



Part 1

Dear Stakeholders



Message from the President and CEO

Dedicated to fulfilling our aspiration of
“Eat Well, Live Well.” by providing solutions
for food and health issues

**Takaaki Nishii**

Director, Representative
Executive Officer,
President & Chief
Executive Officer

President Nishii visits a supermarket in Ibaraki Prefecture promoting reduced-salt products on the monthly Delicious Salt Reduction Day (*Oishio Day*) in Ibaraki Prefecture. Photo courtesy of Food Square Kasumi Aeon Town Moriya

Message from the President and CEO

The Ajinomoto Group management philosophy and vision

Overcoming the AND/OR dichotomy in challenging times

The COVID-19 pandemic wreaked havoc on societies and economies around the world in 2020, and the Ajinomoto Group and I myself were no exception. The experience has changed people's values, and we believe the effects will remain for a long time. As a manager, and personally as well, I feel strongly that we should not approach issues or ideas as having solutions that are exclusive of each other, but that we should seek unity (AND) rather than division (OR). Tensions between countries, ethnic groups, and social classes have always existed all around the world, but the divisions and conflicts have been escalating in recent years. I'm sure that I'm not the only person who is distressed by what has been happening. In his book *On Happiness*, the early 20th century French philosopher Alain said, "Pessimism comes from our passions; optimism from the will." As we face the harsh realities of these challenging times, I believe we should do our best to avoid creating divisions (OR) and rather approach situations with a spirit of embracing unity (AND).

Reflecting on the history of the Ajinomoto Group, unity has been an element of our organization since our founding in 1909 when a scientist's aspiration joined with a businessman's entrepreneurial spirit. The Ajinomoto Group was created when Dr. Kikunae Ikeda, who discovered that the umami taste derived from the amino acid glutamic acid, partnered with businessman Saburotsuke Suzuki II to realize their commitment to "improve the nutrition of Japanese people." That union of social *and* economic value lives on in our commitment to ASV (The Ajinomoto Group Creating Shared Value). Likewise, they did not think that delicious *and* nutritious had to be separate (OR), but formed a clear vision for creating foods that were both delicious and nutritious. Their vision is the main ingredient in our aspiration of "Eat Well, Live Well." and defines our purpose. This spirit of unification, the AND spirit, is also behind our drive to help resolve food and health issues and contribute to a prospering society and bright future.

➤ The video story of the discovery of umami and the founding of the Ajinomoto Group can be viewed at the following webpage.
<https://www.ajinomoto.com/media/videos?videoID=6093579991001>

Management focused on AND

Value	Social value	AND	Economic value
Origin of the Company	Scientist		Businessman
Business domain	Bio (amino acids)		Foods
Strengths	Leading-edge bioscience and fine chemical technologies		Local adaptation
Business range	Global		Local
Investment	Tangible assets		Intangible assets

Message from the President and CEO

Announcing another step forward in ASV management: The functions of amino acids and building collaboration ecosystems

The objective of ASV management is to guide our businesses in the dual creation of social *and* economic value. We announced in 2020 that we will transform the Ajinomoto Group into a “solution-providing group of companies for food and health issues” by 2030 to fulfill our open commitment to advancing ASV management. We are seeking two outcomes by 2030—to help extend the healthy life expectancy of one billion people and to reduce our environmental impact by 50%.

Management is applying a policy of “Nutrition Without Compromise” in taste, food access (availability), and local way of life, and the core element for creating value in these areas is the power of amino acids. Protein makes up approximately 20% of the human body, and as much as 50% when excluding the water in our body. Proteins are chains of amino acids, and the Ajinomoto Group has been researching amino acids for over 100 years. Amino acids serve four important functions, including flavoring to make foods tastes good, nutritional to help the body grow and develop, and physiological to help the body function properly. We are applying our leading-edge bioscience and fine chemical technologies to support delicious and nutritionally balanced meals by using functions of amino acids to create delicious foods that are low-salt and promote protein intake. Excess salt intake and insufficient essential nutrients such as protein are worldwide nutritional

issues. As the world leader in umami-based seasonings, we believe the Ajinomoto Group can use our strengths in amino acid-related technologies to address both of these issues for the benefit of society *and* to generate organic growth*¹ for the Group.

We are also promoting various environmental measures and objectives as part of our commitment to coexisting with communities and the earth primarily in the areas of mitigation of and adaptation to climate change, development of a recycling-oriented society, and achieving sustainable procurement*².

