

The corporate governance of Ajinomoto Co., Inc. (the “Company”) is described below.

I. Basic policy on corporate governance and capital structure, business attributes and other basic information

1. Basic Policy

Maintaining the founding philosophy of improving nutrition of general public by using umami seasonings to make a simple diet tasty, the Ajinomoto Group as an “Solution-Providing Group of Companies for Food and Health Issues” has achieved growth since its establishment in a consistent manner through initiatives to co-create social value and economic value by conducting business. These kinds of initiatives have been named ASV (The Ajinomoto Group Creating Shared Value) and ASV is positioned at the core of our management policy (hereinafter, “ASV Management”). To realize our 2030 vision of becoming a company that “contributes to greater wellness for people worldwide, unlocking the power of amino acids to resolve the food and health issues associated with dietary habits and aging,” we will continue to endeavor to strengthen corporate governance by advancing ASV Management.

The Ajinomoto Principle on Corporate Governance is disclosed at the website below. This principle enables stakeholders to easily understand the Ajinomoto Group’s continued efforts for strengthening its corporate governance in ASV Management, serves as a mainstay in cultivating dialogue and coordination, and is resolved by the Board of Directors.

https://www.ajinomoto.co.jp/company/en/ir/strategy/corp_gov/main/0/teaserItems1/03/linkList/03/link/principle_E.pdf

[Reasons for non-compliance with the principles of the Corporate Governance Code]

Ajinomoto Co., Inc. (“we,” “our,” “us,” or the “Company”) implements each principle of the Corporate Governance Code, and discloses them in the Ajinomoto Principle on Corporate Governance and other documents.

[Disclosures required by the principles of the Corporate Governance Code]

Ajinomoto Co., Inc. implements each principle of the Corporate Governance Code, and discloses them in the Ajinomoto Principle on Corporate Governance and other documents.

[Principle 1.4] (Cross-Shareholdings) is set out in “Chapter 3.4: Cross-Shareholdings” of the Ajinomoto Principle on Corporate Governance. In fiscal 2022, we will retain 30 different stocks from our clients, five different stocks from financial institutions, and one other type of stocks.

[Principle 1.7] (Related Party Transactions) is set out in “Chapter 3.6: Related Party Transactions” of the Ajinomoto Principle on Corporate Governance.

Basic Principle “4. Fair and Transparent Transactions” of the Ajinomoto Group Policies (hereinafter, “AGP”) is disclosed on the following website:

<https://www.ajinomoto.com/sustainability/agp/>

Group Shared Policy on Procurement is disclosed on the following website:

<https://www.ajinomoto.com/sustainability/agp/procurement.php>

[Supplementary Principle 2.4.1] (Ensuring Diversity, Including Active Participation of Women)

(1) The Ajinomoto Group believes that promoting diversity and inclusion (hereafter D&I) is an important part of management strategy for creating innovation based on a foundation of diverse talents. To gather diverse talents, we value diversity in gender, age, nationality, and individual professional experiences.

“6. Human Resources Training and Ensuring Safety” in AGP is disclosed on the following website:

<https://www.ajinomoto.com/sustainability/agp/>

“Group Shared Policy on Human Resources” is disclosed on the following website:

<https://www.ajinomoto.com/sustainability/agp/human-resources.php>

Our approach for diverse talents is disclosed on the following website:

https://www.ajinomoto.com/sustainability/materiality/diverse_talent.php

Our D&I philosophy is disclosed on the following website:

https://www.ajinomoto.com/sustainability/pdf/2021/SDB2021en_talent.pdf#page=9

(2) The Ajinomoto Group has included the ratio of female directors and line managers (organization heads or general managers) as a priority KPI.

(3) We assign female managers equitably and fairly depending on their ability. The percentage of female managers (Group total) is 27% as of March 2022. Whereas, the percentage of female managers in Ajinomoto Co., Inc. (only) is 12% as of Mar 2022.

We are actively promoting women for managerial posts raising the ratio of female directors and line managers (organization heads or general managers) to 30% by fiscal 2030, upon strengthening forming a preliminary candidate group of female potential leaders in all job titles (directors, organization heads, general managers, managers and pre-managerial positions). In the prospect as of the end of June 2022, the percentage of female directors is 36% and the percentage of female line managers is 11%.

(4) Regarding assignment of employees those of non-Japanese nationality, we hire and promote diverse human resources equitably and fairly in accordance with AGP. The percentage of Officers of non-Japanese nationality (Group total) is 31.8% as of March 2022. The percentage of locally hired overseas executives in core affiliated companies is 39.6% as of March 2022. Whereas, the percentage of managers in Ajinomoto Co., Inc. (only) those of non-Japanese nationality is 0.3% as of March 2022. We will promote the assignment of employees those of non-Japanese nationality for managerial posts while expanding business domains along with our growth strategies and expanding and strengthening our businesses in new areas.

(5) We assign midcareer hires equitably and fairly the same as new graduate. The ratio of midcareer hires in managerial positions in Ajinomoto Co., Inc. is 15% as of March 2022.

The percentage of managers in midcareer hires is 39% (Ajinomoto Co., Inc. only) compared with new graduate in which percentage is 37% as of June 2022. We are actively promoting midcareer hires for managerial posts equivalent or higher than new graduate.

(6) As one of the events promoting the inclusion of diverse talents, the Ajinomoto Group sets organizational and individual goals of solving issues together with our customers and standardize the plan-do-check-action (PDCA) cycle of management using the operational excellence (OE) method. Beginning with dialogue with the CEO and General Managers of business or corporate divisions, employees involves setting personal goals linked with the organization's goals. During this process, we utilize OE methods to ensure employees feel a keen sense of contributing to issue solving and value creation, and quantify the results of value improvement, viewing not only consumers but also other divisions in the company's value chain as customers. In addition, by sharing goals within each organization through the personal goal presentation, we foster a culture where employees tackle challenges while embracing our vision. We also actively share and commend best practices. The employee engagement score on the annual engagement survey is used as an important KPI, from which we track trends in the ASV engagement of employees and then reflect any issues identified in the survey results in next year's plan.

(7) We continue to consider our human capital strategy for the mid-to-long term enhancement of corporate value and will disclose it forthwith.

[Principle 2.6] (Fulfilling Our Function as the Asset Owner of Corporate Pensions)

In order to boost the Company's investment expertise to enable it to fulfill its function as an asset owner, on the personnel side, Ajinomoto Co., Inc. will appoint persons with specialist skills and knowledge when it comes to pension investment to serve as corporate fellows in charge of the investment, and will also appoint outside advisors to supplement their specialist skills and knowledge. Furthermore, on the managerial side, we will carry out initiatives such as having our Asset Investment Review Committee monitor the investment status as needed.

[Principle 3.1] (Full Disclosure and Transparency)

(1) Our philosophy and promise are disclosed on the following website:

<https://www.ajinomoto.com/aboutus/group>

Vision for 2030 and the Medium-term Management Plan for 2020-2025 is disclosed on the following website:

https://www.ajinomoto.co.jp/company/en/ir/event/medium_term.html

(2) Our basic views on corporate governance are the same as that found in "I.1 Basic Views" in this report.

