

Overview of Analysis Results of FY 2022 Board of Directors Effectiveness Evaluation and Future Course of Action

Prima Meat Packers, Ltd. (“the Company”) announces an overview of analysis results of its Board of Directors effectiveness evaluation, which was conducted as an initiative to improve the function of the Board of Directors.

1. Method of analysis and evaluation

To analyze and evaluate its effectiveness during fiscal 2022, the Board of Directors of the Company conducted a survey targeting all directors and corporate auditors, who are the members of the Board. The survey took place in April 2023 with advice from an external institution.

Responses were sent directly to the external institution, which ensured anonymity of the respondents. At its meeting in June 2023, the Board of Directors analyzed, discussed, and evaluated the results provided by the external institution.

2. Evaluation items

The main items of the survey were as follows:

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| (1) Board membership | (6) Support for officers |
| (2) Board management | (7) Training |
| (3) Board discussions | (8) Dialogue with shareholders (investors) |
| (4) Monitoring function | (9) Personal action |
| (5) Performance of outside directors | (10) Committees management |

3. Overview of evaluation results

The results indicated that the Board of Directors of the Company was effective for the most part, with directors and corporate auditors finding no issues for more than 90% of the items, and with a relatively high evaluation given in response to the item asking them if they can say, “the Board of Directors functions effectively in general.”

Meanwhile, it was pointed out that there was room for improvement in the following areas:

(2) Board management

- Provision of materials at an appropriate time so as to allow sufficient prior consideration of proposals
- Provision of materials that cover necessary information

(3) Board discussions

- Adequate discussion of business strategies and plans
- Follow-up on the progress of business plans
- Proactive involvement in the operations of successions planning for the CEO and other senior positions

(6) Support for officers

- Establishment of a system to ensure adequate provision of the information required to execute the business

(8) Dialogue with shareholders (investors)

- Feedback on dialogue with shareholders (investors)

4. Initiatives based on the previous evaluation results

In the Board of Directors effectiveness evaluation for fiscal 2021, the Company identified challenges with regard to Board discussions. The following measures were taken to address the challenges:

[Follow-up on the progress of business plans]

The Board of Directors shared information from the quarterly reports on the status of business execution and improved reviews of investment projects at meetings of the Executive Council. This led to more active discussions.

5. Future course of action to address the challenge

From the evaluation results for fiscal 2022, the Company identified the following as important challenges and is considering measures for them:

(2) Board management

- In order to ensure that documents are provided in a timely fashion so as to allow for preliminary considerations, we will speed-up internal scheduling and increase the number of secretariat staff members. Further, in order to ensure that there is time for officers to consider proposals and that matters are understood, we will provide opportunities for explanations of certain proposals to be given ahead of time.
- In order to ensure that documents cover all the necessary information, we will make improvements to our processes by having secretariat staff and the document preparation department make checks ahead of time.

(3) Board discussion

- As it was pointed out that there was room for improvement in adequate discussion of business strategies and plans, we will establish a platform for discussion of business strategies and business portfolios, and improve our analysis of business plans.
- The Company understands that follow-up on the progress of business plans is an ongoing challenge. We will consider presenting an interim report in October regarding the progress of the business plan from a qualitative and quantitative perspective.
- In terms of the successions planning, we will consider measures such as the nomination of in-house candidates.

(6) Support for officers

- We will continue to implement, and find way to improve the content of, factory tours and the explanations given to newly appointed officers regarding the Company's business.

(8) Dialogue with shareholders (investors)

- With regard to feedback on dialogue with shareholders (investors), we will consider creating further opportunities for information sharing.

With the above challenge in mind, we will work to further enhance the effectiveness of the Board of Directors and

corporate governance.