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What Kewpie Can Do for the Very Reason That We Work Closely with Producers in Handling Eggs and Vegetables to Deliver Value to Our Customers

Message from

the President

Corporate

Kewpie Group

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Rina Akimoto

Founder Tabe Choku Founder and Chief Executive vivid garden Inc. Management Advisory Board **Outside Board Member Kewpie Corporation**

Mitsuru Takamiya

Representative Director President and Chief Executive Corporate Officer Kewpie Corporation



Helping to achieve sustainable food as a leading company for salads and eggs

Akimoto Mr. Takamiya, my relationship with Kewpie began before I met you at a conference for managers. It all started around the time vivid garden was founded, when I met the Kewpie employee who had come up with the idea for Fukaya Terrace Vegetable Friends' Farm. That person possessed a strong desire to bring the site of production closer to consumers. Trying as a company to embody ideas that are common to mine, I felt that Kewpie was an amazing company.

Vegetable Friends' Farm was a business proposal that emerged from an in-house request for project proposals that would embody employees' hopes and desires. Although it takes investment, if you confront the challenge, you will also get a lot of results. Even if we sometimes fail, I would like to build a company where we can utilize those experiences of failure in facing our next challenge. Of course, rather than leaving it up to just one

person, all employees must support each other.

Akimoto One of vivid garden's businesses is Tabe Choku, an online direct sales store where producers can sell their products directly to individuals and corporations. We provide a place where small-scale producers with particular specialties can sell their own high-valueadded agricultural, livestock, and marine products. In contrast, there are moves to promote large-scale, efficient agriculture, but I believe that it is important for all types of agriculture, large or small, to deepen consumers' understanding of food. At the present time, agriculture seems to be far removed from consumers, but Vegetable Friends' Farm creates various points of contact to deepen the understanding of food and has similarities in that it brings production and consumption closer together. Takamiya While aiming to remain a "leading company for salads and eggs," Kewpie also produces salad seasonings. Vegetables create a world of salads that provides a colorful feast for the eyes, is delicious to eat, and good for you. You cannot have a nice salad unless the vegetables look

bouncy, are good tasting and fresh. I believe that in talking

about salads, there is no getting away from vegetables.

The common issue with primary industry in Japan right now is that producers and the hardships they endure remain unseen, and they are unable to convey their feelings to consumers.

Akimoto Does that also apply to the egg world? Takamiya As far as processing products are concerned, we at Kewpie have a common awareness of the issues. For example, Kewpie handles about 10% of Japan's egg production, and last year we had a large-scale outbreak of highly pathogenic avian influenza, which forced us to introduce a raft of measures. However, it was the poultry farmers who suffered the most. While fearful of infections at poultry farms, they were committed to delivering a limited number of chickens to their customers no matter what. In the position of processing and cooking the precious produce we receive, we at Kewpie feel the need to convey as value all of the difficulties and joys as well as all of those emotions that went into creating that produce. We recognize that it is an important theme to remain in close contact with producers.

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Akimoto As Kewpie maintains close relationships with people in primary industry, I get the impression that your company is working toward sustainable food by increasing the added value of products, regardless of the size of the producer.

Takamiya Since we are in a well-established position in which our business is based on the blessings of produce, we are aiming for a recycling-oriented society while creating a system in which producers can also participate. To give an example, the Kewpie Group produces and sells easy-to-eat packaged salads by placing shredded cabbage and mixed vegetables in bags. We receive all of these vegetables from our producers. It used to be that the outer leaves of cabbages and lettuces were discarded, but now they are being used effectively to create other value, such as returning them to the fields in the form of compost or using them as animal feed. These kinds of recycling initiatives make the participating farmers and poultry farmers very happy, and thus I think that they will gain in importance in the years to come.

Expanding points of contact between Kewpie and its customers, creating a system in which they are able to see producers' faces

Takamiya I gave an example of contributing to a recycling-oriented society, but I also think it is important to see how many times we can create this feeling within our Company, where employees can feel that their work is contributing to society. Feeling that way, they will try harder and can thereby grow, taking any difficulties in



their stride. I believe that if this cycle continues, society, companies, and employees will be all the happier.

