

Ajinomoto

Product categories assessed

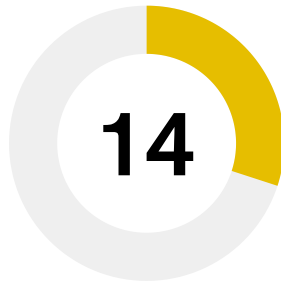
Processed Meat and Seafood|Concentrates|Confectionery|Ready Meals|Rice, Pasta and Noodles|RTD Coffee|Sauces, Dressings, Condiments|Soup

Percentage of company global sales covered by Product Profile assessment
75-80%

Headquarters
Japan

Number of employees
34504

Type of ownership
Public



Rank 14 / Score 3

Rank 14 (2018)



Product Profile ⓘ ¹

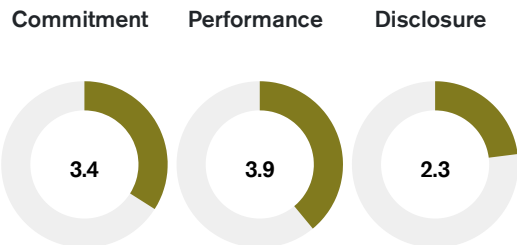
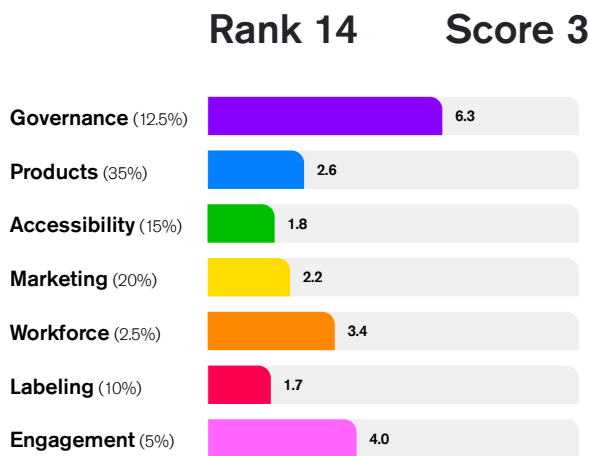
Rank 22 / Score 2.8

Rank 18 (2018) ⓘ ²

Important:

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Corporate Profile



The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

Main areas of strength

- **SCORES AND RANKS** Ajinomoto's score has increased from 2.4 in 2018 to 3 out of 10 in 2021, ranking 14th (as in 2018). Since 2018, the company has improved its performance in five of the seven thematic areas of the Global Index, with the most significant improvements being seen in Category D 'Marketing', followed by Category B 'Products'.

- **GOVERNANCE:** Ajinomoto continues to place a strategic focus on health and wellbeing as part of the wider Ajinomoto Group's 'Creating Shared Value' (ASV) growth strategy, and complemented by its 'Group Shared Policy on Nutrition'. Since 2018, Ajinomoto has publicly recognized the targets set out in the World Health Organization (WHO) Global Action Plan for the Prevention and Control of NCDs. It identifies the unmet needs of priority populations through market research and priorities defined by relevant health and/or social care authorities in some of the markets in which it is active (Japan, Indonesia, Vietnam, and the Philippines). Ajinomoto's nutrition-related reporting is subject to independent external review.

- **PRODUCTS:** Ajinomoto has reformulated some of its products in Japan to cut salt content by 50 percent (using monosodium glutamate and other low-sodium salt ingredients which the company classifies as umami, for products like Yasashio), aligning with national dietary intake standards. The company is commended for developing and adopting a new, formal Nutrient Profile Model (NPM), the 'Ajinomoto Group Nutrient Profiling System (ANPS)'. The scoring method is based on the Australian Health Star Rating (HSR) system to guide its (re)formulation efforts for some of its products. In Malawi, Ajinomoto has invested in research on the efficacy of ready-to-use therapeutic foods for children with severe acute malnutrition. The company has also taken measures to reduce food loss and waste along the food supply chain.

- **ACCESSIBILITY:** The company has offered promotions on its low-sodium miso soup in Japan at the same rate as its higher-sodium version. In Vietnam, it continues to utilize its network of women's associations, through which it disseminates fortified products to vulnerable groups.

- **MARKETING:** Since 2018, Ajinomoto has developed a new responsible marketing policy for all consumers, the 'Group Shared Policy on Marketing Communications', in which it adheres to some of the principles set out by the International Chamber of Commerce (ICC) Framework for Responsible Food and Beverage Marketing Communications. The policy also specifies that the company will take "responsible actions in marketing communications aimed at children", such as to not exploit children's imaginations by using fantasy/animation, or mislead about the benefits following the use of the product.

