

## Diverse talent

The Ajinomoto Group believes that employee engagement, along with market capitalization and corporate brand value (customer value), is an important element in enhancing corporate value.

We intend to accelerate ASV as one's own initiative among employees, investing more in fostering human resources who feel highly engaged in their work and take an active role in contributing to the realization of our vision. In this way, we will transform into a highly productive, issue-solving organization with an ever-growing capacity to offer proposals, to execute our business, and to foster innovation. The Group will search for greater diversity and inclusion in human resources to accelerate innovation. We will also leverage digital technologies to create work styles that improve our ability to respond to environmental changes.

### Specific examples

- Employee engagement / decent work
- Diversity and inclusion
- Employee health, safety, and well-being
- Labor relations
- Fair labor practices
- Compensation and benefits
- Recruitment, development and retention

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

- Company growth by improving employee engagement
- Creation of an innovative environment
- Rising costs due to intense competition for human resources

### Key initiatives by the Ajinomoto Group

- Enhancing employee ASV engagement (ASV as one's own initiative)
- Promoting PDCA cycle using engagement surveys
- Organizational culture reform to promote diversity and inclusion
- Training and promotion of female employees
- Promoting health management
- Human rights awareness training
- Fostering a corporate culture of innovation

### Related SDGs



### Employee engagement score<sup>[1]</sup> (ASV as one's own initiative)

FY2019	FY2020	FY2022 (target)	FY2025 (target)	FY2030 (target)
55%	64%	70%	80%	85%+

[1] The percentage of employees who talk about how they implement ASV through their own work with their family and friends is measured using the engagement survey for the Group employees.

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# Human resources and organizational management

Approach

> Integrated Report 2021 P57-59

The Ajinomoto Group is increasing our investment in human resources and strengthening skills development to achieve our vision of becoming a solution-providing group of companies for food and health issues. At the same time, we aim to increase the number of employees who feel they are contributing to our vision (ASV as one's own initiative) as they will serve as a key driver propelling the organization forward. To achieve this, we are setting organizational and personal goals to solve issues together with our customers and standardizing the plan-do-check-action (PDCA) cycle of management.

Management cycle that increases ASV engagement

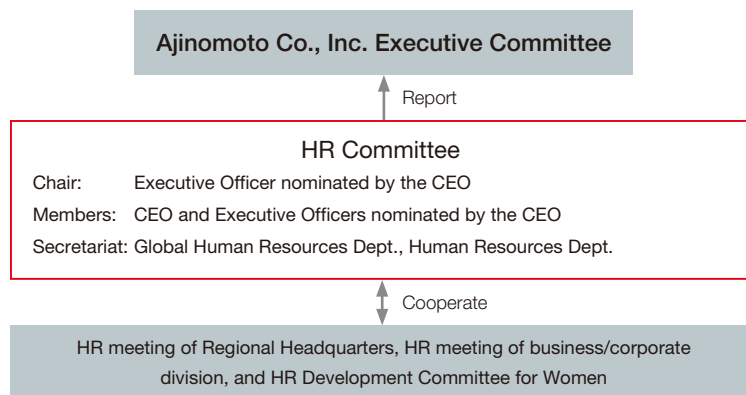


## Human resource management framework

The HR Committee established under the Executive Committee promotes fostering talent to lead group companies, regions, and global operations at every level to support the sound growth of the Ajinomoto Group. When deemed necessary by the chair of the HR Committee, the committee reports the status of its activities, committee meeting deliberation, and results to the Executive Committee.

Framework

GRI401-DMA  
GRI404-DMA



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The Ajinomoto Group established a hotline as an anonymous internal reporting system that enables officers and employees, including part-time and temporary workers, to make reports or seek advice by phone, e-mail, fax, letter, or other means.

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### Global human resources management system

We have adopted a global human resources management system based on a common foundation to foster and assign diverse human resources around the world, ensuring we put the right person in the right position. We are using this system to accelerate our development of next-generation management and highly specialized personnel. The system consists of a mechanism to visualize key posts and key personnel (position management, talent management) as shown below.

#### Position management (right position)

Identify the duties required for the organization to execute our business strategy. Determine the requirements for each job and the people necessary to perform said duties.