(3) The policy and procedures used by the Board of Directors for determining the compensation of directors are the same as those found in "II.1 [Compensation for Directors and Executive Officers (Shikkoyaku)] Policy on Determining Compensation Amounts and Calculation Methods" in this report.

(4) Details on the election and dismissal of directors are set out in "Chapter 5.1: Selection and Dismissal" of the Ajinomoto Principle on Corporate Governance.

(5) The reason for electing directors is the same as that found in Proposal No. 3 "Election of 11 Directors" of the General Meeting of Shareholders' reference documents from the Notice of Convocation of the 144th Ordinary General Meeting of Shareholders.

The Notice of Convocation of the 144th Ordinary General Meeting of Shareholders is disclosed on the following website:

<https://www.ajinomoto.co.jp/company/en/ir/stock/statue/main/02/teaserItems1/00/linkList/0/link/144ENG.pdf>

The reason for electing Outside Director candidates is the same as that found in "II.1 [Outside Directors] Outside Directors' Relationship with the Company (2)" in this report.

[Supplementary Principle 3.1.3] (Disclosure of Initiatives on Sustainability and investment in human capital and intellectual property, etc.)

<Initiatives on Sustainability>

Climate change is a pressing global issue, and is one of the key issues we face as it has a significant impact on the Ajinomoto Group's business and strategy. As climate change progresses, we expect risks such as difficulty in sourcing raw materials. The Ajinomoto Group sees climate change as both a significant risk and an opportunity across the company, and is considering measures in terms of governance, risk management, strategy, and metrics and targets. We are aiming to reduce our environmental impacts over the entire lifecycle. In addition to promoting energy-saving activities and the use of renewable energy, we are participating in international initiatives, and we aim to solve problems by cooperating internally and externally.

(1) Governance

The Ajinomoto Group strictly adheres to Ajinomoto Group Policy (AGP), which describes the way of thinking and behavior to be followed by each company in the Ajinomoto Group and its officers and employees. In addition to continuing to work on the development of internal control systems and their proper operation, the Ajinomoto Group has strengthened its system for considering sustainability, including our response to climate change, as an active risk-taking system, and is continuously increasing corporate value.

The Board of Directors has established a system for recommending the Ajinomoto Group's approach to sustainability and ESG from a multi-stakeholder perspective, including the establishment of a Sustainability Advisory Council, and has decided on materiality items for sustainability to guide ASV Management, including those related to climate change. In order to improve the Ajinomoto Group's corporate value in terms of sustainability, the Sustainability Advisory Council examines and reports to the Board of Directors with the aim of making recommendations on the Ajinomoto Group's approach to sustainability from a multi-stakeholder perspective. An advisory meeting is held semi-annually and the discussions are actively publicized through the publication of the minutes on the company website and press releases. The Board of Directors received two reports from the Sustainability Advisory Council in fiscal 2021.

The Executive Committee has established a Sustainability Committee to select and extract "groupwide management-level risks and opportunities," including those related to climate change, and to establish a system for evaluating the degree of impact, formulating measures, and managing progress. The Executive Committee received four reports from the Sustainability Committee in fiscal 2021. The Sustainability Committee also made four similar reports to the Board of Directors.

(2) Risk Management

The Ajinomoto Group recognizes risk management as a key internal control tool and risk management is part of the Ajinomoto Group's management responsibilities. In conjunction with the Ajinomoto Group's management strategy and individual business strategies, the Ajinomoto Group has taken the necessary measures to enhance its responsiveness to significant risks. The Ajinomoto Group identifies and summarizes the Groupwide risks that need to be managed cross-organizationally, taking into account the business environment and the political, economic, and social conditions around the world. Key risks include global climate change risks and water-related risks since our key raw materials are dependent on water. We believe that promoting strategic risk management will make the Ajinomoto Group more risk-resistant and contribute to increasing the value of the Ajinomoto Group.

The Sustainability Committee develops Groupwide responses to materiality issues identified as Groupwide risks, and regularly monitors and manages the status of our responses to risks. The Ajinomoto Group's climate-related risks and opportunities are assessed based on scenario analysis. We develop a business continuity plan for each site, identify risks specific to each site, including climate change, and consider countermeasures. We are also accelerating research and development on the decline of natural resources as raw materials as we work to make our business activities sustainable.

Climate change risks are ranked as one of the "Groupwide Important Risks," and we assess the degree of impact based on published reports and expert advice regarding physical risks and migration risks such as laws, regulations, and markets.

(3) Strategy

The Ajinomoto Group has a wide range of product areas in the food business, from seasonings and foods to frozen foods, and also operates in the healthcare and other fields. Climate change affects the Ajinomoto Group's business in many ways, including stoppage of business activities due to large-scale natural disasters, impact on procurement of raw materials such as crops and fuels, and changes in product consumption.

1) Scenario Analysis

In fiscal 2021, we conducted a scenario analysis on the impact of climate change on global umami seasonings and key domestic products in 2030 and 2050, with an average global temperature increase of 2°C or 4°C in 2100 compared to the pre-industrial level.

In terms of medium- and long-term impacts related to production, among the impacts of climate change, droughts, floods, sea level rise, and changes in raw material yields were considered and analyzed as physical risks, and the introduction of carbon taxes and other laws and regulations, rises in unit energy prices, and changes in consumer preferences as transition risks.

The average temperature difference in 2030 in the 2°C and 4°C scenarios is about 0.2°C, and there is no significant difference in physical risk. The risks and opportunities of the scenario analysis for 2050, where the average temperature difference is expected to be about 1°C and there is a difference in physical risk, are shown at the end of this document in [Scenario Analysis: Risks] and [Scenario Analysis: Opportunities].

* Please refer to the Sustainability Data Book 2021 for the results of the scenario analysis we conducted in fiscal 2020.

<https://www.ajinomoto.co.jp/company/en/ir/library/databook.html>

2) Reflection of Scenario Analysis Results in Our Strategy

(i) Impact on business strategy

Based on the business impacts in the scenario analysis, we plan to invest in fuel conversion, renewable energy use, and environmentally friendly manufacturing methods to further reduce our GHG emissions in the future. We will also work on product development to realize "inverse trade-offs" where our sustainability efforts lead to an increase in the added value of our products.

In the scenario analysis for fiscal 2022 and beyond, we will improve the analysis of risks and opportunities by expanding the target products and paying more attention to the water-related risks for raw materials.

(ii) Impact on funding strategy

We will base our funds required for various initiatives on sustainable finance. As a result, we will further accelerate our efforts to achieve the two outcomes listed by the Ajinomoto Group, "Extending the healthy life expectancy of one billion people" and "Reducing our environmental impact by 50%" by 2030, and to achieve a sustainable society.

With this in mind, the Company issued the Ajinomoto Group's first SDGs bonds in October 2021 (*1), followed by a commitment line agreement (*2) based on the "Positive Impact Finance" in January 2022. We will continue to expand sustainable finance.

*1 For more information about our SDGs bond issuance, please refer to the "Sustainable Finance" website below.

