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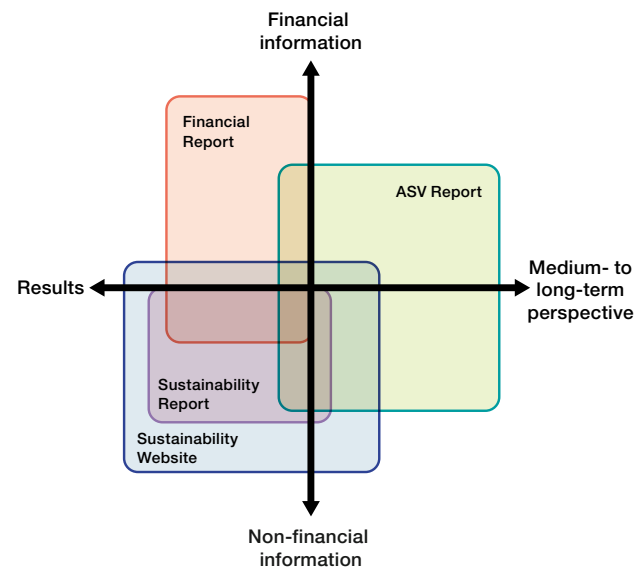
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Editorial policy

The Sustainability Report is a report that describes the Ajinomoto Group's approach to sustainability and initiatives from the perspectives of health and nutrition, environment (E), society (S), and governance (G), along with numerical data. We hope this report, in combination with our ASV Report (integrated report), enhances the understanding of our stakeholders, including shareholders and investors, related to our approach to sustainable value creation.

This report conforms to GRI standards.

[Related material system]



Organizational scope

This report covers the activities of the Group, comprising, unless otherwise noted, Ajinomoto Co., Inc. ("the Company") and its consolidated subsidiaries and equity-method affiliates (as of March 31, 2024). When comprehensive Group information is not available, the data parameters are explicitly defined.

Period covered by this report

Fiscal 2023 (April 1, 2023 to March 31, 2024)

Past circumstances, data, and recent cases outside of this time period are presented when appropriate.

Related content



Sustainability website

<https://www.ajinomoto.com/sustainability/>

The Ajinomoto Group Works with Society Along with society

<https://www.ajinomoto.com/sustainability/society/>

About the Ajinomoto Group

<https://www.ajinomoto.com/aboutus>

Web magazine "Stories"

<https://www.ajinomoto.com/stories>

CEO Message

Dear stakeholders



Taro Fujie

President & Chief Executive Officer

From origins in amino acid research, the Ajinomoto Group has continued to grow through our strengths in “AminoScience”^{*}.

Our story began in 1908, when Dr. Kikunae Ikeda, who wanted to improve the nutrition of the Japanese people, discovered umami, and company founder Saburosuke Suzuki II commercialized this discovery as the product AJI-

NO-MOTO® in 1909. Even now, over a century later, the founding aspiration of “Eat well, Live well.” is being carried forward in the form of Ajinomoto Group Creating Shared Value (ASV), an initiative aimed at co-creating both social value and economic value through our businesses while helping to resolve social issues.

In the rapidly changing and unpredictable business environment of today, the Purpose in which we are grounded is becoming all the more important. This Purpose is by no means limited to the beliefs of our management, but rather reflects the spontaneous aspirations of the Ajinomoto Group employees around the world and our determination to meet the expectations of our many and diverse stakeholders, including the Sustainability Advisory Council.

At the core of Ajinomoto Group ASV management is our pursuit of sustainability. In April 2021, we established the Sustainability Advisory Council. In 2023, we defined important issues (materiality) in connection with our vision as a company, long-term corporate value growth, and after dialogues with various stakeholders. We engage with materiality as a group to resolve social issues and create sustainable value. Based on materiality, we summarized the Material Themes to address now and specific action plans related to Material Themes.

Our 2030 target outcome is to reduce our environmental impact by 50%, particularly greenhouse gas emissions. For the Group, it is very important to reduce the negative impacts of our own Scope 1, 2, and 3 emissions. We can also contribute significantly to positive impacts on customers and society through the Group’s technology, expertise, products, and services. For example, we work with major dairy companies and regional livestock producers to reduce GHG emissions from cows worldwide through our AjiPro®-L amino acid product for animal nutrition. It is clear in the

agricultural sector, that biostimulants, agricultural materials different from conventional fertilizers and pesticides have the potential for a significant positive impact on increased food production, the efficient use of agricultural land, and reduced GHG emissions. At the same time, we take on the challenge to further clarify specific measures in response to materiality for the Ajinomoto Group and the impact path toward generating results. We are currently creating visualizations for several easy-to-understand examples. Our challenge is to scale up and speed up our clarification of this impact path to organization-wide efforts at the Ajinomoto Group.

Our corporate slogan, “Eat Well, Live Well.” is an expression of the Ajinomoto Group’s determination not only to deliver even better taste to people around the world, but also to contribute with “AminoScience” to health through daily meals, to solutions for food, medical, and environmental challenges faced by humankind, and to the creation of Smart Society. To achieve “Eat Well, Live Well.” by contributing to the well-being of all human beings, our society, and our planet with “AminoScience”, we continue to pursue ASV management and engage in sustainability, driven by the diverse stakeholders who share the purpose and heartfelt passion of our employees.

^{*} A collective term for the various materials, functions, technologies, and services derived from research and implementation processes with a rigorous focus on the function of amino acids. It also refers to the Ajinomoto Group’s unique scientific approach to connect these to resolving social issues and contributing to well-being.

Striving to reduce negative impacts and generate positive impacts



Chika Morishima

Chika Morishima

Executive Officer & Vice President, in charge of
Sustainability and Communications

At the Ajinomoto Group, we incorporate sustainability into ASV management, at the very foundation of our corporate management. Based on the value creation framework for the new materialities established in 2023, we have identified Six Material Themes that we must currently address, and we aim to realize our Purpose by identifying risks and opportunities and promoting initiatives in line with these key themes. As part of our corporate responsibility to society,

we are vigorously working to reduce negative impacts, while at the same time pursuing maximum positive impacts by leveraging our strengths. We believe this is necessary for the Ajinomoto Group to continue to grow and thrive long into the future.

The UAE Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action was adopted at the COP28 climate conference held in 2023, elevating resilient agri-food systems to the level of a major global issue. We believe that the reduction of environmental impact and extension of healthy life expectancies, which we have set as our desired outcomes, are linked within food systems. In addition, we are working under a unique Ajinomoto Group approach to utilize “AminoScience” in upstream, midstream, and downstream areas of the value chain to realize a resilient agri-food system. Our aim is to generate impacts unique to the Company by helping to build a resilient agri-food system through upstream support for farmers and the livestock industry, midstream production with reduced environmental impact, and downstream provision of reduced salt products and nutritionally balanced meals that solve health and nutrition issues.

Next are three focus points anchoring our efforts. The first is that we address issues holistically. Since each sustainability topic has mutual influence over other topics, it is important to take a holistic approach rather than a topic -by-topic approach. For example, collaborating with suppliers upstream in the value chain can lead to solutions to various issues such as GHG emissions reduction, sustainable raw material procurement, biodiversity restoration, and resolution of human rights issues.

The second is that we carry out efforts in each area and at each place we do business. The Sustainability Committee is at the core of these efforts. Its participating membership

includes the heads of the Japan and four overseas regional headquarters (ASEAN, Europe and Africa, North America, and Latin America) and the heads of major businesses to discuss and share knowledge on important initiatives in order to enhance effectiveness. We believe that solving sustainability issues through our businesses and products will also lead to a sense of conviction and resonance among our stakeholders.

Finally, the third point is the importance of collaboration with peers and the ecosystem. There are limits to what one company can do. It is important to collaborate with peers who share our Purpose and beliefs to amplify the impact from our efforts. In the area of health and nutrition, we aim to create a food environment in which consumers can make healthy dietary choices without difficulty, and we participate in public-private partnership projects and promote initiatives in collaboration with academia, international organizations, and financial institutions. To achieve the social implementation of plastics recycling, we are actively participating in the Clean Ocean Material Alliance (CLOMA) in Japan and strengthening cooperation with startups, retailers, and governments overseas.

The Ajinomoto Group, together with various peers and through its businesses, aims to contribute to the well-being of all human beings, our society and our planet with “AminoScience”.

