

(Translation)

# Articles of Incorporation

(As amended on June 26, 2018)

**DOWA HOLDINGS CO.,LTD.**

(Translation)

## **Chapter I General Provisions**

### **Article 1: Company Name**

The Company shall be called *DOWA HOLDINGS Kabushiki Kaisha*, and, in English DOWA HOLDINGS CO., LTD.

### **Article 2: Purpose**

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

- (1) Mining
- (2) Smelting and refining, and metal processing
- (3) Chemical industry
- (4) Electronic material manufacturing
- (5) Manufacture of pollution prevention equipment, conveying machinery, hydraulic machinery, and other machinery
- (6) Ceramic industry and building material manufacturing
- (7) Geothermal development and electric businesses
- (8) Disposal of industrial and other general waste
- (9) Agriculture, forestry, fisheries, and quarrying, as well as incidental processing and sales
- (10) Local railway operation, general transport with automobiles, freight forwarding with trucks, port cargo transportation, and marine transportation
- (11) Real estate ownership, transactions, leasing, brokerage, and management
- (12) Operation of sports and amusement facilities
- (13) Acquisition of securities, other investment, cash loans, and debt guarantee
- (14) Undertaking of civil engineering and construction work, landfill, and land reclamation
- (15) Warehousing
- (16) Control and management of business by holding shares of companies operating any of the businesses specified in the preceding items
- (17) Business related to those specified in the preceding items

### **Article 3: Location of Head Office**

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

### **Article 4: Organs**

In addition to the General Meeting of Shareholders and Directors, the Company shall have:

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

**Article 5: Method of Public Notice**

Public notices of the Company shall be made through electronic public notice. If electronic public notice cannot be provided due to accidents or other unavoidable circumstances, public notices 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 two hundred million (200,000,000) shares.

**Article 7: Number of Shares Constituting One Unit**

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

**Article 8: Rights with respect to Shares Constituting Less Than One Unit**

1. A shareholder may exercise only the rights specified below with respect to his/her shares constituting less than one unit.
  - (1) The rights prescribed in the provisions of paragraph 2 of Article 189 of the Companies Act
  - (2) The right to make requests to the Company pursuant to paragraph 1 of Article 166 of the Companies Act
  - (3) The right to receive share subscription or to receive allotment of stock acquisition rights in accordance with the number of shares held by the shareholder
2. A shareholder who has shares constituting less than one unit may request the Company to sell to him/her such number of shares as, together with the shares constituting less than one unit held by him/her, would constitute one unit of shares in accordance with the Share Handling Regulations.

**Article 9: Shareholder Registry Administrator**

1. The Company shall have a shareholder registry administrator.
2. The shareholder registry administrator and its business office shall be selected and determined by a resolution of the Board of Directors and public notice shall be given of such matters.
3. Preparation and retention of the register of shareholders of the Company, as well as any other business with respect to the register of shareholders of the Company, shall be entrusted to the shareholder registry administrator and shall not be handled by the Company.

**Article 10: Share Handling Regulations**

The proceedings concerning share handling and fees therefor, and the way in which shareholders exercise their rights towards the Company shall be governed by laws and regulations, these Articles of Incorporation, and the Share Handling Regulations determined by the Board of Directors.

### **Chapter III General Meeting of Shareholders**

#### **Article 11: Record Date**

The record date with respect to voting rights exercisable at an Annual General Meeting of Shareholders of the Company shall be March 31 of each year.

#### **Article 12: Convocation**

An Annual General Meeting of Shareholders of the Company shall be convened in June in each year, and Extraordinary General Meeting of Shareholders shall be convened whenever necessary.

#### **Article 13: Disclosure through the Internet of the Reference Documents for the General Meeting of Shareholders, etc., and the Deemed Provision of Information**

The Company shall be deemed to have provided the shareholders with the necessary information with respect to the matters to be stated or indicated in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Financial Statements and the Consolidated Financial Statements, by disclosing such information through the Internet in accordance with the ordinance of the Ministry of Justice.