<https://www.ajinomoto.com/sustainability/finance.php>

*2 For more information about the "Positive Impact Finance" commitment line agreement, see the press release below.

https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pdf/2022_01_28E.pdf

(4) Metrics and Targets

Our Group has submitted a commitment letter declaring its compliance with the new GHG emission reduction targets, including Net Zero by SBTi. As a result, the Group will revise its targets in line with the Net Zero standard in order to further accelerate its efforts to achieve the GHG emission reduction target of limiting temperature increase to 1.5°C, which has been certified by SBTi.

1) Targets

For Scope 1 and Scope 2 GHG emissions, we target a 50% reduction in fiscal 2030 compared to fiscal 2018 (total emissions target).

For Scope 3 GHG emissions per ton of production (GHG emissions intensity target), we will review the target (intensity target), which is a 24% reduction in fiscal 2030 compared to fiscal 2018.

2) Fiscal 2021 Results

Scope 1 and 2 GHG emissions were approximately 300,000 tons-CO₂e less than the previous year, or 27% less than the base year of fiscal 2018, far exceeding the fiscal 2021 target. Direct contracts with renewable energy power plants in Brazil, procurement of renewable energy certificates in Thailand, and contracts with power companies with low CO₂ emission coefficients in Japan were the main reasons for the reduction. We are on track to achieve approximately 80% of our 2030 GHG emissions target (50% reduction from 2018 levels) through planned investments, but we will consider further investments to further reduce emissions.

Scope 3 GHG emissions intensity decreased by 5% from the previous year, but increased by 2% compared to the base year, fiscal 2018. The reduction was mainly due to the fact that Ajinomoto Animal Nutrition Europe S.A.S. is no longer covered by our group.

In fiscal 2022, we plan to conduct a trial of collaboration with Scope 3 raw material suppliers. We will accelerate our efforts to reduce GHG emissions by accelerating collaboration with external parties, including suppliers, in the future.

3) Measures to Achieve Targets

To achieve our Scope 1 and Scope 2 targets, we are promoting energy conservation activities, switching to fuels that generate less GHG emissions, using renewable energy sources such as biomass and solar power, and introducing processes to reduce energy consumption (e.g., fuel conversion from heavy oil to natural gas at our Kyushu Plant, the introduction of cogeneration facilities at our Kamphaeng Phet Plant in Thailand).

For Scope 3, since raw materials account for approximately 60% of total GHG emissions over the entire product lifecycle, we are encouraging raw material suppliers to reduce GHG emissions and are studying the introduction of new technologies such as on-site production of ammonia.

In addition, we disclose our sustainability initiatives, contents, and results in the following URLs, Integrated Report, and Sustainability Data Book.

ESG & Sustainability: <https://www.ajinomoto.com/sustainability/>

Integrated Reports: <https://www.ajinomoto.co.jp/company/en/ir/library/annual.html>

Sustainability Data Book: <https://www.ajinomoto.co.jp/company/en/ir/library/databook.html>

<Investment in human capital, etc.>

We believe that "human capital assets" are the driving force that increases the value of all intangible assets. We will further increase the sum total of our "human capital assets" by mobilizing the "passion" of each and every employee for our "purpose" and the empathy of the diverse stakeholders who share our "purpose".

Our human resources management system, specific initiatives, and achievements are disclosed at the following URLs, in the Integrated Report, and in the Sustainability Data Book.

ESG & Sustainability: <https://www.ajinomoto.com/sustainability/>

Integrated Reports: <https://www.ajinomoto.co.jp/company/en/ir/library/annual.html>

Sustainability Data Book: <https://www.ajinomoto.co.jp/company/en/ir/library/databook.html>

<Investment in intellectual property, etc.>

We believe that intellectual property, including technological assets, is the source of value creation. From research and development to production and business operations, all of which thoroughly pursue the "unlocking the power of amino acids," these intangible assets are indispensable for the continued creation of social and economic value. We will continue to enhance the value of the Group's "intellectual property" through collaborative value creation with our customers, with whom we have built trust in the products and services we provide over the years.

The Group globally operates a wide range of businesses centered on the Food Products and AminoScience businesses. In particular, we allocate management resources to six core businesses: Sauce & Seasoning, Quick Nourishment, Solutions & Ingredients (S&I), Frozen Foods, Healthcare, and Electronic Materials, and work to solve food and health issues unlocking the power of amino acids. We have established a basic policy on intellectual property and are promoting the following seven initiatives to establish a competitive advantage, generate profits, and achieve global growth.

1. Strategic and efficient acquisition of intellectual property for core business technologies
2. Proactively incorporate and collaborate with external technologies through open innovation, etc.
3. Utilization and enforcement of proprietary technologies, including licensing and litigation of in-house technologies
4. Protection of products and enhancement of brand value by utilizing trademark system, etc.
5. Minimize the risk of infringement by respecting the intellectual property rights of others and thoroughly conducting investigations and clearances
6. Provide research and analysis information to Group business units and R&D departments
7. Development of intellectual property human resources and utilization of internal and external networks

The "Group Policy on Intellectual Property" is disclosed at the following URL.

<https://www.ajinomoto.com/sustainability/agp/intellectual-property.php>

In the Food Products business, we are advancing our "Palatability Design Technology" to develop products with enhanced added value and functions in each region of the world, and in the AminoScience business, including healthcare and electronic materials, we are developing products and services with high barriers to entry by advancing our "advanced bio-fine technologies" in anticipation of market innovation. Furthermore, we will refine our technological assets to reform our business model and create next-generation businesses through the fusion of Food Products and AminoScience.

We will actively invest in strengthening our technological assets and intellectual property to create further value through innovation and to create new business models by setting up areas that will contribute to the global environment and social change in 2050.

We take a firm stance against any infringement of the Group's intellectual property rights, including issuing warnings and filing intellectual property infringement lawsuits, and we do not tolerate infringement of our rights.

https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pdf/201117Ajinomoto-Co.-Inc.-Wins-Patent-Infringement-Suit-Regarding-Its-Manufacturing-Process-for-Monosodium-Glutamate-MSG-Products-in-the-Tokyo-District-Court.pdf
https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pdf/2022_03_09_01E.pdf
https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pdf/2022_05_31E.pdf

The Group also owns a number of product brands with a long history and proven track record, and considers these brands to be important intangible assets. In particular, the trademark assets of our core product, umami seasoning AJI-NO-MOTO®, which has been sold around the world for many years, and the global brand logo commonly used by the Group, are extremely important advantages that differentiate us from competitors and latecomers. In order to maintain and enhance the asset value of this trademark, we have taken numerous measures against becoming generic names and inferior counterfeit products to keep unauthorized use at a low level.

In fiscal 2021, the Ajinomoto Group's R&D expenditures totaled 24,842 million yen, with 1,081 patents held in Japan and 2,925 patents held overseas. In addition, the number of domestic and overseas trademarks held by the Group totaled 1,199 and 4,065, respectively, and are on an increasing trend due to the Group's trademark application strategy in line with the progress of its overseas business. Specific details of our R&D and intellectual property initiatives and results are disclosed in the following URLs, the Integrated Report, and the Sustainability Data Book.

