Contents

Sustainability Policy and Framework P004
Message from the CEO P005
Message from the Executive Officer in Charge of Sustainability P006
Corporate philosophy framework Our Philosophy P007
Framework for ESG and sustainability P010
Materiality P012
Ajinomoto Group value chain P022
Key initiatives and progress P023
Stakeholder engagement P027
Participation in initiatives P028
Expectations and recommendations from external stakeholders P030

Help Extend the Healthy Life Expectancy of 1 Billion People P036
Initiatives to solve nutritional issues P037
Cooking and sharing meals P047
Medical foods P048
Disseminating information on MSG safety and benefits P049
Addressing health issues P051

Reduce Our Environmental Impact by 50% P054
Environmental management P055
Climate change (disclosures based on the TCFD) P059
Reduction of greenhouse gas emissions in the value chain P066
Reduction of waste across product lifecycles P074
Contribution to sustainable agriculture P084
Food loss and waste P088
Biodiversity and natural capital (disclosures based on TNFD) P092
Sustainable materials sourcing P103
Animal welfare P107

Social P109
Human rights and human resources P110
Human rights P113
Human resources management P121
Occupational safety and health P130
Supply chain management P132
Strengthening relationships with local communities P135
Quality management P137
Marketing communications P144

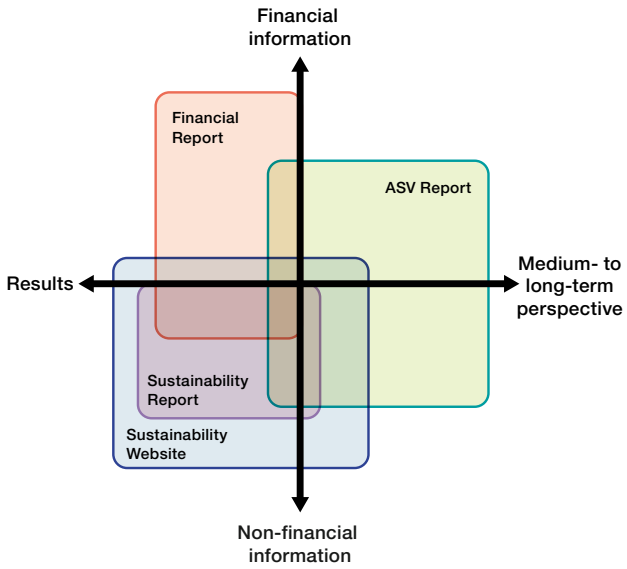
Governance P145
Risk management P146
Compliance P148
Information security and personal information management P153
Proper utilization and management of intellectual property P155

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

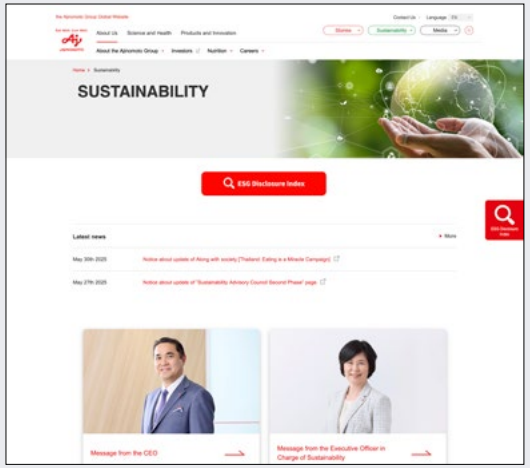
This report covers the activities of the Group, comprising, unless otherwise noted, Ajinomoto Co., Inc. (“the Company”) and its consolidated subsidiaries and equity-method affiliates (as of March 31, 2025). When comprehensive Group information is not available, the data parameters are explicitly defined.

Period covered by this report

Fiscal 2024 (April 1, 2024 to March 31, 2025)

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

Sustainability Policy and Framework

Message from the CEO P005
Message from the Executive Officer in Charge of Sustainability P006
Corporate philosophy framework Our Philosophy P007
Framework for ESG and sustainability P010
Materiality P012
Ajinomoto Group value chain P022
Key initiatives and progress P023
Stakeholder engagement P027
Participation in initiatives P028
Expectations and recommendations from external stakeholders P030

Message from the CEO

Dear stakeholders

Shigeo Nakamura

Shigeo Nakamura
Director
Representative Executive Officer
President & Chief Executive Officer

The Purpose of the Ajinomoto Group is contributing to the well-being of all human beings, our society and our planet with “AminoScience.” Under this Purpose, we pursue Ajinomoto Group Creating Shared Value (ASV), an initiative to co-create social and economic value through our businesses. The Ajinomoto Group Way (AGW) represents our guiding principles: Create new value, pioneer spirit, social contribution, value people. We codify these principles in Our Philosophy.

This deep engagement with the Ajinomoto Group Purpose serves as my inner driving force. With this Purpose in mind, we focus on creating social value through solutions to social issues that leverage innovative products and services. At the same time, we strive to create even greater levels of economic value. To this end, we seek to strengthen our intangible assets represented by human resources, technology, customers, and organization, while we refine our advanced bio and fermentation technologies based on "AminoScience," our *Deliciousness Technology*, our health value improvement technology, and our unique functional design technology.

The Ajinomoto Group vision for 2030 include reducing our environmental impact by 50% and helping extend the healthy life expectancy of 1 billion people. Sustainable agrifood systems are also very important to the Ajinomoto Group, which deals mainly in the Food Products business and Bio & Fine Chemicals business. As a value chain, agrifood systems have an enormous environmental impact upstream, namely the production of agricultural and livestock products. For example, about a quarter of the world's greenhouse gas emissions, 70% of freshwater use, and 50% of flat land use are attributed to agricultural and livestock production. Notwithstanding, one-third of food is wasted across the breadth of the value chain, including the manufacturing stage and downstream consumption. This amount is far from negligible as a cause of diverse problems, including climate change, biodiversity, water resources, and deforestation. While the focus of global climate change issues continues to be the movement away from fossil fuels, interest in the agrifood systems has increased over time. Two years ago, the Emirates Declaration at COP28 incorporated sustainable agrifood systems as a key element for the first time. COP30 will be held in Brazil in 2025. We expect to see advancements in the area of sustainable agrifood systems toward international frameworks and rules on climate change.

I was honored to speak at COP29 in Azerbaijan last year at the Japan Pavilion event. During my comments, I highlighted the sustainable activities at AJINOMOTO DO BRASIL INDUSTRIA E COMERCIO DE ALIM. Brazil is an enormous agricultural country, and we have been part of the Recovery of Degraded Pasture Verification Study Project in Brazil. Farms can mix AjiPro®-L, a lysine formulation for cattle, with feed to supplement amino acids that tend to be lacking and improve the amino acid balance of the feed. This approach can reduce greenhouse gas emissions by approximately 1 ton (CO_2 equivalent) per cow per year. Field tests are underway for dairy and beef cattle in Brazil, which has more head of cattle than any other country. We will also participate in COP30 to accelerate the Group's global sustainability efforts.

In these ways and more, we not only reduce the negative impacts of Ajinomoto Group business on society and the environment, but also create much social and economic value through positive impacts, all while challenging ourselves to generate dramatic sustained growth in Ajinomoto Group corporate value.

Message from the Executive Officer in Charge of Sustainability

Toward sustainable growth: Reducing negative impact, creating positive impact

Kaori Ono

Kaori Ono
Executive Officer in Charge of Sustainability

The Purpose of the Ajinomoto Group is to contribute to the well-being of all human beings, our society and our planet with "AminoScience." Sustainability is at the heart of Ajinomoto ASV management. Our 2030 Roadmap shows how we are advancing initiatives aligned with important issues (Materiality) in Six Material Themes.

With five years to go until 2030, we continue to reduce negative impacts through our business activities and leverage our strength in "AminoScience" in cooperation with stakeholders to develop technologies, expertise, products, and services that generate positive impacts on society. Through this approach, we will work consistently toward creating a healthy and prosperous society, healthier and more abundant lifestyles, and the sustainable enhancement of corporate value.

Identifying issues through systems, collaborating globally and locally

The year 2024 was the hottest year in recorded history, with an average temperature increase of more than 1.5°C above pre-industrial levels. We see floods, wildfires, and other disasters occurring across the globe, impacting our lives and economies tremendously.

Our responsibility is to pass down a rich global environment and a healthy society to future generations. This commitment is essential for sustainable business activities. Among all the urgencies, climate stabilization is one of the most pressing. To achieve climate stabilization, we must become nature positive. In other words, we must stop the loss of nature and put nature back on a path to recovery. The circular economy, nutritionally balanced diets, and human rights are a few of the other interconnected issues that we must address in parallel. The Ajinomoto Group leverages our strengths and work with scientists, policy makers, business leaders, and stakeholders globally and locally to achieve more impactful results. In 2024, we joined the World Business Council for Sustainable Development (WBCSD) as another step forward in our activities.

Transforming agrifood systems

A total of 70% of Ajinomoto Group procurement comes from agricultural, livestock, and marine products. It goes without saying that our group is heavily dependent on nature. Agrifood systems are a major source of emissions, accounting for more than 20% of total GHG emissions and second only to the energy industry. Agrifood has a significant impact on the global environment while being affected by those changes at the same time. Meanwhile, one-third of the world's food is wasted. Further, one-third of the world's population, or 2.8 billion people, do not have access to healthy food. The hidden costs of agrifood systems, including diseases caused by unhealthy diets, have been reported to be more than 10% of global GDP.