#### **Article 14: Chairperson**

The President and Director shall preside over the General Meeting of Shareholders. In case there is a vacancy for the President and Director or he/she is unable to attend, another Director shall act in his/her place in the order previously determined by the Board of Directors.

#### **Article 15: Method of Resolution and Quorum**

Except as otherwise provided by laws and regulations or by these Articles of Incorporation, all resolutions at the General Meeting of Shareholders shall be adopted by a majority of the votes of the shareholders with voting rights present.

#### **Article 16: Exercise of Voting Rights by Proxy**

A shareholder may exercise his or her voting rights by appointing one (1) other shareholder as his/her proxy; provided, however, that the shareholder or the proxy shall submit a letter of proxy on each occasion the General Meeting of Shareholders is held.

#### **Article 17: Minutes of Meeting**

The proceedings and the results of the General Meeting of Shareholders shall be recorded in the minutes of the meeting. Such minutes shall be stored at the Company after the chairperson and the Directors present affix their names and seals to the minutes.

## **Chapter IV Directors and Board of Directors**

### **Article 18: Number of Directors**

The Company shall have no more than thirteen (13) Directors.

### **Article 19: Election**

1. Directors of the Company shall be elected by a General Meeting of Shareholders.
2. Resolutions for the election of Directors shall be adopted at a General Meeting of Shareholders where shareholders holding one-third (1/3) or more of the total number of voting rights of shareholders with voting rights shall be present, by a majority vote of the shareholders present.
3. No cumulative voting shall be used for the election of Directors.

### **Article 20: Term of Office**

The term of office of Directors shall expire at the close of an Annual General Meeting of Shareholders relating to the last Fiscal Year ending within one (1) year after their election to office.

### **Article 21: Representative Directors**

The Company shall appoint Representative Directors in accordance with a resolution adopted by the Board of Directors.

### **Article 22: Representative Directors and Directors with Specific Titles**

The Company may appoint one (1) Chairperson and Director, one (1) President and Director, and several Vice Presidents and Directors, Senior Managing Directors, and Managing Directors.

### **Article 23: Convener and Chairperson**

Meetings of the Board of Directors shall be convened by the Chairperson and Director who shall preside over the meetings. In case there is a vacancy for the Chairperson and Director or he/she is unable to attend such chairpersonship shall be assumed by the President and Director and, in case there is a vacancy for the President and Director or he/she is unable to attend, by another Director selected in accordance with the order predetermined by the Board of Directors.

### **Article 24: Notice of Convocation**

1. Notice for convening a meeting of the Board of Directors shall be dispatched to each Director and each Audit & Supervisory Board Member three (3) days prior to the date of the meeting; provided, however, that such period of notice may be shortened in case of urgency.
2. A meeting of the Board of Directors may take place without the convocation process if the consent of all the

Directors and Audit & Supervisory Board Members is obtained.

**Article 25: Omission of Resolution of the Board of Directors**

The Company shall be deemed to have adopted a resolution of the Board of Directors if the requirements stipulated in Article 370 of the Companies Act are fulfilled.

**Article 26: Minutes of Meeting**

The proceedings and the results of the meeting of Board of Directors shall be recorded in the minutes of the meeting. Such minutes shall be stored at the Company after the chairperson, the Directors and the Audit & Supervisory Board Members present affix their names and seals to the minutes.

**Article 27: Regulations on the Board of Directors**

The matters regarding the Board of Directors shall be governed by laws and regulations, these Articles of Incorporation, and the Regulations on the Board of Directors determined by the Board of Directors.

**Article 28: Counselors and Advisors**

The Company may appoint counselors and advisors in accordance with resolution adopted by the Board of Directors.

**Article 29: Exemption from Liabilities of Directors**

1. The Company, pursuant to the provisions of paragraph 1 of Article 426 of the Companies Act, may, by a resolution of the Board of Directors, exempt the Directors (including those are Former Directors) from liability for damages resulting from failure to perform their duties to the extent permitted by laws and regulations.
2. The Company, pursuant to the provisions of paragraph 1 of Article 427 of the Companies Act, may enter into agreements with the Directors (excluding those are Executive Director, etc.) which adopt the amount stipulated by laws and regulations as the limit of the liabilities resulting from failure to perform their duties.