Corporate philosophy framework our philosophy

Our Philosophy

Approach

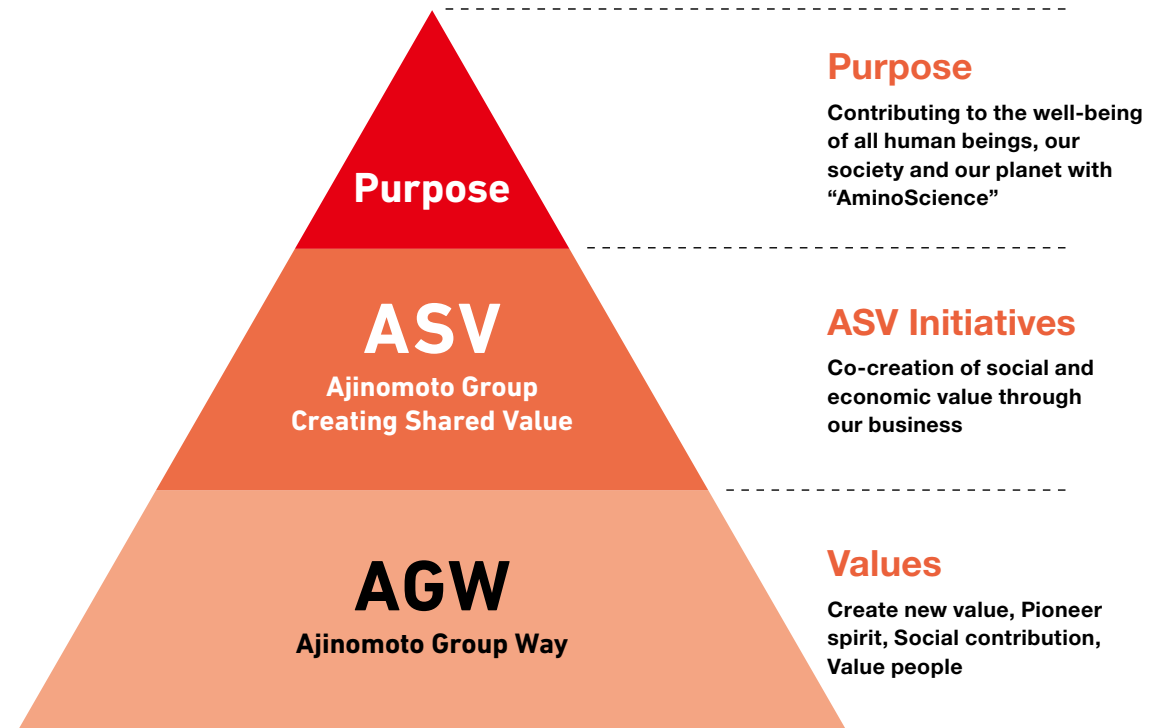
Since our founding, the Ajinomoto Group has engaged consistently in initiatives to resolve social issues through our business. These initiatives create economic value, resolve social issues, and lead to growth.

We call these initiatives ASV (The Ajinomoto Group Creating Shared Value) and established Our Philosophy to focus on ASV as the core of how we will achieve our Purpose.

Our Philosophy represents the Ajinomoto Group. Contributing to the well-being of all human beings, our society, and our planet with “AminoScience” is the Purpose of our Group. This Purpose reflects our desire to leverage the unique Ajinomoto Group strengths in “AminoScience” honed since foundation, not only to solve food and health issues, but also to contribute to well-being.

[> Our Philosophy](#)

Corporate Slogan Eat Well, Live Well.



Corporate Philosophy Framework Our Philosophy

Vision for 2030 of the Ajinomoto Group

Approach to sustainability for 2030 outcomes

The Ajinomoto Group aims to contribute to the well-being of all human beings, our society, and our planet with “AminoScience.” To this end, we believe it is necessary to achieve two outcomes by 2030, namely, to help extend the healthy life expectancy of 1 billion people and to reduce our environmental impact by 50%.

The business of the Ajinomoto Group is supported by sound food systems*, or in other words, stable access to food resources and a verdant natural environment supporting these resources. At the same time, our business operations also have a major impact on the environment. Today, as the planet’s environment is reaching a tipping point, our ability to take action to regenerate the environment is an urgent issue for the continuity of the Group’s business operations. By addressing climate change, ensuring the sustainability of food resources, and conserving biodiversity to reduce our environmental impacts, we can sustainably execute initiatives for healthier, better living aimed at extending healthy life expectancy.

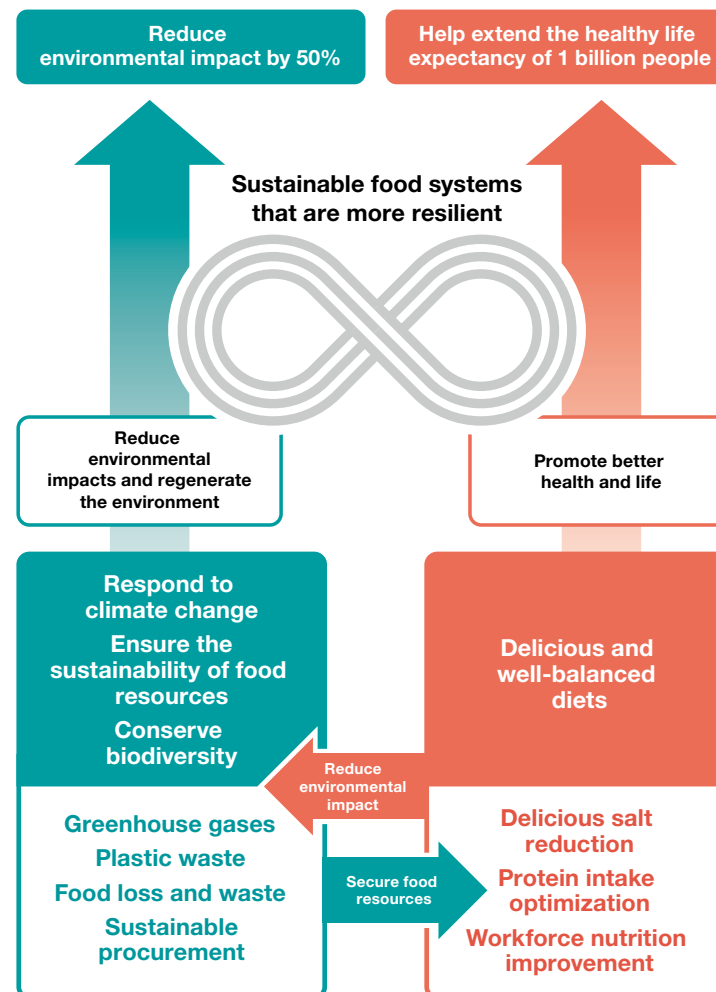
Through our business activities, we provide products and services that are tasty, nutritionally balanced, and of benefit for people’s dietary habits, and that further promote a reduced environmental impact caused by greenhouse gases, plastic waste, and food loss and waste. Also, through our resource recycling-based amino acid fermentation process (a bio-cycle), we contribute to sustainable food systems that are more resilient and to regeneration of the global environment.

Our goal is to create a more positive impact on society by leveraging “AminoScience,” a strength of the Ajinomoto Group, to the greatest extent possible, while making steady reductions to negative environmental impacts and other negative impacts.

* A series of activities related to food production, processing, transportation, and consumption

> Medium-Term ASV Initiatives (Management Policy)
> Sustainability Approach and Structure

Contributing to the well-being of all human beings, our society and our planet with “AminoScience”



Corporate Philosophy Framework Our Philosophy

“AminoScience”

Approach

Amino acids build muscles, bones, skin, and other body parts, while also making hormones and enzymes to regulate body functions, antibodies to protect the body, and neurotransmitters. Amino acids are a source of life for not only humans but for all living things on the earth.

“AminoScience” is a collective term for the various materials, functions, technologies, and services derived from research and implementation processes with a rigorous focus on the functions of amino acids. It also refers to the Ajinomoto Group’s unique scientific approach to connect these to resolving social issues and contributing to well-being. Uses include Deliciousness Technology to create desired tastes, amino acid nutrition technologies to create sustainable agriculture and livestock industries, and the R&D and manufacturing technologies for biopharmaceuticals, regenerative medicine culture media, and antibody-drug conjugates. “AminoScience” is one of the sources of the Ajinomoto Group’s competitive advantage not easily imitated by other companies.

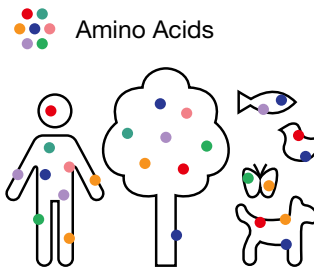
> Amino Acids

> ASV Report 2024 (Integrated Report) P44-61

Amino Acids

A fundamental substance that all living beings are made of

Responsible for a range of functions within the body

**The Functions of Amino Acids**

Flavoring function
Create delicious meals

Nutrition function
Promote growth, development and recovery

Physiological function
Support physical health

Reactivity
Create new functions

Value Creation

The Ajinomoto Group’s business activities

Food products business

Businesses that apply “AminoScience” to Seasonings and Foods, and Frozen Foods. (E.g., Deliciousness Technologies)