Innovation <https://www.ajinomoto.com/innovation>

Integrated Reports: <https://www.ajinomoto.co.jp/company/en/ir/library/annual.html>

Sustainability Data Book: <https://www.ajinomoto.co.jp/company/en/ir/library/databook.html>

[Supplementary Principle 4.1.1] (Scope of Matters Delegated to Management)

The Board of Directors consists of a variety of Directors, discusses and examines important management matters that greatly affect corporate value, encourages risk-taking of execution by indicating a major direction, verifies the validity of execution processes and results, and appropriately supervises execution. On the other hand, the execution, the Chief Executive Officer who has been greatly delegated authority from the Board of Directors will take the lead in making important business execution decisions at the Executive Committee, will realize sustainable corporate value enhancement with one team. In order to closely communicate with the Board of Directors and the Executive Committee, governance rules are established based on the Company's approach to increasing corporate value, proposals and reports are made from the Executive Committee to the Board of Directors, and deliberations and resolutions are made by the Board of Directors. Furthermore, details are provided with regard to procedures for the delegation of authority and decision making in "II.2 ○Execution of duties," "IV.1. (2) Status of the development of the Internal Control System," and "Chapter 2: Basic Approach" of the Ajinomoto Principle on Corporate Governance.

[Principle 4.9] (Independence Standards and Qualification for Independent Directors)

The standards used by Ajinomoto Co., Inc. to determine the independence of Outside Directors is the same as that found in "II.1: [Independent Directors] Matters relating to Independent Directors" in this report.

[Supplementary Principle 4.11.1] (Composition and Diversity of the Board of Directors)

Our philosophy of composition and diversity of the Board of Directors is on "Chapter 4.1.(1) Composition and Diversity of the Board of Directors", and the capability requirements for Director candidates is on "Chapter 5.1. (2) Capability Requirements for Director candidates" in Ajinomoto Principle on Corporate Governance. The Board of Directors composed of six independent Outside Directors (three out of six are females) and five Internal Directors (one out of five is female).

The skills matrix is shown in the attached [The skills matrix of the Director].

[Supplementary Principle 4.11.2] (Other Mandates of Directors)

The status of other important mandates held by Directors is found in the biographical outline in "Section 1, 4.4(2): Status of Officers" of the Securities Report for the 144th fiscal year.

The Securities Report for the 144th fiscal year is disclosed on the following website:

<https://www.ajinomoto.co.jp/company/jp/ir/library/securities.html> (written in Japanese only)

The status of other important mandates held by Outside Directors also found in "II.1 [Outside Directors] Outside Directors' Relationship with the Company (2)" in this report.

[Supplementary Principle 4.11.3] (Self Evaluation of Effectiveness of the Board of Directors)

The evaluation of the effectiveness of the Board of Directors is set out in "Chapter 4.7: Evaluation of Effectiveness of the Board of Directors" of the Ajinomoto Principle on Corporate Governance.

The Summary of the Evaluation of the Effectiveness of the Board of Directors for fiscal 2021 is disclosed on the following website:

https://www.ajinomoto.co.jp/company/en/ir/strategy/corp_gov/main/0/teaserItems1/03/linkList/02/link/evaluation_E.pdf

[Supplementary Principle 4.14.2] (Training Policy for Directors)

The training policy for Directors and Executive Officers is set out in “Chapter 5.3: Training” of the Ajinomoto Principle on Corporate Governance.

[Principle 5.1] (Policy for Constructive Dialogue with Shareholders)

The policy for constructive dialogue with shareholders is set out in “Chapter 3.2: Dialogue with Shareholders and Investors” of the Ajinomoto Principle on Corporate Governance.

2. Capital Structure

Percentage of shares held by foreign investors	From 20% to less than 30%
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[Description of major shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (trust account)	102,586,500	19.11
Custody Bank of Japan, Ltd. (trust account)	35,829,100	6.67
The Dai-ichi Life Insurance Company, Limited	26,199,500	4.88
Nippon Life Insurance Company	25,706,800	4.79
Meiji Yasuda Life Insurance Company	11,362,500	2.12
MUFG Bank, Ltd.	10,202,300	1.90
STATE STREET BANK WEST CLIENT - TREATY 505234	8,948,900	1.67
Custody Bank of Japan, Ltd. (securities investment trust account)	8,297,500	1.55
Sompo Japan Insurance Inc.	6,282,800	1.17
JP MORGAN CHASE BANK 385781	6,272,700	1.17

Controlling Shareholder (except for Parent Company)	---
Parent Company	None

Supplementary Explanation

○ Major Shareholders (as of March 31, 2022)

1. Shareholding ratio is calculated excluding treasury stock (116,423 shares).

(1) The number of shares held by The Dai-ichi Life Insurance Company, Limited does not include 2,000,000 shares of the Company's stock contributed by the company as trust assets for a retirement benefit trust. The voting rights pertaining to these shares are reserved by the company.

(2) Although the MUFG Bank, Ltd. and its joint holders are listed as owning the following shares as of November 22, 2021, in the large shareholding (change) report made available for public inspection as of November 30, 2021, we are unable to confirm the number of shares actually held by each as of March 31, 2022. Therefore they are not included in the "Status of Major Shareholders" above. The contents of the "No.2. Matters Concerning the Submitter" of the report on substantial shareholdings (changes) are as follows.

[Name/Number of Share Certificates and Other Securities Held/Percentage of Share Certificates and Other Securities Held]

MUFG Bank, Ltd./10,202 thousand shares/1.86%

Mitsubishi UFJ Trust and Banking Corporation/29,385 thousand shares/5.35%

Mitsubishi UFJ International Investment Trust Co./6,771 thousand shares/1.23%

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime
Fiscal Year-End	March
Type of Business	Foods
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

5. Other Special Circumstances which may have Material Impact on Corporate Governance

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Three Committees (Nomination, Audit and Compensation)
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	12
Term of Office Stipulated in Articles of Incorporation	One year
Chairperson of the Board	Outside Director
Number of Directors	11

[Outside Directors]

Number of Outside Directors	6
Number of Independent Directors	6

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k		
Kimie Iwata	From another company													
Takashi Nawa	Academic								○					
George Nakayama	From another company								△					
Atsushi Toki	Lawyer													
Mami Indo	From another company													
Yoko Hatta	Other													

* Categories for "Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past

*"●" when a close relative of the director presently falls or has recently fallen under the category; "▲" when a close relative of the director fell under the category in the past

- Executive of the Company or its subsidiaries
- Non-executive director or executive of a parent company of the Company
- Executive of a fellow subsidiary company of the Company
- A party whose major client or supplier is the Company or an executive thereof
- Major client or supplier of the listed company or an executive thereof
- Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*Kansayaku*
- Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the director himself/herself only)
- Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
- Others

Outside Directors' Relationship with the Company (2)