**Chapter V Audit & Supervisory Board Members and Audit & Supervisory Board**

**Article 30: Number of Audit & Supervisory Board Members**

The Company shall have no more than five (5) Audit & Supervisory Board Members.

**Article 31: Election**

1. Audit & Supervisory Board Members of the Company shall be elected by a General Meeting of Shareholders.
2. Resolutions for the election of Audit & Supervisory Board Members shall be adopted at a General Meeting of Shareholders where shareholders holding one-third (1/3) or more of the total number of voting rights of shareholders with voting rights shall be present, by a majority of the votes of the shareholders present.

**Article 32: Term of Office**

1. The term of office of Audit & Supervisory Board Members shall expire at the close of an Annual General Meeting of Shareholders relating to the last Fiscal Year ending within four (4) years after their election to office.
2. The term of office of an Audit & Supervisory Board Member elected as a substitute or a substitute Audit & Supervisory Board Member to fill a vacancy created by an Audit & Supervisory Board Member who resigned before the end of his/her term of office shall expire at such time as the term of office of his/her predecessor would expire.

**Article 33: Standing Audit & Supervisory Board Members**

The Audit & Supervisory Board shall appoint standing Audit & Supervisory Board Members by its resolution.

**Article 34: Notice of Convocation**

1. Notice for convening a meeting of the Audit & Supervisory Board shall be dispatched to each Audit & Supervisory Board Member three (3) days prior to the date of the meeting; provided, however, that such period of notice may be shortened in case of urgency.
2. A meeting of the Audit & Supervisory Board may take place without the convocation process if the consent of all the Audit & Supervisory Board Members is obtained.

**Article 35: Minutes of Meeting**

The proceedings and the results of the meeting of Audit & Supervisory Board shall be recorded in the minutes of the meeting. Such minutes shall be stored at the Company after the Audit & Supervisory Board Members present affix their names and seals to the minutes.

**Article 36: Regulations on the Audit & Supervisory Board**

The matters regarding the Audit & Supervisory Board shall be governed by laws and regulations, these Articles of Incorporation, and the Regulations on the Audit & Supervisory Board determined by the Audit & Supervisory Board.

**Article 37: Exemption from Liabilities of Audit & Supervisory Board Members**

1. The Company, pursuant to the provisions of paragraph 1 of Article 426 of the Companies Act, may, by a resolution of the Board of Directors, exempt the Audit & Supervisory Board Members (including those are Former Audit & Supervisory Board Members) from liability for damages resulting from failure to perform their duties to the extent permitted by laws and regulations.
2. The Company, pursuant to the provisions of paragraph 1 of Article 427 of the Companies Act, may enter into agreements with the Audit & Supervisory Board Members which adopt the amount stipulated by laws and regulations as the limit of the liabilities resulting from failure to perform their duties.

## **Chapter VI Accounts**

### **Article 38: Fiscal Year**

The Fiscal Year of the Company shall be one (1) year, commencing on April 1 of each year and ending on March 31 of the following year.

### **Article 39: Decision-Making Organ on Dividends of Surplus**

The Company shall determine the matters, including dividends of surplus, specified in the provisions in paragraph 1 of Article 459 of the Companies Act by a resolution of the Board of Directors unless otherwise stipulated by laws and regulations.

### **Article 40: Record Date for Dividends of Surplus**

1. The record date of the Company for year-end dividends shall be March 31 of each year.
2. Notwithstanding the preceding paragraph, the Company may set a record date to pay dividends of surplus.

### **Article 41: Time Limitation for Dividend Property**

If any year-end dividend or any other dividend is not received within three (3) full years from the day such dividend became due and payable, the Company shall be relieved of the obligation to pay such dividend.