

Ajinomoto Group
Result of Human Rights Impact Assessment
Wild shrimp in India

Introduction

The UN Guiding Principles on Business and Human Rights (UNGPs) call upon businesses to fulfil their responsibility to respect human rights. Specifically, this requires not only establishing human rights policies but also continuously implementing "human rights due diligence" to identify and assess the actual and potential adverse human rights impacts of business activities, and to prevent or mitigate them. Furthermore, it requires businesses to establish and operate grievance mechanisms that cover a wide range of stakeholders, thereby providing remedy to victims, including those affected by adverse human rights impacts that could not be fully identified through human rights due diligence.

Background and Objectives

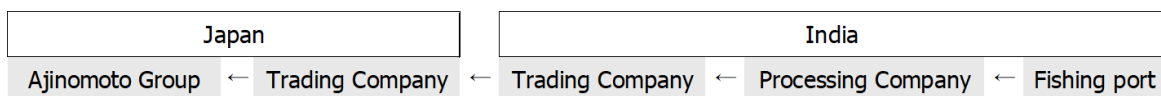
The Ajinomoto Group is committed to human rights due diligence throughout its value chain, based on the UN Guiding Principles on Business and Human Rights and related group policies. In this process, the Group emphasizes engagement with rights holders and conducts fact-finding and impact assessments at production sites and other locations identified as high priority through risk assessments.

This human rights impact assessment focuses on the Indian wild shrimp supply chain, which was identified as a high-priority area in a human rights risk assessment conducted in 2025. By tracing the supply chain back, the Ajinomoto Group identified and assessed both actual and potential human rights impacts through direct interviews with rights holders, such as fishermen and processing plant workers. Furthermore, interviews with two local NGOs were conducted to better understand the situation regarding the wild shrimp supply chain in the region.

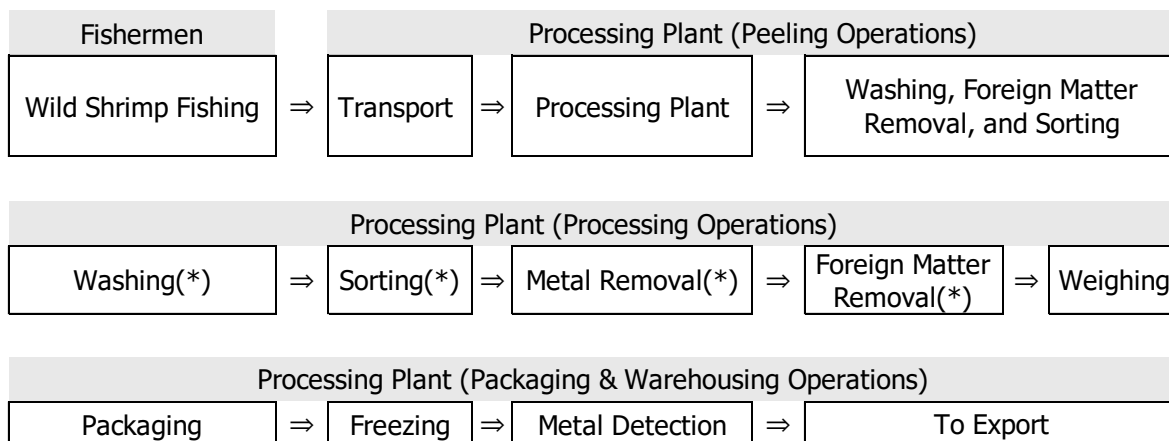
Methodology

From January 19th to 24th, 2026, a visit was made to a landing port and three processing plants around Kochi, Kerala, India, which are part of the Ajinomoto Group's wild shrimp supply chain. Caux Round Table Japan (CRT Japan), a third-party organisation, acted as the lead interviewer and conducted direct interviews with fishermen, processing plant workers, and managers based on a questionnaire aligned with the Dhaka Principles (Principles for Responsible Recruitment and Employment of Migrant Workers). In the worker interviews, only representatives from Ajinomoto Co., Inc., the import trading company, the local agent, and CRT Japan were present. No employers were present, and workers were assured in advance that their statements would be handled with strict confidentiality and would not be disclosed to employers or third parties in a way that could compromise their anonymity.