Name	Membership of Committees			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
	Nomination	Compensation	Audit			
Kimie Iwata	○	○		○	(Important positions currently held in other companies) -Audit and Inspection Commissioner, the Tokyo Metropolitan Government -Outside Director, Sumitomo Corporation -Outside Director, Resona Holdings, Inc.	Ms. Kimie Iwata has a high degree of insight into corporate management and corporate social responsibility, as well as a wealth of experience in supporting the active participation of women and promoting diversity. In June 2019 Ms. Iwata was appointed as an Outside Director with the expectation that she would utilize these skills to help decide important Company matters and to supervise the way business is carried out. Since her appointment, in addition to holding lively discussions on the Board of Directors and at other meetings, Ms. Iwata had demonstrated great leadership as the Chairman of the Nominating Advisory Committee. For these reasons, we re-appointed Ms. Iwata as an Outside Director. We expect her to play an active role as the Chair of the Board of Directors and the Lead Independent Director and to also play an active role as a member of the Nomination Committee and the Compensation Committee. Also, there is no concern a conflict of interest will arise between her and general shareholders and therefore she is designated as Independent Director.
Takashi Nawa	○	○		○	Though Genesys Partners, Ltd, of which Mr. Takashi Nawa is Representative Director, conducted transactions with the Company based on a training outsourcing contract in the past, there is no such transactions in the fiscal year ending March 2022. Therefore Mr. Nawa satisfies the Company's criteria for independence as an Outside Director. (Important positions currently held in other companies) -Professor of the School of International Corporate Strategy, Hitotsubashi University Business School -Representative Director, Genesys Partners, Ltd. -Outside Director, NEC Capital Solutions Limited -Outside Director, Fast Retailing Co., Ltd. -Outside Director, Sompo Holdings, Inc. -Auditor, the Asahi Shimbun Co.	Using his great insight into international corporate management that he has developed both through being a Professor at a graduate school in the field of international corporate strategy and the wealth of work experience that he has gained at non-Japanese consulting companies, Mr. Nawa has contributed to the growth of the Ajinomoto Group. Since June 2015 he has been active as an Outside Director. In recent years Mr. Nawa has offered proposals in the formulation of the current Medium-Term Management Plan from a new perspective and novel way of thinking and has also supported our in-house training of managers. For these reasons, we re-appointed Mr. Nawa as an Outside Director. We expect him to play an active role as the Chair of the Nomination Committee and a member of the Compensation Committee. Also, there is no concern a conflict of interest will arise between her and general shareholders and therefore she is designated as Independent Director.
George Nakayama	○	○	○	○	Mr. George Nakayama had served as Representative Director and Chairperson of Daiichi Sankyo Co., Ltd. until June 2020 and has served as full-time advisor of the same company since June of the same year. Ajinomoto Co., Inc. has had a business relationship in the past with Daiichi Sankyo Co., Ltd. However, the amount paid by Daiichi Sankyo Co., Ltd. to Ajinomoto Co., Inc. for the fiscal year ended March 31, 2022 was less than 0.01% of the consolidated net sales of Daiichi Sankyo Co., Ltd. for its most recent fiscal year (year ended March 31, 2022), and Ajinomoto Co., Inc. has not made any payment to Daiichi Sankyo Co., Ltd. Therefore, Mr. Nakayama fulfills the requirements of independence to serve as an Outside Director of Ajinomoto Co., Inc.	Mr. George Nakayama has served as president and chairman of a global healthcare company. He has extensive experience in corporate management and governance, and deep insights into healthcare businesses. We envisage that he will utilize this knowledge to participate in the decision-making of important management matters at the Board of Directors of the new structure. For these reasons, we re-appointed Mr. Nakayama as an Outside Director. We expect him to play an active role as the Chair of the Compensation Committee and a member of the Nomination Committee and the Audit Committee. Also, there is no concern a conflict of interest will arise between him and general shareholders and therefore he is designated as Independent Director.

Atsushi Toki	○		○	○	<p>(Important positions currently held in other companies)</p> <ul style="list-style-type: none"> -Representative, Meitetsu Sogo Law Office (lawyer) -Outside Director / Audit and Supervisory Committee member, Maruyama Mfg Co., Inc. -Outside Director, GEOSTR Corporation 	<p>Mr. Atsushi Toki has specialized knowledge as a lawyer and has a wealth of experience. Since his appointment in June 2016, Mr. Toki has utilized his extensive knowledge relating to corporate law to actively participate from his legal perspective in meetings of the Board of Directors. He makes a significant contribution to the strengthening of the Company in auditing functions and structures of corporate governance. For these reasons, we re-appointed Mr. Toki as an Outside Director. We expect him to play an active role as the Chair of the Audit Committee and a member of the Nomination Committee. Also, there is no concern a conflict of interest will arise between him and general shareholders and therefore he is designated as Independent Director.</p>
Mami Indo		○	○	○	<p>(Important positions currently held in other companies)</p> <ul style="list-style-type: none"> - Outside Director, Tokyo Gas Co., Ltd. - Outside Director, Fujitec Co., Ltd. 	<p>Ms. Mami Indo, in addition to many years of extensive experience working for securities companies and think tanks, has worked in the Securities and Exchange Surveillance Commission. Her achievements and insights are highly regarded both inside and outside of the Company. In June 2020 Ms. Indo was appointed as an Audit & Supervisory Board Member (External) so that she could use this knowledge at the Company. Since she took office, she has been active in her field and has made a great contribution, especially in the areas of governance and risk management. For these reasons, we re-appointed Ms. Indo as an Outside Director. We expect her to play an active role as a member of the Compensation Committee and the Audit Committee. Also, there is no concern a conflict of interest will arise between her and general shareholders and therefore she is designated as Independent Director.</p>
Yoko Hatta			○	○	<p>(Important positions currently held in other companies)</p> <ul style="list-style-type: none"> - Outside Corporate Auditor, Kobayashi Pharmaceutical Co., Ltd. - Outside Director, Nippon Paper Industries Co., Ltd. - Outside Director, Koei Chemical Co., Ltd. 	<p>Ms. Yoko Hatta has abundant experience at an international accounting firm and a high level of insight into international taxation and other matters. We have appointed Ms. Yoko Hatta as a new outside director in the hope that she will utilize this knowledge and participate in the appropriate supervision of business execution by the Board of Directors, and we expect her to be active as a member of the Audit Committee. Although she has no previous experience as an outside director, for the reasons stated above, we believe that she will be able to appropriately perform her duties as an outside director. In addition, there is no risk of a conflict of interest with general shareholders, and therefore, she is designated as an independent director.</p>

[Committees]

Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Chairperson
Nomination Committee	6	0	2	4	Outside Director
Compensation Committee	4	0	0	4	Outside Director
Audit Committee	5	0	1	4	Outside Director

[Executive Officers (Shikkoyaku)]

Number of Executive Officers (Shikkoyaku) 20

Status of Additional Duties

Name	Representative Authority	Additional Duties as Director			Additional Duties as Employee
			Nomination Committee Member	Compensation Committee Member	
Taro Fujie	Yes	Yes	Yes	No	No
Hiroshi Shiragami	Yes	Yes	No	No	No
Chiaki Nosaka	No	Yes	Yes	No	No
Tatsuya Sasaki	No	Yes	No	No	No
Yoshiteru Masai	No	No	No	No	No
Takayuki Koda	No	No	No	No	No
Tetsuya Nakano	No	No	No	No	No
Sumio Maeda	No	No	No	No	No
Junichiro Kojima	No	No	No	No	No
Ikuo Kira	No	No	No	No	No
Narutoshi Fukase	No	No	No	No	No
Jiro Sakamoto	No	No	No	No	No
Ichiro Sakakura	No	No	No	No	No
Masami Kashiwakura	No	No	No	No	No
Shigeo Nakamura	No	No	No	No	No
Tatsuya Okamoto	No	No	No	No	No
Hideaki Kawana	No	No	No	No	No
Chika Morishima	No	No	No	No	No
Masaki Kashihara	No	No	No	No	No
Takumi Matsuzawa	No	No	No	No	No

[Auditing Structure]

Appointment of Directors and/or Staff to Support the Audit Committee	Appointed
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Matters Related to the Independence of Such Directors and/or Staff from Executive Officers (Shikkoyaku)

The Audit Committee is proactively involved in the selection, dismissal and evaluation of the Executive Officer in charge of Internal Control and Audit Committee and the General Manager of the Audit Department to assist in their duties.

