

Ajinomoto Announces the Medium-Term ASV Initiatives 2030 Roadmap

TOKYO, February 28, 2023 – Ajinomoto Co., Inc. (“Ajinomoto Co.”) has planned and resolved the Medium-Term ASV* Management 2030 Roadmap at its Board of Directors Meeting of February 28, 2023. The outline of the Roadmap are as attached.

*The Ajinomoto Group Creating Shared Value

The Ajinomoto Group, unlocking the power of amino acids, aims to resolve food and health issues associated with dietary habits and aging, and contribute to greater wellness for people worldwide.

Based on the corporate message “Eat Well, Live Well.”, we have been scientifically pursuing the possibilities of amino acids to aim for future growth by creating new value through sustainable and innovative solutions for communities and society.

The Ajinomoto Group has offices in 36 countries and regions, and sells products in more than 130 countries and regions. In fiscal 2021, sales were 1.1493 trillion yen (10.2 billion U.S. dollars). To learn more, visit www.ajinomoto.com.

For further information, please contact: [HERE](#)

Eat Well, Live Well.



Ajinomoto Co., Inc. (2802)

Purpose-Driven Management by Medium-Term ASV Initiatives 2030 Roadmap

Resolve the Food and Health Issues of All Human Beings and Beyond

Taro Fujie

**Member of the Board, Representative Executive Officer
President & Chief Executive Officer**

February 28, 2023

Introduction

- 1 2020–2025 Medium-Term Management Plan Phase 1 Review**
- 2 Key Strategies in the 2030 Roadmap**
- 3 Ajinomoto Group Growth Strategy**
- 4 ASV Indicators**
- 5 Financial Strategy and Management Resource Allocation**

Conclusion

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Note: Business profit (consolidated) in this material:
Sales - Cost of sales - Selling expenses, Research & development expenses and General & administrative expenses + Share of profit of associates and joint ventures



Today's Topics

Contribute to the well-being of all human beings, our society and our planet with AminoScience®

Evolving our purpose beyond “Unlocking the power of amino acids to resolve the food and health issues” to “Contributing to the well-being of all human beings, our society and our planet with AminoScience®”

Management transformation to “Purpose-driven management by medium-term ASV* initiatives” based on “ASV indicators”

To pursue ASV with determination and ambition, we will flexibly transform existing businesses to achieve sustainable growth through management transformation based on ASV indicators, leading to maximization of medium- to long-term value.

* ASV (Ajinomoto Group Creating Shared Value)
Co-creation of social and economic value through our business

Shift from structural reform to growth

By shifting to growth in four outcome-driven growth areas, we aim to create a highly profitable, unique, and robust structure with a 1:1 Food Business to AminoScience Business ratio. This will be achieved by not only steadily generating cash flow and reducing cost of capital, but also adopting business model transformation (BMX) for our core businesses, which will drive growth.

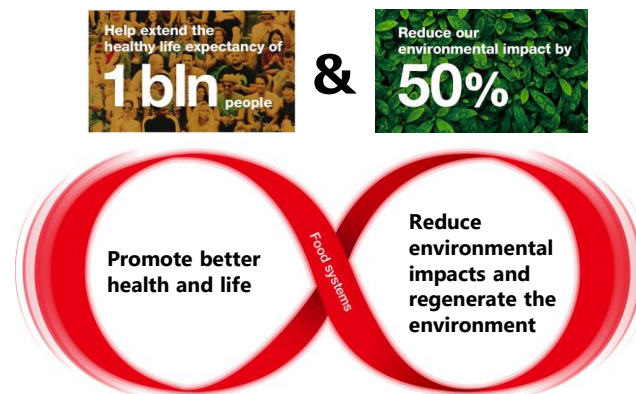


Evolution of vision | Where we want to be

**Unlocking the power of amino acids
to resolve the food and health issues**

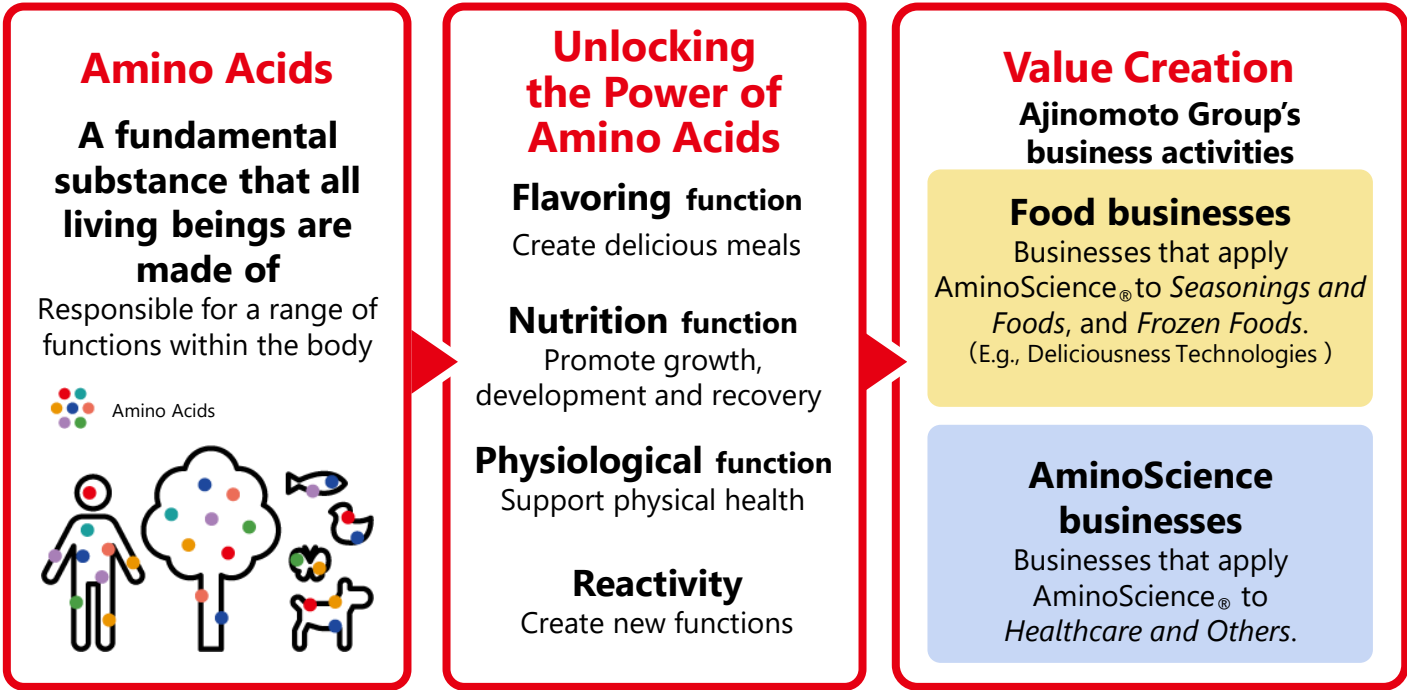


**Contributing to the well-being of all human beings,
our society and our planet with AminoScience®**



What is AminoScience®?

A collective term for the various materials, functions, technologies, and services derived from research and implementation processes with a rigorous focus on unlocking the power of amino acids. It also refers to the Ajinomoto Group's unique scientific approach to connect these to resolving social issues and contributing to well-being.

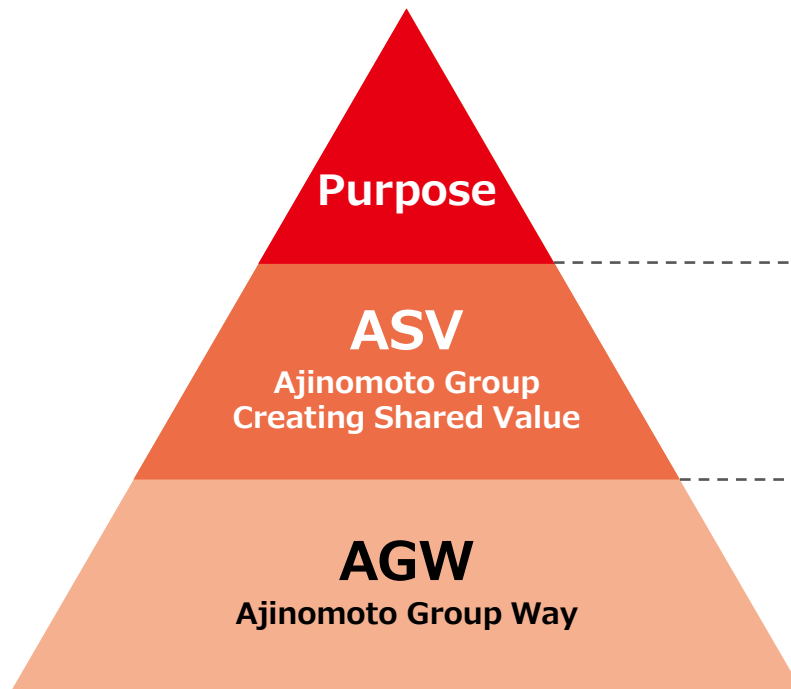


“Our Philosophy” resolving food and health issues, for all human beings and beyond

We will achieve “**Eat Well, Live Well.**” by going beyond resolving food and health issues, and contributing to the well-being of all human beings, our society and our planet with AminoScience®.

Corporate Slogan

Eat Well, Live Well.



Purpose

Contributing to the well-being of all human beings, our society and our planet with AminoScience®

ASV Initiatives

Co-creation of social and economic value through our business

Values

Create new value, Pioneer spirit, Social contribution, Value people

Materiality as a strategic framework

With a view to realizing our vision and further improving our corporate value over the long-term, we have engaged in a series of dialogues at the Sustainability Advisory Council and have arranged important connections for the Ajinomoto Group in the form of material issues.

Hone **1 co-creation** capabilities, take the **2 seikatsusha*** perspective while achieving **3 well-being** and, through our business activities return co-created **4 shared value**.

AminoScience® for Well-being

4. shared value

- 4.1** Living well
健幸寿命
- 4.2** Co-wellbeing
コー・ウエルビーイング
- 4.3** Value creating solutions
ソリューションによる価値創造

1. co-creation

- 1.1** Transformative innovation capability
変革能力
- 1.2** Transparent & objective
透明性・客観性
- 1.3** Constructive engagement for co-creation
共同力



2. seikatsusha perspective

- Holistic & inclusive perspective
ホリスティック&インクルーシブ視点 **2.1**
- Local community perspective
地域コミュニティ視点 **2.2**
- Future generation perspective
未来世代の視点 **2.3**

3. wellbeing

- Human wellbeing
ヒューマン・ウエルビーイング **3.1**
- Community wellbeing
コミュニティ・ウエルビーイング **3.2**
- Planetary wellbeing
地球のウエルビーイング **3.3**

*"Seikatsusha" is a unique Japanese concept that, unlike the partial concept of "consumer" used in business and "citizen" used in political science, seeks to define people holistically. A seikatsusha is a person with agency who defines their own life priorities based on their own (shared) interpretation of their communities' values and long-term interests. A seikatsusha is the ultimate and most fundamental stakeholder representing humans living together in society.

Transformation to “purpose-driven management by medium-term ASV initiatives*” based on “ASV indicators”

To continuously improve our corporate value, we have eliminated the process of formulating medium-term management plans with overly elaborate figures. Instead, we are setting challenging ASV indicators and evolving to “medium-term ASV initiatives” where we pursue ASV with determination/ambition and improve our ability to execute these initiatives.

	Conventional Medium-Term Management Plan (MTP)	Purpose-Driven Management by Medium-Term ASV Initiatives
Period	Aggregation of three years’ worth of single-year forecasts	Vision from the long-term perspective
Target Setting	Building up realistic single-year forecasts based on current conditions	Backcasting from challenging “ASV indicators” set with leadership from management
Priority	Creating elaborate plans and figures	Drawing up a roadmap pursuing the essence of the greater strategic narrative and issues
Progress Checks and Corrections	Quarterly forecasts and revised targets each fiscal year	Monthly rolling forecasts and agile actions to correct and improve execution

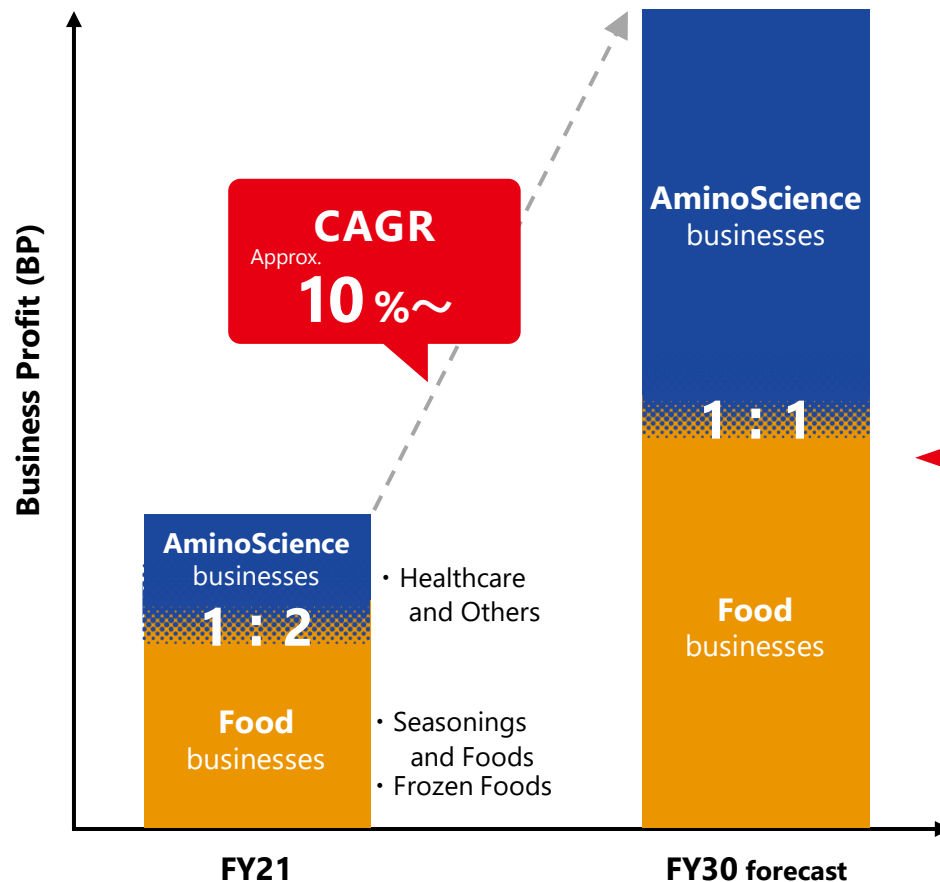
Medium-Term ASV Initiatives: Key to Success

*Hereinafter, medium-term ASV initiatives

Evolving into a corporate culture where employees take a leading role to constantly pursue the challenge of achieving our vision, driven by their enthusiasm for our purpose and the resonance of our diverse stakeholders.

Shift from structural reform to growth

We aim to achieve a highly profitable, unique, and robust structure by shifting to growth in the four outcome-driven growth areas through evolution of core businesses and business model transformation (BMX) .



Four growth areas

Healthcare	ICT
Food & Wellness	Green

"Vision for 2030"
 Contributing to the well-being of all human beings, our society and our planet with AminoScience®

- Achieving Dramatic Growth**
BP growth over 10% (FY21–30 CAGR)
- Robust Business Foundation**
ROIC: Approx. 17%
- Determined & Ambitious ASV**
By 2030,
-Help extend the healthy life expectancy of 1bln people
-Reduce our environmental impact by 50%
→ Carbon neutrality by 2050

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FY20–22 (2020–2025 MTP Phase 1) | Policies and major initiatives

1 Foundation-Strengthening Initiatives

E: Commitment to net zero greenhouse gas (GHG) emissions, etc.

S: Establishment of the Sustainability Advisory Council, reporting to the Board of Directors, etc.

G: Transitioning the organizational form to Company with Three Committees, appointing the president by the Nomination Committee, etc.