As you can see, we must transform the agrifood systems in many ways while creating diverse opportunities for business and employment. The Ajinomoto Group is committed to improving local environments and farmer livelihoods. One measure to this end is our support of agricultural and livestock products through recycled nutrients from the bio-cycling of fermentation by-products into fertilizers and feeds. We have built on these activities over the past several years to develop products that will transform the agriculture and livestock industries.

Throughout our more than 110-year history, the Ajinomoto Group has supported nutritionally balanced diets across the world without compromising on food culture or taste. We have also learned more recently of the clear connection between cooking and sharing meals with subjective well-being. The Ajinomoto Group will continue working shoulder-to-shoulder with our stakeholders and partners to meet all challenges, leveraging our tangible and intangible assets developed through "AminoScience."

Corporate philosophy framework Our Philosophy

Approach

The Ajinomoto Group has engaged consistently in initiatives to resolve social issues through our business since our founding. Creating value shared with society and local communities has strengthened our economic value and driven 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.

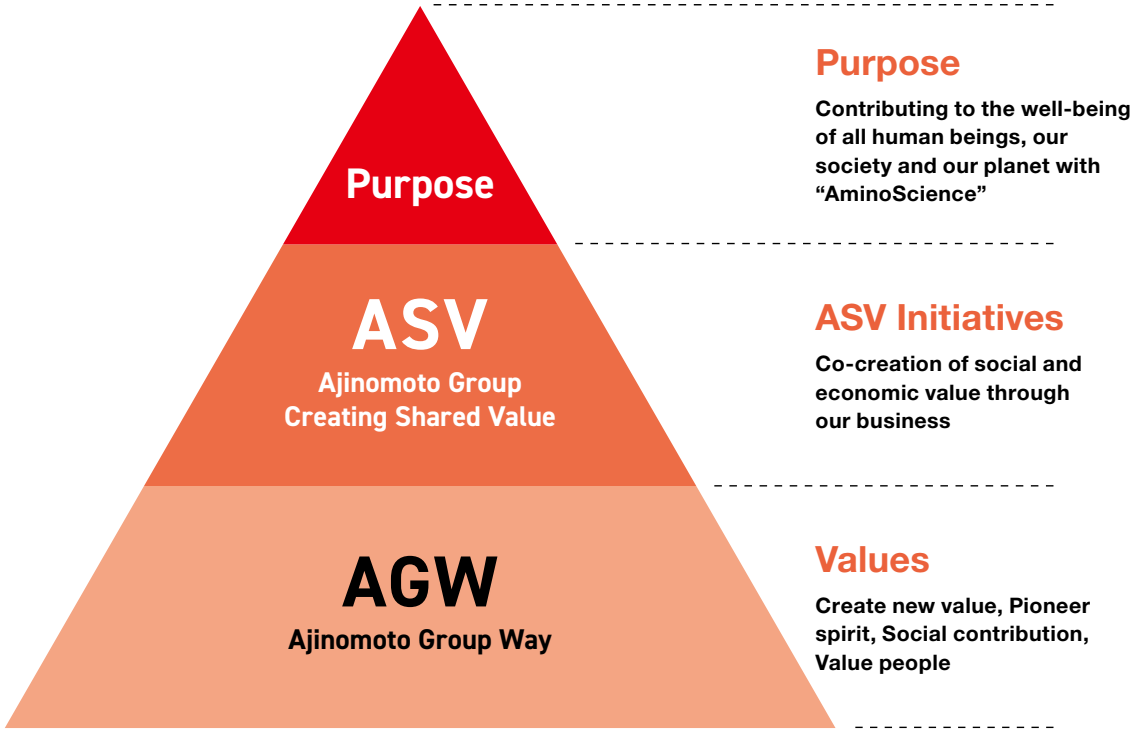
Our Philosophy represents the Ajinomoto Group.

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.



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

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 reduce our environmental impact by 50% while also extending the healthy life expectancy of 1 billion people by 2030.

Our approach to sustainability

The Ajinomoto Group approach to sustainability

The Purpose of the Ajinomoto Group is to contribute to the well-being of all human beings, our society and our planet with "AminoScience." We position sustainability at the core of ASV management. We advance specific initiatives under the Medium-Term ASV Initiatives 2030 Roadmap. These efforts align with the six Material Themes identified as important issues (Materiality) for the Ajinomoto Group.

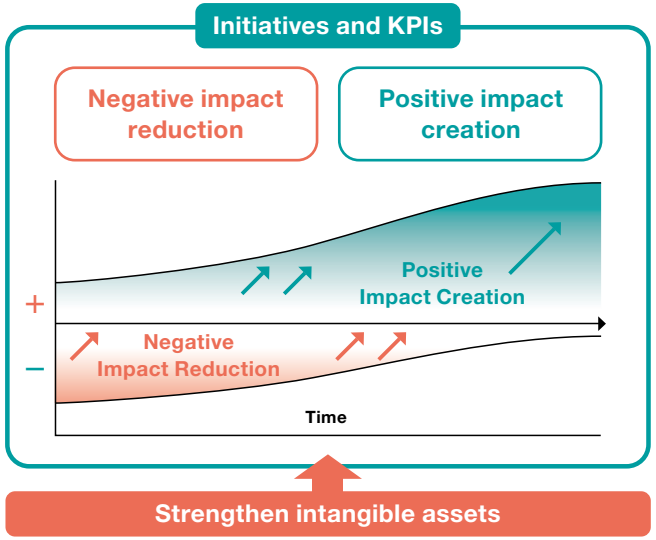
Our business depends on sound agrifood systems that produces and consumes food resources, and on the rich global environment that supports this system. This system both faces environmental changes and contributes significantly to the loss of natural capital. Adapting to these changes and restoring nature are urgent priorities for society and for the sustainable growth of our business as the global environment nears its limits. To this end, we advance efforts in climate change, biodiversity, and the circular economy. We also implement various initiatives to help achieve better nutritional balance, greater emotional well-being through food, and progress in both treatment and prevention.

The Ajinomoto Group not only works to steadily reduce negative impacts through business activities but also aims to create stronger positive impacts across the value chain by leveraging our strengths in "AminoScience" and working with a diverse stakeholders. Therefore, we strive for the sustainable enhancement of corporate value while implementing consistent efforts toward creating a healthy and prosperous society and healthier and more abundant lifestyles.

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

The six Material Themes being addressed by the Ajinomoto Group

- 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



“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.

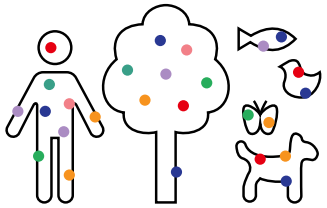
> What is “AminoScience”?
> ASV Report 2025 (Integrated Report) P016-017

Amino Acids

A fundamental substance that all living beings are made of

Responsible for a range of functions within the body

Amino Acids



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*)

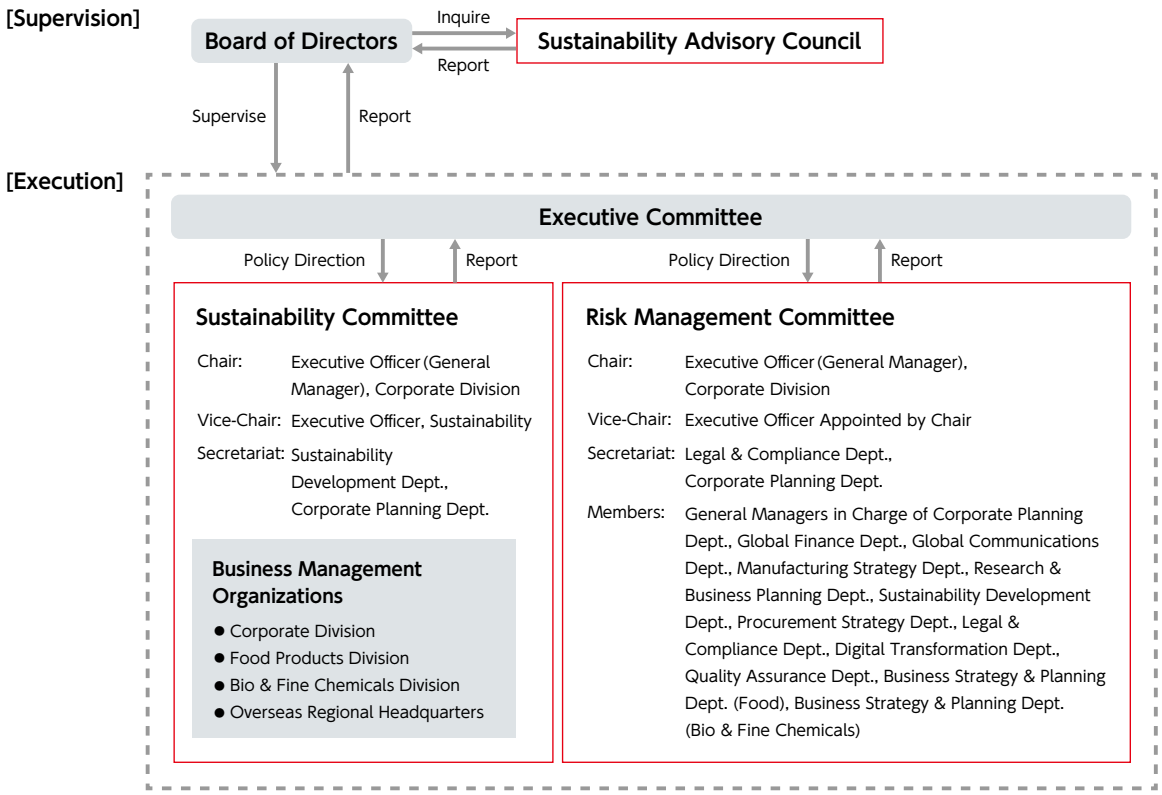
Bio & Fine Chemicals business
Businesses that apply “AminoScience” to Healthcare and Others.

