



AJINOMOTO CO., INC.

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January 5, 2010

Mr. Ban Ki-moon Esq.
Secretary-General
United Nations
New York, NY 10017
USA

We Ajinomoto Co., Inc. make our sincere commitment to practice and promote continuously the ten principles of the Global Compact with respect to human rights, labor rights, the protection of the environment, and anti-corruption.

Sincerely yours,

Masatoshi Ito
Representative Director, President & Chief Executive Officer
AJINOMOTO CO., INC.

Ajinomoto Group CSR Report 2009



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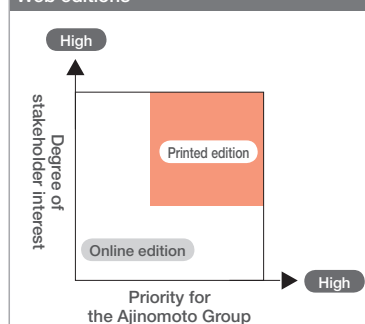
Editorial Policy

The aim of the *Ajinomoto Group CSR Report 2009* is to clearly present the comprehensive CSR strategic themes of the Ajinomoto Group, covering the five areas of food, health and pharmaceuticals, food resources and the environment, human resources development, and partnerships and public communications, and designed to achieve the Ajinomoto Group Vision for CSR Achievements by 2020. This report explains the initiatives and charts the progress of each theme. To commemorate the centennial history of umami seasoning *AJI-NO-MOTO*®, the Special Feature section covers its product development in local communities, manufacturing methods, history, safety, as well as related initiatives for the environment and product quality.

In addition to the printed edition of this report, an online version is also available at the group's Web site (see below). The printed edition focuses on information provided especially for stakeholders, while the online edition includes further details regarding the initiatives described in the printed edition as well as information not included in the printed edition.

The Corporate Social Responsibility section
of the group's Web site is available at
<http://www.ajinomoto.com/csr/>

Relationship between the printed and Web editions



Other related details regarding this report:

- An expert was invited to provide a third-party opinion on subjects presented in the report that are both important for the CSR initiatives taken by the Ajinomoto Group and of major concern to society (see page 33).
- Further details on environmental performance are provided in the *Ajinomoto Group Environmental Report 2009* (to be published in November 2009).
- Details of the group's economic performance were omitted, as such information can be viewed in the financial reports on the group's Web site at:
<http://www.ajinomoto.com/ir/library/>

Scope of the Report

Organizational scope:

This report covers the Ajinomoto Group, comprised, in principle, of Ajinomoto Co., Inc. (hereafter “the company”) and its 114 consolidated subsidiaries and affiliates, which are subject to reporting under the equity method (as of March 31, 2009). Where sufficient information for the entire Ajinomoto Group (hereafter “the group” or “Ajinomoto”) was unavailable, the limitation in scope is explicitly defined.

Period covered by this report:

Fiscal 2008 (April 1, 2008 to March 31, 2009)
Some more recent activities are also included in the report.

Issue date: August 2009 (Next report scheduled for August 2010; previous report issued in August 2008)

A Discussion with
the President

Masatoshi Ito + Peter David Pedersen

President and CEO,
Ajinomoto Co., Inc.

Chief Executive,
E-Square Inc.



The Ajinomoto Group Helps the World “Eat Well and Live Well”

The year 2009 marks the 100th anniversary since the founding of Ajinomoto Co., Inc. Marking this milestone, the group revised the Ajinomoto Group Philosophy and laid out a vision for group-wide management that will underpin business growth over the next century. Newly appointed president of the company Masatoshi Ito discussed initiatives aimed at supporting the next 100 years of the Ajinomoto Group with Peter David Pedersen, the chief executive of E-Square Inc. on May 8, 2009.

Basis for the Ajinomoto Group Way

Pedersen: This year commemorates the 100th anniversary of the founding of Ajinomoto, but it is also a year when the group is facing a worldwide economic recession. In becoming president at this difficult time, could you start by talking about your current mindset?

Ito: It is true that I became president during a challenging period. And at this time, we need to look closely at our past and ask how we should progress from here. I also feel that the timing is opportune for us to consider the relationship between the Ajinomoto Group and the rest of the world.

Pedersen: I examined the Ajinomoto Group Way, published in January 2009, to help me think about the group's next 100 years. It is filled with the basic CSR spirit of the Ajinomoto Group, including the creation of new value based on unique technologies and science, and the commitment to the ongoing challenge of creating new businesses and markets. What was the purpose and background of establishing the Ajinomoto Group Way?

Ito: The Ajinomoto Group Way developed out of a review of the past 100 years and a reflection on how Ajinomoto persevered over that time. Our company has strived to contribute to people's dietary lives, and to widen our

Peter David Pedersen

Born in Denmark in 1967, Mr. Pedersen graduated from the Department of Anthropology, University of Copenhagen. After setting up his career as an environmental consultant, Mr. Pedersen also worked as a newscaster. In 2000, he established E-Square Inc. and became its chief executive. He continues to be active in environmental and CSR consulting for businesses. Mr. Pedersen's published works include *People with Visions in a Country without a Vision* (written and edited by Pedersen in Japanese; published by Kaizosha), *Dictionary of Environmental Management and Strategy* (written by Pedersen in Japanese; published by the Industrial Research Center of Japan), and *Life in LOHAS* (written by Pedersen in Japanese; published by Business-sha).

contributions over the next 100 years, we reaffirmed the unique approach that guides our business—the creation of new value, a pioneer spirit, social contribution, and a value for people—and set it as the cornerstone of the entire Ajinomoto Group. The Ajinomoto Group Way represents the values, fundamental thinking and attitude shared throughout the Group.



Pedersen: In other words, you are not

limiting these principles to CSR, but extending them to all corporate activities. Is that right?

Ito: Precisely. Moreover, the principles express the ambitions of the company's founder, Saburosuke Suzuki, and the discoverer of the chemical basis of umami, Dr. Kikunae Ikeda, both of whom strongly wished to enrich the poor diet in Japan at that time. Although the company was concerned with Japan when it was founded, we want their dream to inspire global contributions over the next 100 years.

Pedersen: I am certain that companies in the 21st century will be compelled to align their business interests with global issues. In the 1990s, some 850 million people worldwide suffered from malnutrition. In 2009, that number rose to more than one billion as a result of population increase and the economic recession. Helping to improve the living standards of these people will be an important mission for the Ajinomoto Group from here on.

Ito: Food is essential for people to carry on with their lives. We need to think of what can be done to ensure that all people of the world can eat everyday.

The Meaning of the Japanese Word *Inochi*

Pedersen: It seems to me that the Ajinomoto Group Way combines the group's determination to achieve sustainable growth with its pursuit of sustainability on a global scale. In this regard, I would like to focus on the new Ajinomoto Group Philosophy. In particular, I find its incorporation of the word *inochi*, which means "life," to be very meaningful.

Ito: Food provides the fundamental functions of maintaining life and preventing disease. Our philosophy of "contributing to significant advances in Food and Health" sums up what is fundamental to life. When people are healthy, communities become better places. As a result, life is sustained into the future. On top of that, if people can live in harmony with nature, we can protect life on Earth.

Pedersen: In Japanese, the word *inochi* has a deep reverence and subtle nuances. It implies a universal perspective and worldview. We lose the richness of the word by directly translating it as "life" in English. I hope that someday its full meaning becomes understood internationally.

Ito: It would be wonderful if a single English word could convey the richness of *inochi*—its worldview, ethical implications, and inherent ideas.

Pedersen: I believe that 20th-century capitalism was an economic system that did not foster life. For about 10 years now, I have been thinking of "life enhancing" as a key concept, and have come to see it as the ultimate expression of CSR.

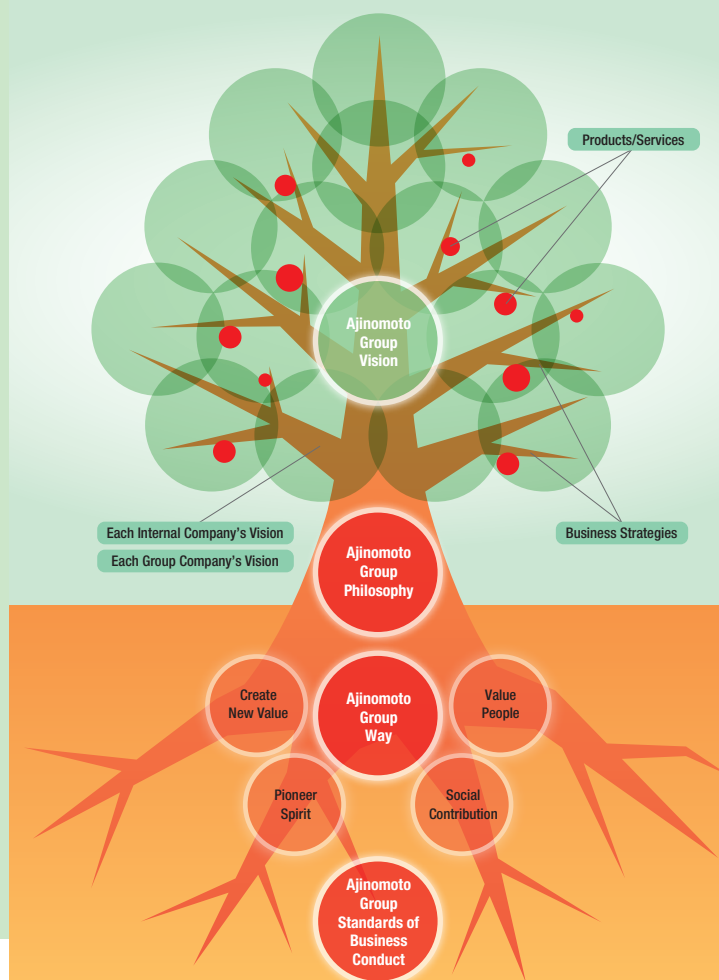
Ito: Yes, I can see what you mean by "enhancing."

Pedersen: Today, the world is faced with global environmental problems and the important issue of ensuring biodiversity, yet we can witness malnourishment and overeating within the same societies. In this context, isn't life enhancement exactly what the world should be

Ajinomoto Group Philosophy

We create better lives globally by contributing to significant advances in Food and Health and by working for Life.

The Ajinomoto Group ideal for business activities



demanding from the capitalist system?

Ito: Preparing food and eating come naturally to people. Nowadays, however, we give priority to fast, convenient and uncomplicated food. It appears as if our survival instincts are gradually weakening.

Pedersen: Apt words from a man who enjoys cooking! But seriously, even the Ajinomoto Group is subject to market demands for readily available and convenient products. How do you respond as the head of the group?

Ito: In short, I think people expect us to provide information on the techniques needed to make full use of our products, not merely preparation instructions for individual items. We want to communicate to people the enjoyment of home cooking, the pleasure of eating meals made with a variety of ingredients and products, and the techniques for doing so.

Pedersen: Getting that message out should also be a part of CSR activities.

Facing Global Issues

Pedersen: The world population is rising rapidly, and the most recent figures show that it increased by some 79 million in 2008 alone. While we need to secure the calories to feed those people, developed countries are experiencing the problem of increasing rates of overeating. This is the contradiction we face when attempting to solve this issue. What initiatives do you think the Ajinomoto Group is capable of taking in this regard?

Ito: We can look at how the capacity to supply food can be improved, and how the Ajinomoto Group can contribute to this. In other words, how can the technology of the Ajinomoto Group be applied to improve the efficiency of food production? We can minimize the amounts of sugar cane, cassavas, and other raw materials needed for fermentation. On the issue of health, given the simultaneous existence of overnutrition and malnutrition, we have to identify measures to eliminate this imbalance.

Pedersen: What, specifically, can be done?

Ito: The Ajinomoto Group has been undertaking activities to improve nutrition in developing countries by using the essential amino acid lysine to fight malnutrition. Recently our field test conducted in Ghana in western Africa demonstrated improvements in nutrition and health, so we will move ahead to the next stage. This is the kind of initiative that characterizes the Ajinomoto Group.

The Origin of the Group's CSR—Creation of the Umami Seasoning AJI-NO-MOTO®

Pedersen: The business of the Ajinomoto Group is rooted in Asian food culture. To contribute globally, I think the issue of communication will be important. I say so because many people in the West still regard industrially processed monosodium glutamate, or MSG, as

worthless and natural umami substances as fine. There is no difference in the composition of either, yet this misunderstanding persists. I think the Ajinomoto Group cannot avoid this issue when envisioning its next 100 years.

Ito: We have started initiatives designed to promote understanding of monosodium glutamate mainly among scholars, nutritionists, and chefs. In general, studies show that people in Asian countries tend to have comparatively lower body mass index (BMI) scores. People from these countries are also more likely to make skillful use of umami, which improves their health. From a resource perspective, if we attempted to produce the current output of glutamate, which is what underlies the umami taste, from the seaweed *kombu* as was done at the time Dr. Kikunae Ikeda discovered it, we would consume Japan's total production of it in just a few days. Besides, *kombu* is too expensive for everyone to buy. The very fact that Dr. Ikeda and Saburosuke Suzuki decided to industrialize the umami component so that everybody could have access to good tasting food ended up protecting food resources. Therefore, their idea is sustainable in terms of protecting the global environment. At the company, we are firm in our assertion of this point.

Pedersen: I think we need to see more of the group's efforts. Of course there may be criticism, but you should take that criticism seriously. That kind of open posture will help foster meaningful communication with stakeholders.

Ito: I feel exactly the same way. Having people learn the truth, gaining their support if possible, and making improvements in response to criticisms is the most important cycle in our business and CSR. Put another way, ideally the group's CSR should follow the lead of stakeholders.

Pedersen: On that point, many companies hesitate to take a step forward. In contrast, I have high expectations for the Ajinomoto Group, all the more so since, as a company involved in food, it has many assets that can be applied to contribute to a broad range of issues.

Ito: The Ajinomoto Group has scientifically investigated the essence of amino acids, and I am determined to see the group draw from its reservoir of technology and expertise for the benefit of humanity, and to aspire to be not only a food manufacturer but also a company that contributes to human health globally.

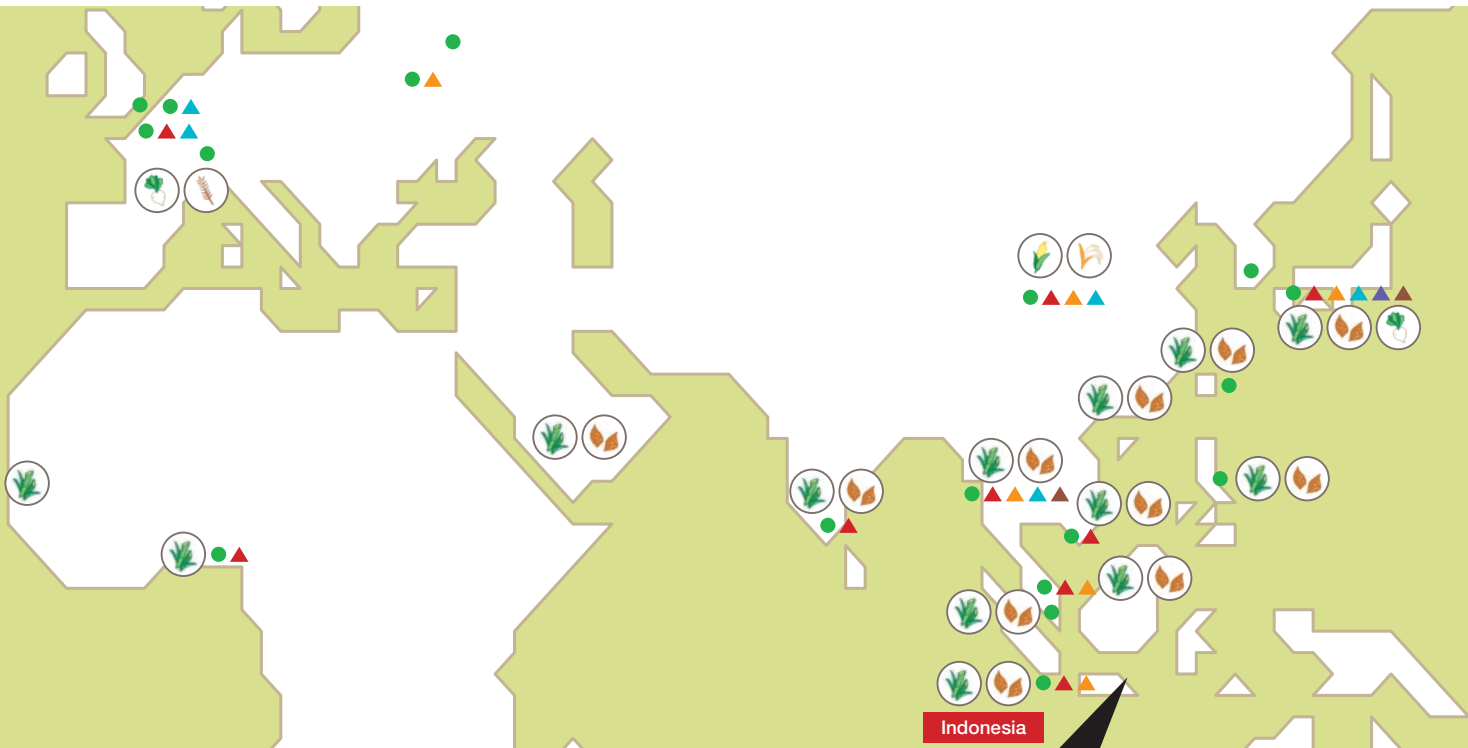


Special
Feature

100 Years of Umami Seasoning

The Ajinomoto Group offers great taste to the world

101 years have passed since the discovery of umami, and the umami seasoning *AJI-NO-MOTO*® has now been produced for a full century. Originating in Japan, *AJI-NO-MOTO*® has spread to every corner of the globe. In Indonesia, for example, *AJI-NO-MOTO*® has become an integral part of people's daily lives in this country of some 230 million people. This special feature explains how the product is made, sold and used in Indonesia.