[Ajinomoto Group's Wild Shrimp Supply Chain (image)]



[Wild Shrimp Processing Steps]



(*) Washing, sorting, metal removal, and foreign matter removal are repeated multiple times.

Summary of Assessment Results

Through these interviews, both the trawlers and the shrimp processing plants were found to have characteristics that could pose potential risks from a human rights perspective, such as the absence of written employment contracts and hiring and complaint handling based on personal relationships with the owners. In other words, they were characterised by a lack of documentation and formal processes, and operations that depended primarily on the owner's personality. On the other hand, at the time of the interviews, many workers expressed that they were "happy" and that they valued and trusted the owner's sincere character. Although there were gaps in documentation and systems when compared to international standards, no significant adverse impact on human rights was found to have actually occurred.

Details of interviews

(1) Fishermen

Interviews were conducted with approximately 15 fishermen on board trawlers and port workers (all male) at the fishing port. The port workers were from the South (Tamil Nadu, etc.) and the local area. Among the fishermen, many were from the Northeast (Odisha, West Bengal, etc.) in addition to those from the South. The trawlers operate approximately 100 km offshore, and the work on board is basically manual labour. In Kerala, the state government's worker protection policies are comprehensive, and trade union activity has traditionally been vigorous. Consequently, common regional standards have been established for basic working conditions to some extent. The following

table summarises the points confirmed through these interviews and inspections, categorised into 10 human rights issues.

• **Fair Wages**

Currently, it appears that many fishermen earn relatively high annual incomes, and sometimes receive bonuses at the discretion of their owners. However, their income is primarily commission-based (daily wages are paid even if the catch is small) and dependent on catch volume and the number of days spent at sea, so the instability of their income as day labourers remains.

It is expected that wages should be evaluated not only from the perspective of paying the minimum wage, but also from the perspective of a living wage. In this impact assessment, a simplified living wage survey was conducted, and it was confirmed that the annual income of the fishermen interviewed this time significantly exceeds the local living wage.

The wage payment system involves distributing the balance—calculated by deducting the owner's share and various expenses from the total revenue—equally amongst all the fishermen on board, in their presence. This is recorded simply in a notebook (with no individual payment amounts noted). Although a certain degree of transparency is maintained in the payment of wages, as no payslips are provided, no written record is retained.

As noted above, whilst the fishermen interviewed can be said to earn relatively high incomes, these incomes are heavily dependent on catch volumes and the number of days at sea, and cannot be described as stable. It is therefore hoped that the situation will continue to be monitored closely.

• **Decent Working Hours**

The boats depart at 5:00 AM, and each voyage lasts approximately 5 to 9 days. Standard working hours and break times could not be confirmed, as working hours depend on the work being done on board. While the fishermen interviewed stated that "there are breaks between tasks, so there are no problems," recent climate change has made fishing grounds unpredictable, leading to longer voyages. Therefore, it is desirable to continue monitoring whether workers are able to work in a healthy environment.

• **Forced Labour**

There are no employment contracts or pay slips; hiring and wage payments are based on trust between the owner and the fisherman. The relationship between the owner and the fisherman is not fixed and is selectable by the fisherman. Whilst no instances of "forced" labour were observed on the trawler interviewed and inspected, the lack of legal documentation means that workers may not receive legal protection if problems arise. It is desirable to continue monitoring the situation on-site.

• **Occupational Health and Safety**

On the trawler inspected this time, no personal protective equipment other than gloves was provided, and according to the fishermen, they often work bare-handed and do not even use the gloves. A

first-aid kit was installed, but it contained only basic items such as muscle pain medication, and in the event of a serious injury, the coast guard was contacted. Accident/death insurance exists, but fishermen are not covered by ESI (Employee State Insurance). The fishermen interviewed said they were "used to working barehanded, it's easier and less dangerous that way," and "it's not a problem." However, working on a boat presents a wide range of occupational health and safety challenges, including entanglement in net-hauling wires, falls, slips, handling heavy objects, and heatstroke. It is fair to say that health risks increase with age and length of service. It is expected that information will be provided and efforts made to promote the appropriate use of personal protective equipment, whilst continuing to monitor the health of fishermen.

• **Workplace Discrimination/Harassment**

No workplace discrimination or harassment was observed among the fishermen interviewed on this occasion.

