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Securities Code: 9543

March 1, 2018

To our shareholders:

Hiroyuki Kishida  
President and Director  
**SHIZUOKA GAS CO., LTD.**  
1-5-38 Yahata, Suruga-ku, Shizuoka

## NOTICE OF THE 170TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 170th Annual General Meeting of Shareholders of SHIZUOKA GAS CO., LTD. (the “Company”), which will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by either of the following methods. Please review the Reference Documents for General Meeting of Shareholders (described hereinafter), and cast your vote by Thursday, March 22, 2018, at 5:30 p.m. (JST).

### How to Exercise Your Voting Rights

#### Exercise of voting rights in writing

Please indicate your vote for or against the proposals on the Voting Rights Exercise Form enclosed and return it by Thursday, March 22, 2018, at 5:30 p.m. (JST), one day prior to the meeting.

#### Exercise of voting rights via the Internet

Please visit the Company’s designated website (<https://soukai.mizuho-tb.co.jp/>) (This website is only available in Japanese.) and vote for or against the proposals by Thursday, March 22, 2018, at 5:30 p.m. (JST), one day prior to the meeting. (Please refer to pages 3 and 4.) (Only available in Japanese version)

- 1. Date and Time:** Friday, March 23, 2018, at 10:00 a.m. (JST)
- 2. Venue:** “Sumpu Hall” on the third floor of the Hotel Associa Shizuoka  
56 Kurogane-cho, Aoi-ku, Shizuoka  
(Please see the map on the last page.) (Only available in Japanese version)

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 170th fiscal year (January 1, 2017 - December 31, 2017), and results of audits by the Financial Auditor and the Board of Auditors of the Consolidated Financial Statements
2. The Non-Consolidated Financial Statements for the 170th fiscal year (January 1, 2017 - December 31, 2017)

#### Matters to be resolved:

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus                            |
| <b>Proposal No. 2</b> | Partial Amendments to the Articles of Incorporation |
| <b>Proposal No. 3</b> | Election of 11 Directors                            |

1. When attending the meeting in person, please submit the Voting Rights Exercise Form enclosed at the reception desk at the meeting venue on the day of the meeting.
2. Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements have been posted on the Company’s website shown below in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company. We will mail a hard copy of the statements posted on the website to shareholders that request it. Please call the Company’s main line at +81-54-284-4141.
3. The Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by Auditors and the Financial Auditor include Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements posted on the Company’s website, in addition to matters stated in the Appendix of the Notice of the 170th Annual General Meeting of Shareholders.

4. Any revisions to the Reference Documents for General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-Consolidated Financial Statements will be posted on the Company's website below.  
Company website URL: <http://www.shizuokagas.co.jp/>

## Reference Documents for General Meeting of Shareholders

### Proposals and references

#### Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

1. Year-end dividends

The Company proposes the payment of a year-end dividend as follows in accordance with its basic policy of continuously paying stable dividends while considering the financial condition and business results comprehensively.

- (1) Allotment of dividend property to shareholders and their aggregate amount  
¥7.0 per common share of the Company  
Total payment: ¥516,505,290
- (2) Effective date of dividends of surplus  
March 26, 2018

2. Other appropriation of surplus

The Company proposes other appropriation of surplus as follows in order to strengthen the financial standing toward the sound promotion of management while considering the future business environment.

- (1) Item of surplus to be increased and amount of increase  
General reserve: ¥4,000,000,000
- (2) Item of surplus to be decreased and amount of decrease  
Retained earnings brought forward: ¥4,000,000,000

**Proposal No. 2** Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) The Company proposes to increase the number of outside Directors in order to enhance the management supervisory function of the Board of Directors. In this regard, the Company proposes to a change to the maximum number of directors provided for in Article 19 of the current Articles of Incorporation from ten to 11.
- (2) In order to maintain sound management and improve efficiency, the Company introduced the Executive Officer system in 2007 where the Board of Directors is responsible for making important management decisions and supervising business execution, while the Operating Officers are given responsibility for conducting business execution. In this regard, the Company proposes to amend the current Articles of Incorporation to clarify the implementation of the system, define that the President and Chief Operating Officer shall serve as Chief Operating Officer, and revise provisions concerning Directors and other relevant provisions.