Framework for ESG and sustainability

Framework

In the Ajinomoto Group, we honestly comply with the Ajinomoto Group Policies (AGP), which show the ideal way of thinking and actions that 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 a framework active risk-taking system, and continuously enhance our corporate value.

We are strengthening our sustainability promotion system to continuously increase our corporate value from the perspective of sustainability. This system is as 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 Management Risk Committee as subordinate bodies and selects and extracts risks and opportunities based on important issues (Materiality) for the Ajinomoto Group, assessing the degree of impact, formulating measures, and managing progress. In fiscal 2024, the Executive Committee received two activity reports each from the Sustainability Committee and the Risk Management Committee.

The Sustainability Advisory Council makes recommendations to enhance the corporate value of the Ajinomoto Group from the viewpoint of sustainability as a subordinate body of the Board of Directors. The Second Term Sustainability Advisory Council began in April 2023 and consists of four external experts, including investors and well-being specialists. An external expert also serves as council chair. The council meets at least twice a year to assess the efforts of the Board of Directors in the areas of materiality implementation, communication on implementation and information disclosure, and partnership building with stakeholders. The council submitted their final report to the Board of Directors in March 2025.

The Sustainability Committee works with the Risk Management Committee to select and identify risks and opportunities based on materiality as well as assess their impact on the Ajinomoto Group, making proposals to the Executive Committee. The Sustainability Committee then explores and formulates countermeasures for sustainability risks and opportunities and manages progress.

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 and opportunities based on materiality as well as assess their impact on the Ajinomoto Group, making proposals to the Executive Committee. The Risk Management Committee also develops and manages the progress of risk management measures to establish a strong corporate structure that ensures prompt and accurate responses to risks and crises, particularly with regard to risks that management should address (i.e., geopolitical risks, information security risks).

>Sustainability Approach and Structure
>Sustainability Advisory Council

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

The Ajinomoto Group identifies our 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.

2015 — Select materiality items

2016 — Conduct surveys of the SDGs experts

2017 — Analyze the relationship between SDGs and materiality
Conduct dialogue with diverse stakeholders

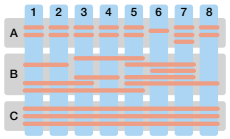
2018 | 2019 — Review and revise materiality

2020 | 2022 — Conduct annual review of materiality

2022 | 2023 — Redefine materiality based on the Sustainability Advisory Council report
Approved by the Board of Directors in February 2023
Publish new materiality

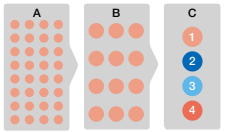
2023 | 2024 — Organize Material Themes into six areas

STEP 1 Identifying issues and opportunities



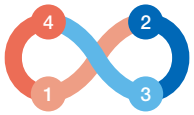
These members of the Sustainability Advisory Council in the first quarter identified 28 key issues and opportunities on behalf of their respective positions.

STEP 2 Classifying issues and opportunities



Members then further classified these issues and opportunities into four domains, after grouping them into 12 higher-order requirements.

STEP 3 Organizing connections



The Ajinomoto Group organized the connections between each of these issues and opportunities as our process to achieve sustainable transformation and innovation. This unique way of organizing the issues goes beyond organizing to show countermeasures from a long-term perspective.

STEP 4 Organizing into Material Themes

The Ajinomoto Group has organized our current Material Themes into six areas from the perspective of what multiple stakeholders expect of the Ajinomoto Group and the value we provides to society.

> Materiality
> Sustainability Advisory Council First Phase: Report to the Board of Directors

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.

Materiality (important issues for the Ajinomoto Group)

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

* "Seikatsusha" is a unique Japanese concept that, unlike the partial concept of "consumer" used in business and "citizen" used in political science, seeks to define people holistically.

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.

Risks and opportunities related to important issues (Materiality) for the Ajinomoto Group

The 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 impact (low, moderate, high). The classification and severity of risks and opportunities for the year under review were as follows: ten were classified as 'Highly Significant' and four as 'Significant.'

Comprehensive assessment	Classification of risks and opportunities
Highly Significant	a) "AminoScience" b) Climate change, natural capital and biodiversity, resource depletion; c) Economic security; d) Human capital and human rights; e) Brands; f) Technological innovation; g) Conflict/war, terrorism, riots, and social unrest; h) IT security, intellectual property; i) Demographic trends; j) Finance, accounting and taxation
Significant	k) Pandemics, natural disasters, l) Governance and compliance, m) Utilization of non-financial data, n) Consumer preferences and values

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.

Major risks and opportunities		Probability of manifestation	Magnitude of impact	Comprehensive assessment
Category	Details			
#a "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. ○ Opportunities for growth in the Food Products business and the Bio & Fine Chemicals business by anticipating the evolution of modalities and leveraging the Ajinomoto Group's strengths in "AminoScience."	High	High	Highly Significant
#b Climate change, natural capital and biodiversity, resource depletion	● Risk of delays in decarbonization and other environmental initiatives due to increased use of fossil fuels and difficulties in procuring renewable energy due to policy changes in some major countries. ● 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, DSI) in Japan and abroad and renewable energy procurement requirements. ○ Opportunities to facilitate the creation of low environmental impact and resilient agrifood systems through establishing a holistic approach to environmental and food issues as a common approach, through the growing momentum for co-creation of sustainable solutions with other companies and institutions, and 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 climate change and natural capital and growing need to work with farmers to strengthen the resilience of agrifood systems. ○ Opportunities to strengthen intelligence functions and respond earlier to the regulatory environment by strengthening external relations activities.	High	High	Highly Significant
#c Economic security	● Risk of weakened globalization and economic decoupling (fragmentation) and weakening of frameworks for international economic partnerships, as countries lean towards prioritizing their own interests over multilateral cooperation. ● Risk of fragmentation in alliances and deepening conflicts between nations as the fields of economy and security are becoming more closely intertwined. ○ Opportunities to advance technological development domestically and contribute to regional economic revitalization through local production and consumption due to reversion to domestic production by the Japanese government as part of economic security. ○ Opportunities for stable procurement of better materials due to the examination of alternative raw materials. ○ Opportunities to increase sales due to export restrictions, tariff measures and financial sanctions imposed on competitors in other countries. ○ Opportunities for increased demand for semiconductors due to their designation as specific important materials, amidst the worldwide spread of AI, increased server demand, and the expansion of autonomous (self-driving) vehicles.	High	High	Highly Significant

Major risks and opportunities		Probability of manifestation	Magnitude of impact	Comprehensive assessment
Category	Details			
#d Human capital and human rights	● 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 impairment of corporate value due to the discovery of negligence towards human rights. ● Risk of inability to secure human resources needed for innovation and business activities due to shortage of human resources in the labor market. ○ Opportunities to acquire and retain talent, as well as improve employee productivity, through proactive investment in human resources and diversification of workstyles focused on diversity and taking on challenges.	High	High	Highly Significant
#e Brands	● 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. ○ 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.	High	High	Highly Significant
#f Technological innovation	● Risk of failure to capture new value creation and business opportunities due to delays in responding to advancing innovations (including AI technology), as well as the risk of problems emerging such as violation of laws and regulations, ethical issues, and incorrect management decisions driven by excessive reliance on use of technology. ○ Opportunities for value creation across new businesses and value chains through improvements in various business activities enabled by DX, creation of new business models and customer contact points, and anticipation of advancements in modalities through advanced technologies. ○ Opportunities to advance solutions in the agriculture and food sectors as green transformation (GX) advances, driven by expansion in technological innovation, deregulation, market creation, and financing related to sustainability.	High	High	Highly Significant
#g Conflict/war, terrorism, riots, social unrest	● Risk of disruption of Group-wide and business strategies, development, and manufacturing due to export restrictions on raw material procurement (including raw materials for livestock feed), supply of other goods, cross-border information sharing, and transfer of funds as a result of military actions and other factors. ● 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, discrimination and persecution of specific groups, and violation of rights of socially vulnerable individuals, making it difficult to conduct business activities in some countries. ● Risk of deteriorating profits due to rising raw materials and fuel costs as a result of inflation. ● Risk of expropriation and country risk with financial implications due to the occurrence of wars or conflicts.	High	High	Highly Significant
#h IT security, intellectual property	● Risk of impaired technical and/or business competitiveness due to leakage of technical expertise or business trade secrets to competitors. ● Risk of cyberattacks becoming more sophisticated due to the commercialization (division of labor) of generative AI technology and ransomware attacks, leading to large-scale system outages and the leakage of personal and confidential information. ● Risk of incurring financial losses from falling victim to impersonation fraud using generative AI. ● Risk of administrative penalties and loss of stakeholder confidence due to leakage of personal information. ○ Opportunities for enhanced competitive advantage and business growth through the strengthening of intellectual property strategies, including the development of an intellectual property portfolio. ○ Opportunities for enhanced IT security toward streamlined, speedy, and secure communication and decision-making, leading to greater customer trust and growth in business transactions.	High	High	Highly Significant
#i Demographic trends	● Risk of slowed economic development and market expansion in developing countries due to the reduction of development aid by some major countries. ● 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. ○ 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 and other markets.	High	High	Highly Significant

Major risks and opportunities		Probability of manifestation	Magnitude of impact	Comprehensive assessment
Category	Details			
#j Finance, accounting and taxation	○● Risk of increased tax burden, or opportunities for decreased tax burden, from changes in tax systems and deferred tax assets/liabilities. ● Risk of 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 and subsidiaries. ● 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	Highly Significant
#k Pandemics, natural disasters	● Risk of difficulty in promoting innovation and conducting business activities due to shortages of supplies and damage to human resources caused by large-scale/wide-reaching natural disasters, including pandemics and major earthquakes. ○ 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.	Moderate	High	Significant
#l Governance and compliance	● 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. ○ Opportunities that arise from the accumulation of stakeholder trust 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.	High	Moderate	Significant
#m Utilization of non-financial data	● Risk of missing business opportunities due to delays in responding to increased expectations (social demands) for the evaluation and measurement of social value (such as human rights risks) and environmental value (such as CO_2 emissions and impacts on natural capital). ○ Opportunities to facilitate the conversion of environmental and social value into financial value through technological innovation and the establishment of indicators and systems (such as carbon credits), which support the collection of non-financial data, the development of quantification methods, and the creation and dissemination of standards.	Moderate	Moderate	Significant
#n Consumer preferences and values	● Risk of missing business opportunities due to delays in developing businesses, services, and products that respond to consumer awareness of growing social and environmental awareness and personalized healthcare preferences, resulting in delays in acceptance by consumers and society. ○ Opportunities for business expansion by responding to changes in consumer values, such as increased awareness of sustainability, emphasis on mental well-being, and activities related to personal passions.	Moderate	Moderate	Significant

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 letters in parentheses indicate the corresponding category code for the same.