Masahiro Tani
Vice President, PT Ajinomoto Indonesia
and PT Ajinex International

The Mojokerto factories of both companies

Located about 40 kilometers inland from Indonesia's second largest city, Surabaya, the Mojokerto factories employ roughly 1,800 local people and produce the umami seasoning *AJI-NO-MOTO*®, flavor seasoning *Masako*®, and menu-specific seasoning *Sajiku*®.



Product
packages from
around the
world

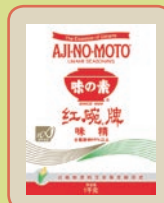
Europe



India



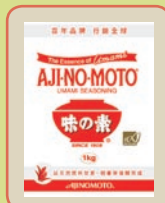
China



Hong Kong



Taiwan



Philippines



Thailand



AJI-NO-MOTO®

Two experts participated in a tour of the Mojokerto Factory of PT Ajinomoto Indonesia and the Mojokerto Factory of PT Ajinex International.



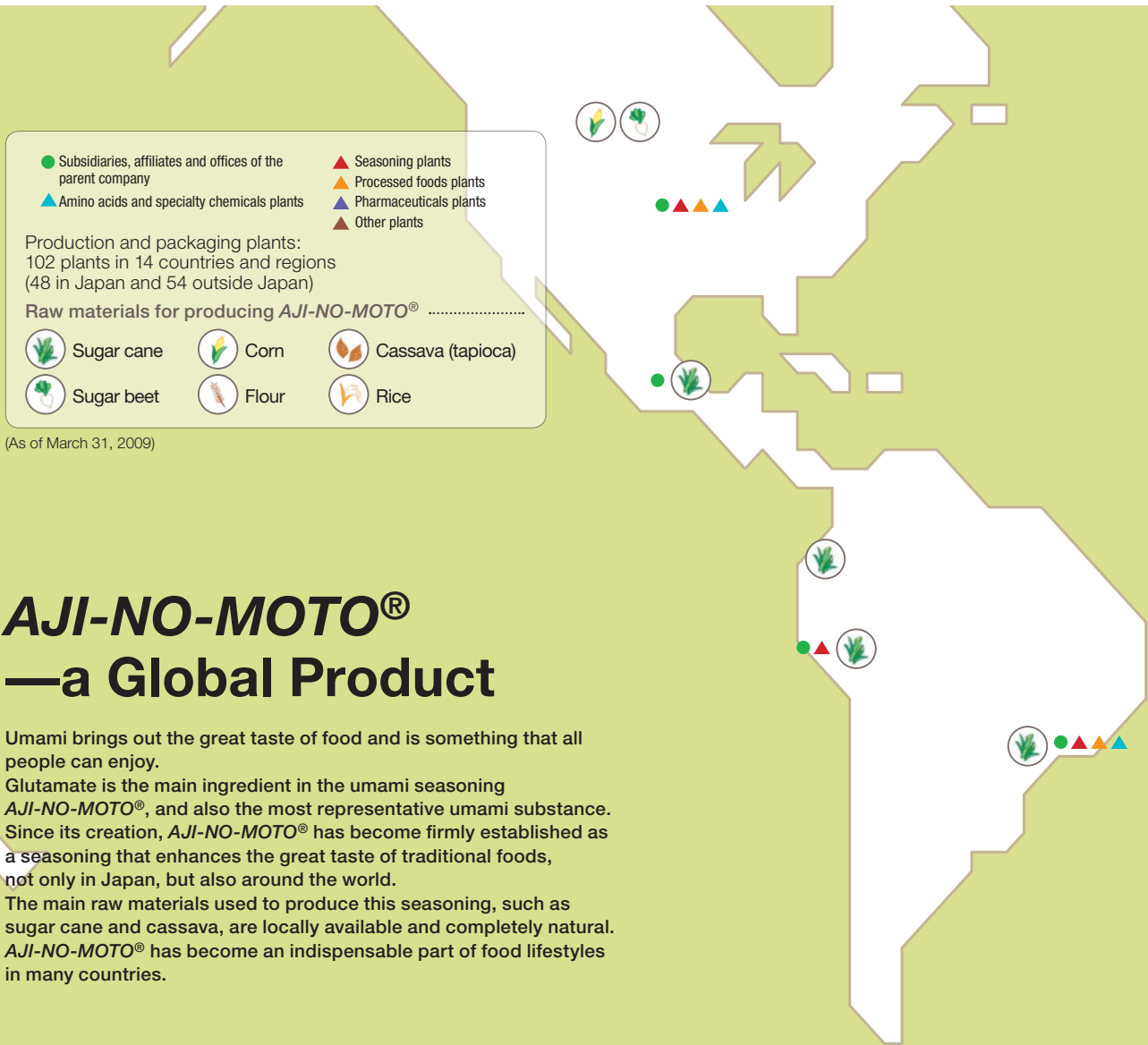
Waki Matsunaga

Science writer. Ms. Matsunaga studied plant nutrition at the Faculty and Graduate School of Agriculture at Kyoto University. After working for the Mainichi Newspapers for 10 years, she became a freelance science writer from January 2000. Her books, including *Media Bias—Questionable Health Information and Pseudoscience*, have been published by Kobunsha Co., Ltd. Ms. Matsunaga investigates issues such as food, agriculture, and environmental problems from various standpoints using scientific research findings.



Yoriko Tobe

Chair of Food Habits Committee at the Nippon Association of Consumer Specialists (NACS), and Senior Researcher at the Research Institute for Consumer Affairs. Ms. Tobe graduated from the Department of Food Science and Nutrition, Faculty of Agriculture, Kinki University, and also has a degree from the Faculty of Law at Keio University. After working at the Research & Development Division and Quality Assurance Division of Lion Corporation, she has been conducting research on the quality assurance of food products and pharmaceuticals as well as on systems of exchange of information between consumers and experts.



AJI-NO-MOTO® —a Global Product

Umami brings out the great taste of food and is something that all people can enjoy. Glutamate is the main ingredient in the umami seasoning AJI-NO-MOTO®, and also the most representative umami substance. Since its creation, AJI-NO-MOTO® has become firmly established as a seasoning that enhances the great taste of traditional foods, not only in Japan, but also around the world. The main raw materials used to produce this seasoning, such as sugar cane and cassava, are locally available and completely natural. AJI-NO-MOTO® has become an indispensable part of food lifestyles in many countries.





Offering seasonings that bring out richer flavors in foods and suit local dietary cultures



On her kitchen wall, Ms. Retuno keeps a seasoning holder filled with packages of umami seasoning **AJI-NO-MOTO®**, flavor seasoning **Masako®** and menu-specific seasoning **Sajiku®**. She says that she often uses both **AJI-NO-MOTO®** and **Masako®** in her dishes.



Masako® is a flavor seasoning like the Japanese-style stock **HON-DASHI®**. It comes in two flavors—chicken and beef—that are selected depending on the dish. Recipes for local cuisine are printed on the packages and highly regarded for their usefulness.

Employee voices



Makoto Tanabe
Manager, food engineering,
Mojokerto Factory,
PT Ajinomoto Indonesia

Flavor seasonings such as **Masako®** are used as a key ingredient in cooking. From the product development stage, we try to respond to local needs by tailoring products to suit the Indonesian people's sense of taste, enhancing rather than modifying the flavors of dishes. The key raw materials of **Masako®** are chicken and beef, and we are improving manufacturing methods and creating recipes that bring out a richer taste from the meat through a good balance of flavoring ingredients and spices.

Ms. Retuno, a resident of Mojokerto, made us traditional Indonesian dishes including a healthy soup packed with vegetables (*sup sehat*), fried water spinach (*tumis kangkung*), and tofu and onions deep-fried with a flour batter (*bakwan tahu*). Garlic and spices such as chili, salt, and sugar were used as seasonings. Small amounts of **AJI-NO-MOTO® and **Masako®** were also added to enhance the flavors of the local ingredients, which were purchased at the local *pasar* (market). Ms. Retuno delightedly said, "Thanks to **AJI-NO-MOTO®** and **Masako®**, I can cook good tasting food in less time."**

Comments from experts



Yoriko Tobe

All the dishes were delicious, and the flavors of the ingredients complimented each other very well. The soup was milder than I had first imagined, while the vegetables kept their original flavor. The fried water spinach was spicy and the seasoning bold. I was impressed with Ms. Retuno's ability to bring out these flavors by skillfully using seasonings such as **AJI-NO-MOTO®** and **Masako®**.



Providing seasonings that are affordable, available anytime, and applicable for any kind of dish

Mojokerto's largest *pasar*, or market, is packed with shoppers, and its shops, most of which are small and run by one or two people, are filled with colorful fruits and vegetables, spices, beef and chicken, tofu, fish, soap and shampoo, and many other cooking ingredients and daily necessities that sustain the lives of the local people. Sales staff from the Surabaya Branch of PT Ajinomoto Indonesia visited the market wearing red polo shirts sporting the campaign phrase "Umami 100 Years." In Indonesia, people go shopping at the *pasar* almost everyday, when they buy seasonings such as *AJI-NO-MOTO*®. The most commonly purchased packet of *AJI-NO-MOTO*® costs about 50 rupiah (about 0.5 cents U.S.) and is enough for a single meal. The sales staff from the Surabaya Branch visits the shops to deliver products and collect payments.



Promotional activities at supermarkets have been expanded to commemorate the 100th year of the Ajinomoto Group.

Employee voices

Kazuki Fukui
Deputy General Manager,
Surabaya Branch,
PT Ajinomoto Indonesia



In Indonesia, most people shop at their local *pasar*, where they can find *AJI-NO-MOTO*® and a variety of other products sold in small packets in the shops. Shoppers seem to prefer small packets that are inexpensive and used up at one time. Supermarkets, on the other hand, sell larger packages that offer better value for the money.



Nigeria



Peru



India

Shopping styles can differ greatly by country and region, and therefore, the Ajinomoto Group delivers its products to shops around the world in ways that are best suited to local practices, under the slogans of "providing seasonings that are affordable, available anytime, and applicable for any kind of dish."

Comments from experts



Waki Matsunaga

The company develops products with local staff members and visits various shops to deliver the products and organize them on the shelves. This working routine surprised me, as it seemed befitting of the grass roots of business. At the same time, I was happy to see the local staff making such fantastic efforts. I also came to understand that it is through these kinds of activities that *AJI-NO-MOTO*® has become a world-wide product.



Looking at the Umami Seasoning AJI-NO-MOTO®

AJI-NO-MOTO® is made from natural plant-derived material using the capabilities of microorganisms. Its main component is glutamate, an amino acid vital for all creatures. However, AJI-NO-MOTO® has been subject to a number of misunderstandings over the past 100 years. A response to those misunderstandings and misgivings is provided below.



Umami—our first encounter with taste



Dr. Kikunae Ikeda
(1864-1936)

The human tongue can distinguish the five basic tastes: sweet, sour, salty, bitter, and umami. In 1908, Dr. Kikunae Ikeda of Tokyo Imperial University (now the University of Tokyo) discovered that the taste component in stock prepared with the seaweed *kombu* is glutamate, and named this taste as “umami.”

The five basic tastes each have an important physiological role. Sweet taste provides an energy source, and salty taste signals the body to intake sodium, which is highly important for its balance of electrolytes (minerals). Sour taste warns the body of unripe fruit or spoilt food, and bitter taste warns against toxicity. In this way, the sense of taste functions as the body’s gatekeeper for food.

Umami is the taste of glutamate, an amino acid comprising protein in the human body, and is contained in vegetables, meat, fish and dairy products. In fact, human breast milk also contains a large amount of glutamate, meaning that the first taste infants experience is umami.



Basic five tastes and their nutritional and physiological meanings

Sweet	Sour	Salty	Bitter	Umami
Energy source	Unripe fruit/spoilt food	Electrolytes (minerals)	Toxicity	Protein

The method for making monosodium glutamate for AJI-NO-MOTO® has become more efficient over the past 100 years.



1909

When AJI-NO-MOTO® was first sold in 1909, it was produced with an extraction method that involved breakdown of gluten, a protein contained in wheat flour, a hydrochloric acid to extract glutamate. Using this extraction method, production volume was limited to the amount of amino acid contained in the protein of the raw material. Therefore, manufacturing costs were very high and the method proved unsuitable for mass production.

Extraction method

Snake rumor

Around 1917, a rumor was circulated that AJI-NO-MOTO® was made from snakes. At the time, the product was being made from wheat flour, and the snake rumor was simply groundless. Suzuki & Co., the forerunner of Ajinomoto Co., Inc., ran a newspaper advertisement denying the claim, but ending the rumor was difficult once it had spread.



Epoch-making discovery of the manufacturing method for monosodium glutamate

In 1908, Dr. Kikunae Ikeda acquired a patent for manufacturing seasoning using glutamate as the main source. The following year, he initiated manufacturing and sales of umami seasoning AJI-NO-MOTO® together with Saburotsuke Suzuki, the founder of Ajinomoto Co., Inc. Largely owing to this discovery, he was chosen as one of Japan’s top ten greatest inventors by the Japanese Patent Office. In 1926, Mr. Suzuki received an award for his commercialization of a distinguished discovery from the Imperial Institute of Invention.

1960s

1962

Authorities recognize the safety of monosodium glutamate

Glutamate is a naturally occurring substance contained in numerous foods including kelp, cheese, tomatoes, broccoli, and tea. Monosodium glutamate (MSG) was first marketed in 1909 as an umami seasoning product, which is the main component of the current *AJI-NO-MOTO*®. After reviewing extensive scientific literature on glutamate, the Joint FAO/WHO Expert Committee on Food Additives (JECFA) allocated an “acceptable daily intake (ADI) not specified” to glutamate in 1987, which means that it is unnecessary to establish a numerical amount of daily intake under normal consumption as a seasoning. As such, there is international recognition that MSG is safe and poses no problems when used as a food product in the same way as table salt, vinegar, and pepper.

Extensive scientific evidence repeatedly confirmed the safety of MSG

The myth of the so-called “Chinese restaurant syndrome”

In the late 1960s, it was anecdotally reported in the United States that postprandial discomforts such as numbness, general weakness and palpitations occurred after eating at Chinese restaurants. This was called the “Chinese restaurant syndrome,” and monosodium glutamate was suggested to be the cause of the symptoms. However, subsequent research, including studies using double-blind placebo controlled conditions, found no relationship between monosodium glutamate and the symptoms.

