

Articles of Incorporation  
of  
The Foundation for Global Children,  
Public Interest Incorporated Foundation

Chapter 1 General

Article 1 (Name)

This juridical person shall be named as “Sekai Kodomo Zaidan” in Japanese and “the Foundation for Global Children” in English.

Article 2 (Offices)

1. The head office of this juridical person shall be located at Oiso-machi, Naka-gun, Kanagawa Prefecture, JAPAN.
2. This juridical person shall be able to set a sub-office(s) in a necessary place(s) with a resolution by the board of directors. Any change and/or abolishment shall be made in the same way.

Chapter 2 Objectives and Activities

Article 3 (Objective)

This juridical person shall aim at the objective of supporting children and youth eager to struggle for their future although facing difficulties, and also of contributing to their sound development, so that they can become members of the “KYOSEI” Society where everybody can live in harmony.

Article 4 (Activities)

1. This juridical person shall undertake the following activities to achieve the objective stated under the Article above:
  - ① Support children and youth affected by disasters
  - ② Support children and youth in improving their educational, hygiene, and medical environment
  - ③ Support children and youth in promoting their international understanding and sound development

- ④ Support children and youth for their social independence
  - ⑤ Undertake necessary activities for the accomplishment of the above
2. The activities stated under the Paragraph above shall be done in both Japan and overseas.

### Chapter 3 Property and Accounting

#### Article 5 (Primary Property)

1. The property designated as primary property by the board of directors shall be used to run the activities to achieve the objective of this juridical person.
2. This juridical person shall make necessary efforts to maintain and manage the primary property properly. In case of disposition of a part of the primary property or transfer to another account, the approval from the board of directors and councilors are required.

#### Article 6 (Fiscal Year)

The fiscal year of this juridical person shall commence on January 1<sup>st</sup> and end on December 31<sup>st</sup> every year.

#### Article 7 (Business plan, budget, etc.)

1. The business plan, budget and so on (papers covering business plan, planned revenue and expenditure, outlook of fund raising) shall be prepared by the representative director until one day prior to the start of each fiscal year and then shall be approved by the board of directors. The same shall be required for modifications, too.
2. The papers on the Paragraph above shall be submitted to the Administrative Agency until one day prior to the start of each fiscal year.
3. This juridical person shall keep the papers on the Paragraph 1 above in all offices until the end of fiscal year and, the papers shall be opened to the public.

#### Article 8 (Business report and financial statement)

1. This juridical person shall work out a business report, financial papers and other documents after the closing of each financial year. The following documents shall be audited by auditors and approved by the board of directors.
  - (1) Business report
  - (2) Financial papers, including supplementary statement

- (3) A Balance Sheet (statement of changes in net assets)
  - (4) Profit-and-Loss statements
  - (5) Supplementary statements for the Balance Sheet and Profit-and-Loss statement
  - (6) Inventory of property
2. The items number 1, 3, 4, and 6 of approved documents under the Paragraph above shall be submitted to and approved by the board of councilors at its annual meeting.
  3. The documents in the Paragraph above and following documents shall be kept and opened to public for 5 years in the head office and 3 years in a sub-office(s). Articles of Incorporation shall be kept in all offices and opened to public.
    - (1) Audit reports
    - (2) List of directors, auditors, and councilors
    - (3) The document of the rules on remuneration and possible payments to directors, auditors, and councilors
    - (4) The document showing the outline of the organization and its operations as well as its most important numbers

Article 9 (The calculation of remaining amount of the public interest purposes acquired property)

The chairperson shall estimate the remaining amount of the public interest purpose acquired property every end of fiscal year according to the Article 48 in General Incorporated Foundation Law and shall state it in the document indicated in the Article 3 Paragraph 3-4 above.

#### Chapter 4 Councilors

Article 10 (Councilors)

1. This juridical person shall have three councilors or more, but not more than seven.
2. Out of the councilors, one shall be appointed to the chairperson by the board of councilors.