Key risks, opportunities, focus areas, initiatives, targets/KPIs, and progress related to Material Themes

(Black circles (●) represent risks and white circles (○) represent opportunities. Letters in parentheses indicate the corresponding categories for the aforementioned major risks and opportunities.)

Achievement of a sustainable global environment			
● Risks ○ Opportunities	● Risk of loss of business opportunities due to difficulties in procuring raw materials caused by climate change, degradation of natural capital, and depletion of animal resources, as well as the tightening or easing of related laws and social demands, along with delayed or fast adoption of advanced technologies such as cultured meat and packaging recycling, and AI ○ Opportunity to support the construction of eco-friendly and resilient agrifood systems, and increasing demand for related products and services due to technological innovation, increased deregulation and policy support expansion, early response to regulations, capital inflows, and increasing momentum for co-creation with other companies (a, b, f)		
Focus areas	**Initiatives**	**Targets/KPIs**	**Major progress**
Climate change	Mitigation and adaptation	• Reduce GHG emission reductions - FY2030: 50.4% reduction in Scope 1 and 2, 30% reduction in Scope 3 (vs. FY2018) - FY2050: Net zero, 100% renewable energy for electricity - Reduction of GHG emissions from cattle by providing solutions using specialized feed-grade amino acids (Contribution to building an ecosystem through collaboration with the government, local governments, and dairy and meat manufacturers) • Contribution to sustainable agriculture Expand the deployment of biostimulant products (reducing GHG emissions by reducing fertilizer use, improving environmental stress resistance, improving harvest quality, improving degraded soil) • Expansion of the bio-cycle (cyclic amino acid fermentation cycle) • Provision of food and ingredients made with environmentally low-impact materials and methods, and promotion of lifestyle changes among consumers (technology development such as cultured meat and precision fermentation, development of foods using biomass fermentation and plant-based sources)	Reduction of GHG emissions • FY2024 Scope 1 and 2: 43% reduction (vs. FY2018) • FY2024 Scope 3: 13% reduction (vs. FY2018) • Renewable energy share of electricity in FY2024: 43%
Natural capital	Biodiversity conservation	• Disclosure of information based on the TNFD framework - Consideration of evaluation and prioritization in line with SBTi for Nature	On track
	Prevention of deforestation	• No deforestation - FY2025: Target raw materials: palm oil, soybeans, beef, paper	On track
	Conservation of water resources	• Reduction of water usage - FY2040: 15% reduction (vs. FY2018)	• FY2024 water usage reduction rate: 12% (vs. FY2018)
	Sustainable procurement	• Realize sustainable procurement for priority raw materials - FY2030: Target raw materials: paper, palm oil, soybeans, coffee beans, beef, sugar cane • Animal welfare improvement	• FY2024 sustainable procurement rates Paper: 99%, palm oil: 99%, soybeans: 70%, coffee beans: 39%, beef: 100%, sugarcane: 90%.

Focus areas	Initiatives	Targets/KPIs	Major progress
Circular economy	Zero waste emissions	• Maintain resource recovery rate of 99% or more	• FY2024 Resource recovery ratio: 98.7%
	Plastic waste reduction	• Plastic waste reduction - FY2030: Zero waste • Promote consumer behavior change through the provision of personal care products using our chemical materials	• FY2024 plastic usage: 65kt • FY2024 recyclable packaging ratio: 47%
	Food loss and waste reduction	• Food loss and waste reduction - FY2025: 50% reduction from receipt of raw materials to delivery to customers (vs. FY2018) - FY2050: 50% reduction throughout the entire product life cycle (vs. FY2018) - Contributing to reducing food loss and waste within the home by sharing information such as recipes and collaborating with the local community (government, distribution, etc.) • Utilize our commercial (BtoB) products to help customers reduce food loss and waste	• FY2024 final waste disposal reduction rate: 62% (vs. FY2018)

Achievement of well-being through food			
● Risks ○ Opportunities	● 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 ○ 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 (a, e, m, n)		
Focus areas	Initiatives	Targets/KPIs	Major progress
Health and nutrition	Solving health and nutrition challenges through food	• Contributing to a nutritionally balanced diet (by FY2030) - Provide 2.1 billion servings of nutritionally balanced* products per year *Health Star Rating (HSR) rating 3.5 or above - Contribute to salt reduction of 1.1 billion servings per year by reducing salt in seasonings - Contribute to sugar reduction of 700 million people per year through sweeteners - Provide nutritionally balanced dishes - Provide valuable nutritional information to consumers • Contribute to mental well-being Visualizing the contribution of cooking and eating together to well-being (clarifying relationships) and expanding products with high contributions • Develop a personalized experience for consumers through a deep understanding of their needs and behaviors - FY2030: 10 million POND* customers (number of common IDs) (Japan) - FY2030: 2-3 new products annually with sales over ¥1 billion (Japan) *POND: Company-wide customer base	• Nutrition-related KPIs: Calculations start from FY2025

Contribution to advanced medicine and prevention			
● Risks ○ Opportunities	● Delayed response to technological advances in the medical field, issues arising from hasty application of technology leading to ethical concerns 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 ○ Provide new value by continuously anticipating the evolution of modalities and delivering advanced medicine to customers through the use of DX (a, f)		
Focus areas	Initiatives	Targets/KPIs	Major progress
Health and nutrition	Evolution of treatment and prevention	• Expand availability of products that utilize the physiological and nutritional functions of amino acids - FY2030: Double (vs. FY2020) • Strengthening the medical food field - FY2030: Double the offerings (vs. FY2024) • Stable supply of high-quality pharmaceutical amino acids for infusion and other pharmaceuticals • Evolve into a service solution-oriented business for culture media and advanced medical materials • Strengthen and expand the realm of contract services for the development and manufacturing of biopharmaceuticals	• FY2024 availability of products utilizing the physiological and nutritional functions of amino acids: 1.11 times (vs. FY2020)

Contribution to the evolution of a Smart Society			
● Risks ○ Opportunities	● Disruption of the value chain and intensification of competition due to the implementation of trade regulations, tariffs, and financial sanctions on semiconductor-related products by governments as part of economic security measures, as well as the domestication of related products by trade friction partner countries ○ Opportunity for expansion of company sales due to the increase in semiconductor demand, the advancement of semiconductor-related technology development domestically as production returns to the country, and the implementation of legal measures such as tariffs (a, c)		
Focus areas	Initiatives	Targets/KPIs	Major progress
Advanced semiconductor package	Advancement of semiconductors through materials provision and ecosystem creation	• Speed up innovation creation and expanding the provision of advanced materials that contribute to the evolution of semiconductors, while strengthening co-creation ecosystems within the semiconductor value chain • Realize the development of technology and materials in advanced semiconductor fields such as the optoelectronic fusion field	On track

Respect for diverse values and human rights			
● Risks ○ Opportunities	● Loss of business opportunities and corporate value due to delays in responding to requests for consideration of human rights and the evaluation and measurement of non-financial data such as human rights ○ Encouraging management decision-making from a long-term perspective and from both financial and non-financial perspectives by making it possible to collect non-financial data on topics such as human rights through technological innovation, the establishment of indicators and systems, and participation in the creation of various standards that will lead to competitive advantage by leveraging Ajinomoto's environmental and social values (d, m)		
Focus areas	Initiatives	Targets/KPIs	Major progress
Human rights	Responsible employment	• Steady promotion of human rights and environmental due diligence in accordance with international standards - Respect for Human Rights in the Supply Chain. Depth: Implementation of human rights impact assessments based on the results of country-specific human rights risk assessments, as well as preventive and corrective measures and monitoring Comprehensiveness: Understanding the actual situation of suppliers and providing support and monitoring for improvements based on the "Guidelines for Group Shared Policy for Suppliers." - Respect for Human Rights of Group Company Employees Watching trends and understanding the actual situation regarding global issues, and formulating policies (responsible hiring, living wage, etc.) Disseminate global policies: 70% or more globally in the Group by FY2030	On track

