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Securities Code: 4025

March 10, 2023

To Our Shareholders:

Takamoto Taki, Representative Director, President

Taki Chemical Co., Ltd.

2 Midorimachi, Befu-cho, Kakogawa-shi, Hyogo

Notice of the 104th Annual General Meeting of Shareholders

We are pleased to announce the 104th Annual General Meeting of Shareholders of Taki Chemical Co., Ltd. (the “Company”), which will be held as indicated below.

Information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. (excluding the voting form) for this Annual General Meeting of Shareholders (matters for which measures for providing information in electronic format are to be taken) has been provided in electronic format, so please access the Company’s website below and confirm the contents.

Company’s website: <https://www.takichem.co.jp/ir/sokai/index.html> (in Japanese only)

Matters for which measures for providing information in electronic format are to be taken are also provided in electronic format on the Tokyo Stock Exchange (TSE) website. Please access the TSE website (Listed Company Search), enter “Taki Chemical” in “Issue name (company name)” or “4025” in “Code” and select “Basic information” and then “Documents for public inspection/PR information” to confirm the information.

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese only)

You may exercise your voting rights either by sending the voting form back to us or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:20 p.m. on Tuesday, March 28, 2023.

1. Date and Time: Wednesday, March 29, 2023, at 10 a.m. (JST) (Reception is scheduled to open at 9:15 a.m.)

2. Venue: **2nd floor of Kakogawa Plaza Hotel**
800 Mizonokuchi, Kakogawa-cho, Kakogawa-shi, Hyogo

3. Purpose of the Meeting

Matters to be reported:

1. Business Report, Consolidated Financial Statements and Audit Reports of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee for the 104th Fiscal Year (From January 1, 2022 to December 31, 2022)
2. Non-consolidated Financial Statements for the 104th Fiscal Year (From January 1, 2022 to December 31, 2022)

Matters to be resolved:

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of Seven Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Proposal No. 3 Election of Five Directors Who Are Audit & Supervisory Committee Members

Proposal No. 4 Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

- If you attend the meeting, please submit the voting form enclosed herewith to the reception desk in the venue.
 - If revisions to the matters for which measures for providing information in electronic format are to be taken arise, a notice of the revisions will be posted on the Company's website and the TSE website on page 1.
 - The following matters are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents as provided for by the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company.
 - System to ensure properness of operations, and the operational status of the system
 - Consolidated Statements of Changes in Net Assets
 - Notes to Consolidated Financial Statements
 - Non-consolidated Statements of Changes in Net Assets
 - Notes to Non-consolidated Financial Statements
- Documents that are delivered to shareholders who have requested the delivery of paper-based documents are part of the Business Report audited by the Audit & Supervisory Committee, and Consolidated and Non-consolidated Financial Statements audited by the Financial Auditor and Audit & Supervisory Committee.
- If there is no indication of approval or disapproval of proposals on the voting form when voting rights are exercised in writing (by mail), we will treat it as an indication of approval.
 - Please note that the meeting will be conducted in Japanese only.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividend

The Company recognizes the return of profit to its shareholders as a key management priority, and it maintains a policy of paying stable dividends on a continual basis. Moreover, the Company proposes to allocate profits to capital investment, research and development investment, and rationalization investment to improve sustainable development and the corporate value of the Company.

The Company has given comprehensive consideration to a range of factors including the enhancement of business structure, future business development and business performance, and it proposes to pay a year-end dividend for the 104th fiscal year of ¥50, consisting of an ordinary dividend of ¥45 and a celebratory dividend of ¥5 per share in celebration of the transition to the Prime Market, to repay the support of shareholders.

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property and the aggregate amount thereof
The Company proposes to pay a dividend of ¥50 per common share of the Company.
In this event, the total dividends will be ¥432,991,850.
- (3) Effective date of dividend of surplus
The effective date of the dividend will be March 30, 2023.

Proposal No. 2 Election of Seven Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all seven Directors (excluding those who are Audit & Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of seven Directors (excluding those who are Audit & Supervisory Committee Members).

As for this proposal, the Audit & Supervisory Committee of the Company has judged that all the candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members) are eligible.

Candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members) are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Takamoto Taki (June 23, 1954) [Re-election]	Apr. 1977 Joined the Company Mar. 1992 General Manager, Financing & Accounting Department Mar. 1993 Director Mar. 1995 Managing Director Mar. 1996 Representative Director and Senior Managing Director Mar. 1997 Representative Director, President (current position)	26,994 shares
<p>■ Reasons for nomination as candidate for Director</p> <p>The individual nominated as candidate was judged to possess extensive experience and knowledge related to the Company's overall business through his career at various departments. And, taking into consideration his performance as the Company's Representative Director, President, he is expected to play an appropriate role in the determination of significant management issues and the supervision of business execution. For these reasons, the Company proposes to continue appointing the individual as Director.</p>			
2	Katsuhiko Taki (November 7, 1983) [Re-election]	Apr. 2008 Joined the Company Sept. 2020 Senior Manager (Sp. Charge), Financing & Accounting Department Mar. 2021 Director, Executive Officer in charge of Financing & Accounting Department Mar. 2022 Director, Managing Executive Officer supervising Fertilizer Business Department and Chemicals Business Department, and in charge of Financing & Accounting Department Feb. 2023 Director, Managing Executive Officer supervising Fertilizer Business Department and Chemicals Business Department, and in charge of Financing & Accounting Department and Purchasing Department (current position)	6,810 shares
<p>■ Reasons for nomination as candidate for Director</p> <p>The individual nominated as candidate was judged to possess extensive experience and knowledge related to the Company's overall business through his career at departments of fertilizer manufacturing, chemicals manufacturing, production technology, purchases, accounting, fertilizer business, and chemicals business. And, taking into consideration his performance as the Company's Director, Managing Executive Officer, he is expected to play an appropriate role in the determination of significant management issues and the supervision of business execution. For these reasons, the Company proposes to continue appointing the individual as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Hisamori Kanaji (January 10, 1961) [Re-election]	Apr. 1983 Joined the Company	5,278 shares
		Apr. 2013 General Manager, Fertilizer Business Department	
Mar. 2016 Associate Director			
Mar. 2017 Director			
Mar. 2020 Director, Executive Officer in charge of Fertilizer Business Department and General Manager, Fertilizer Business Department			
Mar. 2021 Director, Executive Officer in charge of Fertilizer Business Department and Chemicals Business Department (current position)			
<p>■ Reasons for nomination as candidate for Director</p> <p>The individual nominated as candidate was judged to possess abundant experience and knowledge related to the Company's business through his career mainly at the sales department. And, taking into consideration his performance as the Company's Director, Executive Officer, he is expected to play an appropriate role in the determination of significant management issues and the supervision of business execution. For these reasons, the Company proposes to continue appointing the individual as Director.</p>			
4	Takahisa Masaki (November 24, 1962) [Re-election]	Apr. 1985 Joined the Company	1,978 shares
		Apr. 2013 General Manager, General Affairs & Personnel Department	
Feb. 2017 Senior Manager (Sp. Charge), General Affairs & Personnel Department			
Mar. 2017 Associate Director of the Company			
Mar. 2020 Director, Executive Officer in charge of General Affairs & Personnel Department			
Mar. 2022 Director, Executive Officer in charge of General Affairs & Personnel Department and Internal Audit Department (current position)			
<p>■ Reasons for nomination as candidate for Director</p> <p>The individual nominated as candidate was judged to possess abundant experience and knowledge related to the Company's business through his career mainly at the sales department and the general affairs and personnel department in addition to experience of corporate management at a subsidiary company. And, taking into consideration his performance as the Company's Director, Executive Officer, he is expected to play an appropriate role in the determination of significant management issues and the supervision of business execution. For these reasons, the Company proposes to continue appointing the individual as Director.</p>			
5	Hiroyuki Izutsu (October 19, 1965) [Re-election]	Jan. 1990 Joined the Company	1,518 shares
		Apr. 2015 General Manager, Management Planning Department	
Mar. 2020 Associate Executive Officer			
Mar. 2021 Director, Executive Officer in charge of Management Planning Department and Internal Control Section			
Mar. 2022 Director, Executive Officer in charge of Management Planning Department and CSR (current position)			
<p>■ Reasons for nomination as candidate for Director</p> <p>The individual nominated as candidate was judged to possess abundant experience and knowledge related to the Company's business through his career mainly at the research and development department and the management planning department. And, taking into consideration his performance as the Company's Director, Executive Officer, he is expected to play an appropriate role in the determination of significant management issues and the supervision of business execution. For these reasons, the Company proposes to continue appointing the individual as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Goro Suzuki (December 10, 1964) [Re-election]	Apr. 1987 Joined the Company	1,580 shares
		Apr. 2015 General Manager, Production Tech. & Engineering Department	
Mar. 2020 Associate Executive Officer			
Apr. 2021 Vice General Manager, Head Factory			
Mar. 2022 Director, Executive Officer in charge of Research Division and General Manager of Research Division (current position)			
<p>■ Reasons for nomination as candidate for Director</p> <p>The individual nominated as candidate was judged to possess abundant experience and knowledge related to the Company's business through his career mainly at the research and development department. And, taking into consideration his performance as the Company's Director, Executive Officer, he is expected to play an appropriate role in the determination of significant management issues and the supervision of business execution. For these reasons, the Company proposes to continue appointing the individual as Director.</p>			
7	Kazunari Izumi (January 4, 1965) [New election]	Apr. 1988 Joined the Company	2,380 shares
		Apr. 2016 General Manager, Engineering Department (current position)	
Mar. 2020 Associate Executive Officer			
Apr. 2021 Associate Executive Officer, Vice General Manager, Head Factory			
Mar. 2022 Executive Officer, General Manager, Head Factory (current position)			
<p>■ Reasons for nomination as candidate for Director</p> <p>The individual nominated as candidate was judged to possess abundant experience and knowledge related to the Company's business through his career at the research and development and the manufacturing department. And, taking into consideration his performance as the Company's Executive Officer, he is expected to play an appropriate role in the determination of significant management issues and the supervision of business execution. For these reasons, the Company proposes to appoint the individual as Director.</p>			

