

May 28, 2021

To Our Shareholders:

Shinya Ogawa

President, Member of the Board



**PACIFIC INDUSTRIAL CO., LTD.**

100 Kyutoku-Cho, Ogaki, Gifu, Japan

## **NOTICE OF THE 97TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We hereby inform you of the 97th Ordinary General Meeting of Shareholders to be held as follows. Given the spread of COVID-19, we ask all the shareholders to refrain from coming to the venue if at all possible and to exercise voting rights in writing or on the Internet in advance. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights **no later than 17:00 on Friday, June 18, 2021(JST).**

- 1. Date:** 10:00 am, Saturday, June 19, 2021
- 2. Place:** at the room Kyokko in OGAKI FORUM HOTEL.  
2-31 Mangoku, Ogaki, Gifu, Japan

### **3. Objectives of the Meeting:**

#### **Reports:**

- (1) Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board for the 97th Fiscal Term (from April 1, 2020 to March 31, 2021).
- (2) Financial Statements for the 97th Fiscal Term (from April 1, 2020 to March 31, 2021)

#### **Agenda:**

**Proposal No.1: Election of Six (6) Members of the Board**

**Proposal No.2: Election of One (1) Audit & Supervisory Board Member**

**Proposal No.3: Election of One (1) Substitute Audit & Supervisory Board Member**

**As a measure to prevent the infection with COVID-19, please exercise voting rights in writing or on the Internet in advance and make sure not to attend the Meeting.**

- If any corrections are made to the reference materials to be distributed at the shareholders' meeting, as well as the business report and statements of accounts (consolidated and non-consolidated), such corrections will also be listed on the following website.
- As we disclose the matters concerning stock warrant of the Company subject to business report, the system, policy and the status of operation of the Company, the policy for determination of dividends of surplus, and consolidated financial statements including consolidated statement of changes in net assets, consolidated statement of cash flows (Reference) and notes to consolidated financial statements, and non-consolidated financial statements including statement of changes in net assets and notes to non-consolidated financial statements, on the corporate website according to law and the provisions of Article 14 of the Articles of Incorporation, we did not include them in the attachment to the convocation notice.

●Apart from the documents listed in the attachments to this notice of convocation, the business reports and financial statements (consolidated and non-consolidated) audited by the accounting auditor and the audit & supervisory board include the items posted on the company website below.(Japanese only)

website: <https://www.pacific-ind.co.jp/investor/meeting/>

**Proposal No.1: Election of Six (6) Members of the Board**


The term of office of all the seven (7) incumbent Members of the Board will expire upon the conclusion of the General Meeting of Shareholders.

Therefore, The Company therefore proposes reducing the number of Members of the Board by one (1) to make decisions strategically and flexibly the mobility of the Board of Directors and electing six (6) Members of the Board including two (2) outside Board Members.

The nominees for members of the board are as follows:

Nominee NO.		Name	Current posts, assignments in the Company and attribute	Board Meeting attendance in fiscal year 2020
1	Reappointment	Shinya Ogawa	President, Member of the Board	12/12 (100%)
2	Reappointment	Tetsushi Ogawa	Executive Vice President, Member of the Board Business Management Chief Officer, Corporate Planning Center,	12/12 (100%)
3	Reappointment	Hisashi Kayukawa	Managing Officer , Member of the Board Chief Officer, Valve & TPMS Business Group	12/12 (100%)
4	Reappointment	Terumi Noda	Managing Officer, Member of the Board Chief Officer, Stamping & Plastic Molding Business Group	12/12 (100%)
5	Reappointment	Osamu Motojima	Outside Board Member and Independent Officer	12/12 (100%)
6	Reappointment	Taeko Katagiri	Outside Board Member and Independent Officer	12/12 (100%)


