

Quality management

Approach

GRI416-DMA
 GRI417-DMA

► Group Shared
 Policy on Quality

► Group Shared
 Policy on Food
 Safety

Since its founding, the Ajinomoto Group constantly strives to put the customer first by its commitment to the safety of products and services. Assurance of product safety has been identified as one of the Group's material issues.

To provide product safety, it is essential to have comprehensive quality assurance systems and proper disclosure. In addition, the Group listens carefully and responds to customer needs to deliver products and services that earn the trust of customers and ensure their satisfaction.

Ajinomoto System of Quality Assurance (ASQUA)

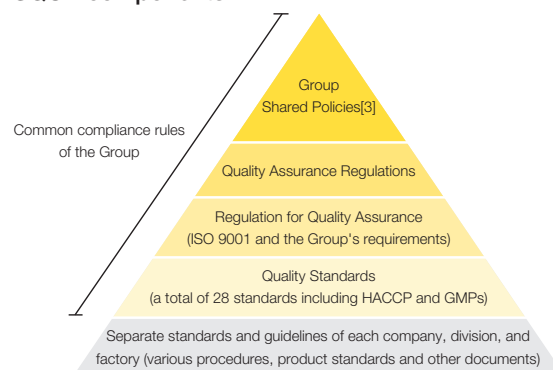
The Ajinomoto Group has its own quality assurance system, ASQUA. As of March 2019, ASQUA has been applied to 105 Group companies.

Its core content is based on ISO 9001, the international quality management system standard, and supplemented by manufacturing management standards such as Hazard Analysis and Critical Control Points (HACCP)^[1], Good Manufacturing Practices (GMPs)^[2], and the Group's own rules and requirements. ASQUA is also composed of common compliance rules of the Group as well as rules established by each internal organization.

ASQUA framework



ASQUA components



Quality standards

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|---|--|---|---|
| 1. Document Control (1) | 6. Manufacturing (10) | 7. Preservation and Transportation (2) | 10. Accommodating Religious Beliefs (2) |
| 2. Educational Training (1) | •Food GMP* | •Preservation and Transportation of Products | •Halal[5] Control |
| 3. Establishing Specifications, Examination (3) | •GMP for Food Additives* | •Management of Warehouse | •Kosher[6] Control |
| •Establishing Quality Specification | •GMP for Personal Care Ingredients* | | |
| •Establishing Packaging Material Specification | •GMP for Active Pharmaceutical Ingredients* | 8. Quality Information (2) | |
| •Establishing Examination Frequency | •GMP for Pharmaceutical Drug Products* | •Quality Information Management | |
| 4. Quality Assessment (1) | •GMP for Feed Use Amino Acids* | •Traceability | |
| 5. Purchasing (2) | •HACCP | 9. Handling of "Voice of Customer" (4) | |
| •Quality Control of Ingredients | •Food Defense[4] | •Responding to Complaint | |
| •Quality Control of Subcontracted and Procured Products | •Product Labeling | •Determination of Responding to Quality Emergencies | |
| | •Safety and Sanitation of Food Packaging Materials | •Handling of "Voice of Customer" | |
| | *Adapted to suit specific products | •Effective Reflection of "Voice of Customer" | |

[1] Management standards for manufacturing foods in a safe and sanitary manner

[2] Standards relating to manufacturing management

[3] Group Shared Policy on Quality, Group Shared Policy on Food Safety

[4] Measures to prevent deliberate tampering with products. Monitoring is carried out at every stage from raw material procurement to product sales.

[5] Halal means permissible and legitimate in Arabic. The word indicates things and actions that are allowable to use and handle under Islamic law. Halal also refers to foods that followers of Islam are permitted to eat.

[6] Kosher means fitting or appropriate in Hebrew, or foods that followers of the Jewish faith are permitted to eat.