- Notes:
1. Candidate Katsuhiko Taki, Director, Managing Executive Officer of the Company, is the oldest son of Takamoto Taki, Representative Director, President of the Company.
 2. There is no special interest between any of the candidates and the Company.
 3. Kazunari Izumi is a new candidate.
 4. To secure excellent human resources and avoid impairing the execution of duties, the Company enters into the Directors and Officers Liability Insurance Policy (D&O insurance policy) outlined below. Candidates proposed hereto for re-election have already been insured as Directors, and Mr. Kazunari Izumi has already been insured as Associate Executive Officer. If this proposal is approved and adopted in its original form, the insurance policy will be renewed with all of the candidates as Directors who are not Audit & Supervisory Committee Members.
(Summary of the content of D&O insurance policy)
 - (1) Actual proportion of insurance premium paid by the insured
Insurance premiums including those of special contracts shall be borne by the Company. The insured is not to bear actual premium costs.
 - (2) Summary of events to be insured against damages
Damage caused by an officer, etc. as an insured taking responsibility concerning the execution of duties or receiving a claim filed in connection with the determination of liability, may be covered by the insurance including its special contract; provided, however, that an exemption would apply to certain cases where the insured conducted the act knowing that it is illegal, among others.
 - (3) Measure to be taken so that the properness of execution of duties by the Officer, etc. will not be impaired by the contract
The D&O insurance policy provides the amount deductible. Damage with an amount smaller than the amount deductible shall not be insured.

Proposal No. 3 Election of Five Directors Who Are Audit & Supervisory Committee Members

The terms of office of all five Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of five Directors who are Audit & Supervisory Committee Members.

The consent of the Audit & Supervisory Committee has been obtained for the submission of this proposal.