• **Adequate Living Condition**

The actual living conditions of the fishermen could not be confirmed. Whilst the area around the landing site inspected did not appear to have extremely poor living conditions, it is important to confirm whether adequate living conditions are secured, given the large number of migrant workers from other states.

• **Freedom of Association and Right to Collective Bargaining**

None of the fishermen interviewed were found to be members of a labour union, but no instances of employers obstructing union membership were observed.

• **Access to Remedy**

The fishermen interviewed this time all said they were "happy and had no problems," and the existence of any grievance mechanisms could not be confirmed. This is a region with a traditionally strong labour union movement and many NGOs supporting the fishing community, it does not appear to be the case that there is absolutely nowhere to turn to for help should any issues arise. However, in the absence of formal employment contracts, and given that their situation relies heavily on their personal relationship with the owner, migrant workers in particular could often be placed in a vulnerable position. It is hoped that the situation will continue to be monitored closely, with necessary information being provided and efforts being made to address these issues.

(2) Processing Plants

At three processing plants that are suppliers to the Ajinomoto Group, interviews were conducted with 10 workers and managers at each plant. There are three main types of work at the wild shrimp processing plants: peeling, processing, and packaging/warehouse work. At all of the processing plants, peeling is done by day labourers, whilst processing and packaging/warehouse work are done

by full-time employees, and the proportion of female workers is high overall (all peeling workers are women). In Kerala, the state government's worker protection policies are comprehensive, and trade union activity has traditionally been vigorous. Consequently, in all worker groups, common regional standards have been established for basic working conditions such as wages, working hours, and working days to some extent. At the three processing plants visited this time, a common process is used for processing work for the Ajinomoto Group, and although there are some differences between the plants, the assessment results were generally similar.

The following table summarises the points confirmed through these interviews and inspections, categorised into 10 human rights issues.

• Fair Wages

[Peeling]

Wages are paid on a piece-rate basis, based on the unit price (TOKEN) per 1 kg of peeled shrimp, which is set according to the type and size of shrimp. (The TOKEN price is a common price and is determined through consultations between the labour union, management, and the state government.) If the output is low, the state-designated minimum wage standard will apply.

[Processing] [Packaging/Warehouse Work]

Employees are paid a monthly salary, and wages are paid on a set day. Overtime pay is provided if there is overtime. During the high season, employees may work on Sundays, but wages are doubled if this constitutes overtime work or falls on a public holiday. Pay slips are given as handwritten notes; at one of the three processing plants, they are returned after verification, whilst at other two processing plants, employees take them home for storage. All three processing plants provide an annual bonus, and gifts such as food are distributed during festivals. It is possible to take out a loan from the company in the form of an advance on wages.

At all three processing plants, wages were paid above the minimum wage, and no instances of unpaid wages or calculation errors were found. It is expected that wages should be evaluated not only from the perspective of paying the minimum wage, but also from the perspective of a living wage. In this impact assessment, a simplified living wage survey was conducted, and it was confirmed that all three processing plants were paying amounts roughly close to a living wage. However, because no written contracts exist, employment conditions are unclear, and there is a risk that workers may not receive legal protection if problems arise. Efforts for the conclusion of written employment contracts and continued verification of the appropriateness of wage levels, given that the living wage can change due to price fluctuations, are expected.

• Decent Working Hours

At all processing plants, the working days for full-time employees in **[processing]** and **[packaging/warehouse work]** were Monday to Saturday, with a basic shift from 9:00 to 17:00, and a one-hour lunch break plus one 15-minute break. During peak season, there were two shifts,

and overtime of about 4 hours per day and Sunday work sometimes occurred.

[Peeling] workers also follow the same basic shifts but may finish earlier depending on the amount of raw materials. The company contacts workers according to the amount of labour needed, and workers are free to decline on days when they wish to take time off. There is basically no overtime.

At the time of the interview, no instances of excessive working hours or overtime were observed, and the workers appeared to be satisfied with their jobs. However, because there is no written employment contract, there is a possibility that workers may not receive legal protection if a problem arises. It is hoped that efforts will be made to conclude a written employment contract.