Full-time and part-time staff who assist the Audit Committee are assigned to the Internal Audit Department, and are granted the right to access necessary corporate information, thereby promoting coordination with internal control-related units and other internal related departments and the Accounting Auditor and enhancing the effectiveness of audits by the Audit Committee. The Audit Committee proactively has involvement in evaluation, transfer, etc. (with respect to concurrently serving staff, the duties of the Audit Committee shall be limited.) of full-time staff, thereby ensuring effectiveness of its direction and independence from organizations in charge of business execution.

Cooperation among Audit Committee, Accounting Auditors and Internal Audit Departments

The status of collaboration among the Audit Committee, Accounting Auditor and Internal Audit Department is described in "Mutual cooperation among internal audits, audit committee audits, and accounting audits under "Part I, Section 4.4 (3) [Status of Audits] (ii) Status of Internal Audits" of the "144th Annual Securities Report".

The status of cooperation between the Audit Committee, the Accounting Auditor, and the Internal Audit Department during the 144th fiscal year (fiscal 2021) was as follows.

Cooperation between Internal Audit and Audit Committee Audits

In order to contribute to the effective execution of audits by the Audit Committee, the General Manager of the Audit Department sends internal audit reports to the full-time Audit Committee members as needed and reports monthly to the Audit Committee. In addition, the General Manager of the Audit Department reports quarterly to the Audit Committee, shares audit plans and results with the Audit Committee and the Audit Department, and exchanges opinions with each other.

Cooperation between Internal Audit and Accounting Audit

In addition to regular quarterly meetings and exchanges of opinions with the accounting auditor, the General Manager of the Audit Department holds meetings and exchanges opinions with the accounting auditor as needed.

Cooperation between Audit Committee Audits and Accounting Audits

The Audit Committee held regular meetings with the Accounting Auditor almost once a month (19 meetings were held during the current fiscal year), including attendance at quarterly financial reports from the Global Finance Department of Ajinomoto Co., Inc. and Ajinomoto Financial Solutions (in the presence of the Accounting Auditor), reporting of quarterly review results, and three-way audit discussions, and received reports on the audit plan, priority audit items, audit status, etc. of the accounting auditors, to exchange information, and to exchange opinions for effective and efficient execution of accounting audits and internal control audits. With regard to KAM (Key Audit Matters), which became effective from the previous fiscal year, we received KAM candidates at the time of explanation of the audit and quarterly review plans, and subsequently exchanged opinions after receiving explanations of audit responses and the status of consideration regarding them during the quarterly review results report. In addition, client service meetings were held with audit firms in major overseas countries and regions, utilizing the overseas network of accounting auditors to strengthen global monitoring.

[Independent Directors]

Number of Independent Directors	6
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Matters relating to Independent Directors

Ajinomoto Co., Inc. designates all Outside Directors who qualify as Independent Directors as Independent Directors.

The standards of independence used by Ajinomoto Co., Inc. for Outside Officers are set out in "Chapter 5.4: Independence Standards" of the Ajinomoto Principle on Corporate Governance.

[Incentives]

Incentive Policies for Directors and/or Executive Officers (Shikkoyaku)	Performance-linked Compensation
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Supplementary Explanation

Details on the compensation paid to Directors are set out in "Chapter 5.2: Compensation" of the Ajinomoto Principle on Corporate Governance. A detailed explanation is also set out in "Section 1, 4.4(4): Compensation Paid to Officers" of the Securities Report for the 143rd fiscal year.

Recipients of Stock Options

Supplementary Explanation

[Compensation for Directors and Executive Officers (Shikkoyaku)]

Disclosure of Individual Directors' Compensation	Selected Directors
Disclosure of Individual Executive Officers' (Shikkoyaku) Compensation	Selected Directors

Supplementary Explanation

The following describes the results for the 144th fiscal year (fiscal 2021).

Service distinction	Number of officers covered (persons)	Total amount of compensation by type (Millions of yen)			Total amount of compensation, etc. (Millions of yen)
		Fixed compensation	Performance-linked compensation		
			Monetary compensation	Non-monetary compensation, etc.	
Basic compensation	Short-term performance-linked compensation	Medium-term performance-linked stock compensation			
Directors (excluding Outside Directors)	7	275	167	51	494
Corporate Auditors (excluding Outside Corporate Auditors)	2	20	—	—	20
Executive Officers	15	375	429	213	1,017
Outside Directors	7	90	—	—	90
Outside Corporate Auditors	3	11	—	—	11

(Notes)

- The Company transitioned from a company with a board of corporate auditors to a company with a nomination committee, etc., by a resolution of the Ordinary General Meeting of Shareholders held on June 23, 2021. As a result, the number and amount of "Directors (excluding Outside Directors)" above include four Directors who concurrently served as Executive Officers upon the transition and two Directors who retired at the conclusion of the Ordinary General Meeting of Shareholders held on June 23, 2021, as well as their amounts.
- The number and amount of "Corporate Auditors (excluding Outside Corporate Auditors)," "Outside Directors," and "Outside Corporate Auditors" above include the number and amount of two Corporate Auditors, one Outside Director, and three Outside Corporate Auditors who were in office from April 1, 2021, to June 23, 2021.
- The number and amount of "Executive Officers" do not include four Executive Officers who concurrently served as Directors from the conclusion of the Ordinary General Meeting of Shareholders held on June 23, 2021, to March 31, 2022.
- The above compensation amounts are based on IFRS (International Financial Reporting Standards).
- Short-term performance-linked compensation includes the difference between the total amount of the estimated amount and the short-term performance-linked compensation paid in June 2021 and the estimated amount disclosed in the business report for the previous fiscal year.
- The following table shows the results of the evaluation of short-term performance-linked compensation for this fiscal year.

