

Dialogue and Collaboration with Stakeholders

Stakeholder engagement

The Ajinomoto Group aims to create value in a sustainable manner as a “solution-providing company for food and health issues,” engaging in dialogue with our stakeholders and reflecting their opinions in our corporate activities.


Purpose of engagement

The Ajinomoto Group engages with diverse stakeholders in the course of conducting our business. We conduct engagement in two-way communications with stakeholders to understand the evaluations and expectations of the Ajinomoto Group, as well as our responsibilities to stakeholders, reflecting this feedback in our business activities.

Engagement

Dialogues and information sharing are conducted by persons working in departments and facilities closely connected with each type of stakeholder. The results of this engagement are shared with senior management as needed. In response, we implement improvement measures and disclose information through our websites, our Sustainability Data Book, and other channels.

List of stakeholders

Stakeholder	Key engagement opportunities
Customers and consumers	<ul style="list-style-type: none"> · Customer call centers · Ajinomoto Co., Inc. recipe & community website  · Factory tours
Shareholders and investors	<ul style="list-style-type: none"> · General meeting of shareholders · Analysts' meetings regarding financial results · Briefings on integrated report topics for institutional investors · Online company briefings for individual investors · Medium-term management plan briefings
Suppliers	<ul style="list-style-type: none"> · Food defense explanatory meetings and audits
Employees	<ul style="list-style-type: none"> · Training by job title, division · Engagement survey · AGP worksite meetings · Whistleblower hotline · Harassment consulting service
Local communities	<ul style="list-style-type: none"> · Dialogue with residents living near factories · Participation in and sponsorship of community events · Recovery assistance for communities affected by natural disasters · Activities conducted through foundations (in four countries) · Support for medical institutions responding to COVID-19
NPOs, NGOs, and outside experts	<ul style="list-style-type: none"> · AIN program supporting NPOs/NGOs working in the food and nutrition field (through foundation) · Roundtables on better animal welfare

▶ Group Shared Policy on Information Sharing with Stakeholders

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Expectations and recommendations from external stakeholders

To continue responding to varying sustainability requirements in different parts of the world, the Ajinomoto Group collected opinions from local experts on the Group's overall approach to sustainability and specific initiatives regarding human rights, the environment and other issues.

The behavior of corporations through the COVID-19 pandemic is a critical window to the genuine nature of their social culture. As a large employer in an essential industry, we expect the Ajinomoto Group to show leadership through this crisis. Primarily, in the protection of and support for the Group's own employees (and their families) during COVID-19 lockdowns and working arrangements. Secondly, by supporting other stakeholders such as customers and (small) suppliers. Specifically, in the way the Group uses its unique capabilities and reach to help solve social issues exacerbated by the COVID-19 pandemic – where possible in partnership with others, including governments. As the Ajinomoto Group is an innovative company, we expect the Group to apply its technologies and products to meet emerging health and nutrition needs resulting from COVID-related lifestyle effects, such as new home food preparation needs, isolation of elderly populations, and more.



Elaine Cohen

Founder and CEO
Beyond Business Ltd.

It would be difficult to hold anyone to commitments made while COVID-19 was yet an unimaginable nightmare. All the more reason to commend the Ajinomoto Group for the coincident prioritization of health as a long-range policy concern. The Group made this strategic adjustment based upon perceived lifestyle changes because no one could have predicted what happened months later, following the spread of the virus.

I was impressed that the update to the medium-term management plan, posted in early fiscal 2020, included a preliminary calculation of the pandemic's potential impact. Few companies were so far-sighted, an indication of the organization's sound governance in the presence of looming chaos.

What was unthinkable is now upon us, and the finest commercial visions and strategies are being tested. Companies with the credentials of the Ajinomoto Group stand the best chance of prevailing.



Alex Mavro

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The Ajinomoto Group 2030 key message of transformation to a solution-providing group of companies for food and health issues is as relevant as ever. The elements of the 2020-2025 roadmap – to prioritize and streamline the business portfolio, improve core brands, invest in creating an eco-system focused on food and health, and invest in people management – support the vision to focus corporate activities around improving lifestyles through health and food products by harnessing the power of amino acids. I look forward to the Group sharing more developed targets by which they measure performance against the ambitious goal of helping a billion people enhance healthier life!