Job level	Grade system based on job level
Evaluation system	Behavior and performance evaluations based on the Ajinomoto Group Way
Remuneration	Establish global remuneration policies 1. The remuneration program must comply with the laws and regulations of each country and region 2. Remuneration reflecting duties and performance 3. Competitive remuneration levels based on country, regional market wages

#### Talent management (right person)

To discover and develop human resources, we strive to appoint and assign the right person in the right position in light of the duties and personnel requirements above. Ensure the rapid promotion of key talents.

HR Committee	Establish HR meetings at Regional Headquarters and business/corporate divisions
Talent portfolio	Dual axis of performance evaluation and next-generation leadership requirements Next-generation leadership requirements determined based on the future ideal of the Ajinomoto Group
Succession plan	Determines key positions by Regional Headquarters, Group companies and divisions
Development plan	Plans for key talent

In July 2021, we implemented a new global human resources information system that will visualize human resources and organizational information, in the interest of evolution and greater efficiency of our global human resources management system for Ajinomoto Co., Inc. By bringing more visibility to the organization, position, and other information for all employees, we support the self-directed career development of each individual. In addition, utilizing this system in areas such as the HR Committee and staff reassignments will help us in our aim to discover and develop human resources further, putting the right person in the right position. Going forward, we will deploy the system to other group companies.

### Develop skills to better resolve issues

The Ajinomoto Group develops skills in each employee to better resolve issues. In this way, we create innovation toward resolving food and health issues. In particular, we are focused on improving employee literacy in nutrition, the environment, and digital, of which we started training on nutrition and digital in fiscal 2020 at Ajinomoto Co., Inc. Total of 460 employees participated in the nutritional literacy training and the number of certified business DX employees are as described in the table next page. We also provide participatory training to encourage employees to make ASV as one's own initiative, and we sponsor our A-STARTERS program for fostering in-house entrepreneurship and commercializing business ideas. Of the 133 teams applied for A-STARTERS, four teams were selected in our business plan contest after document reviews, interview screenings, and training. We will further develop the business ideas during fiscal 2021.

In fiscal 2020, Ajinomoto Co., Inc. spent 123,000 yen per person on training, averaging 13 hours of training per employee.

#### Performance

GRI404-1

GRI404-2

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## Diverse Talent

Performance

Performance

GRI404-2

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### Certified business DX employees of Ajinomoto Co., Inc.

	FY2020	Percentage of employees
Beginner	743	23%
Intermediate	51	2%
Advanced	9	0.3%
Total (Cumulative <sup>[1]</sup> )	803	25%

[1] Includes employees taking multiple courses

### Promoting work-style innovation

The Ajinomoto Group uses digital technology to eliminate waste and improve time productivity for raising customer value. We pursue individual productivity improvements across our entire organization.

In fiscal 2020, we promoted creation of an environment in which diverse human resources can be highly productive and work flexibly by initiatives such as abolishing restrictions on days worked at home or at satellite offices (employees were previously required to work at the company at least one day a week), using Microsoft Teams, an information and communications tool, digitizing personal seals and contract documents, etc., even amid the new normal created by the COVID-19 pandemic.

The average total work hours of Ajinomoto Co., Inc. employees were 1,878 in fiscal 2020.

### Employee engagement

The Ajinomoto Group redefined our philosophy regarding corporate value in February 2020.

Improving employee engagement in creating customer value leads to the creation of economic value. By sharing this economic value with employees, we generate a cycle of rising engagement, which we see as corporate value.

We have included employee engagement scores (ASV as one's own initiative) as a priority KPI in our 2020-2025 Medium-Term Management Plan ("20-25 MTP"). As we advance in developing the skills of our individual employees, we use the OE<sup>[2]</sup> method in our management cycle to accelerate ASV as one's own initiative in each employee.

In fiscal 2020, we held a total of 53 CEO-employee dialogues and 75 dialogues with three General Managers of business and corporate divisions in a combination of online and in-person formats. These dialogues were part of our communications about our 20-25 MTP. Personal goal presentations were also made across all organizations. As employees talk about goals in their own words, they reconfirm how their own work fits into the organization and who their work benefits (who their customers are). This also improves employee commitment to our corporate goals.

We have been encouraging employees to post their best practices to "My ASV Story" on our internal social media network, as well as commending particularly excellent examples of initiatives that embody ASV at the ASV Awards. In this manner, we are accelerating the ASV engagement of employees.

