

Eat Well, Live Well.



IR Day 2022

Opening Remarks

**— Evolution of ASV Management:
Sustainability and Human Assets —**

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**Member of the Board, Representative Executive Officer
President & Chief Executive Officer**

September 14, 2022

Today's Topics

We are steadily speeding up our management and forging ahead across the company to **evolve our ASV* management under the new structure.**

By **incorporating sustainability** into the base of our ASV management and by further strengthening the intangible assets that are the source of all—in particular, **by further strengthening the human assets** that are the driving force behind all of our intangible assets—we will make the ASV value creation process even stronger and will accelerate its evolution.

As part of these efforts, we will formulate the 2030 Roadmap for medium-term indicator management and will **achieve sustained and dramatic enhancement of our 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

Today's Topics

- I. The process of value creation through the evolution of ASV management

- II. Sustainability and management strategy

- III. Strengthening of human assets

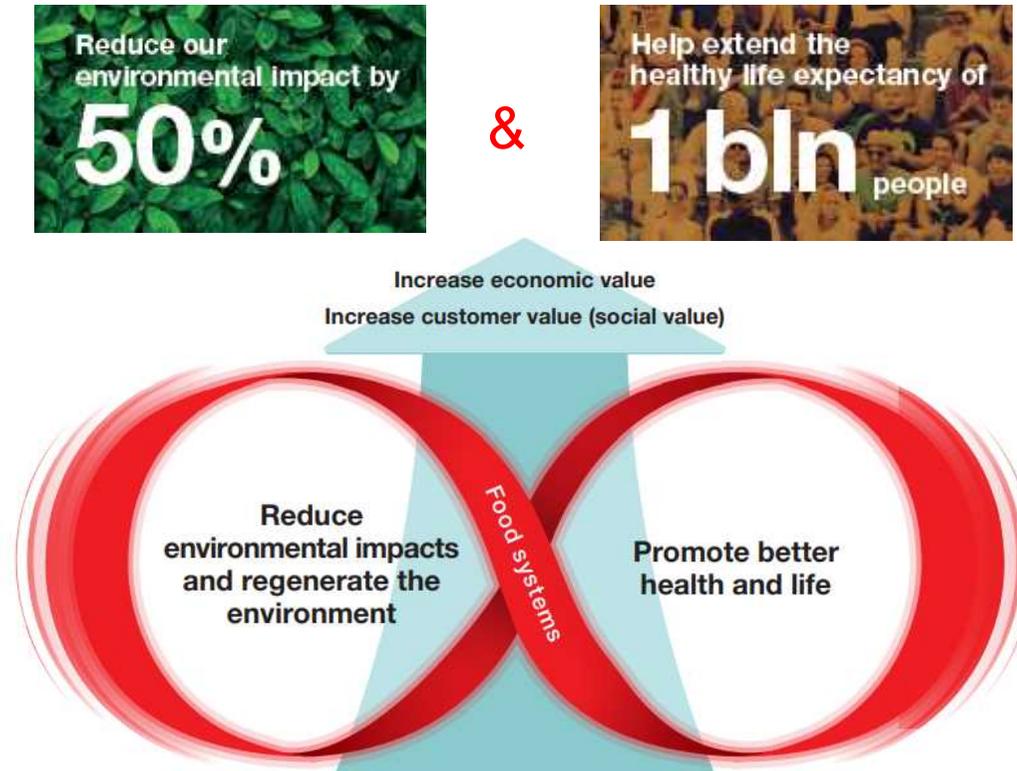
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- I. The process of value creation through the evolution of ASV management
 - II. Sustainability and management strategy
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I-1. The Ajinomoto Group Vision

