

[TRANSLATION]

ARTICLES OF INCORPORATION

**IDEMITSU KOSAN KABUSHIKI KAISHA
(IDEMITSU KOSAN CO.,LTD.)**

Established on 2 March, 1940
Amended on 22 November, 1951
Amended on 25 May, 1954
Amended on 6 September, 1954
Amended on 25 May, 1955
Amended on 25 November, 1955
Amended on 28 March, 1957
Amended on 25 May, 1957
Amended on 11 March, 1960
Amended on 25 May, 1960
Amended on 1 July, 1960
Amended on 25 August, 1961
Amended on 25 February, 1963
Amended on 25 July, 1963
Amended on 14 February, 1964
Amended on 1 September, 1966
Amended on 25 November, 1966
Amended on 26 May, 1967
Amended on 1 August, 1967
Amended on 21 January, 1972
Amended on 14 March, 1972
Amended on 30 May, 1975
Amended on 29 June, 1976
Amended on 23 March, 1977
Amended on 29 June, 1982
Amended on 28 June, 1983
Amended on 30 June, 1987
Amended on 26 June, 1990
Amended on 25 June, 1991
Amended on 28 June, 1994
Amended on 23 June, 1998
Amended on 29 June, 1999
Amended on 23 May, 2000
Amended on 5 March, 2002
Amended on 25 June, 2002
Amended on 24 June, 2003
Amended on 1 August, 2004
Amended on 28 June, 2005
Amended on 25 October, 2005
Amended on 27 June, 2006
Amended on 26 June, 2009
Amended on 1 January, 2014
Amended on 26 June, 2014
Amended on 1 April, 2019

[TRANSLATION]
**ARTICLES OF INCORPORATION
OF
IDEMITSU KOSAN KABUSHIKI KAISHA
(IDEMITSU KOSAN CO.,LTD.)**

CHAPTER 1. GENERAL PROVISIONS

Article 1. *(Corporate Name)*

The name of this company shall be IDEMITSU KOSAN KABUSHIKI KAISHA, and be written in English as “Idemitsu Kosan Co.,Ltd.”

Article 2. *(Purposes)*

The purposes of this company shall be to engage in the following business:

- (1) Refining of petroleum and manufacture of other oils and fats,
- (2) Manufacture of petrochemical products,
- (3) Exploration for, development and exploitation of petroleum, coal, geothermal energy and other minerals,
- (4) Manufacture of medicine, agricultural chemicals, agricultural materials and other chemicals,
- (5) Development, manufacture and sale of electronic materials,
- (6) Export, import, sale and storage of all kinds of products relating to any of the foregoing and construction related thereto,
- (7) Manufacture, processing, sale, purchase, transportation, export and import of the following products;
 - a. Petrochemical products including ethylene, propylene, benzene and toluene, synthetic resins, synthetic resins processed products and chemicals,
 - b. Fertilizer, fodder, fodder additives, food and food additives,
 - c. Various materials for construction, building and housing,
 - d. Various materials for agriculture, forestry, animal husbandry and fishery, and
 - e. Various materials used for logistics including loading, transportation and packing,
- (8) Engineering, construction, manufacture, sale and purchase of equipment and facility used for chemical industry and environment protection,
- (9) Manufacture, sale, purchase and lease of synthetic resins processing machines,
- (10) Technology licensing and providing technical services relating to the above-mentioned items,
- (11) Supply of electricity,

- (12) Warehouse business,
- (13) Marine transportation business,
- (14) Let and charter of vessels,
- (15) Sale, let and lease and management of real estate,
- (16) Sale, purchase and exhibition of the works of art and publication of artistic books,
- (17) Development, sale and consultation related to computer software, and
- (18) Any business other than the foregoing.

Article 3. *(Location of the Head Office)*

The head office of this company shall be located in Chiyoda-ku, Tokyo, Japan.

Article 4. *(Corporate Organs)*

This company shall have the following organs as well as the General Meetings of Shareholders and Directors:

- (1) Board of Directors,
- (2) Audit & Supervisory Board Members (hereinafter "ASB Members"),
- (3) Audit & Supervisory Board, and
- (4) Accounting Auditors.

Article 5. *(Method of Public Notices)*

Public notices to be given by this company shall be electronic public notices, provided however that, in the event that this company is unable to give electronic public notice due to accident or any other unavoidable cause, public notices may be placed in the Nihon Keizai Shimbun.

CHAPTER 2. SHARES

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

The total number of shares authorized to be issued by this company shall be four hundred and thirty-six million (436,000,000) shares.

Article 7. *(Number of Shares Constituting One Unit of Shares and Non-issuance of Share Certificates Representing Fractional Unit Shares)*

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

Article 8. *(Rights of Shareholders Holding Fractional Unit Shares)*

A shareholder of this company shall not exercise any rights for its

fractional unit of shares other than the rights as shown hereunder:

- (1) Rights provided in Article 189, Paragraph 2 of the Company Act (Act No. 86 of 2006),
- (2) Rights to claim as provided in Article 166, Paragraph 1 of the Company Act,
- (3) Rights to receive allotment of owner invited shares and owner invited stock acquisition rights, and
- (4) Rights to claim as provided in Article 9 hereof.