Unified action will be essential to achieving these objectives, and we will work within the Group *and* in collaboration with various stakeholders. Our focus will be in the three areas of clarifying the relationship between diet (nutrition), physical health, and mental health; categorizing eating habits and lifestyles that can lead to lifestyle-related diseases; and establishing an ecosystem of problem-solving activities. We are currently formulating two ecosystems for collaboration in product development and business activities with multiple companies and organizations.

The first ecosystem centers on academia. In April 2020, Ajinomoto Co., Inc. and Hirosaki University launched a research course on the subject of extending healthy life expectancy. The Iwaki Health Promotion Project being conducted by the city of Hirosaki in Aomori Prefecture has been gathering continuous data since 2005 on some 2,000–3,000 items from 1,000 residents that is being used for health-related big data analysis. The Company engages in joint research using the combination of unparalleled health-related big data analysis and the Company’s technologies to analyze the relationship between diet (nutrition) and physical and mental health with the aim of forming and testing hypotheses that will lead to breakthroughs in extending healthy life expectancy.

The second ecosystem will be for finding solutions to health problems. Like the successful Iwate Prefecture Salt Reduction Project begun in 2014, we will pursue opportunities for collaborations with local governments, retailers, and the media in an ongoing cycle of analysis and hypothesis formulation, testing, and verification. In July 2020, we launched the *Smart Salt* project in which we apply our salt-reduction technology to develop foods under a concept of “delicious, healthy, easy, and new salt reduction” that utilizes umami and *dashi* broth. We are also excited about expanding the project outside of Japan, and have launched a program in Vietnam.

The Iwate Prefecture Salt Reduction Project showed us that increasing sales of high value-added, low-salt products also lead to a rise in the average unit price. Projects like these therefore have the potential to contribute to the long-term growth of the Ajinomoto Group.



Message from the President and CEO

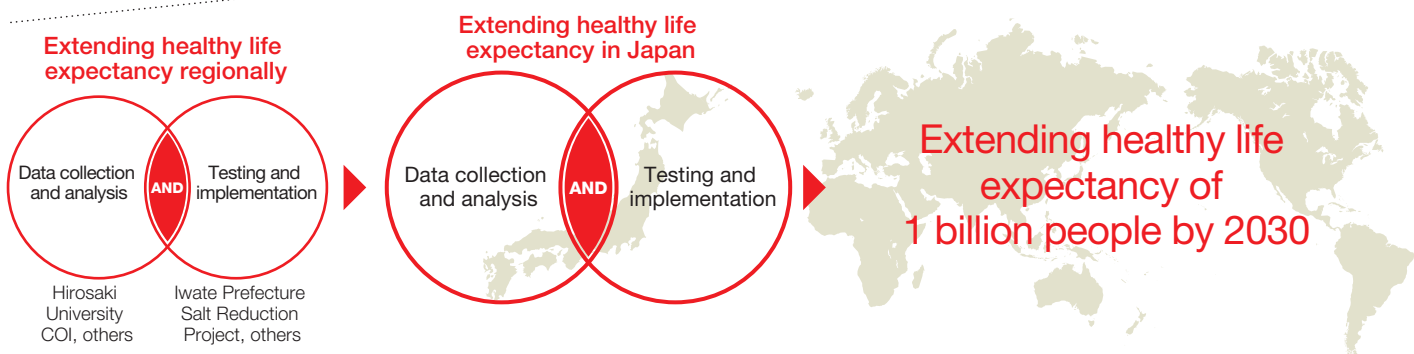
We can then integrate *and* unite these two ecosystems to widen the circle and expand the activities worldwide through collaboration (AND) with more companies that share our aspirations. We have renewed confidence that we will fulfill our vision for 2030 of helping

extend the healthy life expectancy of one billion people, or even more.

*1 Organic growth excludes growth effects from discontinuous items, such as exchange rates, changes in accounting treatment, M&A, and business sales.

*2 Procuring raw materials in a way that supports environmental and social sustainability

Extending healthy life expectancy worldwide



Medium-Term Management Plan progress and performance assessment

Building on the plan's first year results and addressing the challenges

We are now over a year into our 2020-2025 Medium-Term Management Plan, which we configured by backcasting to the present from our vision for 2030 (see p.45-). Rooted in a sense of urgency about the present and future of the Ajinomoto Group, the plan for 2020-2025 is designed to improve the Group's capital efficiency and reestablish our organic growth. The plan has five explicit financial and non-financial key performance indicators (KPIs) for return on invested capital (ROIC), organic sales growth, core business sales ratio, employee engagement score, and unit price growth (unit price by weight, international consumer products). We are stepping up our activities as described below to achieve these KPIs and aim to exceed our target figures for fiscal 2022. Our performance results for fiscal 2020 and our forecasts for fiscal 2021 are presented in the table on the next page.