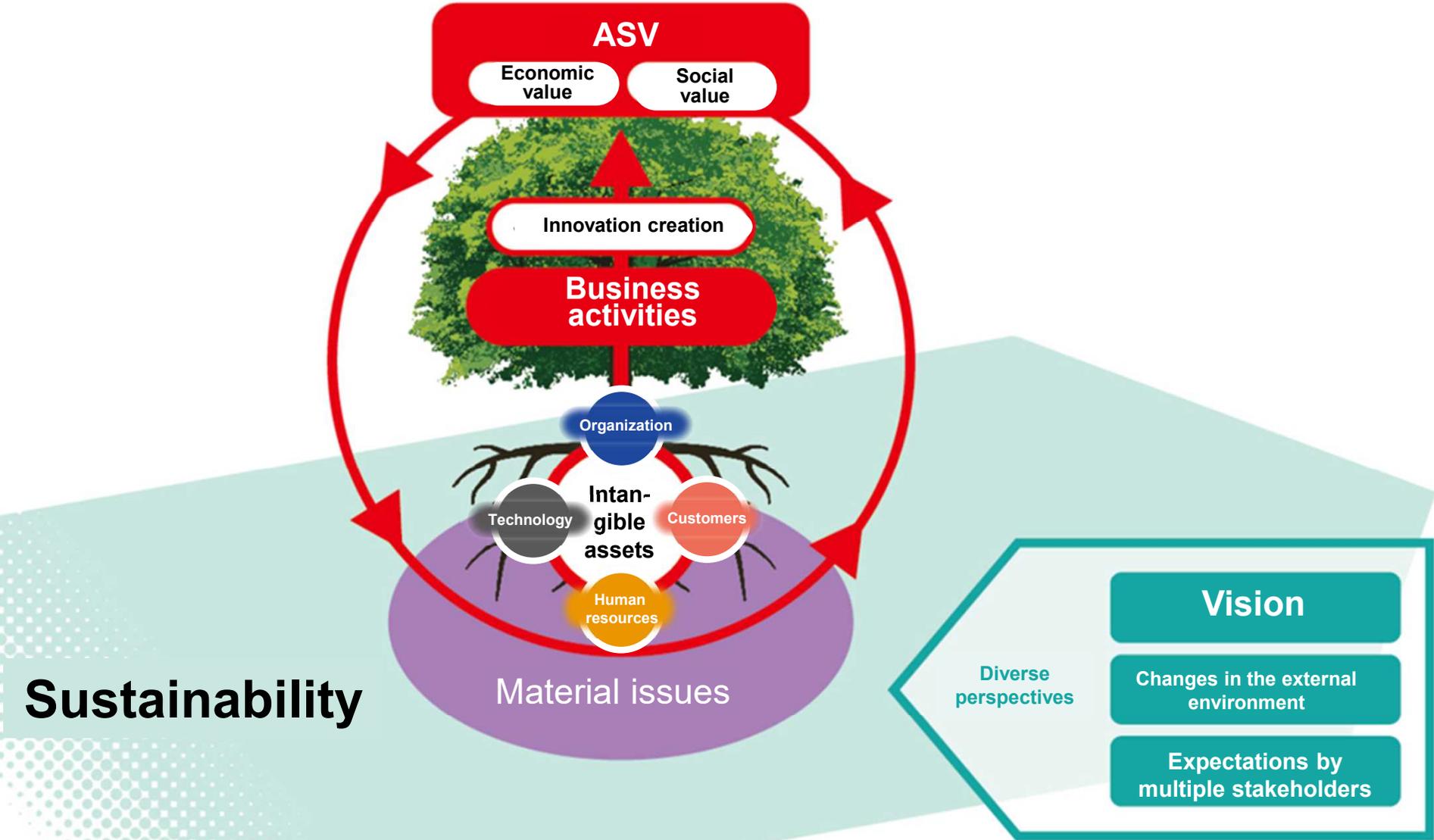
Broaden empathy toward our purpose, co-create value with partners through the functions of amino acids, and, seeking to realize our vision, enhance corporate value continually and dramatically through “Purpose x Passion x Operational Excellence (OE)” & “Speed Up x Scale Up.”

