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Securities Code: 4025

March 8, 2024

To Our Shareholders:

Takamoto Taki, Representative Director, President

**Taki Chemical Co., Ltd.**

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

## **Notice of the 105th Annual General Meeting of Shareholders**

We are pleased to announce the 105th 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)

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)

**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 26, 2024.**

**1. Date and Time:** Wednesday, March 27, 2024, 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 105th Fiscal Year (From January 1, 2023 to December 31, 2023)
2. Non-consolidated Financial Statements for the 105th Fiscal Year (From January 1, 2023 to December 31, 2023)

**Matters to be resolved:**

**Proposal No. 1** Appropriation of Surplus

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

**Proposal No. 3** Election of Seven Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

- 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.
- 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 105th fiscal year of ¥50, consisting of an ordinary dividend of ¥45 and a commemorative dividend to commemorate the construction of the new head office building of ¥5 per share, 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 ¥423,306,200.
- (3) Effective date of dividend of surplus  
The effective date of the dividend will be March 28, 2024.

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

1. Reasons for the change

In order to improve the fairness, transparency and objectivity of the Board of Directors, Article 24 of the Company’s Articles of Incorporation is to be amended to allow the appointment of an Independent Outside Director as the convener and chairperson of the Board of Directors.

2. Details of the amendments

The details of the amendments are as follows:

The Articles of Incorporation remain unchanged except for the following article.

(Underlined sections are the details of the amendments.)

Current Articles of Incorporation	Proposed Amendment
<p>(Convener and Chairperson of the Board of Directors)  <u>Article 24.</u>                      1. The Board of Directors Meeting shall be convened by the <u>Director and President</u>, who shall act as chairperson at the meeting unless otherwise stipulated in laws and ordinances.                       2. In the absence or disability of <u>the Director and President</u> due to an accident, another Director of the Company, in an order previously determined by the Board of Directors, shall convene and preside at meetings of the Board of Directors.</p>	<p>(Convener and Chairperson of the Board of Directors)  <u>Article 24.</u>                      1. The Board of Directors Meeting shall be convened by a <u>Director stipulated by the Board of Directors in advance by resolution of the Board of Directors</u>, who shall act as chairperson at the meeting unless otherwise stipulated in laws and ordinances.                       2. In the absence or disability of <u>that Director</u> due to an accident, another Director of the Company, in an order previously determined by the Board of Directors, shall convene and preside at meetings of the Board of Directors.</p>

**Proposal No. 3** 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)	18,029 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 Mar. 2023      Director, Senior Managing Executive Officer supervising Fertilizer Business Department and Chemicals Business Department, and in charge of Financing & Accounting Department and Purchasing Department (current position)	9,791 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, Senior 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	6,032 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			
Mar. 2023      Director, Managing 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, 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>			
4	Takahisa Masaki (November 24, 1962)  [Re-election]	Apr. 1985      Joined the Company	2,305 shares
		Apr. 2013      General Manager, General Affairs & Personnel Department	
Feb. 2017      Senior Manager (Sp. Charge), General Affairs & Personnel Department President and Representative Director of SHIKISHIMA-SHOJI CO., LTD.			
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			
Mar. 2023      Director, Executive Officer in charge of General Affairs & Personnel Department, Internal Audit Department, and Real Estate 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 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>			

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	Hiroyuki Izutsu (October 19, 1965)  [Re-election]	Jan. 1990      Joined the Company	1,845 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>			
6	Goro Suzuki (December 10, 1964)  [Re-election]	Apr. 1987      Joined the Company	1,907 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, Research Division			
Mar. 2023      Director, Executive Officer in charge of Research Division, General Manager, Research Division, and Leader in charge of the Mushroom Business Project Team (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)  [Re-election]	Apr. 1988      Joined the Company	2,707 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			
Mar. 2023      Director, Executive Officer in charge of Head Factory and 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 mainly at the research and development department and the manufacturing 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>			

- Notes: 1. Candidate Katsuhiko Taki, Director, Senior 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. To secure excellent human resources and avoid impairing the execution of duties, the Company plans to conclude an indemnification agreement outlined below with the all candidates proposed hereto for election.  
(Summary of the content of the indemnification agreement)
  - (1) Scope of indemnification  
The Company will cover the expenses set forth in Article 430-2, paragraph (1), item (i) of the Companies Act and the loss set forth in item (ii) of the same paragraph within the extent stipulated by laws and regulations.
  - (2) Measure to be taken so that the properness of execution of duties  
The Board of Directors will reach a decision as to whether or not compensation is required, and the extent of that compensation.
  - (3) Exclusions from indemnification
    - Portion of litigation expenses that exceeds the amount of expenses normally required
    - If the Company is to compensate for damages, etc. in the event that the indemnified Director (hereafter, the “indemnified person”) is liable to the Company under Article 423, paragraph (1) of the Companies Act, the portion of the damages, etc. that relates to such liability
    - All of the damages, etc. for which the indemnified person is liable due to his/her malicious intent or gross negligence in performing his/her duties
  - (4) Cases requiring the indemnified person to return all or part of the compensation to the Company
    - If it is found that the indemnified person has performed his/her duties for the purpose of gaining unjust benefits for him/herself or a third party or causing damage to the Company, all of the compensated expenses, etc. must be returned to the Company.
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. All candidates proposed hereto for election have already been insured as Directors. 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.



Reference: Directors Diversity Matrix

If Proposal 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, Chairman	•	•			•	•			
Katsuhiko Taki	Representative Director, President	•	•				•		•	
Hisamori Kanaji	Director Managing Executive Officer					•				•
Takahisa Masaki	Director Managing 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 •.

### Reference: Independence Criteria of Outside Directors

To meet the independence criteria, an Outside Director must, in addition to meeting the requirements for outside officers as stipulated in the Companies Act and the criteria for independence set by Tokyo Stock Exchange, Inc., not fall under any of the following conditions recently.

1. A major shareholder of the Company (those who directly or indirectly hold 10% or more of voting rights at the end of the most recent fiscal year) or an executive thereof
2. A party whose major business partner (a major business partner is a counterparty that accounts for more than 2% of a company's annual consolidated net sales for the most recent fiscal year. The same applies hereinafter.) is the Company or an executive thereof
3. A major business partner of the Company or an executive thereof
4. A senior partner or partner of the Financial Auditor of the Company
5. A consultant, lawyer, certified public accountant, or other professional service provider who receives more than ¥10 million in annual compensation or other financial benefits from the Company other than remuneration as an officer
6. A person belonging to an organization that receives annual donations of more than ¥10 million from the Company
7. A person who has served as an Outside Director of the Company for more than eight years