We launched our Qummy e-commerce site to deliver products and services for enjoying vegetable dishes directly to customers. By having many customers become members, we would like to hear requests and opinions directly from them. We also aim to expand our customer contact points and thereby meet new customers. Going forward, so that we can directly deliver the deliciousness of vegetables, I would like to have producers participate more as team players and work together with them to create and enhance a

system in which their faces can be seen.

Akimoto There is a pre-conceived idea that farming in Japan is a way of life for one's later years, but when you go to actual farms, there are many farmers who are young and have a real passion for

farming. I always think that you need to match the image against reality.

Takamiya Our main job is salad seasoning, so we need to understand more about the vegetables that make up salads. For their April induction ceremony at Vegetable Friends' Farm, new employees changed out of their suits and had the opportunity to sow seeds with their own hands and experience eating salads made with the vegetables they themselves had harvested. I think this can be a conduit for reconfirming one of the roles that Kewpie plays in connecting customers and producers.

I want to energize the employees who will be responsible for the Kewpie of the future and build a company that is accepting of contrasting ideas.

Akimoto During my interactions with everyone at Kewpie, I have seen them talking passionately, saying, "This is the

Qummy https://qummy.kewpie.co.jp/



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kind of value I want to provide to society" and gained the impression that each person holds strong feelings. Passionate feelings are what motivate people, but there are very few people who can talk passionately about the strong feelings they hold. Although there are many people who can formulate logical arguments and speak in a wellreasoned manner, they are generally not so adept at expressing their feelings, but I think there are passionate people at Kewpie.

This time, I asked them about the Company's history and products before accepting the position as an outside member of the Management Advisory Board. From those conversations, I realized that there were many people who wanted to focus on providing value to society as a whole, including consumers and producers.

As vivid garden was literally started from scratch, we started with no funding, no gathering of friends, and no network with producers. By building up a small amount of trust, producers gathered together, and little by little, we gathered friends, and after a few years, we started to attract capital. However, even now, with a limited number of people and limited financial backing, we are

continuing to look into how we can maximize efficiency and constantly searching for ways to achieve high growth.

Takamiya I am sure that hearing about your experiences will be stimulating, encouraging, and even gratifying to our employees. The actions they themselves had previously thought about may have to be changed. I would like you to refresh and recharge their energy for them to continue to bring about the development of Kewpie 10 years from now.

Akimoto Just having one person with a fresh way of thinking in an organization can completely change the atmosphere. I will also feel free to speak on a variety of subjects at Management Advisory Board meetings.

Takamiya I want to build a company where contrasting ideas and opinions exist as a matter of course. This is because I think that Japan itself is suffering now because it is not good at accepting contrasting ideas and opinions. It is hard to change if you hold on to your experiences from past successes.

I am currently sharing my personal thoughts on an internal blog, after which employees then express their

feelings in response to my opinions by means of icons. When I see a lot of tilting head icons, I sense that a variety of ways of thinking are being expressed and I find that very healthy.

Akimoto I am looking forward to coming into contact with employees from a wide range of ages and occupations. To help create a culture where challenges are celebrated even if they fail, I would like to share my own experiences and current challenges. I want to create an atmosphere where people can exchange ideas, regardless of their current workplace or past company history. Naturally, as a basis, I will make full use of my knowledge in areas such as DX, sustainability, and contact with producers, but I once again feel that I would like to contribute to creating a culture where everyone actively supports new initiatives.

I feel that Kewpie is a company with many caring and kind people. On the other hand, I have also gained the impression that there are many people who can proceed in a more flexible manner. It seems that there is still room for growth in boldly overstepping the thesis line, such as when large-scale investments need to be made.

Takamiya With an eye to the future, I would like to give deep consideration to DX in particular. I hope that you will do us the honor of sharing your relevant experiences and ideas with us on an ongoing basis. Thank you in anticipation of receiving your continued candid advice.