Our performance in the plan's first year included areas where we progressed faster than expected along with areas where it became clear that we need to give extra attention. We made good progress reorganizing and consolidating our businesses and communicating the

Ajinomoto Group Vision to employees. In 2021, we also fortified the corporate governance and sustainability promotion framework that serves as the foundation of our management by creating the new Sustainability Advisory Council in April and converting Ajinomoto Co., Inc. to a Company with Three Committees in June. We also began steadily integrating digital transformation (DX) to all of our "companywide operational transformation" and our "business model transformation." These activities will take time to produce tangible changes, and we expect the DX to come into full swing and begin producing results in fiscal 2021.

In terms of our business performance, we recorded an all-time high for business profit in fiscal 2020. We take pride that our employees and managers around the world remained dedicated to supporting the food needs of our customers and enabled unceasing operations and sales through the year. Upon seeing the fruits of their dedication and perseverance, I admonish myself for underestimating the power of the Group's human capital. The business environment for fiscal 2021 still contains numerous uncertainties, but at this point we expect our business performance to improve moderately over the previous year.

Message from the President and CEO

Change is unachievable without digital technology

Digital technology is crucial to the Medium-Term Management Plan. One area this is clear is in our shift in management policy emphasis for earnings from short-term profit and loss to ROIC and organic growth. Digital technology tracking and visualizing each business's KPI in real time, combined with our ROIC tree showing all operations contributing to improving ROIC, will enable us to use time that we have been putting into gathering, tabulating, and analyzing numbers for value creation and problem-solving. We expect the ability to see our KPI progress in real time to also boost employee motivation and lead to higher productivity and employee engagement. In addition, making it easier to see the fundamental aspect of a problem or challenge will allow more people to contribute their expertise so we can more quickly implement effective solutions.

We are presently focusing on raising the digital literacy of our employees as we take a step-by-step approach to applying digital technologies to our internal operations in areas including standardizing managerial accounting, preparing operational guidelines, and promoting operational excellence as the standard management mindset for all of our Group companies.

Transforming our corporate culture

As we implement the Medium-Term Management Plan, we are also seeking to transform our corporate culture through change in five specific ways. The first is **revamping the Group Vision**. In our aim to increase our contribution to society, last year we revised our corporate vision to "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." The second is **redefining our corporate value**. We redefined our corporate value as deriving from our cycle of employee engagement creating customer value (social value) that produces economic value, which then returns to employees and promotes even higher engagement.

The third way is **remodeling our human resources development and organizational management**. We cannot create new customer value without highly capable human resources. To encourage working closely with customers to find solutions as an organization and on an individual level, we have introduced a mechanism for employees to contribute to corporate value by raising customer value. The fourth is **redirecting our management policy on profits**. We have moved away from a corporate culture focused on short-term profits and redirected our management approach to a longer-term perspective that emphasizes efficient capital investment and organic business growth.

The fifth way we are transforming our corporate culture is by **revising the process for creating business strategy**. We formulated business strategies for three and six years in the future by backcasting from our targets for 2030 and factoring anticipated changes in the markets. Although the plans have been carefully prepared, rather than staunchly persisting with them for three years, if conditions change, we understand the importance of periodically revising them to ensure the utmost effectiveness. In fact, we are already revising the three-year plan created in 2020, and will continue to update it each year.

Priority KPIs of the Medium-Term Management Plan	FY2020-2022 Phase 1		FY2023-2025 Phase 2		FY2030 Final target
	FY19 (Result)	FY20 (Result)	FY22 (Target)	FY25 (Target)	FY30 (Target)
ROIC (ROIC > WACC*)	3.0%	6.9%	8%	10-11%	13%
Organic sales growth (YoY)	0.3%	-0.6%	4%	5%	5%
Core business sales ratio	66.5%	66.6%	70%	80%	80%+
Employee engagement score (ASV as one's own initiative)	55%	64%	70%	80%	85%+
Unit price growth (YoY) (International consumer products)	Approx. 5%	2.8%	2.5%	3%	3%

* Weighted average cost of capital

Message from the President and CEO

Pioneering spirit and sustainability management

Our biggest challenge is revitalizing our pioneering spirit

Now that it has been a year since we began transforming the corporate culture, I feel that my mission now is to revitalize the Ajinomoto Group's original pioneering spirit. In the past year during the COVID-19 pandemic, the 100-plus days that I would usually have spent away from my office on business trips in Japan and overseas were replaced by video conferences, and this format afforded me numerous opportunities to talk with foodtech entrepreneurs from around the world. The lively discussions in these meetings reminded me that the Ajinomoto Group was also a foodtech venture when it was founded in 1909.