Investment in intangible assets, DX promotion (SCM, BMX, etc.), “100-day plan” evolution of management style

2 Basic Strategies Phase 1 (2020-2022) : Structural reform, Phase 2 (2023-2025) : Regrowth

Improving ROIC and steady organic growth

Focusing on core businesses and promoting asset light measures

3 Addressing Changes in the External Environment

Addressing the COVID-19 pandemic and the Ukraine crisis (“100-day plan” Implementing “Speed Up”)

Visualizing raw material and fuel costs and rapidly countering price increase

4 Businesses

Food: Further promote customer-centric business

by pursuing specialties (nutrition without compromise)

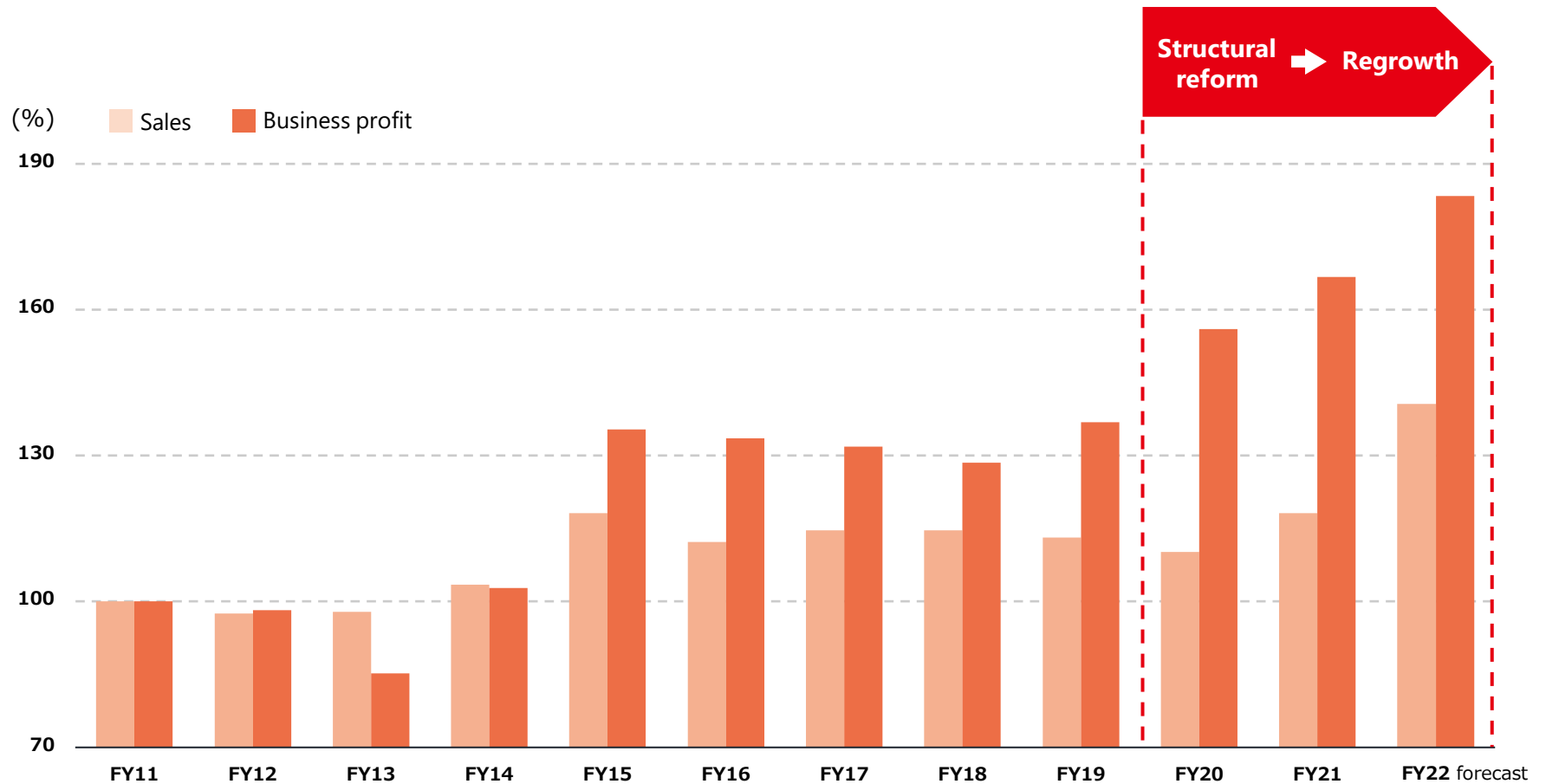
AminoScience: Dramatic expansion through business model transformation

5 Initiatives Driving Greater Corporate Value

Corporate Value Enhancement Cycle= Innovating through stronger intangible assets

FY20–22 (2020–2025 MTP Phase 1) | Structural reform and regrowth

We have successfully speed up structural reforms and established a regrowth trajectory ahead of schedule.



Notes: 1. Index: FY11 = 100
2. IFRS standard adopted from FY15

FY20–22 (2020–2025 MTP Phase 1) | Improving corporate value

Our initiatives have also successfully led to improved corporate value.

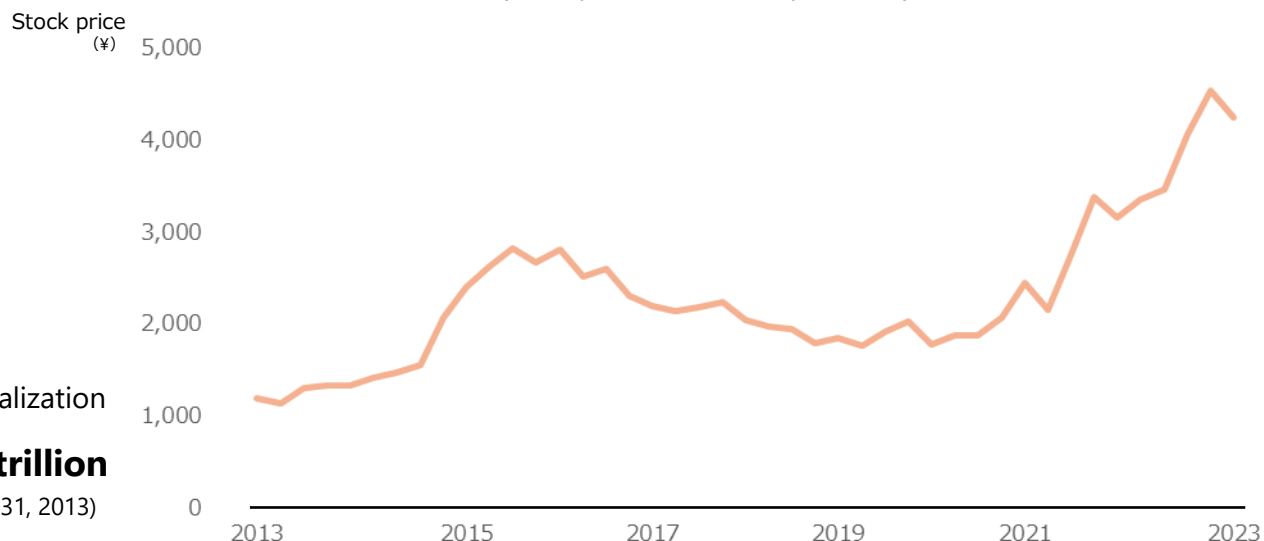
Market capitalization and stock price over the past decade

(January 31, 2013 – January 31, 2023)

Approx.
2.7
times

Market capitalization
¥2.29 trillion
(As of January 31, 2023)

Market capitalization
¥0.84 trillion
(As of January 31, 2013)



Dividends per share (¥)

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (forecast)
20	24	28	30	32	32	32	42	52	62

Note: ¥ = JPY

FY20–22 (2020–2025 MTP Phase 1) | Results forecast

		20-22 Phase1	23-25 Phase2	2030 Goal		
		Structural reform	Regrowth			
		FY22 forecast*	FY22 MTP target	FY25 MTP target		
Financial indicators	Efficiency	ROIC (>Capital Cost) () : Excluding expenses for structural reform	8.0% (Approx. 9%)	8%	10-11%	13%
	Growth	Organic sales growth (YoY)	Approx. 11%	4%	5%	5%
	Priority KPIs	Percentage of sales from core businesses	Approx. 70%	70%	80%	80%~
Unit price growth (YoY) (International consumer products)		Approx. 12%	2.5%	3%	3%	
Pre-Financial indicators	Strength -ening brand	Employee engagement ("ASV as one's own initiative")	62% (Nov. preliminary figure)	70%	80%	85%~
		Brand value (mUSD) (Interbrand research)	1,391 (Actual +15% YoY)	Target 7% CAGR for brand value		
		Brand strength score	Increase in score for each of 12 major countries of business			
Other	Asset light amount	¥200 billion target for FY19–FY25 already achieved ahead of schedule in FY19–FY22				

*As of November 7, 2022

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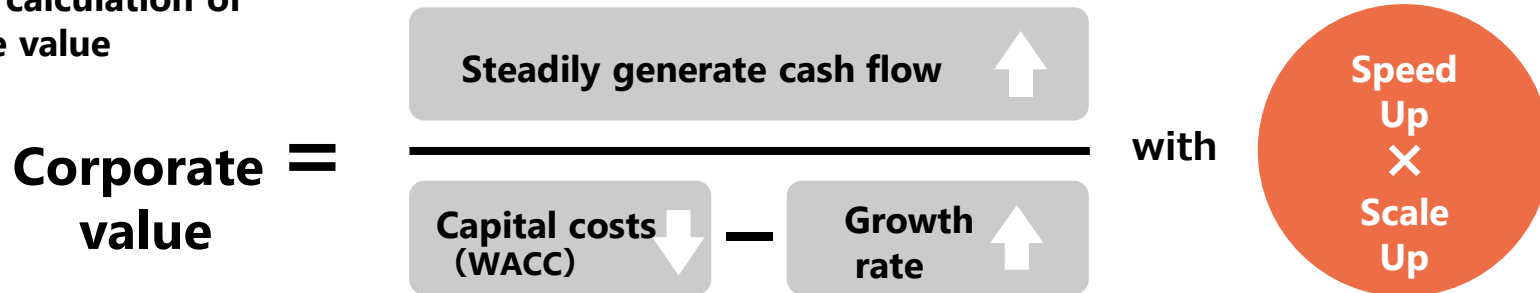
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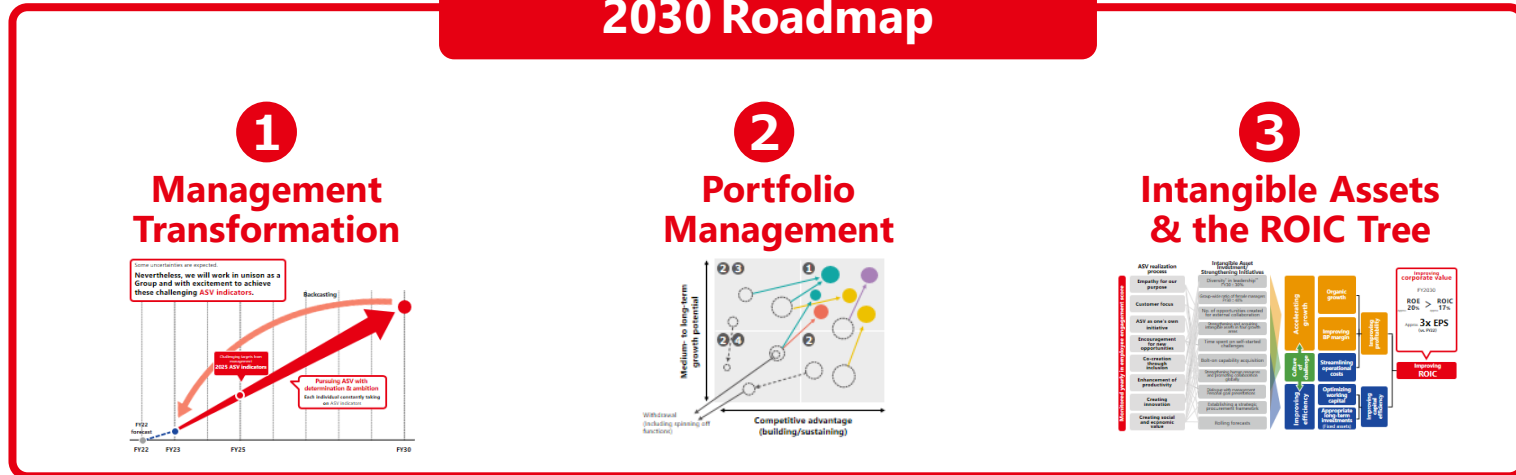
2030 Roadmap overview

Under the 2030 Roadmap, we will carry out initiatives in three pillars to improve corporate value.

