# Strong corporate governance

## Approach

The Ajinomoto Group continues our efforts toward building a practicable corporate governance structure that balances "supervising appropriate execution to reflect stakeholders' opinions" with "flexible decision-making and execution." In addition, we maintain the Ajinomoto Group Policy, which defines the attitudes and behaviors expected of each Group company, officer, and employee. We continue to improve our internal control systems and the appropriate operations thereof, while engaging in more meaningful dialogue and collaborations with our stakeholders, which serve as the foundation of ASV. The Group will continue striving for stronger, more comprehensive corporate governance on a global basis to ensure an environment in which we can demonstrate even greater levels of competitiveness. Our ongoing reforms to organizational operations will enhance the effectiveness of our management plan and we will improve our ability to solve issues through collaboration.

#### Specific examples

- · Compliance
- · Accident and safety management
- · Competitive behavior
- · Intellectual property protection
- · Political activities and contributions · Regulatory capture and political influence
- $\cdot$  Business ethics and transparency of payments
- · IT management

· Systemic risk management

• Response to natural disasters and diseases

· Data security and customer privacy

- Environment, social impacts on assets and operations
- Succession planning
- · Management transparency
- · Human rights and community relations

#### Related opportunities and risks ( Opportunity Risk)

- $\bigcirc$  Enhancing corporate value
- Appropriate risk-taking
- Business continuity risk or other unexpected losses due to failures in corporate governance or internal controls
- Decreased competitiveness due to vulnerabilities in IT management structure
- Delays or interruptions in operations due to natural disasters, diseases, pandemics (COVID-19, swine fever, avian influenza, etc.)
- Confusion in organizational management and reduced business profitability due to unstable political, economic, and social conditions such as financial crises, trade issues, etc.
- Impact of intellectual property risks on business
- Impact of sudden foreign exchange and interest rate fluctuations on business
- Higher tax burden due to changes in tax and tax effect

### Key initiatives by the Ajinomoto Group

- Raising awareness of the Ajinomoto Group Policies among all Group employees
- · Establishing whistleblower hotline
- · Strengthening corporate governance system
- · Stronger business continuity management (BCM)
- · Occupational safety and health management

- Selecting Group-wide significant risks and considering appropriate responses
- · Managing intellectual property risk
- Strengthening information security through the creation of Information Security Regulations

#### **Related SDGs**

