

Food & Beverage Benchmark COMPANY SCORECARD 2023

Ajinomoto Co. Inc. (Ajinomoto)

TICKER 2802 MARKET CAPITALIZATION US\$15.5 billion

HEADQUARTERS

Japan

DISCLOSURES

UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Yes (subsidiary)

Australia Modern Slavery

Act: Not applicable

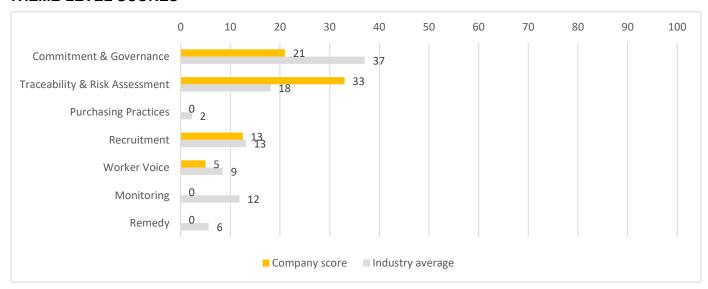
OVERALL RANKING

25 out of **60**

OVERALL SCORE

14 out of **100**

THEME-LEVEL SCORES



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST

No

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

No

REMEDY FOR SUPPLY CHAIN WORKERS

■ No

HIGH-RISK COMMODITIES²

Coffee, fish, palm oil, and others



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SUMMARY

Ajinomoto Co. Inc. (Ajinomoto), a Japanese packaged foods and seasoning company, ranks 25 out of 60 companies. The company's score is based on its stronger performance on the theme of Traceability & Risk Assessment. It discloses a comprehensive human rights risk assessment on its supply chains including commodity-specific impact assessments and interviews with relevant stakeholders including unions. It also discloses forced labour risks identified across different supply chain contexts. However, it scores lower than average on 5 out of 7 themes. The company is encouraged to improve its performance and disclosure on themes such as Commitment & Governance, Recruitment, and Remedy.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Commitment & Governance: While the company discloses a supplier code of conduct that addresses forced labour, the company is encouraged to establish and disclose a managerial structure with clear responsibilities and accountability for the implementation of its supply chain policies that address forced labour, and provide oversight of such policies at the board level.

Recruitment: The company discloses participating in the formulation of "Responsible Employment Guidelines for Migrant Workers as Technical Intern Trainees and Specified Skilled Workers in Japan." To avoid exploitation of migrant workers in its supply chains, the company is encouraged to establish a policy requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require that such fees are paid by the employer ("Employer Pays Principle") and disclose how it ensures the implementation of this through the prevention of fees in its supply chains: such as through mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. It may also consider steps to ensure that such fees are reimbursed to the workers and/or to provide evidence of payment of recruitment-related fees by suppliers.

Remedy: While the company requires suppliers to establish grievance mechanisms for workers, the company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

¹ Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset here. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre website.

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's <u>2023 food & beverage benchmark findings report</u>.