Standard calculation of corporate value

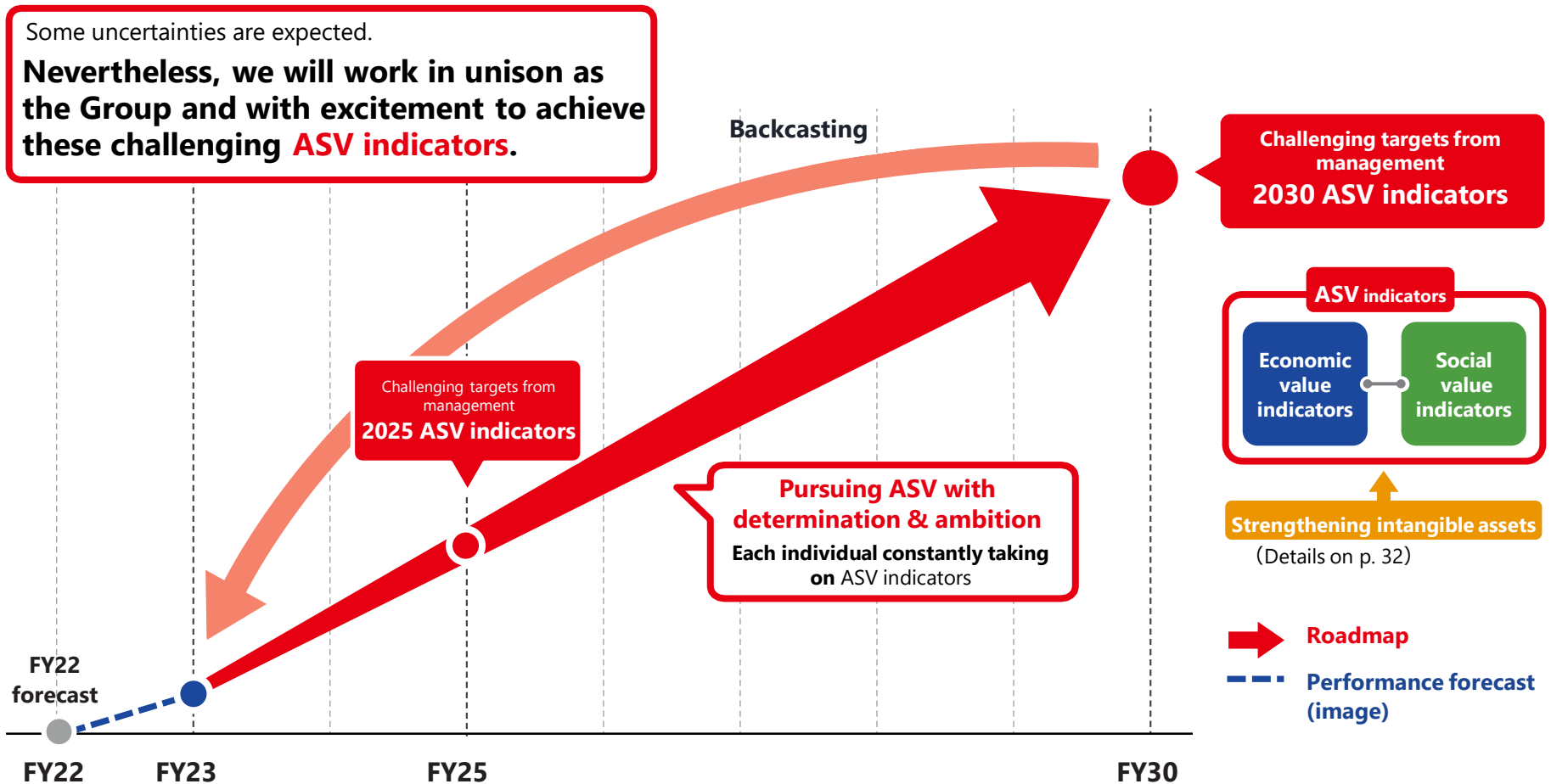


2030 Roadmap



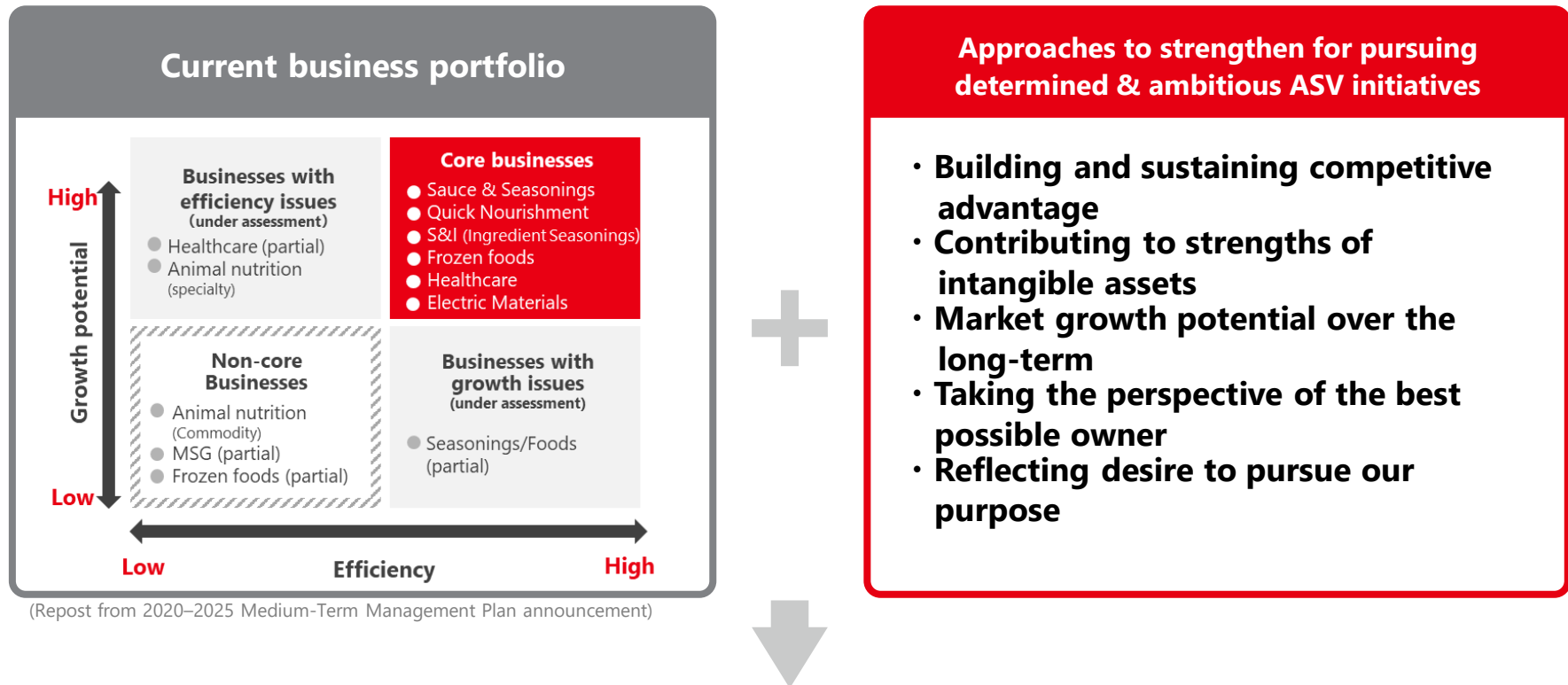
1 Management transformation to “medium-term ASV initiatives”

We will continue to pursue new value and BMX while being committed to achieve targets in the performance forecasts. Furthermore, we will promote “medium-term ASV initiatives” which improves our execution capabilities and continue to take on the challenge of ambitious “ASV indicators.”



2 Portfolio management

Despite progress in structural reforms, we need to evolve to an optimal business portfolio with a view to business and organizational restructuring during the growth stage as we get closer to our “vision for 2030,” a state of evolution in determined & ambitious ASV initiatives.

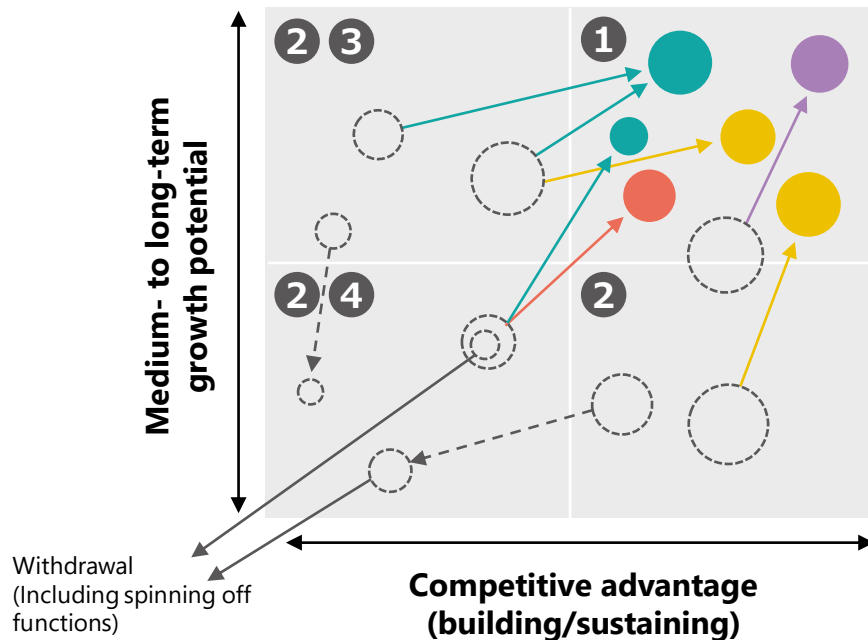


Evolving our business portfolio with sustainable growth while maintaining financial discipline and continuing to pursue our purpose

2 Portfolio management

We will redesign our business portfolio to realize our “vision for 2030” and sustainable growth beyond. Furthermore, we will nimbly capture signs of environmental changes, using them as opportunities to polish our business portfolio as needed.

Illustration of business portfolio evolution from existing businesses to four growth areas



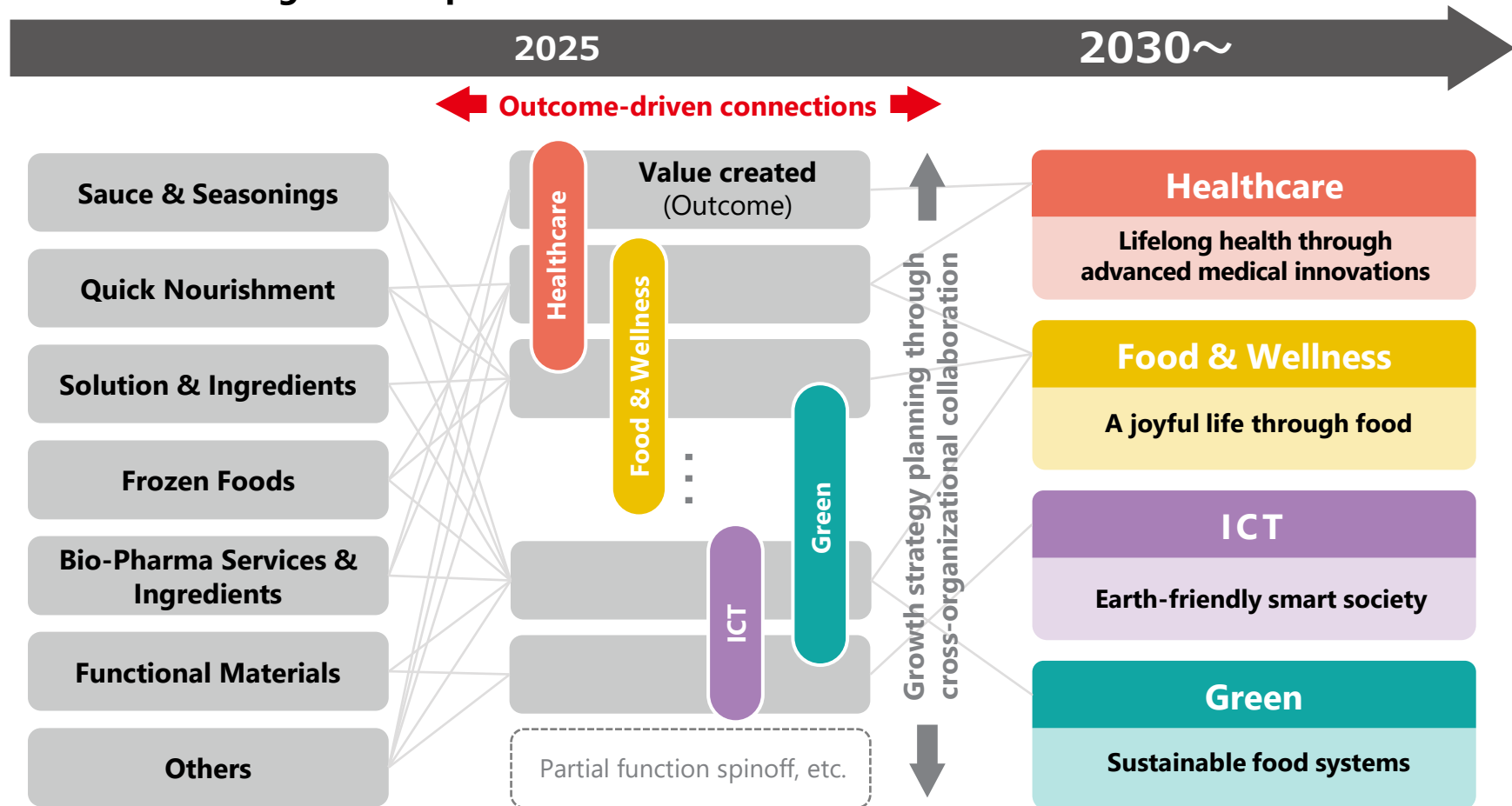
- 1 Focus** ... Concentrate resources
- 2 Change** ... Review business models and value provided
- 3 Start** ... Begin anew (including collaborations)
- 4 Stop** ... Spin off functions, withdraw from businesses

- ...Healthcare
- ...Food & Wellness
- ...ICT
- ...Green
- ...Existing businesses /functions

Accelerating growth and transforming existing business through business model transformation (BMX), evolving into an outcome-driven platform

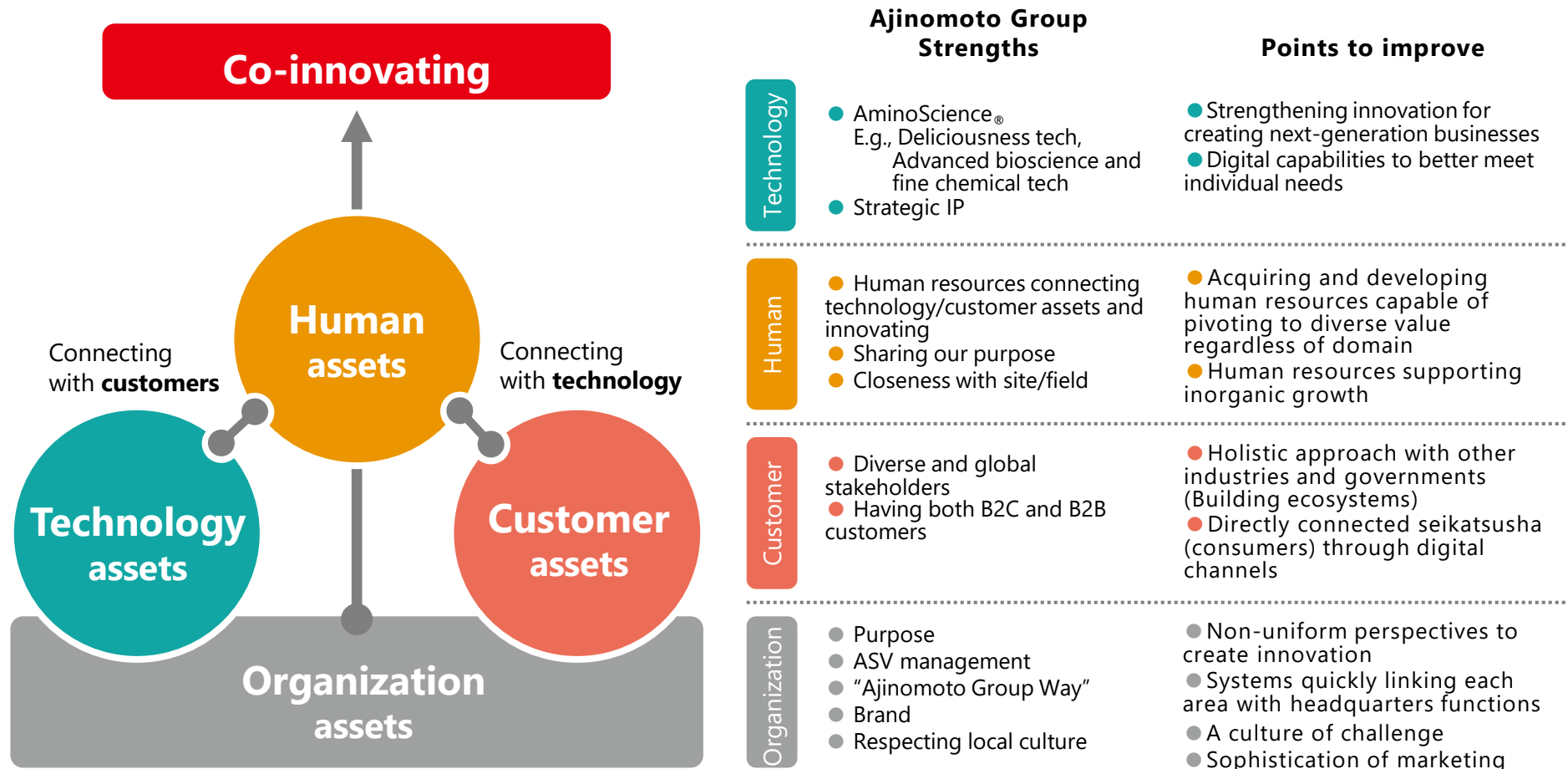
2 Portfolio management

By examining our business development from an outcome-driven perspective, we have begun to see the value of our current businesses' contributions and their connections to "vision for 2030." We will strengthen cooperation with a focus on social value.



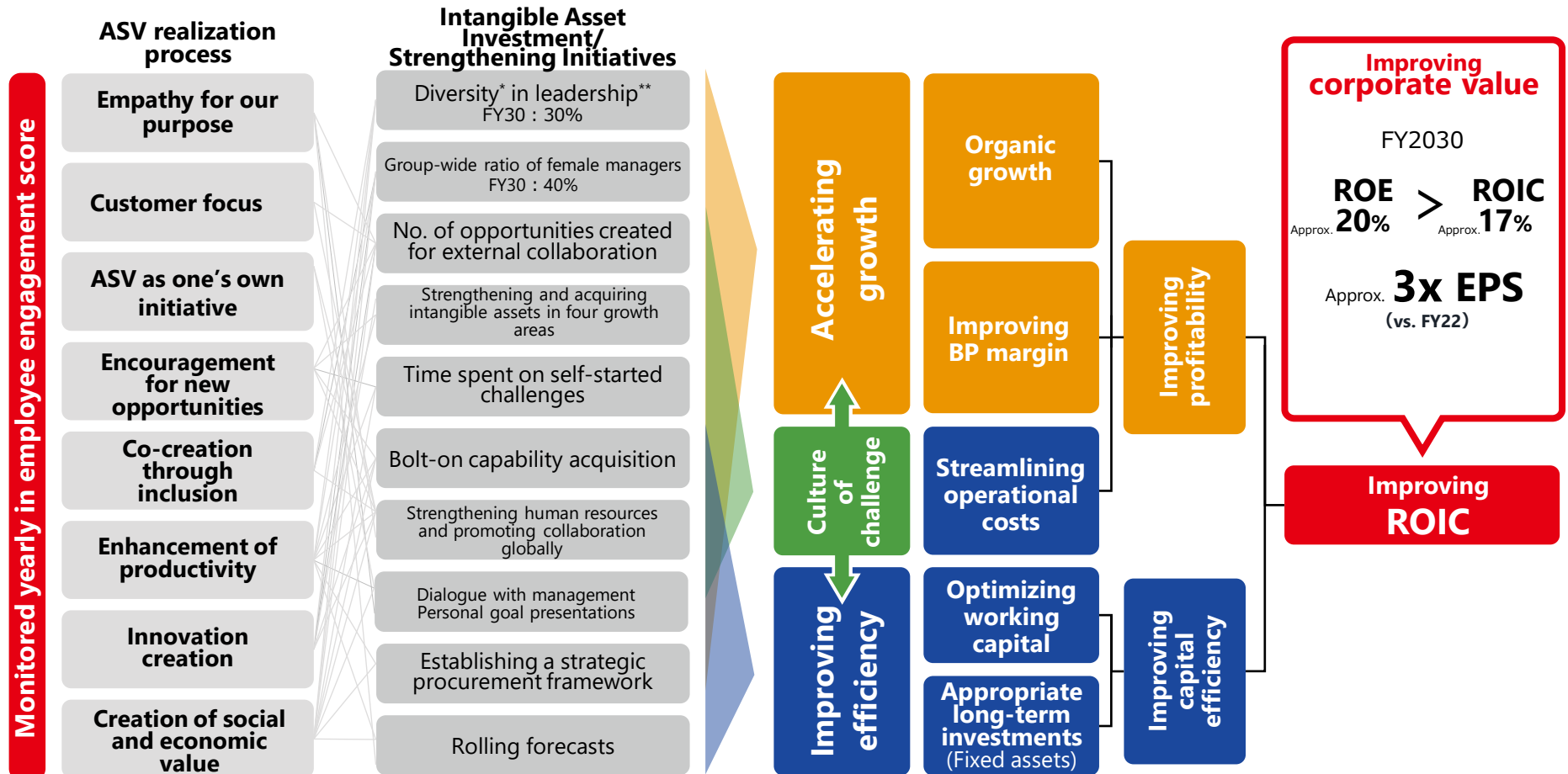
3 Intangible assets for the Ajinomoto Group

We will invest in intangible assets to ensure that human resources empowered by purpose can use AminoScience® to co-innovate for the future by working closely with consumers and customers.