- **LIFESTYLES:** To support Ajinomoto Group employees, the company offers employees a robust self-care program – the 'A-Health Solution Program' – that focuses on health visualization and lifestyle disease prevention. It has also introduced 'Karada kawaru Navi' (Body change Navi), an app that assesses an employee's wellbeing across four

Priority areas for improvement

- **GOVERNANCE:** Although Ajinomoto undertakes materiality assessments to identify opportunities to contribute to health and nutrition, it is encouraged to conduct specific nutrition-related business risk assessments and identify areas of concern to address in its global nutrition strategy. As in 2018, implementation of Ajinomoto's nutrition strategy is not audited by an internal audit department; a step the company could consider taking to assess the delivery of its strategy and commitments. The company is also advised to further report on its current performance against all objectives and commitments for tackling all forms of malnutrition.

- **PRODUCTS:** Ajinomoto is advised to set concrete product (re)formulation targets that are externally verifiable (does not rely on company-internal definitions or information for verification) for all relevant product categories. Although Ajinomoto has adopted a formal NPM based on the HSR, it has not provided evidence of how its own definition of healthy corresponds with the HSR definition of healthy (i.e., equal to a rating of 3.5 stars or higher). The company is encouraged to disclose the results of this benchmark, apply its ANPS to all product categories, and publish its full NPS. Ajinomoto can base its fortification approach on international guidance, such as Codex or WHO/Food and Agriculture Organization (FAO) Guidelines on Food Fortification, and only fortify products of high underlying nutritional quality or those that meet the nutrition criteria of its ANPS.

- **ACCESSIBILITY:** While Ajinomoto has adopted a 'Group Shared Policy on Product Accessibility', it could consider being explicit in referencing products that meet its nutrition criteria in its commitments. It is encouraged to develop concrete strategies with measurable targets to reach consumers with healthy products, particularly those with low-income and limited access, in all markets it is active in, and share evidence of actions taken. Currently, Ajinomoto does not extend its affordability and accessibility commitments to its fortified products aimed at addressing micronutrient deficiencies in priority populations. It is encouraged to do so and develop tailored strategies for reaching them in all its active markets.

- **MARKETING:** Ajinomoto can improve its public responsible marketing policy by explicitly covering all forms of marketing, such as point-of-sales or in-store and adhering to all the principles of the ICC Framework for Responsible Food and Beverage Marketing Communications. Although the company notes that it has a limited number of products that could be marketed to children, it is still encouraged to develop specific marketing commitments for children and teenagers, and/or explicitly state that it does not market to children at all in its responsible marketing policy. Furthermore, Ajinomoto is strongly urged to audit its compliance with its policy for all consumers.

- **LIFESTYLES:** Ajinomoto is encouraged to adopt a comprehensive parental leave policy that offers paid parental leave and appropriate working conditions and facilities to breastfeeding mothers in all markets it is active in. It is recommended the company commits to further

axis (food, exercise, sleep, and stress) and provides health guidance based on an accurate picture of their lifestyle habits; and the impact of this program has been appraised via independent, third-party impact evaluations. Ajinomoto has also launched several consumer education programs adapted to the specific needs of priority populations in Japan and Malaysia (for the elderly), Vietnam (for school children, and Indonesia (for pregnant women); some of which have been co-implemented with stakeholder groups with relevant expertise.

- **LABELING:** Ajinomoto states its commitment to labeling nutrient information on the back-of-pack (BOP) in its 'Group Shared Policy on Package Description', adopted in 2017. The company has defined a labeling strategy with accompanying targets to reduce food loss and waste, and provides examples of initiatives taken. Furthermore, Ajinomoto states it will not place a nutrition and health claim on a product unless it meets the company's own formal internal Nutrient Profiling System (NPS).

- **ENGAGEMENT:** The company commits to play an active and constructive role in supporting governments' efforts to combat all forms of malnutrition, and provides examples of doing so in Vietnam and Japan. It also provides evidence of comprehensively engaging with scientific experts in developing its ANPS and nutrition policy.

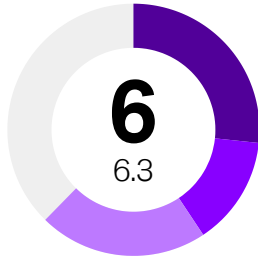
improving the health and wellness of groups across the food supply chain that are not its direct employees (e.g., small scale vendors) through nutrition-sensitive programs. To further enhance its consumer-oriented healthy eating and active lifestyle programs, Ajinomoto is advised to only support programs designed and implemented by independent expert organizations, and commission impact evaluations for them.