Ajinomoto Group Vision

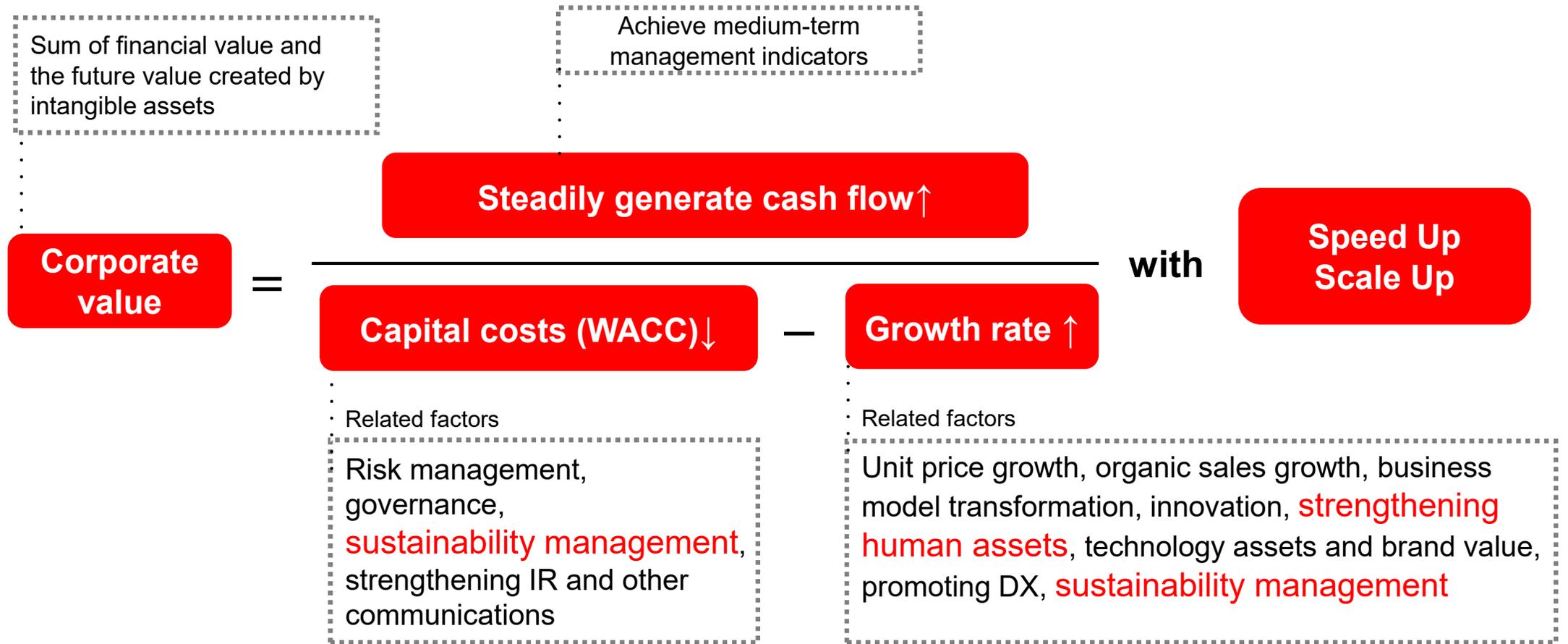
Contribute to greater wellness for people worldwide, unlocking the power of amino acids to resolve the food and health issues associated with dietary habits and aging.