[2] Abbreviation of Operational excellence. Continuous improvement and reform activities based on the philosophy and methods of thoroughly refining all operations to solve problems and to add value from the customer's point of view while individuals and teams grow in a synchronized manner in order to create a competitive advantage.

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Performance

### Initiatives to increase ASV engagement

Initiatives	FY2020 Performance
1. Management plans dialogue with the CEO	Total of 53 dialogues held across all Ajinomoto Co., Inc. organizations
2. Dialogue with General Managers of each division	Total of 75 dialogues held across Ajinomoto Co., Inc. and major group companies in Japan
3. Set organization/individual goals	Completed as planned.
4. Personal goal presentation	Held at all organizations at Ajinomoto Co., Inc.
5. Share best practices	Total of 359 ASV-related posts by employees
6. Entrepreneur incubator program, A-STARTERS	Total of 133 teams applied, 4 teams selected
7. ASV Awards	Awarded 7 initiatives at the Fifth ASV Awards
8. Monitoring via engagement survey	ASV engagement score 64% (FY2019 55%)
9. Address issues in next-year plans	Completed as planned.

### Promoting ASV as one's own initiative based on engagement surveys

To date, the Ajinomoto Group has quantitatively measured employee engagement through an engagement survey. This survey helps us understand and take action to improve issues, leveraging the PDCA cycle. While this survey had previously been conducted once every two years, the survey has been changed to an annual program as of fiscal 2020.

In fiscal 2020, the Employee Engagement Score (ASV as one's own initiative), a priority KPI in our 20-25 MTP, improved by nine points to 64%. The favorable score for Sustainable Engagement<sup>[1]</sup> also improved by four points to 86%.

[1] A question category correlated highly with corporate sustainable growth. Questions measure workplace productivity and the vibrancy of our organizational culture, in addition to employee desire to contribute to goals and the intensity of employee connection to the company.

### Employee engagement score

FY2019	FY2020	FY2022 (Target)	FY2025 (Target)	FY2030 (Target)
55%	64%	70%	80%	85%+

### Fair labor practices

The Ajinomoto Group believes that employee growth leads to company growth and a contribution to society. To link employee growth with company growth, we offer workplace environments, human resource management systems, and educational programs that support self-directed career development.

### Compensation and benefits

The Ajinomoto Group strives to improve terms of employment, including remuneration, on a global basis and in the context of individual company growth.

Approach

GRI405-2

## Diverse Talent

### Framework

GRI102-41  
GRI402-DMA  
GRI403-4

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### Approach

GRI403-DMA  
GRI403-3  
GRI403-6

> White Paper on Health (Japanese only)

> P33

### Compensation by job title, gender (Ajinomoto Co., Inc. only; as of April 2020)

Job title	Avg. compensation, women (A)	Avg. compensation, men (B)	Ratio (A/B)
Executive (Base salary only)	¥21,360,000	¥21,360,000	1
Management (Base salary only)	¥7,480,678	¥7,792,667	0.959
Management (Base salary+ bonuses and other cash incentives)	¥12,990,850	¥13,686,539	0.949
Non-management	¥7,082,346	¥8,438,790	0.839

### Labor-management relations

All non-management employees of Ajinomoto Co., Inc. are members of the labor union (63.6% of all employees). Labor agreements require the company to notify employees and their representatives before making any major changes that impact employees (minimum prior notice requirements are confidential and therefore not disclosed).

Labor agreements also stipulate various requirements concerning safety and health, education and training, and medical checkups. Both management and employees work together to improve workplace safety and health standards. Under Japanese law, each workplace must convene a monthly safety and health committee meeting. The committee consists of roughly half managers and half non-managers. The purpose of this meeting is to identify causes and solutions related to occupational accidents and to share information on the status of employees on sick leave, changes in relevant laws, and more.

### Health and productivity management

The Ajinomoto Group believes that employee health and well-being are fundamental to improving employee engagement, and simultaneous growth of employees and the company. We strive to create workplaces that both support and improve employee health and well-being. We are emphasizing health management more than ever before, given the spread of COVID-19 that began in 2020.

The Group vision for health and productivity management consists of two parts: company support for improving employee health and well-being and individual self-care based on high awareness and knowledge. These two parts work in tandem to maintain well-being and foster a health-minded culture.