- **LABELING:** The company is advised to strengthen its FOP and BOP labelling commitments and policies to ensure that nutrition information is provided on all packaged food and beverage products according to the Codex Alimentarius guidance. ATNI recommends that Ajinomoto commits to not placing any health and nutrition claims on its products in countries where no national regulatory system exists, or is not as strict as Codex. Codex guidelines are in place to define the criteria that health and nutrition claims should meet prior to placing them on products. Therefore, in countries where no national regulatory system exists, Ajinomoto is advised to commit to using health and nutrition claims only when they comply with this Codex guideline.

- **ENGAGEMENT:** Ajinomoto is encouraged to develop a public responsible lobbying policy and commit to only lobby in support of measures designed to improve health and nutrition that have a solid grounding in independent, peer-reviewed science. It is recommended that the company increases transparency about its lobbying efforts on nutrition-related topics, and discloses its involvement in organizations that lobby on its behalf. To improve engagement on its nutrition strategy for addressing all forms of malnutrition, Ajinomoto could consider seeking a formal panel of experts with a broad knowledge base.

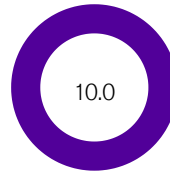
Category Analysis

Governance

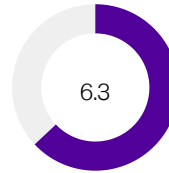


- A1 Nutrition strategy
- A2 Nutrition management
- A3 Reporting quality

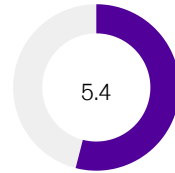
Commitment



Performance

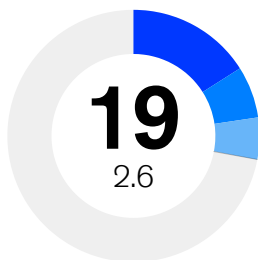


Disclosure



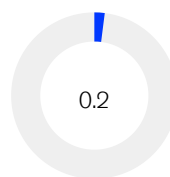
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Products