I-2. The ASV value creation process



I-3. Standard calculation of corporate value



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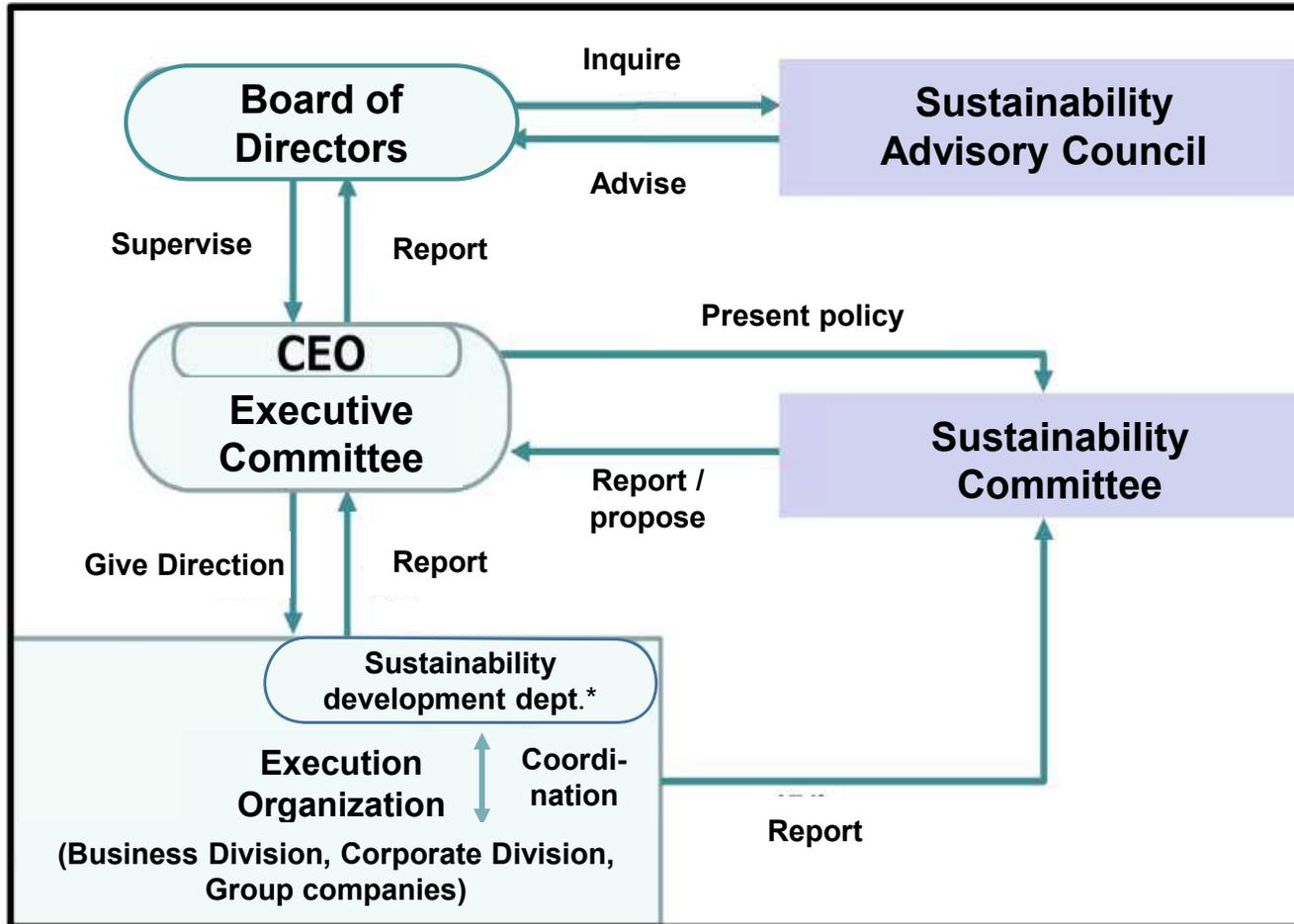
II-1. Sustainability and management strategy

To keep on sustainably enhancing our corporate value, we will consider sustainability with an eye toward 2050, will identify the social issues that the Ajinomoto Group should solve while incorporating the perspectives of diverse stakeholders, and will reflect these in our ASV management strategy.



