

Environmental management

Framework

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Environmental management framework

The Ajinomoto Group established the Environmental Committee under the Executive Committee to decide important environmental policies, prepare plans, and conduct activity reviews.



Status of ISO 14001 certification

As of March 2020, the Ajinomoto Group has acquired ISO 14001 certification at 59 of 98 eligible factories. Even those companies not yet certified are conducting management based on the ISO 14001 approach. We have recently changed how we calculate ISO 14001 certified companies in line with the method for calculating EMS certification ratios under the Dow Jones Sustainability Index survey.

Environmental assessments

When the Ajinomoto Group launches new products and businesses, or when we change the use of existing raw materials or production processes, we assess the potential environmental impact of our business plans. We then take any necessary measures to minimize future risks. Environmental assessments at Group companies are performed by relevant departments in accordance with internal rules. The results of these assessments are reviewed from a Group-level perspective by the environmental management departments.

Environmental assessment items

1. Legal compliance	—
2. Seven types of typical pollution	Air pollution, water pollution, noise, odor, soil contamination, etc.
3. Global environmental issues	Energy savings, renewable energy use, fluorocarbons, distribution efficiency, etc.
4. Food loss and waste reduction	Extension of best-before dates, month-year labeling, etc.
5. Sustainable procurement	Biodiversity conservation, certified ingredients, certified paper, bioplastics, etc.
6. Water resources	Water use and wastewater reduction
7. Waste disposal	Proper waste disposal, waste generator responsibilities, etc.
8. Creation of a recycling-oriented society	3Rs, excess packaging, effective use of by-products, waste generation reduction, etc.
9. Management of hazardous substances	New chemical substances, PCBs, asbestos, etc.
10. Impact of buildings and structures	Right to sunlight, radio wave disturbance, etc.
11. Consumer awareness of green living	Environmental labeling

Environmental Management

Performance

GRI306-3

GRI307-1

Performance

Environmental audits

The Ajinomoto Group receives external audits for compliance with ISO 14001. In addition, locations experiencing issues are audited by the Ajinomoto Co., Inc. Manufacturing Strategy Dept. based on the Environmental Audit Outline. There were no sites subject to environmental audits in fiscal 2019.

Response to environmental laws and accidents

The Ajinomoto Group has established measures to quickly address any legal violations or accidents related to the environment. As a result of appropriate corrective actions in response to administrative guidance and other compliance, the Group experienced no violations of the Air Pollution Control Act of Japan, effluent standards, or other environmental laws during fiscal 2019. The Group did experience two incidents having an impact on the environment outside our worksites in Japan (one complaint related to exhaust fan noise and one fluorocarbon leak). The Group also recorded one incident of failure to renew a license outside Japan. We reported these immediately to authorities and investigated their causes, taking necessary measures.

Environmental education

Specialized education

The Ajinomoto Group conducts environmental education for employees to acquire the expertise and skills for environmentally responsible business operations.

In Japan, we provide ongoing education to the environmental officers, managers, and staff in each organization, as well as environmental assessment training for staff in business and research departments responsible for developing new businesses and products. We also conduct environmental law seminars for relevant staff to stay up-to-date with the frequent revisions in environmental regulations and to ensure compliance.

■ Main programs in fiscal 2019 (Japan)

- Two-day training course for internal environmental auditors: Once, 24 participants
- One-day follow-up training course for internal environmental auditors: Once, 10 participants
- Environmental law seminar
 - Japanese environmental law training: Once, 40 participants
 - Training on waste treatment laws: Once, 34 participants
 - Seminar on the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc.: Once, 26 participants

General education

In Japan, the Ajinomoto Co., Inc. Manufacturing Strategy Dept. collaborates with human resources, general affairs, risk management, and other departments to provide ongoing education tailored to each employee grade. This system ensures all employees understand Group environmental management.

■ Main programs in fiscal 2019 (Japan)

- Compliance training
- Training for technology-related staff before posting overseas
- Training for future overseas production engineers

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▶ Integrated Report
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▶ Group Shared
Policy on
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GRI301-DMA
GRI304-DMA

▶ Group Shared
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Initiatives related to TCFD, SBT, and RE100

Demand is rising in society for companies to establish specific goals and strategies related to climate changes, as well as climate-change related governance structures, financial backing for accomplishing policies, and related information disclosures. The Ajinomoto Group has endorsed the recommendations of the TCFD. We are currently preparing to disclose information under TCFD guidelines. In April 2020, our greenhouse gas emission reduction targets were approved by the Science Based Targets (SBT) initiative^[1]. In August 2020, we announced that we would join RE100^[2], which aims for using electricity from 100% renewable energy.

[1] SBTi: An initiative established by UNGC, CDP, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). This organization encourages companies to set goals based on scientific evidence, striving to limit the temperature increase to 1.5°C relative to time of the Industrial Revolution.

[2] RE100: An international initiative pursuing the goal of procuring and using 100% renewable energy in business operations. Member companies are asked to publicly announce their goals for 100% renewable energy use in their business activities by the year 2050.

Biodiversity approach

The Ajinomoto Group expresses our approach to ecosystems and biodiversity in our Group Shared Policy on Environment. We are active in contributing to conservation of the natural environment, including ecosystems and biodiversity.

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Performance

GRI102-56

GRI301-1

GRI302-1

GRI302-2

GRI302-3

GRI302-4

GRI302-5

GRI303-3

GRI305-1

GRI305-2

GRI305-3

GRI305-4

GRI305-5

▶ Environmental Data Assurance Statement

▶ Environmental Data for product carbon footprint value

▶ CDP Climate Change

Material balance

The Ajinomoto Group aggregates carbon footprint results for products and administrative office data, calculating the overall environmental impact of our business activities as Scope 1, 2, and 3 data.

