

Eat Well, Live Well.



**Ajinomoto Co., Inc.**

# **Sustainability Initiatives Aimed at Enhancement of Corporate Value**

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**March 27, 2024**

# Today's Message

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- **By advancing initiatives concerning key themes that the Ajinomoto Group should address, we seek to expand the creation of social value and economic value.**
- **Within these initiatives, efforts for the creation and expansion of positive impacts on society in diverse domains are accelerating, and visualization of our path toward achieving ASV\* is making progress.**

**Today, I would like to place a special focus on initiatives to create positive impacts.**

- **Through communication with our stakeholders, we will further refine ASV management and connect it to the solid enhancement of corporate value.**

\*The Ajinomoto Group Creating Shared Value: Initiatives to create both social and economic value through its business, which the Group has been consistently engaging in since its foundation.

# Examples of Achievement of ASV

## Creation of Value through the Global Umami Seasonings Business Value Chain

# Creation of Value through the Umami Seasonings Business Value Chain: Overview of Initiatives



We seek to achieve sustainable agriculture and prosperity for local communities through outreach and initiatives across the value chain, from upstream to downstream.

**Farmer support (upstream)**

**Reduction of environmental impacts from amino acid production (GHG reduction) (midstream)**

**Provision of reduced salt products and nutritionally balanced menus (downstream)**

## Farmer support

Building of relationships with farmers and provision of support (technology, agricultural materials)



Biocycle promotion through our own co-products (fertilizers)



## Low-environmental-impact manufacturing

Reduction of greenhouse gases through proprietary manufacturing technologies that conserve raw materials and fuels



## Improvement of health and nutrition

Provision of reduced salt products and nutritionally balanced menus through *Deliciousness Technology*



## Reuse of resources

Reuse of manufacturing by-products as fertilizers, feeds, and soil conditioners



Purchase as raw materials

**Strengthening of technical assets**

**Stability and increase in suppliers' yields**  
(Stabilization of farmers' livelihoods)

**AJI-NO-MOTO® appeal to salt reduction**



**FY2023 ASV Awards Gold Award (Global GHG Reduction Project)**

**Strengthening of customer assets**

## Enhancement of employee engagement

Sharing of aspirations (Purpose); multifaceted communication



**Strengthening of organization and human assets**

## Earning of customer loyalty

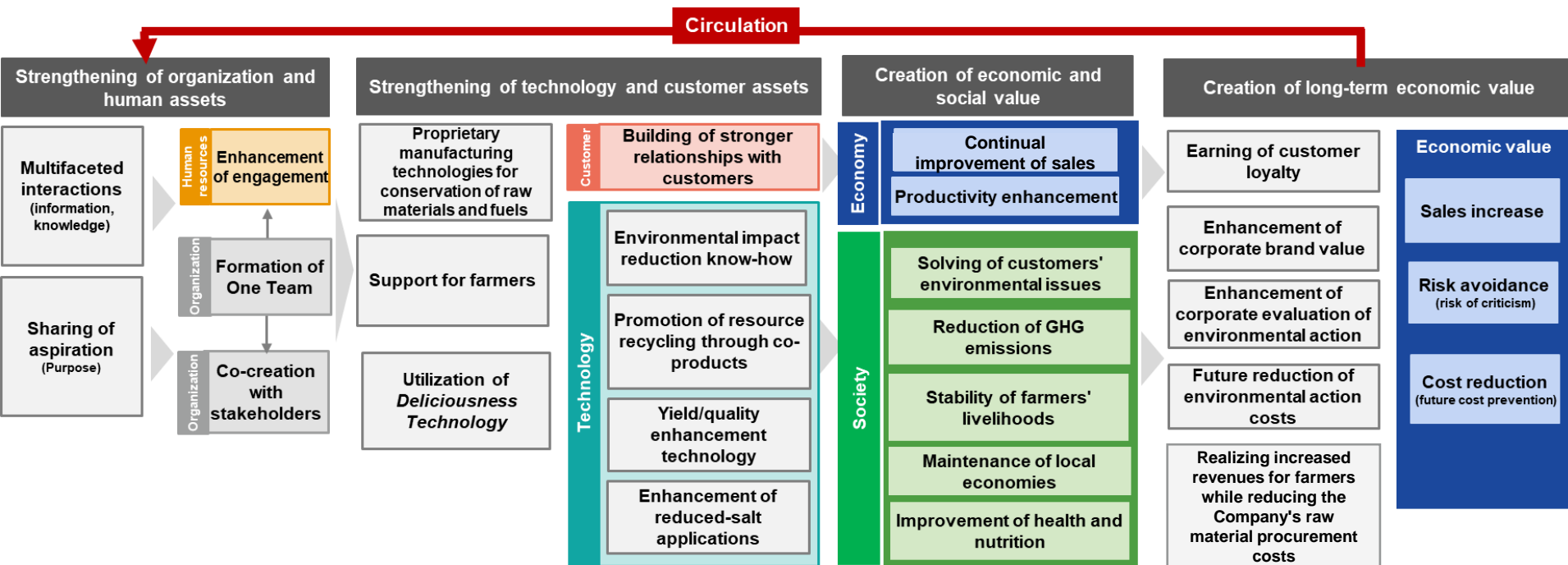
Evaluation of our sustainability activities



**Toward the creation of long-term economic value**

# Creation of Value through the Umami Seasonings Business Value Chain: Achievement of ASV and Circulation of Intangible Assets

By engaging in consumer-perspective initiatives through the strengthening of intangible assets, economic and social value will be created and will connect to long-term economic value. This is spurring the circulation of further accumulation of intangible assets, which is leading to the evolution of ASV management.



# Creation of Value through the Umami Seasonings Business Value Chain: Elements of the Equation for Calculating Enhancement of Corporate Value

- Sales expansion
- The balance between increasing farmers' income and reducing raw material procurement costs.
- Reduction of production costs

- Acceleration of initiatives through enhancement of employee engagement
- Development of global and other businesses

Steadily generate cash flow ↑

Corporate value

=

WACC ↓

—

Growth rate ↑

with

Speed up  
×  
Scale up

- Risk reduction through stable procurement via support for farmers
- Reduction of the cost of borrowing through the effective use of sustainability financing through environmental impact reduction

- Earning of customer loyalty
- Enhancement of brand power through provision of health and nutritional value to consumers and through evaluation of our sustainable initiatives

# Creation of Value through the Umami Seasonings Business Value Chain: Quantification of Value Creation



Values are estimated by Ajinomoto Co., based on initiatives at global umami production plants or on cases of support for cassava farmers in Thailand.


|                |            | Applicable outcomes   | Specific item name  | Estimated value   |
|----------------|------------|---|---|---|
| Social value   |            | Reduction of environmental impacts of the value chain overall                                 | GHG emissions   | approx. 60% decrease<br>Scope 1 + 2<br>(FY2030 vs FY2018) |
|                |            | Stability and increase in supplier yields<br>(= Increase in farmers' incomes)                 | Starch yield per ha   | approx. 40% increase<br>(FY2022)                          |
| Economic value | Short-term | Reduction of production costs<br>(Raw materials and fuels saving, productivity enhancement)   | Production costs<br>Productivity enhancement through adoption of proprietary technologies that conserve raw materials and fuels | approx. 4.5% decrease<br>(FY2030 vs FY2019)               |
|                | Long-term  | The balance between increasing suppliers' income and reducing raw material procurement costs. | Raw materials costs<br>(Suppression of purchase price due to increase in starch yield)  | approx. 15% decrease                                      |
|                |            | Increase in sales<br>(= Capture of customer loyalty, enhancement of corporate brand value)    | Purchasing volume x unit price  | approx. 4.5% increase                                     |

