

Articles of Incorporation

March 2, 2023

Hanwa Co., Ltd.

3-9, Fushimi-machi 4-chome, Chuo-ku, Osaka

CHAPTER I. GENERAL PROVISIONS

Article 1. (Trade name)

The trade name of the Company shall be “Hanwa Kogyo Kabushiki Kaisha,” and shall be “Hanwa Co., Ltd.” in English.

Article 2. (Purpose)

The Company engages in diversified businesses such as the sale and purchase, mediation, agency, wholesaling, importing and exporting, development, production, manufacturing, processing and repair, maintenance, administration, testing, letting, leasing, rental, and installation contracting of goods, resources, etc. as well as the logistics business, provision of various services, etc. in wide-ranging fields including steel, non-ferrous metal materials, foods, petroleum and chemicals, machinery, and lumber.

2. The businesses in the preceding paragraph include the businesses of the following items, consulting work relating thereto, and any and all businesses incidental or relating to the items.

- 1) Businesses relating to all kinds of steel products made from ordinary steel, including steel bars, shaped steel, steel plates and sheets, wire rods, rails, and steel pipes and tubes, as well as secondary and tertiary steel products, special steel, and casting and forgings
- 2) Businesses relating to pig iron, semi-finished products, busheled iron, raw materials for iron manufacture such as scrap iron, alloy iron, ore and coal, and indirect materials for iron manufacture
- 3) Businesses relating to copper, lead, zinc, tin, aluminum, the base metals of nickel, chrome and rare metals, etc., alloys, and products composed of or generated from the foregoing
- 4) Businesses relating to iron manufacture, workmanship, civil engineering and mining, agriculture and forestry, electricity, industrial chemistry, vessels, other machinery, weighing and measuring instruments, and tools
- 5) Businesses relating to petroleum, high-pressure gas and by-products of high-pressure gas, industrial chemicals, poisonous substances, chemicals, various textile materials

- and products of textile materials, and other general sundries
- 6) Businesses relating to cement, lumber and lumber products, household appliances, and other construction materials
 - 7) Businesses relating to agricultural products, marine products, forest products, livestock products, natural products, alcoholic beverages and other foods and drinks, and feed and feed products
 - 8) Businesses relating to computers and computer-related equipment, industrial robots, telecommunication tools and equipment, office machines, and system software for the foregoing
 - 9) Businesses relating to pearls, jewels, precious metals, and goods processed from the foregoing
 - 10) Businesses relating to papermaking stock, pulp, and papers and goods processed from the foregoing
 - 11) Businesses relating to parts and accessories for automobiles and other transportation machines
 - 12) Businesses relating to raw materials for solar cells and solar cell products
 - 13) Design, supervision, and contracting businesses for construction and civil engineering works
 - 14) Businesses relating to design, manufacture, repair, installation, administration, and demolition of warships and other vessels, railroad cars, boilers, bridges, cableways, dams, and various other structures and machines, and contracting businesses for the same
 - 15) Non-life insurance agency business, life insurance solicitation business, computation agency business, transport and warehousing business, and consigned freight forwarding business
 - 16) Businesses relating to electricity generation, electricity, and the provision of heat
 - 17) Worker dispatch business under the Worker Dispatching Act
 - 18) Investment and management of securities, the purchase of various monetary claims, exchange transactions, and various other financial businesses
 - 19) Letting, leasing, and rental of iron, industrial machinery, transportation equipment, office machines and information equipment, and brokerage for the same
 - 20) Businesses relating to used goods

- 21) Collection, transportation, disposal, and recycling of industrial wastes and non-industrial wastes, and contracting business for the same
- 22) Businesses relating to real estate
- 23) Management of hotels, inns and other tourist facilities, restaurants, and sports and leisure facilities, and general travel business, travel agency, and advertising business

Article 3. (Location of head office)

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

Article 4. (Establishment of organs)

The Company shall establish the following organs in addition to the general shareholders meeting and directors:

- 1) Board of directors
- 2) Corporate auditors
- 3) Board of corporate auditors
- 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, public notices of the Company shall be issued by publication in the Nikkei.

CHAPTER II. SHARES

Article 6. (Total number of shares authorized to be issued)

The total number of shares the Company is authorized to issue shall be one hundred and fourteen million (114,000,000).

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 through market trading, etc., in accordance with Article 165, Paragraph 2 of the Companies Act.

Article 8. (Number of shares constituting one unit of stock)

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

Article 9. (Shareholders rights with respect to shares of less than one 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 unit he/she holds.