Article 9. *(Additional Purchase of Fractional Unit Shares)*

A shareholder holding a fractional unit of shares of this company, pursuant to the procedures provided in the regulations of share handling, may request this company for sale of a fractional unit of the number of shares which, in combination with the fractional unit of shares held by said shareholder holding a fractional unit of shares, would result in the number of shares per unit.

Article 10. *(Transfer Agent)*

1. This company shall appoint a Transfer Agent.
2. The Transfer Agent and its handling office shall be designated by a resolution of the Board of Directors and shall be announced by public notices.
3. The administration issues and custody of the Register of Shareholders, the Register of Stock Acquisition Rights of this company and any other issues relating thereto shall be entrusted to the Transfer Agent and this company itself shall not implement these issues.

Article 11. *(Regulations of Share Handling)*

The business pertaining to shares of this company and fees therefor shall be governed by, in addition to the provisions of law and the provisions provided herein, the regulations of share handling adopted by a resolution of the Board of Directors.

CHAPTER 3. GENERAL MEETINGS OF SHAREHOLDERS

Article 12. *(Convocation)*

1. An ordinary general meeting of shareholders shall be convened in the month of June each year, and an extraordinary general meeting of shareholders may be convened from time to time whenever necessary.
2. General meetings of shareholders of this company shall be held within the special wards of Tokyo.

Article 13. *(Record Date of Ordinary General Meeting of Shareholders)*

This company shall deem any shareholder having voting rights as appearing on the Register of Shareholders as of 31 March each year to be a shareholder who is entitled to exercise voting rights at the ordinary general meeting of shareholders for that particular year.

Article 14. *(Convening of Meetings and Chairperson)*

1. The director appointed by the Board of Directors shall convene and act as chairperson at all general meetings of shareholders.
2. In the event that the director prescribed in the preceding paragraph is unable to convene or act, another director shall convene or act as chairperson at the relevant general meeting of shareholders in accordance with the order predetermined by the Board of Directors, as the case may be.

Article 15. *(Internet Disclosure and Deemed Delivery of Reference Documents, etc. for General Meetings of Shareholders)*

In convening a general meeting of shareholders, this company may deem to have delivered to its shareholders reference documents for general meetings, business reports, financial statements, and consolidated financial statements by way of disclosure of information to be stated or indicated in such documents through the internet pursuant to the Ordinance of the Ministry of Justice.

Article 16. *(Method of Resolution)*

1. Except as otherwise provided for in laws or ordinances or this Articles of Incorporation, all resolutions at a general meeting of shareholders shall be adopted by a majority of all the voting rights held by the shareholders who are present thereat having voting rights therefor.
2. The resolutions set forth in Article 309, Paragraph 2 of the Company Act shall be adopted by two-thirds (2/3) or more of the voting rights held by the shareholders present. The quorum of such general meeting of shareholders shall be constituted by one-thirds (1/3) or more of the voting rights held by all the shareholders which have voting rights therefor.

Article 17. *(Exercise of Voting Right by Proxy)*

1. A shareholder may exercise his or her voting rights by one (1) proxy who shall be a shareholder of this company.
2. The shareholder or the proxy thereof shall submit to this company a document certifying the authority of the proxy to act as such at each general meeting of shareholders.

CHAPTER 4. DIRECTORS AND BOARD OF DIRECTORS

Article 18. *(Number of Directors)*

The number of directors of this company shall not be more than twenty (20).

Article 19. *(Method of Appointment)*

1. Directors shall be appointed by a resolution at a general meeting of shareholders which shall be adopted by a majority of all the voting rights of the shareholders who are present thereat having voting rights therefor. The quorum of such general meeting of shareholders shall be constituted by one-thirds (1/3) or more of the voting rights held by all the shareholders.
2. No director shall be appointed by cumulative voting.

Article 20. *(Term of Office)*

The term of office of a director shall expire upon conclusion of the ordinary general meeting of shareholders to be held for the last business year ending within one (1) year after his or her appointment.

Article 21. *(Representative Directors and Titled Directors)*

1. Representative Directors of this company shall be elected by a resolution of the Board of Directors.
2. One (1) each of Chairman and Chief Executive Officer (hereinafter "CEO"), one or more Executive Vice-Presidents, Senior Managing Directors, Managing Directors and other Titled Directors may be elected by a resolution of the Board of Directors.

Article 22. *(Convening of Meetings and Chairperson)*

1. The director appointed by the Board of Directors shall convene and act as chairperson at the meetings of the Board of Directors.
2. In the event that the director prescribed in the preceding paragraph is unable to convene or act, another director shall convene or act as chairperson at the relevant meeting of the Board of Directors in accordance with the order predetermined by the Board of Directors, as the case may be.