Estimated value: GHG emissions are comparisons of FY2030 to FY2018. Production costs are comparisons of FY2030 to FY2019. Starch yield and raw materials costs are provisional estimates for the single year FY2022 (assumption by Ajinomoto Co.). Sales are estimated from the FY2022 Consumer Survey (Thailand).  
Targeted scope: GHG emissions and production costs: Global umami plants  
Starch yield, raw materials costs, and sales: Farmer support in Thailand

# Key Themes that the Current Ajinomoto Group Should Address (Reposted)



**Achievement of a sustainable global environment**




**Achievement of well-being through food**



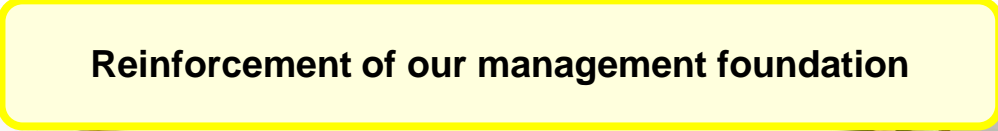
**Contribution to advanced medicine and prevention**



**Contribution to the evolution of a Smart Society**



**Respect for diverse values and human rights**



**Reinforcement of our management foundation**





# Achievement of a Sustainable Global Environment

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

# 1. Contribution to Sustainable Agriculture through Biostimulants: Overview of Initiatives

We will work toward greater agricultural efficiency, crop quality, and reduction of environmental impact through the business of biostimulants\* that leverage "AminoScience."

## 1930s

We started sales of co-products from production of umami seasoning *AJI-NO-MOTO*® as fertilizer, followed by worldwide roll-out to the present.

## 2000s onward

Research into co-products progressed, and research and development into biostimulants began.

We launched the first product, *AMIHEART*®, in 2011.



## 2017

We acquired a majority interest in Spain-based *Agro2Agri S.L.*, which manufactures and sells amino acid-based biostimulants. Since then, we have jointly engaged in product development and customer development.

(Currently a 100% subsidiary of S.A. Ajinomoto OmniChem N.V.)

**AGRO<sub>2</sub>AGRI**



## Expected outcomes of utilization of biostimulants

Enhancement of yield per unit area of land

Enhancement of nutrients (proteins, vitamins, sugars, etc.)

Enhancement of quality

Reduction of water use

Reduction of chemical fertilizers and chemical pesticides

Reduction of fuel use

Making crops resistant to climate change (droughts, heat waves, cold damage)

\*Biostimulants: An agricultural material blending amino acids and other ingredients derived from fermentation microorganisms, natural extracts, and other natural materials to promote plants' natural power and growth.

# 1. Contribution to Sustainable Agriculture through Biostimulants: Creation of Value






## Sense of scale in value created through Agro2Agri

### BtoC

**Expectations for greater agricultural efficiency and crop quality**

|   |  |   |
|---|--|---|
| <p><b>Protein</b></p> <p>Up to <b>+39%</b></p> <p>TECAMIN MAX</p> <p>↓</p> <p>Wheat</p> | <p><b>Vitamins</b></p> <p>Up to <b>+20%</b></p> <p>AGRIFUL</p> <p>↓</p> <p>Paprika</p> | <p><b>Sugars</b></p> <p>Up to <b>+13.5%</b></p> <p>TECAMIN MAX</p> <p>↓</p> <p>Corn</p> |
|---|--|---|

**Expectations for reduction of the environmental impacts of agriculture**

|  |  |  |   |  |
|--|--|--|---|--|
| <p><b>Crop yield</b></p> <p>Up to <b>23.7%</b></p>  | <p><b>Efficiency of land use</b></p> <p>Up to <b>x1.23</b></p>  | <p><b>Water use</b></p> <p>Up to <b>-25%</b></p>  | <p><b>Chemical fertilizers</b></p> <p>Up to <b>-25%</b></p>  | <p><b>Fuel use</b></p> <p>Up to <b>-8%</b></p>  |
|--|--|--|---|--|

### BtoC+ BtoB

Estimate by Ajinomoto Co. based on surveys as of FY2022

Increase in yields through our products can create the equivalent of **about 800,000 hectares** of farmland per year



About 4 times the area of Tokyo Prefecture



Equivalent to **about 3.3 million tons** of wheat



**About 50 million persons' worth** of food value\*

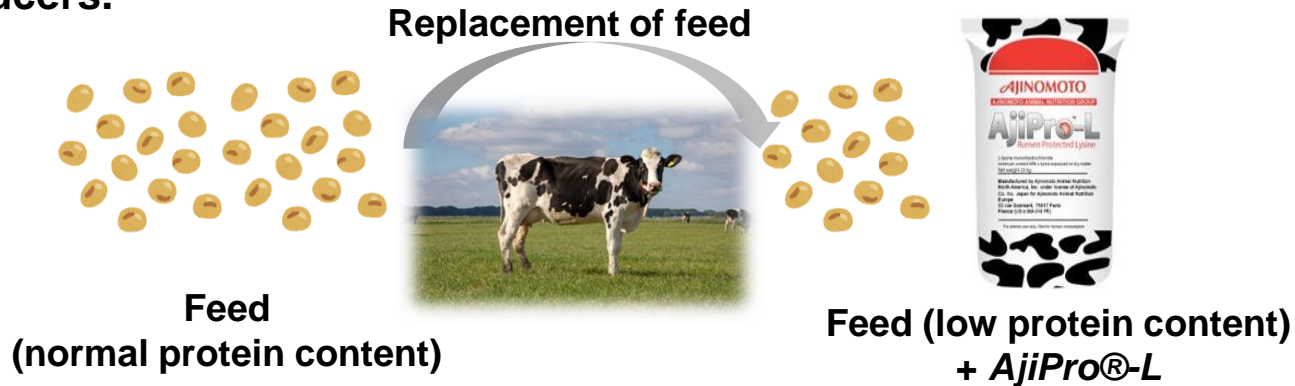


Roughly a year's worth of food for 40% of Japan's population

\*Calculated from per capita annual wheat consumption (world average)

## 2. Achievement of Sustainable Livestock Husbandry Utilizing *AjiPro*<sup>®</sup>-L

Through *AjiPro*<sup>®</sup>-L, a feed-use amino acid leveraging “AminoScience,” we contribute to the reduction of GHG emissions and lower feed costs for dairy and meat producers.



**N<sub>2</sub>O emissions from manure**

**approx. -25%**<sup>1</sup>

**CO<sub>2</sub> emissions related to procurement of protein source raw materials (soybean meal, etc.)**

**approx. -20%**<sup>1</sup>

**Feed cost**

**approx. -\$100<sup>1</sup> or more**

<sup>1</sup> All figures are calculated per head of cattle per year by Ajinomoto Co.

With other factors included, the use of our technology yields a reduction of **about 1 ton<sup>2</sup>** of CO<sub>2</sub> per head of cattle per year.

We will strengthen initiatives with a view to reducing CO<sub>2</sub> on **a scale of about 1 million tons** per year by 2030

**We have begun exploring partnerships with global dairy and meat producers**

<sup>2</sup> Amount of reduction varies with farmers' feed design, etc.

# Achievement of Well-being through Food

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

# 1. Visualization of the Contribution of Cooking and Eating Together to Well-being

A worldwide survey revealed that people who enjoy cooking and people who often eat with others feel a more powerful sense of well-being. By expanding the opportunities to provide our products, we will further accelerate our contribution to well-being.