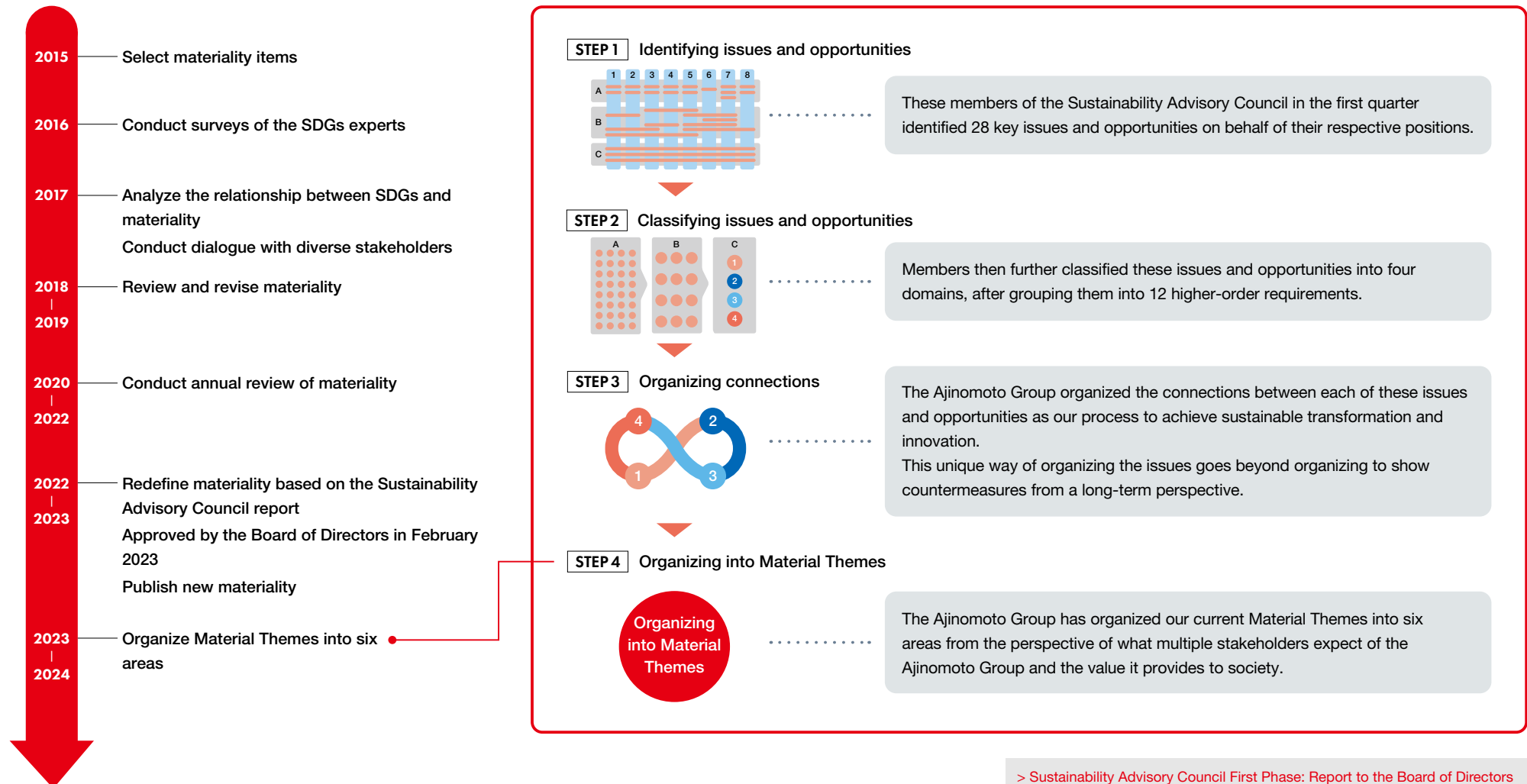
Bio & fine chemicals business

Businesses that apply “AminoScience” to Healthcare and Others.

Materiality

Identification process of important issues (Materiality) for the Ajinomoto Group

The Ajinomoto Group identifies its important issues (Materiality) that have a substantial impact on our ability to create value in the short, medium, and long term through ASV management, taking into account changes in the macro environment for 2050. Once we identify opportunities and risks from materiality, we clarify their importance and priority, and then reflect these matters in our business activities.



Materiality

Important issues (Materiality) for the Ajinomoto Group

Important issues (Materiality) for the Ajinomoto Group are essential to the Group's ability to continue co-creating social and economic value over the long term. The Group identifies important issues (Materiality) through a process that reflects the thoughts and ideas of management and employees and the expectations from external stakeholders. The important issues (Materiality) are deeply embedded in our business strategies, our on-site operations, and our Purpose.

Value Creation Framework

"AminoScience" for Well-being

4. Shared value (ASV)

- 4.1 Living well
- 4.2 Co-well-being
- 4.3 Value creating solutions

1. Co-creation

- 1.1 Transformative innovation capability
- 1.2 Transparent & objective
- 1.3 Constructive engagement for co-creation



2. Seikatsusha* perspective

- Holistic & inclusive perspective 2.1
- Local community perspective 2.2
- Future generation perspective 2.3

3. Well-being

- Human well-being 3.1
- Community well-being 3.2
- Planetary well-being 3.3

Material Themes

- Achievement of a sustainable global environment
- Achievement of well-being through food
- Contribution to advanced medicine and prevention
- Contribution to the evolution of a Smart Society
- Respect for diverse values and human rights
- Reinforcement of our management foundation

What the Value Creation Framework Shows

The Value Creation Framework illustrates our approach to sustainable growth as a cycle that connects the power and potential of "AminoScience" (Scientific Possibilities) with the power of stories (Story of Well-being) that contribute to the well-being of all human beings, society, and the planet. The

cycle is (1) honing our co-creation capabilities, (2) taking the seikatsusha perspective (3) while achieving well-being, and (4) through our business activities return co-created shared value.

These follow an infinite loop continuously moving from (1) through (4), meaning that it will sustainably co-create social and economic value.

Materiality

Risks and Opportunities Related to Important Issues (Materiality) for the Ajinomoto Group

The Ajinomoto Group has identified Group-wide risks and opportunities that require cross-organizational management by comprehensively taking into account macro changes in the business environment, the probability of manifestation (low, moderate, high), and the magnitude of the impact (low, moderate, high), the details of which are as below.

Although the Group has developed various responses and mechanisms not only to minimize such management and operational risks but also to capitalize on these as opportunities, the list below is not all-inclusive and may be affected in the future by risks that are currently unforeseeable or which are not presently deemed material.

Forward-looking statements in the text below are based on the Group's assessments as of March 31, 2024. In the table below, ● indicates risks and ○ indicates

opportunities.

In the previous fiscal year, "Finance-Related Opportunities and Risks" and "Risks and Opportunities Related to Important Issues (Materiality) for the Ajinomoto Group" were disclosed separately. However, from this fiscal year, they are combined and disclosed as business risks and opportunities for the Group.

Risks and Opportunities Related to Important Issues (Materiality) for the Ajinomoto Group

Major risks and opportunities				
Category	Details	Probability of manifestation	Magnitude of impact	Comprehensive assessment
#1 "AminoScience"	○ Opportunities for business growth by anticipating the evolution of modalities and leveraging the Ajinomoto Group's strengths in "AminoScience" ● Risk of stagnation in the evolution and expansion of "AminoScience" or failure to fully utilize "AminoScience" in the ecosystem and cocreation, resulting in a failure to scale its value and a slowdown in the competitive advantage and growth of the business	High	High	Very material
#2 IT security, intellectual property	○ Opportunities to build an intellectual property (IP) portfolio by linking IP strategy with business and R&D strategy, leading to competitive advantage and business growth through active use of IP in businesses ○ Opportunities for enhanced IT security toward streamlined, speedy, and secure communication and decision-making, leading to greater customer trust and growth in business transactions ● Risk of impaired technical and/or business competitiveness due to leakage of technical expertise or business trade secrets to competitors ● Risk of more sophisticated cyberattacks, including misuse of AI technology and ransomware attacks ● Risk of government dispositions and loss of stakeholder confidence due to leakage of personal information	High	High	Very material
#3 Brand	○ Opportunities to maintain and enhance our position as a leading sustainability company through management mindful of the well-being of our society and our planet, proactive response to nonmandatory sustainability-related requests, and leveraging our strong, locally rooted brand power ● Risk of brand damage due to lack of resonance with business activities amid diversifying values of various stakeholders ● Risk of negative information about MSG and sweeteners spreading, leading to damage to the corporate brand ● Risk of brand damage due to the ease of generating and proliferating false information via the misuse of AI technology, as well as counterfeit products and increasingly sophisticated websites and social media accounts that impersonate the Company or individual Group companies	High	High	Very material
#4 Technological innovation	○ Opportunities to automate, accelerate, and streamline various business activities through DX, create new business models and customer contact points, and anticipate the evolution of modalities through advanced technologies, leading to productivity improvements, business and technological innovation, and the creation of new businesses and value across the value chain ○ Opportunities to advance solutions in the agriculture and food sectors with the evolution of green transformation (GX), and with expansion in technological innovation, deregulation, market creation, and financing related to global sustainability and biodiversity, including in areas such as the circular economy, precision fermentation, and regenerative agriculture ● Risk of failure to capture new value creation and business opportunities due to delays in responding to advancing innovations ● Risk of missing business opportunities due to delays in utilizing AI technology, or risk of problems emerging such as violation of laws and regulations, ethical issues, and poor accuracy, etc. of AI judgment due to hastily utilizing AI technology	High	High	Very material