## 1. Shinya Ogawa (September 8, 1947) Reappointment

	<b>■ Brief personal history, posts and assignments in the Company</b>	
	April 1973:	Joined Toyota Motor Co., Ltd. (Current Toyota Motor Corporation)
	January 1981:	Left Toyota Motor Co., Ltd.
	February 1981:	Joined Pacific Industrial Co., Ltd.
	June 1983:	Member of the Board
	June 1985:	Managing Officer, Member of the Board
	March 1989:	Senior Managing Officer, Member of the Board
	February 1990:	Executive Vice President, Member of the Board
	June 1996:	President, Member of the Board (current position)
<b>■ Number of the Company's shares owned: 1,461,514</b>		
<b>■ Reason that the Company appointed Shinya Ogawa as a candidate for member of the board:</b> Shinya Ogawa, as President of the Company, has worked over the years on corporate management with a focus on improvement of corporate value and all stakeholders based on the corporate philosophy (Technology development, Respect for humanity, Conservation of global environment), thereby contributing to the growth and development of the Company. Given his knowledge as a business manager, demonstrated by his track record, and his abundant experience, the Company proposes that he be elected as Member of the Board.		

## 2. Tetsushi Ogawa (August 16, 1978) Reappointment

	<b>■ Brief personal history, posts and assignments in the Company</b>	
	April 2005:	Joined Toyota Motor Corporation
	December 2010:	Left Toyota Motor Corporation
	January 2011:	Joined Pacific Industrial Co., Ltd.
	June 2011:	Operating Officer
	June 2013:	Managing Officer
	June 2015:	Senior Managing Officer, Member of the Board
	June 2018:	Executive Vice President, Member of the Board
	June 2020:	Executive Vice President, Member of the Board Chief Officer, Corporate Planning Center, Business Management (current position)
<b>■ Number of the Company's shares owned: 75,941</b>		
<b>■ Reason that the Company appointed Tetsushi Ogawa as a candidate for member of the board:</b> As Executive Vice President, Tetsushi Ogawa has promoted profit improvement centered on a growth strategy and production site improvement, contributing to the realization of increased corporate value by exhibiting distinguished management in corporate reorganization based on M&A, enhancement of the governance system and manufacturing that makes customers happy. We continue to select him as a candidate for Director as he has a diverse sense of value, including a Kaizen spirit, as well as comprehensive and precise perspectives, including a production site perspective, and excellent insight.		


### 3. Hisashi Kayukawa (October 24, 1957) Reappointment

	<b>■ Brief personal history, posts and assignments in the Company</b>	
	March 1980: June 2009: June 2013: June 2015: January 2020:	Joined Pacific Industrial Co., Ltd. Operating Officer Managing Officer Managing Officer ,Member of the Board Managing Officer , Member of the Board Chief Officer, Valve & TPMS Business Group (current position)
<b>■ Important post concurrently held at another corporation:</b> President, Schrader-Bridgeport International, Inc. President, August France Holding Company SAS President, Schrader SAS		
<b>■ Number of the Company's shares owned:</b> 41,435		
<b>■ Reason that the Company appointed Hisashi Kayukawa as a candidate for member of the board:</b> Hisashi Kayukawa has been involved in all production related phases, from development, design, production engineering, and through to production for many years, and has worked on advanced technology development with his abundant experience and knowledge, taking the lead to enhance the Company's technology. We appointed him as a candidate, because of his abundant experience and professional knowledge in this area.		


### 4. Terumi Noda (November 17, 1957) Reappointment

	<b>■ Brief personal history, posts and assignments in the Company</b>	
	May 1980: June 2004: June 2009:  June 2015: June 2019: January 2020:	Joined Pacific Industrial Co., Ltd. President, PI System Co., Ltd. Operating Officer President, Pacific Manufacturing Ohio, Inc. Managing Officer Managing Officer, Member of the Board Managing Officer , Member of the Board Chief Officer, Stamping & Plastic Molding Business Group (current position)
<b>■ Important post concurrently held at another corporation:</b> President, Pacific Industries USA Inc.		
<b>■ Number of the Company's shares owned:</b> 51,292		
<b>■ Reason that the Company appointed Terumi Noda as a candidate for member of the board:</b> Terumi Noda has been involved in both domestic and international sales development for many years and has excellent insight for business. Also, as the President of a subsidiary in the U.S. and an IT subsidiary, he is familiar with global business environments and advanced communication business environments, etc. We selected him as a candidate for these reasons and because he has broad insight and abundant experience in the areas of corporate planning, human resources, accounting and finance, and procurement etc.		