Article 11 (Appointment, etc.)

1. Councilors shall be appointed and/or dismissed by following the Article 179 to 195 in “General Incorporated Foundation Law” and the board of councilors.
2. The following requirements shall be met for appointment of councilors.
  - ( 1 ) The number of councilors with following conditions from A) to F) shall not exceed

one-third of total number of councilors.

- A) The spouse of the said councilor or his/her relative within the third degree
- B) A person in a relationship with the said councilor where a marital relationship is de facto, though a marriage has not been registered.
- C) Employee of the said councilor
- D) A person not under the condition from A) to C) but, who maintains his/her living by receiving money or other property from the said councilor
- E) A spouse of a person under the condition C) or D)
- F) A relative within third degree of a person under the condition from B) to E) and also sharing the same livelihood with him/her

( 2 ) The number of councilors, who belong to other similar organization (except public interest organization), and also meet the following conditions from A) to D), shall not exceed one-third of total number of councilors.

- A) Director
- B) Employee
- C) Executive of other similar organization , except director, (representative of non-juridical organization, including controller in case of the one appointing controller), or executive officer
- D) Employee in one of following organization (except a member of the National Diet or a legislator in local government)
  - ①. National Agency
  - ②. Local government
  - ③. Independent administrative agency under the Article 2, Paragraph 1 in the Act on General Rules for Incorporated Administrative Agency
  - ④. National university corporation under the Article 2, Paragraph 1 National University Corporation Act or Inter-University Research Institute Corporation under the Paragraph 3 in the same Article
  - ⑤. Local incorporated administrative agency under Article 2, Paragraph 1 in Local Incorporated Administrative Agency Act
  - ⑥. Special incorporated agency (this agency is specially established under the special act, in which the agency shall under the Article 4, Paragraph 15 in the Act for Establishment of the Ministry of Internal Affairs and Communications) or authorized corporation (established by special law and

authorized by government office at its establishment).

3. The chairperson of the board of councilors shall be appointed by the board of councilors.
4. Councilors shall not be, at the same time, the director, auditor, and / or employee of this juridical person.
5. In case of any change in councilors, it shall be registered and reported to administrative agency within two weeks without delay.

#### Article 12 (Authority)

Councilors shall organize the board of councilors, participate in resolutions of the board meeting of councilors stated under the Article 20, and exercise other rights and duty specified by laws and regulations related Articles.

#### Article 13 (Term of office)

1. The term of office of the councilor shall be till the closing of the annual board meeting to take place after the closing of the fiscal year which will end within four years after appointment. It shall be renewable.
2. The term of office of the councilor appointed as substitute shall be the remaining term of the predecessor, who resigned before the term of office.
3. The councilor shall be obliged to continue its duties until its successor will be appointed, in case the quorum stated under the Article 10, will no longer be fulfilled due to its resignation or expiry of its term of office.

#### Article 14 (Remuneration, etc.)

Any remuneration shall not be paid to the councilor.

### Chapter 5 Board of Councilors

#### Article 15 (Organization)

The board of councilors shall be organized with all councilors.

#### Article 16 (Authority)

Resolutions to be made at the board meeting of councilors shall be only as regards the matters determined by the Act on the General Incorporated Association and General Incorporated Foundation (hereafter “Act on the General Incorporated Association”) and the Articles of

#### Incorporation.

- (1) Appointment or dismissal of director and auditor
- (2) Rules on deciding the remuneration and expenses of executives
- (3) Change in the Articles of Incorporation
- (4) Approval on every fiscal year's business report and financial papers
- (5) Long-term debt and disposition / receipt of important property
- (6) Donation and disposition of remaining amount of the public interest purpose acquired property
- (7) Merging, transferring of all / a part of business or disposition of public profit business

#### Article 17 (Types of meeting)

1. Board meeting of councilors shall have two types: regular and special board meeting of councilors
2. Regular board meeting of councilors shall be held within 3 month after the end of fiscal year.
3. Special board meeting of councilors may be held whenever required.