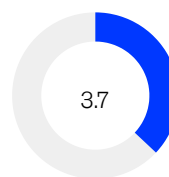


- B1 Product Profile
- B2 Product formulation
- B3 Defining healthy products

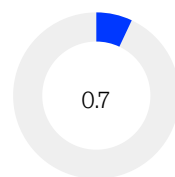
Commitment



Performance

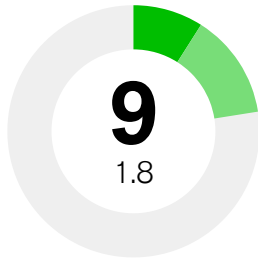


Disclosure

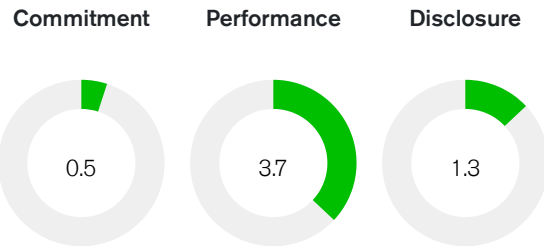


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Accessibility

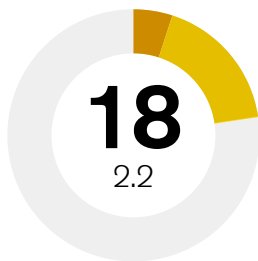


- C1 Product pricing
- C2 Product distribution

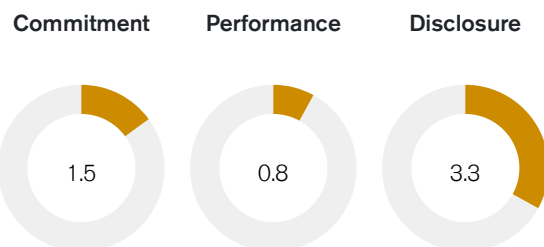


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Marketing

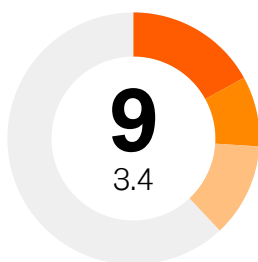


- D1 Marketing policy
- D2 Marketing to children
- D3 Auditing and compliance

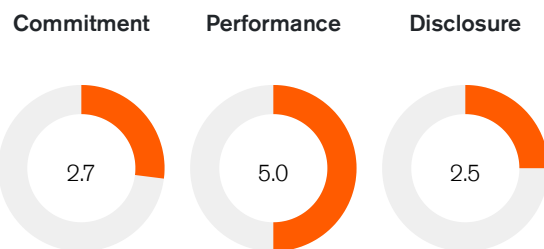


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Workforce

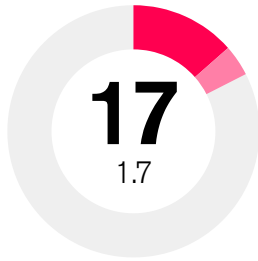


- E1 Employee health
- E2 Breastfeeding support
- E3 Consumer health

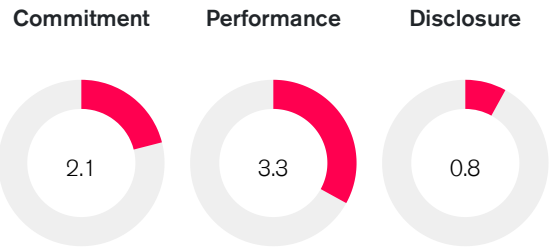


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Labeling

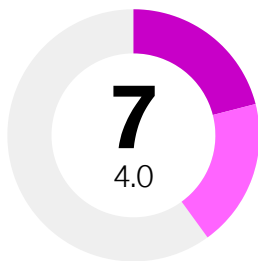


- F1 Product labeling
- F2 Claims

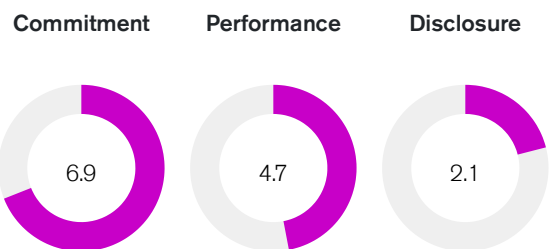


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Engagement



- G1 Influencing policymakers
- G2 Stakeholder engagement



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Detailed Product Profile Results ^{1 3}

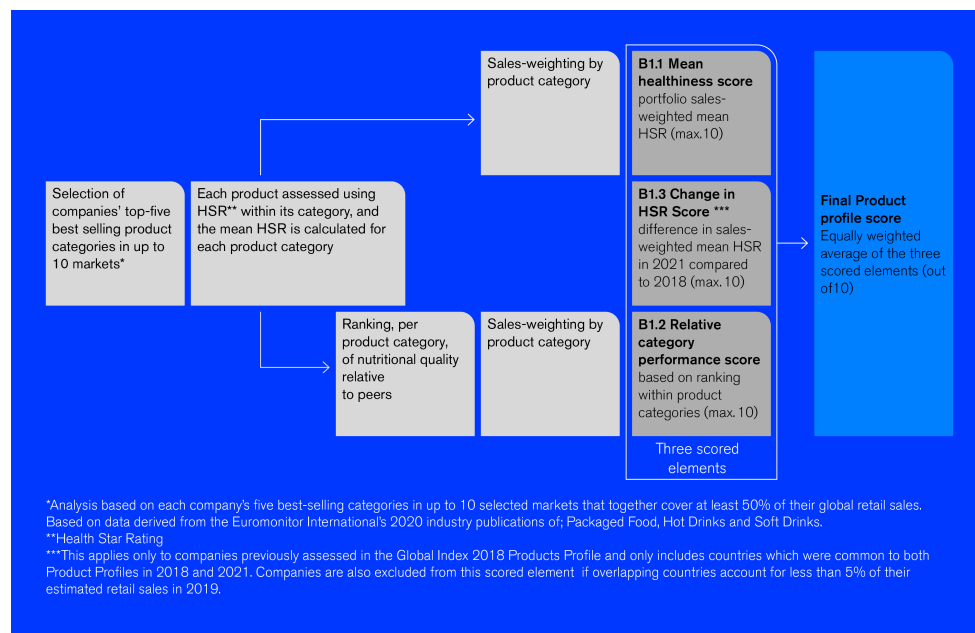


22

Rank 22 / Score 2.8

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Ajinomoto has been assessed for the second time in the Global Index Product Profile. In the previous assessment, four of the company's markets were selected, and a total of 92 products analyzed – accounting for approximately 0-5% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 410 products have been analyzed across 4 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 75-80% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Brazil, Japan, Thailand and the USA are new countries included in this iteration. China, Hong Kong, South Africa and the UK were included in the 2018 Index but have been omitted this time. In 2018, a total of 3 categories were covered by the assessment, compared to 7 categories in 2021. Products from the 'Concentrates', 'Processed Meats and Seafoods', 'RTD Coffee', and 'Soup' categories are assessed in 2021 but were not in 2018.