Materiality

Major risks and opportunities		Probability of manifestation	Magnitude of impact	Comprehensive assessment
Category	Details			
#5 Human capital and human rights	<ul style="list-style-type: none"> ○ Opportunities to scale co-creation value through proactive investment in human resources and diversification of work styles, with a focus on diversity and taking on challenges ● Risk of loss of corporate value due to delays in responding to developments in laws and regulations and information disclosure standards related to respect for human rights ● Risk of inability to secure human resources needed for innovation and business activities due to insufficient human resources in the labor market 	High	High	Very material
#6 Climate change, natural capital and biodiversity, resource depletion	<ul style="list-style-type: none"> ○ Opportunities to facilitate the creation of resilient food systems through establishing a holistic approach to environmental and food issues as a common approach and through the growing momentum for co-creation of sustainable solutions with other companies and institutions ○ Opportunities to support the creation of resilient food systems with low environmental impact through climate finance and increased policy support for farmers ○ Opportunities for increased demand for products and solutions that contribute to regenerative agriculture and a sustainable livestock industry due to increased focus on natural capital and biodiversity ● Risk of difficulty in procuring raw materials and providing food to consumers due to the inability to ensure global sustainability as a result of climate change, damage to natural capital, water shortages, and the emergence of animal resource depletion issues (the protein crisis, infectious diseases in livestock, etc.) ● Risk of incurring or increased costs due to new and/or increasingly stringent laws and regulations (decarbonization, natural capital and biodiversity, packaging, water, greenwashing) in Japan and abroad and renewable energy procurement requirements 	High	High	Very material
#7 Conflict/war, terrorism, riots, social unrest	<ul style="list-style-type: none"> ○ Opportunities for stable procurement of better raw materials through consideration of alternative raw materials ● Risks that export restrictions, tariffs, financial sanctions, or the use of force will restrict the procurement of raw materials (including raw materials for livestock feed), the supply of other commodities, information sharing across countries, or the transfer of funds, which may disrupt the penetration of Group-wide and business strategies, development, or manufacturing ● Risk of a significant drop in product demand due to being perceived as a company from a hostile country group ● Risk that the safety of local executives and expatriates may be threatened or that they may be restrained, and that business activities in particular countries may be impeded and prevented from continuing ● Risk of increased social unrest due to conflict, inflation, etc., and increased repression of expression and assembly and violation of women's rights, making it difficult to conduct business activities in some countries ● Deteriorating profits due to rising raw materials and fuel costs as a result of inflation ● Financial country risk due to expropriation risk or the outbreak of war, conflict, etc. 	High	High	Very material
#8 Finance, accounting, and taxation	<ul style="list-style-type: none"> ○● Risk of increased tax burden, or opportunities for decreased tax burden, from changes in tax systems and deferred tax assets/liabilities ● Impairment risk due to failure of acquired subsidiaries, etc., to fulfill business plan, or sharp increases in the cost of capital or interest rates ● Depletion of capital due to the financial crisis, risk of difficulty in procuring major currencies such as U.S. dollars due to factors such as decline in circulation mainly in emerging countries, and financing risk due to ratings downgrade ● Risk of unforeseen bankruptcies of customers, including overseas customers ● Risk of impact on business profits from sharp fluctuations in foreign exchange and interest rates (slowdown in overseas business activity, impact of converting overseas subsidiary earnings into yen, increased interest expenses) 	High	High	Very material

Materiality

Major risks and opportunities				
Category	Details	Probability of manifestation	Magnitude of impact	Comprehensive assessment
#9 Utilization of non-financial data	<ul style="list-style-type: none"> ○ Opportunities for facilitating the collection of non-financial data that could not be measured or analyzed in the past through technological innovation, the development of quantification methods, and the creation and development of effective standards, making it easier to convert environmental and social value into financial value ○ Opportunities for technological advances in the field of natural capital to make it easier to obtain the data needed to build resilient food systems ● Risk of missing business opportunities due to delays in addressing increasing social value and human rights risk assessment/measurement levels (social demands) 	Moderate	High	Material
#10 Pandemics, natural disasters	<ul style="list-style-type: none"> ○ Opportunities for building a resilient and flexible organizational structure by evolving to an all-hazards BCP that can respond to crises other than pandemics and natural disasters ● Risk of difficulty in promoting innovation and conducting business activities due to shortages of supplies and damage to human resources resulting from pandemics, large-scale/wide-reaching natural disasters, etc. 	Moderate	High	Material
#11 Consumer preferences and values	<ul style="list-style-type: none"> ○ Opportunities for expanding business by responding to changes in consumer values, such as increased awareness of sustainability and emphasis on emotional enrichment ● Risk of missing business opportunities due to delays in developing businesses, services, and products that respond to growing social and environmental awareness and personalized healthcare preferences among consumers, resulting in delays in acceptance by consumers and society 	Moderate	High	Material
#12 Population growth, aging populations, capital inflows to developing countries	<ul style="list-style-type: none"> ○ Opportunities for increased demand for solutions helping to resolve health and nutrition issues due to global population growth and capital inflows from public institutions to developing countries, opportunities for significant expansion of the healthcare market ● Risk of missing business opportunities due to delays in business development in some developing countries/areas, as population growth in Japan and Europe is unlikely 	Moderate	High	Material
#13 Governance and compliance	<ul style="list-style-type: none"> ○ Opportunities that arise from the accumulation of trust from stakeholders through the continuation of safety, quality, and environmental management activities that are unique to our company as a result of stronger governance ○ Opportunities to enhance business sustainability by fostering a better corporate culture through enhanced governance, including AGP penetration among employees and proper understanding and implementation of policies and rules and regulations ● Risk of criminal or administrative action due to non-compliance (including religious regulations, animal protection regulations, etc.) or inadequate quality or safety management (contamination of unexpected ingredients, etc.), or loss of stakeholder confidence 	Moderate	High	Material
#14 Economic security (semiconductors)	<ul style="list-style-type: none"> ○ Opportunity for easier technology development within Japan as a result of the Japanese government restoring domestic production of semiconductors as an economic security measure ● Risk of supply chain disruptions and increased market competition due to governments' economic security measures for semiconductors 	Moderate	Moderate	Material

Materiality

Initiatives and Targets/KPIs for Risks and Opportunities Related to Important Issues (Materiality) for the Ajinomoto Group

The following are initiatives and targets/KPIs for the six Material Themes currently being addressed by the Ajinomoto

Group ((1) Achievement of a sustainable global environment, (2) Achievement of well-being through food, (3) Contribution to advanced medicine and prevention, (4) Contribution to the evolution of a Smart Society, (5) Respect for diverse values and human rights, (6) Reinforcement of our management foundation). The risks and opportunities presented here

are a simple summary of the major risks and opportunities provided above, and the numbers in parentheses indicate the corresponding category numbers for the same.

Major risks and opportunities, initiatives, targets, and KPIs related to Material Themes

(Numbers in parentheses indicate the corresponding category numbers for the aforementioned major risks and opportunities)

Material Themes	Risks and Opportunities (Risk/opportunity category number)	Initiatives	Targets/KPIs
Achievement of a sustainable global environment	<ul style="list-style-type: none"> ○ Supporting the construction of ecofriendly and resilient food systems and increasing demand for related products and services through technological innovation, increased deregulation and policy support, capital inflows, and increased momentum for co-creation with other companies, etc. ● Loss of business opportunities due to difficulties in procuring raw materials and stricter related laws and regulations and social demands resulting from climate change, damage to natural capital, and depletion of animal resources, as well as delayed utilization or hasty implementation of advanced technologies such as cultured meat, packaging material recycling, and AI (#1, #4, #6)	(1) Challenge to Net Zero	<ul style="list-style-type: none"> • Reduce GHG emissions (vs. 2018) 2030: 50% reduction in Scope 1 and 2, 24% reduction in Scope 3 2050: Achieve net zero and 100% use of renewable energies • Advance biodiversity initiatives (Assessment of risk opportunities and promotion of initiatives including mutual solutions to climate change and other issues in raw materials selected for the LEAP approach*) * LEAP approach: A process in guidance proposed by the TNFD for the sciencebased assessment of nature-related risks and opportunities. • Plastic waste 2030: Zero waste • Reduce food loss (vs. 2018) 2025: 50% reduction (from receiving raw materials to customer delivery) 2050: 50% reduction (overall product lifecycle) • Cooperate with each region on social applications for reducing food loss, recycling plastic, etc. • Reduce water consumption (vs. 2005) 2030: 80% reduction in water consumption • Sustainable procurement of raw materials 2030: 100% sustainable procurement ratio of key raw materials • Animal welfare improvement
		(2) Contribute to the transformation of a resilient food system that supports 10 billion people	<ul style="list-style-type: none"> • Contribute to the creation of a society with a circular resource system by expanding the biocycle • Contribute to sustainable agriculture through biostimulants (Contribute to climate change mitigation and adaptation by increasing yield per unit area, increasing tolerance to environmental stresses, etc.) • Provide products using cattle raised by more sustainable methods utilizing amino acids; build an ecosystem through collaboration with dairy and meat manufacturers • Promote practical implementation of on-site production of ammonia with low environmental impact

