

# Interview with Outside Directors

## Q1. How do you rate NH Foods' corporate governance?

Internal and outside directors alike state their views without hesitation at the Board of Directors. NH Foods operates as a company with a board of auditors, and Audit & Supervisory Board Members similarly say what they think. So, I find board deliberations fulfilling.

We put useful opinions into practice. We deliberate particularly important matters intensely, which I think contributes to implementation.

I am not exactly sure whether executive and auditing areas systematically and comprehensively analyze and verify the causes of issues. Still, where doubts arise about explanations in the Board of Directors, both directors and Audit & Supervisory Board Members seek reconfirmations and, when necessary, may request rigorous reassessments.

## Q2. What are NH Foods' strengths and issues in terms of sustainable growth?

Regarding strengths and issues of the operation and business model, I think that the Fresh Meats Business Division maintains a powerful business model, as it can relatively easily pass on costs to prices. This is not so easy for the Processed Foods Business and Affiliated Business divisions, so I sense that they need to employ a little more ingenuity in that regard.

In terms of CSR strengths and issues, notably in terms of the corporate culture and human resource developments, I get the impression that the Company's CSR program stagnated somewhat perhaps because it didn't allocate enough funds to that area. Things should change a lot this fiscal year because management has positioned CSR as a strategic initiative that takes the Company forward.

To promote qualities expected of management, we have rebuilt our structure in light of corporate officer criticisms. To prevent issues from recurring, and learn from failures, the

## Q1. How do you seek to leverage your experience in meeting stakeholder expectations?

I have spent most of my life as a housewife, getting a lot of experience in everything from housework to childcare and eldercare. Food has always been an important area of my life, and fresh meat, hams, and sausages have been important and convenient sources of quality protein for meals. So, when bovine spongiform encephalopathy (BSE) surfaced as an issue worldwide, consumers and society at large became very demanding not only about taste and price but also about the systems and legislation that could ensure food safety and quality.

Since then, reports about such issues as pesticide residues or radioactive contamination have provided more reasons to consider the value and risks of food.

In more than a decade of learning about food production, processing, distribution, retailing, consumption, and disposal through the activities of co-ops, we consumers now know better about how food gets to our tables. It seems to have



Newly  
Appointed

**Yasuko Kono**  
Outside Director

Board of Directors engaged in extensive discussions about the aforementioned qualities, clarifying them for the Group. Our directors, naturally, and all Group executives are expected to endeavor to satisfy our requirements.

Q3.

### What initiatives would you like to push forward with to ensure NH Foods' ongoing growth?

We have persistently told executives that they should always do us proud in everything they do. The same requirement applies to me. We have been asked to consider the integration of core business and CSR and explore the future of the Group as a supplier of proteins.

Until now, I have chaired the Executive Appointments Committee. This year, I am also chairing the Compensation Committee. Both of these positions are very important in terms of governance, and I will endeavor to fulfill my duties by putting the interests of consumers and shareholders first.

**Iwao Taka**  
Outside Director



become important to collaborate with stakeholders including producers, manufacturers, and government bodies to move in a better direction. From my consumer-centric perspectives on food, I wish to confirm in good faith that society will accept and like NH Foods' products for many more years to come.

Q2.

### What is your corporate governance focus for this to happen?

We are seeing dramatic changes in society and the business sector, notably in terms of the population aging and in terms of securing labor and in progress with information and communication technologies and artificial intelligence. In pursuing sustainable growth and improving value, I want to focus on whether management can provide the leadership so we can fulfill our commitments to society.

I would like NH Foods as an enterprise to be consistently trustworthy in fulfilling its pledges to society. For that, I will watch what NH Foods is implementing to create a culture that marks an epoch and create the times by meeting the

needs of the times, and remain at the forefront in our exploration of food's contribution to a happy and healthy life.

Q3.

### What do you believe are NH Foods' roles and responsibilities through its business and CSR activities?

UN Sustainable Development Goals (SDG) place importance on society, and countries around the world have adopted the United Nations' agenda for 2030, which comprises 17 SDGs and 169 targets. Consumers must also individually help to create fair markets and social sustainability. When they engage in consumption that respects the environment and human rights, and companies provide ecologically sound and ethical products, the interests of supply and demand will coincide. While it is hard to measure the value that CSR activities contribute to society, acting in light of the SDGs should clarify the value of CSR activities for society and consumers and relate to the viability of enterprises themselves.