2. Details of the amendments

The amendments are as follows:

(Amendments are underlined)

Current Articles of Incorporation	Proposed amendments
<p>(<u>Convener and Chairmanship of General Meeting of Shareholders</u>) Article 14. (1) The <u>Director and President</u> shall <u>convene and chair</u> general meetings of shareholders. (2) In cases where the <u>Director and President</u> is prevented from so acting, <u>another Director</u> who is designated in accordance with an order of priority determined in advance by the Board of Directors shall <u>convene and chair</u> general meeting of shareholders.</p> <p style="text-align: center;">Chapter IV Directors <u>and Board of Directors</u></p> <p>(Number of Directors) Article 19. The Company shall have not more than <u>ten</u> Directors. (Representative Directors <u>and Directors With Special Titles</u>) Article 22. (1) The Board of Directors shall appoint Representative Directors by its resolution. (2) <u>The Board of Directors may appoint, by its resolution, one Director and Chairman and one Director and President.</u> (Newly established)</p> <p>(Convener and Chairmanship of Meeting of the Board of Directors) Article <u>23</u>. (1) <u>Unless otherwise provided for by laws and regulations,</u> the Director and Chairman shall convene meetings of the Board of Directors and chair the meetings. (2) In cases where the post of the Director and Chairman is vacant, or the Director and Chairman is prevented from so acting, <u>the Director and President shall convene a meeting of the Board of Directors and chair the meeting. In such cases, if the Director and President is prevented from so acting,</u> another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall so act.</p>	<p>(Chairmanship of General Meeting of Shareholders) Article 14. (1) The <u>President and Chief Operating Officer</u> shall chair general meetings of shareholders. (2) In cases where the <u>President and Chief Operating Officer</u> is prevented from so acting, <u>the delegate</u> who is designated in accordance with an order of priority determined in advance by the Board of Directors shall chair general meeting of shareholders.</p> <p style="text-align: center;">Chapter IV Directors, <u>Board of Directors and Operating Officers</u></p> <p>(Number of Directors) Article 19. The Company shall have not more than <u>11</u> Directors. (Representative Directors) Article 22. The Board of Directors shall appoint Representative Directors by its resolution. (Deleted)</p> <p><u>(Director and Chairman)</u> <u>Article 23.</u> <u>The Board of Directors may appoint the Director and Chairman by its resolution.</u></p> <p>(Convener and Chairmanship of Meeting of the Board of Directors) Article <u>24</u>. (1) The Director and Chairman shall convene meetings of the Board of Directors and chair the meetings. (2) In cases where the post of the Director and Chairman is vacant, or the Director and Chairman is prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall so act.</p>

Current Articles of Incorporation	Proposed amendments
<p>Articles <u>24</u> through <u>31</u> (Omitted)</p> <p>(Newly established)</p>	<p>Articles <u>25</u> through <u>32</u> (Articles are renumbered accordingly with no change to the text.)</p> <p><u>(Operating Officers)</u></p> <p><u>Article 33.</u></p> <p><u>(1) The Board of Directors shall appoint Operating Officers by its resolution and have them share the execution of the operation of the Company.</u></p> <p><u>(2) The Board of Directors may appoint the President and Chief Operating Officer as well as other Operating Officers with special titles from among Operating Officers by its resolution</u></p>
<p>Articles <u>32</u> through <u>47</u> (Omitted)</p>	<p>Articles <u>34</u> through <u>49</u> (Articles are renumbered accordingly with no change to the text.)</p>

**Proposal No. 3** Election of 11 Directors

At the conclusion of this meeting, the terms of office of all ten Directors will expire. In this regard, on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company proposes to increase the number of outside Directors by one to enhance the management supervisory function of the Board of Directors, and it proposes the election of 11 Directors.