	Evaluation Indicators	Results for the fiscal year (Unit: billion yen)
1	Net Sales	1,149.3
2	Business profit	120.9
3	Net income attributable to owners of the parent	75.7

- Medium-term performance-linked stock compensation includes the difference between the total amount of the reserve for the current fiscal year and the amount of medium-term performance-linked stock compensation paid in July 2021 and the scheduled payment amount disclosed in the business report for the previous fiscal year. Medium-term performance-linked stock compensation may be paid in cash to non-residents of Japan, etc.
- The actual results related to the evaluation indexes of the medium-term performance-linked stock compensation will be determined after the end of the subject fiscal year.
- The maximum amount of compensation for directors until the conclusion of the Ordinary General Meeting of Shareholders to be held on June 23, 2021, was resolved at the 129th Ordinary General Meeting of Shareholders held on June 28, 2007 that the annual amount of compensation for directors, excluding outside directors, shall be 1.2 billion yen or less (not including employee salaries for directors who also serve as employees) and the annual amount of compensation for outside directors shall be 50 million yen or less.
- At the 142nd Ordinary General Meeting of Shareholders held on June 24, 2020, it was resolved to continue the system of providing medium-term performance-linked stock compensation (the "System"), the introduction of which was resolved at the 139th Ordinary General Meeting of Shareholders held on June 27, 2017, for the three fiscal years beginning on April 1, 2020. Under this plan, the Company will contribute up to 2.2 billion yen to the Trust, which will acquire the Company's shares, and the Trust will pay the Company's shares and an amount equivalent to the cash proceeds from the conversion of the Company's shares to the eligible employees in accordance with the degree of achievement of the targets of the medium-term management plan for the three fiscal years beginning on April 1, 2020. Prior to the conclusion of the 143rd Ordinary General Meeting of Shareholders held on June 23, 2021, the eligible persons were directors (excluding outside directors), executive officers, and councilors, and after the conclusion of the 143rd Ordinary General Meeting of Shareholders, the eligible persons were directors (excluding outside directors and internal directors who are members of the Audit Committee) and executive officers. The total number of the Company's shares to be granted to the eligible persons is limited to 1,100,000 shares.
- The maximum amount of compensation for corporate auditors until the conclusion of the Ordinary General Meeting of Shareholders to be held on June 23, 2021, was resolved at the 129th Ordinary General Meeting of Shareholders held on June 28, 2007, to be 190 million yen or less per year.

* Information on directors' compensation is disclosed by posting the following documents on the website

- Annual Securities Report
- Notice of Convocation of General Meeting of Shareholders (Business Report in the attached document)

The amount of compensation, etc. for directors whose compensation is 100 million yen or more is as follows.

Name	Executive classification	Company classification	Total amount of compensation, etc. by type (millions of yen)			Total amount of compensation, etc. (millions of yen)
			Fixed compensation	Performance-linked compensation		
				Monetary compensation	Non-monetary compensation	
Basic compensation	Short-term performance-linked compensation	Medium-term performance-linked stock compensation				
Takaaki Nishi	Director	Ajinomoto Co., Inc.	74	62	18	155
Hiroshi Fukushi	Director	Ajinomoto Co., Inc.	50	42	12	104
Gwinnett Bompas	Executive Officer	Ajinomoto Co., Inc.	107	115	103	325

(Note) Mr. Gwinnette Bompas' base salary includes expenses related to the partial compensation of income taxes.

Disclosure of Policy on Determining compensation Amounts and Calculation Methods

Details on the policy on determining compensation of Directors and Executive Officers are set out in “Chapter 5.2: Compensation” of the Ajinomoto Principle on Corporate Governance.

[Supporting System for Outside Directors]

As the Secretariat for Board of Directors meetings, the Corporate Planning Department provides Outside Directors with briefings on resolutions and reports and provides general support for the execution of their duties. The Secretariat Department serves as the liaison between Outside Directors and other Directors.

The internal full-time Audit Committee member, the Executive Officer in charge of the Audit Committee and full-time and part-time staff belonging to the Internal Auditing Department (the internal audit department) share information with Audit Committee members (external) and otherwise provide general support for them to perform their duties.

A dual reporting system is implemented in which the Executive Officer in charge of the Audit Committee who is the General Manager of Internal Auditing Department makes a business report to, and seeks instructions from, both the Representative Executive Officer and the Audit Committee. Also, a supporting system for the Audit Committee is adopted.

Ajinomoto Co., Inc. has established the Outside Director Communication Committee with the aim of improving the quality of supervision of business execution through the exchange of information between the Outside Directors and through the mutual complementation of specializations. Details on the Outside Director Communication Committee are set out in “Chapter 4.5: Outside Director Communication Committee and Lead Independent Outside Director” of the Ajinomoto Principle on Corporate Governance.

[Retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)]

Information on retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)

Name	Job title/position	Responsibilities	Employment terms	Date when former role as president/CEO ended	Term
Masatoshi Ito	Senior Corporate Advisor	Outside activities for economic organizations, etc. (management non-involvement)	Type of Work: Part-time Compensation: Yes	June 26, 2015	One year (with renewal)
Takaaki Nishii	Senior Corporate Advisor	Outside activities for economic organizations, etc. (management non-involvement)	Type of Work: Part-time Compensation: Yes	March 31, 2022	One year (with renewal)

Number of retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.) Number of retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)

2

Others

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Compensation Decisions (Overview of Current Corporate Governance System)

Ajinomoto Co., Inc. shifted from Company with Audit & Supervisory (Kansayaku) Board to Company with Three Committees at the end of the 143rd general meeting of shareholders held on June 23, 2021.

○Management and Supervision

(1) Board of Directors

Details on the Board of Directors are set out in “Chapter 4.1: Board of Directors” of the Ajinomoto Principle on Corporate Governance. In addition, the composition of the Board of Directors for the 144th fiscal year (fiscal 2021) is as follows.

Ajinomoto Co., Inc. has designated Ms. Iwata, the Chair of the Board of Directors, as the Lead Independent Director.

【Name / Position】

Kimie Iwata/ Outside Director (Chair), Takashi Nawa/ Outside Director, George Nakayama/ Outside Director, Atsushi Toki/ Outside Director, Hideki Amano/ Outside Director, Mami Indo/ Outside Director, Takaaki Nishii/ Internal Director, Hiroshi Fukushi/ Internal Director, Masaya Tochio/ Internal Director, Chiaki Nosaka/ Internal Director, Kaoru Kurashima/ Internal Director

In the 144th fiscal year (fiscal 2021), 17 meetings of the Board of Directors meetings were held, and the status of individual attendance at the meetings was as follows.

【Name / Attendance】

Kimie Iwata (Chair)/ 17 of 17 (100%), Takashi Nawa/ 17 of 17 (100%), George Nakayama/ 17 of 17 (100%), Atsushi Toki/ 16 of 17 (94%), Hideki Amano/ 17 of 17 (100%), Mami Indo/ 17 of 17 (100%), Takaaki Nishii/ 17 of 17 (100%), Hiroshi Fukushi/ 17 of 17 (100%), Masaya Tochio/ 17 of 17 (100%), Chiaki Nosaka/ 17 of 17 (100%), Kaoru Kurashima / 17 of 17 (100%)

*The attendance rate of Mr. Nakayama stated above refers to his attendance rate after his appointment on June 23, 2021.

(2) Nomination Committee

The Nomination Committee is described in "Chapter 4, 2. Nomination Committee" of the Ajinomoto Principle on Corporate Governance. During the 144th fiscal year (fiscal 2021), the Nomination Committee met 9 times, mainly to deliberate resolutions concerning the election and dismissal of directors to be submitted to the General Meeting of Shareholders, as well as candidates for future directors. The attendance rate of individual committee members was as follows.