**Survey results from 142 countries in 2022**  
(collaboration with U.S. research firm Gallup, Inc.)

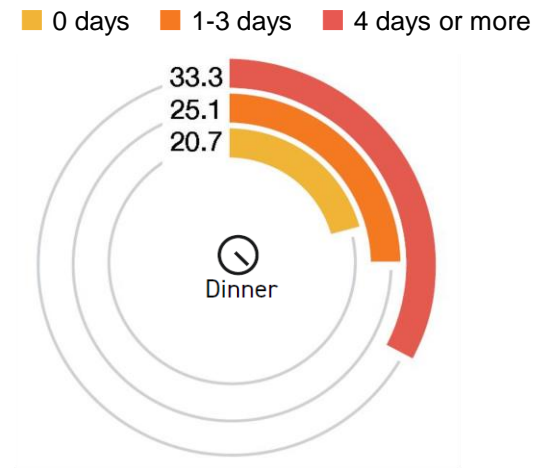
"People who enjoyed cooking" experienced a sense of well-being **1.2 times higher** than "People who did not enjoy cooking/people who did not cook"

The percentage of people who feel a sense of well-being is **1.6 times higher** for "Frequency of eating together 4 days or more" than for "Frequency of eating together 0 days"

Degree of sense of well-being  
(Degree of sense in people who did not enjoy cooking/people who did not cook = 1)



Well-being index  
(0-100, by number of days in which dinner was eaten with others in the past 7 days)

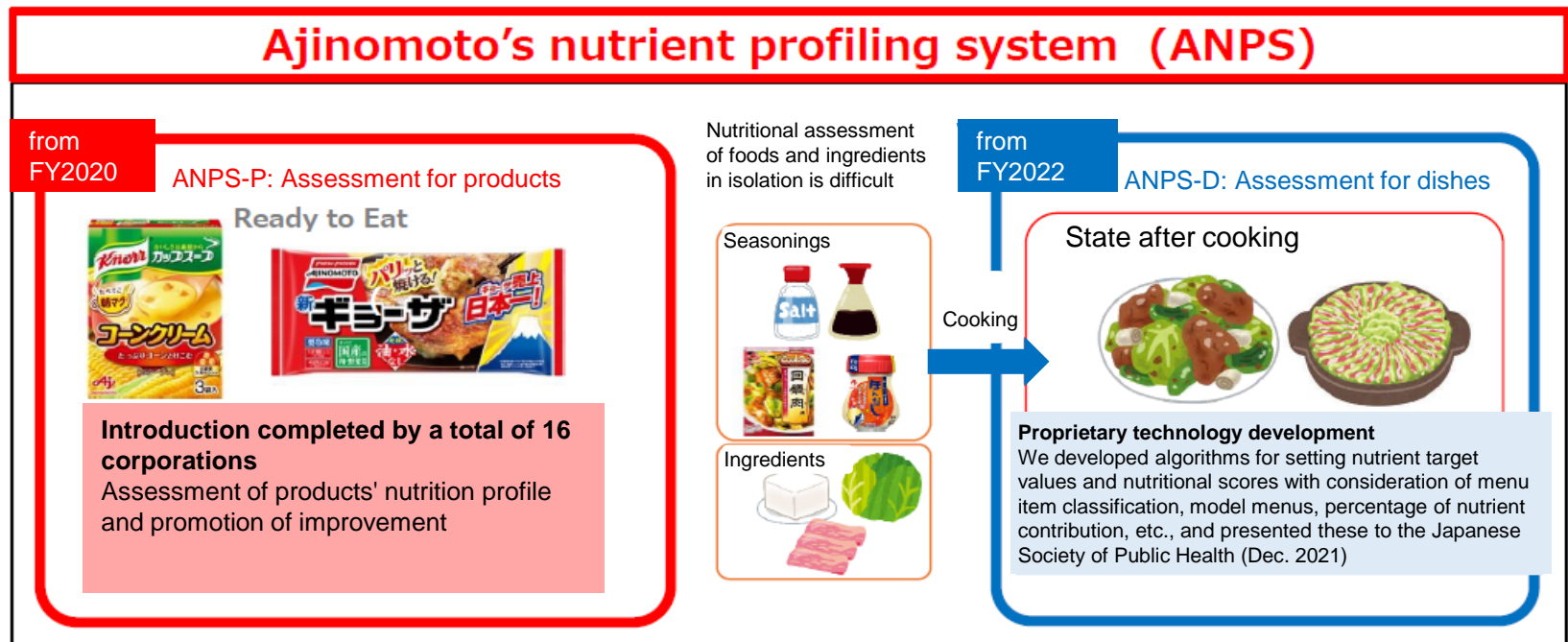


**In collaboration with Oxford University, we will validate, and expand recognition of, the fact that food contributes to well-being**

## 2. Accelerating Health and Nutrition Initiatives through Promotion of the Use of ANPS: Development of the Ajinomoto Nutrition Profiling System for Dish (ANPS-D)

ANPS is our unique nutrition profiling system.

In addition to our ANPS-P (Product) that assesses nutrition per product, we have developed ANPS-D (Dish) that assesses nutrition in items on menus. This enables the development of nutritious menus and recipes with consideration of local food culture.



**We will make the nutritional value of menu items visual and offer an environment enabling easy selection of nutritionally balanced menus and menu items by consumers.**

## 2. Accelerating Health and Nutrition Initiatives through Promotion of the Use of ANPS: Tackling Societal Implementation Globally

Through global industry-government-academia collaborative initiatives, we will promote the development of a nutrient profiling systems (NPS) for dishes and their societal implementation everywhere, and will contribute to solving global health and nutrition issues.

### Japan

Participation in industry-government-academia collaboration projects. Start of validation and societal implementation research for our Japanese NPS for dishes.



健康的で持続可能な  
食環境戦略  
イニシアチブ



### Thailand

Currently promoting development of NPS for dishes through industry-academia collaboration.



### Asia

Activities to communicate the importance of our NPS for dishes through the Prince Mahidol Award Conference (PMAC), Asian Congress of Nutrition (ACN), etc.



Collaboration with academia, government administration, financial institutions, international organizations, and NPOs is accelerating, and we are constructing a comprehensive model for food environment support.



We will recommend this globally as a model from Asia that contributes to solving food issues, and will participate in the creation of international rules.



# Contribution to Advanced Medicine and Prevention

Achievement of a sustainable global environment

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# 1. Provision of Solutions and Creation of Value in Advanced Medicine CDMO Business

With unique and competitive technology at our core, we will solve the issues of pharmaceutical company customers and solidly support the development and manufacture of innovative pharmaceuticals.

“AminoScience”

Provision of solutions for customers through proprietary platform technologies for wide-ranging modalities

Creation of value

Acceleration of speed from development to manufacturing

Expansion of treatments (approaches) and treatable conditions

Environmental impact reduction

Example



Proteins not possible through conventional methods can be manufactured, and pharmaceutical development can progress without stop. Efficient production of proteins also enables quick response to expansion of demand.

Examples

**AJICAP**

Potential for the enhancement of drug efficacy and reduction of toxicity enables consideration of new treatments and expansion of the scope of treatable conditions.

**AJIPHASE**

Enabling mass production of nucleic acid drugs, difficult to produce under conventional methods, expands the potential for new treatments and treatments for intractable diseases.

**FORGE**  
BIOLOGICS  
Ignition Cells™  
pEMBR™  
Helper Plasmid

Contributes to the stable supply of difficult-to-manufacture viral vectors, expanding potential for the treatment of hard-to-treat diseases.

Example

**AJIPHASE**

Greater reduction in usage of organic solvents and reagents is possible, and environmental impact is lower, than with conventional methods.