- 1) The rights specified in the items of Article 189, Paragraph 2 of the Companies Act
- 2) The right to make requests to the Company as set forth in Article 166, Paragraph 1 of the Companies Act
- 3) The right to receive share subscriptions or the allotment of stock acquisition rights in proportion to the number of shares held by the shareholder
- 4) The right to make the request to the Company provided for in the following article

Article 10. (Request for sale from holder of shares of less than one unit)

A shareholder of the Company who holds shares of less than one unit may, in accordance with the provisions of the Share Handling Regulations, submit to the Company a demand that the Company sell to the shareholder such number of shares which, together with the number of the shares of less than one unit held by the shareholder, will constitute one unit of stock.

Article 11. (Transfer agent)

The Company shall have a transfer agent for the shares of the Company.

2. The transfer agent and its service office shall be designated by resolution of the board of directors, and a public notice of the designation shall be issued by the Company.
3. The preparation and retention of the shareholders register and the ledger of stock acquisition rights of the Company, as well as any other operations with respect to the shareholders register and the ledger of stock acquisition rights of the Company, shall be entrusted to the transfer agent and shall not be handled by the Company.

Article 12. (Share handling regulations)

Handling pertaining to shares 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 SHAREHOLDERS MEETING

Article 13. (Convocation)

The ordinary general shareholders meeting of the Company shall be convened in June of each year and an extraordinary general shareholders meeting shall be convened whenever necessary.

Article 14. (Record date for the ordinary general shareholders meeting)

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

Article 15. (Person authorized to convene the ordinary general shareholders meeting and act as chairman)

Except as otherwise provided by laws and regulations, a director and president of the Company shall convene the general shareholders meeting based on a resolution of the board of directors and shall act as the chairman thereof. If the director and president is prevented from so doing or the position is vacant, a substitute shall convene such general meeting and shall act as chairman in an order of priority determined by the board of directors.

Article 16. (Exercise of voting rights by proxy)

A shareholder may exercise his/her voting rights at a general shareholders meeting by authorizing one (1) other shareholder holding voting rights for the relevant general shareholders meeting to act as his/her proxy; provided, however, that the shareholder or proxy shall submit to the Company a document evidencing the proxy's power of representation in the form prescribed by the Company for each general shareholders meeting.

Article 17. (Method for adopting resolutions)

Except as otherwise provided by laws and regulations or by these Articles of Incorporation, resolutions of a general shareholders meeting shall be adopted by a majority of votes of the shareholders in attendance entitled to exercise voting rights.

2. Resolutions at the general shareholders meeting to be adopted in accordance with 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 18. (Measures for electronic provision of reference materials for general shareholders meetings, etc.)

The Company shall, when convening the general shareholders meeting, electronically provide information contained in the reference materials for the general shareholders meeting, business reports, non-consolidated financial statements, and consolidated financial statements.

2. Of the matters to which electronic provision measures apply, the Company shall not need to include all or part of matters stipulated in the Ordinance of the Ministry of Justice in the physical documents provided to shareholders who made requests for provision of physical documents by the record date for voting rights.

CHAPTER IV. DIRECTORS AND BOARD OF DIRECTORS

Article 19. (Number of directors)

The number of directors of the Company shall not exceed twenty-five (25).

Article 20. (Election of directors)

Directors shall be elected at the general shareholders meeting.

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; provided, however, that no cumulative voting shall be used for the election of directors.

Article 21. (Term of office of director)

The term of office of a director shall expire at the conclusion of the ordinary general shareholders meeting held with respect to the last business year ending within one (1) year from his/her election. The term of office of a director elected to fill a vacancy as a substitute or to increase the number of directors shall be the same as the remaining term of office of the incumbent directors in office.

Article 22. (Election of representative directors and directors with special titles, and entrustment of advisors and special advisors)

The board of directors shall, by resolution, elect representative directors.

2. The board of directors may, by resolution, appoint a director and chairman, director and vice chairman, and director and president.
3. The board of directors may, by resolution, entrust advisors and special advisors.

Article 23. (Method for adopting resolutions at the board of directors meetings)

Resolutions at the board of directors meetings shall be adopted by a majority vote of the directors in attendance who constitute a majority of the total number of directors.

2. When the requirements provided for in Article 370 of the Companies Act are satisfied, a matter to be resolved by the board of directors shall be deemed to have been adopted by a resolution of the board of directors of the Company.

