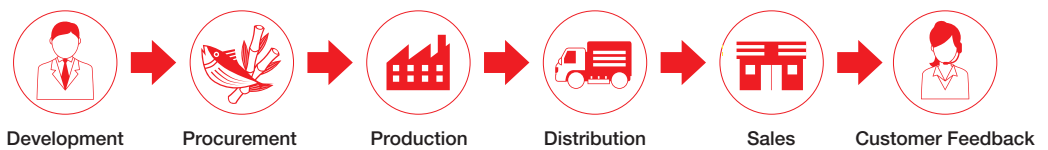


# Quality assurance across the supply chain

## Quality Assurance Initiatives at Each Step by ASQUA

The Ajinomoto Group practices strict quality assurance by globally applying the Ajinomoto System of Quality Assurance (ASQUA) at each step from product development to customer communication. These efforts are guided by the Group Shared Policy on Quality and the Group Shared Policy on Food Safety.



### Development

To deliver safe, high-quality products, the Ajinomoto Group strictly implements quality assessments in each phase of the product development process in accordance with the ASQUA Standard for Quality Assessment. Only products that pass all of these assessments reach customers.

### Raw material procurement

The Ajinomoto Group selects suppliers according to the ASQUA Standard for Quality Control of Ingredients. The quality of raw materials purchased from suppliers is strictly controlled through lot-by-lot inspections.

The Group works with its suppliers to improve quality and reduce quality risks through measures such as regular appraisals, quality audits, information sessions and surveys. Through closer cooperation with suppliers, the Group is making continuous quality improvements. 13 suppliers were newly selected/engaged in fiscal 2018.

### Supplier audits in fiscal 2018

Audited organization	Audited items	Number of audits
Group Procurement Center, Ajinomoto Co., Inc.	Raw materials	166
	Packaging materials	67
Ajinomoto Frozen Foods Co., Inc.	Raw materials	83

#### Framework

GRI102-9  
 GRI102-10  
 GRI414-DMA  
 GRI414-1  
 GRI416-DMA

▶ Group Shared Policy on Quality

▶ Group Shared Policy on Food Safety

#### Framework / Performance

GRI102-9  
 GRI308-1  
 GRI416-DMA  
 GRI416-1

## Assurance of Product Safety

### Performance

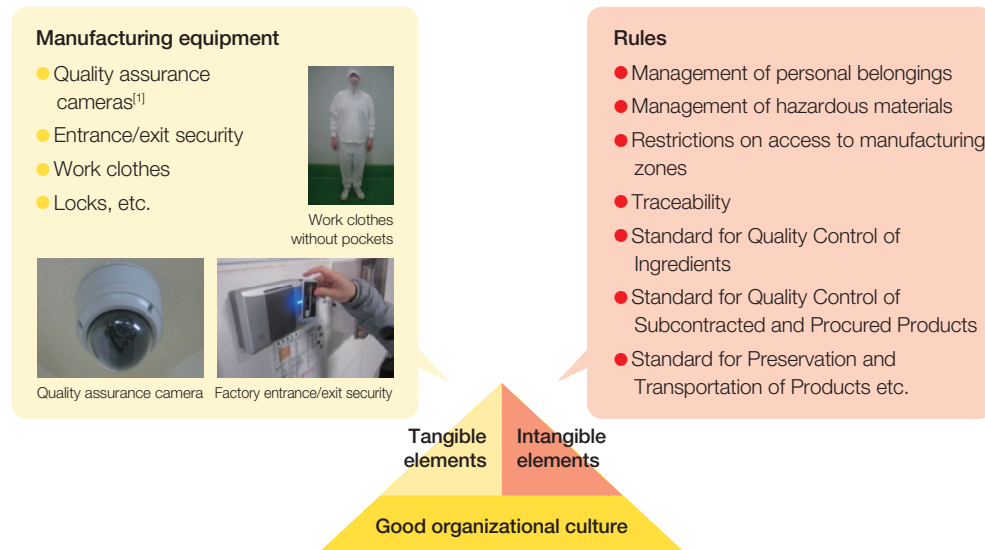
GRI102-9  
 GRI414-2  
 GRI416-DMA  
 GRI416-1  
 GRI416-2  
 GRI417-2

### Production

#### ■ Structural enhancement for food safety

The Ajinomoto Group believes that creating a workplace culture that is open and based on the trust of its employees is the key to making its food safety system more robust. In addition, the Group is reviewing and improving its tangible elements such as production facilities, and intangible elements such as quality standard and guidelines, to minimize the risk of intentional product tampering and strengthen quality assurance across the supply chain.