The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibilities in the Company		Candidate attribute
1	Hiroshi Tonoya	Chair of the Board of Directors and Representative Director		Reelection
2	Hiroyuki Kishida	President and Chief Operating Officer and Representative Director	Chief General Manager of Lifestyle Creation Business Headquarters	Reelection
3	Masakazu Endo	Director Deputy Chief Operating Officer	Chief General Manager of Multi-Energy Business Headquarters and General Manager of Industrial Energy Department	Reelection
4	Shigeru Katsumata	Director Senior Operating Officer	General Manager of LNG Terminal Business Department and in charge of Feedstock Department	Reelection
5	Akihiro Sugiyama	Director Senior Operating Officer	General Manager of Conduit Network Business Department and in charge of the Safety Promotion Office	Reelection
6	Mitsunobu Kosugi	Director Senior Operating Officer	General Manager of Management Control Department	Reelection
7	Seigo Iwasaki	Director	Special Advisor	Reelection
8	Juichi Nozue	Director		Reelection Outside Independent
9	Yoshikuni Kanai	Director		Reelection Outside Independent
10	Katsunori Nakanishi	Director		Reelection Outside
11	Yuriko Kato	–		New election Outside Independent

New election: New candidate for Director

Reelection: Candidate for Director to be reelected

Outside: Candidate for outside Director

Independent: Independent officer as provided for by the Tokyo Stock Exchange

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company		Number of the Company's shares owned
1	Hiroshi Tonoya (August 11, 1953)  Reelection  Tenure as Director 17 years  Attendance to meetings of the Board of Directors 7/7 (100%)	Apr. 1976 Apr. 1997 Mar. 2001 Jan. 2007  Apr. 2010 Jan. 2011 Jan. 2018	Joined the Company Group Leader of General Administration Director Director, Senior Operating Officer, and General Manager of Corporate Planning Department Director and Deputy Chief Operating Officer President and Representative Director Chair of the Board of Directors and Representative Director (current position)	57,400 shares
	Reasons for nomination as candidate for Director He has mainly been engaged in general administration and personnel operations, served as President and Director for seven years from January 2011 until December 2017, and has served as Chair of the Board of Directors since January 2018. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.			
2	Hiroyuki Kishida (December 12, 1958)  Reelection  Tenure as Director 4 years  Attendance to meetings of the Board of Directors 7/7 (100%)	Apr. 1981 Mar. 2004 Jan. 2007  Apr. 2010  Jan. 2011 Apr. 2012 Mar. 2013 Jan. 2014 Mar. 2014 Apr. 2015 Jan. 2016 Jan. 2018	Joined the Company Group Leader of General Planning Manager in charge of Management Planning of Corporate Planning Department Manager in charge of Planning Promotion and Manager in charge of Wide Area Sales of Sales Administration Department Deputy General Manager of East Shizuoka Prefecture Branch Operating Officer and General Manager of Corporate Planning Department President and Representative Director of Minamifuji Pipeline Co., Ltd. Senior Operating Officer and General Manager in charge of Planning, Materials and General Energy Business Promotion of the Company Director, Senior Operating Officer, and General Manager in charge of Planning, Materials and General Energy Business Promotion Director, Senior Operating Officer, and General Manager of Lifestyle Creation Business Department Director, Deputy Chief Operating Officer, and Chief General Manager of Lifestyle Creation Business Headquarters President and Chief Operating Officer, Representative Director and Chief General Manager of Lifestyle Creation Business Headquarters (current position)	3,800 shares
	Reasons for nomination as candidate for Director He has mainly been engaged in planning operations and currently serves as President and Chief Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
3	<p>Masakazu Endo (June 28, 1953)</p> <p>Reelection</p> <p>Tenure as Director 8 years</p> <p>Attendance to meetings of the Board of Directors 7/7 (100%)</p>	<p>Apr. 1976      Joined the Company</p> <p>Mar. 2000      Group Leader of Industrial Energy</p> <p>Mar. 2004      Director and Group Leader of Industrial Energy</p> <p>Mar. 2007      Senior Operating Officer and General Manager of Energy Sales Department</p> <p>Mar. 2011      Director, Senior Operating Officer, and General Manager of Energy Sales Department</p> <p>Mar. 2014      President and Representative Director of Shizuoka Gas Energy Co., Ltd.</p> <p>                    President and Representative Director of Shizuoka Gas Service Co., Ltd.</p> <p>Jan. 2016      Deputy Chief Operating Officer, Chief General Manager of Multi-Energy Business Headquarters, and General Manager of Industrial Energy Department of the Company</p> <p>Mar. 2016      Director, Deputy Chief Operating Officer, Chief General Manager of Multi-Energy Business Headquarters, and General Manager of Industrial Energy Department (current position)</p>	39,700 shares
		<p>Reasons for nomination as candidate for Director</p> <p>He has mainly been engaged in industrial energy operations and currently serves as Deputy Chief Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.</p>	
4	<p>Shigeru Katsumata (January 29, 1958)</p> <p>Reelection</p> <p>Tenure as Director 2 years</p> <p>Attendance to meetings of the Board of Directors 7/7 (100%)</p>	<p>Apr. 1980      Joined the Company</p> <p>Mar. 2003      Director of Shizuoka Gas System Solution Co., Ltd.</p> <p>Mar. 2005      Managing Director</p> <p>July 2008      Deputy Director of Sodeshi Terminal and Group Leader of Production of Shimizu LNG Co., Ltd.</p> <p>Mar. 2011      Deputy General Manager of Production and Distribution Department and Manager in charge of Production of the Company</p> <p>Apr. 2013      Operating Officer and General Manager of Production Department</p> <p>Apr. 2015      Senior Operating Officer, General Manager of LNG Terminal Business Department, and in charge of Feedstock Department</p> <p>Mar. 2016      Director, Senior Operating Officer, General Manager of LNG Terminal Business Department, and in charge of Feedstock Department (current position)</p>	18,805 shares
		<p>Reasons for nomination as candidate for Director</p> <p>He has mainly been engaged in system and terminal operations and currently serves as Senior Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.</p>	