Promotion and achievement of innovative pharmaceutical research and development

# Contribution to the Evolution of a Smart Society

Achievement of a sustainable global environment

Achievement of well-being through food

Contribution to advanced medicine and prevention

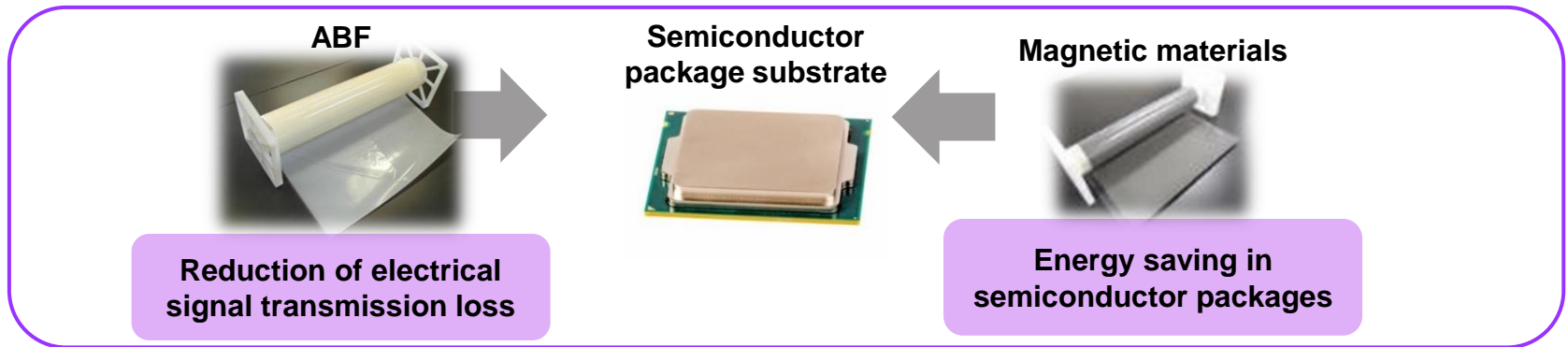
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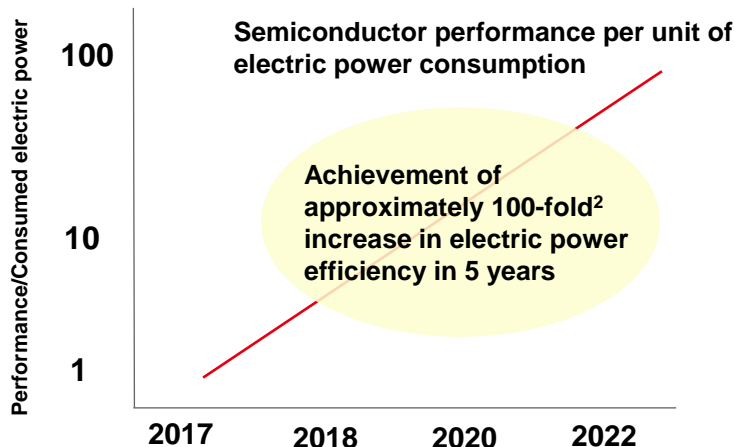
Reinforcement of our management foundation

# 1. Contribution to the Evolution of a Smart Society through Electronic Materials

Energy saving in electronic devices through ABF<sup>1</sup> and magnetic materials contributes to CO<sub>2</sub> reduction and to greater performance in ever-faster semiconductors. We will work to provide timely solutions aimed at the potential for future technological innovation.



## Contribution to higher performance in semiconductors



1. Ajinomoto Build-up Film®  
 2. Values estimated by Ajinomoto Co., with value for 2017 set to 100  
 3. Source: NTT Technical Journal

<https://journal.ntt.co.jp/article/5963>

## Example of future potential: Photonics-electronics fusion

Power efficiency is estimated at 100 times<sup>3</sup> that of electrical signals. We will offer solutions leveraging our technologies as quickly as possible.