II-2. Establishment of the Sustainability Advisory Council

We established the Sustainability Advisory Council under the Board of Directors.



*Formulate policies, strategies / Make proposals for business plans from the perspective of sustainability / Follow up on measures

II-2. Establishment of the Sustainability Advisory Council

Achieved a member structure that enables multi-stakeholder perspectives.



II-3. Roles of the Sustainability Advisory Council

- A) Make reports and proposals to the Board of Directors on a vision for the Ajinomoto Group in terms of medium- to long-term sustainability and ESG, from multi-stakeholder perspectives.
- B) Actively offer counsel on the Ajinomoto Group's sustainability initiatives and processes, while maintaining objective perspectives.



**Ajinomoto Group
report on material issues**

November 2022
Report at Board of Directors
meeting scheduled

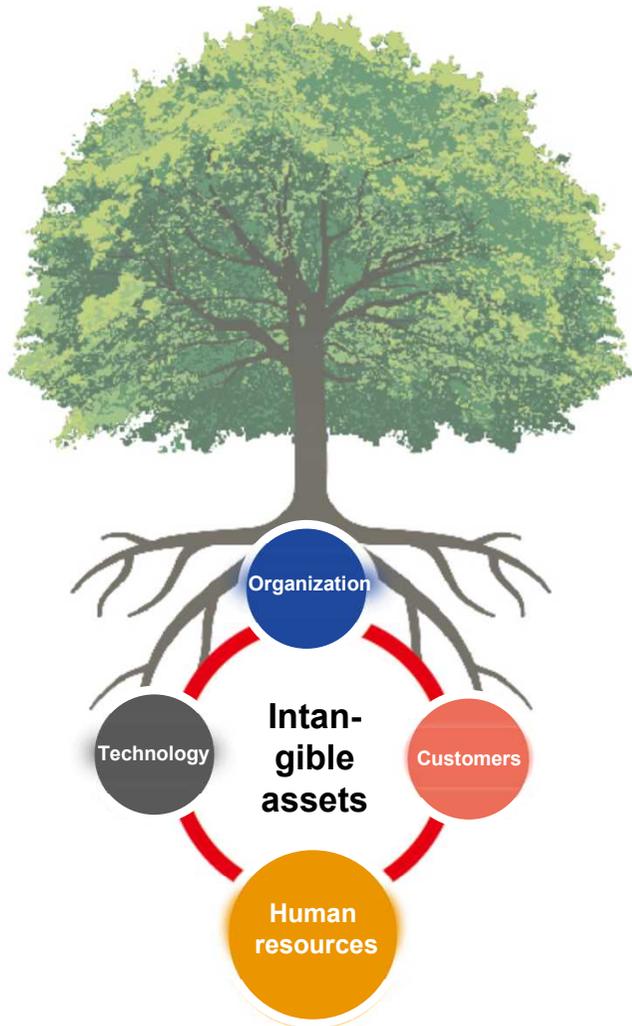
November 2022 to
January 2023
Board of Directors
deliberation/debate
scheduled

Reflect in 2030 Roadmap
for medium-term indicator
management

- I. The process of value creation through the evolution of ASV management
- II. Sustainability and management strategy
- III. Strengthening of human assets**

III-1. Four intangible assets of the Ajinomoto Group

With intangible assets as our wellspring, we will advance our ASV management strategy centered on sustainability. With regard to the human assets who enhance the value of all of our intangible assets, we will further concentrate the empathy of diverse people who share our aspirations and will enhance the sum of our human assets.