To maintain credibility as a player in the health sector, the attendant target to reduce the Group's environmental footprint by 50% while growing the business is necessary. In the latest Medium-Term Management Plan, I was pleased to see new 2025 and 2030 targets articulated for the three materiality items, as well as a bold new 2030 commitment to reduce climate-related economic risk by 8 to 10 billion yen. Stakeholders will expect further elaboration on the TCFD^[1] simulation, as well as corporate processes for climate-related risk identification, assessment, and management in the next integrated report and CDP^[2] report.

The transformation of management and HR will need to be accelerated due to the emergence of the global pandemic, COVID-19. These efforts will have to extend beyond the management ranks and down to the manufacturing workers, many of whom are contractors. To protect workers and reduce risks of contagion, the Group must put in place new stringent safety and cleaning procedures for facilities and workers and increase disclosure. Workers may demand hazard pay, driving up the cost of labor.

As the global pandemic reshapes the business landscape strains and shocks in the supply chain should be expected. While the Ajinomoto Group has a strong supply chain approach to Assurance and Product Safety, in a world contending with the Corona virus, the need for further transparency around these programs will be expected by consumers, investors, employees and contractors, members of the supply chain, as well as local and international regulators. Evidence of annual attainment of best-in-class performance towards explicit targets will be de rigueur. As the Group works towards creating an eco-system focused on food and health, a shift towards decentralized approaches to supply chain sustainability should be seriously considered.

[1] Task Force on Climate-related Financial Disclosures

[2] An international NGO headquartered in London. It collects, analyzes and evaluates information on environmental activities of major companies in the world and discloses the results to institutional investors.



**Celine Solsken
Ruben-Salama**

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The COVID-19 crisis is placing new demands on businesses. In hindsight, the materiality that they have devoted their time to create were made during ordinary times. If the current pandemic is a turning point, rather than a time of emergency in which we will eventually return to normal, how should we regard these material issues?

The times call for the ability to be agile and change flexibly to conceive of new initiatives for corporate sustainability. At the same time, it is also important to continue working steadily on efforts that might be deprioritized under emergency situations, such as those on climate change, circular economy, and water security.

I look forward to how the Group's framework for sustainability initiatives will further evolve so that it also supports the sustainability of the Ajinomoto Group itself.



Junko Eda

President, e's Inc.
Professor, Graduate School
of Leadership and Innovation,
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In the Sustainability Data Book 2019, I referred to my expectation that the Ajinomoto Group would present its long-term business vision for the future. On this occasion, I have great confidence that the Group has set its 2030 vision and ambitious goals to address the ESG issues in a timely manner. In particular, investments in human resources that were given as key performance indicators, such as employee engagement (ASV as one's own initiative), is extremely important not only to ensure sustainable growth, but also to respond swiftly and intelligently to drastic changes in business environment and lifestyles due to the worsening impacts of climate change and unforeseen epidemics such as COVID-19. It is my hope that every employee will show the strength of purpose to commit as individuals and effect a big change collectively to steadily achieve these goals.

As an industry leader, I look forward to initiatives by the Ajinomoto Group that aim to maximize the social impact of ASV along with sustainable corporate growth and help achieve the SDGs in collaboration with various stakeholders, while working together with the global society as a leader of this new age.



Hidemi Tomita

Director
Lloyd's Register Japan Co.
Ltd.

There are serious concerns that the COVID-19 global pandemic is having an impact on corporate activities, resulting in business changes that will lead to higher risks of human rights abuses for vulnerable people in the supply chains. Until now, the Ajinomoto Group has led the way for Japanese companies in advancing human rights due diligence and other related activities concerned with respect for human rights, in line with the UN Guiding Principles on Business and Human Rights. Under the current circumstances, the role of the responsible company toward employees, as well as workers and vulnerable people in the supply chains, still remains unchanged. I believe that as the world moves forward to a post-pandemic phase, only those companies that can act without losing sight of this essential element will be able to continue running their businesses sustainably. I hope that the Ajinomoto Group will hold deeper dialogues and collaborate constructively with its stakeholders, as well as continue with initiatives based on respect for human rights, in order to demonstrate good practices and keep on playing a leading role in Japan and abroad.



Takeshi Shimotaya

Executive Director
The Global Alliance for
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