

Articles of Incorporation  
of  
TOKYO GAS CO., LTD.

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# Articles of Incorporation of TOKYO GAS CO., LTD.

[Revised on 1<sup>th</sup> October, 2017]

## **Chapter I: GENERAL PROVISIONS**

### **[Trade Name]**

#### Article 1

The trade name of the company is 'Tokyo Gas Kabushiki Kaisha', in English, which shall be indicated as 'TOKYO GAS CO., LTD.'.

### **[Purpose]**

#### Article 2

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

- 1) Gas business.
- 2) Heat supply business.
- 3) Electronic supply business.
- 4) Collection and buying and selling of natural gas.
- 5) Manufacture, transport, and sale of high pressure gas such as liquefied natural gas, liquefied petroleum gas, liquefied oxygen, and liquid nitrogen in kind.
- 6) Process and sale of coke and tar products, oil products, medicines, and organic chemical industrial products such as benzene, toluene and xylene in kind.
- 7) Manufacture and sale of gas appliances and home equipment such as kitchen equipment, air-conditioning equipment, bathtubs, and bathroom vanity units in kind.
- 8) Design, management, and construction of engineering works, construction, electricity, tube construction, and machine apparatus installation construction.
- 9) Letting and hiring, buying and selling, mediation and management of real estate, and warehousing business.
- 10) Design, product and sale of air pollution control equipment, water pollution prevention devices, and waste treatment equipment for environmental preservation; and business for the reproduction processing of soil.
- 11) Provision of information processing, provision services, and communication services, and the production and sale of computers and related computer hardware / software of peripheral equipment / telecommunications equipment.
- 12) Security disaster prevention business and sales of crime prevention / disaster prevention system equipment.
- 13) Integrated leasing business and financing business.
- 14) Management of hotels / restaurants / sport facilities / rental halls / and showrooms; holding and management of various seminars and culture classes / entertainment for sports and cooking in kind; and travel business.
- 15) Sale of daily necessary miscellaneous goods / food; gardening service industry such as the cultivation and sale of floriculture / foliage plants.
- 16) Non-life insurance agency business, life insurance agency business, money collection agency business, trustee businesses of housework assistance such as cleaning / home building and repairs, etc., credit card business, advertising business, publication business and worker dispatch business.
- 17) Ship leasing and ocean shipping.
- 18) Investigation, research and consulting business concerning each of the preceding clauses.
- 19) Business related to accompanying each of the preceding clauses.

### **[Head Office]**

#### Article 3

The Company shall have its head office in Minato-ku, Tokyo.

### **[Governing Body]**

#### Article 4

The Company shall, besides the General Meeting of Shareholders and Directors, have the following governing bodies.

- 1) Board of Directors
- 2) Audit & Supervisory Board Members and Audit & Supervisory Board
- 3) Accounting Auditor

### **[Method of Public Notice]**

#### Article 5

The method of public notices shall be electronic public notices. However, in case electronic public notices are not available due to an accident or any other unavoidable reason, public notices will be posted in the *Nihon Keizai Shimbun*.

## **Chapter II: SHARES**

### **[Total Number of Authorized Shares]**

#### Article 6

The total number of authorized shares shall be one billion three hundred million (1,300,000,000) shares.

### **[Acquisition of the Company's Own Shares]**

#### Article 7

The Company may, in accordance with the provision of Paragraph 2, Article 165 of the 'Companies Act', by resolution of the Board of Directors, acquire its own shares by Market Transactions or takeover bid.

### **[Share Unit]**

#### Article 8

The number of shares of the Company constituting one (1) share unit shall be one hundred (100) shares.

### **[Rights of Shareholders Holding Less-Than-One-Unit Shares]**

#### Article 9

Shareholders who hold Less-Than-One-Unit Shares shall be unable to exercise any rights other than the rights set forth below.

- 1) Rights set forth in each Item of Paragraph 2, Article 189 of the 'Companies Act'.
- 2) The right to receive an allocation of share option offerings and share offerings in accordance with the number of shares held by the shareholder.
- 3) The right to Demand for Sale as prescribed in the following Article.

### **[Demand for Sale of Less-Than-One-Unit Shares]**

#### Article 10

Shareholders who hold Less-Than-One-Unit Shares may ask the Company to sell them such number of shares which constitute the number of shares constituting one share unit (hereafter referred to as 'Request for Sale') together with the number of such less-than-one-unit shares in accordance with the stipulations of the Share Handling Regulations.

### **[Administrator of Shareholder Registry]**

#### Article 11

- (1) The Company shall have an Administrator of Shareholder Registry.
- (2) The Administrator of Shareholder Registry and the location of its administrative handling office shall be determined by resolution of the Board of Directors and public notice of such shall be made.
- (3) The preparation and keeping of the Company's shareholder registry and share option registry, and other administrative work related to the shareholder registry and share option registry shall be entrusted to the Administrator of Shareholder Registry and shall not be handled by the Company itself.