Employee voices



Yoko Ogiwara
Manager, External Scientific Affairs
Group, Quality Assurance &
External Scientific Affairs
Department, Ajinomoto Co., Inc.

The Ajinomoto Group has seriously addressed safety concerns by accumulating scientific evidence on monosodium glutamate from in and outside the company. Based on this evidence, we now know that the alleged problems of monosodium glutamate have been refuted, and we have found that normal consumption of monosodium glutamate as food is absolutely safe. It has also been scientifically established that the taste of glutamate, called “umami,” is one of the five basic tastes.

Monosodium glutamate and neurotoxicity

In 1969, a well-known scientific journal published an article reporting that the injection of a large quantity of monosodium glutamate into newborn mice caused neuronal lesions in specific regions of the brain. However, the experimental conditions related to age, route of administration, amount and concentration did not qualify as evidence for the safety of monosodium glutamate consumed as a food ingredient. For instance, the injected amount of monosodium glutamate corresponds to an injection of 240 grams of MSG in a person weighing 60 kilograms, compared to the average dietary intake of 0.55 to 1.53 grams per day. No research evidence has demonstrated that orally ingested glutamate produces neurotoxic effects in humans.

The fermentation method is used to manufacture monosodium glutamate for *AJI-NO-MOTO*®. The next two pages describe the production process at the Mojokerto Factory.

Fermentation method

2000s

Synthesis method

1973

The synthesis method of manufacturing made use of acrylonitrile, an acrylic fiber. Although applying the synthesis method to produce glutamate was groundbreaking and a world first, it was halted due to high costs and a rumor, based on an artificial image, that chemical synthesis was used.

From chemical seasoning to umami seasoning

In the 1960s, the term “chemical seasoning” became well known through public broadcasting, which used it in reference to *AJI-NO-MOTO*® because the product was discovered through chemical technology. From the late 1980s, broadcasters used the official term “umami seasoning,” which is now used in various laws and ordinances, particularly related to quality labeling standards for processed foods, as well as in media parlance.

Comments from experts



Waki Matsunaga

What the Ajinomoto Group needs to do from now on is release correct information and explanations that clearly counter misleading information. It should also disclose information and communicate that it produces *AJI-NO-MOTO*® in a proper manner based on sound principles and methods. For example, it is producing high-quality products in Indonesia and making efforts to fit in with the local food culture. By revealing these kinds of activities, I think the group can win over consumers.

Making the Umami Seasoning AJI-NO-MOTO®

A basic policy of the Ajinomoto Group is to manufacture products in the countries where they are used. The group makes efforts to procure raw materials from locally grown, easily obtainable plant resources, such as cane, sugar beet molasses, and starch extracted from cassava, corn, or wheat. The Ajinomoto Group uses the fermentation method to turn these raw materials into glutamate, the basic component of umami, and then processes it as monosodium glutamate for easy cooking and eating.

First process

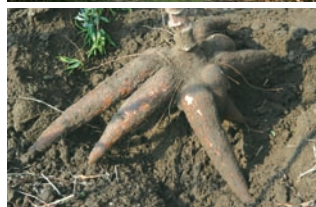
Receiving raw materials

In Indonesia, AJI-NO-MOTO® is mainly made from molasses, which is what remains after removing raw sugar from cane juice, and starch made from cassava (tapioca). The sugar contained in cane juice remains in the molasses, and it is from this sugar that glutamate is made using a fermentation process. East Java, where the

Mojokerto factories are located, is a region of thriving sugarcane cultivation, and many sugar factories are located in the surrounding area of the factories.



Molasses is taken from a sugar factory.



Sugarcane and cassava are cultivated in the surrounding area of the factories.

Employee voices

Hiroshi Toyosaki
Head of the Technology Development Center, PT Ajinomoto Indonesia and PT Ajinex International

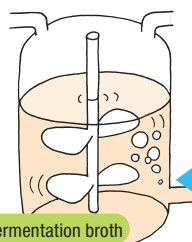


Inside the fermentation tank, the sugar in molasses and tapioca glucose provide nutrition for bacteria to make glutamate. Then we extract the glutamate from the fermentation broth. Crude glutamate does not dissolve easily and is somewhat sour, so, we turn it into monosodium glutamate, which is easy to use. We decolorize the monosodium glutamate with activated carbon and dry it to make white crystals. The crystals are separated by size through a sieve and finally packaged.

Second process

Fermentation

Glutamate-producing bacteria is added to the culture medium made from heat sterilized molasses and other nutrients for the fermentation process.



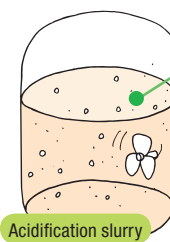
Fermentation broth



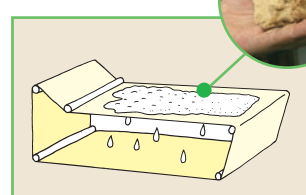
Fermentation broth

Crystallization of glutamate

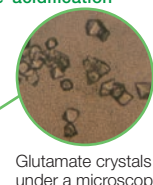
Glutamate is crystallized by making the fermentation broth acidic. Crystals are then separated from the acidification slurry.



Acidification slurry



Glutamate crystals are separated from the slurry.

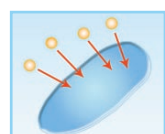


Glutamate crystals under a microscope

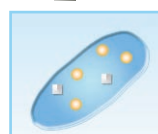


Inside the tank

● Sugar ■ Glutamate



Glutamate-producing bacteria ingest sugar



Glutamate is made from ingested sugar



Glutamate is released into the fermentation broth

Glutamate-producing bacteria

Glutamate-producing bacteria produce glutamate using sugar as an energy source. A strain that produces glutamate efficiently is cultured, checked for quality, and added to the fermentation tank. The bacteria increase in the tank, and turn sugar into glutamate.



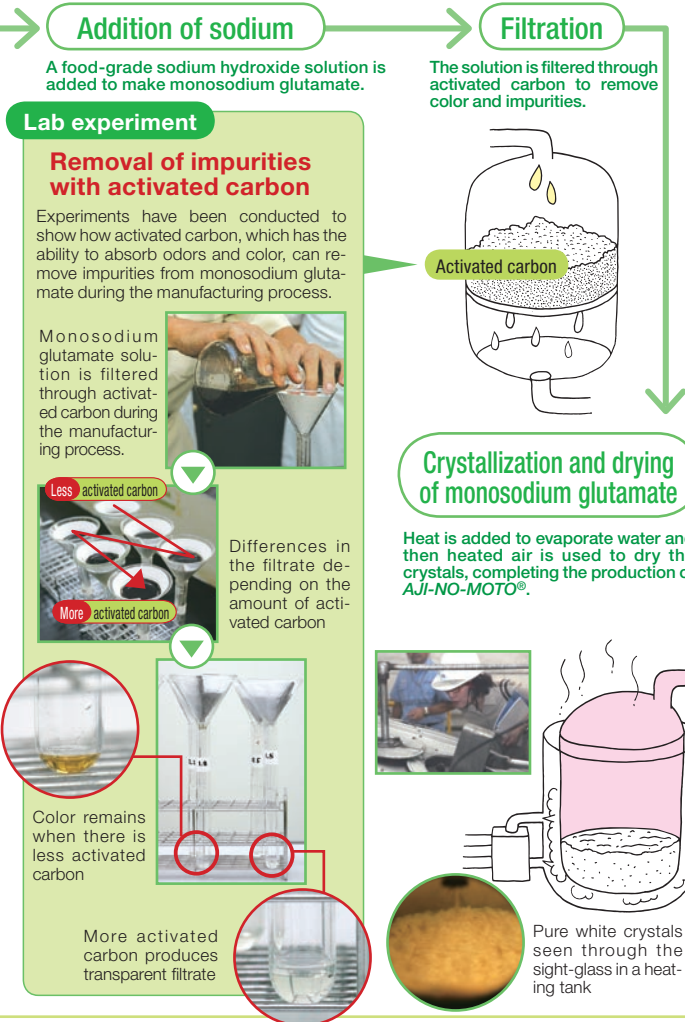
Active glutamate-producing bacteria seen under a microscope

Comments from experts

Yoriko Tobe

I was interested in the fact that handling is separated throughout the overall process, with open tanks being used for crystallization of glutamate and closed tanks in the purifying process. The risk of foreign materials entering the open tanks is controlled by the filtering and crystallization processes, and a final check of the manufacturing process. The company should more actively explain to consumers that product quality is ensured throughout the whole manufacturing process.





Employee voices

Yasushi Kawabata
Factory Manager, Mojokerto Factory,
PT Ajinomoto Indonesia

Fermentation is a living process. It is very important to constantly check the status of fermentation broth, color and aroma by using each of our five senses. We take samples to check the status at various times. The purity of monosodium glutamate is improved through a number of steps, including the crystallization, redissolving and filtering stages.

Third process

Quality inspection

Product crystals are regularly checked before packaging to ensure that no contamination with foreign materials has occurred. Should any foreign materials be discovered, the production line is stopped immediately, the cause is investigated, and the line restarted after appropriate measures have been taken. Besides checks for foreign materials, the Inspection Department analyzes whether the product meets established quality standards, and the Quality Assurance Department makes a final quality check.



Careful inspection is conducted to ensure foreign materials are not present

Fourth process

Packaging and shipping

The product is first put into small packages, which are then packed into cardboard boxes. The product is weighed and checked for foreign materials during each step. Multiple processes are taken to prevent foreign materials from entering packages. The same strict checks are made for large packages for export.



Employees check packaging by eye



Industrial container bags and paper bags are checked for damage before use.



A metal detector is used for multiple checks

Finally, products are examined during the manufacturing process and inspected by the Quality Assurance Department before moving to the packaging stage. We are making improvements every day to establish optimal manufacturing management through quality assurance in every process.

Under the slogan "the next step is the customer," we have been taking ISO initiatives since 2001. It can take a long time for initiatives to take root, but when you put your ideas into practice and experience successes, there is motivation to keep at it and try to do even better.



AMINA® is sprayed on a field.



This incinerator has been used only once per week since recycling began.

Turning Waste and By-products into Potential Products

Achieved a 100% recycling rate through actions of all employees

In 2004, along with setting environmental targets to be achieved by 2010, the Mojokerto factories reduced wastewater and greenhouse gas emissions, and improved water quality and its resource recovery rate. The factory achieved all of its targets ahead of schedule in 2008, including a 100% recycling rate. This accomplishment was the result of everyone at the factory taking responsibility for environmental management, practicing thorough waste separation based on in-house

Using by-products effectively through the bio-cycle

In the production of glutamate, the liquid remaining after removing glutamate from the fermentation broth is full of nutrients. This liquid is then used to manufacture the liquid fertilizer AMINA®. Containing 4 - 5% nitrogen, this co-product is effectively used as an important crop fertilizer that is essential for local farmers to cultivate crops, such as rice, sugarcane, cassava and corn.

AMINA® is transported to the farms by truck and sprayed on fields as a basal dressing. According to one dealer, "AMINA® is a low-priced but effective fertilizer, and so popular among farmers that we cannot keep up with demand." AMINA® contributes to the community by returning the resources used in cultivation back to the farmlands in a bio-cycle.



Spillage from manufacturing Masako® and Sajiku® is treated and recycled into fertilizer.

initiatives, and striving to reduce and effectively utilize resources.

Among the factories' efforts, the fermentation broth by-product from the manufacturing process for AJI-NO-MOTO® as well as waste from the factories, including leftovers from the cafeteria, have been thoroughly separated and recycled as useful resources for the community.

In recognition of its initiatives and outstanding results, the factories were given the Ajinomoto Group Performance Award in 2008.

Aluminum leaf from packaging is melted down and reproduced by a local company.



We talked with an AMINA® dealer.



Local dealers pick up AMINA® by truck.

Please refer to the *Ajinomoto Group Environmental Report 2009* for details about by-products.

Employee voices



Motoharu Takeda
Manager responsible
for raw materials and
the environment,
Mojokerto Factory,
PT Ajinex International

We think we boosted motivation among the local staff through our successful attempts to cut costs by upgrading work procedures to reduce wastewater and waste products, and sell waste that we previously disposed of as products. The staff found recyclers and outlets on their own and came up with ideas for developing products we could sell. I think we now consider how co-products generated from the production process and waste from the factories can be changed into potential products. The local staff and I are enjoying making such efforts for the environment.



After observation

Waki Matsunaga

If extra money and energy are used to achieve zero emissions, then the original efforts become pointless. In contrast, the Mojokerto factories have established a system that controls environmental impact and costs. On top of that, I think it is wonderful that the factories made use of the local staff's ideas to transform waste into valuable resources. I was very impressed by these independent initiatives taken in Indonesia.

I hope umami seasonings and flavor seasonings manufactured at the factories can be helpful for people who need to quickly cook delicious meals.



After observation

Yoriko Tobe

The factories' manufacturing process is simple and clear, and I could see that it takes flexible measures for quality assurance required in each process. The factories also conduct strict management on product packaging. This appropriate quality control can enable prompt identification of the causes of any problems that might occur. It was also very interesting to observe the factories' recycling efforts.

Recycling in Japan often means handing over material to a reprocessing company. But here, you can monitor the entire process of recycling material into a product. At the Mojokerto factories, you can really appreciate the importance of recycling.

Employee voices

Sedana Arnaya
Factory Manager, Mojokerto Factory,
PT Ajinex International



Interpersonal relations and communication between staff members are very good in this company. Rather than taking a top-down approach, we tend to work from the bottom up, which boosts morale in my opinion. Time has flown by—I have been working here for 28 years.

Yudo Koesbandryo
General Manager, Quality Assurance Department,
Mojokerto Factory,
PT Ajinex International



When I joined the company 20 years ago, the number of staff was small so we had to perform many different jobs. But, that is what made our jobs challenging and satisfying. The Ajinomoto Group is a leading company in fermentation technology, so I feel honored to work here.

More Detailed Information on Initiatives in Fiscal 2008

The Ajinomoto Group is taking the 100th anniversary of the launch of the umami seasoning **AJI-NO-MOTO®** as an opportunity to undertake a range of activities globally with a view toward its next 100 years. Under the banner of its brand slogan, "The Essence of Umami," the group will actively disseminate more detailed information about umami throughout the world.

Information about quality

The Ajinomoto Group will step up its efforts to share information about the safety and value of **AJI-NO-MOTO®** with the world through diverse media including magazine advertisements and Web site content. The group will actively communicate the fact that the product has become an important part of dietary cultures in many countries and regions, where it is used as a daily commodity.



▶▶ <http://www.ajinomoto.com/features/aji-no-moto/en/>

Packaging of AJI-NO-MOTO®

The Ajinomoto Group sells **AJI-NO-MOTO®** worldwide with a unified concept for package design in each country. The back of the package provides information on the raw materials used to make the product, the uses of the product, and what glutamate—the umami component—is. In this way, the group is strengthening communication with customers.