Intangible assets

Human resources A driving force that enhances the value of all intangible assets

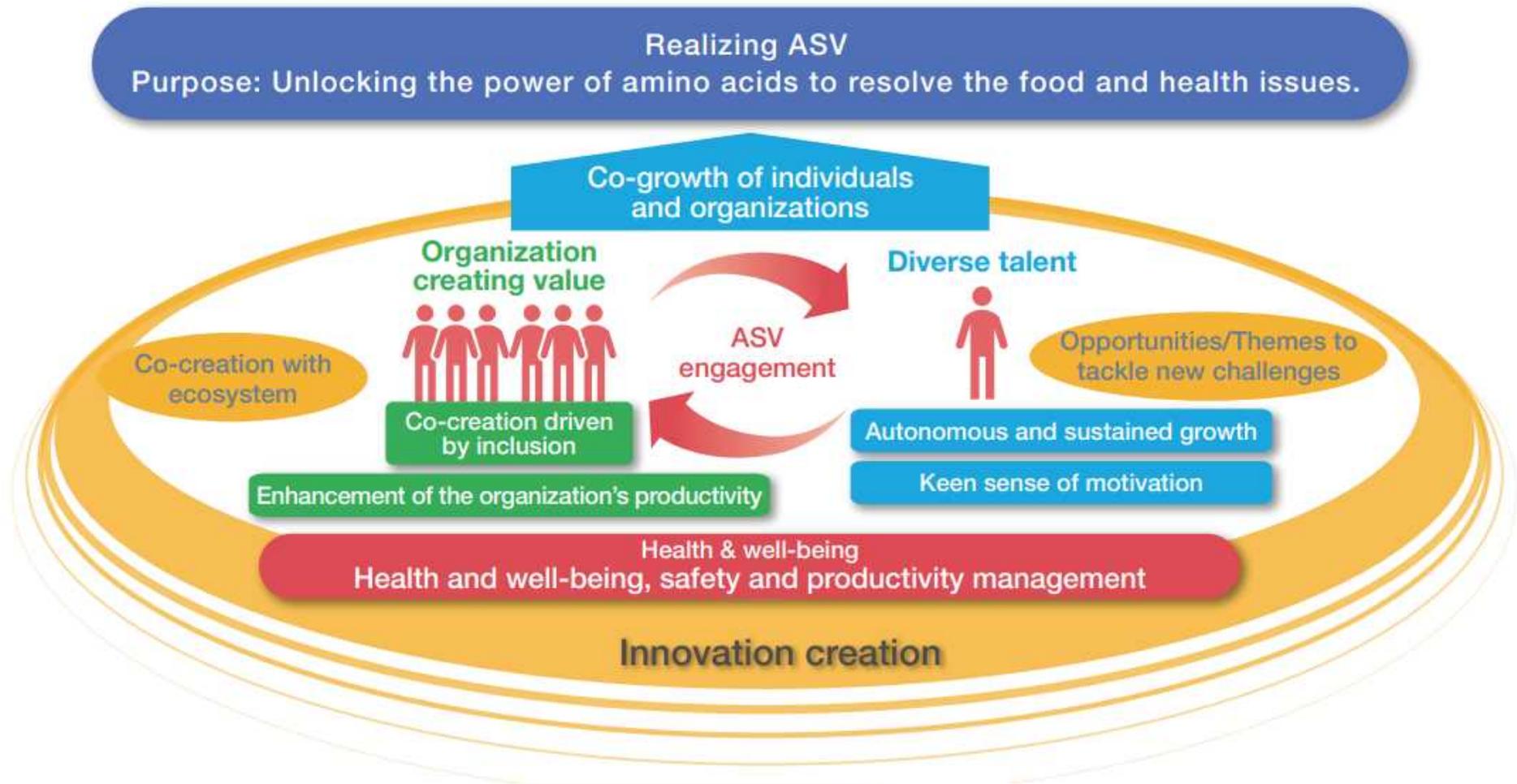
Technology Enhancement and integration of technology assets based on the search for functions of amino acids

Customers Assets that lead to future financial value—both current and potential customers

Organization Purpose, passion toward the purpose, and mechanisms and culture for achieving the purpose

III-2. Strengthening of human assets

We will strengthen human assets in terms of both individuals and organizations. We will formulate a human resource strategy that backcasts from our vision for ourselves, and will undertake initiatives while making the process for realizing ASV visible.