Materiality

Material Themes	Risks and Opportunities (Risk/opportunity category number)	Initiatives	Targets/KPIs
Achievement of well-being through food	<ul style="list-style-type: none"> ○ Expanding business by offering products and services that meet the preferences of consumers in each region and their growing awareness of sustainability and health, and enhance the brand through management mindful of the well-being of our society and our planet ● Loss of business opportunities and brand damage due to delays in responding to changes in consumer values and lack of understanding of products and business activities amid changing and diversifying values and inappropriate use of advanced technologies such as AI (#1, #3, #9, #11) 	(3) Respect food culture and create an environment that supports people in making healthy food choices, for humans and the planet, that do not compromise on taste	<ul style="list-style-type: none"> • Expand provision of solutions for commercial (B2B) customers • Collaborate with local stakeholders to solve food and health issues • Provide nutritionally balanced products and services based on the Ajinomoto Group Nutrition Profiling System (ANPS) and other nutrition assessment technologies, and support healthy eating behavior among consumers • Providing healthy products as part of our Nutrition Commitment <ul style="list-style-type: none"> — By 2030, 60% of our products will have improved nutritional value — By 2030, we will provide products that promote delicious salt reduction and protein intake optimization to 400 million people a year — By 2030, we will double the availability of products that utilize the physiological and nutritional functions of amino acids (compared to 2020) • Provide foods and ingredients made with materials and production methods with low environmental impact (cultured meat, plantbased foods, etc.)
		(4) By encouraging the joy of cooking and eating together, contribute to emotional enrichment	<ul style="list-style-type: none"> • Quantify how much cooking and eating together contribute to well-being (study the relationship) and expand products that have high contribution
		(5) Contribute to self actualization by providing products and services tailored to each individual	<ul style="list-style-type: none"> • Develop a personalized experience for consumers through a deep understanding of their needs and behaviors KPI (1): 10 million POND* customers (number of common IDs) (2030) KPI (2): 2-3 new products annually with sales over ¥1 billion (2030) * POND: Company-wide customer base • Evolve value provided in the core cold business category among frozen foods (gyoza and peripheral dumpling products)
Contribution to advanced medicine and prevention	<ul style="list-style-type: none"> ○ Provide new value by continuously anticipating the evolution of modalities and delivering advanced medicine to customers through the use of DX ● Delayed response to technological advances in the medical field, or risk of stagnation in the evolution and expansion of “AminoScience” or failure to fully utilize ecosystem and co-creation opportunities, resulting in a failure to scale value and furthermore limited expansion of business and corporate value (#1, #4) 	(6) Contribute to the creation of advanced medical modalities	<ul style="list-style-type: none"> • Advance treatment and prevention, and expand provision of solutions to extend healthy life expectancy • Strengthen and expand business domain for biopharmaceutical manufacturing services • Evolve into a business that provides service solutions for culture media and advanced medical materials • Strengthen the medical food domain
Contribution to the evolution of a Smart Society	<ul style="list-style-type: none"> ○ Advanced development of semiconductor-related technologies in Japan due to progress in restoring domestic production of semiconductors, influenced by economic security policies ● Disruption of the value chain as governments regulate trade in semiconductor-related products as part of their economic security measures, and intensified competition as trade partner countries with frictions begin to produce related products domestically (#1, #14) 	(7) Develop and expand the provision of advanced materials and co-creation of sustainable business models through continuous innovation to create a sustainable and comfortable ICT society	<ul style="list-style-type: none"> • Strengthen the co-creation ecosystem in the semiconductor value chain, accelerate generating innovations that help evolve semiconductors, and expand the provision of advanced materials • Achieve development of technologies and materials in the field of advanced semiconductors, such as optoelectronic integration

Materiality

Material Themes	Risks and Opportunities (Risk/opportunity category number)	Initiatives	Targets/KPIs
Respect for diverse values and human rights	<p>○ Encouraging management decision making from a long-term perspective and from both financial and nonfinancial perspectives by making it possible to collect non-financial data on topics such as human rights through technological innovation, and participation in the creation of various standards that will lead to competitive advantage by leveraging Ajinomoto's environmental and social values.</p> <p>● Loss of business opportunities and corporate value due to delays in responding to requests for assessment and measurement of non-financial data on topics such as human rights</p> <p>(#5, #9)</p>	(8) Promote human rights initiatives in the value chain and foster multistakeholder resonance	<ul style="list-style-type: none"> Steadily promote human rights and environmental due diligence in accordance with international standards; taking a two-pronged approach as below through dialogue with stakeholders: (Deep dive approach) Conduct human rights impact assessments based on the results of country-specific human rights risk assessments (once every four years), and carry out preventive and corrective measures and monitoring (Comprehensive approach) Accompany and monitor suppliers to identify and improve their actual status based on the Guidelines for Group Shared Policy for Suppliers (scheduled to be completed by 2024 for domestic primary suppliers, and to be started by 2025 for overseas primary suppliers)
Reinforcement of our management foundation	<p>○ As the importance of intangible assets in management increases, vitalizing creative activities by diversifying human resources and encouraging them to take on challenges, and strengthening our competitive advantage by enhancing intellectual property and IT systems and strengthening our financial strategy</p> <p>● Expanding multifaceted threats to business infrastructure due to severe changes in the business environment, including demographic changes, conflicts, pandemics, gaps in supply and demand for human resources, more stringent laws and regulations, and threats to IT security</p> <p>(#1, #2, #5, #7, #8, #10, #12, #13)</p>	<p>(9) Improve employee well-being and create innovation through DE&I initiatives that serve as a model for local communities and human resource investment that encourages challenge, and work to build a Group where all employees feel fulfilled working at their respective companies</p> <p>(10) Strengthen resilience to changes in the business environment</p> <p>(11) Increase employee literacy</p>	<ul style="list-style-type: none"> ASV realization process engagement survey score (global) 80% (2025) ⇒ 85% (2030) Diversity in leadership (global) 20% (FY2025) ⇒ 30% (FY2030) Ratio of female managers (global) 35% (2025) ⇒ 40% (2030) Employees joining as mid-career hires as a share of all employees (Ajinomoto Co., Inc. non-consolidated) 20% (2025) ⇒ 30% (2030) * Every year, we target a 50% or higher recruitment rate of mid-career hires among all new employees joining Ajinomoto Co., Inc. in a single year. Promote ASV Awards (global) and open recruitment transfers and cross-divisional project participation (Ajinomoto Co., Inc. non-consolidated) Strengthen resilience by building a global quality assurance system and global strategic IP portfolio Carry out ongoing measures to improve compliance awareness Continuously carry out assessments, audits, and inspections related to health and safety Identify management risks and consider countermeasures (annually) Conduct future projections, identify opportunities, and discuss portfolio strategy (as appropriate) Minimize risk of impairment and fluctuation in foreign exchange and interest rates, and mitigate risk through effective use of intra-Group funds and flexible financing Deploy literacy improvements measures for the environment, human rights, DX, etc. 100,000 employees receiving nutrition training (2025)

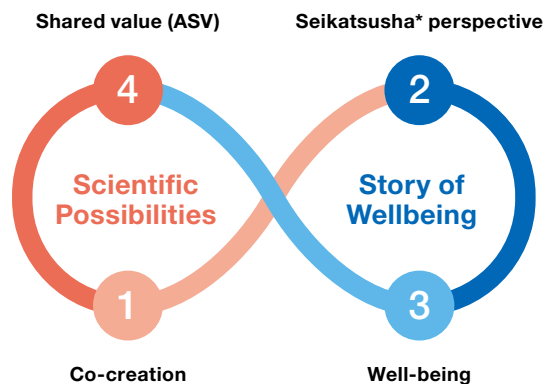
Materiality

Our path toward achieving ASV maximization

We will steadily implement efforts to reduce negative impacts, based on the strengthening of intangible assets and taking into account risks and opportunities for each material theme, and accelerate initiatives for creating positive impacts.