Candidates for Directors who are Audit & Supervisory Committee Members are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Masahiko Shimoyama (September 10, 1964) [New election]	Apr. 1988 Joined the Company Apr. 2019 General Manager, Financing & Accounting Department (current position) Mar. 2020 Associate Executive Officer (current position)	1,731 shares
	<p>■ Reasons for nomination as candidate for Director who is an Audit & Supervisory Committee Member</p> <p>The individual nominated as candidate was judged to possess abundant experience and knowledge related to the Company's business through his career mainly at the accounting department. And, taking into consideration his performance as the Company's Associate Executive Officer, he is expected to play an appropriate role in the supervision and audit of business execution by Directors. For these reasons, the Company proposes to appoint the individual as Director who is an Audit & Supervisory Committee Member.</p>		
2	Hiroaki Tamura (November 8, 1953) [Re-election] [Outside] [Independent]	Apr. 1977 Joined the Mitsubishi Bank, Ltd. (present MUFG Bank, Ltd.) July 2004 Commissioner and the General Manager of Business Investigation Department of the Bank of Tokyo-Mitsubishi, Ltd. (present MUFG Bank, Ltd.) Mar. 2007 Left the Bank of Tokyo-Mitsubishi UFJ, Ltd. (present MUFG Bank, Ltd.) June 2007 Managing Director of Nitto Fuji Flour Milling Co., Ltd. June 2008 Director and Managing Executive Officer June 2017 Retired from post of Director and Managing Executive Officer June 2017 Outside Auditor of IX Knowledge Inc. Mar. 2018 Outside Director of the Company Mar. 2021 Outside Director who is an Audit & Supervisory Committee Member (current position) June 2021 Retired from post of Outside Auditor of IX Knowledge Inc.	300 shares
	<p>Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and overview of expected role</p> <p>The Company proposes to continue appointing Mr. Hiroaki Tamura as Outside Director who is an Audit & Supervisory Committee Member so that his profound experience and excellent insight as a corporate manager that have been obtained through his career serving in multiple positions such as Managing Director of Nitto Fuji Flour Milling Co., Ltd. may be utilized in the supervision and audit of business execution by Directors from an objective and neutral perspective.</p>		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Tatsuo Iwaki (April 3, 1954) [Re-election] [Outside] [Independent]	Apr. 1973 Employed by the Hiroshima Regional Taxation Bureau	0 shares
		July 2015 Retired from post of Director of the Nishinomiya Tax Office	
		Aug. 2015 Registered as a certified public tax accountant	
		Nov. 2018 Established Tatsuo Iwaki Tax Office (current position)	
		Mar. 2020 Outside Director of the Company	
		Mar. 2021 Outside Director who is an Audit & Supervisory Committee Member (current position)	
Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and overview of expected role Mr. Tatsuo Iwaki has never in the past been directly involved in the management of a company except as an outside officer. However, the Company proposes to continue appointing Mr. Iwaki as Outside Director who is an Audit & Supervisory Committee Member so that his professional experience and excellent insight as a certified public tax accountant that have been obtained through his career serving as multiple district tax office directors, etc. may be utilized in the supervision and audit of business execution by Directors from an objective and neutral perspective.			
4	Shozo Shigeta (February 6, 1957) [Re-election] [Outside] [Independent]	Apr. 1980 Joined The Nippon Fire & Marine Insurance Co., Ltd (present Sompo Japan Insurance Inc.)	0 shares
		Apr. 2013 Managing Executive Officer of NIPPONKOA Insurance Co., Ltd. (present Sompo Japan Insurance Inc.)	
		Apr. 2013 Managing Executive Officer of Sompo Japan Insurance Inc.	
		Mar. 2015 Representative Director and Vice President of Osaka Hilton Co., Ltd.	
		Mar. 2017 Advisor	
		Mar. 2018 Retired from post of Advisor	
		Apr. 2018 Advisor of Sompo Japan Nipponkoa Insurance Inc. (present Sompo Japan Insurance Inc.)	
		June 2018 Audit & Supervisory Board Member of Sompo Japan Nipponkoa Career Bureau Inc. (present Sompo Japan Career Bureau Inc.)	
		June 2020 Retired from post of Advisor of Sompo Japan Insurance Inc.	
		June 2020 Retired from post of Audit & Supervisory Board Member of Sompo Japan Career Bureau Inc.	
		Mar. 2021 Outside Director who is an Audit & Supervisory Committee Member of the Company (current position)	
Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and overview of expected role The Company proposes to continue appointing Mr. Shozo Shigeta as Outside Director who is an Audit & Supervisory Committee Member so that his profound experience and excellent insight as a corporate manager that have been obtained through his career serving in multiple positions such as Managing Executive Officer of NIPPONKOA Insurance Co., Ltd. (present Sompo Japan Insurance Inc.) may be utilized in the supervision and audit of business execution by Directors from an objective and neutral perspective.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Noriko Kitajima (October 25, 1974) [New election] [Outside] [Independent]	Apr. 2000 Registered with the Bar Association and joined the Takahiko Inoue Law Offices Feb. 2003 Joined Phoenix Law Offices Jan. 2012 Joint Representative (current position) June 2015 Outside Director who is an Audit & Supervisory Committee Member of SANKYO KASEI CORPORATION (current position) Mar. 2017 Outside Corporate Auditor of Daitron Co., Ltd. (current position) June 2021 Outside Audit & Supervisory Board Member of Daiei Kankyo Co., Ltd. (current position)	0 shares
<p>Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and overview of expected role</p> <p>Ms. Noriko Kitajima has never in the past been directly involved in the management of a company except as an outside officer. However, the Company proposes the election of Ms. Kitajima as Outside Director who is an Audit & Supervisory Committee Member so that her professional experience and excellent insight as a lawyer may be utilized in the supervision and audit of business execution by Directors from an objective and neutral perspective.</p>			