#### Article 18 (Convocation notice)

1. The chairperson of the board of directors shall send a convocation notice to the councilors by stating the date/time, the venue and the objectives in writing, one week prior to the meeting or more.
2. Despite the above, a board meeting of councilors shall be able to be held without the convocation notice procedure in case all the councilors unanimously agree to it.

#### Article 19 (Chairperson)

The board meeting of councilors shall be chaired by the chairperson of the board of councilors.

#### Article 20 (Resolutions)

1. At the meeting attended by a half of all the councilors or more except the councilors having special interest in the resolution subject, any subject shall be resolved with a half of the attending councilors or more.
2. Despite the Paragraph above, the following subjects shall be resolved with 2/3 of the councilors or more except the councilors having special interest in the resolution item:
  - ① Dismissal of auditor

- ② The rule of remuneration and other expense of councilors
  - ③ Change of the Articles of Incorporation
  - ④ Approval of disposition or exclusion of primary property
  - ⑤ Others specified by laws and regulations
3. In case of appointment of a director or auditor, resolution shall be done for each candidate separately under the Paragraph 1 above. In the case the total number of candidates for directors or auditors exceed the maximum quorum under the Article 25, appointment shall be done in a descending order out of the candidates who gained the half of the votes or more. It shall be repeated until the maximum quorum.

#### Article 21 (Resolution without meeting)

As to the subjects submitted by directors for resolution by the board of councilors, resolutions can be made without a meeting if all councilors with voting right give their approval in the form of letter or digital media.

#### Articles 22 (Reporting without meeting)

Reporting to the board of councilors is considered as done without the meeting if directors have informed the board of councilors about the details of the report and the board of councilors has unanimously approved it in the form of letter or digital media.

#### Article 23 (Minutes)

1. As to the meeting of the board of councilors, minutes shall be taken in accordance with laws and regulations.
2. The chairperson of the meeting and attended councilors, at least 2 persons, shall make signature and seal on the minutes.

#### Article 24 (Rule of operation of the board of councilors)

Details required for the operation of the board of councilors shall be determined by the rule of operation approved by the board of councilors as well as the Act on the General Incorporated Association and the Articles of Incorporation.

#### Article 25 (Executives)

1. This juridical person shall have executives as follows:
  - ① Directors: 3 or more but not more than 7
  - ② Auditors: 2 or less
2. Out of directors, one each of Chairperson, Vice-Chairperson and Managing Director shall be appointed. Out of other directors, an executive officer(s) may be appointed under the Act on the General incorporated Association, Article 91, Paragraph 1-2 referred by the same Act, Article 197.
3. The chairperson on the Paragraph above shall be the representative director under the Act on the General Incorporated Association. The vice-chairperson and managing director shall be the executive officers under the same Act Article 91, Paragraph 1-2.
4. The vice-chairperson or managing director shall assist the chairperson and execute the business within this juridical person. In case the Chairperson has become tentatively incapable of executing the operation for any reason, it shall be substituted by another director according to the sequence pre-decided by the board of directors.

#### Article 26 (Appointment)

1. Directors and auditors shall be appointed at a meeting of the board of councilors.
2. The chairperson, vice-chairperson, managing director, and executive officers shall be appointed from directors at a meeting of the board of directors.
3. The number of directors sharing the same interest, like spouse and relatives within the 3rd degree, shall not exceed one third of the board of directors.
4. The number of directors belonging to other organizations of the similar business (excluding public-interest incorporated organizations), e.g. as director or employee or closely related person, shall not exceed one third of the board of directors.
5. The auditor of this juridical person shall not be director (relative or with other special relationships), councilor (relative or with other special relationships), and employee of this juridical person.

#### Article 27 (Directors' duties and authority)

1. Directors shall organize the board of directors and participate in the decision for the execution of activities of this juridical person under laws, regulations and the articles of incorporation.