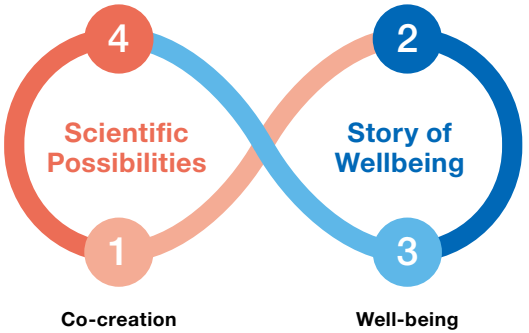
Reinforcement of our management foundation			
● Risks ○ Opportunities	● Expanding multifaceted threats to the management foundation due to drastic changes in the business environment, such as changes in tariff policies under the guise of economic security, demographics, conflicts, pandemics, major earthquakes, gaps in supply and demand for human resources, tightening of regulations, and threats to IT security ○ As the importance of intangible assets in management increases, opportunities to revitalize creative activities by diversifying human resources and encouraging them to take on challenges, as well as to strengthen our competitive advantage by enhancing intellectual property, IT systems, and our financial strategy (a, c, d, g, h, i, j, k, l)		
Focus areas	Initiatives	Targets/KPIs	Major progress
Human capital	Human resource investment	• ASV realization process engagement score - 80% (FY2025) ⇒ 85% (FY2030) • Diversity in leadership - 27% (FY2025) ⇒ 30% (FY2030) • Ratio of female managers - 30% (FY2025) ⇒ 40% (FY2030) • Encourage employees to take up challenges -Promote 'ASV Awards'	• FY2024 ASV realization process engagement score:76% • FY2024 Diversity in leadership: 25% • FY2024 Ratio of female managers: 27%
		• Improve employee literacy - Deploy literacy improvements measures for the environment, human rights, DX, etc. - Nutrition education: 100,000 cumulative employees (FY2025)	FY2024 Nutrition education: 122,000 cumulative employees
Changes in the business environment	Strengthening resilience	• Strengthen management intelligence functions to utilize strategic backcasting from future risks and opportunities • 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 • 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	On track

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

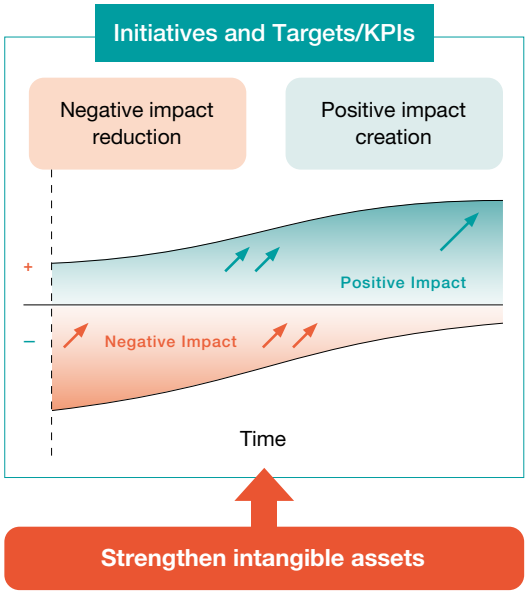


Material Themes

- 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

Initiatives and Targets/KPIs



ASV Maximization

Economic value

Social value

Ajinomoto Group value chain

Raw materials procurement, production, distribution, sales, consumers

The Ajinomoto Group interacts with various stakeholders engaged in every process of our global supply chain.
We aim to solve social and environmental issues at each stage, working with relevant entities to implement measures and responses.

Raw materials procurement

- Bio-cycles that contribute to reductions in greenhouse gas emissions, Effective use of by-products (co-products[1]) ▶ P084-085
- Sustainable raw materials procurement to support ASV management ▶ P103
- Approach to responsible supply chain management, The state of our global supply chain, and Supply chain initiatives ▶ P132-133
- Quality assurance across the supply chain ▶ P140

[1] Nutrient-rich by-products generated during amino acid production

Production

- Climate change (disclosures based on the TCFD) ▶ P059
- Food loss and waste reductions in the supply chain ▶ P089
- Conservation of water resources in production processes ▶ P100
- Occupational safety and health activities ▶ P130
- Quality assurance across the supply chain ▶ P140

Distribution

- Digital transformation (DX) to support our transformation to achieve our Purpose and sustainability initiatives ▶ P025-026
- Shifting to renewable energy ▶ P066
- Pursue modal shifts ▶ P067
- Quality assurance across the supply chain ▶ P140

Sales

- Improving product accessibility ▶ P046
- Food loss and waste reduction targets ▶ P091
- Quality assurance across the supply chain ▶ P140
- Preventing corruption, Transparent and fair business practices ▶ P151-152
- Information security and personal information management ▶ P153

Consumers

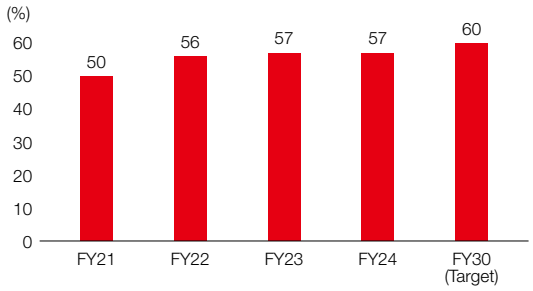
- Efforts to ensure nutritionally balanced diets - Nutrition Without Compromise ▶ P039
- Container and packaging design for the environment ▶ P079
- Quality assurance across the supply chain ▶ P140
- Consumer feedback ▶ P141
- Marketing communications ▶ P144

Key initiatives and progress

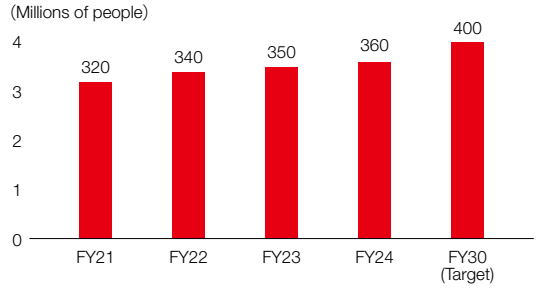
Nutrition Commitment

By 2030, we will help extend the healthy life expectancy of one billion people by increasing the current reach to 700 million consumers and providing products and information that support consumers in enjoying nutritious and delicious food with Nutrition Without Compromise as basic policy on our approach to nutrition.

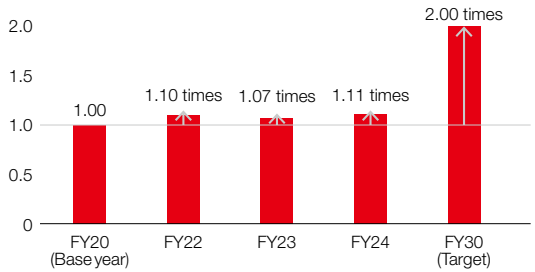
Percentage of products with improved nutritional value[1]



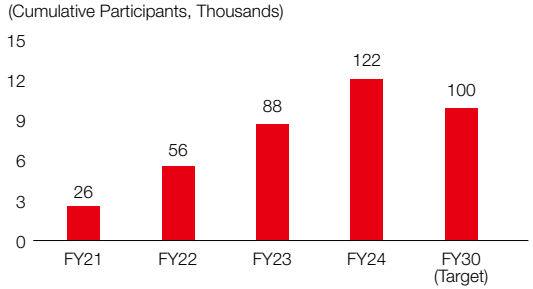
Provision of products with improved nutritional value in “delicious salt reduction” and “protein intake optimization”



Availability of products utilizing the physiological and nutritional functions of amino acids



Nutrition education for employees

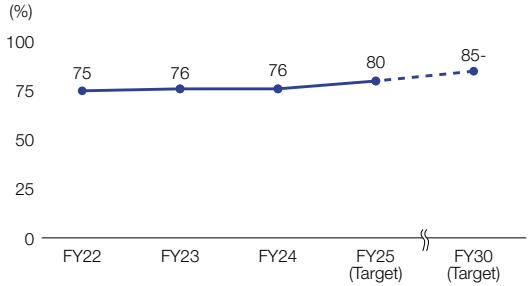


[1] Products with improved nutritional value means the products that meet our criteria and contribute to the intake of improved nutrition from an international public health perspective.

> P038

Employee engagement score[2] (ASV as one’s own initiative)

- The Ajinomoto Group uses the engagement survey to track progress in the ASV realization process, identify opportunities and challenges, and strengthen our ability to drive ASV forward.



[2] Average score of the nine questions under ASV Realization Process.

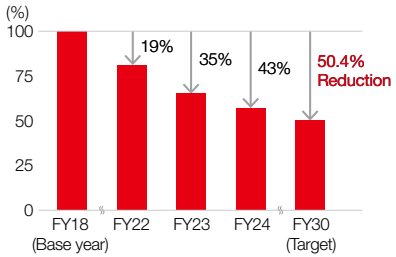
> P125

Responding to climate change

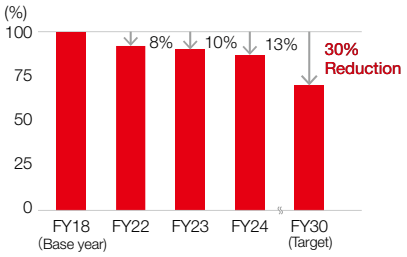
- We set a target to reduce greenhouse gas emissions in fiscal 2030 by 50.4% for Scope 1 and 2 and 24% for Scope 3 in comparison with fiscal 2018 levels. We also aim to achieve net zero emissions by fiscal 2050.
- For water consumption, we have set an 15% reduction target by fiscal 2040 in comparison with fiscal 2018 levels.