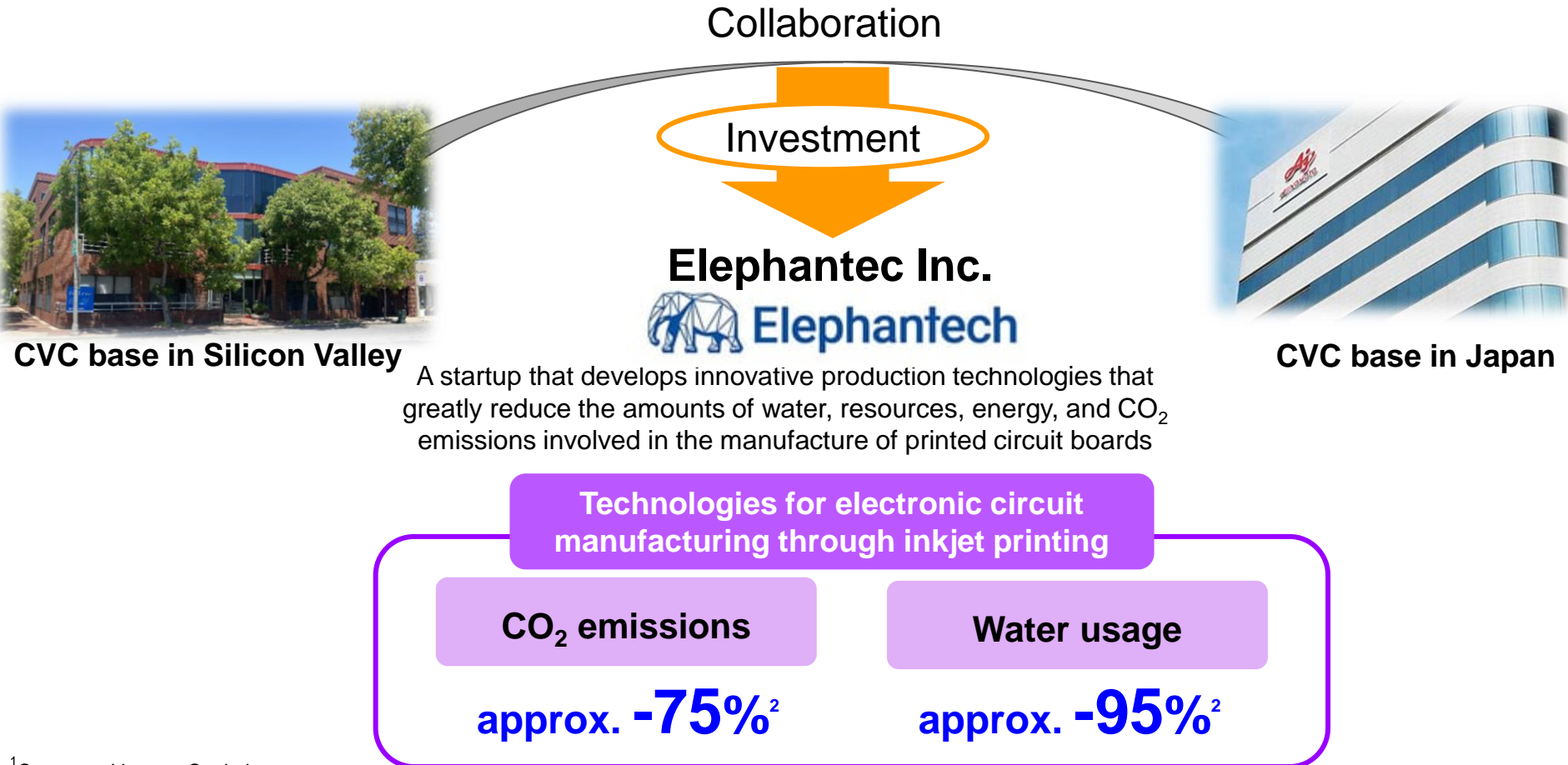


Potential for 100 times the power efficiency of existing technology



## 2. Tackling the Expansion of Created Value through CVC Investments

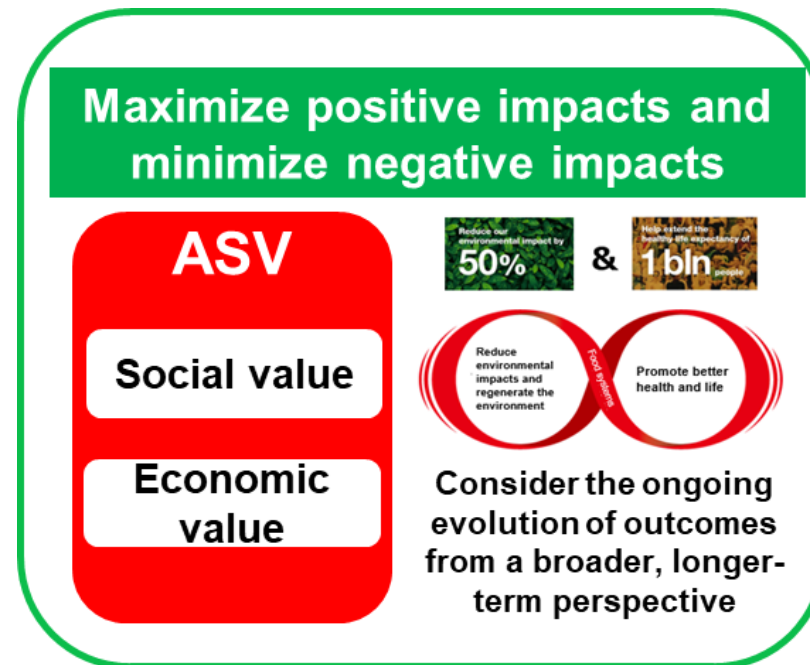
Through corporate venture capital (CVC<sup>1</sup>), we have invested in a startup company that developed and manufactured the world's first low-carbon printed circuit boards. We have also begun examination of opportunities for medium- to long-term collaboration.



<sup>1</sup> Corporate Venture Capital

<sup>2</sup> Both numbers express comparisons with existing manufacturing technologies  
Reference: <https://info.elephantech.co.jp/p-flex>

We will further strengthen strategies and initiatives based on “AminoScience,” will aim to expand the creation of positive impacts while steadily promoting the reduction of negative impacts, and will continue to tackle dramatic and ongoing enhancement of our corporate value.



# Eat Well, Live Well.



- **Forward-looking statements, such as business performance forecasts, made in these materials are based on management's estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.**
- **Amounts presented in these materials are rounded down.**
- **“AminoScience” is a trademark of Ajinomoto Co., Inc. registered in Japan.**

# Appendix



# Roles and Members of the Sustainability Advisory Council Second Phase

## Roles of the Sustainability Advisory Council Second Phase (April 2023 – )

Report to the Board of Directors on Implementation of Materiality, disclosure and dialogue on its progress, and building relationships with stakeholders through these efforts, with a view to strengthening the monitoring of the Board of Directors.

ESG investors  
(strategist)



**(Chair) Mana  
Nakazora**

Vice Chairperson,  
Global Markets, BNP  
Paribas Securities  
(Japan) Limited

Well-being



**Yoshiki Ishikawa**

Representative Director,  
Well-being for Planet  
Earth Foundation

ESG investors  
(measurement)



**Naoko Kimura**

Membership Director,  
Global Impact Investing  
Network (GIIN)

Institutional investors  
(responsible  
investment)



**Minoru Matsubara**

Managing Executive  
Officer, Responsible  
Investment, Resona  
Asset Management

# Overview of Risks and Opportunities

| Major risks and opportunities (○ Opportunity ● Risk)                                    |  |
|---|--|
| No.1 "AminoScience"   | <ul style="list-style-type: none"> <li>○ Opportunities for business growth by leveraging the Ajinomoto Group's strength in "AminoScience," opportunities to contribute with "AminoScience" anticipating the evolution of modalities in markets</li> <li>● Risk of failing to keep pace with the evolution of modalities in markets with "AminoScience" alone</li> </ul>  |
| No.2 Brand  | <ul style="list-style-type: none"> <li>● Risk of negative information about MSG and sweeteners spreading, leading to damage to the corporate brand</li> <li>○ Opportunities for business growth by leveraging strong, locally-rooted brand power</li> </ul>  |
| No.3 Human resources  | <ul style="list-style-type: none"> <li>● Risk of inability to secure human resources needed for innovation and business activities due to imbalance between human resource supply and demand</li> <li>○ Opportunities for human resources who resonate with our purpose to scale co-creation value through proactive investment in human resources focused on diversity and taking on challenges.</li> </ul>   |
| No.4 Collection and quantification of on-financial data                                 | <ul style="list-style-type: none"> <li>○ Opportunities for facilitating participation in the creation and deployment of effective standards through technological innovation enabling the collection of nonfinancial data that previously could not be measured or analyzed and contributing to the development of quantification methods allowing for opportunity assessment</li> <li>● Risk of missing business opportunities due to delays in addressing increasing social value assessment/measurement levels (social demands)</li> </ul>  |
| No.5 Rise of the SDGs-native generation, spread of social media, and future orientation | <ul style="list-style-type: none"> <li>● Risk of being cast aside by young people leading to curtailed business growth and risk of deliciousness no longer being an important element of food</li> <li>○ Opportunities to facilitate the creation of an ecosystem for realizing regenerative food systems with increased momentum for co-creation of sustainable solutions with other companies and institutions that exist in food systems</li> </ul>   |
| No.6 Climate change, resource depletion   | <ul style="list-style-type: none"> <li>● Risk of difficulty in procuring raw materials, providing food to seikatsusha (consumers), and continuing business, risk of difficulty in realizing regenerative food systems due to the environmental impact of climate change and animal resource depletion issues (the protein crisis, etc.) making it impossible to ensure global sustainability</li> </ul>  |
| No.7 Technological innovation (food, agriculture, environment, digital sector)          | <ul style="list-style-type: none"> <li>○ Opportunities to expand the range of solutions for realizing regenerative food systems, opportunities to promote the spread of technologies that contribute to healthy lifestyles, such as agricultural produce with high nutritional value, opportunities to facilitate the formation of a broad value chain through the shift to digital technologies and the introduction of AI technologies</li> <li>● Risk of curtailed business growth or loss of business opportunities due to delays in addressing technological advances related to food (e.g., automated cooking, cultured meat, etc.)</li> </ul> |
| No.8 Sustainability consumption/habits  | <ul style="list-style-type: none"> <li>● Risk of inability to absorb investments/costs due to failure of converting sustainability-related initiatives into economic value as a result of conventionalization of sustainability consumption/habits, and risk of delay in acceptance by consumers and societies in some regions due to the respective advance of sustainability and green technologies that are constantly evolving</li> </ul>  |
| No.9 Population growth, capital inflows to developing countries                         | <ul style="list-style-type: none"> <li>○ Opportunities for increased demand for health and nutrition-based solutions due to global population growth and increased capital inflows from public institutions to developing countries, opportunities for significant expansion of the healthcare market, opportunities to encourage co-creation of solutions, including in emerging countries</li> </ul>   |
| No.10 Laws and regulations  | <ul style="list-style-type: none"> <li>● Risk of difficulty in continuing business due to development of regulations and inability to choose renewable energy options in some regions</li> <li>○ Opportunities for business created by appropriate compliance with laws and regulations related to improving food system resilience</li> </ul>   |
| No.11 Governance  | <ul style="list-style-type: none"> <li>● Risk of discontinuing business due to non-compliance, inadequate quality and safety controls which could lead to poor basic risk management</li> <li>○ Opportunities that arise from the accumulation of trust from stakeholders through the continuation of safety, quality, and environmental management activities that are unique to our company.</li> </ul>  |
| No.12 Pandemics, political conflicts  | <ul style="list-style-type: none"> <li>● Risk of difficulty in promoting innovation and conducting business activities due to supply shortages resulting from pandemics, the invasion of Ukraine, etc., risk of stagnation in the penetration and development of Group-wide and business strategies due to restrictions on information sharing across countries resulting from political conflicts, trade wars, etc.</li> </ul>  |
| No.13 Terrorism/coups d'etat  | <ul style="list-style-type: none"> <li>● Risk of local executives and expatriates being detained and risk of being unable to continue business activities in particular countries due to terrorism/coups d'etat</li> </ul>   |
| No.14 IT Security, Intellectual Property  | <ul style="list-style-type: none"> <li>● Risk of leak or loss of strategic or confidential information, etc. due to inadequate knowledge management or rapid technological innovation, and risk of security vulnerabilities due to becoming a target of cybercrime</li> <li>○ Opportunities for further competitive advantage and boosting business growth by strengthening intellectual property strategy, including building an intellectual property portfolio from a global perspective</li> </ul>   |