#### Diagram of food safety assurance concept



[1] Cameras to monitor for accidents and errors in the factory. Quality assurance cameras help to gain customer confidence.

#### ■ Measures to prevent manipulation of quality-related data

In order to prevent manipulation of data related to product quality, the Ajinomoto Group is working to improve its workplace culture to foster employee compliance and awareness of quality assurance from the customer's perspective. The validity of data related to development, production, and the functional features of food products is evaluated and judged objectively and fairly at quality assessment meetings and by committees of internal experts. To ensure the proper operation of these systems, they are continually verified by means of internal quality audits and third-party certification audits.

In addition, systems that can store analysis data on manufactured pharmaceuticals and active pharmaceutical ingredients without manipulation are required as a global standard; the Group is strengthening management based on such standards and applying them to its other businesses.

#### ■ Initiatives to reduce quality-related claims and incidents

The Ajinomoto Group carefully investigates each quality-related complaint and incident to identify the cause and prevent recurrence. Details of any quality-related incident and information on preventative measures are promptly communicated to Group companies both home and abroad to prevent recurrences.

In fiscal 2018, there were two recalls due to quality and another two due to mislabeling.

#### Number of recalls and collections from distribution by the Ajinomoto Group

FY2014	FY2015	FY2016	FY2017	FY2018
0	3	6	4	4

## Assurance of Product Safety

### Framework

GRI102-9  
GRI416-DMA

### Performance

GRI102-9  
GRI416-DMA  
GRI417-DMA  
GRI417-1

▶ Ajinomoto Group  
Quality Assurance

### Framework

GRI102-9  
GRI416-DMA  
GRI417-DMA  
GRI417-1

### Distribution

Product quality, which includes factors such as freshness, temperature and moisture, is strictly controlled during storage and transportation from factories until it reaches customers. These activities follow ASQUA standards (in Japan only) on the management of storage, transportation, warehouses, and other operations.

### Sales

The Ajinomoto Group shares helpful information on its packaging and websites, so customers can purchase and use its products with greater peace of mind.

#### ■ Product packages

The packages of retail products marketed by the major Group companies in Japan indicate not only all legally required information but also the following kinds of quality-related information (except when space is limited, etc.).

- Method of storage (once opened)
- Product usage warnings
- Explanations of raw materials that may be unfamiliar to customers and prompt a large number of inquiries
- Easy-to-identify list of allergens (both mandatory and recommended)
- Easy-to-identify labeling of packaging materials
- Customer service contact

#### ■ Websites

Group company websites provide information tailored to their local customers, including product information, recipes and product FAQs. The websites of Ajinomoto Co., Inc., Ajinomoto Frozen Foods Co., Inc. and Ajinomoto AGF, Inc. provide clear and accessible information on their respective quality assurance systems and other quality-related topics.

The Ajinomoto Group corporate website<sup>[1]</sup> now includes a section that highlights the Group's quality assurance activities in seven languages, and provides more extensive information. In fiscal 2018, Spanish was added to the previous offering of six languages.

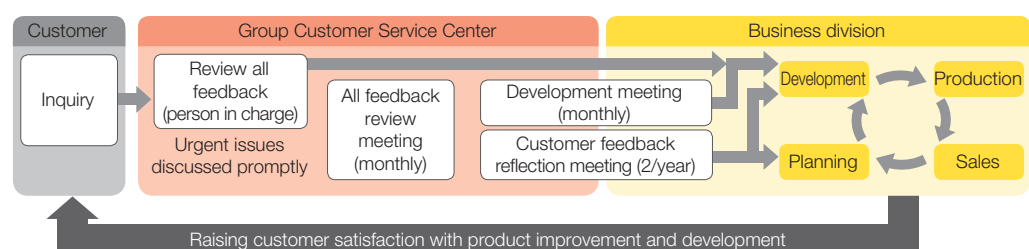
[1] The Company manages two sites: a corporate website, which focuses on Ajinomoto Group activities, and a product website, which presents information on the Company's products.