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### Vision for health and productivity management



#### Performance

In the fiscal 2020 Engagement Survey, group employees' favorable score for Health Management<sup>[1]</sup> was 81%.

[1] The percentage of group employees who responded that the company provides an environment and engages in measures to maintain and promote health in consideration of employee mental and physical health

#### Employee score for Health Management

FY2019	FY2020
79%	81%

#### Framework

GRI403-DMA  
GRI403-3  
GRI403-6

#### Health promotion framework

The Ajinomoto Co., Inc. health policies are centered on the concept of self-care, which advocates health as a personal responsibility. This self-care is supported by a partnership between the Company's Wellness Promotion Center, which has nine occupational physicians and 13 health staff members, the HR departments, and the Ajinomoto Health Insurance Society.

#### Performance

GRI403-DMA  
GRI403-3  
GRI403-6

#### Health and productivity initiatives

##### ■ Standardization of health management systems and methods (Japan)

We are establishing standard health management systems and methods for the Ajinomoto Group to minimize disparities in maintaining and promoting health among group companies. In this way we strive for our employees to achieve health naturally by working in the Ajinomoto Group.

##### ■ Individual health consultations

Ajinomoto Co., Inc. provides support necessary for every employee through individual health consultations. Every employee working in Japan is interviewed by an occupational physician or medical staff at the Wellness Promotion Center at least once per year. Based on medical examination and stress assessment results, employees receive health guidance that is respectful of their individual values and lifestyles, while also ensuring any latent physical or mental health problems are addressed. Guidance and advice services are also available for employees who work long hours or who are stationed overseas.

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### Performance

> Public Awards and Feedback

#### ■ Health status visualization

A visual representation of health status is vital to implement employee self-care. Employees use the health advice app *Calomama Plus* to map exercise, diet, sleep, and emotions on four axes. In addition, we created the *MyHealth* personal health management website for employees to monitor medical checkup results, work data, and lifestyle data. In fiscal 2020, we launched the *My Health* Challenge Medical Checkup Game. This program adds an element of entertainment to regular medical checkups, providing individual employees with opportunities to use those checkups to visualize the results of their health improvement efforts, and assessing their degree of year-on-year health improvement under a points system. We plan to continue this program moving forward as a contributing factor to self-care.

#### ■ Mental Health Recovery Program

Ajinomoto Co., Inc. operates an original Mental Health Recovery Program. While taking temporary health leave and after returning to work, employees on this program receive ongoing support to assess their personal values and sources of fulfillment, learning to enjoy work by dealing with stress. As part of this program, employees set goals based on the state (stage) of their symptoms.

#### ■ Inclusion in the 2021 Health & Productivity Stock Selection

Ajinomoto Co., Inc. was included in the 2021 Health & Productivity Stock Selection. This selection was made by the Japanese Ministry of Economy, Trade and Industry (METI) and Tokyo Stock Exchange in recognition for our efforts to strategically promote employee health and productivity from a management perspective. This year marked the fifth consecutive time we have been selected for this honor. We were also included in the White 500, selected and certified from among all public companies in Japan in recognition of our initiatives to improve employee health management through Certified Health & Productivity Management Organizations Recognition Program.





## Diverse Talent

## Diversity and inclusion

## Approach

GRI405-DMA  
GRI406-DMA

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> Public Awards and  
Feedback (2020  
Semi-Nadeshiko  
Brand, 2020  
PRIDE Index Gold  
Rank)

## Framework

GRI405-DMA

## Performance

GRI202-2  
GRI405-1

### Promoting diversity and inclusion for corporate culture transformation

The Ajinomoto Group believes that promoting diversity and inclusion (D&I) is an important part of management strategy for creating innovation based on a foundation of diverse talents. To gather diverse talents, we value diversity in gender, age, nationality, and individual professional experiences. We are committed to do our best in encouraging diversity and inclusion.

The challenge that lies before Ajinomoto Co., Inc. is to increase the number of female leaders, an issue facing Japan as a whole, and accelerate reform in the company's corporate culture, raising the ratio of female directors and line managers (organization heads or general managers) to 30% by fiscal 2030.

