

**Announcement Concerning
the Transition to a Company with an Audit and Supervisory Committee
and Partial Amendments to the Articles of Incorporation**

March 7, 2024
Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (hereinafter “Osaka Gas”) hereby announces that it has resolved, at the meeting of the Board of Directors held on March 7, 2024, to submit a proposal to the 206th Annual Meeting of Shareholders to be held in June 2024, for the “Partial Amendments to the Articles of Incorporation” in conjunction with the transition of Osaka Gas from a “Company with an Audit and Supervisory Board” to a “Company with an Audit and Supervisory Committee,” as described below.

1. Transition to a Company with an Audit and Supervisory Committee

(1) Purpose of the Transition

Osaka Gas has been making efforts to enhance corporate governance, through such means as delegating authority to the execution side, improving the diversity of outside officers, and establishing advisory committees on management, to the end of achieving sustainable growth and the medium- to long-term increase in corporate value.

In response to the increasingly changing business environment, including the recent accelerating tide of decarbonization and heightened geopolitical risks, Osaka Gas believes that a management structure that is capable of grasping social issues with a varied perspective, appropriately managing risks, and quickly creating value in concert with its stakeholders is necessary.

In light of these circumstances, Osaka Gas has decided to transition from a Company with an Audit and Supervisory Board to a Company with an Audit and Supervisory Committee to continue its enhancement of corporate governance, for the purpose of improving the discussions of management policy and management strategies at meetings including the Board of Directors meetings and further strengthening supervisory functions, as well as enabling flexible decision-making.

(2) Timing of the Transition

Osaka Gas intends to transition to a Company with an Audit and Supervisory Committee upon obtaining approval for the relevant amendments to the Articles of Incorporation at the 206th Annual Meeting of Shareholders to be held in June 2024.

2. Partial Amendments to the Articles of Incorporation

(1) Purpose of the Partial Amendments to the Articles of Incorporation

To transition to a Company with an Audit and Supervisory Committee, new provisions on the Audit and Supervisory Committee Members and the Audit and Supervisory Committee

will be established, provisions on the Audit and Supervisory Board Members and the Audit and Supervisory Board will be deleted, and other necessary modifications will be made. Moreover, considering that a Company with an Audit and Supervisory Committee may delegate the determination of important business execution to Directors by stipulating it in Articles of Incorporation, to enable greater flexibility in decision-making, new provisions on such delegation will be established, and relevant provisions on matters subject to the resolutions of the Board of Directors in current Articles of Incorporation will be modified.

Furthermore, along with the transition to a Company with an Audit and Supervisory Committee, while Article 30.1 of the current Articles of Incorporation stipulate that the Board of Directors may determine year-end dividends only when it is difficult to determine such dividends by the resolution of the Shareholders' Meeting due to an outbreak of infectious disease, an occurrence of a natural disaster, etc., this Article 30 of the current Articles of Incorporation will be deleted and a new Article 28 of proposed amendments will be established in accordance with Article 459, Paragraph 1 of the Companies Act to enable the Board of Directors to determine the distribution of surplus and other matters under normal circumstances flexibly. In addition, the provision on the record date in Article 30 of current Articles of Incorporation will be separated and established as new Article 29 of proposed amendments.

(2) Details of the Amendments

The details of the proposed amendments are stated in the Appendix.

(3) Timing of the Amendments

The Shareholders' Meeting for the amendments to the Articles of Incorporation:

June 27, 2024 (scheduled)

Effective date of the amendments to the Articles of Incorporation:

June 27, 2024 (scheduled)

Details of amendments

(Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Articles of Incorporation (As of <u>June 28, 2022</u>)</p> <p>Article 4. (Organization) The Company shall have the following organizations in addition to Shareholders' Meetings and Directors: (1) Board of Directors; (2) <u>Audit and Supervisory Board</u> <u>Members;</u> (3) <u>Audit and Supervisory Board; and</u> (4) <u>Accounting Auditors.</u></p> <p>Article 9. (Transfer Agent (Kabunushi Meibo Kanrinin)) 1. The Company shall have a transfer agent (Kabunushi Meibo Kanrinin). 2. The transfer agent (Kabunushi Meibo Kanrinin) and its business handling office shall be decided by resolutions of the Board of Directors and the public notice thereof shall be given. 3. The Company shall not prepare and keep the shareholder register or the register of stock acquisition rights nor handle other matters concerning the shareholder register or the register of stock acquisition rights. The Company shall entrust such matters to the transfer agent (Kabunushi Meibo Kanrinin).</p> <p>Article 10. (Share Handling Regulations) Matters concerning shares of the Company shall be subject to the Share Handling Regulations to be prescribed by resolutions of the Board of Directors in addition to applicable laws and regulations and the Articles of Incorporation.</p> <p>Article 16. (Method of Resolution of Shareholders' Meeting) 1. Except as otherwise provided for by applicable laws and regulations or by the Articles of</p>	<p style="text-align: center;">Articles of Incorporation (As of <u>June 27, 2024</u>)</p> <p>Article 4. (Organization) The Company shall have the following organizations in addition to Shareholders' Meetings and Directors: (1) Board of Directors; (2) <u>Audit and Supervisory Committee;</u> <u>and</u> (Deleted) (3) <u>Accounting Auditors.</u></p> <p>Article 9. (Transfer Agent (Kabunushi Meibo Kanrinin)) 1. (Unchanged) 2. The transfer agent (Kabunushi Meibo Kanrinin) and its business handling office shall be decided by <u>Directors who have been delegated authority by</u> resolutions of the Board of Directors and the public notice thereof shall be given. 3. (Unchanged)</p> <p>Article 10. (Share Handling Regulations) Matters concerning shares of the Company shall be subject to the Share Handling Regulations to be prescribed by <u>Directors who have been delegated authority by</u> resolutions of the Board of Directors in addition to applicable laws and regulations and the Articles of Incorporation.</p> <p>Article 16. (Method of Resolution of Shareholders' Meeting) 1. Except as otherwise provided for by applicable laws and regulations or by the Articles of</p>