**[Handling of Shares and Share Options]**

Article 12

The handling and fees of the Company's shares and share options shall be governed by applicable laws and regulations and/or these Articles of Incorporation and rules determined by the Board of Directors including the Share Handling Regulations.

**Chapter III: SHAREHOLDERS MEETING**

**[Calling]**

Article 13

The annual shareholders meeting shall be called in June every year, and extraordinary shareholders meeting shall be called if necessary.

**[Record Date]**

Article 14

The record date of shareholders' voting rights in the annual shareholders meeting shall be the 31<sup>st</sup> of March of each year.

**[Convenor of Shareholders Meetings and Chairperson]**

Article 15

- (1) Unless otherwise provided for by law or regulations, the President of the Company shall call a shareholders meeting in accordance with a resolution of the Board of Directors and act as Chairperson thereof.
- (2) If the President of the Company is unable to act in this capacity, one of the other Directors shall take his/her place in the order previously determined by resolution of the Board of Directors.

**[Notices]**

Article 16

- (1) The shareholders meeting shall not extend to other agendas not notified to shareholders beforehand.
- (2) At the calling of the shareholders meeting, by disclosing information related to items, which should be described in or disclosed on reference documents, business reports, Financial Statements, and Consolidated Financial Statements, by means of the Internet pursuant to the provisions of the applicable Ordinance of the Ministry of Justice, such information shall be regarded as provided to shareholders.

**[Resolution]**

Article 17

- (1) Unless otherwise provided for in laws and regulations or these Articles of Incorporation, any resolution of a shareholders meeting shall be adopted by a majority of the vote of the shareholders with exercisable voting rights attending that shareholders meeting.
- (2) Resolutions to be adopted pursuant to Paragraph 2, Article 309 of the 'Companies Act' shall be adopted by not less than two-thirds (2/3) votes of the voting rights held by the attending shareholders holding not less than one-third (1/3) of the total voting rights of all shareholders who are entitled to exercise their voting rights.

**[Exercise of Voting Rights by Proxy and Other Matters]**

Article 18

- (1) A shareholder may exercise his/her voting right by proxy, who shall be one (1) shareholder having voting rights in the Company. In this case, however, the authority of proxy must be proved by a document evidencing the authority of proxy at each shareholders meeting.
- (2) The method of notifying the diverse exercise of voting rights stipulated in Paragraph 2, Article 313 of the 'Companies Act' shall be in writing or by electromagnetic means.

## **Chapter IV: DIRECTORS AND BOARD OF DIRECTORS**

### **[Number of Directors]**

#### Article 19

- (1) The Company shall not have more than fifteen (15) Directors.
- (2) In case a vacancy arises, the Company may postpone filling such vacancy unless the minimum number of directors required by law has not been satisfied.

### **[Election]**

#### Article 20

- (1) Resolutions to elect directors shall be adopted by a majority vote of the voting rights held by the attending shareholders holding not less than one-third (1/3) of the total voting rights of all shareholders who are entitled to exercise their voting rights.
- (2) Elections of Directors shall not be made by cumulative vote.

### **[Term of Office]**

#### Article 21

The term of office of a Director shall expire at the conclusion of the annual shareholders meeting for the latest business year ending within one (1) year from his/her appointment of office.

### **[Representative Directors and Directors with Title]**

#### Article 22

- (1) Representative Directors of the Company shall be elected by resolution of the Board of Directors.
- (2) The Board of Directors may appoint, by its resolution, one (1) Chairperson, one (1) President, and, where necessary, one (1) or more Directors with other titles.

### **[Calling of Meeting of the Board of Directors and Chairperson]**

#### Article 23

- (1) Except as otherwise provided by laws and regulations, the Board of Directors shall be called and presided over by the Chairperson of the Board of Directors.
- (2) If the Chairperson of the Board of Directors is unable to act in this capacity, one of the other Directors shall take his/her place in the order previously determined by the Board of Directors.
- (3) Notice of calling of a meeting of the Board of Directors shall be dispatched to each Director and Audit & Supervisory Board Member three (3) days prior to the date of such meeting, provided, however, that such period may be shortened in case of emergency.
- (4) Notwithstanding the foregoing, the Board may be called without following procedures as set forth herein in case there is unanimous agreement among the Directors and Audit & Supervisory Board Members to that effect.

### **[Omission of Resolution of the Board of Directors]**

#### Article 24

When the requirements prescribed by Article 370 of the 'Companies Act' are satisfied, the Board of Directors shall be deemed to have adopted a resolution.

### **[Remuneration etc.]**

#### Article 25

The remuneration, bonuses and other monetary benefits received from the Company by Directors as consideration for execution of their duties (hereinafter referred to as 'Remuneration etc.') shall be determined by resolution of a shareholders meeting.

### **[Exemption from Liability of Directors]**

#### Article 26

- (1) With respect to the liability of Directors (including former Directors) under Paragraph 1, Article 423 of the 'Companies Act', directors may, by resolution of the Board of Directors, be exempted from their liability to the extent as prescribed by Paragraph 1, Article 425 of the 'Companies Act' where the said Director undertook his/her duties without knowledge and were not grossly negligent.