5. Osamu Motojima (December 5, 1948) Reappointment, Outside Board Member and Independent Officer

	<b>■ Brief personal history, posts, assignments in the Company and important posts concurrently held at other organizations</b>	
	July 1987:	Professor, Kyoto University, Plasma Physics Laboratory
	April 1988:	Professor, Institute of Plasma Physics, Nagoya University
	April 1998:	Scientific Advisor, Ministry of Education, Science and Culture
	April 2002:	Director-General, National Institute for Fusion Science
	April 2004:	Vice President, National Institutes of Natural Sciences
	March 2009:	Foreign Member, The Royal Swedish Academy of Engineering Sciences (current position)
	April 2009:	Professor Emeritus, National Institutes for Fusion Science (current position)
	May 2009:	President, Future Energy Research Association (current position)
	July 2010:	Director General, ITER International Fusion Energy Organization
	June 2013:	Professor Emeritus, The Graduate University for Advanced Studies (current position)
	March 2015:	Director General Emeritus, ITER International Fusion Energy Organization (current position)
	June 2015:	Member of the Board, Pacific Industrial Co., Ltd. (current position)
<b>■ Duration of assignment of Outside Board Member:</b> Six (6) years (at the conclusion of this 97th Ordinary General Meeting of Shareholders)		
<b>■ Important posts concurrently held at other organizations:</b> Director General Emeritus, ITER International Fusion Energy Organization Professor Emeritus, National Institutes for Fusion Science President, Future Energy Research Association Professor Emeritus, The Graduate University for Advanced Studies Advisor to the Chairman・Director , Chubu University		
<b>■ The relationship between the organizations that he concurrently holds an important post and Pacific Industrial Co., Ltd.</b> The Company and the organizations that Osamu Motojima concurrently holds an important post have no capital or other business relationship.		
<b>■ Reason that the Company appointed Osamu Motojima as a candidate for Outside Board Member and expected roles, etc. :</b> The Company proposes that we elect Osamu Motojima as Outside Board Member because he has experience in acting as a professor at universities and specialized agencies for many years as well as Director-General of National Institute for Fusion Science and Director General of ITER. He has abundant international experiences and advanced special knowledge of environment and technologies. After the election, we expect the candidates to contribute their valuable comments to the Board of Directors, etc. on the formulation and other process of management plans, mainly from a managerial perspective, utilizing their expertise, as well as to supervise the progress, etc. of the management plans.		
<b>■ Number of the Company's shares owned: 0</b>		

