

Eliminating Forced Labour

Promoting human rights due diligence to eliminate forced labour

Ajinomoto Co., Inc.



Under the leadership of top management, respond to the risk of human rights violations

Since the adoption of the United Nations Guiding Principles on Business and Human Rights, the demand for responsible procurement in the corporate supply chain is increasing rapidly. The elimination of forced labour is a top priority for industry groups involving major consumer goods manufacturers and retailers. Ajinomoto participates in an industry group and undertakes human rights due diligence to prevent, mitigate, and remedy any negative impacts of their operations or business relationships on human rights.

Ajinomoto considers forced labour to be an extremely important issue. In Southeast Asia, many migrant workers are forced to work, such as being forced into debt from a recruitment agent or losing their freedom of movement because their employers keep their passports. As part of its due diligence on human rights issues, in July 2017, Ajinomoto established the Special Human Rights Committee. In this Committee, back office departments at headquarters, such as Corporate Planning Department, Human Resources Department and Legal Department, as well as business

departments, including group companies discuss various human rights issues with executive officers. The decisions made at this committee are reported to the Corporate Conduct Committee, then reported to and discussed at the Executive Committee. The final decision made at the Executive Committee is implemented throughout the company. In March 2018, Ajinomoto finalized its new Group Policy on Human Rights and conducted a human rights risk assessment based on external risk data. Forced labour, occupational health and safety and child labour in its food processing business are the company's top human rights priorities.

In addition, Ajinomoto identified Thailand and Brazil as high-risk countries, where it operates its factories and procures raw materials. In Thailand, in particular, there is growing concern and criticism from Western NGOs about forced labour and child labour in the food industry. Ajinomoto itself was also criticized by an NGO that its second-tier supplier has issues regarding working conditions. To improve its practices, Ajinomoto commissioned a third-party organization (a Japanese NPO) that is familiar with Thai local affairs, and conducted dialogues with suppliers, human rights NGOs, public human rights organizations and industry



groups; additionally, the company conducted on-site visits to aquaculture farms and meat processing plants.

Promote workers' rights through dialogue and cooperation with stakeholders

The research showed that Thailand is becoming more reliant on migrant workers and that the existing supply chain structure is prone to human rights issues, while various initiatives are already underway to address those problems. During Ajinomoto's visit to suppliers and industry groups, a grievance mechanism introduced by a first-tier supplier of Ajinomoto caught its attention. It is a mechanism to listen to the voice of workers using smartphone applications and SNS operated by a local NGO. They accept reports from migrant workers in the worker's native language, such as Burmese and Khmer. If the report concerns a labour-management issue, the NGO will share it with companies who employ them to support measures for improvement and dialogues. If the report relates to living conditions, the NGO will support the worker directly. This makes it easier for workers to speak up even in remote

areas and enables companies to respond quickly through collaboration with the NGO.

When introducing this system, the first-tier supplier and the NGO worked together to visit the contract farms (Ajinomoto's second-tier suppliers) where the workers actually worked. They explained the system to the farm owners and workers and sought their agreement to use it. Ajinomoto also found that the first-

tier supplier was working on various issues to ensure the fair treatment of workers, such as formulating management systems for organizations that recruit workers and clarifying the costs to be borne by companies associated with hiring. Through these initiatives by local NGOs, Ajinomoto realized that it can grasp its supply chains better and that promoting such activities will lead to protect human rights of migrant workers.

Ajinomoto also monitors suppliers in Japan regarding issues, such as foreign technical interns, passport management, and wages. Furthermore, in order to raise the understanding and interest of Japanese companies regarding forced labour, Ajinomoto is actively engaged in exchanging information and gives lectures in study sessions of industrial organizations.

Ajinomoto cannot address forced labour issues alone, as the challenges are complex. In addition to dialogue and cooperation with suppliers and local stakeholders overseas, Ajinomoto is committed to further protect workers' rights by reaching out to its stakeholders in Japan to work together.

NOTE



MNE Declaration
par.10, par.25, par.66



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Targets

Related SDGs
Goal 8, 17