### Customer feedback

#### ■ Initiatives to reflect customer feedback

The Ajinomoto Group welcomes feedback from customers, which is used to develop attractive products and services and make improvement according to the ASQUA standard. In fiscal 2018, the operation based on the same standard, used at the Group companies in Japan as well as Brazil, Thailand, Vietnam and Indonesia, was rolled out in Peru.

### Product development system reflecting Voice of Customer (VOC) at the Group Customer Service Center<sup>[2]</sup>



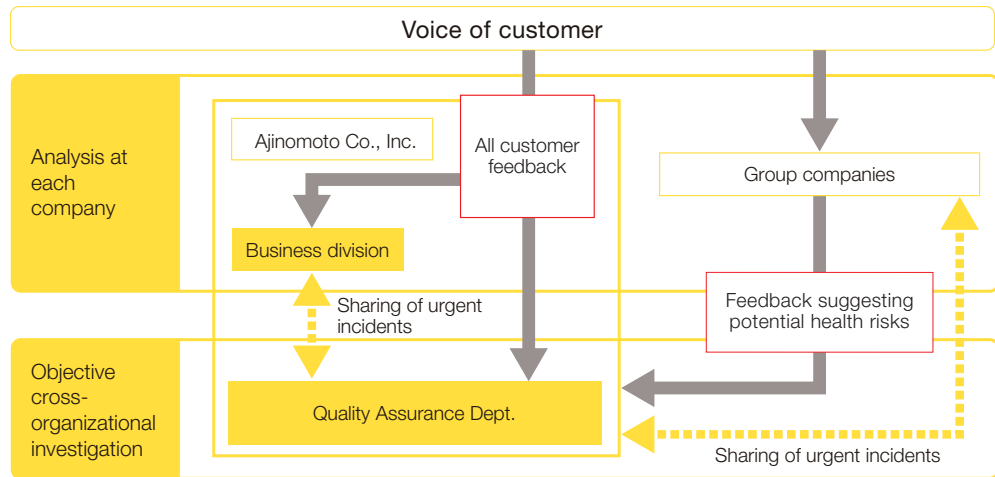
[2] In April 2019, the customer service offices of Ajinomoto Co., Inc., Ajinomoto Frozen Foods, Co., Inc. and Ajinomoto AGF Co., Inc. were integrated to form the Group Customer Service Center.

## Assurance of Product Safety

### ■ Enhanced monitoring of customer feedback

Any customer feedback shall be analyzed by a Group company, and any such feedback, that concerns a serious issue that may lead to health risks or a violation of law, is also checked and analyzed by Ajinomoto Co., Inc. promptly, objectively and in a cross-organizational manner. The system ensures that any case deemed to be urgent is shared with relevant departments immediately. In fiscal 2018, the system was extended to the US and Malaysia in addition to Group companies in Japan, Thailand, Brazil, Indonesia, Vietnam and Peru.

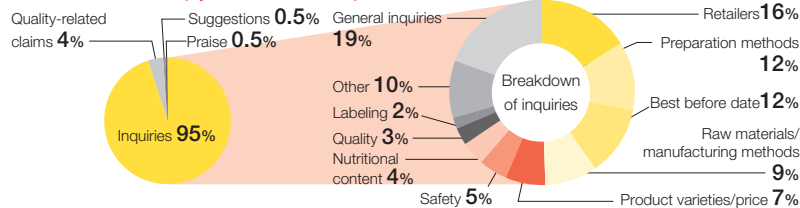
### Customer feedback monitoring system for preventing health damage



### Breakdown of VOC in fiscal 2018

- VOC received by Ajinomoto Co., Inc.: 29,300 (90% of the total in fiscal 2017)
- VOC received by five Ajinomoto Group food product companies in Japan: 61,600 (91% of the total in fiscal 2017)

#### Breakdown of VOC (Ajinomoto Co., Inc.)



### ■ Efforts to improve customer satisfaction

Five food product Group companies in Japan regularly conduct a survey to confirm and improve customer satisfaction with the quality of responses to their quality-related claims. The investigation, business, and customer service divisions work to share and improve the results of the survey. The fiscal 2018 survey by Ajinomoto Co., Inc. indicated that 95% of customers were satisfied with the response to issues they raised, 81% were satisfied with the survey report, and 93% will continue to use the Company's products.

Performance