We are aiming to extend the healthy life expectancy of one billion people by 2030, but we also need to extend our own healthy life expectancy as a company. As we are now, I have a real concern that new competitors could emerge and disrupt our business model. I believe our strongest defense will be to not rely on precedent and to reclaim the pioneering spirit upon which our company was created.

Last year, we conducted an extensive three-month online training program for 70 of our executive officers and up-and-coming managers. During the meetings, the managers and I talked frankly about the target shortfalls and management issues of past management plans. Everyone also agreed that the vertical organizational structure and the conservative culture clearly need to change significantly. I believe we are making great strides in our transformation, and I vow to our employees and our stakeholders to continue pushing forward.

In fiscal 2020, we also launched the A-STARTERS program to recognize and train entrepreneurs within our

ranks so they can be a part of building the Group's venture capabilities. In this direction, we have also created corporate venture capital (CVC) to invest in venture companies in Japan and overseas. We are also exercising the spirit of unity (AND) by bringing in specialists from outside the company, seeking new collaborations, and forming collaborations and cooperative alliances with various startups. We are moving swiftly and investing substantial amounts to both deepen the Group's R&D and existing businesses while also (AND) exploring new fields to further our ongoing evolution.



Governance system overhaul splits supervision and execution

A pioneering spirit inherently includes healthy risk-taking. In June 2021, Ajinomoto Co., Inc. converted to a Company with Three Committees with the aim of further strengthening the executive supervisory and support functions overseeing our risk-related activities. The Board

Collaboration and cooperation with startups

November 2020	Invested in a fund formed by AgFunder Inc. (the United States), a global agri-foodtech venture capital firm
December 2020	Collaboration agreement with Base Food Inc. (Japan), a startup developing and marketing nutritionally balanced staple foods
	Capital alliance in DAIZ Inc. (Japan), a startup developing, manufacturing, and marketing soybean-derived vegetable meat
May 2021	Invested in SAKA NO TOCHU Co., Ltd. (Japan), a startup marketing agricultural products online as our first corporate venture capital project

Message from the President and CEO

of Directors guides important management matters from the perspective of improving corporate value over the long term, and supervises the executive side by providing both green and red lights to business activities. The Board of Directors Chair is the outside director, Ms. Kimie Iwata. My role as the Board-appointed CEO on the executive side is to lead the quick execution of activities to fulfill the management direction set by the Board.

Under the new corporate structure, we now have 11 directors, including Audit Committee members. Our outside directors now include Mr. Joji Nakayama, a former CEO of Daiichi Sankyo Co., Ltd., who is deeply versed in the management aspects of the global healthcare industry. This addition has created a 55% majority of outside directors, up from 43% previously when the Company had 14 directors and audit & supervisory board members. Outside directors serve as the chairs of the Nomination Committee, Compensation Committee, and Audit Committee. We have also reduced the number of executive officers from 37 to around 20, to eliminate overlap of duties, clarify responsibilities, and create a younger group of corporate leaders.

In addition, the new Sustainability Advisory Council, which was created in April 2021 and serves under the Board of Directors, is a panel of Japanese and non-Japanese experts who advise the Board of Directors on

issues and perspectives from the points of view of health and nutrition, emerging countries, the millennial generation, environmental, social, and governance (ESG) and impact investment, and the media and for a long-term horizon to 2050. The Sustainability Committee, also created in April and serving under the Executive Committee, formulates execution plans and strengthens our management ability to pursue the combined objective of realizing a sustainable society and sustainable Ajinomoto Group.

Sustainability is an endless journey

I enjoy traveling and look forward to going abroad and expanding my horizons. In contrast to a vacation, which usually has a specific destination, I think of the pursuit of sustainability as a journey that will continue forever. While ESG is a means that will bring us to the destination of the Sustainable Development Goals (SDGs), 2030 is merely a transit point. When new destinations are set as we seek to make the world a better place, ESG and the SDGs may become so commonplace that they may even disappear from our vocabulary.