> P059-065
> P100-102

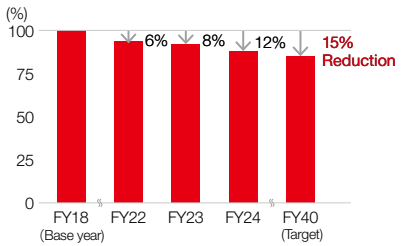
Scope 1 and 2 emission reduction rate (vs. FY2018)[1]



Scope 3 emission reduction rate (excluding Category 11) (vs. FY2018)[1]



Water use reduction (%) (vs. FY2018)



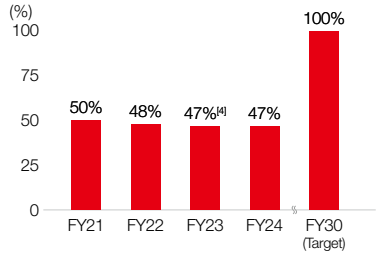
[1] Performance against SBTi targets.

Realization of a circular society

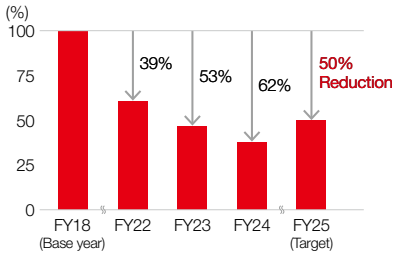
- The Ajinomoto Group aims for zero plastic waste by fiscal 2030.
- We set a goal to half food loss that occurs from acceptance of raw materials to delivery to customers by fiscal 2025, compared to fiscal 2018 levels.
- We will reduce waste, such as garbage, by optimizing raw material usage and maintaining a resource recovery ratio of 99% or higher.

> P074
> P088

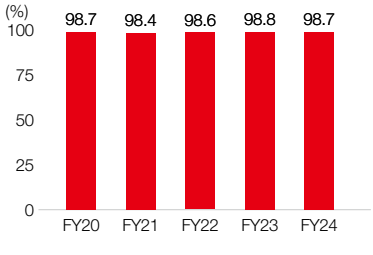
Percentage of recyclable plastic[2]



Food loss reduction rate (amount generated vs. production volume per unit production)[3] (vs. FY2018)



Resource recovery ratio



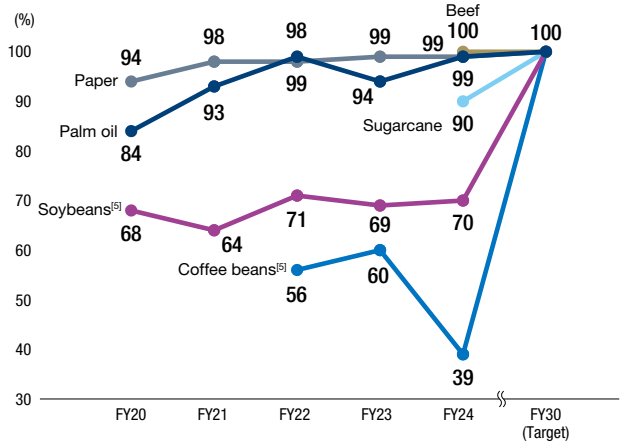
[2] Plastics recyclable through technology. Recyclable ratios after 2020 are updated only for major domestic divisions after our total volume survey conducted in 2019.
[3] From the acceptance of raw materials to delivery to customers.
[4] Corrections have been made as a result of review of totals.

Achieving sustainable procurement

- We aim for a 100% sustainable procurement ratio of key raw materials by fiscal 2030.

> P103

Sustainable procurement ratio



[5] Procured for businesses in Japan.

Digital transformation to support our transformation to achieve our Purpose and sustainability initiatives

Ajinomoto DX

The Ajinomoto Group follows the ASV management approach, which balances social and economic value. At the same time, we anticipate customer and market needs, as well as likely requests for improvement, based on insights gained through the expansion of our electronic materials business. We also aim to accelerate transformation and drive evolution through our management policy of “speed-up × scale-up” using a standardized and scalable high-speed development system that delivers total solutions.

Based on this management policy, we pursue broad transformation through full use of digital technologies. Our focus areas include operational reform, ecosystem innovation, business model transformation, innovation initiatives, and the strengthening of both technological and human assets.

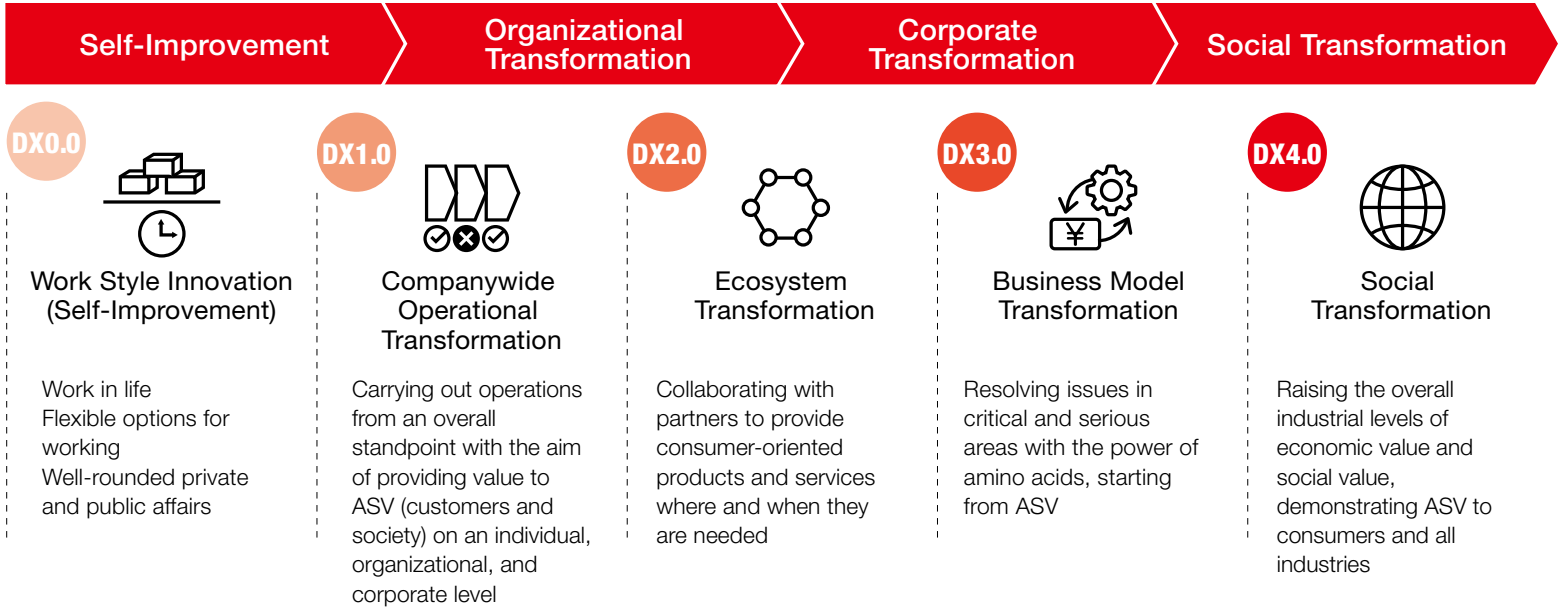
The Ajinomoto Group views digital transformation (DX) in the broadest sense to mean the digital transformation of society.

We evolve our ASV management based on our Purpose. We also promote DX as a means to accelerate our transformation to achieve this purpose. The objective of our DX efforts is to transform the Group into a corporation that truly contribute to the well-being of all human beings, our society, and our planet with “AminoScience.”

DX also plays an important role in promoting sustainability initiatives.

DX⇒dX

Corporate transformation with digital
Digital TRANSFORMATION



Strengthening our data management for to achieve advanced data-driven management

The Ajinomoto Group uses data in each value chain, including R&D, production, supply chain management (SCM), marketing, and sales. Utilizing such data allows us to enhance productivity, reduce cost, develop new data-driven products, and increase market share. We established the Ajinomoto Data Management System (ADAMS) as a data management platform to enable data utilization across group companies in Japan and overseas, as well as outside the company. The following examples are a few cases of such data utilization.

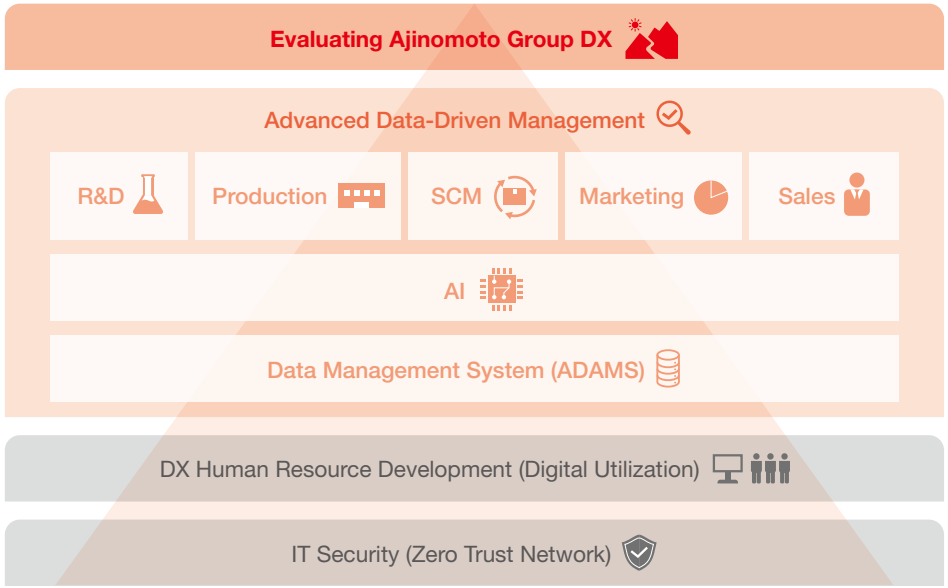
We developed a smartphone application in the production field that collects real-time data from machines and equipment at food production and packaging plants. This application uses BI tools to allow any user to conduct advanced data analysis. This system supports a smart factory model by enabling rapid analysis and continuous improvement.