3 Intangible assets and the ROIC tree

We aim to achieve ROIC of about 17% and approximately triple our EPS by FY30 (vs. FY22) by improving efficiency and especially strengthening investments to accelerate growth, while maintaining awareness of the link between intangible assets and financial value.



*Diversity focused on gender, nationality, and affiliation / **Executive officers and general managers of departments/organizations, or similar key positions

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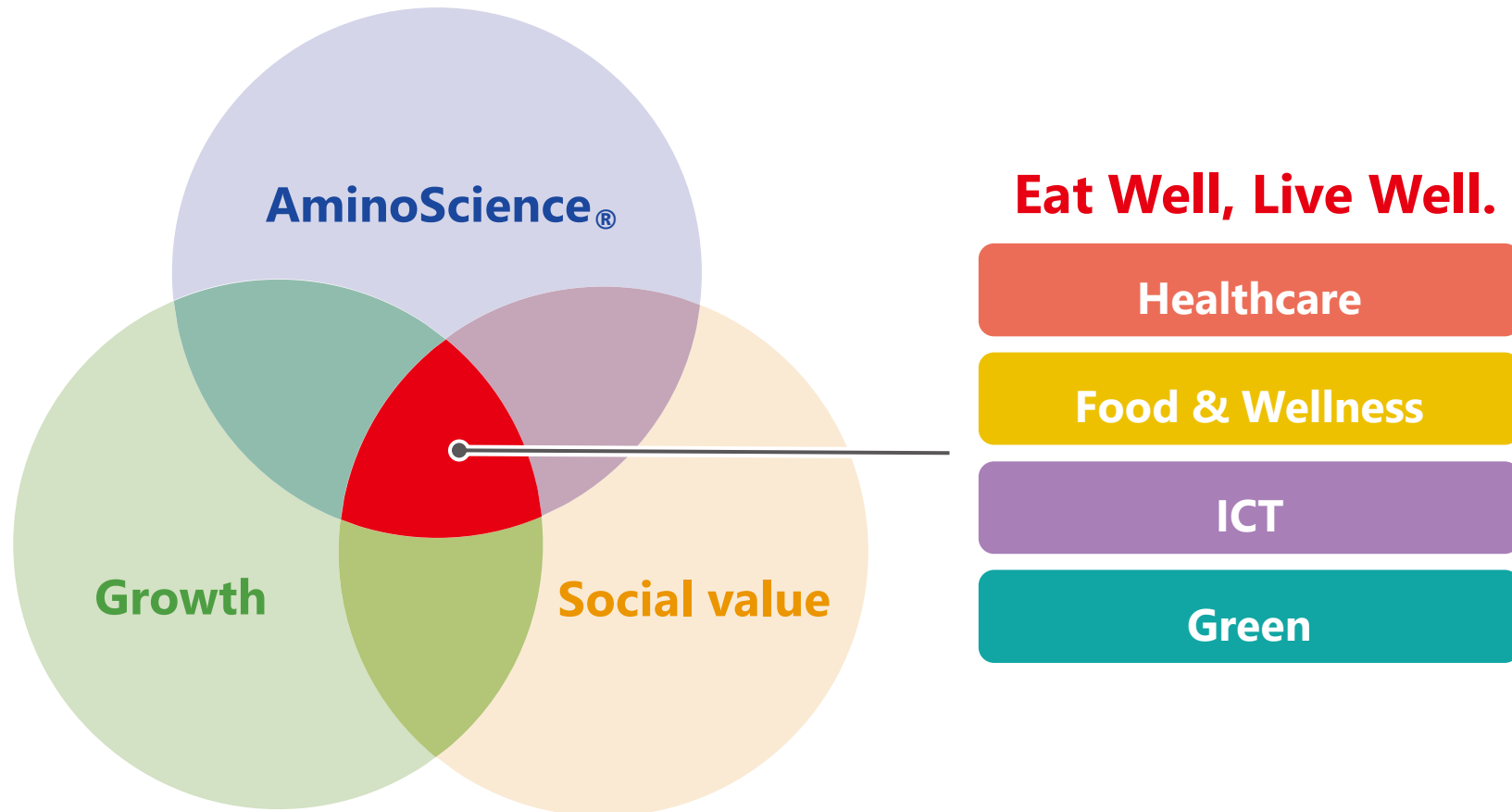
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Ajinomoto Group growth strategy | Basic policy

By leveraging the strengths of the Ajinomoto Group's unique AminoScience® offerings, we aim to achieve dramatic growth in four growth areas. These areas were defined through our basic policy to focus on areas where there is great market growth potential and social value.



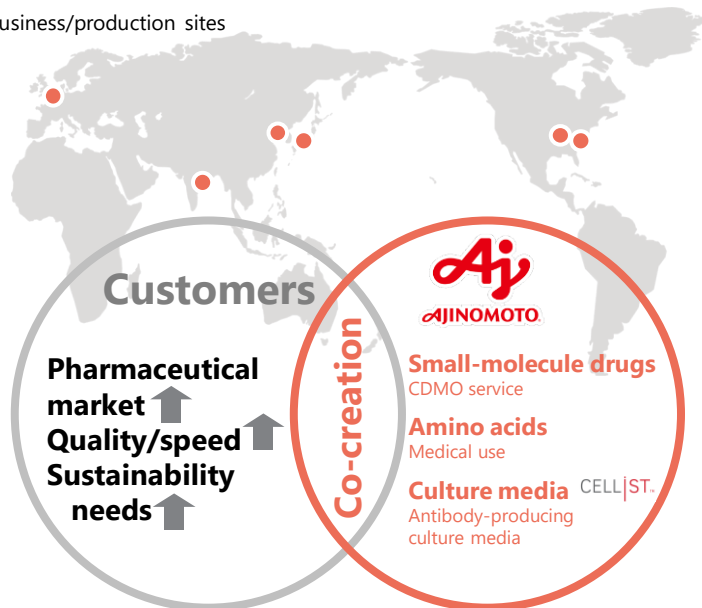
Healthcare

In keeping with strengthening our core businesses, we will also accelerate business growth by focusing management resources on strategic businesses with growth market prospects.

Steady growth of existing businesses

Steady Growth of Core Businesses

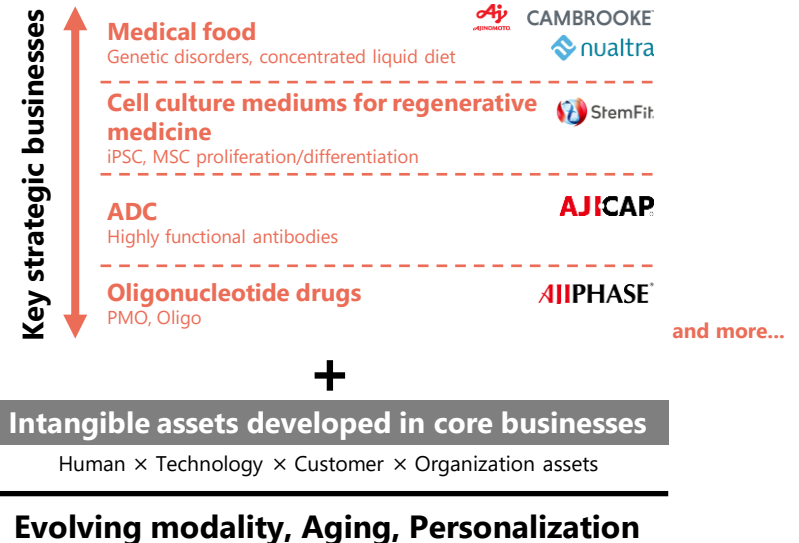
● Business/production sites



- Co-creating values with customers in growth markets
- Enhancing human resources and technology
- Maximizing our asset efficiency and allocating resources appropriately

Further growth driven by BMX

Accelerating Growth through Strategic Businesses



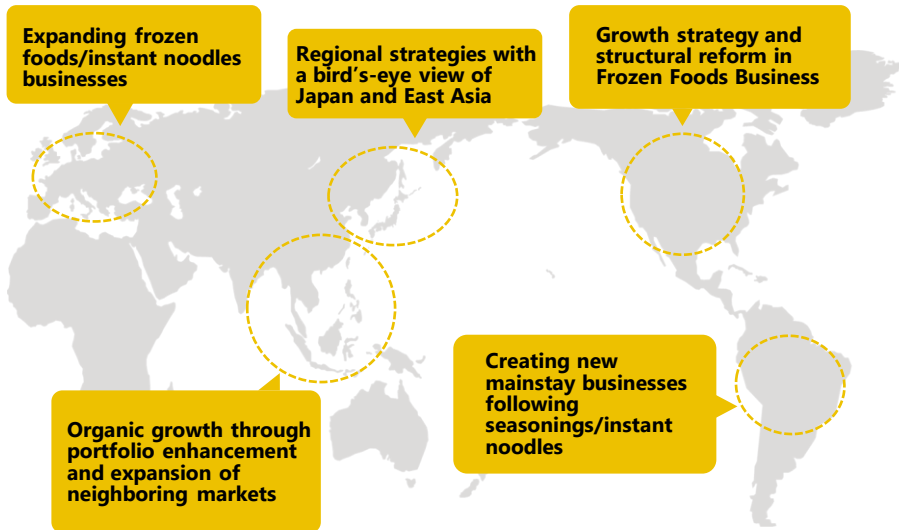
- Maximally leveraging intangible assets developed in core businesses
- Accelerating growth through unique technology
- Further expansion of AJIPHASE® business and aggressive investment in the regenerative medicine and medical food business fields.

Food & Wellness

In addition to greater earnings by strengthening regional strategies in the consumer food businesses and shifting the Frozen Food Business to a growth trajectory, we will accelerate growth by building a new business foundation that co-creates diverse value, including health and nutritional value.

Steady growth of existing businesses

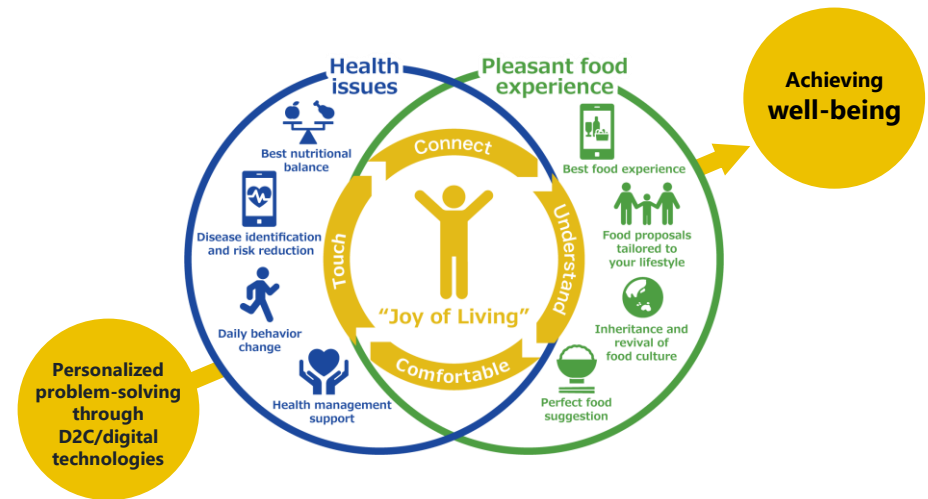
Strengthening Area Strategies as a Growth Strategy



- Steady growth in ASEAN and Latin America and revitalization of Japan business
- Shifting Frozen Food Business to growth trajectory (North America, Europe)
- Focusing on the frontier (ASEAN developing countries, Halal market, etc.)

Further growth driven by BMX

Providing Health and Nutritional Value Satisfying Individual Preferences



- Developing and providing products and services with high health and nutritional value through innovation by AminoScience®
- Establishing a foundation for providing well-being value for each region and individual through digital touchpoints

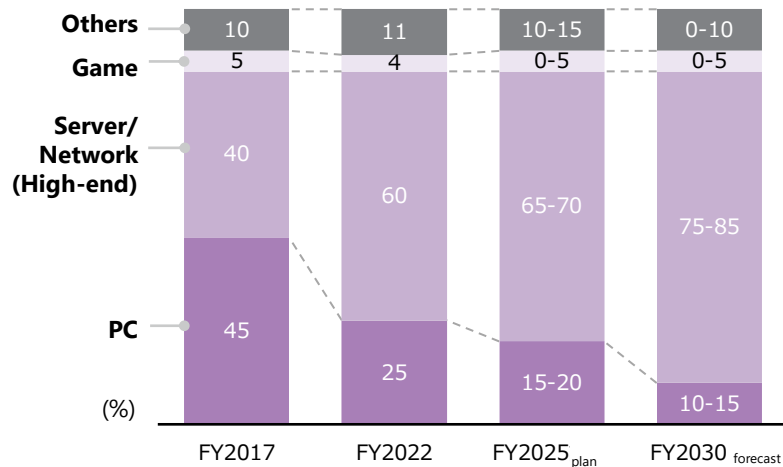
ICT

We will capture growth areas such as semiconductors for HPC* (AI applications, etc.) and new packages (multi-chip, 3D-IC), as well as PC and server applications, and continue to evolve and expand ABF and tackle new areas and materials.**

Steady growth of existing businesses

Strengthening ABF Growth Foundations

【Volume by ABF application over time】

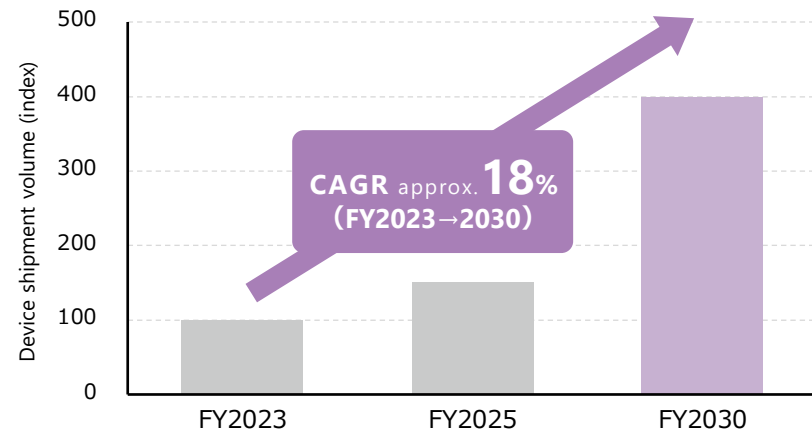


- Despite current demand adjustments in the PC market, growth is expected to continue through 2030, and we will make necessary investments for boosting production. (Approx. ¥25 billion)
- We will leverage our robust value chain network for ABF's continued growth and develop next-generation businesses.
- We will steadily implement business continuity plan (BCP) measures

Further growth driven by BMX

Evolving/Expanding ABF, Tackling New Areas/Materials

【Growth in the HPC (Device) market】



Source: In-depth analysis of semiconductor package and module substrate-related markets (2022), Fuji Chimera Research Institute

- High market growth is expected in semiconductors for HPC, especially for the higher end among server/network applications.
- Required ABF volume per IC is increasing due to larger and more complex IC packages.