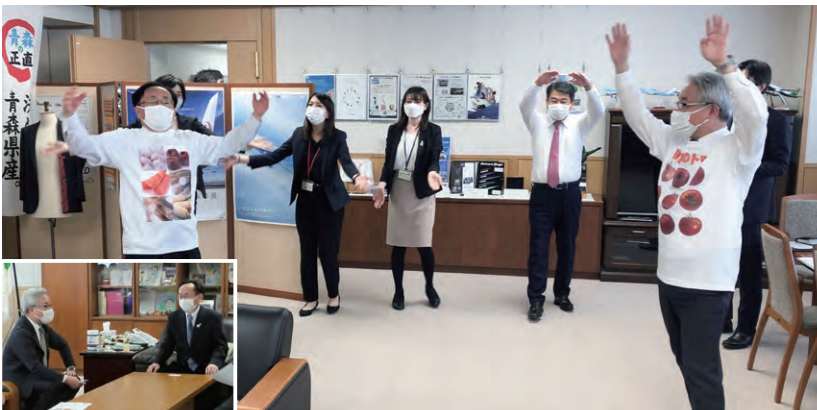
I believe our food system is heading toward a crisis point in 2050, particularly for nutrition and sustainable food supply. The damage could become immutable if the global food industry does not take action now to limit the



Visiting a cassava farm



ASV Awards ceremony



Visiting the Governor of Aomori Prefecture



Talking with a customer

Message from the President and CEO

rise in global temperatures to below 2°C by 2030. The Ajinomoto Group must also continue making every effort to help address environmental and social issues or our own sustainable growth will be in jeopardy. One major issue for the Group is the reduction of greenhouse gas emissions, and we recognize that this entails understanding and cutting emissions throughout the entire supply chain.

We are already monitoring emissions from our company and from our direct raw material suppliers, but it will take several years for us to grasp and improve the actual status of Scope 3 emissions at the suppliers' sources and on the consumer level. For key raw materials, like palm oil, we are working with the Consumer Goods Forum (CGF)*, national governments, NGOs, and others to address issues as well as forming procurement guidelines and creating a traceability system.

* An industry network of about 400 consumer goods manufacturers and retailers around the world

Always together with our stakeholders

I believe that our ASV management obliges us to not only maintain our good relations with stakeholders in our value chain but to go further and embrace their issues as our own. We commit to our customers and general


consumers to provide value to them through foods that contribute to long and healthy lives, to our employees to provide stable employment and a workplace that is rewarding and where they can continue developing their skills, to our business partners to offer fair opportunity, and to our shareholders and investors to pursue sustainable returns and to work to quickly fulfill the objectives of the Medium-Term Management Plan. By actively engaging with our stakeholders, we will seek solutions to food and health issues and help create a bright future for people around the world, which embodies our aspiration of "Eat Well, Live Well." We look forward to the continued guidance and support of all stakeholders.

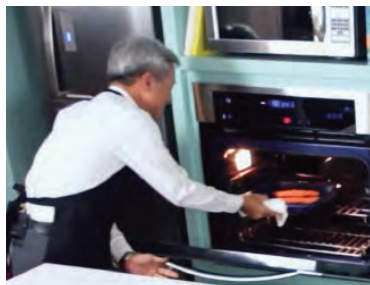


Takaaki Nishii

Director, Representative Executive Officer,
President & Chief Executive Officer

Preparing meals gives me a sense of well-being

I enjoy both eating and making delicious food. Since I was a young child, I have always enjoyed helping prepare the numerous traditional dishes for Japanese New Year, many of which I can still make. I enjoy foods from around the world, too, and sometimes spend several days making cured salmon from a recipe I learned from an American chef. Well-being researcher Yoshiki Ishikawa found that countries where men and women have a more balanced participation in meal preparation score higher on a well-being index. The study is motivating me to spend more time in the kitchen, and I'm looking forward to trying the new low-sodium recipes on the  website.



Cured salmon prepared by the chef

Shift to a Company with Three Committees

Discussion between the President & CEO & the Chair of the Board

Purpose, significance, and future outlook

Ajinomoto Co., Inc. transitioned its form of corporate organization to a Company with Three Committees. The change was intended to accelerate the evolution of ASV management through a more effective governance system enabling “appropriate supervision that reflects recommendations from multiple stakeholders” and “swift business execution.” President & CEO Nishii and Ms. Kimie Iwata, newly appointed Chair of the Board, discussed the transition.

