

# Responding to diversifying values

## Approach

### Responding to diversifying values required for food

The Ajinomoto Group offers products tailored to each area in which we do business, understanding and respecting the food culture and values of each country and region, as well as the diversified preferences and needs related to food. We offer well-balanced, nutritional menus using local ingredients and classic dishes. We also suggest ways to create a better mealtime settings.

Dietary habits are changing as lifestyles diversify. We see more people eating alone and more people eating individualized meals, even when dining with family. The busy-ness of life is leaving people with less time to prepare and eat meals.

Meals are not only for nourishment, but also valuable opportunities for communications. Consumers demands related to food and lifestyles are diversifying. People want more satisfaction through cooking joyfully and well, as well as the joy of connecting with family and others through food.

The Ajinomoto Group offers a variety of values in response to these lifestyle changes and diversifying needs. For example, we continue to expand our product lineup to meet various needs that include seasonings for microwave meals to meet needs of time savings, soups that consider health and nutritional needs, and seasonings rooted in local food culture. We also create opportunities to enjoy cooking and food, suggesting different menus for various occasions.



SteamMe, a seasoning in a pressure steam cook pouch for pork char siu (Japan)  
 Make char siu quickly using a microwave oven, saving time and effort.



Freeze-dried Gu-tappuri Miso Soup in regular and low-sodium versions (Japan)  
 Enjoy miso soup when there's no time for home-made or for only a few portions. Low-sodium version has 50% less sodium than the regular version.



DeliDawa powdered seasoning (Nigeria)  
 We have achieved industrial production for the traditional seasonings used all over West Africa, made by fermenting and drying beans and seeds.



Pair Cook®, started in 2017, is a project that motivates people to shop together, cook together, and eat together, encouraging men to participate more in household chores (Japan).  
 We have been proposing recommended menus, and distributing recipe books.



Food Fun! Discovery Community, started in December 2019, is a community that discusses deliciousness and fun with consumers (Japan)  
 We have been creating opportunities to enjoy food.

## Rapid Response to Consumer Lifestyle Changes

### TOPIC

#### Developing allergy-free frozen foods

The number of people suffering from food allergies is on the rise in Japan. For about 70% of people, allergies are triggered by wheat, eggs, or milk, particularly among children (survey by Ajinomoto Frozen Foods Co., Inc.). Frozen foods delivering deliciousness, time savings, convenience, and affordable prices continue to grow the market by meeting the diversifying needs of consumers. The Ajinomoto Group strives to provide delicious food items that anyone can eat with peace of mind. This is why we are developing allergy-conscious products for our customers.

In fall 2019, we removed wheat as an ingredient in our *Yawaraka Wakadori Karaage* (fried chicken) product. This product used rice flour originally; however, we faced the necessity to change the soy sauce ingredient (major taste component) to a non-wheat type. We spent two years in product development from conception to commercialization, longer than required for most products. In spring 2020, we introduced the new wheat-, egg-, and milk-free *Kokusan Tori no Uma Karaage* (fried chicken) product. We are actively working to expand our lineup of wheat-, egg-, and milk-free products that are conscious of customer food allergies.



*Yawaraka Wakadori Karaage*

*Kokusan Tori no Uma Karaage*

### Approach

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#### Improving product accessibility

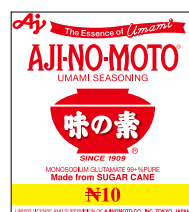
The Ajinomoto Group expands our business through our own mail order and external e-commerce site, helping consumers purchase products anytime, anywhere. We have established a system to analyze the awareness and behavior of consumers through digital data. We provide products that meet the trends of users on e-commerce websites in Japan and overseas.

At the same time, we have established our own distribution networks that include farms and village areas in developing and emerging countries with weak distribution mechanisms. In this way and more, we provide products not only through supermarkets, but also in grocery stalls within markets. We have adopted a cash-based direct sales model for staff to sell physical goods (products), depending on the conditions in each country or region. By communicating directly with shopkeepers and consumers, we exchange a wealth of information and deepen our understanding of consumer needs. In turn, this allows us to offer products more rooted in the local community.

We also establish reasonable prices and convenient product formats tailored to the lifestyle conditions in each country or region. For example, we offer a minimum standard size of umami seasoning *AJI-NO-MOTO*<sup>®</sup> of 5g (10 naira=2.8 yen) in Nigeria and 8g in Egypt (1 Egyptian pound = 6.7 yen)<sup>[1]</sup>.

The Ajinomoto Group strives to improve product availability and accessibility by utilizing digital data and collecting information through direct communications.

#### Minimum sizes of umami seasoning *AJI-NO-MOTO*<sup>®</sup> sold overseas



Product sold in Nigeria



Product sold in Egypt

[1] The exchange rate as of June 2020 was used to convert product prices into Japanese yen.

## Rapid Response to Consumer Lifestyle Changes

### Soup using beans, which are nutrient-rich and inexpensive source of protein (Turkey)



We offer prices accessible to lower-income consumers by utilizing beans.

### Developing solutions to improve value

The Ajinomoto Group interfaces with consumers in various touch points between product purchase and disposal, including stores, kitchens, and the dining table. We call this series of connection points the *Kitchen Value Chain*<sup>®</sup>. To ensure that consumers are satisfied at each point, we develop products with a focus on such qualities as deliciousness, ease of preparation, and the usefulness and eco-friendliness of packaging materials, as evaluated from the standpoints of *kansei* engineering, ergonomics, and human psychology.

To develop products that consumers feel delicious, we must understand what deliciousness means from their perspective. The perception of deliciousness depends not only on the country, region, age, gender, and food experience of the individual, but also on the eating environment. Based on our own specialty ingredients, the Ajinomoto Group refines *Deliciousness Technologies*<sup>®</sup> that integrate flavor, taste, and texture. In this way, we pursue science- and digital-based solutions to diversified needs without compromising taste.

#### The Kitchen Value Chain<sup>®</sup>