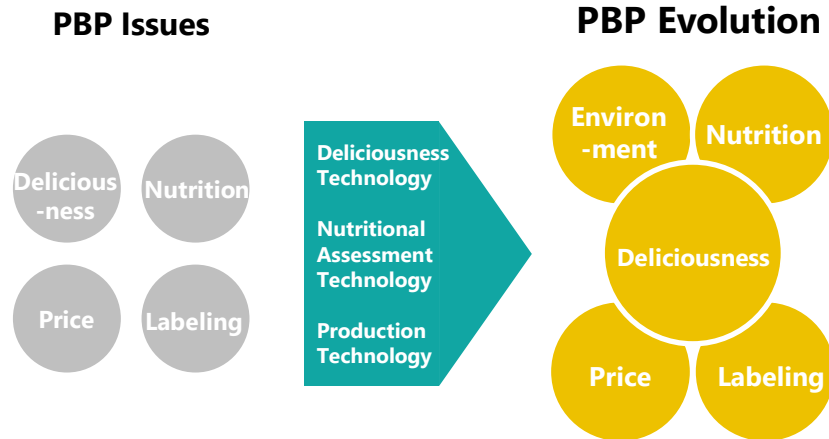
*High Performance Computing **Insulation film: Ajinomoto Build-up Film® (ABF)

Green

We will co-create new food systems as we take leadership of achieving a “with Earth” society. In this society, there will be a sweeping new dietary style that harmonizes with co-existence with the Earth, passing on national and regional food cultures, and individual tastes and values.

Steady growth of existing businesses

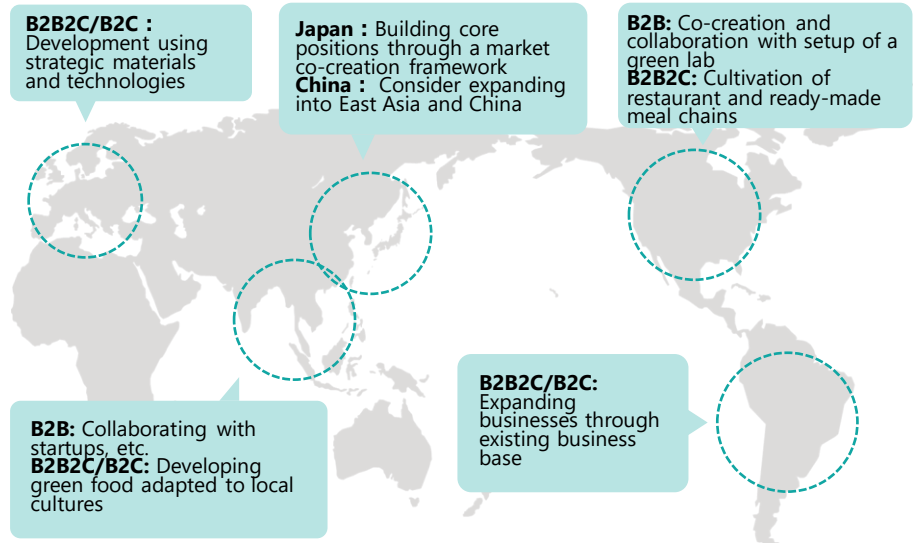
Strengthening Solutions for PBP*



- Harnessing AminoScience® to providing solutions to PBP issues (specific taste, texture, and nutrition). We will create unique solutions by integrating our technologies to improve deliciousness, health and nutritional value.

Further growth driven by BMX

Building New Food Systems and Developing B2C Business



- Developing cultured meat using biotechnology and new materials using proprietary fermentation technology
- Harnessing above materials for green food B2C products (ASEAN, Latin America, etc.)
- Providing agricultural solutions that contribute to sustainable food systems

*PBP...Plant-Based Protein, such as soybean meat.

Initiatives for strengthening business foundations

While achieving dramatic growth, we will continue to improve capital efficiency to achieve a streamlined profit structure that supports growth foundations.

Examples of initiatives

Improving Cash Flow	April 2023: Establishing Procurement Strategy Department	<ul style="list-style-type: none"> • Timely response to procurement risks • Visualizing procurement costs • Initiatives to unify raw materials used, etc.
	SCM projects and optimal management of inventories	<ul style="list-style-type: none"> • Reducing SKUs • Promoting DX etc.
	Enhancing shared services and expanding globally	<ul style="list-style-type: none"> • Zero touch operations in routine tasks
	Smart factories	<ul style="list-style-type: none"> • Launching an expert committee • Improving supply capacity, safety and security, productivity, etc.



FY2030
EBITDA
margin
Up +1%
or more
 (vs. FY2022)

Improving Cost of Capital	Minimizing financing costs through refinancing via SDG financing
	Realizing optimal shareholder composition by expanding number of individual shareholders



Further
reducing
WACC

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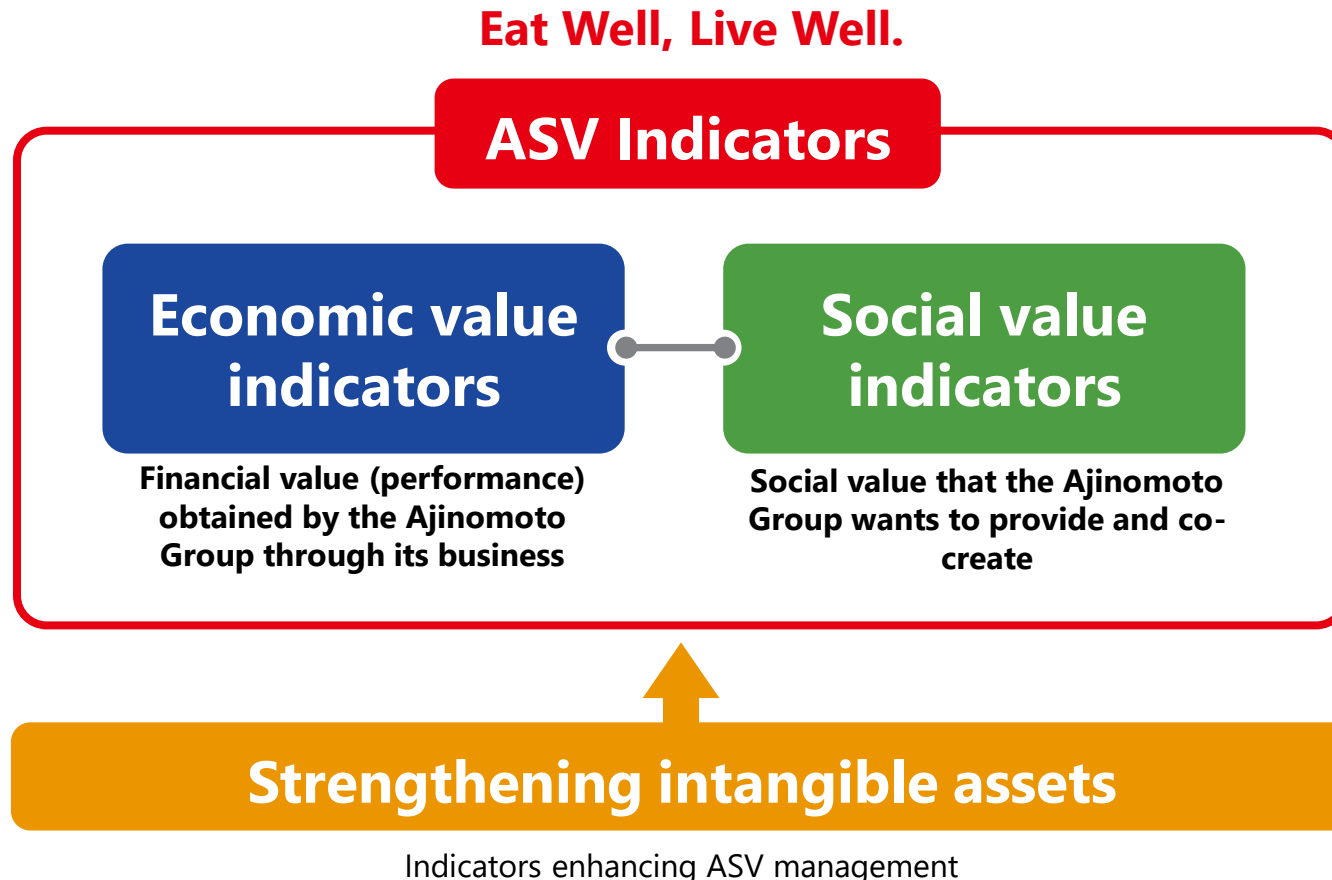
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What are “ASV Indicators”?

We are adjusting existing KPIs for achieving our future vision, combining these with new needed metrics and changing to ASV indicators that will encourage further growth and challenges.



2030 ASV indicators

KPIs for Phase 2 of the 2022–2025 Medium-Term Management Plan will be partially retained, but changed to ASV indicators.

Ref. Targeting
approx. **3X EPS**
(vs. FY2022)

		FY22 (forecast*)	FY25	FY30		
ASV Indicators	Economic value indicators	ROE	11%	18%	Approx. 20%	Pursue ASV and continue to be an attractive group for stakeholders and society
		ROIC (>Capital Cost)	8.0%	13%	Approx. 17%	
		Organic sales growth	Approx. 11%	5% (FY22-25)	5%~ (FY25-30)	
		EBITDA margin	15%	17%	19%	
		Challenging targets from management				
Social value indicators	Initiatives to Reduce Environmental Impact		-	Reduce our environmental impact by 50% (outcome)		
	Nutrition commitment <small>We plan to consider KPIs for other contributions than nutrition as well.</small>		-	Help extend the healthy life expectancy of 1 bl people (outcome)		
Strengthening intangible assets	Employee engagement**	62% (Nov. preliminary figure)	80%	85%~		
	Brand Value (mUSD) <small>(interbrand research)</small>	1,391 (Actual +15% YoY)	Compared with FY19, CAGR 7%~			

*As of November 7, 2022

** From FY2023, the measurement method will be changed from a single question about ASV as one's own initiative to an average value from nine questions about the ASV achievement process to better grasp the actual situation

Reference | Growth paths by segment

Segment		Organic growth (CAGR)		Business profit (BP) (CAGR)		ROIC		EBITDA margin	
		FY22 ^{forecast*}	FY25	FY22 ^{forecast*}	FY25	FY22 ^{forecast*}	FY25	FY22 ^{forecast}	FY25
		(Sales)	(FY22-25)	(BP)	(FY22-25)				
Seasonings and Foods	Seasonings								
	Quick Nourishment	¥748.7 billion	5%	¥81.0 billion	12%	Approx. 12%**	16%	15%	16%
	Solution & Ingredients					WACC 6%→ 7%***			
Frozen Foods	Frozen Foods	¥261.1 billion	3%	¥0.1 billion	¥10~ billion	Approx. 0%**	5%	4%	8%
						WACC 5%→ 5%***			
Healthcare and Others	Bio-Pharma Services & Ingredients								
	Functional Materials	¥303.5 billion	8%	¥55.8 billion	13%	Approx. 13%**	18%	24%	27%
	Others					WACC 8%→ 7%***			
Total		¥1,367.0 billion	5%	¥133.0 billion	15%~	8.0% (Approx. 9%**)	13%	15%	17%
						WACC 5%→ 6%***			

*As of November 7, 2022

** Figures above do not include structural reform expenses.

***WACC updated for FY23~ (no change for frozen foods)

2030 ASV indicators | Social value

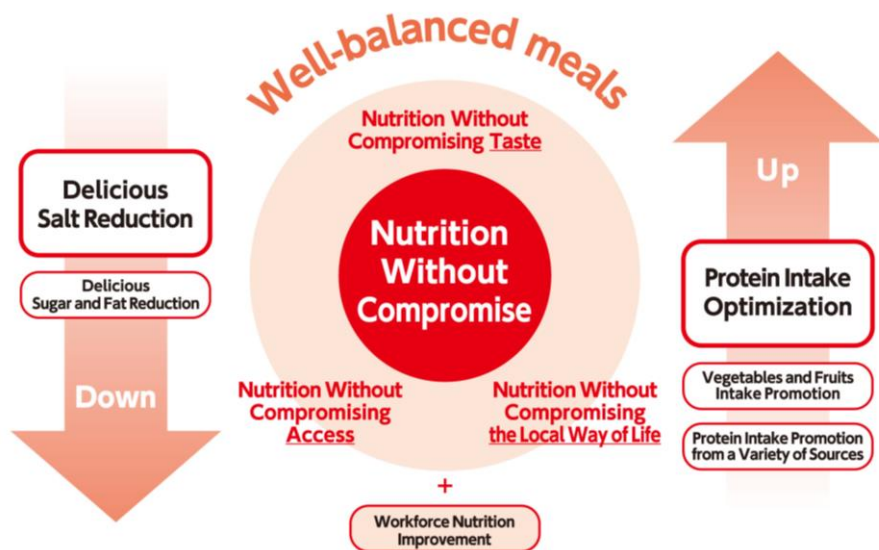
We are working to reduce our environmental impact by 50% by 2030 and to achieve carbon neutrality by 2050.

Issues		KPIs	Targets	FY21 (Results)
Response to Climate Change	Greenhouse gas	Scope 1, 2 Total	FY30 : Reduced by 50% (vs. FY18)	18% reduction
		Scope 3 (basic unit)	FY30 : Reduced by 24% (vs. FY18)	8% increase
	Water risk	Water consumption	FY25 : Reduced by 80% (vs. FY05)	79% reduction
Achieving a Circular Economy	Plastic waste		FY30 : Zero-out	-
	Food loss & waste	From receiving raw materials to customer delivery	FY25 : Reduced by 50% (vs. FY18)	23% reduction
		Product life cycle overall	FY50 : Reduced by 50% (vs. FY18)	-
	Zero waste emissions	Resource recovery ratio	Maintaining 99% or more	98.4%
Achieving sustainable procurement	Deforestation Biodiversity Human rights Mutual relationships with animals	Sustainable procurement ratio Paper Palm oil Soybeans Coffee beans Beef, Sugarcane	FY30 : 100% of sustainable procurement	98% 93% 30% 58% Start risk assessment

2030 ASV indicators | Social value

We will contribute to extending the healthy life expectancy for one billion people by promoting initiatives based on the “Nutrition Without Compromise” approach.

Ajinomoto Group’s approach to nutrition



Nutrition commitment

Quantitative Targets	FY21 (Results)	FY25/30 (Targets)
Percentage of products with improved nutritional value	50%	60%
Provision of products with improved nutritional value in “delicious salt reduction” and “protein intake optimization”	320 million people /year	400 million people /year
Availability of products utilizing the physiological and nutritional functions of amino acids	1.09 times	2 times
Nutrition education for employees	26,000 people	Cumulatively 100,000 people (FY25)

※Progress toward extending healthy life expectancy for one billion people will be disclosed from our FY22 results.