Package in the Philippines (front)



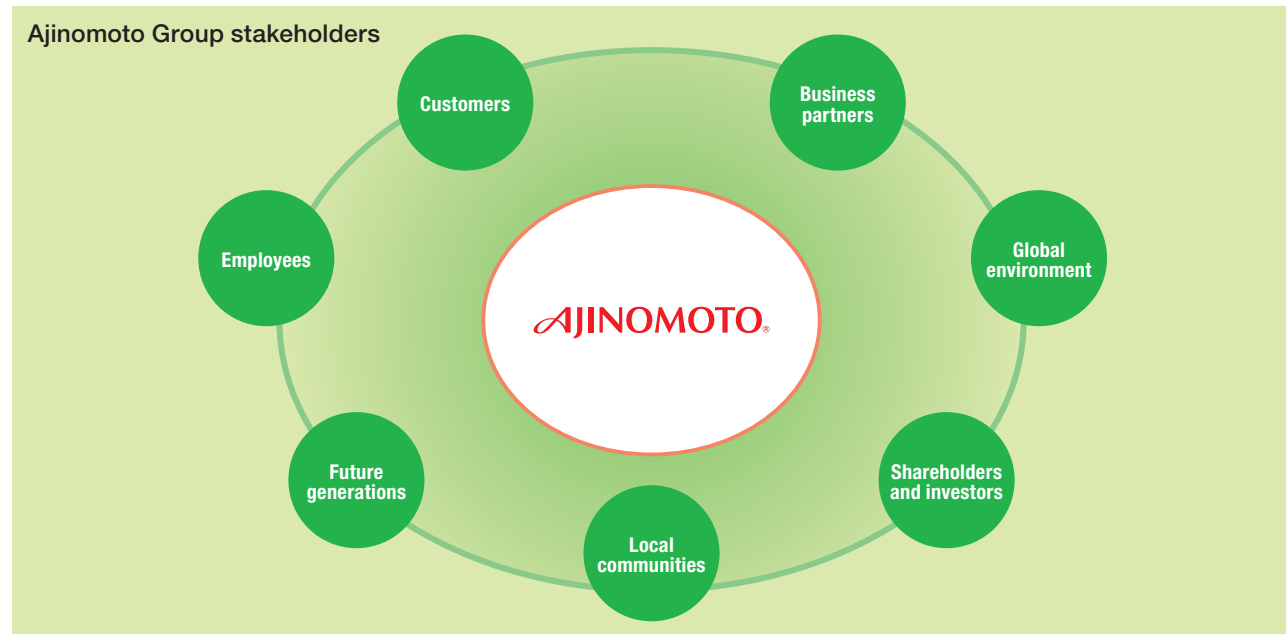
Package in the Philippines (back)

Pushing Forward with a Comprehensive CSR Strategy

Developing strategic themes that meet the demands of society

For the Ajinomoto Group, CSR is the foundation of corporate management and involves every aspect of its business. In March 2009, the group determined strategic themes for its five pathways to achieving the Ajinomoto Group CSR Vision: (1) food; (2) health and pharmaceuticals; (3) food resources and the environment; (4) human resources development; and (5) partnerships and public

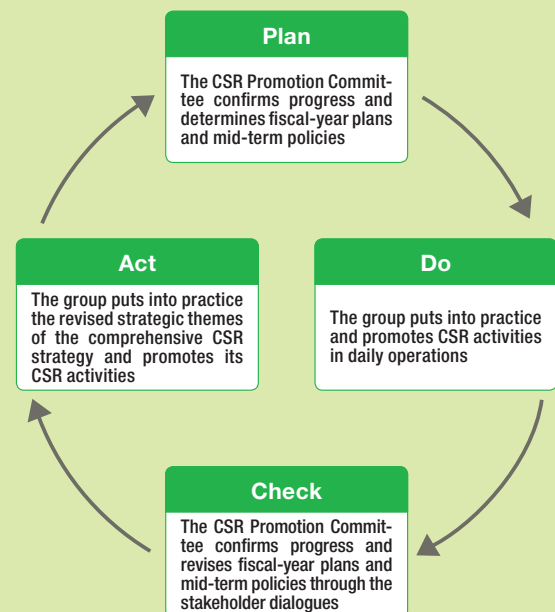
communications. The group carefully developed these strategic themes over the course of 18 months, and incorporated feedback from participants of stakeholder dialogues held in October 2007 and December 2008. The strategic themes were established through active discussions within the company and from the perspective of how the Ajinomoto Group could best meet the expectations and demands of society through its business.



CSR Promotion Committee sets goals and measures progress using the PDCA cycle

From fiscal 2009, the Ajinomoto Group will advance its CSR activities in line with the strategic themes of the comprehensive CSR strategy. Accordingly, personnel from relevant divisions in charge of key CSR issues, such as environmental conservation and quality assurance, meet once per month to confirm progress being made on the themes and other related matters. Furthermore, the newly established CSR Promotion Committee meets twice per year. Its meetings have determined the comprehensive CSR strategy plan for fiscal 2010, and the policy of the mid-term comprehensive CSR strategy plan, including matters relevant to the group's CSR initiatives for managing and monitoring the PDCA cycle. The results of the meetings will be discussed with participants of the stakeholder dialogue on broad CSR issues to gain feedback on the group's CSR activities. Members of the CSR Promotion Committee will also attend the dialogue. Finally, the CSR Promotion Committee will review opinions from the stakeholder dialogue, and then establish the strategic themes of the comprehensive CSR strategy for fiscal 2010. This process will be repeated every year.

PDCA cycle for the strategic themes of the comprehensive CSR strategy





Stakeholder Dialogues

The Ajinomoto Group considers stakeholder dialogues as an important activity within its CSR initiatives. Dialogues with members of society enable the group to verify that its efforts are meeting society's demands. The dialogues correspond to the C in the PDCA cycle, and are regarded by managers and employees of the Ajinomoto Group as meaningful opportunities that contribute to CSR management.

CSR Activity Critique Session with Stakeholders of Ajinomoto

The proposed themes and content of the group's comprehensive CSR strategy were presented and opinions exchanged with stakeholders at the session.

Date: December 2, 2008

Venue: Ajinomoto Group Takanawa Training Center

Participants: 21 stakeholders, including the media as well as representatives of NGOs and NPOs in fields such as consumer advocacy, human rights, environmental conservation, and corporate citizenship; 24 people from the Ajinomoto Group, including executives of Ajinomoto Co., Inc. and representatives of the Corporate Division, Food Products Company, Amino Acids Company, and Pharmaceutical Company



Further details

<http://www.ajinomoto.com/csr/strategy/>

The six topics of discussion and stakeholder expectations of Ajinomoto

Group 1

Meaning of the comprehensive CSR strategy, the mission of the Ajinomoto Group, and the means to fulfill CSR

Stakeholder Expectations of Ajinomoto

- The details of the CSR strategy in terms of risk assessment and prioritization, as well as its action plans and goals should be clarified.
- Ajinomoto should thoroughly address food safety as the most important consumer issues.
- The company must fulfill its mission as an industry leader.
- A transparent system for responsibly moving the company's CSR strategy forward is needed.



Group 2

Contribution to health and nutrition in developing countries, lifecycle-focused raw material procurement, and protecting labor rights and human rights

Stakeholder Expectations of Ajinomoto

- Ajinomoto is expected to further explain to the public how its research and technology are beneficial to society. Cooperation with international organizations and NGOs to promote nutritional improvement using lysine is also expected.
- Company-managed farms benefit the group disproportionately compared to local communities. Therefore, the group should use these farms not only for procurement but also to build sustainable, community-based relationships.
- More female managers have been appointed, but it is important for Ajinomoto to consider their working conditions, including job relocation, in order to improve work life balance.
- In addition to developing internal human resources, appointments from outside the company are important.



Group 3 Method of establishing the goals of the comprehensive strategy and individual strategic themes

Stakeholder Expectations of Ajinomoto

- CSR efforts have progressed, but results should be measured quantitatively over a timeline.
- As a Japanese food company, Ajinomoto is expected to work toward improving Japan's food self-sufficiency ratio while ensuring food safety and encouraging local production for local consumption.
- In its promotion of feed-use amino acids, the company's focus should shift from the reduction of greenhouse gases to the improvement of the quality of life in developing countries through increasing meat consumption.
- In its development of global human resources, it is important that Ajinomoto value not only management but also regular staff, and raise its awareness of issues concerning regular versus temporary employees.
- Ajinomoto should explain to all employees the basic stance underlying its activities for promoting corporate citizenship as a continuous endeavor.



Group 4 Environment and food resources, communication between society and the company, and human resources development

Stakeholder Expectations of Ajinomoto

- It is important to more effectively communicate to the public that the use of feed-use amino acids offers significant benefits for the environment.
- The company must improve the yield of its main fermentation raw materials and diversify the raw materials it uses as countermeasures to a food crisis.
- Ajinomoto is expected to explain to the public how genetically modified foods could contribute to averting a potential food crisis.
- In response to public concerns, complete information must be disseminated.
- Activities such as food and nutrition education and plant tours need to be improved.
- Ajinomoto should demonstrate that it sufficiently incorporates opinions from workers at plants outside Japan.
- The employment and strategic capabilities of women must be promoted.



Group 5 Quality assurance, communication with consumers, and proposals to improve upon the current year's CSR report

Stakeholder Expectations of Ajinomoto

- Information in the printed version of the CSR report is insufficient, so more basic information should be included. Ajinomoto relies too heavily on its Web site content.
- It is important that Ajinomoto more actively disseminate not only consumers' expectations of quality but also its own perspective on quality.
- The CSR discourse and vision of the Ajinomoto Group is not easily understood as a whole. Ajinomoto should, for example, take up the challenge of proposing a new Japanese food culture based on dietary traditions.



Group 6 Developing human resources and protecting human rights

Stakeholder Expectations of Ajinomoto

- If employee opinion surveys show that customer-oriented attitudes are weak among employees, employees should be given opportunities to interact with customers on a daily basis.
- The company must not regard part-time employees and temporary staff as expendable, but ensure that it is managed based on the premise that all employees are equal members of society.
- The participation of women in executive meetings is now the norm in business, so the company's vision for promoting women in management needs to be further clarified.
- Ajinomoto should avoid the concept of "consumer" and begin from the premise that people are members of the same society.



Progress Report on Achieving the CSR Vision of the Ajinomoto Group

Demonstrating its commitment to pushing CSR activities forward, in 2005 the Ajinomoto Group established its CSR Vision and five paths toward its realization through specific CSR achievements to be made by 2020. The group also devised a comprehensive CSR strategy that outlines strategic themes for each CSR achievement. The CSR Vision targets for fiscal 2009 to 2010 and details of the five paths are presented below, while pages 19 – 28 cover the progress made in fiscal 2008.

Ajinomoto Group CSR Vision

As a truly global company, we are committed to social and environmental sustainability. We will contribute toward this goal through the fields of Food and Health like no other company can, and will strive to earn the trust of the people of the world for generations to come.

The five pathways to achieving the CSR Vision by 2020

Pathways	Achievements by 2020	Comprehensive CSR strategy themes	Pages
1 Food	With the global expansion of the Ajinomoto Group's food business, we will have contributed to a reliable and high-quality dietary life for people around the world by promoting the development, proposal, and provision of new products that suit the regional food cultures of the world while also making the most of the special characteristics of Japanese food, as a global company with roots in Japan.	<ul style="list-style-type: none"> Ensuring safe food products and building a value chain that can serve as a model for society Sharing information with distributors and consumers Promoting understanding of umami and disseminating information on the nutritional and physiological functions of glutamate 	19 – 20
2 Health and Pharmaceuticals	We will have created new value and contributed to the lives and health of people worldwide by further improving and expanding our proprietary technologies as a leading company in the field of amino acids.	<ul style="list-style-type: none"> Promoting better nutrition in developing countries by utilizing the nutritional value of amino acids Actively promoting the positive environmental benefits of feed-use amino acids 	21 – 22
3 Food Resources and the Environment	We will have contributed to a sustainable global environment by supporting agriculture, fisheries, and livestock farming, and establishing a recycling-based business model that minimizes the use of exhaustible resources and energy and the production of waste, with the goal of securing safe and sustainable food resources.	<ul style="list-style-type: none"> Cooperating with and supporting the agricultural, livestock and fishery industries for sustainable procurement of raw materials Promoting greenhouse gas reduction Determining the carbon footprint of the Ajinomoto Group Promoting understanding of ecology relating to food culture 	23 – 24
4 Human Resources Development	We will have contributed to the building of better societies by fostering the high-caliber human resources needed around the world, and by ensuring that our employees can make the most of their unique traits and abilities, without regard to characteristics such as nationality, ethnicity, sex, religion, and cultural background.	<ul style="list-style-type: none"> Developing and assigning global human resources Improving work-life balance for employees Sharing the new unified corporate image 	25 – 26
5 Partnerships and Public Communications	In line with the Ajinomoto Group Principles, we will have contributed to the building of sound and vibrant societies by proactively disclosing a variety of information about our business activities to all stakeholders, and by forging honest, fair, and open partnerships with them through dialogue undertaken as a sincere corporate citizen.	<ul style="list-style-type: none"> Promoting corporate citizenship activities as "a group of companies that contributes to human health globally" Realizing CSR communications Evaluating ourselves through society's eyes, and working towards mutual betterment 	27 – 28

Achievement Goals and Targets of the Comprehensive CSR Strategy Themes

Theme Ensuring safe food products and building a value chain that can serve as a model for society		
Specific Details <ul style="list-style-type: none"> ● Improve the level of management for subcontractors and raw material suppliers ● Improve the level of quality assurance based on revisions of the standards required under the Ajinomoto System of Quality Assurance (ASQUA) ● Establish food defense requirement ● Establish requirements for a CSR standpoint on social and environmental matters 	➔	Achievement Goals and Targets <p>Establish a trusted corporate brand by securing traceability through enhanced communications concerning two aspects of CSR—quality and the environment—while also building relationships of trust with subcontractors and raw material suppliers</p>
Progress		
2 0 0 8 <ul style="list-style-type: none"> ● Established an international quality audit system in the ASEAN region and China, and provided training for auditors 	2 0 0 9 <ul style="list-style-type: none"> ● Implementing revisions of ASQUA, preparing and beginning group-wide implementation of food defense guidelines, establishing CSR requirements, and enhancing communications ● Establishing the international quality audit system in the ASEAN region and China 	2 0 1 0 <ul style="list-style-type: none"> ● Expand the international quality audit system to countries outside Asia
Issues <ul style="list-style-type: none"> ● Revision of guidelines for selection and management of raw material suppliers, development of food defense guidelines for suppliers, and development of an audit system for CSR requirements ● Expansion of the international quality audit system to other areas where the group operates 		
Theme Sharing information with distributors and consumers		
Specific Details <p>Revise quality information on product packaging and the company Web site in order to strengthen public disclosure Target items: retail food products</p>	➔	Achievement Goals and Targets <p>Share accurate information on food safety protection activities with distributors and consumers to increase their understanding of the company and its products</p>
Progress		
2 0 0 8 <ul style="list-style-type: none"> ● Provided disclosure of manufacturing plants in each region and main raw material production locations on packaging and the company Web site ● Prepared guidelines for the provision of food product quality information to consumers 	2 0 0 9 <ul style="list-style-type: none"> ● Establishing a contact group to effectively implement guidelines and sharing the group's information on quality 	2 0 1 0 <ul style="list-style-type: none"> ● Further improve the company's Web site content covering information on product quality
Issues <ul style="list-style-type: none"> ● Provision of quality information group-wide 		
Theme Promoting understanding of umami and disseminating information on the nutritional and physiological functions of glutamate		
Specific Details <ul style="list-style-type: none"> ● Japan: Actively promote School Tour of Education on Eating ● Outside Japan: Make local umami stories based on regional culinary cultures Disseminate information on the nutritional and physiological functions of glutamate 	➔	Achievement Goals and Targets <ul style="list-style-type: none"> ● Promote understanding of umami ● Promote understanding of the nutritional and physiological functions of glutamate
Progress		
2 0 0 8 <ul style="list-style-type: none"> ● Launched School Tour of Education on Eating, including the creation of class content and programs ● Disseminated information to culinary experts and carried out employee education based on local umami story in each country 	2 0 0 9 – 2 0 1 0 <ul style="list-style-type: none"> ● Expanding eligibility for School Tour of Education on Eating instructors to all employees of Ajinomoto Co., Inc. 	2 0 1 0 <ul style="list-style-type: none"> ● Promote public relation activities about umami based on each country, and disseminate new information on the nutritional and physiological functions of glutamate
Issues <ul style="list-style-type: none"> ● Applicability of information on the nutritional and physiological functions of glutamate for improving the health, quality of life, and nutrition of people around the world 		



Further details

<http://www.ajinomoto.com/csr/achievement1/>

Quality Management System of the Ajinomoto Group / Labeling and Use of Food Additives and GMOs /

Highlight 01 Strengthening global quality control systems to ensure safe products

Raising the Level of Quality Assurance through Employee Education

Relationships with Business Partners / Effect of Surging Raw Material Prices / Group Procurement Center Established / Building Relationships of Trust with Business Partner / Fair Transactions / Quality Assurance through Collaboration with Business Partners

Highlight 02 Spreading knowledge of umami to people around the world / Learning the secrets of great taste

Aiming for Higher Customer Satisfaction at the Customer Service Center / Highlights of Activities in Fiscal 2008 / Customer Feedback in Fiscal 2008 / Providing employees with experience at the Customer Service Center

Promoting a Deeper Appreciation of Eating: The Food Garden / Discovering the Source of Delicious Food: Plant Tours / Encouraging Family Fun in the Kitchen: Beginner's Cooking School / Sharing the Enjoyment of a Healthy Diet: Nutritional Education Activities at Sales Locations / Supporting Great Taste: Recipe Encyclopedia / Even More Food Education Programs / Participation in the XV International Congress of Dietetics

Highlight 01 **Strengthening global quality control systems to ensure safe products**

In response to an incident in January 2008 involving contaminated food produced at the Tianyang Food Plant in China, the Ajinomoto Group strengthened its quality control system for its frozen foods, which consist of significant amounts of processed agricultural, fisheries, and livestock products made outside Japan. Specifically, the system focuses on three areas: (1) enhanced management of raw materials and monitoring of suppliers; (2) stricter process management incorporating food defense (i.e. prevention of international contamination of food or other criminal acts), and; (3) information sharing with consumers.