- (2) The Company may enter into agreements with Outside Directors that limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, to the extent stipulated by Article 425, Paragraph 1 of the Companies Act, provided that the Outside Directors have performed their duties in good faith and without gross negligence.

**[Executive Advisor and Executive Consultant]**

Article 27

The Company can have Executive Advisor or Executive Consultant by a resolution of the Board of Directors.

**[Regulations of the Board of Directors]**

Article 28

Matters concerning the Board of Directors shall be governed by applicable laws and regulations and/or these Articles of Incorporation, as well as by regulations for the Board of Directors established by the Board of Directors.

**Chapter V: AUDIT & SUPERVISORY BOARD MEMBERS AND THE AUDIT & SUPERVISORY BOARD**

**[Number of Audit & Supervisory Board Members]**

Article 29

- (1) The Company shall have not more than five (5) Audit & Supervisory Board Members.  
(2) In case a vacancy arises, the Company may postpone filling such vacancy unless the minimum number of Audit & Supervisory Board Members required by law has not been satisfied.

**[Election]**

Article 30

- (1) Resolutions to elect Audit & Supervisory Board Members shall be adopted by a majority vote of the voting rights held by the attending shareholders holding not less than one-third of the total voting rights of all shareholders who are entitled to exercise their voting rights.  
(2) The validity of the election of Substitute Audit & Supervisory Board Members shall expire at the opening of the ordinary general meeting of shareholders for the last business year that ends within four (4) years from their election.

**[Term of Office]**

Article 31

- (1) The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the ordinary general meeting of shareholders for the last business year that ends within four (4) years from their appointment.  
(2) The term of office of an Audit & Supervisory Board Member elected as a substitute (Substitute Audit & Supervisory Board Member), and the term of office in the event that a substitute Audit & Supervisory Board Member assumes the office of Audit & Supervisory Board Member shall be the remaining term of office of his/her predecessor.

**[Full-time Audit & Supervisory Board Member]**

Article 32

The Audit & Supervisory Board shall appoint Full-time Audit & Supervisory Board Members from among the Audit & Supervisory Board Members.

**[Calling of the Audit & Supervisory Board]**

Article 33

- (1) Notice of calling of a meeting of the Audit & Supervisory Board shall be dispatched to each Audit & Supervisory Board Member no later than three (3) days prior to the date of such meeting; provided, however, that such period may be shortened in case of emergency.  
(2) Notwithstanding the foregoing, the Board may be called without following procedures as set forth herein in case there is unanimous agreement among the Audit & Supervisory Board Members to that effect.

**[Remuneration etc.]**

Article 34

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

**[Exemption from Liability of Audit & Supervisory Board Members]**

Article 35

- (1) With respect to the liability of Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) under Paragraph 1, Article 423 of the 'Companies Act', Audit & Supervisory Board Members may, by resolution of the Board of Directors, be exempted from their liability to the extent as prescribed by Paragraph 1, Article 425 of the 'Companies Act' where the said Audit & Supervisory Board Member undertook his/her duties in good faith and without gross negligence.
- (2) The Company may enter into agreements with Outside Audit & Supervisory Board Members that limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, to the extent stipulated by Article 425, Paragraph 1 of the Companies Act, provided that the Outside Audit & Supervisory Board Members have performed their duties in good faith and without gross negligence.

**[Regulations of the Audit & Supervisory Board]**

Article 36

Matters concerning the Audit & Supervisory Board shall be governed by applicable laws and regulations and/or these Articles of Incorporation, as well as by regulations for the Audit & Supervisory Board.

**Chapter VI: ACCOUNTS**

**[Business Year]**

Article 37

The business year shall be from the 1<sup>st</sup> of April of each year to the 31<sup>st</sup> of March of the following year.

**[Record Date of Distribution of Retained Earnings]**

Article 38

The record date of year-end dividends shall be the 31<sup>st</sup> of March of each year.

**[Interim Dividends]**

Article 39

By resolution of the Board of Directors, the Company may distribute interim dividends as of the 30<sup>th</sup> of September of each year as its record date.

**[Time Limitation of Dividends Demands]**

Article 40

Where assets to be distributed as dividends are monetary and where the dividends remain un-received for five (5) years from the day on which such dividends became due and payable, the Company shall be excluded from the obligation to pay such dividends.

**[Period of Conversion of Convertible Bonds and Exercising of Rights of Corporate Bonds with share options]**

Article 41

With respect to the initial distribution of retained earnings on shares issued upon the conversion of convertible bonds or the exercising of rights of corporate bonds with share options, such request for conversion or exercising of rights shall be deemed to have been made on the 1<sup>st</sup> of April where the request is made between the 1<sup>st</sup> of April and the 30<sup>th</sup> of September, or on the 1<sup>st</sup> of October where the request is made from the 1<sup>st</sup> of October and the 31<sup>st</sup> of March of the following year, and payments shall be made accordingly.