2. The chairperson of the board of directors shall represent this juridical person and execute activities, under laws, regulations, and the articles of incorporation.
3. The authorities of the chairperson, vice-chairperson, managing director and executive officers shall be in accordance with the rule of the directors' duties determined by the board of directors separately.
4. The chairperson, the vice-chairperson, the managing directors and the executive officers shall report on their activities to the board of directors more than two times for each fiscal year with the distance of more than 4 months.

#### Article 28 (Auditors' duties and authority)

1. The auditor shall audit the directors' activities and prepare an auditing report in accordance with the Act on the General Incorporated Association.
2. The auditor shall check activities and assets of this juridical person, and audit financial papers and business report of each fiscal year and so on.
3. The auditor shall attend a meeting of the board of councilors and the board of directors and express his/her opinions if necessary.
4. The auditor shall report to the board of councilors and the board of directors in case it has been known to him or her that any director has done (or seems to do) wrongful act or violation of laws/the Articles of Incorporation or remarkably unfair thing.
5. The auditor shall ask the chairperson of the board of directors to call a meeting of the board of directors if necessary to report the incident under the Paragraph above. In case the letter of calling specifying the date of the meeting within two weeks is not sent out within five days, the auditor shall call a meeting of the board of directors in his/her capacity.
6. The auditor shall check the resolution subjects, papers and others the director plans to submit to the board of councilors. In case there is anything which violates laws or the Articles of Incorporation or which is regarded as remarkably unfair, the auditor shall report to the board of councilors.
7. The auditor shall order the director not to do activities in case they are beyond the objective of this juridical person or they violate the Act on the General Incorporated Association or the Articles of Incorporation and a considerable damage may possibly be caused to this juridical person.
8. The auditor shall execute the authority specified in the Act on the General Incorporated Association.

#### Articles 29 (Term of office)

1. The term of office of the director shall be till the end of the annual meeting of the board of councilors for the closing of the fiscal year which will end in two years after appointment. The term may be renewable.
2. The term of office of the auditor shall be till the closing of the annual meeting of the board of councilors for the closing of the fiscal year which will end in four years after appointment. The term may be renewable.
3. The term of office of the executive appointed as substitute shall be the remaining term of the predecessor, who resigned before the term of office.
4. The executive shall be obliged to continue its duties until its successor will be appointed, in case the quorum stated under the Article 28, Paragraph 1, will no longer be fulfilled due to his/her resignation or expiry of his/her term of office.

#### Articles 30 (Dismissal)

The executives may be dismissed by the resolution of the board of councilors if one of the following is applied to him/her. However, the dismissal of the auditor shall require an approval by more than 2/3 of the councilors with voting right.

- ① In case the executive has acted against his/her duties or neglected them
- ② In case the executive has difficulties or seems to be no longer capable of accomplishing his/her duties due to mental/physical difficulties

#### Article 31 (Remuneration)

Any remuneration shall not be paid to the executive.

#### Articles 32 (Exemption of liabilities)

As to the indemnity liabilities of the executive specified under the Article 111, Paragraph 1 referred by the Article 198 of the Act on the General Incorporated Association, they may be exempted with the amount up to the balance with the legally determined min. indemnity liabilities.

### Chapter 7 Board of Directors

#### Article 33 (Set-up of the board of directors)

1. This juridical person shall have the board of directors.

2. The board of directors shall be organized with all directors.

#### Article 34 (Authority)

The board of directors shall have the following duties besides those specified separately in the Articles of Incorporation:

- ① Set-up of rules and regulations and their modification and abolition
- ② Check-up of the directors' activities
- ③ Appointment and dismissal of the chairperson, vice-chairperson, managing director, and executive officers of the board of directors
- ④ Decision on maintenance, superintend, and disposition of the primary property
- ⑤ Decision of activities to be done by this juridical person, besides those specified in preceding Articles
- ⑥ Others specified under the Act on General Incorporated Association and what the board of directors regards as necessary