In July 2008, Ajinomoto Frozen Foods Co., Inc. (FFA) established the Raw Materials Auditing Department to strengthen quality auditing. The department is conducting audits and has added food defense items for suppliers in and outside Japan that handle raw ingredients from China. The 97 companies it audited in fiscal 2008 will carry out improvements based on audit results.

To strengthen inspection procedures for residual agricultural and other chemicals, FFA is working to improve its system that tests for the presence or absence of diverse chemical agents at numerous stages, including the time of harvest, export and after import. FFA also enhanced the details of raw ingredient origins on its packaging and Web site to improve information dissemination.

Each company in the Ajinomoto Group is working to

expand initiatives such as the above to other food products. The companies are forming group-wide projects based on the proposals of the Ajinomoto Group Quality Assurance Committee, while strengthening raw material supplier management systems.



Quality assurance managers attend the ASQUA School at local subsidiaries in the ASEAN region.



Quality assurance managers attend the ASQUA School at local subsidiaries in China

Highlight 02 **Spreading knowledge of umami to people around the world**

Since 2005, Ajinomoto Co., Inc. has been making local umami stories based on regional culinary culture while promoting activities to spread knowledge of umami worldwide. Through these efforts, local people gain a better understanding of umami and a stronger awareness that it is naturally contained in familiar foods. Through a wide range of activities ranging from symposiums to school lectures, opportunities for media coverage have increased in various countries leading to heightened interest in umami on a global scale.

It has been 100 years since Dr. Kikunae Ikeda of Tokyo Imperial University (now the University of Tokyo) discovered umami while pursuing research driven by his strong motivation to “contribute to nutritional improvement by making nutritious but simple food taste good.” In the Philippines, a comic has taught children about umami, and in Vietnam, PR staff have staged theater performances on the subject. Umami is now being introduced around the world through a documentary film entitled *Ambition—The Story of Kikunae Ikeda, Chemist*. The film received the 2009 intermedia-globe Grand Award in the Education category at the 2009 World Media Festival held in Germany.

The company has been undertaking research at its Institute of Life Sciences on the uses of glutamate in a variety of areas such as health maintenance, quality of life enhancement, and nutritional improvement. The Ajinomoto Group will continue to work towards spreading new information on the nutritional and physiological functions of glutamate.



At Ajinomoto Vietnam Co., Ltd., umami is introduced using tomatoes in a theatrical production.



AJINOMOTO PHILIPPINES CORPORATION promotes umami activities at supermarkets.



Ajinomoto Internamericana Indústria e Comércio Ltda. uses an umami tasting kit at an employee study meeting.

Achievement Goals and Targets of the Comprehensive CSR Strategy Themes

Theme Promoting better nutrition in developing countries by utilizing the nutritional value of amino acids

Specific Details

- Develop foods fortified with the essential amino acid lysine with local partner Ghana University for people who lack protein in their diets in developing countries.
- Provide nutritional and technological education through manufacturing and marketing and encourage economic revitalization.
- Develop cooperative relationships with local educational institutions, NGOs, and international organizations.

Achievement Goals and Targets

- Provide nutritional support to people in developing countries through the use of amino acid additives for protein supplementation
- Create sustainable businesses and work toward long-term growth

Progress

2 0 0 8

- Acquired data on the necessity and effectiveness of lysine
- Initiated trial production of food products containing lysine using traditional Ghanaian beverages

2 0 0 9

- Constructing a system for the provision of inexpensive and safe lysine food additives
- Investigating alliances with external organizations such as NGOs
- Considering the feasibility of new businesses

2 0 1 0

- Initiate specific programs

Issues

- Verification of existing scientific data, and determination of the necessity for further studies
- Creation of a sustainable business model from corporate citizenship activities

Theme Actively promoting the positive environmental benefits of feed-use amino acids

Specific Details

- Reduce LC-CO₂ emissions in the livestock industry through lysine use
- Reduce N₂O, which has 300 times the global warming effect of CO₂, generated by livestock excrement

Achievement Goals and Targets

Achieve contributions through business by quantifying the positive environmental effects of feed-use amino acids and exploiting its characteristic effects and benefits

Progress

2 0 0 8 — 2 0 1 0

- Promoting the nutritional and environmental benefits of feed-use amino acids at various occasions
- Investigating N₂O reduction effects in cooperation with external organizations

Issues

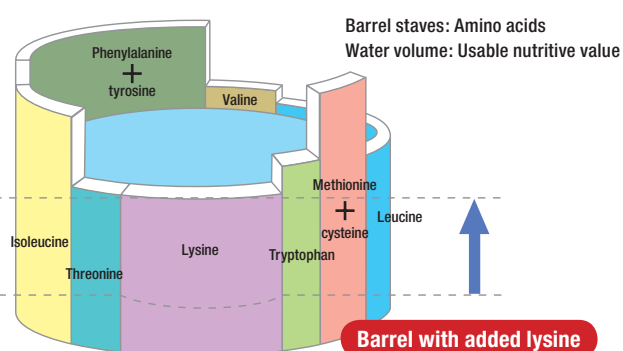
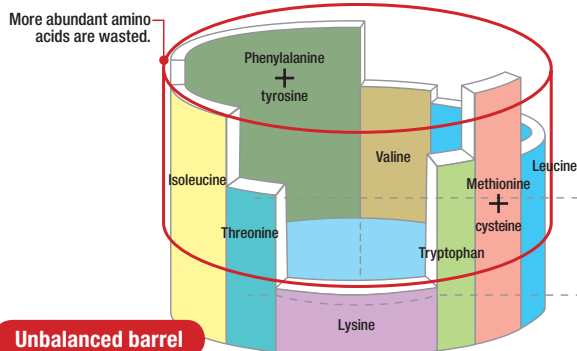
- Methods for promoting use of feed-use amino acids utilizing results verified by an external organization
- Proposals on environmental impact reduction through amino acids submitted to the Ministry of Agriculture, Forestry and Fisheries, the Ministry of the Environment, and the Ministry of Economy, Trade and Industry in Japan

The Best Balance of Amino Acid Based on the Barrel Theory

►► What is lysine?

Lysine is a typical essential amino acid, which is often lacking among people in developing countries that mostly depend on flour and corn as protein sources. For people and animals, the utilization of amino acids is limited to the amount of the amino acid most deficient in a food source, regardless of

the amount of the other amino acids. (This mechanism is often explained by the barrel theory of amino acids.) It follows that if lysine were supplemented in daily food or feed, more amino acids can be used, thereby potentially improving the growth of animals and nutrition status of people.



Further details

<http://www.ajinomoto.com/csr/achievement2/>

Highlight 01 Activities to improve nutrition in developing countries using amino acids

A Progressive Approach to the Livestock Industry / Realizing Stockbreeding that Reduces Environmental Impacts and Secures Food Resources / Helping Use Land Effectively /

Highlight 02 Fighting global warming with feed-use amino acids

Supporting and Encouraging Patients through Pharmaceutical Business Activities / Universal Design Applied to Food Products

Low-calorie Sweetener Helps Improve Quality of Life for Chinese Diabetics / Calpis Co., Ltd. Holds Kids Labs to Convey the Fun of Science to Children

For more details, please refer to the Encyclopedia of Amino Acids on the Web site. ►► <http://www.ajinomoto.com/features/amino/>



Activities to improve nutrition in developing countries using amino acids

Amino acids are vital to humanity and the Earth. However, sufficient amounts of amino acids are not always provided to all those who really need them. Nearly one billion people worldwide are said to be suffering from malnutrition—this is a major issue facing the international community.

For more than ten years, the Ajinomoto Group has been conducting the Lysine Project in Pakistan, China, Syria, and other developing countries and regions. The project engages in field studies designed for nutritional improvement using lysine, an essential amino acid. These studies have demonstrated that small amounts of lysine consumed with daily meals improve the symptoms of malnutrition. In 2009, to mark the 100th anniversary of the founding of Ajinomoto Co., Inc., the group is taking a major step forward from field research to practical application. Although its goal is to realize CSR through the business of supplying Lysine in daily diets, which would contribute to the improvement of nutrition, it will be necessary to meet the following challenges:

- Food containing lysine must taste good and fit the daily dietary habits of local people.
- Food containing lysine must be distributed to the people who need it.
- Projects must provide opportunities for greater economic prosperity among the local populace, as well as promote health.
- Projects must be sustainable.

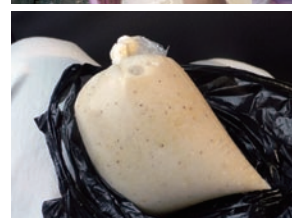
Although these challenges are formidable, the Ajinomoto Group has a reservoir of technology and a broad array of

businesses that can guide the Lysine Project along a path to success. The group has been making efforts to make a trial project sustainable with the University of Ghana, which is located in the area where it conducted a study from 2007. Once this project is successful, it will provide a model case for future international support and collaborative projects. The Ajinomoto Group is committed to continue working as a responsible member of the international community, and its employees are proud to help contribute to the achievement of the United Nations Millennium Development Goals (MDGs)¹ through these activities.

1. UN Millennium Development Goals (MDGs): Eight goals that respond to the world's main development challenges, based on the Millennium Declaration adopted at the UN Millennium Summit in September 2000. The goals are to: eradicate extreme poverty and hunger; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria, and other diseases; ensure environmental sustainability; and develop a global partnership for development.



A woman makes *kenkey*, a traditional food in Ghana made of fermented maize.



Iced *kenkey* drink made from *kenkey* is a popular beverage drunk through a straw.



Fighting global warming with feed-use amino acids

Feed-use amino acids are said to be effective for reducing emissions of nitrogen oxide (N_2O), a major greenhouse gas that is emitted from the livestock industry. Ajinomoto Co., Inc. has been conducting tests with research institutes in Japan to demonstrate this fact. N_2O is a greenhouse gas like CO_2 and methane, but its potential impact is approximately 300 times that of CO_2 . Therefore, even a slight increase in overall N_2O emissions can have a notable effect on global warming.

Fiscal 2009 is the second year of a two-year plan that aims to measure the effect of using feed-use amino acids on the reduction of N_2O emissions through manure treatment processes in livestock production. Livestock-derived N_2O has also been gaining attention in many countries, primarily in Europe and North America, where researchers are attempting to calculate the carbon footprint² of livestock products. The Ajinomoto Group is actively exchanging information with those researchers. The group is using scientific evidence to bolster worldwide recognition of its feed-use amino acid application with the aim of disseminating it further.



Corn and soybean meal are used with feed-use amino acids for livestock feed.

Three kinds of feed-use amino acids



Lysine

The essential amino acid most likely to be deficient in livestock feeds



Threonine

The essential amino acid most likely to be deficient after lysine in commonly used livestock feeds



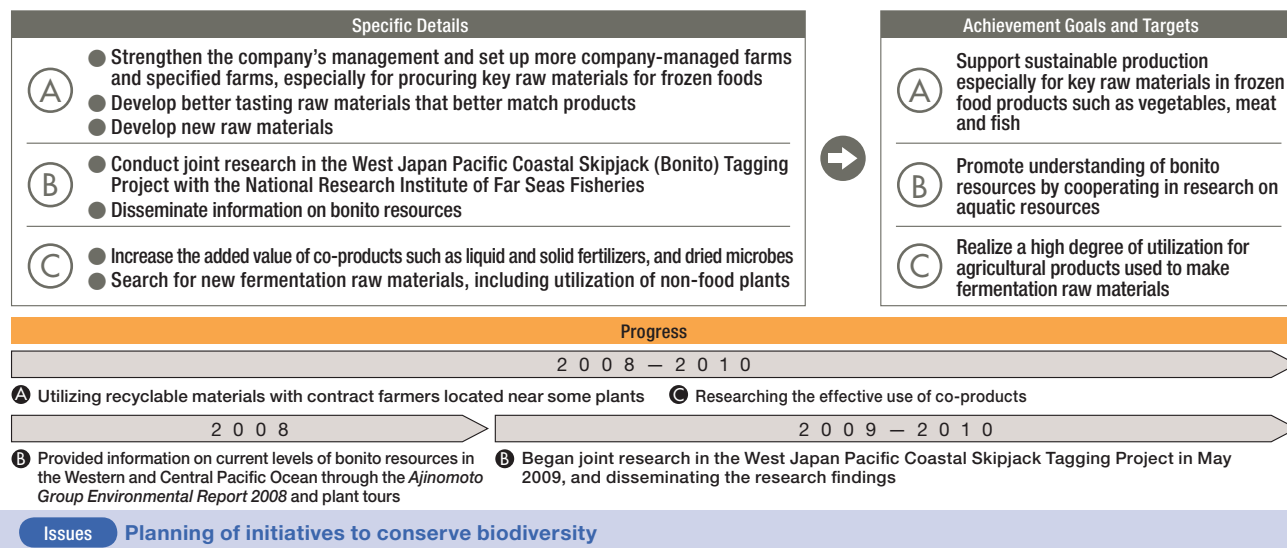
Tryptophan

An essential amino acid that tends to be deficient in piglet feeds, especially when primarily composed of corn

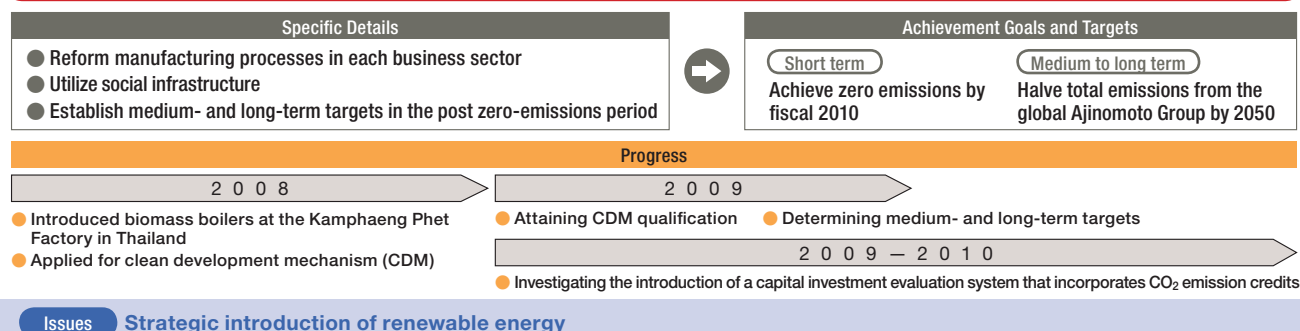
2. Carbon footprint: Accumulated greenhouse gas emissions of a product calculated at the time its release and based on a lifecycle assessment from production through disposal.