### D&I promotion framework

Ajinomoto Co., Inc. established the HR Development Committee for Women, a subcommittee of the HR Committee, chaired by the executive officer in charge of diversity and HR, to provide concrete support for formulating plans and developing careers for women. The activities of the committee are periodically reported to the Executive Committee and the board of directors. In addition, the Company is a core member of the 30% Club<sup>[1]</sup> Japan, implementing cooperative measures between companies.

Further, the Company established a D&I Promotion Team within the HR Dept. and appointed contacts at each major division and Group company to conduct D&I promotion planning and operations of cross-organizational activities.

- Creating an organizational culture: Plan and hold unconscious bias training and D&I lunch seminars throughout the company, and prepare for active internal and external communications.
- Diverse human resources: Create LGBT support systems and policies, and comfortable work environments for persons with disabilities (e.g., provide professional life counselors for persons with disabilities throughout Japan; create guidebooks for persons with disabilities and departments in which such individuals work)
- Establish an environment linking careers: Dokodemo Career (e.g., systems enabling continuation of current work if they transfer for the benefit of their partner's career), Work-Life Balance (WLB) leave (leave for partner's transfer), and on-premises daycare centers

[1] A global campaign established by corporate leaders, etc., in the UK in 2010 to increase the percentage of women in key decision-making organizations of companies, including among corporate boards of directors

### D&I promotion performance

In fiscal 2020, the Ajinomoto Co., Inc. launched AjiPanna Academy as a measure to support female human resources development, which provides opportunities and helps employees think independently about their careers. This academy offers career workshops attended with superiors and a half-year business skills training (college) program for women in non-management positions. We also offer mentoring programs by organizational heads and officers for female managers. The support for multifaceted growth through these programs has led to a growth mindset amongst female human resources, and a willingness of supervisors, organizational heads, and officers to develop female human resources.

Fiscal 2020 participation in various programs was as follows.

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- Career workshops: Attended by 89 female employees in non-management positions at Ajinomoto Co., Inc. and their superiors, with a total of 174 participants. (Female employee satisfaction: 99%, superior satisfaction: 93%)
- College programs: Attended by 25 female employee from Ajinomoto Co., Inc. and other Group companies. (Satisfaction with curriculum overall: 100%)
- Mentor program participants: Participation by 33 female managers from Ajinomoto Co., Inc. (Satisfaction: 100%)

### Percentage of female directors (Ajinomoto Co., Inc. only)

	End of June, 2020	End of June, 2021	FY2030 Target
Percentage of female directors	22%	27%	30%

### Percentage of female line managers (Ajinomoto Co., Inc. only)

	FY2019	FY2020	FY2030 Target
Percentage of female line managers	9%	11%	30%

### Percentage of locally hired overseas executives

	FY2019	FY2020
Total number of overseas executives	177	163
Number of locally hired overseas executives	73	63
Ratio of locally hired overseas executives	41%	39%

### Percentage of female managers (Group total)

	FY2019	FY2020
Percentage of female managers	24%	26%

## Human rights awareness and education for employees

The Ajinomoto Group conducts human rights awareness and education activities within each Group company to encourage employee understanding of the Ajinomoto Group Policies (AGP) which prohibits any form of discrimination or harassment. In so doing, we nurture individuals who have a strong sense of human rights.

In Japan, we hold worksite meetings on the AGP annually to help employees, including part-time and temporary workers, identify and resolve issues in the workplace. The AGP questionnaire includes topics focused on discrimination and harassment to aid in identifying and preventing harassment.

### ■ Main programs in fiscal 2020

- Training for new hires: Attended by 100% of 47 eligible employees.
- Training by job title: Attended by 93% of 284 eligible employees.
- Training for harassment and LGBT consultation desk personnel: Attended by 100% of 23 eligible personnel.
- Training for disabilities consultation desk personnel: Attended by 100% of 12 eligible personnel.
- Anti-harassment e-learning for Japanese Group employees (addressing law revisions): Attended by 79% of approximately 9,340 eligible employees.
- D&I Lunch Seminars (including some domestic Group companies): Seminars held during lunch periods that aim to have participants move from merely knowing about D&I, to experiencing, thinking, and acting on this. This was held three times with the themes of LGBT, disabilities, and nursing care, with approximately 600 participants.

### Performance

GRI406-DMA  
GRI412-2