# Goals by Key Theme: Overview of Goals

| Key theme  | Initiatives   | Classification   | Goals  | KPI                                       |         |             |      |
|--|---|--|--|---|---------|-------------|------|
|  |   |  |  | 2022                                      | 2025    | 2030        | 2050 |
| Achievement of a sustainable global environment  | Contribute to the transformation of a resilient food system that supports 10 billion people   | Ambitious goals  | Promote practical implementation of on-site ammonia production   |   |         |             |      |
|  |   |  | Contribute to the creation a society with a circular resource system by expanding the biocycle   |   |         |             |      |
|  | Challenge to Net Zero   | Ongoing  | Provide agricultural materials that contribute to sustainable agriculture  |   |         |             |      |
|  |   |  | Provide products using cattle raised by more sustainable methods utilizing amino acids   |   |         |             |      |
|  |   |  | Advance biodiversity initiatives   | ①   |         |             |      |
|  |   |  | Cooperate with each region on social applications for reducing food loss, recycling plastic, etc.  |   |         |             |      |
| Reduce GHG emissions (vs. 2018)  | Scope 1+2: 19% reduction<br>Scope 3: 3% reduction   | -  | Scope 1+2: 50% reduction<br>Scope 3: 30% reduction   | Achieve net zero<br>100% renewable energy |         |             |      |
| Eliminate plastic waste  | -   | -  | Reduce to zero   | -   |         |             |      |
| Reduce food loss (vs. 2018)  | 39% reduction (from raw material sourcing to delivery at customer)  | -  | 50% reduction (from raw material sourcing to delivery at customer)   | 50% reduction (full product lifecycle)    |         |             |      |
| Reduce water consumption (vs. 2005)  | 79% reduction   | -  | 80% reduction<br>100% sustainable procurement ratio of key raw materials   | -   |         |             |      |
| Increase sustainable procurement of raw materials  | Paper 99%, palm oil 98%, soybeans 71%, coffee 56%   | -  | Animal welfare improvement   | -   |         |             |      |
| Achievement of well-being through food   | Provide nutritious food that respects local cultures without compromising taste while providing nutritional information for each meals to support consumers' understanding of healthy nutrition | Goals  | Provide solutions for B2B customers  |   |         |             |      |
|  |   |  | Collaborate with local stakeholders to solve food and health issues  |   |         |             |      |
|  | By encouraging the joy of cooking and eating together, contribute to individuals' emotional enrichment and subjective well-being  | Ongoing  | Promote Ajinomoto Group Nutrition Profiling System (ANPS) that quantifies the nutrition value  |   |         |             |      |
|  |   |  | Increase the percentage of products that have improved their nutritional value   | ② 56%                                     | -       | 60%         | -    |
|  |   |  | Increase the number of people reached with products that promote "delicious salt reduction" and "protein intake optimization" (annually) | 340 million                               | -       | 400 million | -    |
|  | Create an environment that supports people in making healthy food choices, for humans and the planet, that don't compromise on taste  | Increase the availability of products that utilize the physiological and nutritional functions of amino acids (compared to FY20) |  |   |         |             |      |
| Contribute to consumers' self-actualization through our No.8 products and services that cater to each individual | Quantify how much cooking and eating together contribute to well-being (study the relationship) and promote products that have high contribution to well-being                                  | Goals  |  |   |         |             |      |
|  | Provide foods and ingredients made with materials and production methods with low environmental impact (cultured meat, plant-based foods, etc.)   | Goals  |  |   |         |             |      |
|  | Develop a highly personalized experience for consumers through a deep understanding of their needs and behaviors  | Goals  |  |   |         |             |      |
|  |   |  | 1.1 times  | -   | 2 times | -           |      |




# Goals by Key Theme: Overview of Goals

| Key theme  | Initiatives   | Goals   | KPI                                |                                 |                                 |                       |
|--|---|---|------------------------------------|---------------------------------|---------------------------------|-----------------------|
|  |   |   | 2022                               | 2025                            | 2030                            | 2050                  |
| Contribution to advanced medicine and prevention | Contribute to creating healthcare solutions that address individual needs through advanced medicine   | Ambitious goals<br>Deliver solutions in the healthcare sector (from medicinal amino acids to advanced bio-pharma, and cell therapy business)  |                                    | -                               |                                 |                       |
| Contribution to the evolution of a Smart Society | Support a sustainable and accessible information and communications technology (ICT) society  | Ambitious goals<br>Increase the ratio of advanced material shipments that makes it possible for our customers to create faster and more reliable devices<br>Co-create a sustainable business model that contributes to human well-being by continuous innovation  |                                    | -                               |                                 |                       |
| Respect for diverse values and human rights      | Promote human rights initiatives throughout the value chain, foster shared purpose with multi-stakeholders  | Ambitious goals<br>Quantify supplier engagement   |                                    | -                               |                                 |                       |
|  |   | Ongoing<br>Conduct human rights and environmental due diligence   | ③                                  | -                               |                                 |                       |
| Reinforcement of our management foundation       | Promote DE&I initiatives that serve as role models for local communities and improve employee well-being by investing in human resources, encouraging challenges and creating innovation. To be a workplace where all employee endeavor for purpose which one works | Ambitious goals<br>Promote ASV Award to celebrate employees that embrace challenge<br>Promote A-STARTERS (a new business incubator project)<br>Improve labor productivity and working hours<br>Engagement score to measure human resources, career development (Ajinomoto Co., Inc. only)<br>Promote Smart Factory  |                                    | -                               |                                 |                       |
|  |   | Ongoing<br>Increase diversity at the leadership level<br>Increase ratio of women in management<br>Increase ASV realization process engagement score<br>Increase health and wellbeing engagement score<br>Increase career recruitment ratio to promote diversity (Ajinomoto Co., Inc. only)  | 17%<br>27%<br>75%<br>82%<br>38.60% | 20%<br>35%<br>80%<br>85%<br>20% | 30%<br>40%<br>85%<br>90%<br>30% | -<br>-<br>-<br>-<br>- |
|  | Improve employee literacy   | Ambitious goals<br>Implement measures to improve literacy in environment, digital transformation and human rights among employees and stakeholders  | ④                                  | -                               |                                 |                       |
|  |   | Ongoing<br>Increase the number of touchpoints with employees receiving nutrition education  | 56,000 people                      | -                               | 100,000 people                  |                       |
|  | Strengthen resilience to changes in the business environment  | Ambitious goals<br>Build systems such as quality assurance, regulatory, safety, and intellectual property to strengthen resilience<br>Promote measures that encourage continuous compliance awareness<br>Ensure proper assessments, audits, and inspections related to health and safety of employees<br>Establish an innovation strategy team<br>Identify management risks and consider countermeasures (annually)<br>Projections, opportunity identification, and portfolio strategy (as appropriate) |                                    |                                 | -                               |                       |
|  |   |   |                                    |                                 |                                 |                       |

# (1) Promoting Biodiversity

In addition to the sustainable procurement we have practiced to date, we are identifying risks and opportunities under the LEAP approach of the Taskforce on Nature-related Financial Disclosures (TNFD) and developing measures accordingly.

