10. (Request for Sale of Additional Shares for Shares not Constituting One Share Unit)

A shareholder holding shares not constituting one share unit may request the Company to sell such number of shares as, when aggregated with the number of shares not constituting one share unit held by such shareholder, will constitute one share unit.

Article 11. (Administrator of Shareholder Registry)

The Company shall have an administrator of shareholder registry.

2. The administrator of shareholder registry and its place of business shall be designated by a resolution of the Board of Directors, and shall be announced by public notice.

3. The preparation and custody of the shareholder registry and the registry of share acquisition rights of the Company and other matters relating to the shareholder registry and the registry of share acquisition rights of the Company shall be entrusted to the administrator of shareholder registry.

Article 12. (Share Handling Regulations)

In addition to the provisions of this Chapter, any matters relating to the shares of the Company shall be governed by the Share Handling Regulations established by the Board of Directors.

CHAPTER III. GENERAL MEETING OF SHAREHOLDERS

Article 13. (Convocation of General Meeting of Shareholders)

The ordinary general meeting of shareholders shall be convened in March of each year, and an extraordinary general meeting of shareholders may be convened whenever necessary.

2. A general meeting of shareholders shall be convened in Osaka, Tokyo or Okayama.

Article 14. (Record Date of Ordinary General Meeting of Shareholders)

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

Article 15. (Convener and Chairperson of General Meeting of Shareholders)

A Director determined in advance by the Board of Directors shall convene a general meeting of shareholders and act as chairperson thereof.

2. If the said Director is prevented from so acting, one of the other Directors shall convene the general meeting of shareholders and act as chairperson thereof in the order of priority determined in advance by the Board of Directors.

Article 16. (Measures for Electronic Provision, Etc.)

In convening a general meeting of shareholders, the Company shall provide information contained in the reference documents for the general meeting of shareholders, etc. electronically as set forth in Article 325-2 of the Companies Act.

2. Among the matters to be provided electronically, the Company is not required to state all or part of the matters set forth in the Ordinance of Ministry of Justice in the paper copies it delivers to shareholders who have requested it by the record date for voting rights as set forth in Article 325-5 of the Companies Act.

Article 17. (Method of Resolution at General Meeting of Shareholders)

Unless otherwise provided for by laws and regulations or the Articles of Incorporation, resolutions of a general meeting of shareholders shall be adopted by a majority of the votes of the attending shareholders regardless of any quorum requirements.

2. Resolutions of a general meeting of shareholders provided for in Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds (2/3) or more of the votes of the attending shareholders, who hold one-third (1/3) or more of the votes of the shareholders entitled to exercise their votes.

Article 18. (Exercise of Votes by Proxy)

Any shareholder or its statutory agent may exercise its votes by proxy, who shall be another shareholder having votes of the Company.

2. In case of the preceding paragraph, a shareholder or proxy shall submit to the Company a document evidencing the authority of a proxy at each general meeting of shareholders.

CHAPTER IV. DIRECTORS AND BOARD OF DIRECTORS

Article 19. (Number)

The Company shall have not more than twelve (12) Directors.

Article 20. (Election)

Directors shall be elected at a general meeting of shareholders. A resolution for election of Directors shall be adopted by a majority of the votes of the attending shareholders, who hold one-third (1/3) or more of the votes of the shareholders entitled to exercise their votes.

2. Election of Directors shall not be made by cumulative voting.

Article 21. (Term of Office)

The term of office of a Director shall expire at the close of the ordinary general meeting of shareholders for the last business year ending within one (1) year after his or her election.

Article 22. (Compensation, etc.)

Compensation, bonuses and other financial benefits (hereinafter referred to as "Compensation, etc.") which Directors receive from the Company in consideration of execution of their duties shall be determined by a resolution of a general meeting of shareholders.

Article 23. (Notice of Convocation of Meeting of Board of Directors)

A notice of convocation of a meeting of the Board of Directors shall be dispatched to each Director and each Member of Audit & Supervisory Board at least three (3) days prior to the date of the meeting; provided, however, that in urgent cases such period may be shortened.