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Financial strategy | Three frameworks in 2030 roadmap

1 Matching Business and Capital Strategies

- Cash allocation policy for maximizing corporate value

2 Continuously Improving Shareholder Value

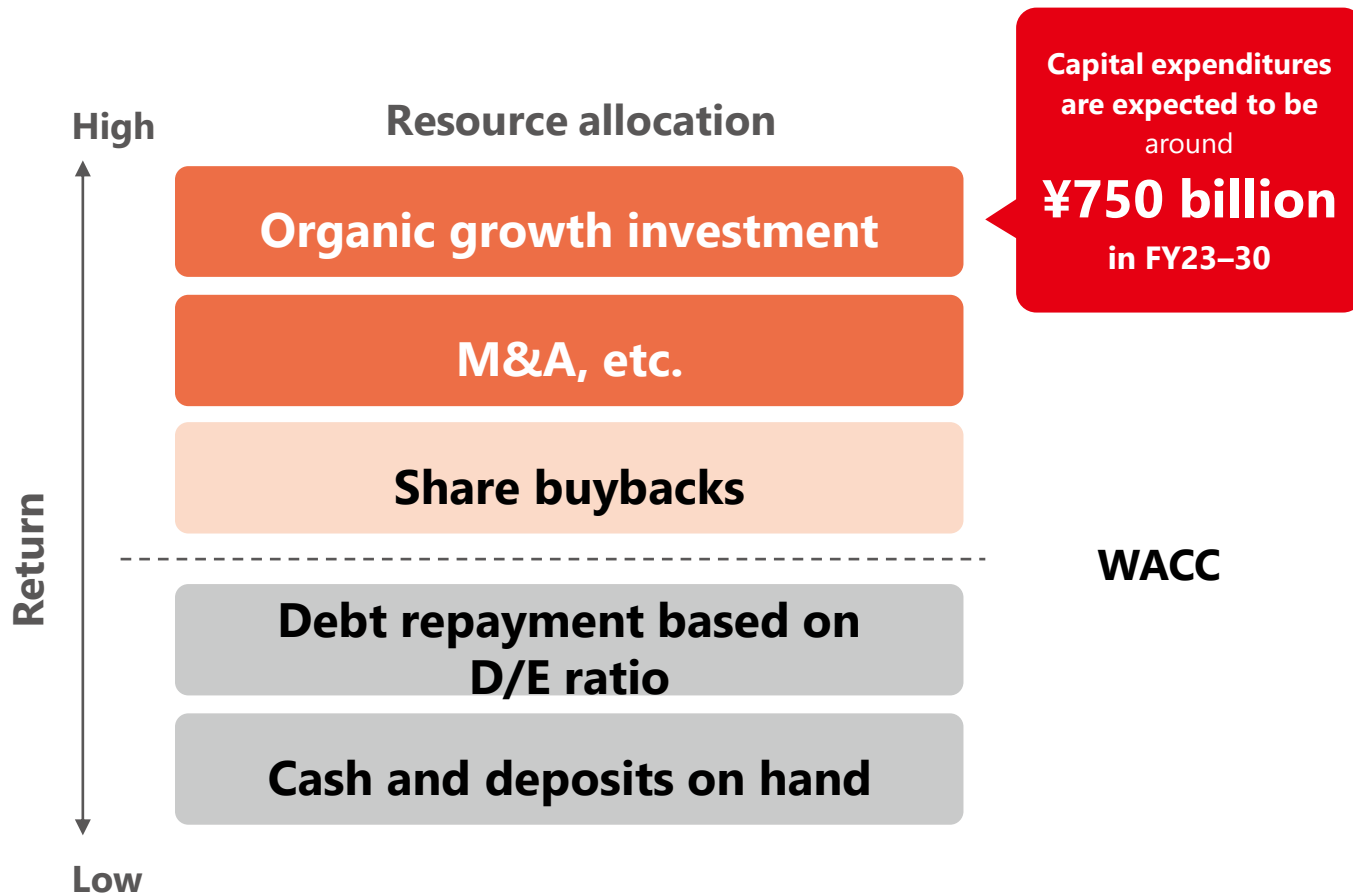
- Continuous improvement of EPS (approx. 3x EPS in FY2030)

3 Updating Shareholder Return Policy

- Progressive dividend policy
- Dividend policy based on normalized EPS

Financial strategy 1 | Cash allocation policy

We will place the highest priority on investments in growth, M&A, etc. If there is excess capacity in operating CF, we will actively carry out share buybacks as a second tier of investments above WACC.



Financial strategy 2 | Continuous improvement of EPS

Continuous Growth in Business Profit

- Early identification of signs of changes in the business environment through rolling forecasts and timely implementation of countermeasures
- Profit growth through activities to improve TDC* margin and other profit metrics

Managing Effective Tax Rate

- Setting 27% effective tax rate as the Ajinomoto Group standard tax rate
- Global tax risk monitoring and timely response
- Reducing tax rates by maximizing the use of tax benefits, including those related to sustainability

Improving Capital and Asset Efficiency

- Continuously reducing outstanding shares through dynamic share buybacks
- Reducing cash and deposits (to ¥90 billion on a consolidated basis in FY2025) to harness surplus funds

*TDC = Total Delivered Cost including logistics expenses

Financial strategy 3 | Continuous strengthening of shareholder returns

We will strengthen shareholder returns by introducing a progressive dividend policy, adopting dividends based on normalized EPS, and continuing dynamic share buybacks.

FY20–25 MTP Shareholder Return Policy

- Total return: **¥100+ billion**
- Dividend payout ratio: **40% target** (single fiscal year)
- Total return ratio: **50%+ target**



Shareholder Return Policy Going Forward

- **Introducing progressive dividend policy**
No reduction in dividends; increasing or maintaining dividends
- **Dividends based on normalized EPS***
Dividend amount is determined by business profit, excluding non-routine gains/losses
→ Solidifying direct link between business growth and shareholder returns
- In addition, dynamically carrying out share buybacks
- Maintaining policy of a total return ratio of 50% + (Most recent three years, rolling basis)

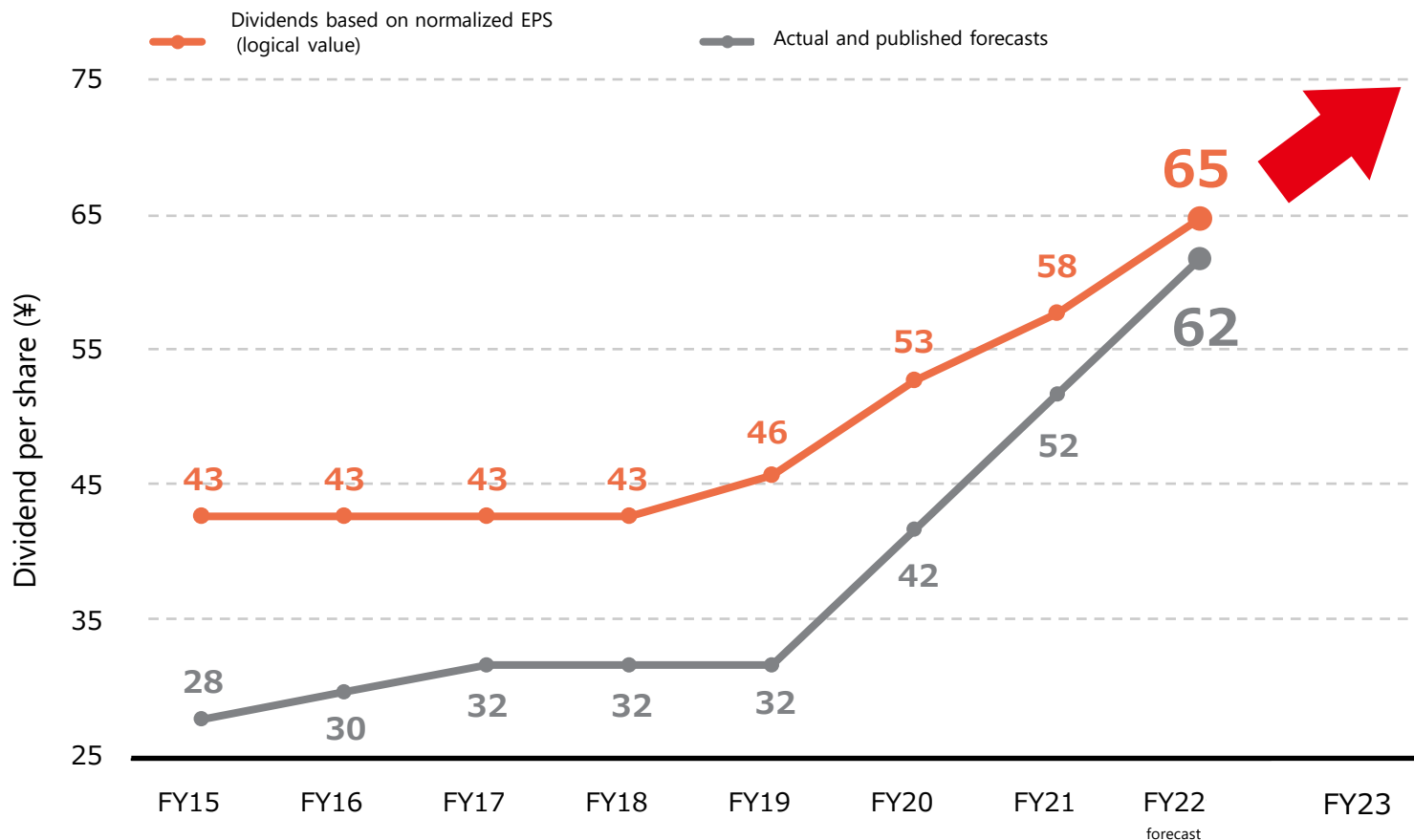
*We have defined dividends based on normalized EPS as follows:

$$\text{Dividends based on normalized EPS} = \frac{\text{BP} \times (1 - \text{Ajinomoto Group standard tax rate})}{\text{Outstanding shares}} \times 35\% \text{ (Return coefficient)}$$

• The Ajinomoto Group standard tax rate for FY2023 is set at 27%. This is based on comprehensive consideration of the mix of statutory tax rates in each country and the tax burden associated with returning funding via dividends, and is subject to periodic review according to actual conditions.
• The return coefficient for FY2023 is set at 35%. This is based on comprehensive consideration of actual past dividends paid, and is subject to periodic review in light of the Company's shareholder return policy.

Reference | Continuous strengthening of shareholder returns

If the equivalent to 35% of normalized EPS is used as the dividend per share, dividends will increase compared to past amounts. Combined with our progressive dividend policy, we will continue to maintain the trend of increasing dividends.



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Conclusion

- Pursue **determined & ambitious ASV initiatives**, **evolving to ASV management**, improving **execution ability**
- Realize the **well-being** of all human beings, our society and our planet with **AminoScience®**
- **Improve corporate value through steady cash flow generation**, **improved growth rate**, **reduced cost of capital**
- Create **organic growth** and **shift to growth in four growth areas**
- Visualize and enhance the value of **intangible assets**, the driving force of corporate value improvement
- **Promote sustainability** by clarifying **the roadmap** to creating **social and economic value**
- **“Purpose x Passion x Operational Excellence”** & **“Speed Up x Scale Up”**

Eat Well, Live Well.



- Forward-looking statements, such as business performance forecasts, made in these materials are based on management's estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.
- This material includes summary figures that have not been audited so the numbers may change.
- AminoScience® is a trademark of Ajinomoto Co., Inc. registered in Japan.

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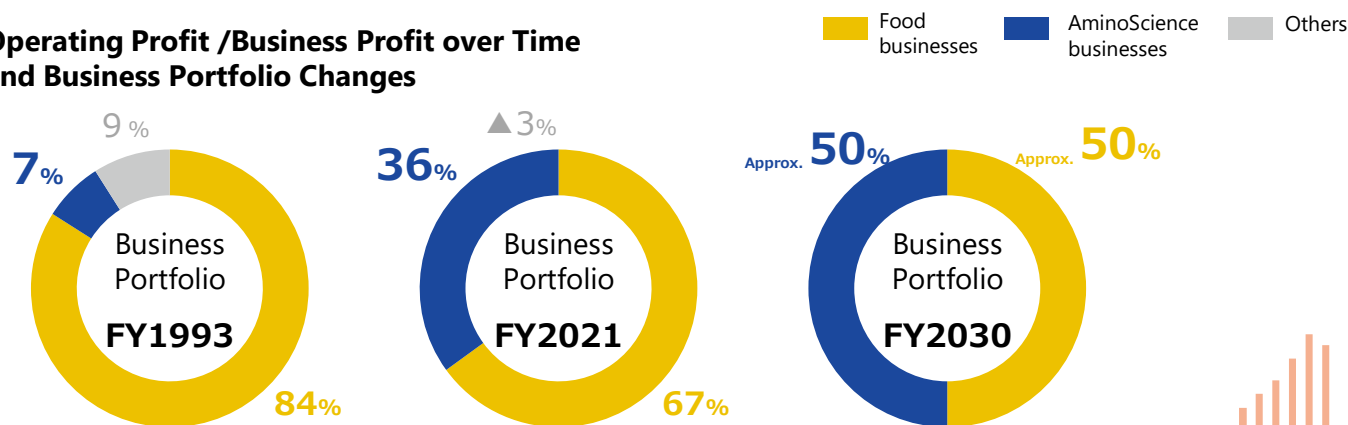
Supplementary Materials



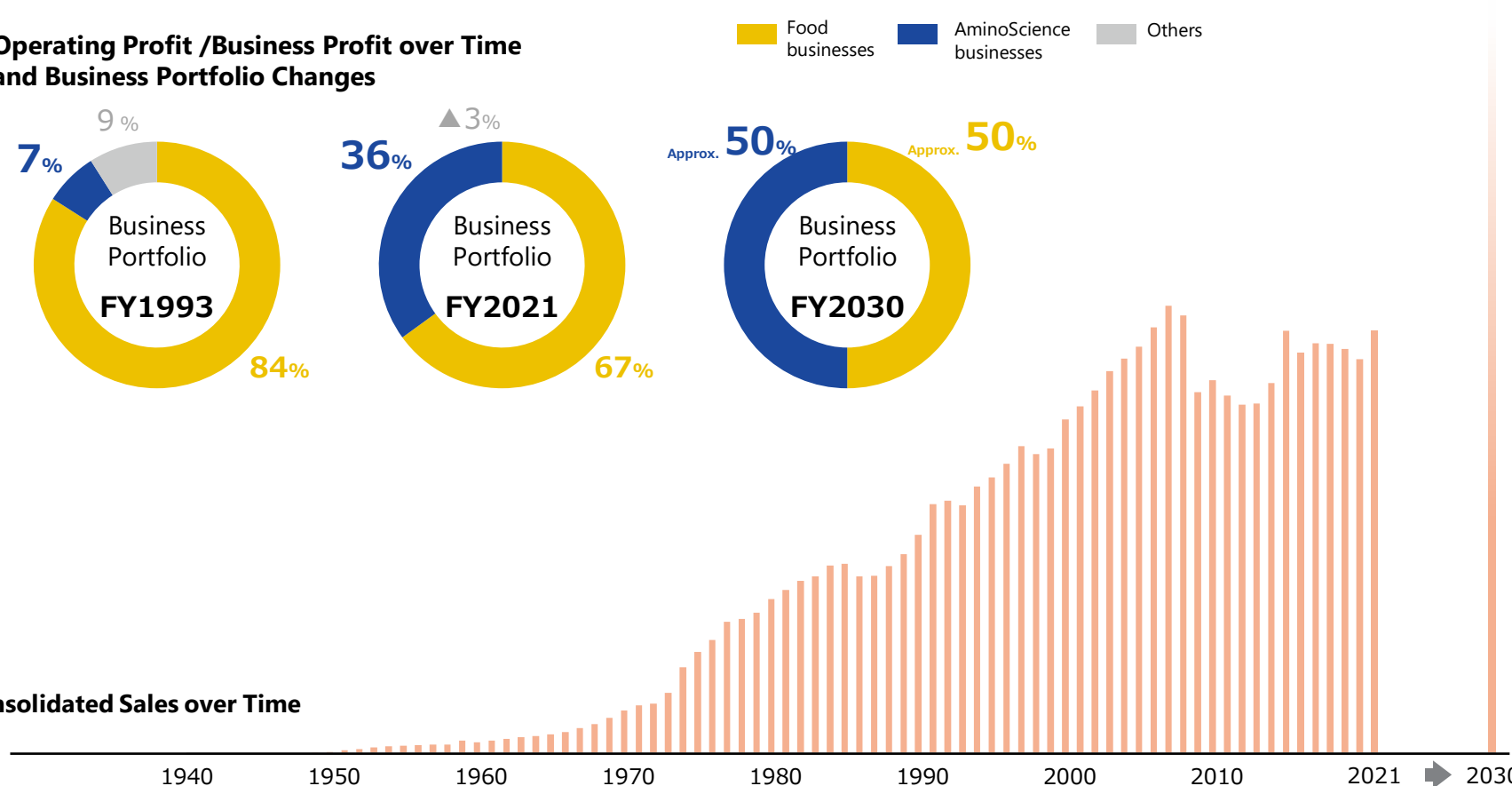
The Ajinomoto Group's growth trajectory

Our front-line human resources have accurately and rapidly grasped the changing needs of the times, helping us achieving sustainable growth by evolving our business portfolio while building a competitive advantage through AminoScience®.