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
5	<p>Akihiro Sugiyama (October 31, 1958)</p> <p>Reelection</p> <p>Tenure as Director 2 years</p> <p>Attendance to meetings of the Board of Directors 7/7 (100%)</p>	<p>Apr. 1982      Joined the Company</p> <p>Dec. 2002      Group Leader of Plant Engineering</p> <p>Jan. 2007      Manager in charge of Distribution of Production and Distribution Department</p> <p>Sept. 2011     Deputy General Manager of Fuji Branch</p> <p>Jan. 2014      Operating Officer and General Manager of Fuji Branch</p> <p>Jan. 2016      Senior Operating Officer, General Manager of Conduit Network Business Department, and in charge of the Environment and Safety Maintenance Office</p> <p>Mar. 2016      Representative Director of Shizuham Pipeline Co., Ltd. (current position)</p> <p>Director, Senior Operating Officer, General Manager of Conduit Network Business Department, and in charge of the Environment and Safety Maintenance Office of the Company</p> <p>Jan. 2017      Director, Senior Operating Officer, General Manager of Conduit Network Business Department, and in charge of the Safety Promotion Office (current position)</p> <p>[Significant concurrent positions outside the Company] Representative Director of Shizuham Pipeline Co., Ltd.</p>	3,500 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has mainly been engaged in distribution operations and currently serves as Senior Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
6	<p>Mitsunobu Kosugi (November 28, 1961)</p> <p>Reelection</p> <p>Tenure as Director 2 years</p> <p>Attendance to meetings of the Board of Directors 7/7 (100%)</p>	<p>Apr. 1985      Joined the Company</p> <p>July 2006      Group Leader of Public Relations</p> <p>Jan. 2007      Manager in charge of Public Relations/IR of Corporate Services Department</p> <p>Apr. 2010      Manager in charge of Management Planning of Corporate Planning Department</p> <p>Apr. 2012      Deputy General Manager of Corporate Planning Department and Manager in charge of Corporate Planning</p> <p>Jan. 2014      Operating Officer, General Manager of Corporate Planning Department, and Manager in charge of Corporate Planning</p> <p>Mar. 2014      President and Representative Director of Minamifuji Pipeline Co., Ltd. (current position)</p> <p>Apr. 2014      Operating Officer and General Manager of Corporate Planning Department of the Company</p> <p>Jan. 2016      Senior Operating Officer and General Manager of Corporate Planning Department</p> <p>Mar. 2016      Director, Senior Operating Officer, and General Manager of Corporate Planning Department</p> <p>Jan. 2017      Director, Senior Operating Officer, General Manager of Management Control Department, and General Manager of Business Strategy Department</p> <p>Mar. 2017      Director, Senior Operating Officer, and General Manager of Management Control Department (current position)</p> <p>[Significant concurrent positions outside the Company] President and Representative Director of Minamifuji Pipeline Co., Ltd.</p>	16,000 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has mainly been engaged in planning operations and currently serves as Senior Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
7	Seigo Iwasaki (October 8, 1946)  Reelection  Tenure as Director 22 years  Attendance to meetings of the Board of Directors 7/7 (100%)	<p>Mar. 1969      Joined the Company</p> <p>July 1988      Group Leader of General Planning</p> <p>Mar. 1996      Director</p> <p>Mar. 2000      Managing Director</p> <p>Mar. 2001      Senior Managing Director</p> <p>Mar. 2006      President and Representative Director</p> <p>Jan. 2011      Chair of the Board of Directors and Representative Director</p> <p>May 2014      Outside Director of Star Micronics Co., Ltd. (current position)</p> <p>June 2015      Outside Director of Murakami Corporation (current position)</p> <p>Jan. 2018      Director and Special Advisor of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Outside Director of Star Micronics Co., Ltd. Outside Director of Murakami Corporation</p>	121,100 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has mainly been engaged in planning operations, served as President and Director for four years and nine months from March 2006 until December 2010, and served as Chair of the Board of Directors for seven years from January 2011 until December 2017. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.</p>			