Achievement Goals and Targets of the Comprehensive CSR Strategy Themes

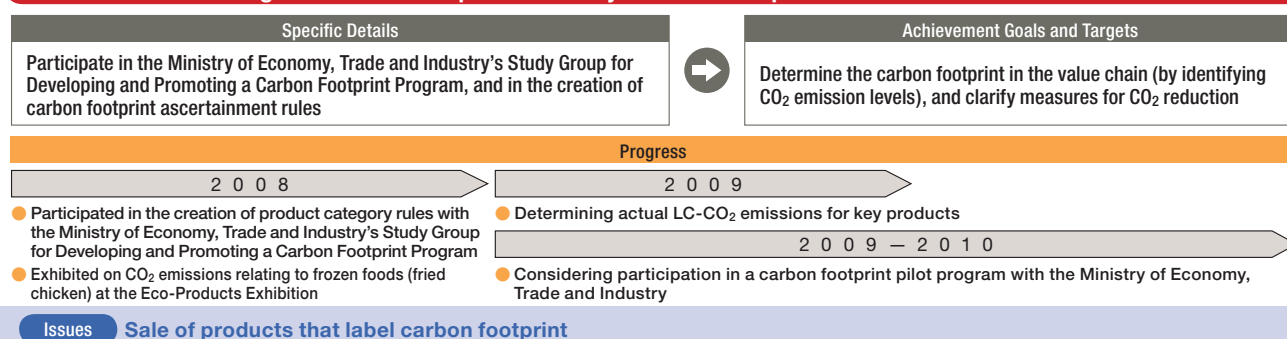
Theme Cooperating with and supporting the agricultural, livestock and fishery industries for sustainable procurement of raw materials



Theme Promoting greenhouse gas reduction



Theme Determining the carbon footprint of the Ajinomoto Group



Theme Promoting understanding of ecology relating to food culture





Highlights of Activities in Fiscal 2008

**Cooperation in a research project
on bonito resources**

Bonito, also called skipjack, is the raw ingredient used to make the Japanese flavor seasoning *HON-DASHI*[®], a key product of Ajinomoto Co., Inc., and is fished in the tropical waters of the Pacific. This area of the ocean has abundant and stable populations of bonito. However, the company believes it is important to continuously monitor the consumption of bonito resources and their habitats to ensure that people can continue enjoying products made with bonito stock with peace of mind.

As a first step, in April 2009 Ajinomoto Co., Inc. launched a joint research project on bonito resources off the Pacific coast of Japan with the Fisheries Research Agency's National Research Institute of Far Seas Fisheries. The research team will analyze the migration routes and movements of bonito, and the research will be conducted from April 2009 through March 2010.

Overview of 2009 joint research in the West Japan Pacific Coastal Skipjack Tagging Project

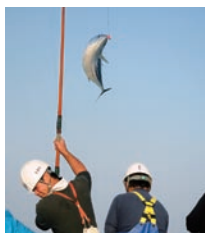
This research involves the tagging and release of bonito caught by pole-and-line fishing using barbless hooks in the waters around the Amami Islands off of western Japan's Pacific coast, an area where bonito migrate upstream. Under certain conditions, the migration routes and speed of the fish can be estimated from data on the locations and dates of tagging. About 1,000 bonito were tagged in the largest research of bonito that migrate from the Kuroshio current to western Japan's Pacific coast. The research expects to determine the movements of bonito in the area and the causes of poor catches by both trawl line and pole-and-line fishing in recent years.

Location: Waters around the Amami Islands

Number of fish to be tagged: 1,000

Study period: April 2009 to March 2010

Tagging: May 2009; **Recovery:** June to December 2009; **Analysis of results:** January to March 2010



Catching bonito by pole-and-line fishing using barbless hooks



A tag is attached to each bonito.

**Using rice husk as fuel reduces CO₂
emissions at an overseas factory**

Approximately 78% of total CO₂ emissions produced by the Ajinomoto Group (2.38 million tons in fiscal 2008) are generated at production plants outside Japan. In Southeast Asia and South America, where strong economic growth is expected, curtailing the expansion of CO₂ emissions is particularly important. Taking this into consideration, the Ajinomoto Group installed four biomass boilers at the Kamphaeng Phet Factory of Ajinomoto Co., (Thailand) Ltd. in March 2009. The new boilers use rice husk as biomass fuel¹ instead of fossil fuels such as heavy oil. By introducing these boilers, the Ajinomoto Group projects a reduction in its annual CO₂ emissions by 4%, or about 100,000 tons.

Rice husk is purchased from rice farmers near the factory. Through the conversion of rice husk to energy using the four boilers, each of which is capable of generating 14.5 tons of steam per hour, the factory produces products such as the umami seasoning *AJI-NO-MOTO*[®]. Incinerated ash is also recycled, and the factory is exploring methods to utilize it as fertilizer. By incorporating the biomass boiler system into the bio-cycle² created by Ajinomoto Co. Inc., the company has realized an amino acid production model based on local resource recycling (Figure 1).

After gaining approval from both the Japanese and Thai governments, the group applied to the United Nations CDM³ scheme.

The Ajinomoto Group will pursue similar initiatives for locally based fuel conversion in Vietnam and Brazil, where abundant biomass fuel is expected to become available.



Rice husk

Approximately 10,000 tons of rice husk are stored in 32 silos per month. Thailand is the world's sixth largest rice producer, and Kamphaeng Phet is located at the center of the country's rice region. By utilizing rice husk that would normally be disposed of in large quantities every day, the company is also contributing to waste reduction.

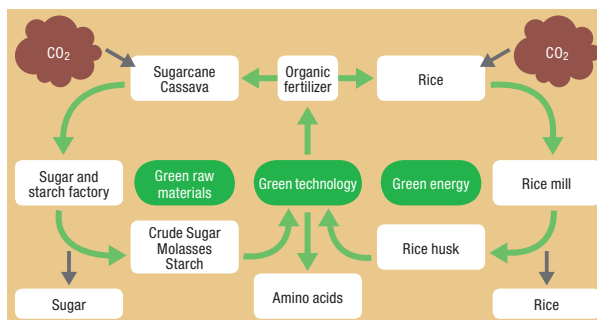
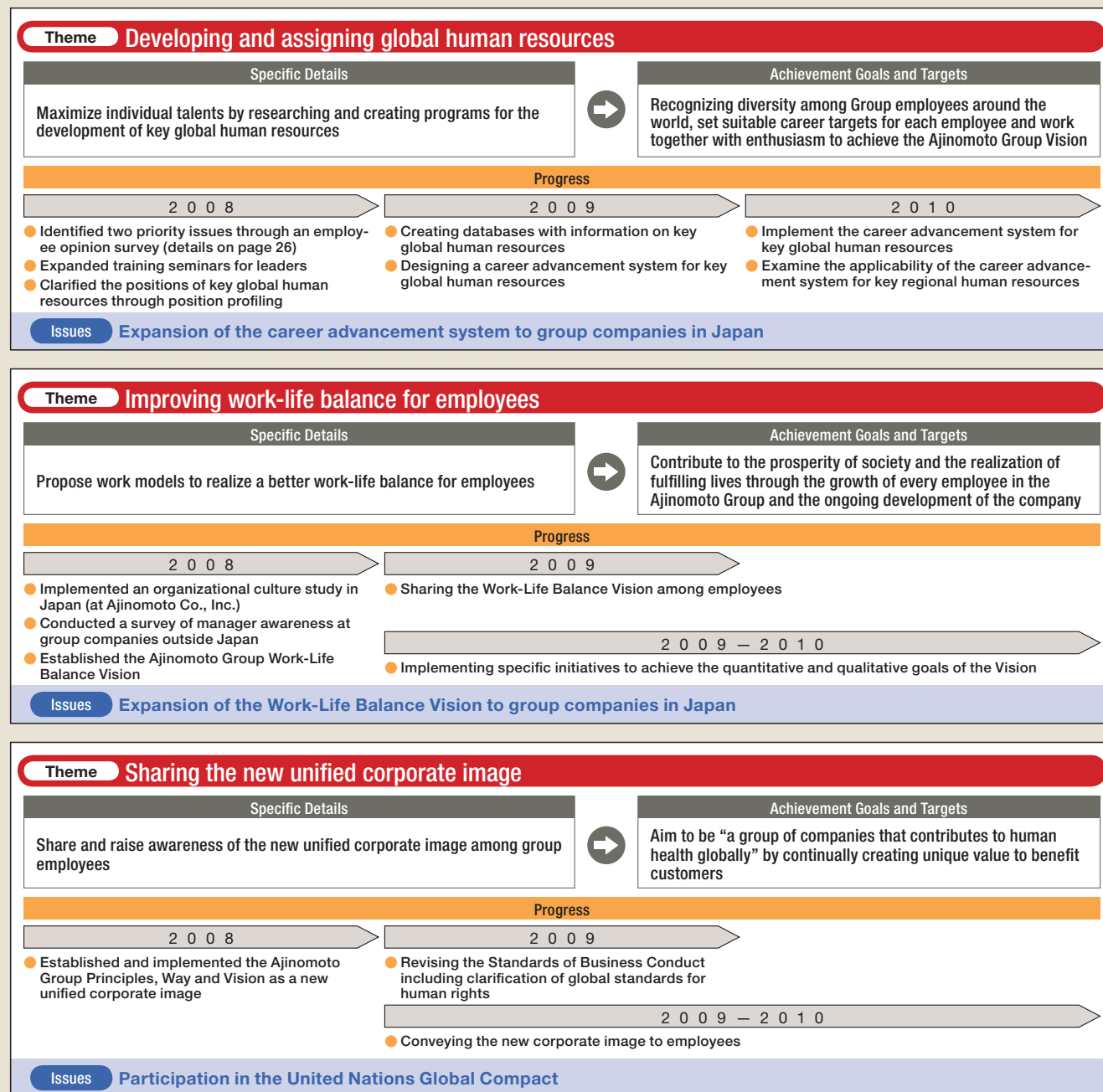


Figure 1 Amino acid production model based on local resource recycling

1. Biomass fuel: An energy source derived from renewable organic material or animal matter, excluding fossil fuels. Since plants absorb CO₂ from the atmosphere during the growing process, burning biomass fuel results in zero net CO₂ emissions, and is therefore considered to be carbon neutral.
2. Bio-cycle: A process for recycling resources. In this case, after amino acids are produced from agricultural products using fermentation methods, the remaining material is returned to farmers' fields as nutrient-rich liquid fertilizer.
3. CDM: Clean Development Mechanism, a system that allows emission-reduction (or emission removal) projects in developing countries to earn certified emission reduction (CER) credits, each equivalent to one tonne of CO₂. These CER credits can be traded and sold, and used by industrialized countries to meet a part of their emission reduction targets under the Kyoto Protocol.

Achievement Goals and Targets of the Comprehensive CSR Strategy Themes



Further details

<http://www.ajinomoto.com/csr/achievement4/>

Highlight 01

Building the Global Human Resources Platform for developing and nurturing personnel

Human Resources Training System / Compensation for Inventions

Highlight 02

Establishing the Ajinomoto Group Work-Life Balance Vision

Building Supportive Workplaces / Healthcare Initiatives

Building Safe Workplaces / Targets for disaster prevention and occupational health and safety activities in fiscal 2009 / Group-wide safety slogan / Safety confirmation drill

Fair Employment for All / Reemployment System for Retiring Human Resources / Expanded Employment for Persons with Disabilities

HR Principles / Employee Data

Labor-Management Relations / Promoting Human Rights from a Global Perspective



Building the Global Human Resources Platform for developing and nurturing personnel

The Ajinomoto Group is working to develop and nurture its human resources on a global level, based on the notion that the collective strength of its personnel will create the foundation for success over the next 100 years. The goal of the Global Human Resources Platform is to encourage all group employees to think beyond their respective companies and countries while enthusiastically pursuing personal career objectives and contributing to the realization of the Ajinomoto Group Vision through their work.

In fiscal 2008, the Ajinomoto Group began taking a number of steps in order to realize this goal. First, it conducted an employee opinion survey, and based on the results, determined two priority issues: career advancement support and the development and promotion of promising employees. To address these issues, the company began creating an information database of personnel and positions after evaluating the duties required for key positions at group companies outside Japan using unified standards. With the aim of continually developing personnel to serve

as key members of group management, two new training seminars were set up to expand the pool of leadership candidates—the Ajinomoto Global Future Leader Seminar and the Ajinomoto Group Leader Seminar—on top of the Global & Group Leader Seminar, which was implemented from fiscal 2007 to train new management personnel. A total of 74 employees from 26 companies in 15 different countries attended the seminars, held at the Ajinomoto Group Takanawa Training Center, and exchanged candid opinions on the future of the Ajinomoto Group.



Participants role play at a new leader seminar



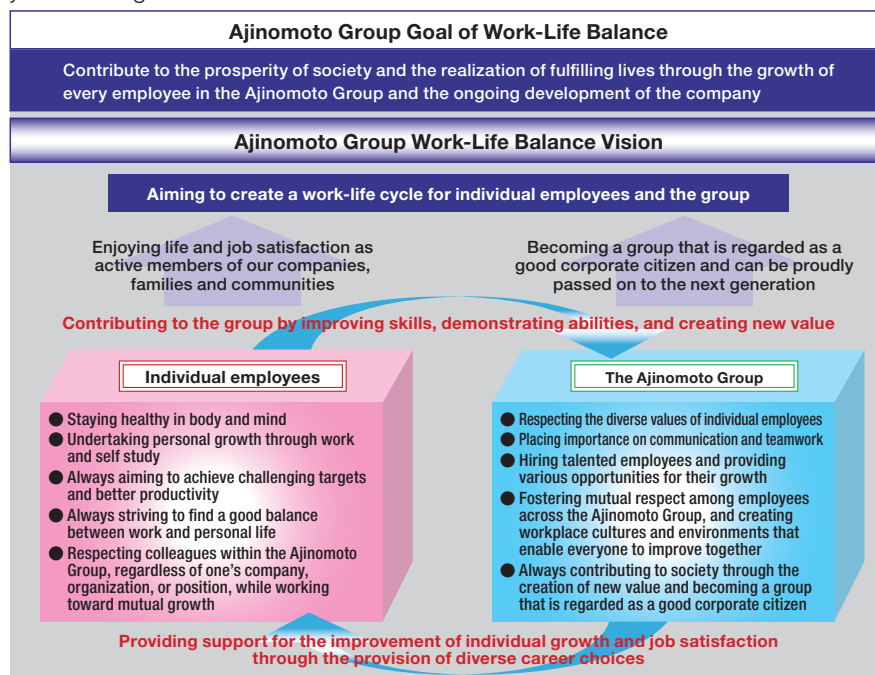
Establishing the Ajinomoto Group Work-Life Balance Vision

In July 2008, Ajinomoto Co., Inc. launched the Work-Life Balance Improvement Project as a joint initiative between labor and management. The Ajinomoto Group Work-Life Balance Vision was then established with the aim of contributing to the realization of productive lives for all employees and to the prosperity of society. This vision is being actively promoted at all group companies.