Important Issues (Materiality) for the Ajinomoto Group

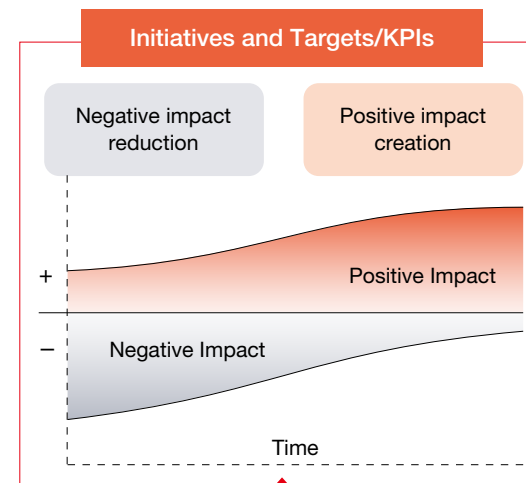
Value Creation Framework



Material Themes

- Achievement of a sustainable global environment
- Achievement of well-being through food
- Contribution to advanced medicine and prevention
- Contribution to the evolution of a Smart Society
- Respect for diverse values and human rights
- Reinforcement of our management foundation

Risks and opportunities



Strengthen intangible assets

ASV Maximization

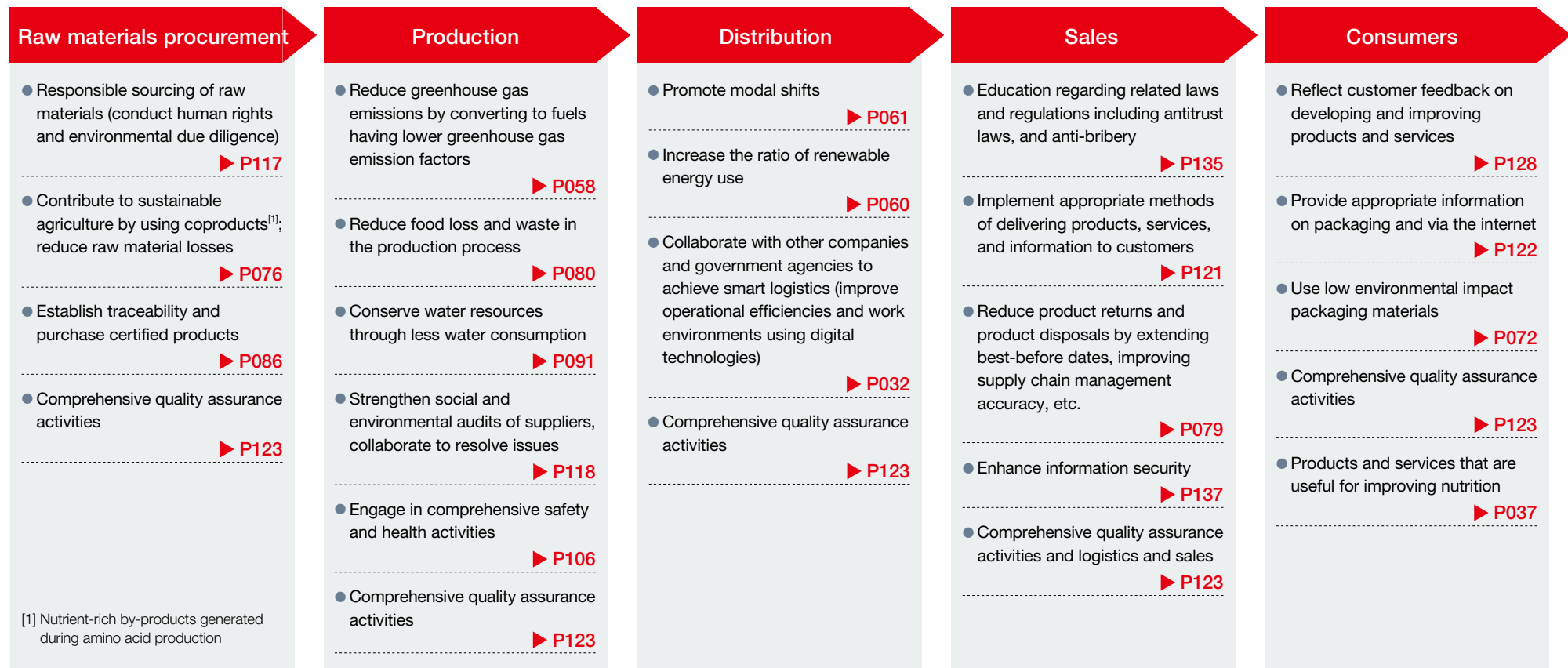
Economic value

Social value

Ajinomoto Group value chain

Raw materials procurement, production, distribution, sales, consumers

The Ajinomoto Group operates its businesses while interacting with various stakeholders engaged in every process of its global supply chain. We have identified social issues, concerns, and risks closely related to each process as described below. We aim to resolve social and environmental issues through steady efforts and responses in collaboration with related parties.



Framework for ESG and Sustainability

Framework for ESG and sustainability

Framework

In the Ajinomoto Group, we honestly comply with the Ajinomoto Group Policies (AGP) that show the ideal way of thinking and action that the Group companies and their officers and employees should comply with, continue to develop and properly operate our internal control system, strengthen our system that considers sustainability as an

active risk-taking system, and continuously enhance our corporate value.

We are strengthening our sustainability promotion system in order to continuously increase our corporate value from the perspective of sustainability. As of the publication of this document, this system is outlined below.

The Board of Directors has established the Sustainability Advisory Council, creating a system to provide recommendations about the Group's approach to sustainability and ESG. It determines important issues for the Ajinomoto Group (materiality) that serve as guidelines for ASV management and supervises the execution of initiatives related to sustainability.

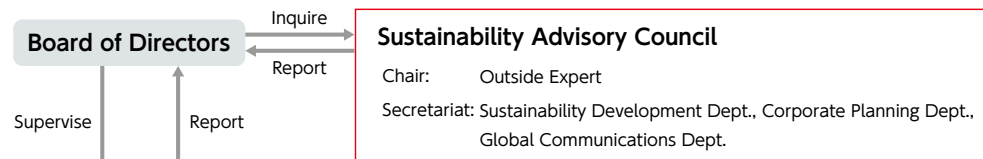
The Executive Committee has established the Sustainability Committee and the Risk Management Committee as its subordinate bodies, which identifies risks and opportunities based on material matters for the Ajinomoto Group (materiality) and assesses them for degree of impact, formulates measures, and manages their progress. In fiscal 2023, the Executive Committee received two activity reports from the Sustainability Committee.

Beginning April 2023, the Second Term Sustainability Advisory Council will continue its work to enhance the Ajinomoto Group's corporate value from the viewpoint of sustainability. The Second Term Sustainability Advisory Council consists of four external experts, primarily investors and financial market specialists, and is chaired by an external expert. After receiving consultation from the Board of Directors, the council will investigate the implementation of materiality, disclosure and dialogue on its progress, and building relationships with stakeholders through these activities, in the interest of stronger monitoring of the Board of Directors, and issue a report in response to the Board of Directors. The Second Term Sustainability Advisory Council will meet at least twice a year and report the results of its deliberations to the Board of Directors.

In order to advance Medium-Term ASV Initiatives, the Sustainability Committee works with the Risk Management Committee to select and identify risks and opportunities based on materiality as well as assess their

Framework for ESG and sustainability

[Supervision]



[Execution]



Framework for ESG and Sustainability

impact on the Ajinomoto Group, making proposals to the Executive Committee. The committee then formulates countermeasures and manages the progress of sustainability measures. In addition, the Sustainability Committee formulates the entire Ajinomoto Group's sustainability strategy, promotes action themes (nutrition, environment, and society) based on this strategy, makes proposals and provides support for business plans from a sustainability viewpoint, and compiles internal information on ESG.

The Risk Management Committee works with the Sustainability Committee to select and identify risks calling for particular initiative by management (pandemics, geopolitical risks, information security risks, etc.) based on materiality as well as assess their impact on the Ajinomoto Group, making proposals to the Executive Committee. The committee also formulates risk management measures and manages their progress in order to realize a strong corporate structure capable of responding promptly and appropriately to risks and crises.

> Sustainability Approach and Structure
> Sustainability Advisory Council

Dialogue and Collaboration with Stakeholders

Stakeholder engagement

To fulfill our responsibility for the sustainability of society and the global environment, not only must we pursue our own profit, but we must also share created value with all stakeholders. Here, we must understand and analyze the concerns of each stakeholder and their expectations of the Group. We must take this knowledge and apply it to our business activities.

The Ajinomoto Group engages in ongoing dialogue with our stakeholders across a diverse range of forums, incorporating stakeholder feedback into our corporate activities.

