#### Framework

GRI204-DMA GRI308-DMA GRI407-DMA GRI414-DMA

#### Performance

GRI204-DMA GRI407-DMA

▶ Group Shared Policy for **Suppliers** 

▶ P81

GRI204-DMA GRI408-DMA GRI408-1 GRI409-DMA GRI409-1 GRI411-DMA GRI412-DMA GRI412-1 GRI414-2

► Group Shared Policy on Human Rights

# **Supply Chain Management**

Ajinomoto Co., Inc. draws up the procurement policies for the whole Group. Group companies then create plans and strategies and implement based on such policies. The Ajinomoto Group Global Procurement Conference is held as needed to share procurement policies and best practices within the Group.

## **Supply Chain Initiatives**

The Ajinomoto Group seeks understanding and cooperation from suppliers for securing human rights compliance and social responsibility in the supply chain by communicating its sustainabilityrelated expectations of suppliers through the Group Shared Policy for Suppliers.

In addition, in May 2018, the Group joined Sedex, a collaborative platform for sharing responsible sourcing data on supply chains (where suppliers and buyers can disclose and view information related to business practices and sustainability). In fiscal 2018, the Group held explanatory meetings and issued written notices to primary suppliers in Japan in preparation for requesting that they join and share data through Sedex. The Group plans to evaluate and communicate with suppliers using Sedex from fiscal 2019 onward, and it will also collect information from suppliers that do not join by asking them to respond to a self-assessment questionnaire similar to that used by Sedex.

Participation in fiscal 2018 supplier information sessions: 340 suppliers, 548 people

# **Supplier Hotline**

The Ajinomoto Group established a supplier hotline in June 2018. The hotline complements those for Group executives and employees and have been used to receive reports from suppliers to facilitate the early detection and correction of the Ajinomoto Group executive and employee behaviors that are potentially in violation of the law or the Ajinomoto Group Policies (AGP). Ultimately, the hotline will also be used to detect human rights, environmental and other violations in the supply chain.

#### **Human Rights Due Diligence**

The Ajinomoto Group is showing its aim for creating a mechanism for human rights due diligence and implementing it on an ongoing basis in the Group Shared Policy on Human Rights. Based on the policy, the Human Rights Advisory Committee, composed of both functional and business divisions related to human rights, is studying and raising awareness on global human rights issues, while also building a mechanism for managing human rights through human rights due diligence.

In fiscal 2018, the Group conducted a human rights impact assessment (third-party investigation and interviews with various stakeholders) on particularly labor-intensive shrimp and chicken processors in Thailand. The results found no serious issues in both shrimp and chicken processors.