8	Juichi Nozue (August 15, 1960)  Reelection Outside Independent  Tenure as Director 3 years  Attendance to meetings of the Board of Directors 6/7 (86%)	<p>Apr. 1987      Registered as an attorney at law</p> <p>Dec. 1990      Joined Kato Law and Patent Office (now Shizuoka Nozomi Law and Patent Office) (current position)</p> <p>Mar. 1996      Obtained license to practice law in New York State, USA</p> <p>Oct. 1996      Registered as patent attorney</p> <p>Mar. 2003      Outside Auditor of the Company</p> <p>Apr. 2005      Outside Auditor of MISUMI Group Inc. (current position)</p> <p>Mar. 2015      Outside Director of the Company (current position)</p> <p>June 2015      Outside Director (member of Audit and Supervisory Committee) of LEC, Inc. (current position)</p> <p>[Significant concurrent positions outside the Company] Attorney at law of Shizuoka Nozomi Law and Patent Office Outside Auditor of MISUMI Group Inc. Outside Director (member of Audit and Supervisory Committee) of LEC, Inc.</p>	5,000 shares
<p>Reasons for nomination as candidate for outside Director</p> <p>He currently provides appropriate advice to the general management as an outside Director of the Company, based on the high level of legal expertise, broad outlook and excellent insight he has fostered through his experience in corporate legal affairs as an attorney at law. The Company determines that he will continue to provide appropriate advice to the general management. Accordingly, the Company proposes him as a candidate for outside Director. At the conclusion of this meeting, his tenure as outside Director or Auditor of the Company will have been 15 years. He has never been directly involved in the management. However, the Company determines he will appropriately fulfill his duties as an outside Director based on the above reasons.</p> <p>The Company has designated him as an independent officer unlikely to cause conflicts of interest with general shareholders and filed this designation with Tokyo Stock Exchange, Inc.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
9	<p>Yoshikuni Kanai (August 2, 1945)</p> <p>Reelection Outside Independent</p> <p>Tenure as Director 1 year</p> <p>Attendance to meetings of the Board of Directors 6/7 (86%)</p>	<p>Apr. 1968      Joined Mitsubishi Corporation</p> <p>June 2001     Senior Vice President and Division COO of Petroleum Business Division</p> <p>Apr. 2003     Senior Vice President Member of the Board and Senior Executive Vice President of Mitsubishi International Corporation</p> <p>June 2005     Member of the Board and Executive Vice President of Mitsubishi Corporation Regional CEO of Chubu Block, and General Manager of Chubu Branch</p> <p>Oct. 2006     Member of the Board and Executive Vice President Regional Strategy (Japan) (Assistant) and General Manager of Chubu Branch</p> <p>Apr. 2008     Advisor (current position)</p> <p>Mar. 2009     Outside Auditor of the Company</p> <p>Mar. 2017     Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Advisor to Mitsubishi Corporation</p>	3,000 shares