Principal stakeholders	Customers and consumers	Shareholders and investors	Business partners	Employees	Local communities	Outside experts, NPOs, NGOs, and business associations
Concerns/expectations of stakeholders	<ul style="list-style-type: none"> Product safety and security Resolving the food and health issues 	<ul style="list-style-type: none"> Fair and highly transparent management Sustainable business growth Constructive dialogue and stronger governance Timely and appropriate disclosures 	<ul style="list-style-type: none"> Promotion of initiatives toward a sustainable supply chain Promotion of human rights due diligence Fair business practices 	<ul style="list-style-type: none"> Human resource development Career development Diversity, equity, and inclusion Improved employee engagement Compensation and employee benefits Occupational safety and health Responsible employment of foreign technical interns and foreign workers with specified skills 	<ul style="list-style-type: none"> Local safety and environmental conservation Sustainable development of communities 	<ul style="list-style-type: none"> Honest dialogue and linked activities
Engagement channel	<ul style="list-style-type: none"> Customer service center Website Factory tour Information sharing and/or discussions with consumers during events and presentations Market research D2C business 	<ul style="list-style-type: none"> General meeting of shareholders Financial results briefings, IR Day, and business briefings Events for shareholders and individual investors Dialogue with institutional investors 	<ul style="list-style-type: none"> Procurement policy briefings, supplier audits Dialogue with business partners (raw materials and packaging materials suppliers, distribution, logistics), policy briefings to distributors Fact-finding surveys of tier 1 suppliers in Japan and dialogue to improve any issues Human rights impact assessed by making site visits and having dialogue (Vietnam: coffee beans, Malaysia: palm oil) Sales activities to B2B customers 	<ul style="list-style-type: none"> Various skills development and training Dialogue with the CEO and General Managers of business or corporate divisions Individual Target Presentation ASV Awards Social media platform to connect employees globally Ajinomoto Group Policies (AGP) workplace reviews Hotlines (whistleblower reporting system) Harassment hotline Dialogue with foreign technical interns and foreign workers with specified skills 	<ul style="list-style-type: none"> Dialogue with residents living near our plants Participation in and sponsorship of community events Activities to support the recovery of communities impacted by natural disasters Support through foundations (Japan, Vietnam, Ghana) 	<ul style="list-style-type: none"> Dialogue with outside experts, NPOs, NGOs, business associations, and government agencies Dialogue with consumer goods manufacturers and global retailers at the Consumer Goods Forum (CGF) Participation in the Workforce Nutrition Alliance (WNA) Participation in the World Business Council for Sustainable Development (WBCSD)
Results and impacts	<ul style="list-style-type: none"> Product improvements reflecting the voice of customers Proposals and information that contribute to improving consumers' nutrition, health, and well-being (e.g., reducing salt intake and optimizing protein intake) Expansion of sustainability information disclosure 	<ul style="list-style-type: none"> Promotion of understanding of the Group's growth strategy and strengths with explanatory briefings and by other means Publication on our website of presentation videos and video content on initiatives related to strengthening intangible assets and governance Improved interaction with individual shareholders and investors Reflection of investors' opinions on improving management and IR 	<ul style="list-style-type: none"> Proposals that contribute to the improvement of nutrition, health, and well-being of people in retail stores and restaurants (e.g., reducing salt intake and optimizing protein intake), to the reduction of environmental impact, to other issues Reduction of environmental impact by supplying B2B customers and also creating products with them Consistent promotion of human rights due diligence across our value chain 	<ul style="list-style-type: none"> Dialogue between management and employees to promote mutual understanding of work environment, such as occupational safety and health, salary, and employee benefits Workplace improvements through hotline consultations and other available programs Implementation of responsible employment for foreign technical interns and foreign workers with specified skills Fostering empathy for Purpose 	<ul style="list-style-type: none"> Identification of health and nutrition issues in communities and efforts to resolve these issues (Initiatives include salt-reduction seminars in partnership with local governments, events and menu suggestions encouraging people to eat breakfast and consume more vegetables, and school meal projects in Vietnam and Indonesia) Promotion of food loss reduction initiatives 	<ul style="list-style-type: none"> Revisions to Group Shared Policies, guidelines, and approaches Promotion of efforts to improve the logistics efficiency and work environment of processed food distribution in Japan in collaboration with business associations involved in manufacturing, sales, and distribution along with the relevant government Participation in the Workforce Nutrition Alliance and advancing improvements in workplace nutrition

Dialogue and Collaboration with Stakeholders

Participation in initiatives

■ UN Global Compact (UNGC)

The United Nations Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption. The Ajinomoto Group has been signing and participating since July 16th, 2009, and the Ajinomoto Group summarizes and reports on the status of initiatives for addressing the ten principles of the United Nations Global Compact.



■ The Consumer Goods Forum (CGF)

Retailers and manufacturers are on an equal footing in the global network of consumer goods distribution industries, and member companies are promoting their activities, and are promoting practices and standardization that are useful to the consumer goods industry around the world. Since 2011, the Ajinomoto Group has participated as a member of the board of directors.



■ Task Force on Climate-Related Financial Disclosures (TCFD)

TCFD established by the Financial Stability Board (FSB) at the request of G20 on December 2015, to examine how climate-related information should be disclosed, and how should financial institutions respond. TCFD recommends companies to disclose items related to climate change-related risks and opportunities. Ajinomoto Co., Inc. has endorsed the recommendations of the TCFD and joined the TCFD Consortium in May 2019.



■ RE100

In August 2020, the Ajinomoto Group announces that it has joined RE100, an international environmental initiative of businesses committed to 100% renewable electricity.



■ Roundtable on Sustainable Palm Oil (RSPO)

In response to growing global demand for low environmental impact, sustainable palm oil, the RSPO was established in 2004 with seven relevant organizations, including the WWF. The Ajinomoto Group has joined the organization in 2012.

■ Japan Climate Initiative (JCI)

Japan Climate Initiative is a network of non-state actors such as companies, local governments and NGOs aiming to realize a decarbonized society.

The Ajinomoto Group has participated since its establishment on July 8th, 2018.

■ Japan Business Initiative for Biodiversity (JBIB)

The company was established in 2008 with the aim of contributing to the conservation of biodiversity in Japan and overseas by producing results that cannot be achieved solely through independent corporate activities through joint research by various companies. The Ajinomoto Group has participated as a founder and full-time member company since its founding.



■ The Green Purchasing Network (GPN)

GPN is a non-profit organization whose mission is to promote the ideas and practices of green purchasing in Japan. Since its establishment in 1996, the GPN has taken a leading role through its activities. Ajinomoto Co., Inc. has been a member of the Green Purchasing Network in Japan since March 3rd, 2006.

Since April 1st, 2006, Ajinomoto Co., Inc. has participated as a member of the board of directors.



■ "1% (one-percent)" Club

This initiative is Keidanren's Related Organizations. In addition to providing members with information on donations and social contribution activities. This organization also conduct activities to deepen the public's understanding of corporate social contribution activities. We also coordinate activities for more effective social contribution activities by linking companies and their employees with non-profit organizations (NPOs), including civil society organizations.

The Ajinomoto Group has participated since its establishment on November, 1990.



■ Clean Ocean Material Alliance (CLOMA)

In order to solve global emerging issue on marine plastic litter, CLOMA is established in January 2019 as a platform for promoting sustainable use of plastic products, developing innovative alternatives that lead to plastic waste reduction, and strengthening collaboration to accelerate innovation among a wide range of stakeholders across industries. As a founding member, Ajinomoto Co., Inc. actively participates in it, including serving as the Chair of the Dissemination & Promotion WG.



■ Japan Sustainable Palm Oil Network (JaSPON)

JaSPON is a network established by retailers, consumer goods manufacturers and NGOs. JaSPON is aiming to solve social and environmental problems in palm oil production by accelerating sustainable palm oil sourcing and use in Japanese market. Ajinomoto Co., Inc. contributed in its foundation and actively participates in it as a board member company.



■ 30% Club Japan

The 30% Club was founded in the United Kingdom in 2010. It is a global campaign taking action to increase the proportion of women in key decision-making bodies of companies, including the board of directors, to more than 30%. In May 2019, 30% Club Japan was launched in Japan, and Ajinomoto Co., Inc. has participated in the project since its establishment, aiming to increase the ratio of women in decision-making positions.



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.



Elaine Cohen
Founder and CEO
Beyond Business Ltd.

The Ajinomoto Group demonstrates best practice by conducting the IR Day to share its progress and plans for integrating ASV management and the sustainability (ESG) initiatives of the Group. This open dialogue is helpful for the Group to know the focus of investor interest and critical for mutual understanding of expectations. I listened with interest, for example, to the investor questions raised at the IR Day and was encouraged to note an emphasis on sustainability-related themes. A key point raised was the connection of materiality to value creation as a fundamental dimension of sustainability strategy—improved disclosure of this interlinkage will help investors more accurately

evaluate the Group's performance and elevate their confidence in the Group's ability to deliver its promises.

The responses provided by the Group leaders displayed optimism that the Group will realize significant value from its ongoing ESG initiatives. In some cases, the level of the ambition is huge, such as new efficiency levels for cassava production in Thailand, the benefits of biostimulants or the opportunities to transform electronic technologies through venture capital investments. To ensure the Group's optimism is translated into reality, all these initiatives will require significant ongoing investment, partnership, research and market development. Therefore, more detailed discussion of the challenges and risks, and how they will be overcome, could offer better balance in understanding the Group's plans.



**Celine Solsken
Ruben-Salama**
Principal, FOR THE LONG-TERM, LLC
Lecturer and Faculty
Advisor, M.S. Sustainability
Management Program,
Columbia University (NY)

Updates to the Ajinomoto Group's sustainability website reflect a shift in focus around sustainability communications to accentuate positive impacts. The homepage now features a dynamic banner showcasing new "Along with society" stories that bring to life the Group's initiatives around the world that contribute positively to society. Additional improvements to this website make it easy to find key information around the Group's sustainability management efforts, as well as links to the ASV Report (Integrated Report), Sustainability Report, GRI, and SASB tables. While I like the concept of listing out the Group's sustainability initiatives on the bottom of the page, I was expecting something similar to the stories when I clicked through. Instead, found the follow-up pages dense with links and references to the individual report sections. This left me wondering if this website aims to communicate with customers, investors, or ESG ratings and

rankings professionals. I would recommend segmenting the website somehow to create different gateways that cater to these different audiences and organizing the information accordingly for a more harmonious experience.

