

To Promote the Well-being of All Employees and a Virtuous Cycle in the Japanese Economy

Ajinomoto Co., Inc. Implements Wage Increase Equivalent to Six Percent Per Person for Second Consecutive Year

Over JPY 21,000 on average per person, including regular wage increase and payment system revision

TOKYO, March 7, 2024 – At the annual spring wage negotiations held on March 7, 2024, Ajinomoto Co., Inc. (“Ajinomoto Co.”) agreed in the first round of talks to the full amount of the JPY 14,000 base pay increase requested by the Ajinomoto labor union. With this agreement, including the regular wage increase and revision of the payment system, Ajinomoto Co. will implement an average wage increase of over JPY 21,000, equivalent to six percent per person, for the second consecutive year.

The diverse human resources of Ajinomoto Co., who share its Purpose of “contributing to the well-being of all human beings, our society and our planet with “AminoScience,” are continuing to take on the challenge of realizing the goals of the Medium-Term ASV Initiatives 2030 Roadmap. The driving force behind this motivation to achieve high goals is the link between this Purpose and their engagement. Enhancing engagement by strengthening investment in human resources—the most important of the four intangible assets of Ajinomoto Co., consisting of human resources technology, customer, and organization assets – is the vital factor in increasing corporate value. As part of these initiatives, Ajinomoto Co. has made the decision to raise wages by the equivalent of six percent, to the same level as last year.

In addition, Ajinomoto Co. will raise the starting salaries of new graduate employees with the aim of increasing its competitiveness in the recruitment of new graduates and strengthening investment in the younger layers of its human resources. Furthermore, the raises will not be limited to regular employees; Ajinomoto Co. has decided to implement wage raises based on consumer price increases for non-regular employees, who share a commitment to the Purpose and are partners at work.

The Japanese economy has been unable to break out of long-term deflation, and last year Japan’s nominal GDP dropped to the fourth in the world. Ajinomoto Co. considers that fostering a virtuous economic cycle is the key to break out of this deflationary economic spiral. The Company aims to tackle the situation by initiating appropriate price increases that reflect the costs that cannot be solely absorbed by the Company’s own strenuous business efficiency improvement efforts and other measures, as well as setting the pricing that matches the value of products (value-based pricing) and appropriate wage increases that take into consideration factors such as rising consumer prices and other societal conditions, corporate performance, and labor relations.

Viewing this kind of virtuous cycle as an opportunity to break out from the tunnel of Japan's economic stagnation known as the "lost 30 years," Ajinomoto Co. will continue to promote solutions to social issues and aim to contribute to the realization of a bright and affluent society filled with well-being, which will lead to the realization of its Purpose.

Summary of Wage Revision by Employee Group

1. Regular employees

(1) Union members

- Number: 2,325
- Average age: 39.9
- Revised wage schedule: Average increase per person: JPY 21,664(regular wage increase of 2% + base pay increase of JPY 14,000)
- Starting salary: Average increase of JPY 14,000

(2) Manager class employees

- Number: 1,506
- Revised wage schedule: Same as above

2. Non-regular employees (senior rehired & part-time employees)

- Number: 143 (senior rehired employees)
225 (part-time employees)
- Revised wage schedule: Wage increase based on increase in prices (3.2% increase in average consumer price index in 2023)

Reference

Press release dated February 28, 2023

Ajinomoto Announces the Medium-Term ASV Initiatives 2030 Roadmap

https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pdf/2023_02_28_01E.pdf

The Ajinomoto Group will contribute to the well-being of all human beings, our society and our planet with "AminoScience" based on the corporate slogan "Eat Well, Live Well.". The Ajinomoto Group has offices in 36 countries and regions, and sells products in more than 130 countries and regions. In fiscal 2022, sales were 1.3591 trillion yen (10.0 billion U.S. dollars). To learn more, visit www.ajinomoto.com.

For further information, please contact: [HERE](#)