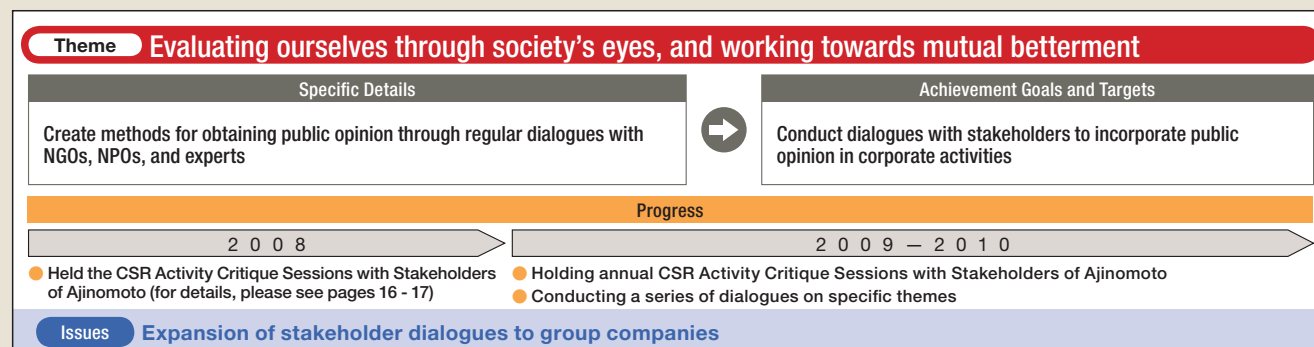
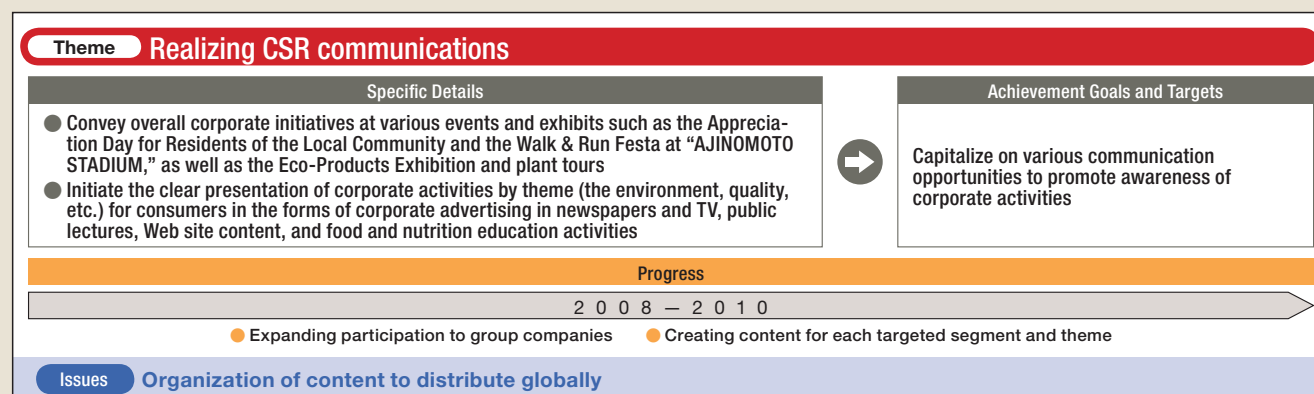
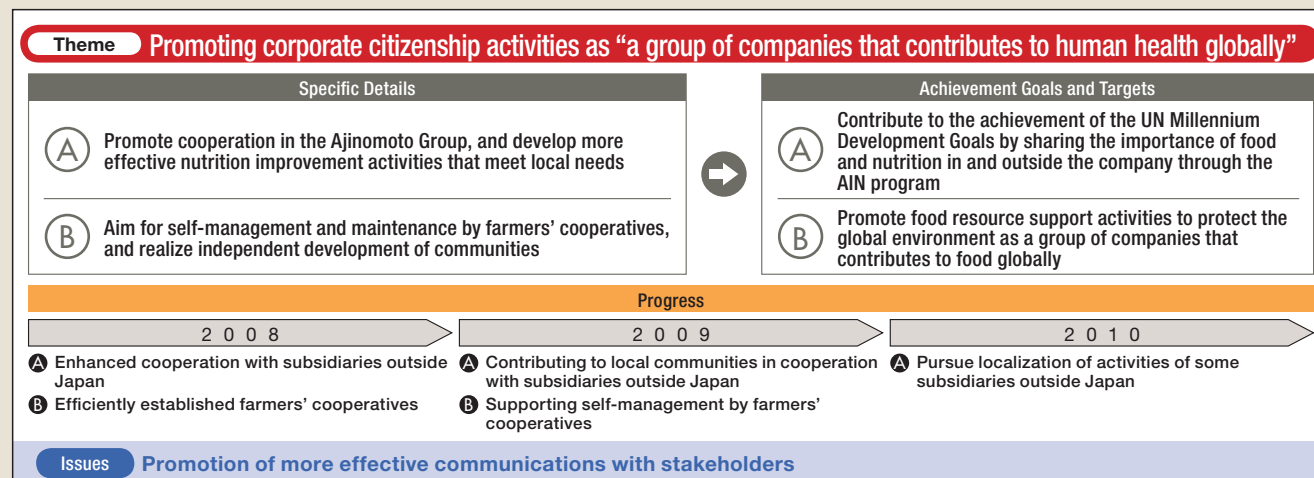
Under the project, a survey of all employees working at Ajinomoto Co., Inc. was carried out as part of a study on employee attitudes and corporate culture. The results of the survey confirmed that employees care deeply about the company and that people are valued by the corporate culture. On the other hand, results showed that employees held concerns about the prospects of some business areas and felt that the group should address this issue in the future. The survey will be conducted every two years to accurately ascertain changes in employee attitudes and corporate culture. Looking forward, the Ajinomoto Group will continue to take concrete measures to ensure the growth and development of both employees and the group to realize the Ajinomoto Group Work-Life Balance Vision.



Members engage in discussions in the Work-Life Balance Improvement Project



Achievement Goals and Targets of the Comprehensive CSR Strategy Themes



Further details

<http://www.ajinomoto.com/csr/achievement5/>

Protecting Food Resources—The Cassava High-Yield Cultivation Project / The project stages in Sukadana County / Cassava Project Activities in Fiscal 2008

Highlight 01 AIN program receives the Special Corporate Philanthropy Award for its nutritional improvement initiatives

Countries where the AIN program conducts projects / Major AIN-Supported Projects in Fiscal 2008 — 2009 in Malaysia, India and Peru

Highlight 02 Celebrating Food, Health, and the Environment at the Appreciation Day for Residents of the Local Community at “AJINOMOTO STADIUM”

Discovering the Source of Delicious Food: Plant Tours / Plant Tour for Employees' Families at Nippon Protein / CALPIS® Girl's Festival Day Gifts

Foundation Initiatives / Ajinomoto Foundation for Dietary Culture / Ajinomoto Scholarship Foundation / AJINOMOTO FOUNDATION / YAYASAN AJI DHARMA BHAKTI / INSTITUTO ASISTENCIAL AJINOMOTO / FUDACIÓN AJINOMOTO PARA EL DESARROLLO DE LA COMUNIDAD

Employees' Smile Earth! Campaign for the Future of the Planet



AIN program receives the Special Corporate Philanthropy Award for its nutritional improvement initiatives

Strongly committed to contributing to the achievement of the UN Millennium Development Goals, the Ajinomoto Group provides support to international cooperative projects carried out by NGOs, NPOs, and universities to improve the nutritional status of people in developing countries through the Ajinomoto International Cooperation Network for Nutrition and Health (AIN) program. Rooted in the indigenous environment, economy, and culture of each local community, the AIN program enables local people to easily carry out its activities on a daily basis. As a result, this kind of initiative has a high degree of sustainability and potential for community development.

In fiscal 2008, marking the tenth year of the AIN program, Ajinomoto Co., Inc. received the Corporate Philanthropy Award Special Prize (Global Coexistence Award) from the Japan Philanthropic Association. The company was commended for serving as a model global enterprise in the area of CSR. The Ajinomoto Group will continue creating better lives globally by contributing to significant advances in Food and Health and by working for life.



Celebrating Food, Health, and the Environment at the Appreciation Day for Residents of the Local Community at "AJINOMOTO STADIUM"

In March 2003, the Ajinomoto Group became the first corporate group to acquire naming rights for a public facility in Japan, resulting in Tokyo Stadium being renamed as "AJINOMOTO STADIUM."

To commemorate the fifth anniversary of its acquisition and the renewal of the naming rights contract, the company participated in the first Appreciation Day for Residents of the Local Community at the stadium in 2008 in cooperation with three neighboring cities, Chofu, Mitaka, and Fuchu. It became an annual event and was held again in 2009. So far, both events have drawn over 20,000 visitors, and further enhanced the appeal of the stadium.

The group's theme for the first Appreciation Day, held in 2008, was "promoting the health of people and the planet." Hands-on food and nutrition education classes designed to convey the importance of creating healthy dietary habits and healthy bodies were held for children and their parents through the combined efforts of Ajinomoto Co., Inc., Calpis Co., Ltd., and Ajinomoto General Foods, Inc. The very foundation for such lifestyles is the global environment, so to help protect it, visitors were shown ways to take environmental action locally—starting at the dinner table. Through these activities, the company encouraged people

Overview of the AIN program

International cooperation activities in the food and nutrition area beginning from the company's 90th year of establishment

Target regions: Asia and South America

Number of projects: 38 in 12 countries (December 1999 to April 2009)

Selection procedure:

Applications from NPOs in and outside Japan are selected based on a review by an expert panel and a site inspection by employees of the Ajinomoto Group



Nutritional seminar in an Indian village (Photo: Asian Sustainable Holistic Approach)



Indonesian children eating nutritional meals (Photo: PH-Japan Foundation)



Corporate Philanthropy Award ceremony

to take positive actions for the planet.

At the second Appreciation Day held in 2009, the Ajinomoto Group gave a number of hands-on workshops that were innovative and interactive, based on the theme of "Eat Well, Live Well." A wide range of the group's corporate activities was also showcased. The Ajinomoto Group plans to share information with local residents through various events such as these.



Food and nutrition class about coffee production by Ajinomoto General Foods, Inc.



Food and nutrition class about the secret of the great taste of Calpis® bacterium by Calpis Co., Ltd.

Management System

Corporate Governance

For Ajinomoto Co., Inc., strong corporate governance is a top priority, both for improving competitiveness and for establishing a positive presence in society. The company is creating an effective system of business execution and supervision that incorporates global best practices and retains the positive aspects of Japanese-style management. The company aims to increase its corporate value through an emphasis on group-wide management and efforts to strengthen business competitiveness.

Board of Directors and Management Committee

The Board of Directors is the highest decision-making body within the management structure. The board makes decisions on matters relating to laws and ordinances and the company's by-laws as well as other important matters, and supervises the work of the directors and corporate executive officers. The Management Committee is comprised of senior executive officers who are also directors.

The committee deliberates on basic policies regarding management of the company and makes decisions on important matters regarding business execution.

Auditing and supervision

The Internal Auditing Department follows internal auditing rules and an auditing plan to conduct operational audits of the company as well as the management and operation of affiliates. Corporate audits are conducted by five appointed corporate auditors, three of whom are outside auditors.

Nominations and compensation

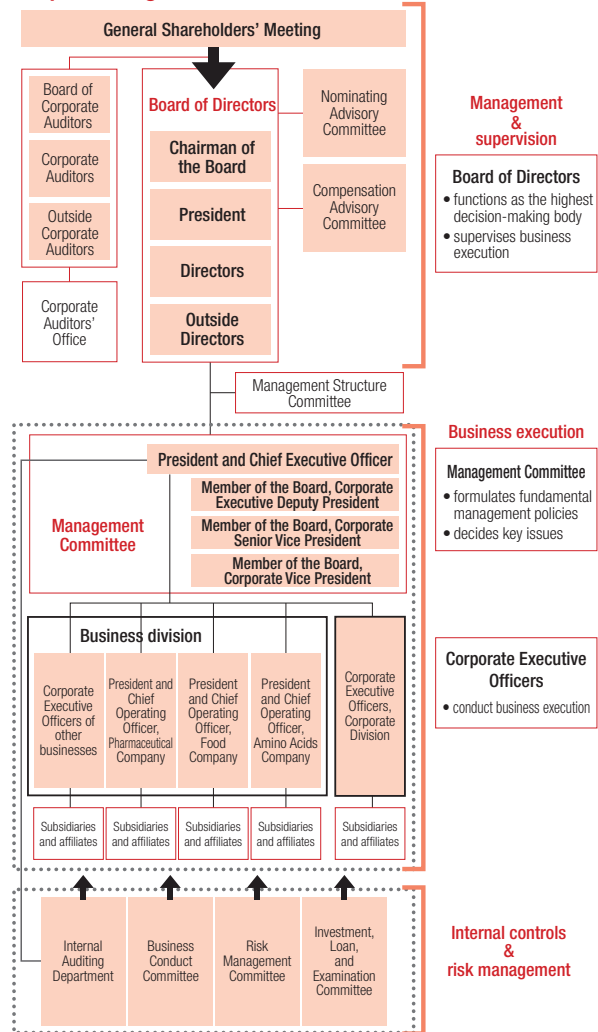
Ajinomoto Co., Inc., has established a Nominating Advisory Committee and a Compensation Advisory Committee, which are composed of several directors, including outside directors. The two committees carry out discussions with the Board of Directors in order to increase the transparency and objectivity of executive appointments and compensation.

Risk management

The Ajinomoto Group established its Risk Management Committee in 2002, and is performing thorough risk management according to the JIS Q (Japanese Industrial Standard management system). The committee's objective is to uncover risks in advance rather than dealing with them after a crisis has occurred.

As part of this effort, a business continuity plan (BCP) has been established in order to minimize the impact on business and society in the event of an outbreak of a new strain of influenza or a major earthquake. The measures that would be needed to respond to such an emergency are being systematically put in place. Preparations include examining high-priority products that have a greater effect on society in terms of social responsibility, such as pharmaceutical products, as well as securing relevant information and logistics systems.

Corporate organization



Internal controls

In fiscal 2008, Ajinomoto Co., Inc. implemented an internal control system over financial reporting under the Financial Instruments and Exchange Act. It prepared internal controls at the company level by assessing design and operations, and remedying deficiencies. It also prepared internal controls at the business process level by identifying conceivable risks after analyzing each business process, documenting the implementation of internal controls for critical risks, and taking necessary remediation actions for the entire Ajinomoto Group.

Since fiscal 2008, the company has been assessing the effectiveness of internal controls over financial reporting through operating tests conducted by Internal Controls Assessment Group of the Internal Auditing Department, adopting an impartial standpoint on targeted business processes. The assessment of internal controls has also been audited by Ernst & Young ShinNihon LLC. Through these activities, the company is working to fulfill its corporate social responsibility by maintaining effective internal controls and ensuring the reliability of its financial reporting.

Information security

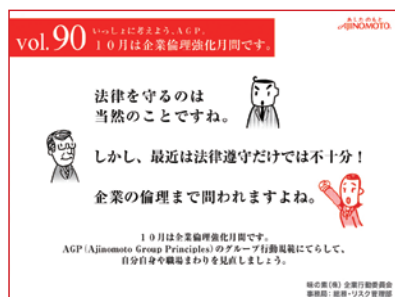
The Ajinomoto Group is striving to raise the standards of its information security based on its information security policy. The company implements two kinds of measures: rules for handling information and conducting internal education; and technological restrictions on devices allowed at the company, the recording of computer operation logs, and the monitoring of connection points with outside networks.

The company is taking the utmost care in the handling of personal information by establishing rules for the operation and maintenance of information systems. For example, such information is always handled by two people, one performing operations and the other monitoring, as a check and balance system. Furthermore, external institutions are solicited to periodically scrutinize information systems, and countermeasures are carried out as required. The Ajinomoto Group will continue implementing such measures in line with industry standards in an effort to provide reliable services to its customers.

Compliance Framework

In 2000, the Ajinomoto Group established the Ajinomoto Group Standards of Business Conduct as part of the Ajinomoto Group Principles. Since that time, the group has worked to ensure thorough compliance with these standards as well as all relevant laws and ordinances by providing high-quality education and training, distributing manuals, and communicating with employees via intranet (see example below). It regularly monitors the status of compliance to identify any emerging issues by using questionnaires and review meetings at each workplace. New issues are handled by the Business Conduct Committee, the General Affairs & Risk Management Department, and the Legal Department.

The Ajinomoto Group has revised its Standards of Business Conduct in 2009 to harmonize it with the new Ajinomoto Group Philosophy, declared on January 1, 2009, and the Ajinomoto Group Way. The Ajinomoto Group regards this revision as an opportunity to strengthen compliance among employees.



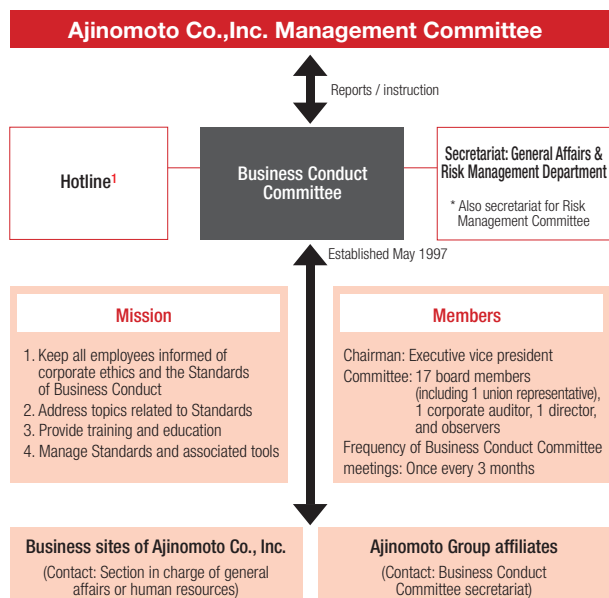
When computers start up at Ajinomoto Co., Inc., every week screens display illustrations of conversations that highlight different key points from the Ajinomoto Group Principles.