#### Article 35 (Type and holding)

1. The board of directors shall have two kind of meetings, i.e. ordinary and extra-ordinary.
2. The ordinary meeting shall be held two times for each fiscal year.
3. The extra-ordinary meeting shall be held on one of the following occasions:
  - ① When the chairperson of the board of directors finds necessity
  - ② When any director other than the chairperson of the board of directors requests to call, explaining the objective of the meeting in writing
  - ③ When the director having made the request (Paragraph above) calls in case the convocation notice specifying the date of the meeting within two weeks is not sent out within five days
  - ④ When the auditor asks the chairperson of the board of directors to call in accordance with the Article 28, Paragraph 5, or when the auditor calls

#### Article 36 (Convocation notice)

1. The board meeting of directors shall be called by the chairperson, except the case that a director shall call accordance with the Article 35, Paragraph 3-3 and also the case that an auditor shall call accordance with the same Article, Paragraph 3-4.
2. The meeting shall be called by a director in case of the Article 35, Paragraph 3-3 and also

by an auditor in case of the same Article, Paragraph 3-4.

3. The chairperson of the board of directors shall announce, within five days after the date of the request above, the calling of an extra-ordinary meeting to take place within two weeks after the date of the request.
4. The person who shall call a meeting of the board of directors shall send out a letter of calling specifying the date/time, the venue and the resolution subjects of the meeting one week before the meeting in writing.
5. Despite the above, the meeting shall be able to be held without the convocation notice procedure in case all directors and auditors agree to it.

#### Article 37 (Resolutions)

1. At the meeting attended by a half of all the directors or more, except directors having special interest in the resolution subject, any resolution subject shall be decided with a half of the attending directors or more.

#### Article 38 (Resolution without meeting)

As to the subjects submitted by directors for resolution by the board of directors, resolutions can be made without a meeting if all directors with voting right give their approval in the form of letter or digital media. However, it is not the case if the auditor has made any objection.

#### Articles 39 (Reporting without meeting)

1. Reporting to the board of directors is considered as done without the meeting if the director or the auditor has informed all the executives about the details of the report.
2. The Paragraph above shall not be applicable to the report under the Article 27, Paragraph 4.

#### Article 40 (Minutes)

1. As to a meeting of the board of directors, minutes shall be taken as specified in laws and regulations.
2. Minutes above shall be signed and sealed by the chairperson and auditors who attended the meeting.

#### Article 41 (Rule of operation of the board of directors)

Details required for the operation of the board of directors shall be determined by the rule of operation approved separately by the board of directors as well as laws and the Articles of Incorporation.

## Chapter 8 Change of Articles of Incorporation, Dissolution, etc.

### Article 42 (Change of Articles of Incorporation)

1. The Articles of Incorporation shall be allowed to be changed at a meeting of the board of councilors with 2/3 of councilors with voting right and more. However, the objective specified under the Article 3, the way of the appointment/dismissal of the councilor under the Article 11, Paragraph 1 and the transfer of the remaining amount of the public-interest-purpose-acquired property specified under the Article 45 shall be unchangeable.
2. Despite the Paragraph above, the objective specified under the Article 3 and the way of the appointment/dismissal of the councilor under the Article 11, Paragraph 1 shall be changed with approval of 3/4 of councilors with voting rights.
3. In the case that a change in Articles of Incorporation under Article 11, Paragraph 1 in Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundation (hereafter Act on Authorization of Public Interest Incorporated Associations and Foundation) is necessary, this juridical person shall obtain the approval of the relevant Administrative Agency.
4. In the case that a change in Articles of Incorporation other than above Paragraphs, this juridical person shall notify the relevant Administrative immediately.