The Ajinomoto Group's IR Day materials reveal hints of the upcoming reports. Here too, examples of "Positive Impact Creation" are highlighted. An in-depth case study of the Umami Seasonings Business Value Chain showcases constructive developments to the quantification of positive impacts, which could perhaps be further improved through closer alignment with the EU Taxonomy for Sustainable Activities. The case study demonstrates value creation for the Group, as well as for stakeholders across the value chain. In the upcoming reports, I expect to see quantification of both social and economic value similarly mapped for the Group's other business units. Importantly, the 'Equation for Calculating Enhancement of Corporate Value' should be applied to processes, initiatives, and product lines, to quantify and assess financial materiality.

While the "Identification Process for Important Issues (Materiality) for the Ajinomoto Group" approach is a thorough lens, because of its uniqueness it does create some

Dialogue and Collaboration with Stakeholders

confusion in regard to the Group's approach to materiality. Inconsistent terminology around materiality in the various materials indicates that the approach is in flux. I would strongly recommend streamlining the terminology around materiality by defining threshold definitions for "impact materiality" (social value) and "financial materiality" (economic value) and showing which topics from the "Material Themes" fall within the criteria. This exercise will serve the Group well in terms of preparation for reporting in line with IFRS S1 and S2.

Overall, the visual presentation of the Group's strategy has room to improve. While all the elements seem to be there, the current graphics don't communicate the intricate, multi-dimensional system clearly. I look forward to seeing how the visual aspects of the Ajinomoto Group's ASV strategies crystalize in tandem with further developments to the strategies, metrics, and progress.

**Luke Wilde**

Chief Executive Officer
(CEO)
twentyfifty

We continue to admire the structure & transparency of the Ajinomoto Group's human rights approach. It is a great to see such a clear plan and roadmap presented and very easy to see what has been achieved in the last year. The approach is based on a sound risk assessment which informs the activity that you undertake. You have a comprehensive approach to conducting human rights risk assessments, I am quite surprised that you are able to say that no serious human rights abuses were found in the supply chains that you have visited. I would encourage the Group to ensure that the Human Rights Impact Assessments (HRIAs) conducted really do take views of the rights holders into account and that you are able to differentiate the HRIAs conducted from social audits and that they are conducted in line with UNGP best practice.

I am interested to see the new supplier survey and the Ajinomoto showing some clear areas of improvement amongst the supply base. This level of transparency is very good and will be great to see progress over time. We have mentioned before that it is time for the Group to look at their own purchasing practices (contracting, forecasting, planning etc.) and how they potentially impact suppliers' decision making linked with human rights. It could be possible to add some questions to this survey for example to see how your supplier's view the Group.

Dialogue and Collaboration with Stakeholders

**Vasu Srivibha**

Chief Impact Officer
Sasin School of Management
Chulalongkorn University
(Thailand)

Based on a solid foundation as one of the leading companies in the food industry, the Ajinomoto Group's commitment to creating and enhancing social and economic value through ASV is remarkable. In 2024, it is commendable that the Group is evolving ASV management by strengthening its intangible assets and addressing important issues (materiality) for the Ajinomoto Group with a view to a long-term goal in 2050.

I perceive the Group's approach to sustainability as revolving around three "C" 1) Commitment –The Group demonstrates strong commitment to its vision, as seen in its management approach to reducing negative impacts and expanding positive impact contributions. 2) Consistency – All sustainability initiatives fall under material themes that determine the Group's priorities.

3) Continuous Improvement – Looking at ASV management, the Group strives for better in all aspects based on a clear roadmap with aspiring goals and targets to achieve.

On human rights issues, the Group has developed a well elaborated narration centered around firm plans based on current structure and available framework. The engagement with Caux Round Table Japan in human rights due diligence is outstanding in terms of showcasing collaboration, credibility, and transparency. My recommendations for the Group's approaches to human rights include the following activities.

1. Enhance due diligence and monitoring

To further ensure compliance in human rights policy in the Group's supply chain, the Group can implement more frequent and thorough audit of suppliers, potentially by working with partners and third parties, targeting more specific human rights issues in different geographical location.

2. Promote equitable and sustainable supply chain

Achieving the goal in 2030 and 2050 would be challenging without awareness and understanding of the issue. The Group can continuously update policy to align with evolving international standards. Furthermore, the Group could consider setting up a "Ajinomoto Group's suppliers gathering" where major suppliers come together to learn about the Group's commitment to creating a sustainable supply chain.

3. Strengthen internal training

To solidify understanding of human rights issues beyond awareness, the Group should provide comprehensive human rights training for all employees, particularly highlighting best practices and application in daily operations.

4. Explore cross-industry collaboration

It is almost impossible for one company to ensure compliance and sustainability of a whole supply chain. The Group could start exploring intra-industry partnership to evaluate and verify the compliance issues in order to enhance overall supply chain integrity and reputation.

In terms of reporting, I expect the Group to better explain the link between its human rights framework and evolving sustainability standards, including its relevance and how disclosing human rights performance can improve sustainability values. Potentially the Group could consider showcasing "impact narrative" – qualitative data like quotes or news pieces for report readers to see what real changes happened or are happening, of course with confidentiality of rights-holders into consideration.

Additionally, the Group could better explain impact of right policies on human right issues in a logical flow by developing a case study (to display internally or on the Group website). Let's say when an issue occurs in a specific market – How does the Group manage the situation? What framework and guideline were used to manage the situation? Which group of stakeholders did the Group engagement with? What is the impact? The Group can also use this channel to recognize employees who act and demonstrate leadership in managing human rights issues.

By enhancing and expanding its human rights initiatives, it is both an opportunity and challenge for the Ajinomoto Group to discover existing human rights issues and develop innovative solutions to tackle those issues. I truly believe that the Group can significantly advance its human rights initiatives. This ultimately leads to creating positive impact and building trust with stakeholders, and to bringing the Group closer to its vision on "Contributing to the wellbeing of all human beings, our society and our planet with "AminoScience."

Dialogue and Collaboration with Stakeholders

**Hidemi Tomita**

Institute for Sustainability
Management
Board of Directors
Representative

The Ajinomoto Group has been making various advanced efforts in sustainability among Japanese food-related industries. Group information disclosures are exceedingly comprehensive and include extensive amounts of information. On the other hand, I feel that their concepts for materiality, for example, are too unique and diverge from the direction that disclosures have taken throughout the rapid progress in the institutionalization of such disclosures. Similarly, the Group makes certain efforts in the increasingly regulated field of human rights due diligence, but the issues the Group must prioritize throughout the value chain are not always made clear and the relationships between materiality and such issues remain lacking.

Although individual initiatives, including those aforementioned, are the result of many years of dedication and have been fruitful to a certain level, it is difficult to visualize the overall picture throughout the Group, giving the impression that the Group focuses more on the optimization of each individual measure. The Ajinomoto Group seems to be gradually organizing concepts and clarifying major directions since the appointment of President Fujie. Sustainability management is progressing rapidly into a new phase of legalization and institutionalization across the globe. Amid these circumstances, I hope the Ajinomoto Group will adapt to these trends early on and reorganize measures to include more detail while also advancing original and advanced efforts.

**Kenji Fuma**

Neural Inc.
CEO

The current disclosures of the Ajinomoto Group did not clarify detailed targets that it would like to meet by 2030 in all of the growth areas of Healthcare, Food & Wellness, ICT, and Green. While the Group had set targets in some fields, it could further foster sound proactive mindsets for workers both inside and outside of the Group by specifying goals derived from social and environmental impacts including perspectives of the entire value chain and the local communities.

I also expect the Group to integrate sustainability actions with their financial strategy more deeply. In order to achieve the ambitious goals that the Group describes as 'Mt. Everest,' it would require a bunch of CAPEX to reinforce corporate assets for R&D, equipment, human resources, intellectual property, external partners, and others. The clearer it makes what the management resource shortcomings are and in which area its CAPEX should be poured, the more specifically defined the missions of each business department would be.

My third expectation to the Group is engagement with stakeholders throughout the global supply chain. Suppliers will be a key factor in all of the four growth areas under the circumstance where the Ajinomoto Group's supply chain is widespread around the world. I hope that the Group would improve communications and engagements up to the level where all suppliers feel pleased and proud to be a supplier of the Ajinomoto Group.

Dialogue and Collaboration with Stakeholders

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The Ajinomoto Group describes risks, opportunities, and KPIs related to materiality, going as far as to disclose specific examples of activities on the human rights page, for example, and even the type of dialogue taking place within the field. I truly appreciate the sincerity of these efforts.

However, a responsible corporation like the Ajinomoto Group should systematize these factors in a larger frame through the supply chain, human rights, and environment. The Group must grasp the overall view of human rights and sustainability and investigate in detail the important risks in the supply chain or go into the field to understand the current issues and propose solutions. The Ajinomoto Group also does not disclose quantitative information on the billions of yen worth of economic value the Group has created through their social initiatives, nor how such value relates to nutrition and increased healthy life

expectancy. Current disclosures consist of a small collection of examples of collaborative activities and other initiatives. Such disclosures are insufficient for a leading company in sustainability. I expect the Ajinomoto Group to display the full scope of Group measures, including a clear indication of how measures relate to other areas, the final impact of such measures, and how much economic value the Group produces as a result.