Assurance of Product Safety

Framework

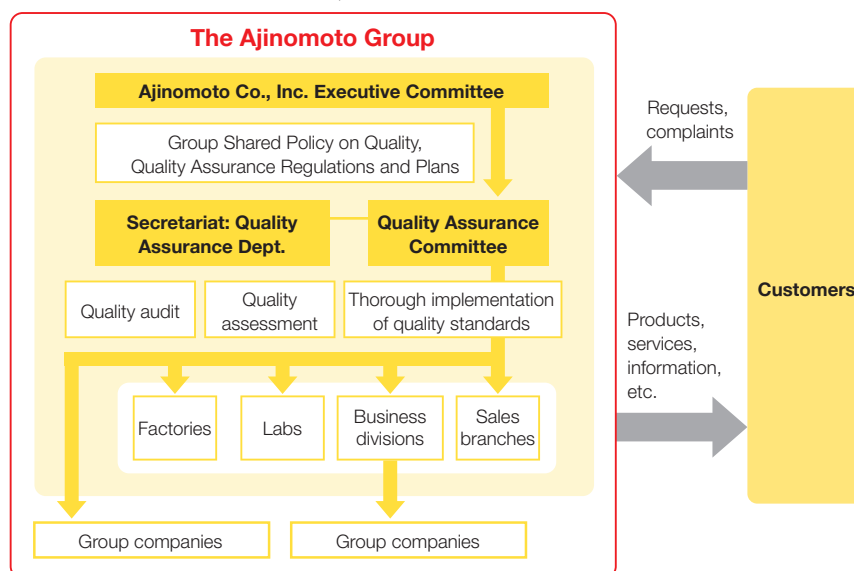
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Promotion Framework for Quality Assurance

The Ajinomoto Group established the Quality Assurance Committee under the Executive Committee to deliberate on policies and various measures regarding quality assurance.

The Quality Assurance Committee drafts basic policies and plans based on customer feedback, and promotes their Group-wide implementation once approved by the Executive Committee. The status is reviewed by the Quality Assurance Committee every six months.

Promotion framework for ASQUA



Initiatives for Third-Party Certification

The Ajinomoto Group encourages the acquisition and maintenance of third-party certification of ISO 9001. As of March 2019, 60 out of 82 eligible Group companies have acquired ISO 9001 certification. For the eligible companies not yet certified (many of which are newly acquired or established companies), the Group is working to build quality assurance systems for certification. In cases such as receiving customer requests, the Group also acquires certification of other standards such as FSSC 22000 approved by the Global Food Safety Initiative (GFSI).

FY2017-2019 Ajinomoto Group Medium-Term Plan for Quality Assurance

For quality assurance, the Group is focused on working on the following topics for the period of the 17-19 MTP. Refer to related sections for details of each initiative.

Guidelines	Key targets
Keep faith with customers	Reduce product quality claims and problems, and work harder to prevent them
Fulfill customers' expectations	Secure attractive quality improvements and gain customer trust through interactive communication with customers
Aim for adequate management	Pursue through ASQUA-based quality assurance activities
	Develop human resources to improve quality assurance levels

Performance

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Human Resources Development to Raise Quality Assurance Levels

The Ajinomoto Group focuses on human resources development to further improve quality assurance levels. Each year, the Group reviews its quality training plan, and implements systematic programs to meet the needs of individual organizations. Continuing with its efforts from the previous fiscal year, the Group also expanded its e-learning training programs in fiscal 2018.

Main programs in fiscal 2018

- Japan
 - Programs for Group employees by Ajinomoto Co., Inc.
 - Programs for quality assurance managers for posting to overseas offices
 - “Ajinomoto Management and Technical Conference on Quality” for Group company executives and employees: Approx. 400 participants
 - ISO 9001 food product business operations training for newly transferred employees (e-learning)
- Overseas
 - ASEAN Quality Assurance Seminar, EU Quality Management System (QMS) Meeting, China Quality School.
 - Regional Quality Assurance Management (RQM) Training Course for general manager candidates of quality assurance divisions in regional headquarters (e-learning)
 - QMS Training Course for managers responsible for quality assurance in Group companies (e-learning)

TOPIC

Convey the right information on umami and MSG worldwide

The umami substance monosodium glutamate (MSG) has been the object of vague unease and concerns about safety since the 1960s. As a global leader that first commercialized MSG products in the world, the Ajinomoto Group believes in the need to convey the right information and communicate its benefits to consumers, especially now when there is heightened interest in food safety and health.

As part of these efforts, the Group held the World Umami Forum (WUF) in New York City in September 2018. Experts on food and nutrition, history, and science delivered talks, and a cooking competition on the use of umami was held. At the panel discussion on misconceptions regarding MSG, five experts in various fields corrected these misconceptions and talked about the importance of education and providing correct information going forward.

In Japan, a media conference was also held in April 2019 on social issues in food product labeling, particularly on the correct understanding of umami seasoning (MSG) and its benefits. Outside experts on food additives also engaged in in-depth discussions on its benefits and to dispel misconceptions about MSG. In the post-event survey, more than 90% of participants said that it was informative. Moving forward, the Group is considering holding seminars and other activities that leverage the networks of dietitians and chefs, and actively expanding communications to disseminate correct information on umami and MSG.