III-3. Enhancement of motivation

In recent years, the score has steadily increased in terms of employee morale and long-term human resource development.

We will further address issues including development of employees in their 20s, and will move forward to become a company that appeals to people.

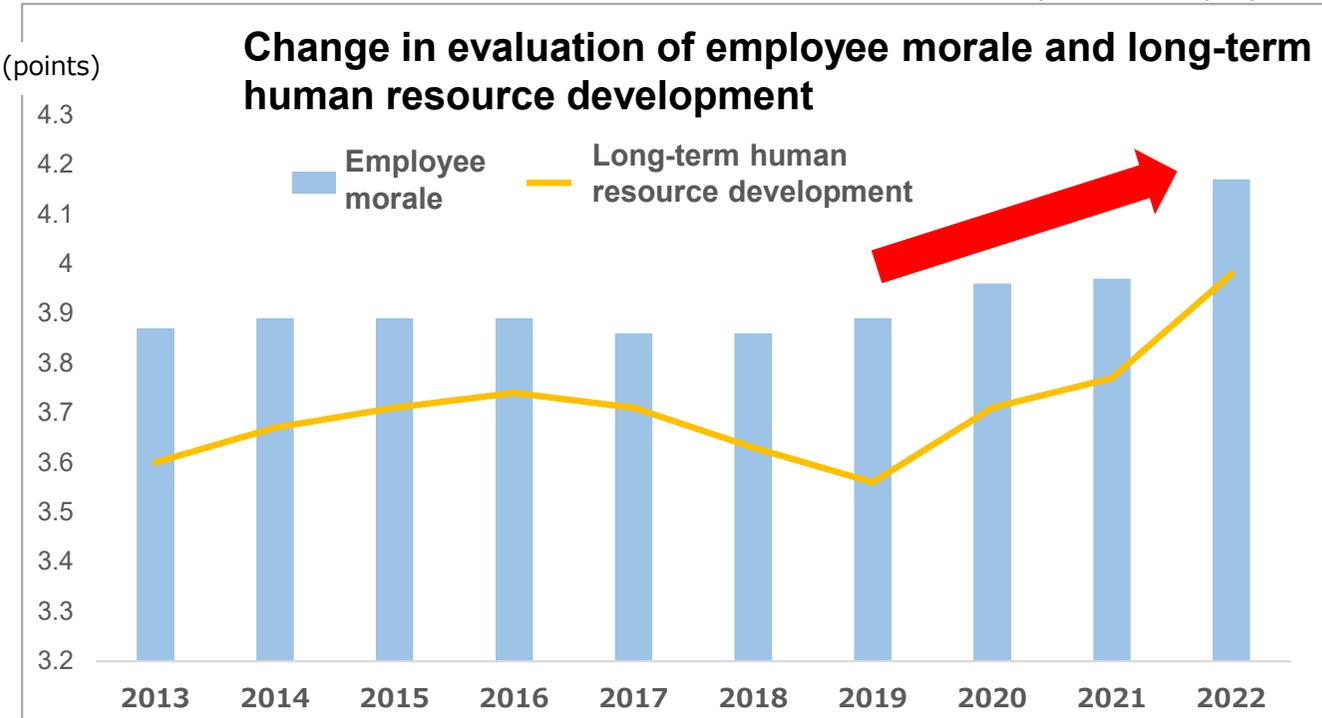
Ranking of motivating companies: No. 47 (top 1%)

From Open Work Awards 2022

Eight items for evaluation*: Degree of satisfaction with treatment; employee morale; openness; mutual respect among employees; environment for growth during 20s; long-term development of human resources; awareness of legal compliance; sense of appropriateness in personnel evaluations

* Calculated from Open Work's proprietary algorithm based on eight items for evaluation

