

NEWS Letter

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The 12th JAFE Seminar

The 12th JAFE Seminar was held on September 4, 2018. On this occasion, Mr. Akira Matsumoto, Representative Director & Chief Operating Officer of RIZAP Group, Inc. and Senior Chairman of Calbee, Inc., gave a talk. His speech was studded with many pearls of wisdom for our executives such as leading through example and the three essential elements of management.



Summary of the speech given by Mr. Akira Matsumoto, Representative Director & Chief Operating Officer of RIZAP Group, Inc. and Senior Chairman of Calbee, Inc.

I was appointed Chairman and CEO of Calbee, Inc. in June 2009. From the fiscal year ending in March 2010 to the fiscal year ending in March 31, 2017, our sales and operating income increased substantially, and our ROE (Return on Equity) increased from 7.1 to 14.9.

Transformation derives from “abandoning the privileges” of money, power and status. Leading by example, I tossed aside my authority, private office, company car, and entertainment expenses.

The management of a company means “to make a profit for the benefit of the world and for the benefit of the people”. If depicted as a triangle, the three essential elements of successful management are the VISION



at the bottom, the PLAN in the middle, and the LEADERSHIP at the top. The VISION is to become a company that is respected, admired and loved by our customers and business partners, followed by our employees and their families, the local community, the wider community and the world, and lastly the shareholders.

I transformed Calbee from “warm and sweet” to a “warm but tough” company. “Warm” means putting in place an environment and a system to produce results, and changing the structure and culture. We made everything transparent, promoted delegation of authority, reformed corporate governance, and reduced costs. The salary system was also simplified, and work style reforms that emphasize diversity were implemented. The offices were relocated to one floor, and I got rid of the executive rooms, meeting rooms, and private seats.

Some people in management make the excuse, “There is no one to promote” or “Women don’t want to be promoted” when talking about working women, but this is an outright lie. All you have to do is prepare an environment where people can play an



active role which suits their lifestyle. Calbee has been selected as the “Nadeshiko brand” for five years’ running, and has also been selected one of the top “New Diversity Management Selection 100 Prime” enterprises. One executive officer and General Manager of the Central Japan Division is a woman.

Understanding and solving customers’ problems. That is what it means to work, and if you can’t do this, you can’t say you’re actually working. In the past, results were proportional to the time spent, but such old labour practices have ruined people, companies and the country. The company is a place to create dynamic people. If you change the working style, then people’s lifestyles, the company and their lives will change.

Report 1

The 5th Summer Camp in Tateshina

On July 21, 2018, the 5th Summer Camp in Tateshina was held at the Poppins Training Centre over a two-day period. There we welcomed Ms. Kimie Iwata, President of the Japan Institute for Women's Empowerment & Diversity Management, a champion of female executives, who discussed life and careers with the participants.

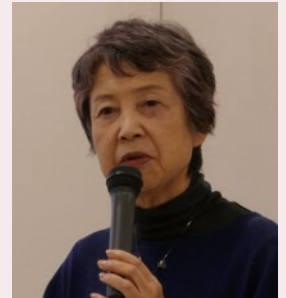
As a result, it became clear that the work-life balance and events that occur in life follow different trends from generation to generation, and at the same time, each person is constantly redesigning their own career and life. Here we came to the conclusion that "it is important to individually think and select a career design for each generation in this era of a 100-year life".

Following these conclusions, JAFE held a "Career Design Workshop" on November 15, 2018 in Tokyo. Ms. Iwata continued to participate, and we were able to hold discussions, which were attended by Ms. Tsukiko Tsukahara, Executive Director of the W20, an engagement organization that proposes policy recommendations related to women for the G20.

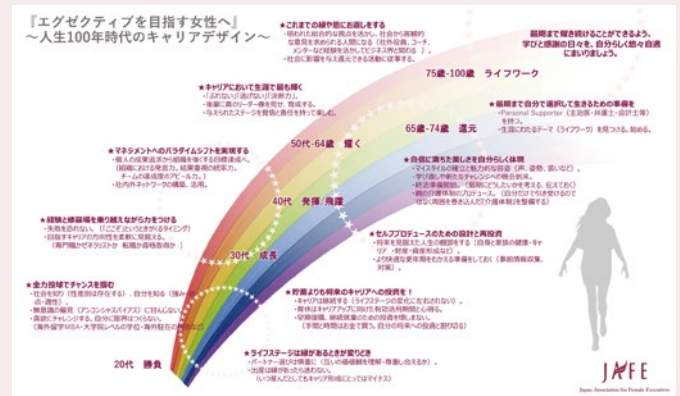


A bill for the reform of working styles was enacted in June 2018, and it is said that younger generations tend to empha-

size a work-life balance. The question though is does there always have to be an equal balance between work and life? Work is a part of life, and it is JAFE's thinking that the balance will continue to change depending on individual choices or the particular generation.



As a crystallization of the members' discussions at the career design workshop of this year's Summer Camp in Tateshina, an image was created of "the kind of woman executives aim to become – a career design in an age of a 100-year life", which was formulated as a JAFE proposal.



Introducing a Member



Ms. Hiromi Kanagawa

Ms. Hiromi Kanagawa joined Hattori Seiko Co., Ltd (now Seiko Holdings Corporation) in 1985. In 2012, Ms. Kanagawa became the First Marketing General Manager of the Second Sales Division of Seiko Watch Corporation; Executive Officer in 2014; and was appointed to her current post, Director of Seiko Holdings Corporation in charge of public relations, sports planning, and corporate culture in 2016.

Report 2

JAFE 2way Seminar



On September 26, 2018, a seminar on "Living with a sense of beauty in an era of a 100-year life" was held by beauty researcher and makeup artist Ms. Teruko Kobayashi.

After serving as a director for six years at Kosé Corporation, Ms. Kobayashi left to found her own business at the age of 56. She is still going strong at the age of 83. She gave us such advice as, "The influence that appearance has on the

spirit is great", and "Nature is only beautiful after care. Focus on appearing approachable", and showed us examples of "before" and "after" make-up. Following the seminar, the participants shared their thoughts at each table and furthered their discussions during the sharing time.