Significance and expectations for the new governance system

Nishii Ms. Iwata, what do you think of the revision to the governance system?

Iwata The Company’s Board of Directors has been improving governance every year, and the governance system is already fairly well developed. The previous structure of a Company with an Audit & Supervisory Board, however, had a limited ability to effectively separate its supervisory and execution functions. The Board of Directors was mostly comprised of internal directors who were all also the main members of the Executive Committee. That created situations where the internal directors responded to input to the Board from the outside directors from a business execution standpoint. The roles of the Board and the Executive Committee essentially overlapped. In that respect, I think this transition is good for both the oversight and executive functions.

Nishii Shifting specific authority to the execution side is expected to reduce the number of items on the Board’s agenda by about half. The time saved can then be used for preparation and discussion, which will give outside directors a better foundation for contributing to the discussions.

Iwata The new structure will enable the Board of Directors to encourage the executive side to take more calculated risks, which will require more stringent monitoring. The structure strengthens the Board’s supervisory function and simultaneously enables more flexible execution, and I believe both of these will lead to changes in governance.

If I may say so, I think your decision to have a Nomination Committee made up primarily of outside

directors oversee the appointment and dismissal of the CEO was a good decision.

Nishii I think the reason that many Japanese companies do not do that is because their medium-term management plans cover only three years.

With the business environment changing as rapidly as it is, management needs to have a longer vision to provide direction. When the executive and supervisory sides have the same 10-year vision, the Board of Directors can determine if the company is progressing or regressing from that vision, while the Nomination Committee determines who should continue to serve or be dismissed.

The execution and supervisory sides are by no means



We will continue improving our methods for visualizing Group value.

Takaaki Nishii

Director, Representative Executive Officer,
President & Chief Executive Officer

Shift to a Company with Three Committees

at odds with each other. They may have different perspectives and opinions, but the purpose of both is to “respond to the mandates of stakeholders.” I think this is extremely important, and I am looking forward to being able to speak frankly and openly with you about the topics that come up.

Iwata I also look forward to maintaining a good relationship that has both trust and independence. As the Chair of the Board, I intend to create an environment where members can openly exchange opinions while considering the agenda for the company.

Stakeholder reaction and evaluation

Nishii What is your view on the reaction and evaluation of stakeholders regarding the transition to a Company with Three Committees?

Iwata First, overseas investors welcome the change because it improves the monitoring function from the previous form of corporate organization, which on the surface was difficult for them to understand.

I also think that investors in general, including those in Japan, will be eager to see if the new structure will be more effective. Investors may wonder if the new structure will really be effective for enabling the company to realize its vision, as well as preventing corporate missteps. For that reason, I think they will first want to see if the Board

of Directors will be able to effectively guide business execution toward realizing the vision.

Nishii That is an extremely important point. Improving the Board’s effectiveness will require a clear template for evaluation. That is the very reason we openly disclosed the five KPIs* throughout the Group and publicly. These KPIs and the sixth indicator of corporate brand value that we added for a consumer perspective will give us a rounded overview of business conditions.

Iwata All of those KPIs have deep significance. Executive management always has them in mind, and they have made the oversight by the Board of Directors much easier.

* The five KPIs are ROIC (over capital costs), organic sales growth, core business sales ratio, employee engagement score, and unit price growth (of international consumer products).

Raising corporate value further

Iwata What do you think governance must accomplish for the Ajinomoto Group to realize its vision?

Nishii As mentioned earlier, it’s important to have a simple method for monitoring the progress that the business strategies are making toward realizing the vision. That being said, it’s very complicated to assess the value of a food company that offers delicious and enjoyable food designed to promote wellness.

One of the most critical functions of the governance will be to discuss the best way to visualize that value and to communicate that to stakeholders, and then to keep verifying the visualization to continue improving its effectiveness.

Iwata I believe the form of governance that we have created is the very best possible at a Japanese company. With the format now in place, I think we will begin to see the true capabilities of the Board of Directors.

Another important element is how the Group will engage with its numerous stakeholders. It will be important that the dialogue with stakeholders not only increases understanding of the Group but also serves as a source for working together to create value. I am eager to hear the input from stakeholders and absorb different ideas so I can fulfill my responsibility to add my voice as an independent outside director.

I feel that I also need to have a better understanding of the Ajinomoto Group. Although my opportunities are limited because I’m not here full time, I would like to actively participate in the Sustainability Advisory Council (see pp.21–22) and in-house seminars.