Article 24. (Omission of Resolution of Board of Directors)

In case a Director submits a proposal with respect to a matter that requires a resolution at a meeting of the Board of Directors and all Directors express their consent to such proposal in writing or by means of electromagnetic records, a resolution to approve such proposal shall be deemed to have been adopted at a meeting of the Board of Directors unless any Member of Audit & Supervisory Board states its objection thereto.

Article 25. (Regulations of Board of Directors)

Matters concerning the Board of Directors shall be governed by the Regulations of the Board of Directors established by the Board of Directors unless otherwise provided for by laws and regulations or the Articles of Incorporation.

Article 26. (Representative Director and Titled Directors)

The Board of Directors shall, by its resolution, appoint one (1) or more Representative Director(s) from Directors.

2. The Board of Directors shall, by its resolution, appoint one (1) President from Directors or Executive Officers.

3. The Board of Directors may, by its resolution, appoint from Directors one (1) or more Director(s) titled Chairman, Vice Chairman, Vice President, and such other titles as may be determined by the Board of Directors.

Article 27. (Executive Officers)

The Board of Directors may, by its resolution, elect Executive Officers and have them assign the execution of operations of the Company.

Article 28. (Contracts for Limitation of Liability for Directors)

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with Directors (excluding Executive Directors, etc.) which limit their liability arising out of negligence of their duties; provided, however, that the maximum liability amount limited by such contracts shall be the amount stipulated in laws and regulations.

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

Article 29. (Number)

The Company shall have not more than five (5) Members of Audit & Supervisory

Board.

Article 30. (Election)

Members of Audit & Supervisory Board shall be elected at a general meeting of shareholders. A resolution for election of Members of Audit & Supervisory Board shall be adopted by a majority of the votes of the attending shareholders, who hold one-third (1/3) or more of the votes of the shareholders entitled to exercise their votes.

Article 31. (Term of Office)

The term of office of a Member of Audit & Supervisory Board shall expire at the close of the ordinary general meeting of shareholders for the last business year ending within four (4) years after his or her election.

Article 32. (Compensation, etc.)

Compensation, etc. of Members of Audit & Supervisory Board shall be determined by a resolution of a general meeting of shareholders.

Article 33. (Notice of Convocation of Meeting of Audit & Supervisory Board)

A notice of convocation of a meeting of the Audit & Supervisory Board shall be dispatched to each Member of Audit & Supervisory Board at least three (3) days prior to the date of the meeting; provided, however, that in urgent cases this period may be shortened.

Article 34. (Regulations of Audit & Supervisory Board)

Matters concerning the Audit & Supervisory Board shall be governed by the Regulations of the Audit & Supervisory Board established by the Audit & Supervisory Board unless otherwise provided for by laws and regulations or the Articles of Incorporation.

Article 35. (Contracts for Limitation of Liability of Members of Audit & Supervisory Board)

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into the contracts with Members of Audit & Supervisory Board which limit the liability arising out of negligence of their duties; provided, however, that the maximum liability amount limited by such contracts shall be the amount stipulated in laws and regulations.

CHAPTER VI. ACCOUNTS

Article 36. (Business Year)

The business year of the Company shall be from January 1 to December 31 of each year.

Article 37. (Record Date of Dividends of Surplus)

The Company may, by a resolution of the general meeting of shareholders, pay year-end dividends to the shareholders, setting a record date as of December 31 of each year.

Article 38. (Interim Dividends)

The Company may, by a resolution of the Board of Directors, pay interim dividends to shareholders, setting a record date as of June 30 of each year.

Article 39. (Expiration Period for Dividends)

In case property distributed as dividends is cash, if dividends remain unclaimed by shareholders for three (3) full years from the date of commencement of payment thereof, the Company shall be released from all obligations for the payment thereof.

- Concluded -

Established: June 24, 1926
Last Amended: March 24, 2022