Article 23. *(Notice of Convocation)*

1. Notice of convening a meeting of the Board of Directors shall be given to each director and each ASB Member at least three (3) days prior to the day of such meeting, provided however that in case of emergency such period may be shortened.
2. In case all directors and ASB Members shall have consented, a

meeting of the Board of Directors may be held without the convocation procedure stipulated herein.

Article 24. *(Deemed Resolution of the Board of Directors)*

This company shall deem that a resolution of the Board of Directors has been adopted where the requirements stipulated in Article 370 of the Company Act are satisfied.

Article 25. *(Regulations of the Board of Directors)*

All matters concerning the Board of Directors shall be governed by laws or ordinances, this Articles of Incorporation or the Regulations of the Board of Directors adopted by the Board of Directors.

Article 26. *(Remuneration, etc.)*

Remuneration, bonuses or any other benefit of a proprietary nature to be received by the director from this company as a compensation for his or her performance of duties (hereinafter referred to as “Remuneration, etc.”) shall be determined by a resolution of a general meeting of shareholders.

Article 27. *(Limitation of Liability of Directors)*

According to Article 426, Paragraph 1 of the Company Act, this company may exempt a director (including a person used to be a director) from his or her liability regarding damages arising from the negligence in performing his or her duties as a director up to the amount that may be exempted pursuant to laws or ordinances by a resolution of the Board of Directors.

2. According to Article 427, Paragraph 1 of the Company Act, this company may make an agreement with director(s) (excluding those who are Executive Directors etc.) to exempt the director from his or her liability regarding damages arising from the negligence in performing his or her duties as a director, provided however that the limitation of the liability thereof shall be up to the amount that is prescribed in laws or ordinances.

CHAPTER 5. ASB MEMBERS AND AUDIT & SUPERVISORY BOARD

Article 28. *(Number of ASB Members)*

The number of ASB Members of this company shall not be more than six (6).

Article 29. *(Method of Appointment)*

ASB Members shall be appointed by a resolution at a general meeting

of shareholders which shall be adopted by a majority of all the voting rights of the shareholders who are present having voting rights therefor. The quorum of such general meeting of shareholders shall be constituted by one-thirds (1/3) or more of the voting rights held by all the shareholders.

Article 30. *(Term of Office)*

1. The term of office of a ASB Member shall expire upon conclusion of the ordinary general meeting of shareholders to be held for the last business year ending within four (4) years after his or her appointment .
2. The term of office of a ASB Member appointed to fill the vacancy of the ASB Member who has retired from office prior to expiration of his or her term of office shall be up to the time of expiration of the term of office of the retiring ASB Member.

Article 31. *(Full-time ASB Members)*

One or more full-time ASB Members shall be elected by a resolution of the Audit & Supervisory Board.

Article 32. *(Notice of Convocation)*

1. Notice of convening a meeting of the Audit & Supervisory Board shall be given to each ASB Members at least three (3) days prior to the day of such meeting, provided however that in case of emergency such period may be shortened.
2. In case that all ASB Members shall have consented, a meeting of the Audit & Supervisory Board may be held without the convocation procedure provided herein.

Article 33. *(Regulations of the Audit & Supervisory Board)*

All matters concerning the Audit & Supervisory Board shall be governed by laws or ordinances, this Articles of Incorporation or the Regulations of the Audit & Supervisory Board adopted by the Audit & Supervisory Board.

Article 34. *(Remuneration, etc.)*

Remuneration, etc. to a ASB Member shall be determined by a resolution of a general meeting of shareholders.

Article 35. *(Limitation of Liability of ASB Members)*

1. According to Article 426, Paragraph 1 of the Company Act, this company may exempt a ASB Member (including a person used to be a ASB Member) from his or her liability regarding damages arising

from the negligence in performing his or her duties as a ASB Member up to the amount that may be exempted pursuant to laws or ordinances by a resolution of the Board of Directors.

2. According to Article 427, Paragraph 1 of the Company Act, this company may make an agreement with ASB Member(s) to exempt the ASB Member from his or her liability regarding damages arising from the negligence in performing his or her duties as a ASB Member, provided however that the limitation of the liability thereof shall be up to the amount that is prescribed in laws or ordinances.

CHAPTER 6. ACCOUNTING

Article 36. *(Business Year)*

The business year of this company shall be one (1) year commencing on 1 April and ending on 31 March next year.

Article 37. *(Organ to Determine Dividends from Surplus)*

Unless otherwise prescribed in laws or ordinances, this company may determine the matters provided for in the items of Article 459, Paragraph 1 of the Company Act by a resolution of the Board of Directors.

Article 38. *(Record Date of Dividends from Surplus)*

1. The record date for the year end dividends shall be 31 March each year.
2. The record date for the interim dividends shall be 30 September each year.
3. In addition to the above 2 paragraphs, this company may determine a record date and distribute dividends from surplus.

Article 39. *(Prescription Period for Payment of Dividends)*

In case that the dividends form surplus are to be distributed in monetary payments, this company shall be released from its obligation to distribute the dividends from surplus if such distribution has not been received for a period of more than three (3) years from the date of the commencement thereof.