The new governance framework will enable us to better assess the Board’s effectiveness.

Kimie Iwata

Outside Director,
Chair of the Board



Enhancing the Sustainability Promotion Framework

Sustainability promotion encompassing myriad perspectives

In April 2021, the Ajinomoto Group established the Sustainability Advisory Council (SAC) as a subordinate body of the Board of Directors to pursue the enhancement of corporate value on a continuing basis from the perspective of sustainability. The SAC examines the Group’s materiality items and vision, with a majority of its members comprised of outside experts with a broad range of knowledge and experience.

Main roles of the SAC

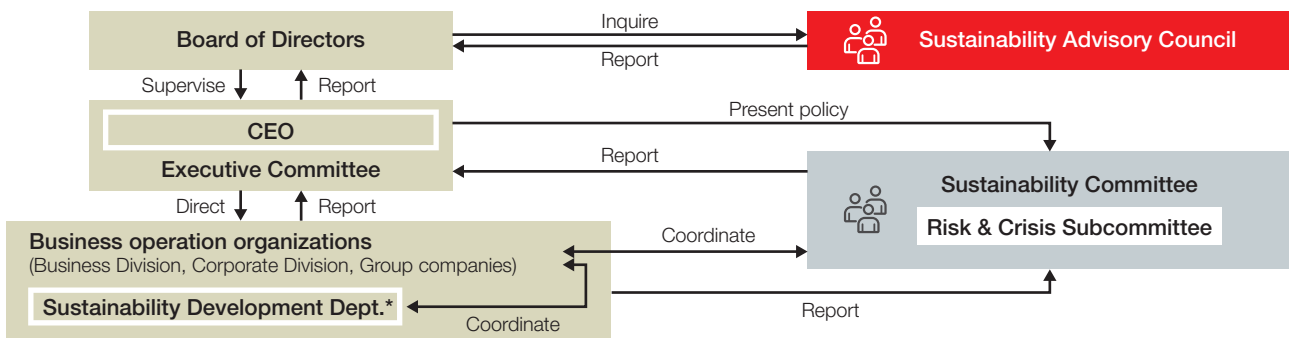
The SAC reports to the Board of Directors after conducting investigations on the following in response to consultations from the Board.

1. Materiality from a long-term perspective (through the year 2050) to be reflected in the materiality items and strategy of Phase 2 of the Medium-Term Management Plan (fiscal 2023–2025)
2. Materiality from a multi-stakeholder perspective and policies for responding to environmental changes (risks and opportunities) associated with materiality
3. Appropriate involvement in the creation of topics and social rules expected and required of companies in the year 2030 and beyond
4. Goals for the year 2030 and beyond related to the creation of social value, including reducing environmental impact and extending healthy life expectancy

Scott Davis serves as the chair of the SAC. He is a professor of international business administration at the College of Business of Rikkyo University and serves as an outside director for a number of companies. Other members of the SAC include outside experts representing various fields, such as health and nutrition, well-being, emerging markets, next generation and ESG/impact investors, and officers of the Company including outside directors and the President & CEO.

Following the launch of the SAC, we established the Sustainability Committee as a subordinate body of the Executive Committee. Based on materiality items approved by the Board of Directors (based on reports from the SAC) and the strategic direction indicated by the Board, the Sustainability Committee identifies risks and opportunities that have a Group-wide impact and reflects these in business strategy. In turn, it reports to the Executive Committee and the Board of Directors.

ESG and sustainability framework



* Together with the Sustainability Committee, it formulates policies and strategies, makes proposals to business plans from the perspective of sustainability, and follows up on measures.



Approach to sustainability toward the 2030 outcomes

The Ajinomoto Group has defined its approach to sustainability toward the 2030 outcomes.

Following this, we are now working to both help extend the healthy life expectancy of one billion people and reduce our environmental impact by 50% by 2030. Beyond these goals, we are working to transform sustainable food systems that are more resilient and contribute to regeneration of the environment.

➤ For details, please see the Ajinomoto Group Sustainability Data Book 2021. <https://www.ajinomoto.co.jp/company/en/ir/library/databook.html>

Enhancing the Sustainability Promotion Framework



Sustainability Advisory Council members



Scott Davis (Chair)

Professor, College of Business, Rikkyo University



Kraisd Tontisirin

Professor, Institute of Nutrition, Mahidol University, Thailand

Specialty / stakeholders represented: Nutrition/health, academia



Yoshiki Ishikawa

Representative Director, Well-being for Planet Earth Foundation
Co-founder, Cancerscan

Specialty / stakeholders represented: Well-being, academia



Takao Toda

Ex-Vice President for Global Health and Human Security, JICA

Specialty / stakeholders represented: Emerging/developing countries, human security



Yu Aoki

President and CEO, MATCHA Inc.