Change in evaluation of employee morale and long-term human resource development



Evaluation of environment for growth during 20s

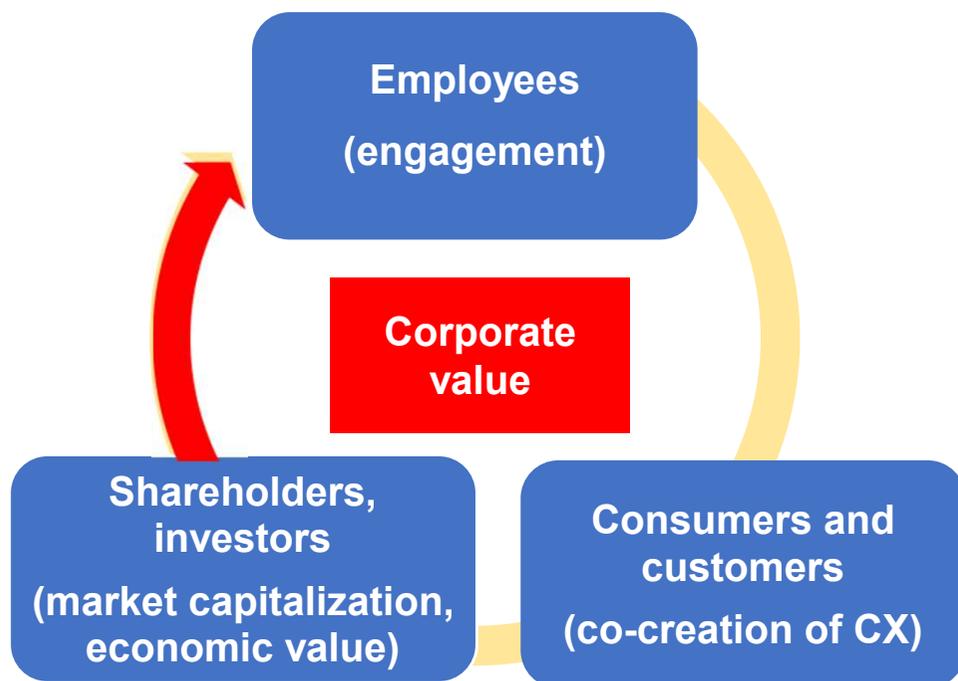
Average of top 50 companies **4.1 points** > Ajinomoto **3.0 points**

Data source: Open Work (as of 2022.9.2)

III-4. Initiatives to enhance corporate value through employee stock ownership plan

By introducing medium-term incentives into our employee stock ownership plan, we will connect the plan to increased awareness of participation in management strategies from a medium- to long-term perspective and to enhancement of engagement, and will strengthen the corporate value enhancement cycle.

This will also contribute to employees' medium- to long-term and autonomous asset formation.



In addition to implementation at Ajinomoto Co., Inc., we are considering introducing it to Group companies in Japan that are members of the stock ownership association

Special incentives

If target values* in Phase 1 of the MTP have been achieved in FY2022 results, the **equivalent of one unit of stock will be paid as a special incentive** to members of the employee stock ownership association as of June 1, 2023.

Additional incentive rate

The incentive rate is changed every year in accordance with performance in the previous fiscal year.

Upon the introduction of the program, the stock ownership association incentive rate for the period from November 2022 to May 2023 will be raised for employees who are members of the association as of November 1, 2022.

*FY2022 financial indicators

Efficiency indicator: ROIC of 8%; Growth indicator: organic growth rate of 11%

Summary

Under a steady ASV value creation process, we will formulate our 2030 Roadmap for medium-term indicator management to achieve sustained and dramatic enhancement of our corporate value.

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- **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.**
- **This material includes summary figures that have not been audited so the numbers may change.**
- **Amounts presented in these materials are rounded down.**

Link to the ASV Report (Integrated Report) 2022

ASV Report (Integrated Report) 2022 (published August 31)

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