In this Product Profile assessment, Ajinomoto scores 3.3 out of 10 (B1.1) in the mean healthiness element and 2.2 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers. This results in Ajinomoto obtaining an overall score of 2.8 out of 10 and ranking 22 out of 25 in the Product Profile.

B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	4 Countries included	Range of global sales included ¹ 4	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy (≥ 3.5 stars)	% retail sales healthy 2019 (≥ 3.5 stars) – assessed countries only	% estimated global retail sales healthy 2019 (≥ 3.5 stars) ⁵	No. products assessed	% products suitable	% sales from suitable
1.6	Brazil, Japan, Thailand, USA	75-80%	410	6%	8%	6%	403	2%	2%

- A total of 410 products manufactured by Ajinomoto, sold in 4 countries, covering 7 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 1.6 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 3.3 out of 10 for Ajinomoto. The company ranks 20 out of 25 companies in this first scored element (B1.1).
- Overall, 6% of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥ 3.5). Together, these products accounted for an estimated 8% of Ajinomoto's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 6% of its global retail sales from healthy products in 2019.
- WHO nutrient profiling models (unscored): Only 2% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 2% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR >= 3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) 1 6
Concentrates	38	0%	0.5	1.2	7th out of 7
Rice, Pasta and Noodles	14	0%	0.5	2.4	6th out of 6
Sauces, Dressings and Condiments	150	0%	0.9	2.5	11th out of 11
Soup	91	0%	0.9	2.5	7th out of 8
Processed Meat and Seafood	11	9%	2.2	3.1	7th out of 8
Ready Meals	99	21%	2.6	3	8th out of 9
RTD Coffee	7	14%	2.6	2.7	4th out of 6

- For Ajinomoto, 'Ready Meals' and 'RTD Coffee' were the best performing categories, where a total of 99 and 7 products respectively, obtained mean HSR of 2.6 out of 5. 'Concentrates' (0.5) and 'Rice, Pasta and Noodles' (0.5) had the lowest mean HSR of all product categories included for Ajinomoto.
- For seven out of seven categories assessed, Ajinomoto's products perform worse than the mean HSR of companies selling products in the same categories.
- Ajinomoto scores 2.2 out of 10 in this second scored element (B1.2) and ranks 25 out of 25 companies. This is based on its ranking compared to peers within the seven categories, using the scoring system set out in ATNI's methodology.

B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
TOTAL	0	0	0	0

Not applicable for this company. This third scored element applies only to companies assessed in both Indexes and takes into account only those countries included in both assessments. Companies are also excluded from this scored element if overlapping countries account for less than 5% of their estimated retail sales in 2019.

Full Product Profile report: https://new-I40rlzsq.accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf

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Footnotes

1. The overall Product Profile score reflects: B1.1 the mean healthiness of a company's product portfolio; B1.2 the relative healthiness within product categories compared to peers, and; B1.3 changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile.
2. In the Global Index 2018, the Product Profile Assessment was conducted as a separate assessment. The results were based on scores generated by applying the Health Star Rating (HSR) nutrient profiling system, which analyzes the level of several positive nutrients (e.g. fruits, vegetables and fibers) and several negative nutrients (e.g. salt, sugar and saturated fat) in products.
3. The overall Product Profile score reflects: B1.1 the mean healthiness of a company's product portfolio; B1.2 the relative healthiness within product categories compared to peers, and; B1.3 changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile.
4. Retail sales data derived from Euromonitor International.
5. ATNI estimates this value by taking the proportion of healthy products within each category assessed and multiplying that figure by the global category retail sales. The values are then aggregated to generate an estimate of the overall global healthy sales (excluding baby foods, plain tea, and coffee, which are not included in the Product Profile).
6. Within-category ranks are calculated for all product categories in which two or more companies are active. Next, a performance percentage is calculated from the inverted rank (e.g. first out of 10: inverted rank $10/10 = 100\%$ performance score; tenth out of 10: inverted rank $1/10 = 10\%$ performance score). The 'Bottled Water- Pure' category receives a standard rating of five stars, according to the HSR algorithm for all companies.