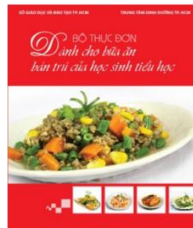
Progress will be disclosed as appropriate and we will begin disclosure based on the TNFD Recommendations in FY 2025

|               | Approach   | Objectives and Specific Examples  |   |
|---------------|--|---|---|
| Risks         | <p><b>Sustainable procurement initiatives</b><br/>           ⇒100% of procurement to be sustainable by fiscal 2030</p>                           | <p><b>Ensure sustainable business by identifying and avoiding risks</b><br/> <b>Examples:</b></p> <ul style="list-style-type: none"> <li>Ongoing skipjack tagging surveys</li> <li>Sustainable ingredient procurement</li> </ul>                    |  <p><b>Skipjack tagging surveys (ensure sustainability of HON-DASHI® ingredient)</b></p>  |
| Opportunities | <p><b>TNDF LEAP</b><br/>           ⇒Identify interfaces with nature, dependencies and impacts, and risks and opportunities for each business</p> | <p><b>Identify opportunities from risk analysis</b><br/> <b>Examples:</b></p> <ul style="list-style-type: none"> <li>Provision of products made from certified ingredients</li> <li>Introduction of paper and other recyclable packaging</li> </ul> | <p><b>Purchase of certified ingredients</b></p>  <p><b>Paper packaging</b></p>   |

## (2) Improving Nutrition in Southeast Asia

By addressing health issues in each country and region, and engaging in industry-government-academia collaboration, we are promoting well-balanced diets with a basis in “AminoScience” that are full of flavor and also offer high nutritional value. This greatly contributes to people’s well-being

### Vietnam



- Promoting nutritionally-balanced school meals with the Ministry of Education and Training and the Ministry of Health
- Developing and introducing educational and menu development software



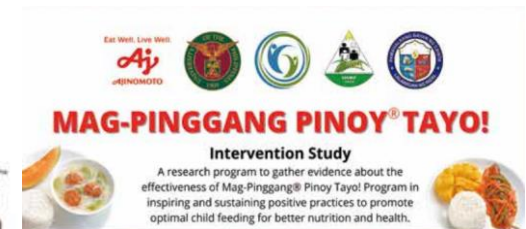
### Indonesia



- Implementing 10-month programs at boarding schools
- Verifying effects with Institut Pertanian Bogor University
- Confirming the effects of nutritional improvements such as halving of anemia

### Philippines

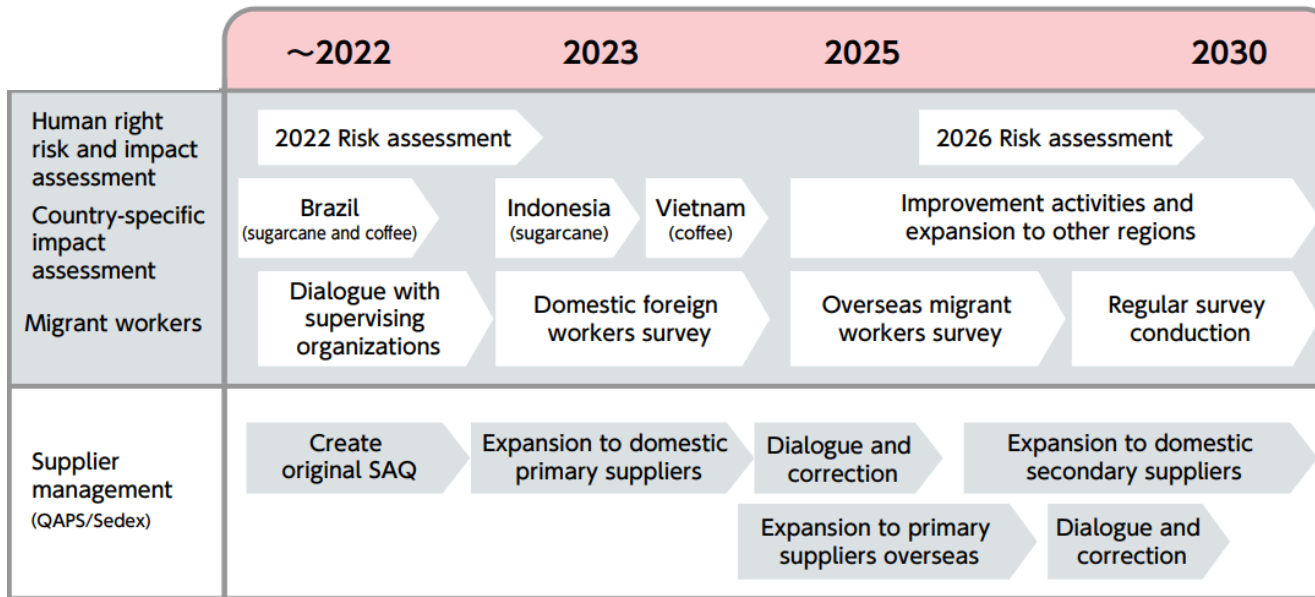
PINGGANG PINOY  
Healthy food plate for Filipino adults



- Working with the government to raise awareness of healthy eating guidelines developed by the government and WHO
- Verifying the impact of nutritional improvements with the University of the Philippines and local governments since 2021

### (3) Supply Chain-wide Visualization

In our human rights due diligence, we are working to mitigate and correct negative impacts on rights-holders in our value chain, based on international standards. Looking toward 2030, we will continue to promote these efforts via thorough site visits and direct dialogue, based on risk monitoring through risk assessments by country (once every four years) and QAPS,\* our own original questionnaire.



#### \*Questionnaire for Ajinomoto group Shared Policy for Suppliers (SAQ)

**Details:**  
 Monitors the implementation status of specific requests (=Ajinomoto Group Policy Guidelines) based on seven expectations we have of suppliers (Ajinomoto Group Policies). Currently being implemented at about 3,000 primary suppliers in Japan.

# (4) Strengthening Human Assets by Improving Various Literacies of Global Employees



We are distributing educational content on themes such as nutrition, the environment, and human rights on a global basis.

This is deepening the understanding of each theme among all employees and increasing incorporation of the themes into business activities, thereby raising engagement. This will strengthen human assets who can create value.

## Examples of nutritional education content

**Indonesia**  
**Health Provider**  
 Level-based certification through a badge program

**National Nutrition Day**

For Human being : Health & Nutrition Program

For the Earth : Environmental Program

Webinar on MSG and umami

Webinar on health education

Total of approx. 56,000 users since FY2020

## Examples of environmental educational content

### Vietnamese

1. Mục đích của Tập đoàn Ajinomoto & Môi trường

**Hệ thống thực phẩm**

Total of approx. 8,000 users since FY2022

### Polish

1. Wiedza i zrównoważony rozwój Grupy Ajinomoto

**Układ pokarmowy**

### Thailand

**ASV Ambassador**

| Less on | Topics  |
|---------|---|
| 1       | 0, 1 Introduction of Health & Nutrition E-learning, Health Issues in the world & in AJT |
| 2       | 2 - 5 Nutrition Flag, 3 Function of Nutrients, Food Exchange, Nutrition Label           |
| 3       | 6, 7 Suitable meal for our lives, Meal improvement for good nutrition                   |

**NUTRI WORK NUTRITION COURSE ACQUIRE KNOWLEDGE**

### Peru

**NUTRI WORK NUTRITION COURSE ACQUIRE KNOWLEDGE**

**NUTRITION COURSE**

- Chpt. 1: The Ajinomoto Group and Nutrition
- Chpt. 2: Delicious Salt Reduction
- Chpt. 3: Nutritionally balanced foods
- Chpt. 4: Nutritional Tips for the Peruvian People
- Chpt. 5: Fruit and Vegetable Intake
- Chpt. 6: Optimizing Protein Intake