Operating Profit /Business Profit over Time and Business Portfolio Changes

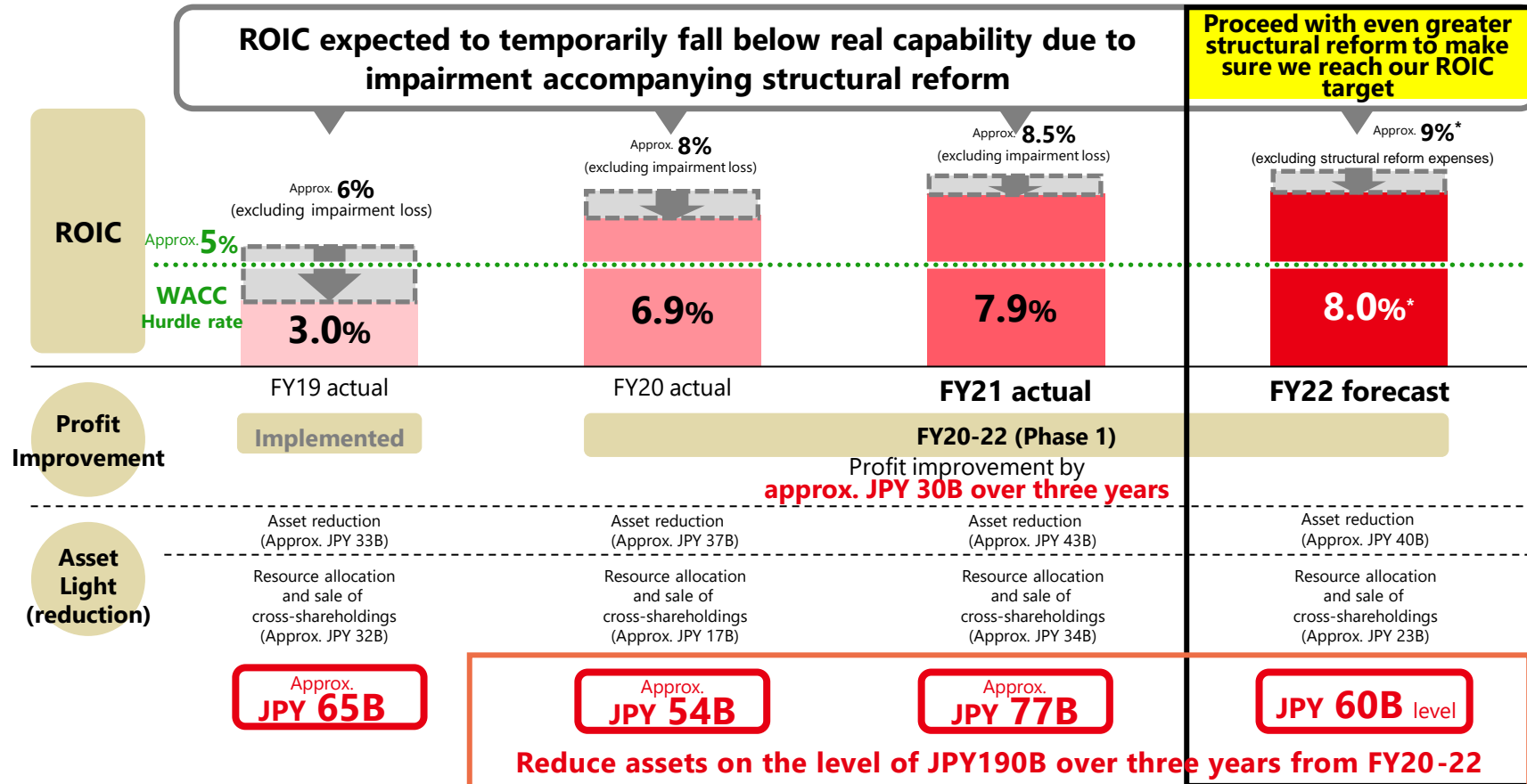


Consolidated Sales over Time



FY20–22 (2020–2025 MTP Phase 1) | Progress of structural reform

Although we have achieved our asset light targets of 200 billion yen ahead of schedule, we will continue our efforts to further improve ROIC in FY23 and beyond.



Achieved "FY19-25 asset light target" of JPY200B well ahead of schedule

*As of November 7, 2022

Group-Wide Project | 1 Healthy and nutritional food products business value creation and regional development through fusion of food and amino acids

Creating new value in health and nutritional functions of amino acids and promoting business by proposing solutions to health issues and new food experiences, given legal regulations and health and nutrition awareness in each country and region

Health/nutrition value level :

Diseases/disorders

Presymptomatic disease

Conditioning

EU

Product Type	Initiatives
Medical food (reimbursed by insurance)	Cambrooke products Nualtra products
ONS (e.g., concentrated liquid diet)	Nualtra products
Foods/supplements (B2C)	Currently developing a product strategy based on ethical needs in Europe (food products)

Japan

Product Type	Initiatives
Medical food (Self pay)	TBD
ONS (e.g., concentrated liquid diet)	"Medimeal" (with Nestle)
Foods/supplements (B2C)	Various supplements (wide range) Soups, porridge, etc., using functional ingredients Frozen Foods (nutritionally balanced, or disease control)
Health ingredients (B2B)	AminoL40, dihydrocapsiate, etc.

North America

Product Type	Initiatives
Medical food (reimbursed by insurance)	Cambrooke products
Supplements (B2C)	Dihydrocapsiate, Glyna, etc.
Health ingredients (B2B)	Dihydrocapsiate, AminoL40

China · Asia

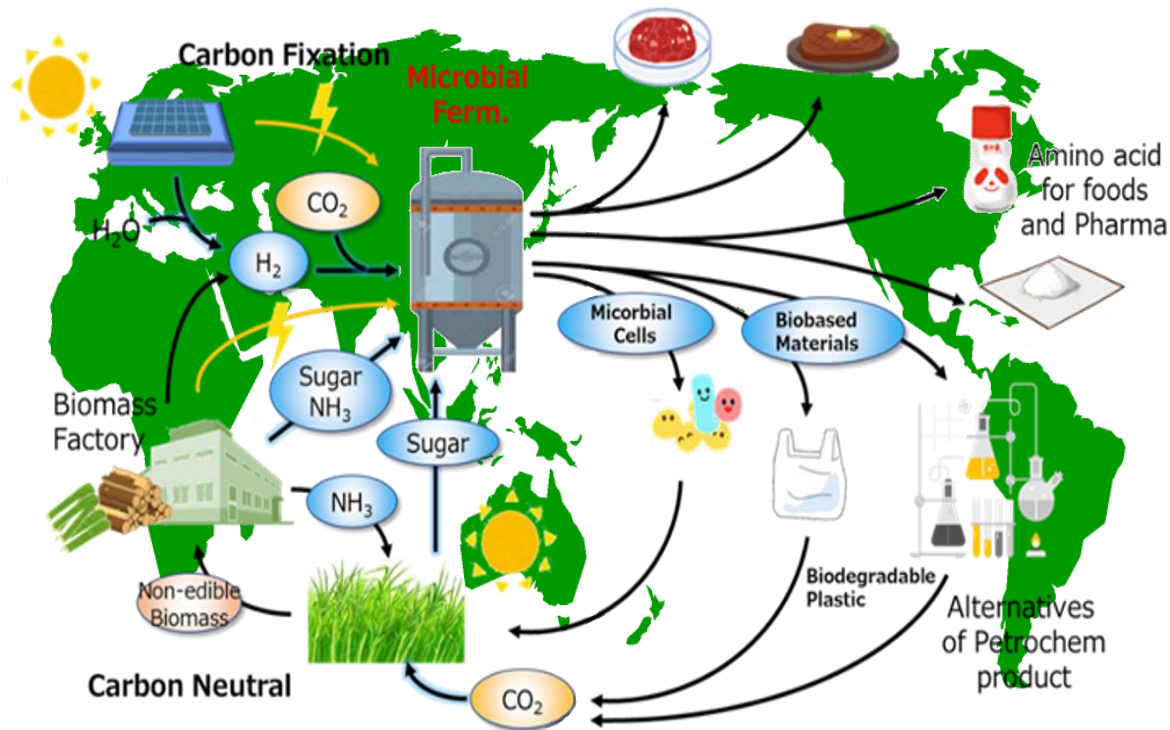
Product Type	Initiatives
Medical food (reimbursed by insurance)	Cambrooke products (China, Self pay)
ONS (e.g., concentrated liquid diet)	TBD
Foods/supplements (B2C)	Exploring supplement commercialization Starting discussions with corporations in ASEAN countries based on country-specific health issues (food)
Health ingredients (B2B)	AminoL40, etc.

Latin America

Product Type	Initiatives
Medical food (reimbursed by insurance)	Cambrooke products
Foods/supplements (B2C)	Starting exploration of supplement commercialization Initiatives to be laterally deployed in ASEAN (food)

Group-Wide Project | 2 Global fermentation asset optimization

Setting direction to convert/utilize/evolve tangible and intangible fermentation-related assets (facilities, technologies, human resources, etc.) cultivated by the Ajinomoto Group for future growth strategies, and achieving high-value-added and green initiatives



Conversion/utilization

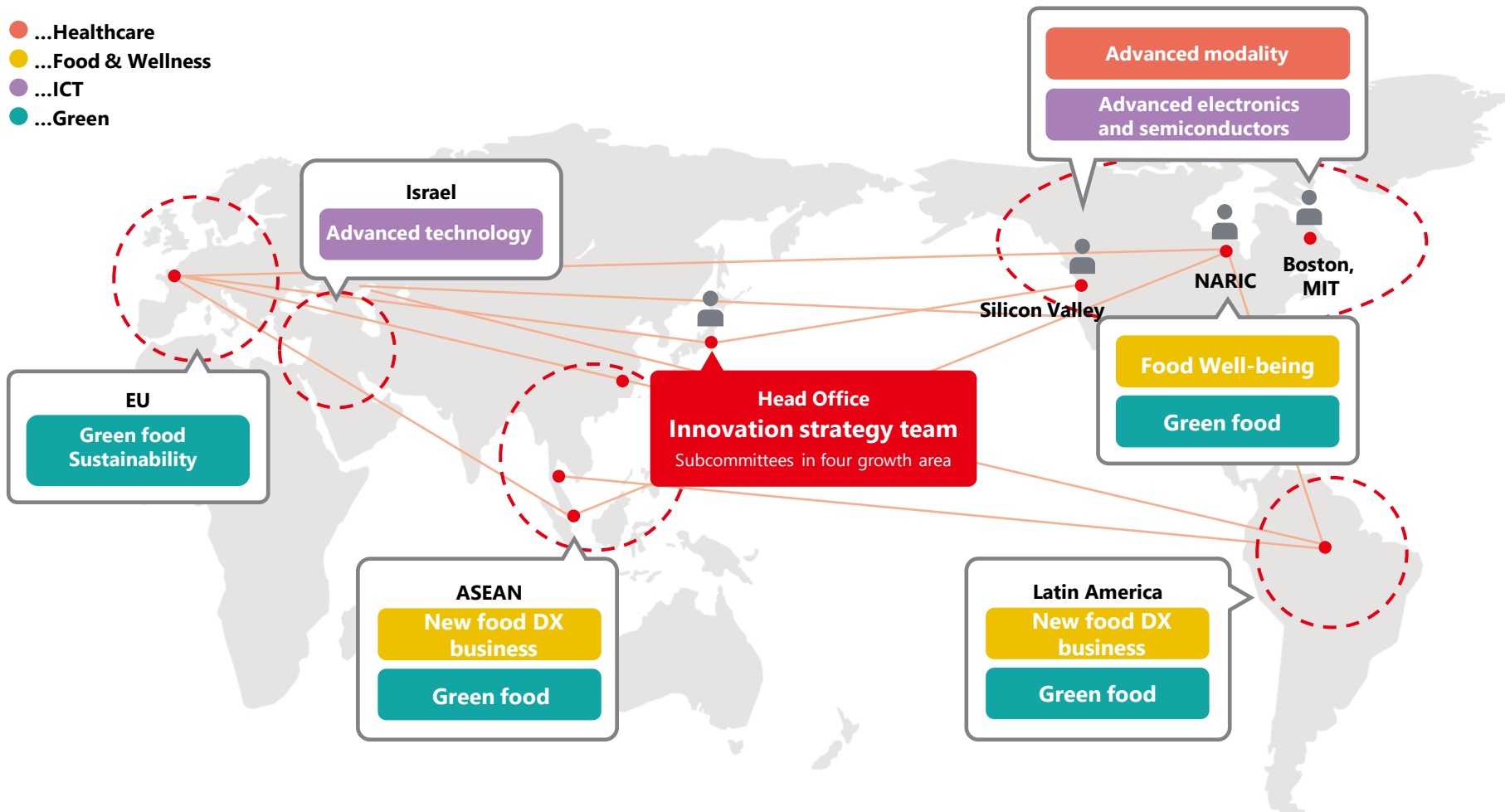
Exploring opportunities to introduce precision fermentation products, etc.

Evolution

Taking on the challenge of introducing green technology for amino acids
(Aiming for carbon neutrality by 2050)

Strengthening intelligence functions to achieve “medium-term ASV initiatives”

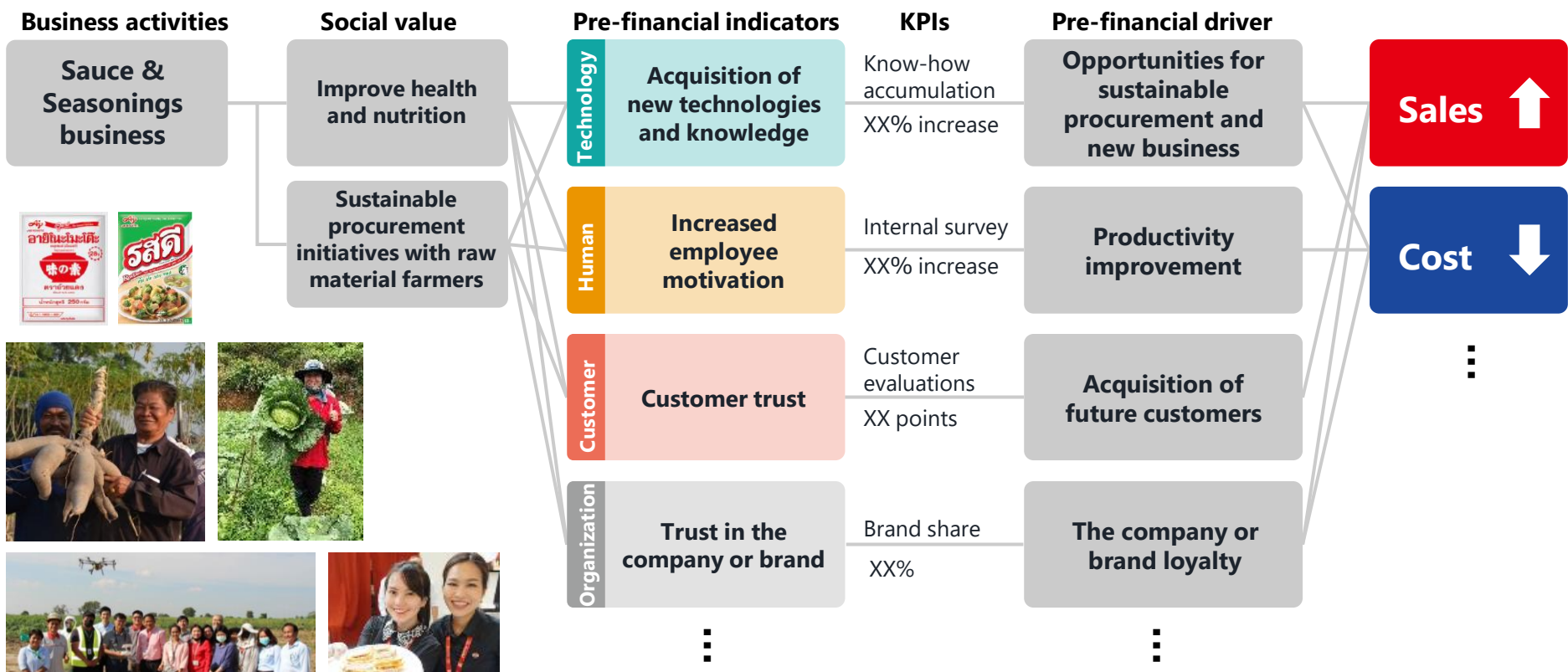
Strengthening intelligence functions (search, access & partnering) for direct access to global markets, customers, and innovation activities to quickly review and make decisions for alliances and partnerships.