<p>Reasons for nomination as candidate for outside Director</p> <p>He currently provides appropriate advice to the general management as an outside Director of the Company, based on the wealth of experience he has fostered at a major trading company. The Company determines that he will continue to provide appropriate advice to the general management including raw materials trading business by taking advantage of his high level of insight into the energy business. Accordingly, the Company proposes him as a candidate for outside Director. At the conclusion of this meeting, his tenure as outside Director or Auditor of the Company will have been nine years.</p> <p>The Company has designated him as an independent officer unlikely to cause conflicts of interest with general shareholders and filed this designation with Tokyo Stock Exchange, Inc.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
10	Katsunori Nakanishi (June 15, 1953)  Reelection Outside  Tenure as Director 1 year  Attendance to meetings of the Board of Directors 5/6 (83%)	Apr. 1976      Joined The Shizuoka Bank, Ltd. Dec. 1998      Deputy General Manager of Personnel Department and Manager of Personnel Section Apr. 1999      Senior General Manager of Personnel Department June 1999      Senior General Manager of Corporate Administration Department June 2001      Director, Executive Officer, and General Manager of Corporate Planning Department June 2003      Director and Senior Executive Officer Apr. 2005      Director, Senior Executive Officer, and Deputy General Manager of Corporate Center in charge of planning and administration June 2005      President and CEO Mar. 2017      Outside Director of the Company (current position) June 2017      Chairman and CEO of The Shizuoka Bank, Ltd. (current position) Outside Director of Shizuoka Railway Co., LTD. (current position)  [Significant concurrent positions outside the Company] Chairman and CEO of The Shizuoka Bank, Ltd. Outside Director of Shizuoka Railway Co., LTD.	- shares
<p>Reasons for nomination as candidate for outside Director</p> <p>He currently provides appropriate advice to the general management as an outside Director of the Company, based on the wealth of experience and high level of insight he has fostered as a manager of a financial institution. The Company determines that he will continue to provide appropriate advice to the general management including overseas expansion by taking advantage of the cosmopolitan and broad outlook and experience he has fostered through support for the overseas deployment of enterprises. Accordingly, the Company proposes him as a candidate for outside Director. At the conclusion of this meeting, his tenure as outside Director of the Company will have been one year.</p>			
11	Yuriko Kato (June 19, 1974)  New election Outside Independent  Tenure as Director - years  Attendance to meetings of the Board of Directors - / - (- %)	Apr. 2000      Joined Canon Inc. Apr. 2001      Joined Sankyo Seisakusho Co. Oct. 2009      Representative Director of M2 Labo. Inc. (current position) Oct. 2012      Director of CSN ChihouSouseiNetwork Co., Ltd. June 2013      Outside of Director of Toclas Corporation Mar. 2017      Representative Director of VegiBus Inc. (current position)  [Significant concurrent positions outside the Company] Representative Director of M2 Labo. Inc. Representative Director of VegiBus Inc.	- shares
<p>Reasons for nomination as candidate for outside Director</p> <p>The Company determines that she will provide appropriate advice to the general management including lifestyle creation business and new business development by taking advantage of her wealth of experience and high level of insight she has fostered as a founder of an agriculture support business engaging in its management and as a council member for national and prefecture committees, etc. Accordingly, the Company proposes her as a candidate for outside Director.</p> <p>The Company intends to designate her as an independent officer unlikely to cause conflicts of interest with general shareholders and file this designation with Tokyo Stock Exchange, Inc.</p>			