**AWARENESS MATERIAL**



# Glossary ①

| Term                            | Explanation  | Pages                    |
|---------------------------------|--|--------------------------|
| "AminoScience"                  | A collective term for the various materials, functions, technologies, and services derived from research and implementation processes with a rigorous focus on unlocking the power of amino acids.<br>It also refers to the Ajinomoto Group's unique scientific approach to connect these to resolving social issues and contributing to well-being. | 10, 12, 18, 22, 30       |
| Key themes                      | Key themes that the current Ajinomoto Group should address.  | 6, 7, 14, 20, 21, 40, 41 |
| Outcomes                        | Values that the Ajinomoto Group creates for society over a medium-term time frame.   | 22                       |
| Positive impact                 | Positive value that the Ajinomoto Group creates for society over a long-term time frame.   | 2, 22                    |
| Negative impact                 | Negative impact that occur in our value chain through our business.  | 22, 31                   |
| GHG                             | Greenhouse gas. A gas such as carbon dioxide or methane that has the property of absorbing heat in the atmosphere.   | 4, 5, 7, 12, 27          |
| ASV Awards                      | An in-house program of the Ajinomoto Group for commending particularly outstanding cases of initiatives that embody ASV. It has been held since 2016 to promote "ASV as one's own initiative" through the sharing of best practices for realizing ASV and incorporating these into the goals of all employees.                                       | 4, 28                    |
| Well-being                      | A healthy and happy state.   | 8, 13, 14, 25, 27, 28    |
| <i>Deliciousness Technology</i> | Technology that refines the analytical and control technologies for aroma, taste, and texture that are strengths of the Ajinomoto Group, achieves overwhelming deliciousness through the combination of these, and creates extra customer values such as health, sustainability, and smart cooking.  | 4, 5                     |
| Co-products                     | A nutrient-rich by-product born in the process of fermenting agricultural produce to create amino acids.   | 4, 5, 10                 |
| Value Chain                     | The flow of products and services from procurement of raw materials, manufacturing, shipping and delivery, marketing activities, sales to customers (consumers), and after-sales service, with various values added before the products and services reach the customers.  | 3, 4, 5, 6, 7, 28, 31    |
| WACC                            | An abbreviation for weighted average cost of capital. Return on invested capital (ROIC), which expresses the earning power of a company, in excess of WACC leads to growth in corporate value.   | 6                        |

# Glossary②

| Term               | Explanation   | Pages         |
|--------------------|---|---------------|
| Smart Society      | A society in which companies, government administration, consumers, etc. connect through networks to solve social issues.   | 8, 19, 20, 28 |
| BtoC               | A home used based business that caters to the general public; abbreviation for <b>B</b> usiness <b>t</b> o <b>C</b> onsumer.  | 11            |
| BtoB               | A business in which a company provides products and services to other companies; abbreviation for <b>B</b> usiness <b>t</b> o <b>B</b> usiness.   | 11, 27        |
| N <sub>2</sub> O   | Nitrous oxide. One of the main greenhouse gases (GHGs) that are a cause of global warming.  | 12            |
| ANPS-P             | Ajinomoto Group <b>N</b> utrient <b>P</b> rofilng <b>S</b> ystem for <b>P</b> roduct. A system that assesses the nutritional value of products based on their content of nutrients for which excessive intake should be avoided and their content of nutrients which are typically lacking and for which intake is recommended. It follows the score calculation method of the NPS Health Star Rating System mainly used in Australia and New Zealand.  | 15            |
| ANPS-D             | Ajinomoto Group <b>N</b> utrient <b>P</b> rofilng <b>S</b> ystem for <b>D</b> ish. ANPS-P faces limits in assessing products such as seasonings and spices that are not eaten alone by consumers, but ANPS-Dish is able to assess the nutritional value of menu items prepared with such products.  | 15            |
| CDMO               | Abbreviation for <b>C</b> ontract <b>D</b> evelopment and <b>M</b> anufacturing <b>O</b> rganization. It provides pharmaceutical companies with comprehensive services in manufacturing and development, including contract manufacturing of pharmaceuticals and optimization of manufacturing conditions in the development stage.<br>The business scope is broader than that of a CMO (Contract Manufacturing Organization) in that it can also handle the development of investigational drugs, including the formulation process. | 18            |
| AJIPHASE®          | A proprietary liquid phase production of nucleotide and peptide.<br>(reference) <a href="https://ajibio-pharma.ajinomoto.com/ajiphase/">https://ajibio-pharma.ajinomoto.com/ajiphase/</a>   | 18            |
| Nucleic acid drugs | Nucleotides, the components of deoxyribonucleic acid (DNA) and ribonucleic acid (RNA), which control the genetic information of living organisms, are the basic building blocks of nucleotide drugs. Nucleic acid drugs are considered to be the third generation of drugs, following small molecule drugs and antibody drugs, and have the potential to cure diseases that have been difficult to treat with conventional drugs.   | 18            |

# Glossary ③

| Term                             | Explanation   | Pages |
|----------------------------------|---|-------|
| AJICAP®                          | A technology developed by the Ajinomoto Group that enables the creation of high-performance antibody-drug conjugates (ADCs).<br>(reference)   | 18    |
| Corynex®                         | A new protein and peptide secretion and expression platform using the gram-positive bacterium <i>Corynebacterium glutamicum</i> as a host, independently developed by the Ajinomoto Group.<br>(reference)   | 18    |
| Forge                            | Forge Biologics Holdings, LLC, a US-based gene therapy drug CDMO. Ajinomoto Co., Inc. acquired the company in December 2023.  | 18    |
| Viral vector                     | In gene therapy, a vector is a carrier used to deliver therapeutic genes to cells. Viral vectors are based on viruses that have lost their infectious properties.   | 18    |
| IOWN                             | Innovative Optical & Wireless Network. A concept for creating a prosperous society using state-of-the-art optical technologies.   | 20    |
| Magnetic materials               | Materials that exhibit magnetism. Magnetism is effective in regulating current and in attenuating electromagnetic waves. It is used in the manufacture of numerous electronic components and devices.   | 20    |
| Low-carbon printed circuit board | The world's first low-carbon printed circuit board, developed and manufactured by Elephantech Inc. The company produces printed circuit boards through a proprietary manufacturing method using metallic inkjet technology, which reduces CO <sub>2</sub> emissions by 75% and water consumption by 95% compared with conventional methods. | 21    |
| TNFD                             | The Taskforce on Nature-related Financial Disclosures. An international organization launched in June 2021 to construct a framework for private companies and financial institutions to properly assess and disclose risks and opportunities related to natural capital and biodiversity.   | 29    |
| LEAP approach                    | An integrated approach developed by TNFD to assess nature-related issues including interfaces with nature, dependencies on nature, impacts, risks, and opportunities.   | 29    |

# Reference Links

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## **Ajinomoto Group IR Information**

<https://www.ajinomoto.co.jp/company/en/ir/>

## **Ajinomoto Group ASV Report (Integrated Report) 2023**

<https://www.ajinomoto.co.jp/company/en/ir/library/annual.html>

## **Ajinomoto Group Medium-Term ASV Initiatives**

[https://www.ajinomoto.co.jp/company/en/ir/event/medium\\_term.html](https://www.ajinomoto.co.jp/company/en/ir/event/medium_term.html)

## **Ajinomoto Group Business Briefing / IR Day**

[https://www.ajinomoto.co.jp/company/en/ir/event/business\\_briefing.html](https://www.ajinomoto.co.jp/company/en/ir/event/business_briefing.html)

## **Ajinomoto Group Stories**

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