Incorporation, the resolutions of Shareholders' Meeting shall be adopted by a majority vote of the shareholders present at the Meeting who are entitled to exercise their voting rights; provided, however, that a resolution for the election of Directors or Audit and Supervisory Board Members shall require a quorum of the shareholders holding one-third (1/3) or more of the voting rights of the shareholders who are entitled to exercise their voting rights.

2. The resolutions provided for in Article 309, Paragraph 2 of the Companies Act shall be adopted by a majority of two-thirds (2/3) or more of the voting rights held by the shareholders present at the Meeting which satisfies a quorum of one-third (1/3) or more of the total voting rights of the shareholders who are entitled to exercise their voting rights.

Article 17. (Number of Directors)

1. The number of Directors shall not exceed fifteen (15) and the Directors shall be elected by resolution of the Shareholders' Meeting.

(Newly established)

2. The resolutions for election of Directors shall not be adopted by cumulative voting.

Article 18. (Term of Office of Directors)

The term of office of Directors shall expire at the close of the Annual Meeting of Shareholders to be held in respect of the last fiscal year ending within one (1) year subsequent to their election.

(Newly established)

Incorporation, the resolutions of Shareholders' Meeting shall be adopted by a majority vote of the shareholders present at the Meeting who are entitled to exercise their voting rights; provided, however, that a resolution for the election of Directors shall require a quorum of the shareholders holding one-third (1/3) or more of the voting rights of the shareholders who are entitled to exercise their voting rights.

2. (Unchanged)

Article 17. (Number and Election of Directors)

1. The number of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall not exceed fifteen (15) and the number of Directors who are Audit and Supervisory Committee Members shall not exceed five (5).

2. Directors who are Audit and Supervisory Committee Members and other Directors shall be elected separately by the resolutions of the Shareholders' Meeting.

3. (Unchanged)

Article 18. (Term of Office of Directors)

1. The term of office of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall expire at the close of the Annual Meeting of Shareholders to be held in respect of the last fiscal year ending within one (1) year subsequent to their election.

2. The term of office of Directors who are Audit and Supervisory Committee Members shall expire at the close of the Annual Meeting of Shareholders to be held in respect of the last fiscal year ending within two (2) years subsequent to their election.

Article 20. (Convocation of Board of Directors and Chairman)

1. Unless otherwise provided for in applicable laws and regulations, the Chairman of the Company shall convene a meeting of the Board of Directors and act as chairman thereat. If the Chairman is unable to act as chairman, one of the other Directors shall act as chairman in the order predetermined by resolution of the Board of Directors.
2. In order to convene a meeting of the Board of Directors, a notice of convocation shall be issued to each Director and Audit and Supervisory Board Member at least three (3) days prior to the date of the meeting; provided, however, that such period of notice may be shortened if there may be any unavoidable reason
3. The provisions of the preceding paragraph shall not prevent a meeting of the Board of Directors from being held, with unanimous consent of the Directors and the Audit and Supervisory Board Members, without completing the procedures required for the convocation thereof.

Article 21. (Resolution of Board of Directors)

1. The resolutions of the Board of Directors shall be adopted by a majority vote of the Directors present at the meeting at which a majority of Directors are present.
2. If, pursuant to the provision of Article 370 of the Companies Act, a Director proposes any matter subject to resolutions of the Board of Directors, and all of the Directors give consents thereto and the Audit and Supervisory Board Members do not express dissents thereto, the Company shall deem that a resolution of the Board of Directors to adopt such proposal has been made.

(Newly established)

Article 20. (Convocation of Board of Directors and Chairman)

1. (Unchanged)
2. In order to convene a meeting of the Board of Directors, a notice of convocation shall be issued to each Director at least three (3) days prior to the date of the meeting; provided, however, that such period of notice may be shortened if there may be any unavoidable reason.
3. The provisions of the preceding paragraph shall not prevent a meeting of the Board of Directors from being held, with unanimous consent of the Directors, without completing the procedures required for the convocation thereof.

Article 21. (Resolution of Board of Directors)

1. (Unchanged)
2. If, pursuant to the provision of Article 370 of the Companies Act, a Director proposes any matter subject to resolutions of the Board of Directors, and all of the Directors give consents thereto, the Company shall deem that a resolution of the Board of Directors to adopt such proposal has been made.