6. Taeko Katagiri (September 7, 1941) Reappointment, Outside Board Member and Independent Officer

	<p><b>■ Brief personal history, posts, assignments in the Company and Important posts concurrently held at other organizations</b></p> <p>April 1995: President, Chubu Women's Junior College</p> <p>April 1995: Trustee, Gifu Seibi Gakuin (current position)</p> <p>June 1996: Chairwoman, Gifu Child Welfare Council (current position)</p> <p>April 1999: President, Chubu Gakuin College (current position)</p> <p>April 2001: Vice President, Chubu Gakuin University (current position)</p> <p>October 2009: Chairwoman, Public Safety Commission of Gifu Prefecture</p> <p>December 2015: Audit &amp; Supervisory Board Member, Gifu Simbun Co., LTD. (current position)</p> <p>April 2016: Director, Gifu Seibi Gakuin (current position)</p> <p>April 2016 Supervisor, Gifu University</p> <p>June 2019 Member of the Board, Pacific Industrial Co., Ltd. (current position)</p>
<p><b>■ Duration of assignment of Outside Board Member:</b></p> <p>Two (2) years (at the conclusion of this 97th Ordinary General Meeting of Shareholders)</p>	
<p><b>■ Important post concurrently held at another organization:</b></p> <p>President, Chubu Gakuin College</p> <p>Director, Gifu Seibi Gakuin</p> <p>Vice President, Chubu Gakuin University</p> <p>Chairwoman, Gifu Child Welfare Council</p> <p>Audit &amp; Supervisory Board Member, Gifu Simbun Co., LTD.</p>	
<p><b>■ The relationship between the organization that she concurrently holds an important post and Pacific Industrial Co., Ltd.</b></p> <p>The Company and the organization that Taeko Katagiri concurrently holds an important post have no capital or other business relationship.</p>	
<p><b>■ Reason that the Company appointed Taeko Katagiri as a candidate for Outside Board Member and expected roles, etc. :</b></p> <p>Taeko Katagiri has served as a University President for many years as well as a Ministry of Education, Culture, Sports, Science and Technology-designated research and development school administrator. She has also served as a welfare and educational institution committee member and has utilized her advanced social knowledge to serve as the chairperson of various public safety commissions. Ms. Katagiri has been deeply involved in the reform of English education rooted in local communities and the promotion of women's participation in work and career advancement, etc. For our company, which is trying to promote the participation and advancement of human resources with diverse senses of value, we decided that it would be best for her to supervise our company's management from a female point of view, so we selected her as a candidate. After the election, we expect the candidates to contribute their valuable comments to the Board of Directors, etc. on the formulation and other process of management plans, mainly from a managerial perspective, utilizing their expertise, as well as to supervise the progress, etc. of the management plans.</p>	
<p><b>■ Number of the Company's shares owned: 0</b></p>	

(Note)

1. There is no special interest between each candidate and the Company.
2. Osamu Motojima and Taeko Katagiri are candidates for Outside board members . Osamu Motojima and Taeko Katagiri are registered as Independent Officer as stipulated by the Tokyo Stock Exchange and Nagoya Stock Exchange with the respective Exchange. When they are elected as originally proposed, they will continue to serve as Independent Officer.

3. Liability limitation agreement with outside board members

The Company stipulates in the Articles of Incorporation that it may sign an agreement with Outside board members to limit the liability for damages to the Company to a certain extent. When Osamu Motojima and Taeko Katagiri are elected, the Company plans to sign an agreement for limitation of liability when they assume the post, which limits the compensation for damage to the higher of the pre-determined amount (2 million yen or higher) or the minimum liability amount stipulated by law.

4. Outline of the Directors and Officers Liability Insurance

The Company has entered into a liability insurance contract for officers, etc. with an insurance company, which will cover damages that may arise due to the insured assuming responsibilities for the execution of their duties or receiving claims related to the pursuit of such responsibilities. Each candidate will be covered as an insured person under the said insurance policy.



**Proposal No. 2: Election of One (1) Audit & Supervisory Board Member**

As Corporate Auditor Yasuhiko Fujii will retire at the conclusion of this General Meeting of Shareholders, the Company proposes the election of one (1) Corporate Auditor to fill his position.

The Company has obtained consent on the Proposal from the Audit & Supervisory Board.

The candidates for Audit & Supervisory Board Members are as follows.