Business Conduct Committee

In May 1997, Ajinomoto Co., Inc. established the Business Conduct Committee as an organization for ensuring that all personnel are kept informed of the Standards of Business Conduct and for checking whether business activities are being carried out in accordance with the standards. Similar business conduct committees have also been established at each of the main group companies, and the company is working on group-wide initiatives befitting a good corporate citizen to encourage legal compliance and ethics. The company has also been focusing on addressing and promoting employment diversity and implementing measures for mental health.

In addition, the company has been promoting its whistleblower hotline as a permanent in-house method to ensure compliance to all of its employees.

Overview of committees



¹ Hotline: A tool for all group members to use for consultation and to report misconduct. User privacy is protected and users are not subject to any form of adverse treatment as a result of their use.

R&D compliance

Ajinomoto Co., Inc. has established internal standards, regulations and educational programs for researchers in order to ensure compliance with laws and regulations. In this respect, the company's researchers are required to assess equipment, materials, procedures and research plans from a legal perspective in advance of their experiments. Furthermore, experimental designs must be approved by appropriate internal committees, such as the Institutional Review Board or the Biosafety Committee, in accordance with the nature of the research.

Employee Data

(As of March 31, 2009)

Number of employees

	Male	Female	Total	Temporary staff
Ajinomoto Co., Inc.	2,708	1,025	3,733	265
Group companies in Japan	5,950	1,559	7,509	6,218
Group companies outside Japan	10,696	4,931	15,627	6,872

Number of managers

		Male	Female
Japan	Ajinomoto Co., Inc.	924	56
	Group companies	1,388	35
Asia		657	339
Europe and Africa		209	60
The Americas		210	40

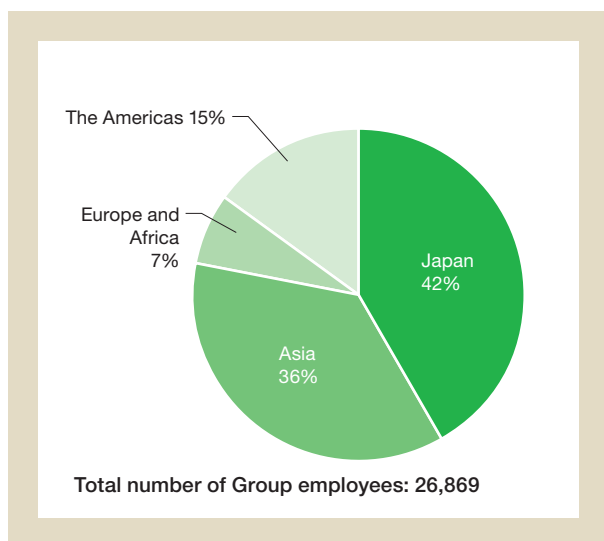
Full-time employees

	Average age	Average work years	Average annual working hours	Average length of paid leave	Employment turnover rate
Ajinomoto Co., Inc.	39.5	16.3	1999.5	13.5 days	0.9%
Group companies outside Japan	33.6	7.4	N.A.	N.A.	N.A.

Number of personnel with disabilities

	Total	Workforce rate
Ajinomoto Co., Inc.	79	1.8%
Group companies in Japan	167	1.9%
Group companies outside Japan	128	0.8%

Group employees by region



Number of retirees and re-employed personnel in fiscal 2008

	Number of retirees		
	Retired	Resigned for personal reasons ¹	Re-employed after retirement
Ajinomoto Co., Inc.	46	37	28
Group companies in Japan	170	185	115

1. Contract staff are not included in this category

In July 2007, Ajinomoto Co., Inc. acquired the Kurumin Mark, certifying its implementation of an action plan covering June 2005 to May 2007 to foster the next generation. The Kurumin Mark is based on the Law on the Promotion of Measures to Support the Fostering of the Next Generation, as stipulated by the Ministry of Health, Labour and Welfare of Japan. The company is also applying for new certification of its action plan covering June 2007 to May 2009.



Corporate Overview



Further details

<http://www.ajinomoto.com/about/corporateguidance/>

Company name: Ajinomoto Co., Inc.

Head office: 15-1, Kyobashi 1-chome, Chuo-ku, Tokyo
104-8315 Japan

Tel: +81-3-5250-8111

Web site: <http://www.ajinomoto.com>

Foundation: May 20, 1909

Incorporation: December 17, 1925

Paid in capital: ¥79,863 million
(as of March 31, 2009)

Number of employees: 3,733 at Ajinomoto Co., Inc., and
26,869 on a consolidated basis
(as of March 31, 2009)

Fiscal year-end: March 31

Business Areas and Main Product Categories

Food Products Business

- Seasonings and processed foods
- Frozen foods
- Edible oils
- Beverages of Calpis Co., Ltd.
- Coffee of Ajinomoto General Foods, Inc.

Amino Acids Business

- Umami seasoning for processed food manufacturers
- Feed-use amino acids
- Amino acids for pharmaceuticals and foods
- Sweeteners
- Intermediate chemicals
- Specialty chemicals

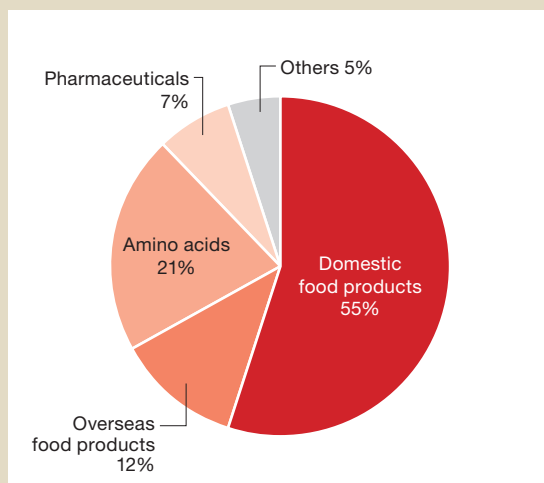
Pharmaceuticals Business

- Pharmaceuticals and medical foods

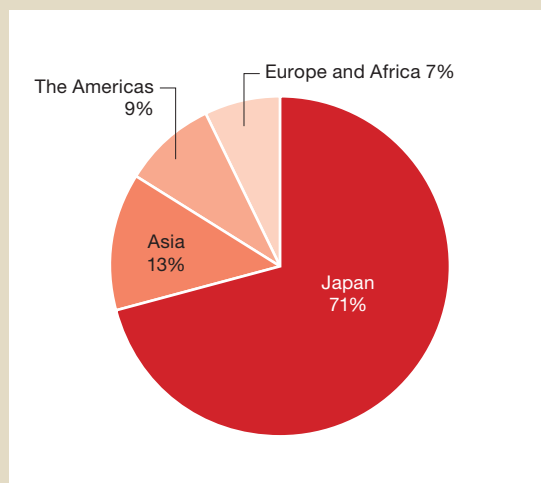
Others

- Packaging
- Logistics
- Services and other

Net sales by business

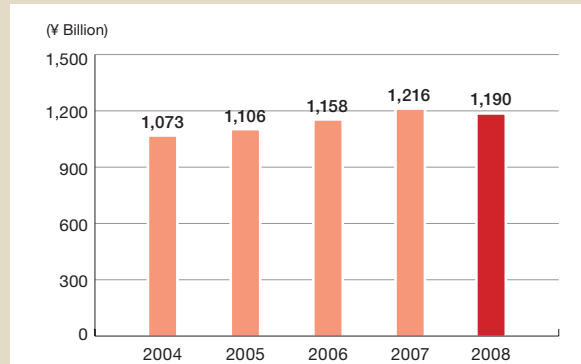


Net sales by region

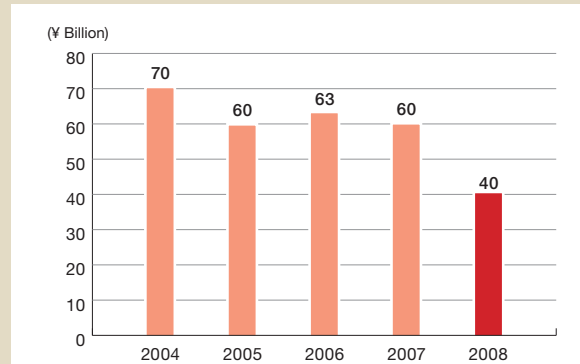


Financial results from fiscal 2004 – 2008

Net Sales



Operating Income



Third-Party Opinion

Eiichiro Adachi

Research Chief
The Japan Research Institute, Limited

Mr. Adachi graduated from the Department of Economics at Hitotsubashi University, and joined the Japan Research Institute, Limited (JRI) in 1990. After working in the Management Strategy Research Department and the Technology Research Department, he is presently head of the ESG Research Center, and is conducting industrial surveys and corporate evaluations from the perspective of corporate social responsibility. Mr. Adachi is a member of the Japan Standards Association's ISO/SR National Committee. Mr. Adachi has contributed to major publications (in Japanese), including *CSR Management and SRI* (published by Kinzai), *Businesses Growing on Global Warming* (published by Toyo Keizai Inc.), and *Introduction to CSR for Company Employees* (published by Dai-ichi Hoki Co., Ltd.).



As I did last year, I offer a third party opinion on the CSR activities of the Ajinomoto Group as I understand them from reading this report, and as someone who provides corporate information to financial institutions for the purpose of socially responsible investment.

A declaration in the discussion with the president caught my attention—namely, that the company's founders hoped to somehow enrich the poor diet of the Japanese at the time the company was established, and that the current president wants this dream to inspire global contributions over the next 100 years. I have high expectations for the Ajinomoto Group, both in terms of its provision of safe and reliable food, and its sensitivity to the problems of developing countries. Actually, few Japanese companies have a comparable record as the Ajinomoto Group in terms of its support for NPOs that undertake nutrition improvement (the AIN program in the case of Ajinomoto), in-house nutrition improvement program for developing countries, and support for farmers' cooperatives. I identified with the group's determination to be a member of the international community and contribute to achieving the UN Millennium Development Goals. I would like to see this noble ambition spread throughout the Ajinomoto Group to an even greater degree.

Every year the special feature section in the report is interesting. This year, the section clearly presented how *AJI-NO-MOTO*® is being accepted in developing countries. I commend Ajinomoto for citing research that questioned the safety of monosodium glutamate, and then responding with the company's point of view.

The Ajinomoto Group CSR Vision, composed of five achievements to be made by 2020, was very clearly presented with a new approach. The charts laid out the targeted achievements in line with the group's comprehensive CSR strategic themes, presented activity highlights from fiscal 2008 and clarified future goals from fiscal 2009. The active incorporation of stakeholders' feedback when mapping out activities was also nicely presented.

I propose that the Ajinomoto Group organize its initiatives and goals under three kinds of CSR activities that reduce the group's business risks, lead to business opportunities for the

group and contribute to the creation of a healthy society in which the group can thrive. This would clarify how spreading knowledge of umami and quality management can be pursued under Achievement 1. In addition, I expect new and important topics to emerge from efforts to avoid risks in Achievement 2, and activities to nurture future umami specialists in Achievement 4.

Also regarding Achievement 4, it is regrettable that the report includes so few examples of human resources issues outside Japan, especially since employees in Japan account for no more than 42% of the group's total. I am concerned, for example, that the employment rate for persons with disabilities in group companies outside Japan is only 0.8%, which is less than in Japan.

I understand the advantages of dividing the report into the printed and online versions. However, disclosure via the Web site leaves much to be improved in terms of the classification and presentation of indicators of performance, the content of the initiatives and the results of activities that progressed through fiscal 2008.

Finally, turning to the environment, the efforts of the Ajinomoto Group to research bonito resources caught my attention. The group's commitment to confronting the possible negative impact that its business activities could have and to monitoring that situation demonstrates that it has grasped the essence of CSR. Today, expectations are growing rapidly regarding the role that companies can play in protecting biodiversity. The bonito resources research can contribute in an area where research has been lacking. I hope the Ajinomoto Group will continue monitoring fish stock levels and demonstrate to the world its commitment to undertaking such initiatives.

The comments above make no statements regarding the accuracy of data and calculations presented or omitted in this report, in accordance with generally accepted standards for preparing environmental reports.

Contributing to problem solving and steady development in local communities through various local activities

Tamotsu Iwamoto

Member of the Board and Corporate Vice President
Ajinomoto Co., Inc.



This year's CSR report received relatively high marks overall. I believe this affirms the CSR activities the Ajinomoto Group has undertaken thus far. Mr. Adachi expressed his expectations for the group to make global contributions, especially in light of its sensitivity to the problems of developing countries. The activities of the Ajinomoto Group cover fields in many developing countries, including in Southeast Asia and South America. I think that these initiatives are underpinned by the fact that the Ajinomoto Group has always been highly concerned about issues in developing countries. Having been posted to Thailand, Vietnam, and Brazil for a total of eight years myself, I have developed a close affinity to developing countries. Going forward, I want to see the Ajinomoto Group continue to value the dietary cultures and lifestyle habits of every country and region, and to help improve living standards while working to solve numerous issues, while holding a sense of gratitude for being allowed to conduct business in those areas.

Mr. Adachi pointed out that the report provides few examples from outside Japan, and he is correct that we did not cover this issue sufficiently this year. I also agree that there is room for improvement in other issues, including the employment rate for persons with disabilities.

The company has created six foundations in five countries, including Thailand, where we support local education and welfare activities. Many local staff members have already been appointed as presidents and directors of the group's subsidiaries outside Japan. In some respects, the situation at these companies is more progressive than in

Japan, such as the appointment of women managers. These companies are undertaking many unique activities in their regions. From here on, I would like to organize these initiatives under the three CSR activities recommended by Mr. Adachi.

Going further, it is essential to eventually set up a global CSR framework. Establishing uniform standards will be challenging, however, since legal systems, cultures, customs, and religions differ by country and region.

The Ajinomoto Group respects local dietary cultures and has thoroughly localized its business practices in every respect, including products, marketing, and manufacturing processes. This also applies to the group's CSR. We intend to unify standards as much as possible, while leaving room for local circumstances. I am sure this approach will lead to a stronger and more flexible group.

We are carrying out research on bonito resources in earnest because we recognize that resource depletion is a vital issue that could even affect the company's very existence. Three major issues that humanity will face in the 21st century are population, food, and the environment. With a view to becoming a company that can contribute globally to solve these problems, we have started to reorganize our business fields this year—the company's 100th anniversary as a leading manufacturer of amino acids—based on our technology and expertise of amino acids, and as the foundation for the group's CSR. We are making efforts to take leadership in developing healthy communities by expanding these activities in multiple localities.

How the Third-Party Opinion Was Requested

Experts are invited to provide third-party opinions on important themes presented in Ajinomoto Group CSR reports. This year we again obtained a third-party opinion from Mr. Adachi. Before requesting the submission of his third-party opinion, the editors met with Mr. Adachi and explained the editorial concept of the report, the rationale behind highlighting the umami seasoning *AJI-NO-MOTO*® in the report's special feature section, and the content of group's new comprehensive CSR strategy. The group's CSR reports are published as a printed report and a Web site, and Mr. Adachi was asked to review both. Although a CSR report is prepared only once per year, requesting third-party opinions provides an opportunity to check the progress made in CSR initiatives. The Ajinomoto Group intends to use this feedback as a reference for improving its corporate activities.

The editors



Detailed information about initiatives for the environment and financial results is available below.

Financial information



Financial reports

An overview of the business performance of the Ajinomoto Group and its financial statements are available in PDF format on the Web site.



<http://www.ajinomoto.com/ir/library/>



Information for shareholders

Financial information, specific topics and messages to shareholders are available on the Web site (in Japanese only).



http://www.ajinomoto.co.jp/ir/biz_rep.html

Environmental information



Ajinomoto Group Environmental Report 2009

The report summarizes the environmental initiatives carried out by the Ajinomoto Group and its various efforts to conserve the environment, such as its medium-term ecological business model, priority issues and environmental activities in fiscal 2008.

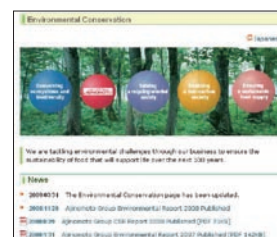
<http://www.ajinomoto.com/environment/report/>



Initiatives for the environment

The Web site provides additional and updated information about various environmental efforts not included in environmental reports, including products and suggestions for enjoying an ecological life.

<http://www.ajinomoto.com/environment/>



A taste of the future.
AJINOMOTO®

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