### Article 43 (Merging, etc.)

1. With approval by 2/3 of all councilors with voting rights or more, this juridical person shall be allowed to merge into another juridical person under the Act on General Incorporated Association and Foundation, or transfer all or a part of its business, or abolish its public-interest business.
2. For the above, this juridical person shall make a notice to the relevant Administrative Agency in advance.

### Article 44 (Dissolution)

This juridical person shall be dissolved for the reasons stipulated in the Act on General Incorporated Association, Article 202 and other regulations.

Article 45 (Transfer of the remaining amount of the public-interest-purpose-acquired property)

If this juridical person shall be liquidated as a result of disqualification by the relevant Administrative Agency or the merging (except the case where it will be merged into a public-interest incorporation), the remaining amount of the public-interest-purpose-acquired property specified under the Article 30, Paragraph 2 in the Act on Authorization of Public Interest Incorporated Associations and Foundations, if any, shall be transferred, with a resolution by the board of councilors, to another public interest incorporation with similar business or to a juridical person or national/local government under the Article 5, Paragraph 17 in the same Act, within one month.

Article 46 (Disposition of remaining property)

In case this juridical person shall be liquidated due to dissolution, the remaining property shall be transferred, with the resolution of the board of councilors, to other public interest incorporation with similar business or to the national/local government under the Article 5, Paragraph 17 in the Act on Authorization of Public Interest Incorporated Associations and Foundation.

Chapter 9 Public notice

Article 47 (Public notice)

1. This juridical person shall make the public notice in the form of digital media.
2. It shall be made in the official gazette in case the digital public notice is not possible for any reason like accident.

Chapter 10 Committees

Article 48 (Committees)

1. This juridical person shall be allowed to set up committees to promote its activities.
2. Details of the committees including duties, organization and operation shall be determined by the chairperson after approval by the board of directors.

Chapter 11 Membership

Article 49 (Membership)

1. This juridical person may have a membership program.
2. Members of the program shall be individuals and juridical persons that share/support the objective of this juridical person and pay membership fees.
3. Details of the membership program shall be determined by the Chairperson after approval by the board of directors.

## Chapter 12 Secretary Office

### Article 50 (Set-up, etc.)

1. This juridical person shall set up a secretary office.
2. The secretary office shall have secretary general and staff members.
3. The secretary general and other key staff members shall be appointed or dismissed by the chairperson after approval by the board of directors.
4. Details of the secretary office including duties, organization and operation shall be determined by the chairperson after approval by the board of directors.

### Article 51 (Accounting books and documents available)

1. The following accounting books and documents shall be available at the office:
  - ① Articles of Incorporation
  - ② List of the directors, auditors, and councilors.
  - ③ Documents related to the approval, authorization, permission, and registration.
  - ④ Minutes and other documents related to the meetings of board of directors and the board of councilors
  - ⑤ List of properties
  - ⑥ Rules on remunerations of executives and councilors
  - ⑦ Business plans and revenue/expenditure budgets
  - ⑧ Business reports and financial statements
  - ⑨ Auditing reports
  - ⑩ Accounting books and documents specified by laws and regulations
2. The accounting books and documents specified under the Paragraph above shall be available for access as determined by laws and the rule of information disclosure the Article 52, Paragraph 2.

## Chapter 13 Information Disclosure and Protection of Private Information

Article 52 (Disclosure of information)

1. This juridical person shall disclose its activities, operational details, financial data, and so on in order to operate the organization in a fair and open way.
2. Details of information disclosure shall be determined by the rule of information disclosure approved by the board of directors separately.

Article 53 (Protection of private information)

1. This juridical person shall make the best efforts to protect the private information which has become known during the accomplishment of its business.
2. Details related to the protection of private information shall be determined by the rule of the protection of private information approved by the board of directors separately.

Chapter 14 Supplementary Provisions

Article 54 (Decision making on significant issues)

Regardless of specified or not specified by the Articles of Incorporation, any issue which may have significant impact to the operation shall be determined by the Chairperson after approval by the board of directors.