In the SCM field, we integrate our internal data with shipping data from product warehouses and point of sale (POS) data from distributors. This integration allows us to monitor sales and inventory in real time and adjust production quickly and accurately, resulting in reduced overproduction, significant reductions in seasonal product backlogs, and even lower food loss and waste.

Ajinomoto Co., Inc. is also a member of F-LINE Corporation, a joint venture for joint delivery consisting of five major food companies. We utilize data in this joint delivery, reducing unloading times and truck wait times by digitizing delivery information. These efforts help solve logistics problems, including modal shifts, loading efficiency, and eliminating driver shortages. The integration of data infrastructure also contributes to energy savings in data centers.

Through these efforts, the Ajinomoto Group's use of data not only improves business efficiency but also helps solve environmental and social issues.

The Ajinomoto Group strengthens our ability to drive DX by developing talent who use digital tools and advance IT security measures in parallel. These efforts accelerate management and support the social transformation we aim to achieve through DX4.0.



Evaluating Ajinomoto Group DX

The Ajinomoto Group was selected for the Digital Transformation Stocks (DX Stocks) 2025, a designation jointly awarded by the Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency of Japan.

DX銘柄2025
Digital Transformation

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 then take this knowledge and apply it to our business activities.
With this in mind, 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 and expectations of stakeholders	● Product safety and security ● Resolving the food and health issues ● Childhood education support	● Sustainable business growth ● Constructive dialogue and evolving management ● Strengthening governance ● Timely and appropriate disclosures	● Initiatives toward a sustainable supply chain ● Human rights due diligence ● Fair business practices	● 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	● Local safety and environmental conservation ● Sustainable community development	● Honest dialogue and linked activities
Engagement channel	● Customer service center ● Website ● Factory tour ● Next-generation education and nutrition education activities (outreach classes, etc.) ● Information sharing and/or discussions with consumers during events and presentations ● Market research ● D2C business	● General meeting of shareholders ● Financial results briefings, IR Day, and business briefings ● Events for shareholders and individual investors ● Dialogue with institutional investors ● IR website	● 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 through site visits and dialogue (Thailand: farmed shrimp) ● B2B customer sales	● Various skills development and training ● Dialogue with the CEO and general managers of business or corporate divisions ● Individual target presentations ● ASV Awards ● Ajinomoto Group Policies (AGP) workplace reviews ● Hotlines (whistleblower reporting system) ● Harassment hotline ● Dialogue with foreign technical interns and foreign workers with specified skills	● 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)	● 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	● Product improvements reflecting customer feedback ● Proposals and information that contribute to improving consumers' nutrition, health, and well-being (e.g., reducing salt intake and optimizing protein intake) ● Raising nutrition and health awareness among future generations ● Expansion of sustainability information disclosure	● 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 overseas companies ● Improved interaction with individual shareholders and investors ● Reflection of shareholder and investor opinions on evolving management and IR	● Improving nutrition, health, and well-being through retail stores and restaurants (reduced salt, optimized protein, etc.); reducing environmental impact ● Reduction of environmental impact by supplying and co-creating products with B2B customers ● Consistent promotion of human rights due diligence across our value chain	● Fostering empathy for Purpose ● Improved employee engagement scores ● 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	● 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 lunch projects in Vietnam and Indonesia) ● Promotion of food loss reduction initiatives	● 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 ● Improving nutrition in the workplace

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, labour 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.

WBCSD

The World Business Council for Sustainable Development (WBCSD) is a premier global, CEO-led community of over 200 of the world's leading sustainable businesses. Through this membership, the Ajinomoto Group will contribute to the Agriculture & Food Pathway and the Climate Imperative. By collaborating with stakeholders from various fields and industries within WBCSD, the Group aims to create and enhance societal impact by tackling global sustainability challenges.

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.

SBTi

The Ajinomoto Group received certification from the Science Based Targets (SBT) initiative for our greenhouse gas (GHG) reduction targets, including Net Zero in 2024. The SBT initiative found our Near-Term Targets and Long-Term Targets to be in line with the goal of limiting global temperature rise to 1.5°C above pre-industrial levels.

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 environmentally-friendly, 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.

WNA

The Workforce Nutrition Alliance was launched by the Consumer Goods Forum (CGF) and the Global Alliance for Improved Nutrition (GAIN) in October 2019. The Workforce Nutrition Alliance aims to impact 10 million employees in member organisations and supply chains by 2030.

"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 invests significantly in communicating sustainability, both through meticulous disclosure, in line with leading standards, and through storytelling, highlighting examples of practice which illustrate the Group's efforts. The Group's commitment to advancing its 2030 vision is well-presented, highly credible and transparent. I appreciate the ESG Disclosure Index that gathers disclosures and policies under leading themes. I also enjoyed reading the insights of the Sustainability Advisory Council and the candid response by the Group's Board Chairperson.

Overall, Ajinomoto Group is to be commended for presenting a huge amount of information across its website and reports. However, it is not always easy to connect the dots across the full spectrum of a given issue – from material impacts, risks and opportunities, to supporting targets and KPIs, to performance against those KPIs. While the Group has mapped KPIs to impacts, risks and opportunities, information on progress is fragmented across different disclosure locations. For example, although the Group targets to achieve Zero Plastic Waste, I could not locate a data point for the Group's current level of plastic waste, despite much other data being presented. I wonder if clearer links between materiality, goals, targets and performance could be articulated, with supporting stories clearly aligned to each material topic and goal. Perhaps a revised mapping of the Group's overarching story and reordering of content to connect the dots more effectively may provide an easier understanding of performance in each area and greater appreciation of the Group's overall credibility and contribution to sustainable development.

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

Reporting & Communications

As always, the breadth and depth of the Ajinomoto Group's ESG reporting is impressive. The 'Along with Society' vignettes continue to humanize the Group's initiatives and bring them to life. This year's revamp of the 'Sustainability' webpage, and the addition of the 'ESG Disclosures Index,' improves navigability among the Group's extensive ESG initiatives. While the 'ESG Disclosures Index' is intuitively organized around Common, Environmental, Social and Governance topics, I would recommend enhancing this Index with an additional column referencing the frameworks and disclosures topics relate to. For the 'Sustainability Library,' adding direct links to TCFD and CDP disclosures in addition to GRI and SASB is another recommended enhancement. Stakeholders will expect the next iteration of this Index to align with the newly released SSBJ Standards and/or the IFRS S1 and S2 (ISSB standards).

ESG-related Activities

The Ajinomoto Group's current Purpose-Driven Management by Medium-Term ASV Initiatives 2030 Roadmap is well designed and comprehensive. Recent developments to programs around Biodiversity and Human Rights are impressively detailed. I would recommend developing metrics around these initiatives that can substantiate their value creation potential in addition to metrics around risk and harm reduction. Stakeholders will expect to see additional details around a Roadmap for the post-2030 period soon.

ESG in the US

Responses from American companies to the Trump Administration's stance vis-à-vis ESG have ranged from staying the course, to eliminating DEI programs and carbon reduction targets completely. American and foreign companies alike should be prepared for significant levels of uncertainty around these topics and the potential for legal action. All should keep in close consultation with their legal

council on how a given approach to ESG-related activities and communications may affect their interests in the U.S. market. From best-in-class Japanese companies, such as the Ajinomoto Group, one would expect that they comply with Japanese law and best practices, as well as continue to elucidate connections between ESG activities and long-term value creation. I look forward to seeing the Ajinomoto Group's continued leadership in these areas.

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

Committed to continuous improvement in sustainability initiatives, the Ajinomoto Group (the Group) demonstrates its leadership in driving changes through a well-structured, systematic approach for sustainability management. The company made notable progress in 2024-2025, which are commendable amid global uncertainty and geopolitical shifts.

The Group elaborated on its commitment to external stakeholder engagement through the well-established roles and recommendations from the Second Term Sustainability Advisory Council. This approach showcases the Group's genuine dedication to incorporating external perspectives into their sustainability strategy, moving beyond consultation to meaningful integration of stakeholder insights. Furthermore, it is impressive that the external engagement process has resulted in a "logic model" that presents an ambitious plan for achieving the Group's vision while demonstrating long-term perspective. This is what I believe is a right and constructive approach in engaging with stakeholders, and should be highlighted more.

Digital Transformation

On new initiatives, the Group's commitment to emerging technologies, particularly digital transformation (DX) as a key initiative to advance ASV management through partnership, represents innovative thinking in sustainability implementation. The Brazil partnership model stands out as a wonderful example for the company to actively replicate in other locations beyond Brazil, especially in developing countries. This initiative effectively aligns with SDG 4 on Quality Education, demonstrating how technological innovation can simultaneously advance business objectives and contribute to sustainable development.

Mental Wellbeing

In addition, the mental well-being initiative in Thailand provides a creative communication idea and excellent foundation for developing compelling impact narratives. For example, the Group could consider using mental wellbeing narrative to tackle related issues on SDG 3 - Good Health and Wellbeing, as this issue represents a critical area that needs focused attention in today's societal challenges.

Net Zero Commitment

On the environmental side, it is commendable that Ajinomoto Group exhibits strong commitment through measurable carbon targets, having made good progress with their Net Zero Target commitment through the Science Based Targets initiative (SBTi). This demonstrates alignment with climate science requirements and positions the Group among industry leaders in environmental responsibility. The Group could better present this in a graphical way, showing the positive impact of achieving net zero target.