Kazuya Kakishita (April 24, 1956) New appointment

	<b>■ Brief personal history, posts and assignments in the Company</b>
	<p>March 1980:      Joined Pacific Industrial Co., Ltd.</p> <p>April 2007:      President, Pacific Valve Industrial Co., Ltd. (Retired in April 2012)</p> <p>April 2012:      President, Pacific Air Controls Co., Ltd. (Retired in December 2020) Director, Pacific Air Controls Co., Ltd. (Retired in May 2021) Chairman, Pacific Valve Industrial Co., Ltd. (Retired in May 2021)</p>
<b>■ Number of the Company's shares owned: 13,249</b>	
<b>■ Reason that the Company appointed Kazuya Kakishita as a candidate for Audit &amp; Supervisory Board Member:</b> <p>Kazuya Kakishita has been engaged in domestic and overseas sales divisions for many years and has a high level of insights into business.</p> <p>In addition, as the top management of a subsidiary in South Korea, Mr. Kakishita is familiar with the global business environment, etc., and has a wealth of experience and highly specialized knowledge. For this reason, we have nominated Mr. Kakishita as a candidate for Corporate Auditor, judging that he is necessary to ensure the legality of the Company's management decisions.</p>	

(Note)

1. There is no special interest between candidate and the Company.
2. Kazuya Kakishita will be elected as a substitute for Corporate Auditor Yasuhiko Fujii, and his term of office will be the remaining term of office of his predecessor in accordance with the provisions of the Company's Articles of Incorporation.
3. Outline of the Directors and Officers Liability Insurance

The Company has entered into a liability insurance contract for officers, etc. with an insurance company, which will cover damages that may arise due to the insured assuming responsibilities for the execution of their duties or receiving claims related to the pursuit of such responsibilities. Each candidate will be covered as an insured person under the said insurance policy.


### Proposal No.3: Election of One (1) Substitute Audit & Supervisory Board Member

We hereby propose that we elect a substitute audit & supervisory board member to avoid the situation that the Company does not satisfy the legal requirement for the number of audit & supervisory board members.

For this agenda, we have received consent of the Audit & Supervisory Board.

The nominee for the substitute audit & supervisory board member is as follows:

Toshio Kinjo (August 9, 1932) Substitute Outside Audit & Supervisory Board Member

	<b>■ Brief personal history, posts, assignments in the Company and important post concurrently held at another organization</b>
	April 1988: Dean, Department of Agriculture, Gifu University June 1995: President, Gifu University May 2001: Professor Emeritus, Gifu University (current position) July 2001: Chairman, Gifu Research and Development Foundation June 2002: Audit & Supervisory Board Member, Pacific Industrial Co., Ltd.
<b>■ Important post concurrently held at another organization:</b> Professor Emeritus, Gifu University	
<b>■ The relationship between the organization that he concurrently holds an important post and Pacific Industrial Co., Ltd.</b> The Company and the organizations that Toshio Kinjo, a nominee for substitute outside audit & supervisory board member, concurrently holds an important post have no capital or other business relationship.	
<b>■ Reason that the Company appointed Toshio Kinjo as a candidate for Substitute Outside Audit &amp; Supervisory Board Member and reason that the Company judged that he can properly perform the task as Outside Audit &amp; Supervisory Board Member :</b> We hereby propose that we elect Toshio Kinjo as a substitute outside audit & supervisory board member because he has acted as outside audit & supervisory board member of the Company for many years and has abundant experiences and excellent insight.	
<b>■ Number of the Company's shares owned: 0</b>	

(Note)

1. There is no special interest between each candidate and the Company.
2. Toshio Kinjo is candidates for Substitute Outside Auditor. When he is elected as originally proposed, he will serve as Independent Officer as stipulated by the Tokyo Stock Exchange and Nagoya Stock Exchange.
3. Liability limitation agreement with outside audit & supervisory board member

The Articles of Incorporation of the Company allows the conclusion of a liability limitation agreement between the Company and outside audit & supervisory board member. When the appointment of Toshio Kinjo is approved, at the assignment of outside audit & supervisory board member, the Company intends to conclude a liability limitation agreement which limits the maximum amount of liability to be either higher the previously fixed amount of over JPY2 million or the legal minimum liability.

#### 4. Outline of the Directors and Officers Liability Insurance

The Company has entered into a liability insurance contract for officers, etc. with an insurance company, which will cover damages that may arise due to the insured assuming responsibilities for the execution of their duties or receiving claims related to the pursuit of such responsibilities. Each candidate will be covered as an insured person under the said insurance policy.