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Masahiko Shimoyama and Noriko Kitajima are new candidates.
 - Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with three candidates Mr. Hiroaki Tamura, Mr. Tatsuo Iwaki and Mr. Shozo Shigeta to limit their liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act. If the reelection of these three individuals is approved, the Company plans to renew the aforementioned agreements with them.
 - If candidates Mr. Masahiko Shimoyama and Ms. Noriko Kitajima's election as Directors who are Audit & Supervisory Committee Members is approved, the Company plans, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to enter into an agreement that limits each of their liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.
 - Three candidates Mr. Hiroaki Tamura, Mr. Tatsuo Iwaki and Mr. Shozo Shigeta are currently Outside Directors who are Audit & Supervisory Committee Members of the Company. At the conclusion of this meeting, their tenures since assuming office as Outside Directors who are Audit & Supervisory Committee Members will have been two years. Mr. Hiroaki Tamura and Mr. Tatsuo Iwaki were previously Non-Executive Officers (Outside Directors) of the Company. Their tenures since assuming office are three years for Mr. Hiroaki Tamura and one year for Mr. Tatsuo Iwaki.
 - Three candidates Mr. Hiroaki Tamura, Mr. Tatsuo Iwaki and Mr. Shozo Shigeta are candidates for Outside Directors. The Company has notified Tokyo Stock Exchange, Inc. of the designation of these three individuals as independent officers as provided for by the exchange. If the reelection of the three individuals is approved, the Company plans to renew notification to the aforementioned exchange concerning their designation as independent officers.
 - Candidate Ms. Noriko Kitajima is a candidate for Outside Director. She satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc. If her election is approved, the Company plans to submit notification to the aforementioned exchange concerning her designation as an independent officer.
 - To secure excellent human resources and avoid impairing the execution of duties, the Company enters into the Directors and Officers Liability Insurance Policy (D&O insurance policy) outlined below. Among candidates proposed hereto for election, Mr. Tamura, Mr. Iwaki and Mr. Shigeta have already been insured as Directors who are Audit & Supervisory Committee Members, and Mr. Shimoyama has already been insured as Associate Executive Officer. If this proposal is approved and adopted in its original form, the Company plans to renew the D&O insurance policy having the same content with the four individuals as Directors who are Audit & Supervisory Committee Members as the insured, and will newly enter into an insurance policy having the same content with Ms. Noriko Kitajima as the insured.
(Summary of the content of D&O insurance policy)
 - Actual proportion of insurance premium paid by the insured
Insurance premiums including those of special contracts shall be borne by the Company. The insured is not to bear actual premium costs.
 - Summary of events to be insured against damages
Damage caused by an officer, etc. as an insured taking responsibility concerning the execution of duties or receiving a claim filed in connection with the determination of liability, may be covered by the insurance including its special contract; provided, however, that an exemption would apply to certain cases where the insured conducted the act knowing that it is illegal, among others.

- (3) Measure to be taken so that the properness of execution of duties by the Officer, etc. will not be impaired by the contract
The D&O insurance policy provides the amount deductible. Damage with an amount smaller than the amount deductible shall not be insured.

Proposal No. 4 Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

The Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are full-time Audit & Supervisory Committee Members fall below the number required.

The consent of the Audit & Supervisory Committee has been obtained for the submission of this proposal.

Candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Tadashi Ohashi (May 14, 1964)	Nov. 1987 Joined the Company Apr. 2020 General Manager, General Affairs & Personnel Department Feb. 2023 Senior Manager (Sp. Charge), General Affairs & Personnel Department (current position) President and Representative Director of SHIKISHIMA- SHOJI CO., LTD. (current position)	1,800 shares
<p>■ Reasons for nomination as candidate for substitute Director who is an Audit & Supervisory Committee Member</p> <p>The individual nominated as candidate was judged to possess abundant experience and knowledge related to the Company's business through his career mainly at the general affairs & personnel department and sales department. And, taking into consideration his performance as General Manager, he is expected to play an appropriate role in the supervision and audit of business execution by Directors. For these reasons, the Company proposes to appoint the individual as substitute Director who is an Audit & Supervisory Committee Member.</p>		

- Notes:
1. There is no special interest between the candidate and the Company.
 2. If the candidate is appointed as Director who is an Audit & Supervisory Committee Member, the Company plans, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to enter into an agreement that limits his liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.
 3. The candidate is expected to be appointed as Associate Executive Officer of the Company by resolution at the meeting of the Board of Directors to be held after the conclusion of this meeting. However, if the candidate is appointed as Director who is an Audit & Supervisory Committee Member, he will retire from the posts of Associate Executive Officer of the Company and Director of SHIKISHIMA-SHOJI CO., LTD.
 4. To secure excellent human resources and avoid impairing the execution of duties, the Company enters into the Directors and Officers Liability Insurance Policy (D&O insurance policy) outlined below. If the candidate is appointed as Director who is an Audit & Supervisory Committee Member, the Company plans to enter into the D&O insurance policy having the same content with the candidate as Director who is an Audit & Supervisory Committee Member as the insured.
(Summary of the content of D&O insurance policy)
 - (1) Actual proportion of insurance premium paid by the insured
Insurance premiums including those of special contracts shall be borne by the Company. The insured is not to bear actual premium costs.
 - (2) Summary of events to be insured against damages
Damage caused by an officer, etc. as an insured taking responsibility concerning the execution of duties or receiving a claim filed in connection with the determination of liability, may be covered by the insurance including its special contract; provided, however, that an exemption would apply to certain cases where the insured conducted the act knowing that it is illegal, among others.
 - (3) Measure to be taken so that the properness of execution of duties by the Officer, etc. will not be impaired by the contract
The D&O insurance policy provides the amount deductible. Damage with an amount smaller than the amount deductible shall not be insured.

Reference: Directors Diversity Matrix

If Proposals No. 2 and No. 3 and the selection of Executive Officers with Special Titles and Executive Officers at the meeting of the Board of Directors to be held after the conclusion of this Annual General Meeting of Shareholders are approved, the composition of the Board of Directors and the Audit & Supervisory Committee, as well as the areas where each Director is expected to utilize their particular expertise and experience, will be as follows:

Name	Position	Corporate management	Finance/ accounting/ finance & economics	Legal affairs/ risk management	Personnel & labor affairs/ human resources development	Sales/ marketing	Manufacturing/ quality	Research & development	IT/ digital information security	Sustainability/ ESG
Takamoto Taki	Representative Director, President	●	●			●	●			
Katsuhiko Taki	Representative Director Senior Managing Executive Officer		●			●	●		●	
Hisamori Kanaji	Director Managing Executive Officer					●				
Takahisa Masaki	Director, Executive Officer	●		●	●	●				
Hiroyuki Izutsu	Director, Executive Officer			●				●	●	●
Goro Suzuki	Director, Executive Officer						●	●		●
Kazunari Izumi	Director, Executive Officer						●	●	●	●
Masahiko Shimoyama	Director Full-Time Audit & Supervisory Committee Member		●	●						
Hiroaki Tamura	Independent Outside Director Audit & Supervisory Committee Member	●	●		●	●				
Tatsuo Iwaki	Independent Outside Director Audit & Supervisory Committee Member		●						●	●
Shozo Shigeta	Independent Outside Director Audit & Supervisory Committee Member	●	●			●				●
Noriko Kitajima	Independent Outside Director Audit & Supervisory Committee Member			●	●					●

- Notes:
1. A maximum of four areas where each person possesses expertise and experience have been marked with ●.
 2. Under corporate management above, for internal Directors, persons with experience serving as Representative Director (including at major subsidiaries), and for Outside Directors, persons with experience serving as an internal Director at one or more other companies have been marked with ●.