- (Notes)
1. Akihiro Sugiyama is the Representative Director of Shizuhama Pipeline Co., Ltd., and the Company has a business relationship with that company, including gas consignment. Mitsunobu Kosugi is President and Representative Director of Minamifuji Pipeline Co., Ltd., and the Company has a business relationship with that company, including gas consignment. Katsunori Nakanishi is Chairman and CEO of The Shizuoka Bank, Ltd., and the Company has a business relationship with the bank, including the borrowing of funds.
  2. There is no special interest between any other candidates and the Company.
  3. Limited liability agreements with outside Directors  
The Company has concluded an agreement with Juichi Nozue, Yoshikuni Kanai and Katsunori Nakanishi to limit their liability for damages set forth in Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under the agreement shall be an amount set forth in laws and regulations. Upon approval of their reelection as outside Directors, the Company will continue the agreement with them to limit their liability for damages. If the election of Yuriko Kato is approved, the Company plans to conclude the aforementioned limited liability agreement with her.

(Reference) Independence Criteria for Outside Officers of SHIZUOKA GAS CO., LTD.

The Company determines that outside Directors and outside Auditors (hereinafter “outside officers”) are independent of the Company if they do not meet any of the following criteria.

1. An entity where the Company is a major business partner (\*1) or a business executive thereof.
2. A major business partner with the Company (\*2) or a business executive thereof.
3. A consultant, accountant or legal professional who receives a large amount of monetary consideration or other property (\*3) from the Company separately from compensation received from the Company as an officer. (In case it is an organization such as a corporation or an association that receives monetary consideration or property, an individual who belongs to the said organization.)
4. A person who meets any of the criteria specified in 1., 2. and 3. above at any time during the previous three years.
5. A spouse or relative within the second degree of kinship of an important person (\*4) among the persons listed in (A) through (C) below.
  - (A) A person listed in 1. through 4. above.
  - (B) A business executive of a subsidiary of the Company.
  - (C) A person listed in (B) above or a business executive of the Company at any time during the previous three years.

\*1: “An entity where the Company is a major business partner” is one which provides goods/services essential to the business of the Company and receives payment from the Company equivalent to more than 2% of its consolidated sales.

\*2: “A major business partner with the Company” is one which provides goods/services essential to the business of the Company and meets either of the following criteria.

(i) An entity who pays the Company an amount equivalent to more than 2% of consolidated sales of the Company

(ii) A lender where loans to the Company account for more than 2% of the Company’s consolidated total asset

\*3: Amount equivalent to at least an average of ¥10 million per year over the previous three fiscal years.

\*4: A director (excluding outside director), an employee who holds a senior management position such as an operating officer, a certified public accountant belonging to an audit corporation or an attorney at law belonging to a law firm.