Group emissions decreased in fiscal 2019, particularly in Scope 1 due to the suspension of production at our Pathumthani factory in Thailand for equipment changeover.

INPUT

	FY2017	FY2018	FY2019
Main raw material	1,715 kt	1,548 kt	1,439 kt
Sub raw material	2,674 kt	2,901 kt	2,378 kt
Acids/alkalis	582 kt	501 kt	486 kt
Other	2,092 kt	2,400 kt	1,892 kt
Packaging material	263 kt	276 kt	241 kt
Plastic ^[1]	65 kt	69 kt	62 kt
Paper, cardboard	168 kt	177 kt	154 kt
Other ^[1]	30 kt	31 kt	25 kt
Fuel	29,321 TJ	28,680 TJ	25,230 TJ
Oil	2,449 TJ	2,141 TJ	1,802 TJ
Coal	3,503 TJ	4,703 TJ	2,314 TJ
Biomass	7,778 TJ	7,330 TJ	7,129 TJ
Natural gas	15,591 TJ	14,506 TJ	13,985 TJ
Purchased electricity	8,177 TJ	7,834 TJ	7,588 TJ
Purchased steam, etc.	2,091 TJ	1,954 TJ	1,801 TJ
Water	74,844 kt	69,892,000 kl	66,926,000 kl
Surface water	24,433 kt	20,672,000 kl	19,630,000 kl
Municipal water	7,007 kt	6,375,000 kl	6,210,000 kl
Municipal water (Industrial)	27,030 kt	27,766,000 kl	26,717,000 kl
Ground water	16,371 kt	15,076,000 kl	14,366,000 kl
Other (rainwater, etc.)	4 kt	3,000 kl	3,000 kl
Transportation distance	2,751 km	2,756 km	2,804 km
Use (soups, frozen foods, coffee)	584,805 t	556,549 t	596,264 t

[1] We have redefined "Plastic" and "Other" in "Packaging material." Accordingly, figures of FY2017 and FY2018 have been reclassified.

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OUTPUT

	FY2017	FY2018	FY2019
Scope 3 category 1: Raw materials	8,151,004 t-CO ₂	8,115,946 t-CO ₂ e	7,784,783 t-CO ₂ e
Scope 1	1,244,676 t-CO ₂	1,196,969 t-CO ₂ e	1,013,315 t-CO ₂ e
Scope 3 category 3: Production	406,443 t-CO ₂	381,765 t-CO ₂ e	625,142 t-CO ₂ e
Scope 2	Market-based method 1,072,248 t-CO ₂	Market-based method 1,015,723 t-CO ₂ e	Market-based method 960,375 t-CO ₂ e
	Location-based method 1,092,482 t-CO ₂	Location-based method 1,026,764 t-CO ₂ e	Location-based method 978,066 t-CO ₂ e
Scope 3 category 4: Transport	1,298,840 t-CO ₂	1,274,589 t-CO ₂ e	1,256,044 t-CO ₂ e
Scope 3 category 11: Use	1,308,597 t-CO ₂	1,294,392 t-CO ₂ e	1,353,234 t-CO ₂ e
Scope 3 category 12: Disposal	443,755 t-CO ₂	443,333 t-CO ₂ e	431,048 t-CO ₂ e
Scope 3 category 2: Capital goods	249,316 t-CO ₂	249,944 t-CO ₂ e	255,910 t-CO ₂ e
Scope 3 category 5: Waste generated in operations	81,931 t-CO ₂	140,678 t-CO ₂ e	85,666 t-CO ₂ e
Scope 3 category 6: Business travel	4,255 t-CO ₂	4,479 t-CO ₂ e	4,486 t-CO ₂ e
Scope 3 category 7: Employee commuting	15,398 t-CO ₂	16,206 t-CO ₂ e	16,231 t-CO ₂ e
Scope 3 category 8: Upstream leased assets	Included in category 1	Included in category 1	Included in category 1
Scope 3 category 9: Downstream transportation and distribution	4,518 t-CO ₂	3,780 t-CO ₂ e	3,503 t-CO ₂ e
Scope 3 category 10: Processing of sold products	8,126 t-CO ₂	8,161 t-CO ₂ e	5,517 t-CO ₂ e
Scope 3 category 13: Downstream leased assets	0 t-CO ₂	0 t-CO ₂ e	0 t-CO ₂ e
Scope 3 category 14: Franchises	0 t-CO ₂	0 t-CO ₂ e	0 t-CO ₂ e
Scope 3 category 15: Investments	0 t-CO ₂	0 t-CO ₂ e	0 t-CO ₂ e

Data calculation

Scope of reporting: 127 major business sites that have a significant overall environmental impact within the Ajinomoto Group as defined under the consolidated financial accounting

Reporting period: April 1, 2019 to March 31, 2020

The Ajinomoto Group refers to ISO 14064-1 and uses the latest CO₂e emission factor to calculate the CO₂e emissions in the above material balance chart. The calculated CO₂e emissions are independently verified in accordance with ISO 14064-3 requirements by Lloyd's Register Quality Assurance Limited.

* Scope 1: Direct greenhouse gas emissions from sources that are owned or controlled by the organization (burning fuel, industrial processes, vehicle use, etc.)

Scope 2: Indirect emissions from the generation of purchased electricity, heat, or steam consumed by the company.

Scope 3: Other indirect emissions (product use, disposal and transport, employee commuting and business travel, investment, etc.)