Article 22. (Delegation of Decision on Important Business Execution)

Pursuant to the provision of Article 399-13, Paragraph 6 of the Companies Act, the Company may, by resolutions of the Board of Directors, delegate the decision on important business execution (excluding matters listed in each item of Paragraph 5 of the Article) to Directors in whole or

Article 22. (Omitted)

CHAPTER V. AUDIT AND SUPERVISORY BOARD MEMBERS AND AUDIT AND SUPERVISORY BOARD

Article 23. (Number of Audit and Supervisory Board Members)

The number of Audit and Supervisory Board Members shall not exceed five (5) and the Audit and Supervisory Board Members shall be elected by resolution of the Shareholders' Meeting.

Article 24. (Term of Office of Audit and Supervisory Board Members)

The term of office of Audit and Supervisory Board Members shall expire at the close of the Annual Meeting of Shareholders to be held in respect of the last fiscal year ending within four (4) years subsequent to their election; provided, however, that the term of office of any Audit and Supervisory Board Member elected to fill the vacancy of his predecessor who has resigned before expiration of his term of office shall be conterminous with the remainder of what would have been the term of office of his predecessor.

Article 25. (Full-time Audit and Supervisory Board Members)

The Audit and Supervisory Board shall, by its resolution, elect Full-time Audit and Supervisory Board Members.

Article 26. (Convocation of Meeting of Audit and Supervisory Board)

1. In order to convene a meeting of the Audit and Supervisory Board, a notice of convocation shall be issued to each Audit and Supervisory Board Member at least three (3) days prior to the date of the meeting; provided, however, that such period of notice may be shortened if there may be any unavoidable reason.
2. The provisions of the preceding paragraph shall not prevent a meeting of the Audit and Supervisory Board from being held, with unanimous consent of the Audit and Supervisory Board Members, without

part.

Article 23. (Unchanged)

CHAPTER V. AUDIT AND SUPERVISORY COMMITTEE

(Deleted)

(Deleted)

Article 24. (Full-time Audit and Supervisory Committee Members)

The Audit and Supervisory Committee may, by its resolution, elect Full-time Audit and Supervisory Committee Members.

Article 25. (Convocation of Meeting of Audit and Supervisory Committee)

1. In order to convene a meeting of the Audit and Supervisory Committee, a notice of convocation shall be issued to each Audit and Supervisory Committee Member at least three (3) days prior to the date of the meeting; provided, however, that such period of notice may be shortened if there may be any unavoidable reason.
2. The provisions of the preceding paragraph shall not prevent a meeting of the Audit and Supervisory Committee from being held, with unanimous consent of the Audit and Supervisory Committee Members, without

completing the procedures required for the convocation thereof.

Article 27. (Resolution of Audit and Supervisory Board)

The resolutions of the Audit and Supervisory Board shall be adopted by a majority vote of the Audit and Supervisory Board Members unless otherwise provided for in applicable laws and regulations.

Article 28. (Agreement Limiting Liability with External Audit and Supervisory Board Members)

Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with External Audit and Supervisory Board Members to limit the liability for damages under Article 423, Paragraph 1 of said Act to the minimum liability amount provided for in laws and regulations.

Article 29. (Omitted)

Article 30. (Record Date, etc., for Surplus Distributions)

1. The Company may, by resolution of the Shareholders' Meeting, make surplus distributions (year-end dividends) to the shareholders or the registered share pledgees electronically recorded in the latest shareholder register of March 31 of each year. However, unless otherwise provided for by laws or regulations, the Company may, by resolution of the Board of Directors, determine year-end dividends only when it is difficult to do so due to an outbreak of infectious disease, an occurrence of a natural disaster, etc.
2. The Company may, by resolution of the Board of Directors provided for in Article 454, Paragraph 5 of the Companies Act, make surplus distributions (interim dividends) to the shareholders or the registered share pledges electronically recorded in the latest shareholder register as of September 30 of each year.

(Newly established)

completing the procedures required for the convocation thereof.

Article 26. (Resolution of Audit and Supervisory Committee)

The resolutions of the Audit and Supervisory Committee shall be adopted by a majority vote of the Audit and Supervisory Committee Members unless otherwise provided for in applicable laws and regulations.

(Deleted)

Article 27. (Unchanged)

(Deleted)

Article 28. (Organ which Determines Surplus

<p>(Newly established)</p> <p><u>Article 31.</u> (Omitted)</p>	<p style="text-align: center;"><u>Distribution)</u></p> <p><u>Except as otherwise provided for by applicable laws and regulations, the Company may, by resolutions of the Board of Directors, determine the distribution of surplus and other matters prescribed in each item of Article 459, Paragraph 1 of the Companies Act.</u></p> <p><u>Article 29. (Record Date for Surplus Distribution)</u></p> <p><u>1. The record date for the payment of year-end dividends of the Company shall be March 31 of each year.</u></p> <p><u>2. The record for the payment of interim dividends of the Company shall be September 30 of each year.</u></p> <p><u>Article 30.</u> (Unchanged)</p>
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