

BRUNSWICK

Advisory Memo

[This is a high-level draft for Brunswick to build out in detail]

To: Board of Cardinal Harvest Naturals, Inc.

From: Brunswick Group

Subject: CEO Transition, Narrative Risk & Stakeholder Expectations

Date: May 15, 2026

The looming departure of Margaret Ellis and the open search for her successor comes at a moment of considerable turbulence and opportunity. As per your request, we have reviewed your internal dynamics and external contexts for any guidance navigating this transitional period. Two product recalls within four years have punctured the historic halo of your natural food heritage, exposing gaps in your food safety governance that regulators, media, community activists and your own customers will interrogate relentlessly.

The market's heuristics has shifted, and you now face a considerable **narrative risk**: Whereas once the narrative was "Cardinal Harvest Naturals stands for purity" the narrative now whispers "maybe CHN has lost its way." Echoes of the first recall linger, compounding the pain of the second. Despite the proximate cause of the CEO transition being the health of your currently departing CEO, the market may read additional factors into her departure and the selection of her successor. The new CEO appointment will be interpreted not just as a leadership decision but as a manifesto about the company's future priorities. Your choice will tell everyone: is safety king or do we preach transformation? Are we anchored in the past or fearless in the future?

Implications: A divided Board or inconsistent message will amplify noise. To manage risk, CHN must arrive at a unified decision, articulate a coherent story, live the message through tangible actions, and engage external constituencies early and proactively. The Board will need to model unity and authenticity. Resist the temptation to hide behind jargon or delay announcements. Stakeholders crave honesty over gloss.

Recommendations:

- Set clear criteria for the successor that link directly to your strategic imperatives: food safety, organic growth, regenerative agriculture, emotional intelligence and external persuasion.
- Prepare an integrated communication campaign: pre-announce your intent to choose against the above imperatives, outline the rigorous search process, follow with the appointment unveiling and articulate the first actions of the new CEO.
- Engage the activist: invite Redwood Vale Capital into an off-the-record dialog, acknowledge their concerns, listen deeply, find common ground and propose a joint working group for oversight metrics. Disarm escalation through inclusion.
- Be swift: extended interregnum fuels rumors and uncertainty. Move with decisiveness but not haste; respect due diligence but don't let fear drive paralysis.
- **Articulate your rationale: Have a very clear set of reasons why you've chosen your new CEO, and why they are the right candidate to rise to the occasion. Their announcement is a unique opportunity to shape the narrative.**

Measuring Success: The Board and CEO should jointly define short- and medium-term key performance indicators: defect rate reduction trajectories, consumer Net Promoter Scores, employee engagement benchmarks, regulator sentiment indices, aspirational innovation pipelines and balanced scorecards that reflect values as well as value.

Closing: This is a moment to carve a new narrative into the grain of your industry. Apprentice your next leader in the lights and shadows of what you learned and commit to a relentless march toward the aspirational possibility that made Cardinal Harvest Naturals a beacon in the first place.