Human Rights Progress

With a number of initiatives in 2024, the Group's human rights progress demonstrates systematic advancement through Human Rights Risk Assessment carried out in major geographical regions. Additionally, the ongoing dialogue with overseas suppliers represents a good initiative that should continue, providing mechanisms for collaborative improvement beyond compliance-focused relationships.

In 2025, the Group made a further step to address the planned development of the Group's approach to Recruitment-Related Costs for Migrant Workers. This proactive approach to human rights challenges demonstrates forward-thinking for the Group risk management.

Beginning in 2024, the Group initiated dialogues with and support for improvements among high-risk suppliers based on the Compliance Status Survey for the Guidelines for Group Shared Policy for Suppliers. I think the Group could amplify the impact and transparency of the dialogue by showing the challenges and roles of both side (the Ajinomoto Group and suppliers).

Reporting Challenging and Data Presentation

The impact stories and narratives at the end of the sustainability website are particularly interesting and represent exactly the type of content that the general audience would be looking for. This demonstrates real world outcomes from sustainability and should be more prominently featured throughout reporting.

Despite the Group’s substantial and remarkable progress, it remains challenging to illustratively compare progress to the previous years. The accumulation of sustainability data over time is becoming increasingly difficult to navigate. This suggest it is an appropriate time to restructure sustainability data presentation to enhance accessibility and usability for diverse stakeholder groups.

Specifically on the Human Rights section, this section could be improved in terms of categorization, especially to better show progress and development over time and over different geographical locations. Current organization makes it difficult to track advancement and understand the trajectory of the human rights initiatives.

Enhanced Storytelling and Value Creation Communication

The Group should consider prioritize telling stories of "value creation" and "impact," in addition to traditional data and disclosure. This can be structured in a more engaging way. The current “Story” section on the website is a good start where many interesting stories are shared in a digestible way.

As well-being and food security considerations within the context of global geopolitical uncertainties represent another area where Group's capabilities and impact stories could be more prominently featured. This will ultimately lead to the core purpose of the Group “to contribute through global businesses to the well-being of all human beings," as said Mr. Shigeo Nakamura.

Katie Yewdall
Director
Sustainability Consulting
APAC, LRQA

Ajinomoto Group's 2024 Sustainability Report offers a comprehensive overview of the company's environmental, social, and governance (ESG) initiatives. The company continues to follow its sophisticated and well-thought-out sustainability strategy that has been specifically tailored to the Group's business and ambitions. As last year, the Group demonstrates a truly embedded approach to sustainability both in the sustainability report and the inclusion of an integrated report; the ASV Report, which again includes statement from very senior leadership, to explain the co-creation of value for both the business and society.

A robust sustainability team remains in place to steer the sustainability work, through the Sustainability Advisory Council, Sustainability Committee and Risk Management Committee. These teams work together to deliver on the clear vision and mission statement to "reduce our environmental impact by 50%" and "help extend the healthy life expectancy of 1 billion people." The consistency of using these themes through the years demonstrates a commitment and focus to success in these areas.

Another commendable note, is that although some 2020 targets were not achieved and have been extended, the transparency and clarity on this fact and why this is the case, gives readers comfort that the report is balanced and honest. In addition, it is clear that these goals remain important to the Group.

Clear ESG Strategy and Governance

The report outlines Ajinomoto Group's sustainability strategy, emphasizing its commitment to the Sustainable Development Goals (SDGs) and detailing governance structures overseeing ESG initiatives. This approach aligns with global reporting standards such as the Global Reporting Initiative (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD), which advocate for clear governance and strategic alignment with sustainability goals.

Quantitative Performance Metrics

The Ajinomoto Group continues to provide comprehensive quantitative data on key sustainability indicators, including greenhouse gas emissions, energy consumption, and water usage. This data-driven approach enhances transparency and allows stakeholders to assess the company's progress toward its sustainability targets. Such metrics are in line with best practices that call for measurable and verifiable data in sustainability reporting.

Stakeholder Engagement

The report discusses efforts to engage with various stakeholders, including employees, suppliers, and local communities. This engagement is crucial for understanding and addressing the concerns of those impacted by the company's operations, aligning with best practices that emphasize stakeholder inclusivity in sustainability reporting.

Integration of Sustainability into Business Strategy

The Ajinomoto Group demonstrates a strong integration of sustainability into its core business strategy. The report highlights how sustainability initiatives contribute to long-term value creation, aligning with best practices that advocate for the integration of ESG factors into business decision-making processes.

Opportunities for enhanced disclosure

Although the report includes relevant and material information, there are some topics where disclosure could be enhanced:

- Supply Chain Practices - While the report touches on supply chain sustainability, it lacks detailed information on supplier assessments, audits, and the integration of ESG criteria into procurement processes. Enhanced transparency in this area would provide a more comprehensive view of the company's supply chain sustainability.
- Climate Resilience - The report provides information on greenhouse gas emissions and energy consumption but offers limited discussion on climate resilience strategies. Including information on how the company plans to adapt to the physical impacts of climate change would provide a more comprehensive view of its climate-related risks and align with TCFD recommendations.
- Clear Targets for Biodiversity - While the report mentions biodiversity considerations, it lacks clear targets and metrics related to biodiversity conservation. Setting specific, measurable targets for biodiversity would be recommended.
- Human Rights - The report discusses human rights issues but lacks detailed information on how the company monitors and addresses human rights risks across its operations and supply chain. Providing more detailed information on human rights due diligence processes would enhance transparency.

The Ajinomoto Group's 2024 Sustainability Report demonstrates a strong commitment to sustainability and aligns with reporting best practices. By enhancing transparency in supply chain practices, developing climate resilience strategies, setting clear biodiversity targets, and strengthening human rights reporting, the company can further align its sustainability reporting with global best practices and enhance stakeholder trust.

Congratulations on your ongoing efforts!

Hidemi Tomita
Institute for Sustainability Management
Board of Directors
Representative

The Ajinomoto Group is not only a leader within Japan's food-related industries but has also over the years taken a variety of progressive initiatives around sustainability. At the same time, however, due to repeated changes in management at Ajinomoto Group and proactive measures being taken by other companies in the same industry, it is not always obvious that Ajinomoto Group is superior to others.

Particularly in its supply chains, the food industry faces several issues that can pose significant risks, not only in terms of climate change, but also biodiversity, natural capital, and human rights, among others. To address these issues, the Ajinomoto Group must conduct due diligence on human rights and environmental issues from a business-wide perspective and make effective use of grievance mechanisms.

Additionally, there is a major trend toward making information disclosure mandatory, as exemplified by the need to comply with the Corporate Sustainability Reporting Directive (CSRD) in Europe and Sustainability Standards Board of Japan (SSBJ) standards in securities reports in Japan. It will be an important challenge to find ways to separate and coordinate the various reporting media going forward. In addition, the unique characteristics of each company will likely be apparent in how they present their double materiality and single materiality and what information they disclose as determined by what is useful to their stakeholders.

I encourage the Ajinomoto Group to adapt to these trends early on and reorganize to provide more depth while also advancing original and progressive efforts.

Kenji Fuma
Neural Inc.
CEO
Adjunct Professor, Shinshu Sustainability Transformation Initiative, Shinshu University

The Ajinomoto Group is a global enterprise with almost two-thirds of its sales overseas and around 70% of its workforce at subsidiaries abroad. I recognize that one of the Group's advantage is making a variety of proactive challenges at both its domestic and overseas branches in a bottom-up way. I myself have been a judge of the Ajinomoto Group's corporate awards, the ASV Awards, for several years. Every year, we receive numerous applications from many divisions and branches, which, I suppose, is an underlying strength of the Group.

On the other hand, as I last year mentioned there in my review, the 5-year or 10-year blueprints of its management, business, and value chain are still far from clear. Provided the Group clearly depicts its long term goals and mobilizes the workforce of all divisions to achieve those goals, the Group would be able to accelerate ambitious activities and synergies of the entire Group in a more efficient and more effective manner.

Recently, Japan's food manufacturers have also experienced higher inflation so that they have increased unit price and profit margins due to the Japanese government's counter-deflation policy. That not being bad itself, providing food products in affordable prices is also a material sustainability issue for food manufacturers. I expect the Ajinomoto Group to pursue continuous cost innovation to keep suppling customers from a wide range of income level with profitable and competitive products.

Shunsuke Managi
Professor of Urban Systems Engineering, Graduate School of Engineering, Kyushu University
Faculty Fellow, Research Institute of Economy, Trade and Industry (RITEI)

Health is becoming an increasingly important need of society for the Ajinomoto Group. In the U.S., President Donald Trump signed an executive order on February 13, 2025, which included a call to establish Make Our Children Healthy Again Assessments, casting further attention on children's health. It has become clear that the economically disadvantaged are eating unbalanced diets and increasingly suffering from obesity and health problems. The Group has recognized this issue for some time but needs to redouble its efforts. I would also mention well-being, which the Group has been pursuing as a pillar of its ASV initiative. I encourage the Group to quantify the well-being that its products and services make possible and somehow make this more tangible. Do not limit your measures of well-being to factors like employee satisfaction. For example, it should be possible to provide concrete data showing how food products that are fast to cook increase well-being. If the Group had survey data from perhaps 300 people, it could demonstrate how these products correlate to satisfaction and stress levels. I believe that such an effort would have a positive impact on the Group's corporate value.

What I would like to see the Group do in the future is to quantify its total contribution, including non-financial aspects. Non-financial values (human resource development, customer satisfaction, health, etc.) will eventually become financial value. Therefore, I believe that the Group's role as a global leader is to demonstrate the direction society should take by progressively quantifying these things as economic values, before other companies do so.