Launching an initiative to clarify an impact path | Example of Ajinomoto Thailand

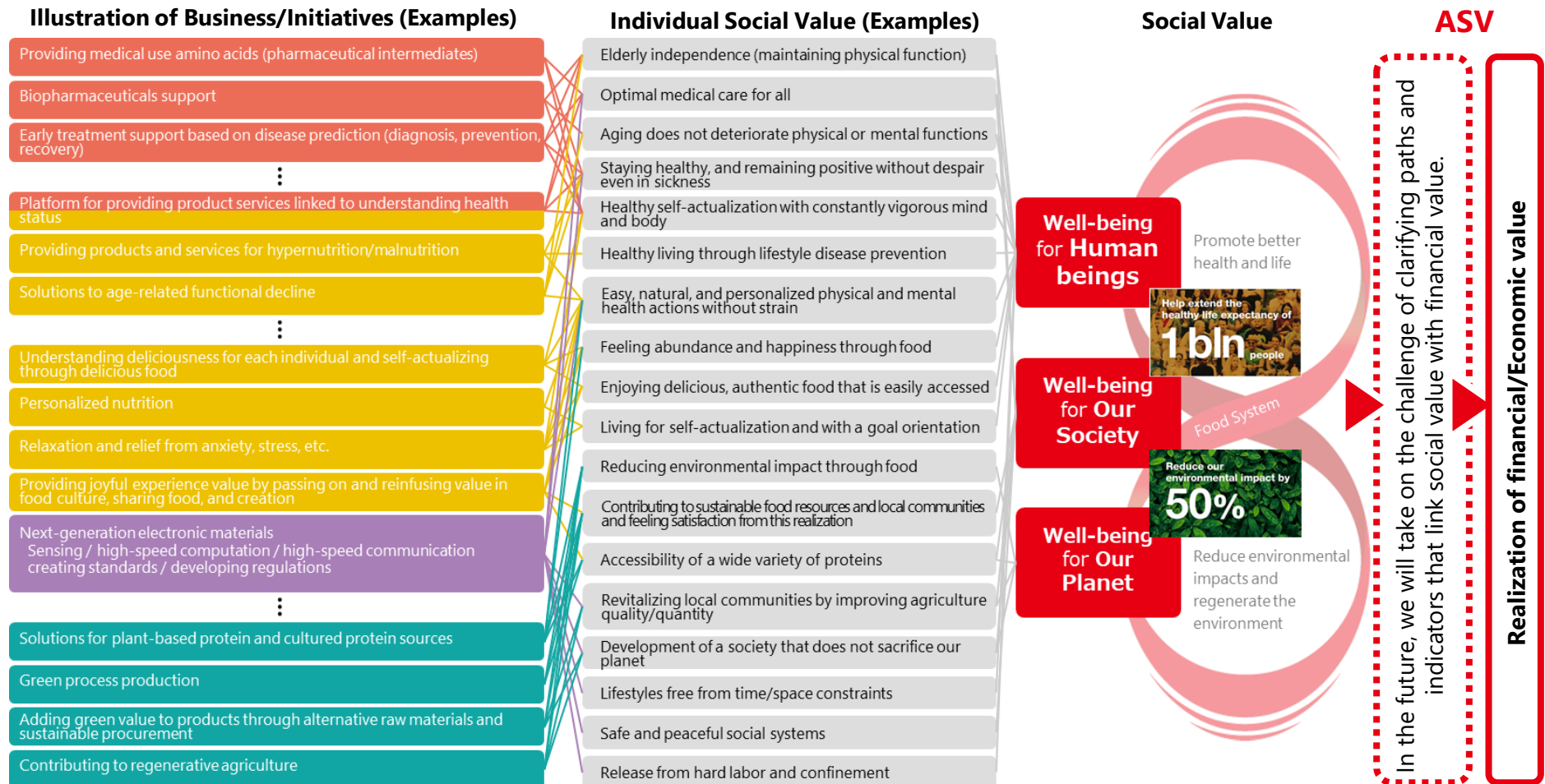
In Thailand, we clarified the impact path (cause and effect) from our business activities to the realization of ASV and implemented it ahead of the entire company. In the future, we will communicate effectively to maximize ASV through this path.

From Intangible assets to financial values, the image of impact paths for improving corporate value by ASV management



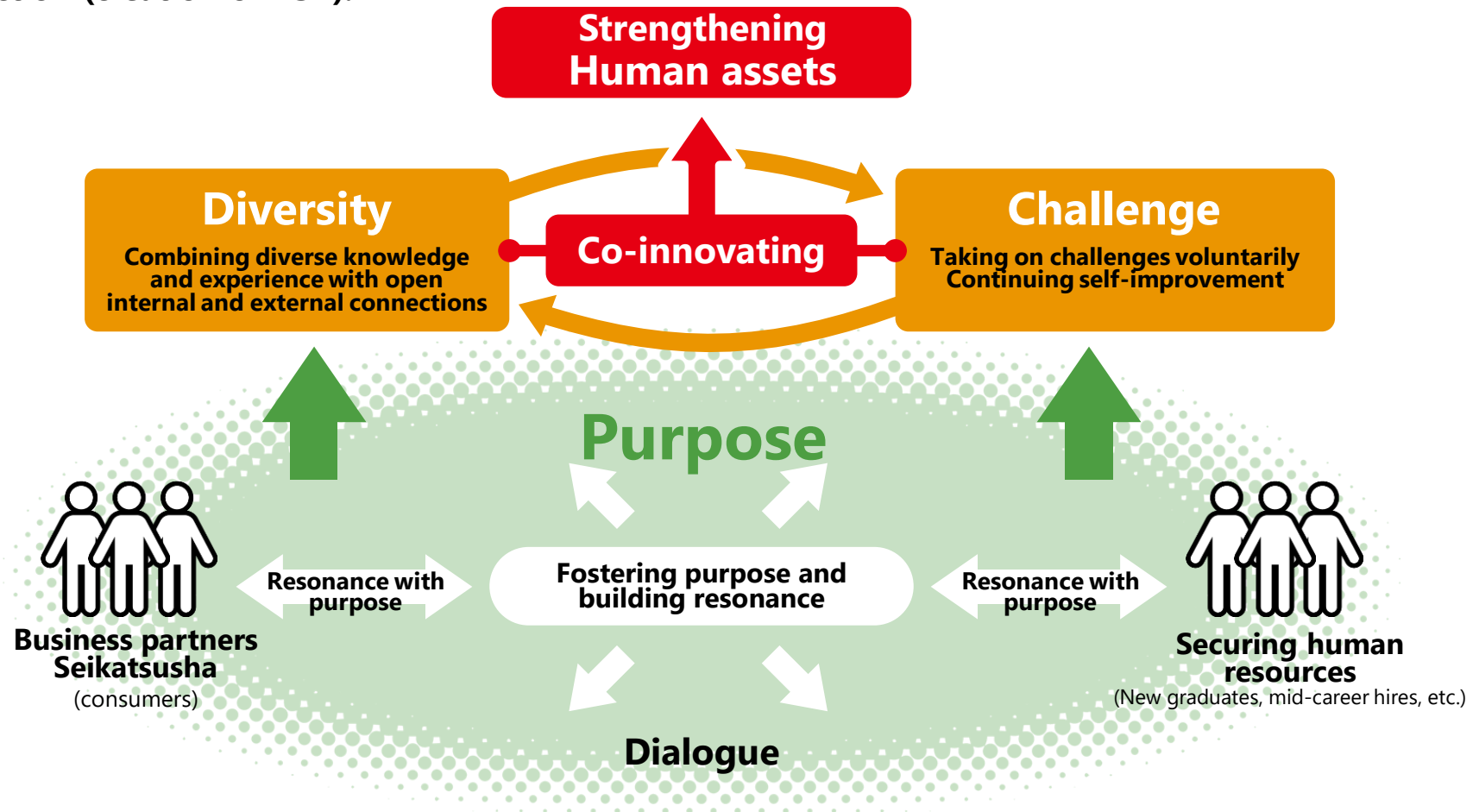
Connections between business/Initiatives and social/economic value | Ajinomoto Group

After drafting specific impact paths for each business domain, we will take a bird's-eye view of the Group (including business interrelationships), drawing a path to maximize ASV toward 2030.



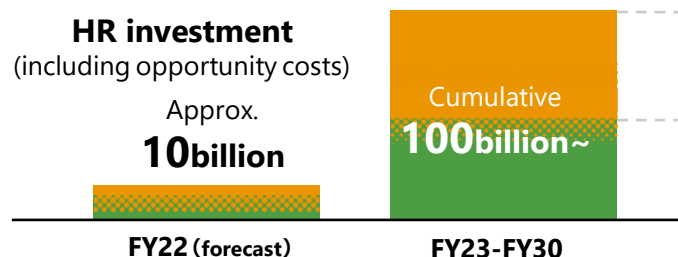
Ajinomoto Group human assets

Through dialogue between those inside and outside the Group who resonate with our purpose, we foster purpose and build resonance with it, and encourage diversity and challenge. By doing so, we co-create innovations for the future and strengthen our human resource assets through improving employee job satisfaction (creation of ASV).



Ajinomoto Group human assets

To enhance ASV, we will actively invest in human resources with a focus on fostering purpose and building resonance, as well as diversity and challenge. We will also link various initiatives with the ASV realization process, improving employee engagement.



Accelerating **diversity & challenge**

×

Fostering greater **purpose** and building resonance

Major Initiatives for Human Resource Investment

Diversity	① Diversity* in leadership**: 30% (FY30)
	② Group-wide ratio of female managers: 40% (FY30)
Challenge	③ Securing and strengthening human resources necessary for business growth (Innovative HR [including acquisition through M&A], etc.)
	④ Volunteering for challenges / participating in networking work styles / accelerating self-improvement, etc. (Job transfer / Group cross-functional projects / Collaborative projects / MBA dispatch / Others)
Purpose	Fostering ⑤ Conducting president/general manager dialogues and individual goal presentations
	Building resonance ⑥ Expanding external ASV-related communication ⑦ Improving quality of 1-on-1 interviews (goals/career) ⑧ Expanding scope of mentoring to young people, women, and candidates for management positions

Linked
↔

Employee Engagement

(The average value of ASV realization process question items from FY23)

ASV realization process	Related Items (Examples)
1 Empathy for our purpose	⑤ ⑥
2 Customer focus	③ ④
3 ASV as one's own initiative	⑤
4 Encouragement for new opportunities	④ ⑤ ⑦
5 Co-creation through inclusion	① ② ④
6 Enhancement of productivity	All
7 Innovation creation	① ② ③
8 Creation of social and economic value	All

*Diversity focused on gender, nationality, and affiliation

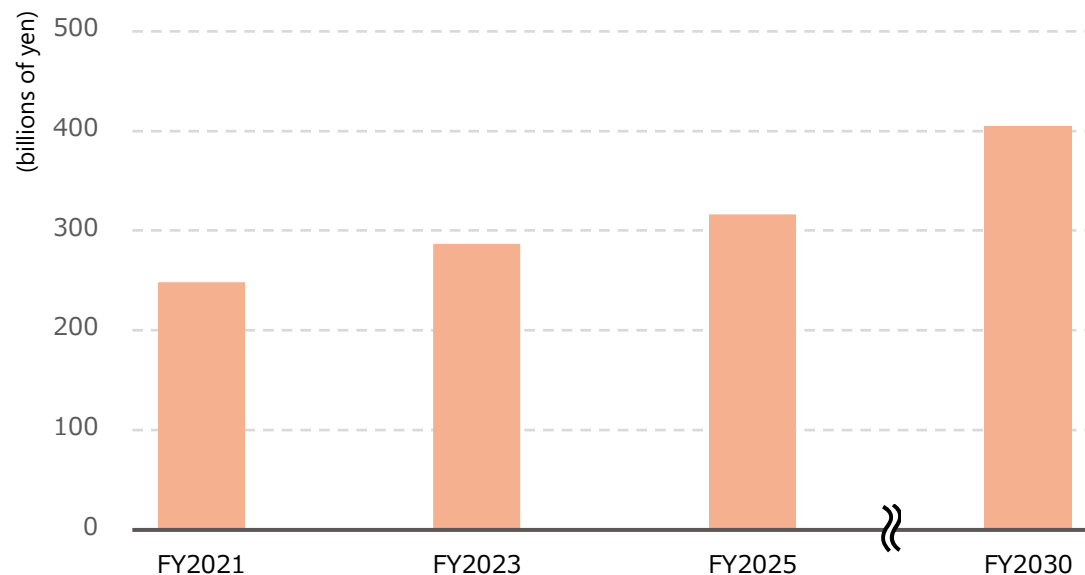
**Executive officers and general managers of departments/organizations, or similar key positions

ASV indicators: Increase employee engagement to 80% (FY25) and 85% (FY30)

Accelerating innovation by strengthening R&D investment

We will accelerate growth by strengthening investments tied to the four areas driving growth toward FY2030, as well as R&D investments to create next-generation businesses that will be commercialized after FY2030.

Illustration of Consolidated R&D Expenses in FY2023 and Beyond

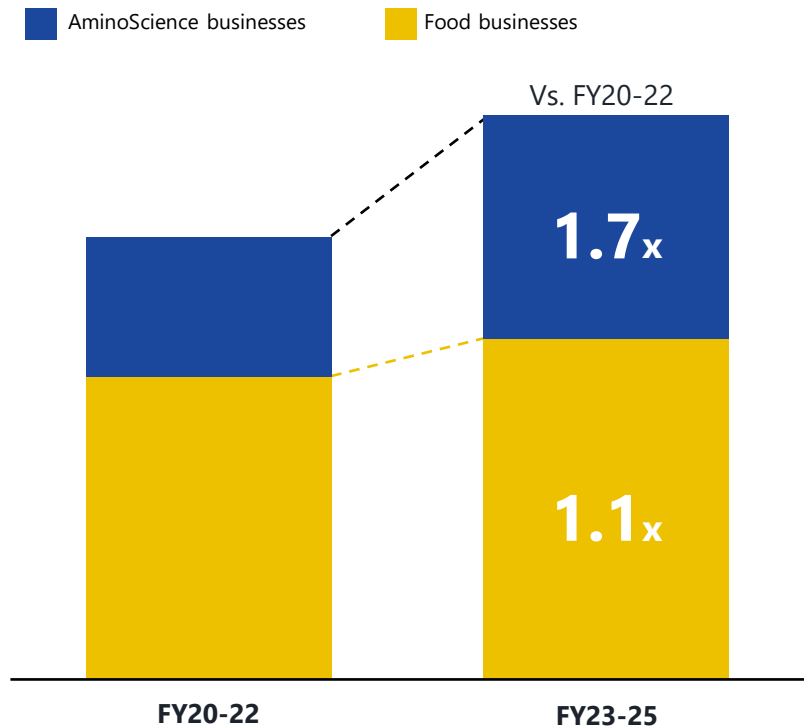


We will consider increasing R&D investments by more than ¥40 billion in FY2030.

Capital investment

After clarifying business priorities, we will strengthen investment in high-priority businesses. We will shift allocation between food and AminoScience to implement a well-rounded investment strategy.

CAPEX (Information systems/capital investment) over time



Total information systems/
capital investment in
FY23–30 (eight years)
is expected to be around

¥750 billion.

Strategic investment quotas will be
secured within the above total for
sustainability-related investments.

Reference Links

Ajinomoto Group IR

<https://www.ajinomoto.co.jp/company/en/ir/>

Ajinomoto Group ASV Report (Integrated Report) 2022

<https://www.ajinomoto.co.jp/company/en/ir/library/annual.html>

Medium-Term ASV Initiatives 2030 Roadmap

https://www.ajinomoto.co.jp/company/en/ir/event/medium_term.html

Ajinomoto Group IR Day

https://www.ajinomoto.co.jp/company/en/ir/event/ir_day.html

Ajinomoto Group Business Briefing

https://www.ajinomoto.co.jp/company/en/ir/event/business_briefing.html