Specialty / stakeholders represented: Next generation, media



Mana Nakazora

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

Specialty / stakeholders represented: ESG investors (strategists)



Naoko Kimura

Membership Senior Manager, Global Impact Investing Network (GIIN)

Specialty / stakeholders represented: Impact/ESG investors (measurement)



Kimie Iwata

Outside Director, Chair of the Board, Ajinomoto Co., Inc.



Joji Nakayama

Outside Director, Ajinomoto Co., Inc.

Takaaki Nishii

Director, Representative Executive Officer, President & CEO, Ajinomoto Co., Inc.

Kaoru Kurashima

Director, Executive Officer & Senior Vice President, General Manager of Global Corporate and Corporate Service Divisions, Ajinomoto Co., Inc.

Hiroshi Shiragami

Executive Officer & Senior Vice President, Chief Innovation Officer (CIO), Management of R&D, Ajinomoto Co., Inc.

➤ For details, please see the webpages for the Framework for ESG and Sustainability and the Sustainability Advisory Council.
<https://www.ajinomoto.com/sustainability/framework/index.php>
https://www.ajinomoto.com/sustainability/framework/advisory_council.php

Enhancing the Sustainability Promotion Framework

Message from the Chair of the Sustainability Advisory Council



A platform for realizing sustainable wellbeing through scientific knowledge and business innovation

Dr. Scott Davis

Professor, College of Business, Rikkyo University

I Innovation for wellbeing

For myself and many others, Ajinomoto Group's products are a part of everyday life. I was not fully aware, however, of the Group's wide-ranging capabilities as an innovator in the life and materials science fields. The Group's promise of "Eat Well, Live Well." is not just based on providing good food, it is grounded in an advanced scientific understanding of human physiology and a deep empathetic understanding of what people need and want in order to flourish in their respective communities.

The Ajinomoto Group's wide-reaching scientific capabilities and worldwide business presence enable it to see both global issues along with unique, regionally specific issues of sustainability. Seen in terms of opportunities for transformation through business innovation, this translates into two areas for contribution as a business to promote sustainability. One is to promote regenerative agriculture and thus enable enhancements in both efficiency and productivity to be achieved in a manner that no longer stresses or exceeds ecological boundaries. The other is to apply science-based innovations to promote human wellbeing that transcend the current boundaries which limit human health.

At Rikkyo University, I have developed a research and educational framework called the Good Business Initiative (GBI). Based on systems theory, the initiative is designed to identify social and environmental issues and reframe them as opportunities to create lasting and sustainable value for both businesses and stakeholders. The GBI process is designed to generate sustainable shared value by promoting wellbeing by creating new knowledge through mutual and constructive understanding among stakeholders. The GBI objectives closely align with the Ajinomoto Group's sustainability goals and are guiding the direction of the Sustainability Advisory Council (SAC).

I A platform for sustainability

To be viable, sustainability must be built into corporate governance structures as a strategic issue. This is what Ajinomoto Co., Inc. has done. The Company has recently adopted the "three-committee" governance structure that enables the board of directors to focus on corporate performance and long-term strategy, established the SAC as a multi-stakeholder advisory body for the board, established a sustainability committee of executives to plan and implement sustainable business, and integrated these three bodies into a robust platform of governance. Under the leadership of Mr. Nishii, the Company has created a governance structure that is able to conceptualize, plan, implement and evaluate a strategy for the sustainable creation of shared value in a manner that is integrated, comprehensive and effectively leverages the Ajinomoto Group's defining capabilities and potentials.

The SAC brings together a highly motivated and dedicated group of stakeholders, including internationally recognized experts in health sciences, international development, ESG investment, and wellbeing—probably the most talented group of people I have ever had the privilege of working with. These members all share a strong sense that the SAC's role is highly meaningful now and will have impact up to and beyond 2050.

The Ajinomoto Group has been actively planning and implementing sustainable business for many years. What is new today is that the Group is currently mobilizing all its resources of scientific knowledge and innovation, market understanding, partnership networks, and global presence in diverse communities to systematically create shared value that will promote sustainable wellbeing up to 2050 and beyond.