Article 24. (Convocation of the board of directors meeting)

A notice of convocation of a board of directors meeting shall be issued to each director and corporate auditor at least three (3) days before the meeting; provided, however, that such period may be shortened in the event of urgency.

Article 25. (Board of directors regulations)

Except as otherwise provided by laws and regulations or by these Articles of Incorporation, matters concerning the board of directors shall be governed by the Board of Directors Regulations adopted or amended by the board of directors.

Article 26. (Exemption from liability of directors)

In accordance with 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 specified by Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations.

2. In accordance with Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with directors (excluding those who are executive directors, etc.), limiting their liability for damages specified by Article 423, Paragraph 1 of the Companies Act; provided, however, that the maximum amount of liability under such agreement follows the provisions of the laws and regulations.

Article 27. (Election of executive officers)

The board of directors may, by resolution, appoint executive officers and assign the execution of a portion of the Company's operations to them.

2. Matters relating to executive officers, in addition to those prescribed in these Articles of Incorporation, shall be in accordance with the Executive Officers Regulations adopted or amended by the board of directors.

CHAPTER V. CORPORATE AUDITORS, BOARD OF CORPORATE AUDITORS AND ACCOUNTING AUDITOR

Article 28. (Number of corporate auditors)

The number of corporate auditors of the Company shall not exceed five (5).

Article 29. (Election of corporate auditors)

Corporate auditors shall be elected at the general shareholders meeting.

2. A resolution for the election of corporate auditors 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. In accordance with Article 329, Paragraph 3 of the Companies Act, the Company may elect substitute corporate auditors at its general shareholders meeting in order to prepare for cases where the number of corporate auditors falls short of the number stipulated by laws and regulations.
4. The valid period of the resolution of election of substitute corporate auditors set forth in the preceding paragraph shall expire at the beginning of the ordinary general shareholders meeting held with respect to the last business year ending within 4 years after the resolution.

Article 30. (Term of office of corporate auditors)

The term of office of a corporate auditor shall expire at the conclusion of the ordinary general shareholders meeting held with respect to the last business year ending within 4 years from his/her election to office. The term of office of a corporate auditor elected as a substitute shall be the remaining term of office of the retired corporate auditor; provided, however, that in a case where a substitute corporate auditor appointed under Paragraph 3 of the preceding article assumes the office of corporate auditor, the term of office of such corporate auditor shall not exceed the conclusion of the ordinary general shareholders meeting held with respect to the last business year ending within 4 years from his/her election.

Article 31. (Standing corporate auditors and full-time corporate auditors)

The board of corporate auditors shall, by resolution, elect standing corporate auditors from among the corporate auditors.

2. The board of corporate auditors may, by resolution, separately elect full-time corporate auditors from among the corporate auditors.

Article 32. (Convocation of the board of corporate auditors)

A notice of convocation of a board of corporate auditors meeting shall be issued to each corporate auditor at least three (3) days before the meeting; provided, however, that such period may be shortened in the event of urgency.

Article 33. (Board of corporate auditors regulations)

Except as otherwise provided by laws and regulations or by these Articles of Incorporation, matters concerning the board of corporate auditors shall be governed by the Board of Corporate Auditors Regulations adopted or amended by the board of corporate auditors.

Article 34. (Exemption from liability of corporate auditors)

In accordance with Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the board of directors, exempt corporate auditors (including former corporate auditors) from liability for damages specified by Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations.

2. In accordance with Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with corporate auditors, limiting their liability for damages specified by Article 423, Paragraph 1 of the Companies Act; provided, however, that the maximum amount of liability under such agreement follows the provisions of the laws and regulations.

Article 35. (Exemption from liability of accounting auditors)

In accordance with Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the board of directors, exempt accounting auditor (including former accounting auditor) from liability for damages specified by Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations.

2. In accordance with Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with accounting auditor, limiting his/her liability for damages specified by Article 423, Paragraph 1 of the Companies Act; provided, however, that the maximum amount of liability under such agreement follows the provisions of the laws and regulations.

CHAPTER VI. ACCOUNTS

Article 36. (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 37. (Record date for distribution of surplus)

The Company may, by resolution of the general shareholders meeting, distribute year-end dividends with the record date of March 31 each year.

2. In addition to the distribution set forth in the preceding paragraph, the Company may, by resolution of the board of directors, distribute interim dividends with the record date of September 30 each year.

Article 38. (Expiration period for distribution of dividends)

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.

Revised on March 2, 2023