• **Forced Labour**

There were no written employment contracts; applicants were hired after submitting documents and undergoing interviews. Most applicants came through referrals from family and acquaintances (word of mouth). Whilst no forced labour was observed in the three processing plants interviewed and inspected, the lack of written contracts means that workers may not receive legal protection if problems arise. It is hoped that efforts will be made to conclude a written employment contract.

• **Occupational Health and Safety**

[Peeling]

Peeling spatulas are used. Some processing plants provide approximately 3 months of training for new workers.

[Processing]

The work mainly involves washing and sorting with cold water. Since this involves standing and looking down, some workers reported shoulder and back pain. As for working with cold water, many said they were "used to the cold water and it was fine."

[Packaging and Warehouse Work]

Coats, hats, and shoes are worn when working in the freezer. Some processing plants involve manually carrying heavy objects (25kg), and some reported shoulder pain until they got used to it.

None of the processing plants have on-site clinics, but workers can take breaks if they feel unwell by informing their supervisor. In case of serious injuries, the company will take them to the hospital and provide transportation home. There are enough toilets, and they are clean. If women's work extends into the late night, there is a space (accommodating approximately 15 people) in the factory where they can rest or wait until morning. Whilst **[peeling]** is a daily wage job and therefore not covered by PF (Provisional Fund) or ESI (Employee State Insurance), some processing plants have a policy of the company covering expenses in the event of an accident. **[Processing and packaging/warehouse]** workers are covered by PF and ESI.

In all processing plants, workers interviewed this time said they were "used to it" and fine with long hours of standing, working with cold water, and carrying heavy objects. However, it is possible that health effects may arise as the work period lengthens or as workers age, therefore, it is advisable to continue monitoring conditions on site.

• **Workplace Discrimination/Harassment**

No reports of workplace discrimination or harassment were heard from the workers interviewed. At the two processing plants, there was a prayer room, and Muslim and Christian workers were permitted to regularly attend mosques or churches.

Although no practical issues were identified at the time of the interviews, it is hoped that efforts will be made in the future to organise training on gender and sexual harassment.

• **Adequate Living Condition**

Two of the three processing plants had company-provided dormitories, housing 20-30 workers. Whilst no complaints about the dormitories were heard from the workers interviewed, the actual condition of the facilities could not be confirmed. It is desirable to continue verifying whether the company dormitories provide an adequate living environment.

• **Freedom of Association and the Right to Collective Bargaining**

Whilst the workers interviewed did not mention joining a labour union, no evidence of the company obstructing union membership was found.

• **Access to Remedy**

At all three processing plants, workers should first consult with their supervisor if they have concerns or anxieties, and then gradually escalate the matter to the owner. It is also possible to speak directly with the owner, and many workers interviewed stated, "I know there's a suggestion box, but I don't need to use it because I can just talk to the owner directly," and "Why bother putting my complaint in the suggestion box?"

During the on-site inspection, the relationship between the owner and workers was very good, and at the time of the interviews, there appeared to be no actual problems. However, it is recommended to further inform workers about the available channels of communication, including the suggestion box, and the processes through which their voices are handled.

Recommendations to Ajinomoto Group (Regarding Future Initiatives)

Whilst there were certain gaps in documentation and systems compared to international standards at the trawlers and shrimp processing plants interviewed this time, no significant actual adverse human rights impacts were identified (as of the time of the interviews).

On the other hand, the wild shrimp industry in Kerala has a broad reach. Even taking into account the region's tradition of active trade unions and the strong support from the state government, which

regards the wild shrimp industry as a key sector, it is fair to say that potential human rights risks remain across the industry as a whole. During interviews with processing plant managers, concerns were raised regarding future labour shortages, poor catches due to the effects of climate change, and the decline of the wild shrimp industry in Kerala. A further increase in migrant workers, coupled with growing unpredictability and instability in profits, could also have an impact on the future human rights situation in the region.

Among the issues revealed, some are difficult for a single company to address alone. However, as a first step, the Ajinomoto Group is expected to cooperate with local agents to support processing plants in meeting the requirements of international human rights standards (such as the formalisation of written employment contracts and consideration of occupational health and safety). Furthermore, it is hoped that the company will continuously advance human rights due diligence and, in cooperation with suppliers and third-party organisations, establish a management system that allows for regular review regarding the actual state of respect for human rights in the supply chain.

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