【Name / Attendance】

Takashi Nawa (Chair)/ 9 of 9 (100%), Kimie Iwata/ 8 of 9 (89%), George Nakayama / 9 of 9 (100%), Takaaki Nishii/ 9 of 9 (100%), Chiaki Nosaka/ 9 of 9 (100%)

Until the transition to a company with a nomination committee, the Company had established the Nomination Advisory Committee for Directors and Officers as a subordinate body of the Board of Directors to ensure the fair and appropriate nomination of candidates for Directors, selection and dismissal of the Chairman of the Board of Directors and President, and the selection and dismissal of Representative Directors.

In the 144th fiscal year (fiscal 2021), the Nomination Advisory Committee for Directors and Officers met once, mainly to discuss how to proceed with the evaluation of the CEO and Directors, the creation of the Directors' Skill Matrix, and other matters. The attendance rate of individual committee members was as follows.

【Name / Attendance】

Kimie Iwata (Chair)/ 1 of 1 (100%), Yasuo Saito/ 1 of 1 (100%), Takashi Nawa/ 1 of 1 (100%), Takaaki Nishii/ 1 of 1 (100%), Etsuhiro Takato/ 1 of 1 (100%)

(3) Compensation Committee

The Compensation Committee is as described in "Chapter 4, 3. Compensation Committee" of the Ajinomoto Principle on Corporate Governance. During the 144th fiscal year (fiscal 2021), the Compensation Committee met seven times, mainly to adopt resolutions on the establishment, amendment, or abolishment of internal regulations concerning the compensation of directors and executive officers, and to deliberate on policies concerning the composition and level of compensation for directors and executive officers. The attendance rate of individual committee members was as follows:

【Name/Attendance】

George Nakayama (Chair) / 7 out of 7 meetings (100%), Kimie Iwata / 6 out of 7 meetings (86%), Takashi Nawa / 7 out of 7 meetings (100%)

Until the transition to a company with a nomination committee, the Company had established the Advisory Committee on Directors' and Corporate Auditors' Compensation as a subordinate body of the Board of Directors in order to fairly and appropriately determine the compensation of directors, executive officers, and board members.

In the 144th fiscal year (fiscal 2021), the Advisory Committee on Directors' and Corporate Auditors' Compensation held one meeting to discuss mainly the determination of short-term performance-linked compensation, the details of contracts with foreign directors and corporate auditors, and the establishment of the Directors' and Corporate Auditors' Compensation Policy. The attendance rate of individual committee members is as follows.

【Name / Attendance】

Yasuo Saito (Chair)/ 1 of 1 (100%), Takashi Nawa/ 1 of 1 (100%), Kimie Iwata/ 1 of 1 (100%), Takaaki Nishii/ 1 of 1 (100%), Etsuhiro Takato/ 1 of 1 (100%)

(4) Sustainability Advisory Council

To endeavor to improve corporate value of the Ajinomoto Group from the viewpoint of sustainability, the Sustainability Advisory Council has been in place as a subordinate organization of the Board of Directors since the 144th fiscal year (fiscal 2021) with the aim of making a proposal as to how Ajinomoto Co., Inc. should work on sustainability from the perspective of multi-stakeholders.

Details on the Sustainability Advisory Council are set out in “Chapter 6.2(1): Sustainability Advisory Council” of the Ajinomoto Principle on Corporate Governance. In addition, the composition of the Sustainability Advisory Council for the 144th fiscal year (fiscal 2021) is as follows.

【Name / Position】

Scott Davis/ Outside Expert (Chair), Kraisid Tontisirin/ Outside Expert, Yoshiki Ishikawa/ Outside Expert, Takao Toda/ Outside Expert, Yu Aoki/ Outside Expert, Mana Nakazora/ Outside Expert, Naoko Kimura/ Outside Expert, Kimie Iwata/ Outside Director, George Nakayama/ Outside Director, Takaaki Nishii/ Internal Director, Kaoru Kurashima/ Internal Director, Hiroshi Shiragami/ Executive Officer

The Corporate Governance Committee and Management Foundation Review Committee were in place as subordinate organizations of the Board of Directors. The activity status of each of such committees for the 143rd fiscal year (fiscal 2020) is as follows.

(5) Corporate Governance Committee

The Corporate Governance Committee was established to maintain and improve the soundness of management and corporate governance until the

transition to a company with a nomination committee.

In the 144th fiscal year (fiscal 2021), the Corporate Governance Committee met twice, and the attendance rate of individual committee members was as follows

【Name / Attendance】

Takashi Nawa (Chair)/ 2 of 2 (100%), Yasuo Saito/ 2 of 2 (100%), Kimie Iwata/ 2 of 2 (100%),
Atsushi Toki/ 2 of 2 (100%), Takaaki Nishii/ 2 of 2 (100%), Etsuhiro Takato/ 2 of 2 (100%)

○Audit

Ajinomoto Co., Inc. shifted from Company with Audit & Supervisory (Kansayaku) Board to Company with Three Committees at the end of the 143rd general meeting of shareholders held on June 23, 2021. As a result, the Audit & Supervisory Board was abolished and the Audit Committee has been established. Details on the Audit Committee are set out in “Chapter 4.4: Audit Committee” of the Ajinomoto Principle on Corporate Governance. In addition, the composition of the Audit Committee for the 144th fiscal year (fiscal 2021) is as follows.

【Name / Position】

Atsushi Toki/ Outside Director (Chair), Hideki Amano/ Outside Director, Mami Indo/ Outside Director, Masaya Tochio/ Internal Director

In the 144th fiscal year (fiscal 2021), the Board of Corporate Auditors met 5 times and the Audit Committee met 10 times. The Audit Committee mainly focused on, as priority audit items, 1) monitoring the status of governance, 2) addressing risks, 3) establishing the Audit Committee structure and cooperation with the accounting auditors, and 4) investigating group companies. The attendance rate of each Audit Committee member was as follows

【Name/Attendance】

Atsushi Toki/15 of 15 (100%) (including 5 Board of Corporate Auditors), Hideki Amano/15 of 15 (100%) (including 5 Board of Corporate Auditors),
Mami Indo/15 of 15 (100%) (including 5 Board of Corporate Auditors), Masaya Tochio/10 of 10 (100%) (including - Board of Corporate Auditors)
*Masaya Tochio's attendance at the Audit Committee held after his appointment as a member of Audit Committee (Standing) on June 23, 2021, is shown.

The status of audits by the Audit & Supervisory Board, internal audits, and accounting audits for the 144th fiscal year (fiscal 2021) are set out in “Section 1, 4.4(3): Status of Audits” of the Securities Report for the 144th fiscal year.

○Summary of Limited Liability Agreements

The Company has entered into an agreement with Outside Directors to limit their liability for damages under Article 427, Paragraph 1 of the Companies Act.

Financial limitations on liability for damage based on this Agreement shall be the aggregate amount as stipulated in the respective items of Article 425, Paragraph 1 of the Companies Act.

○Business Execution

With supervision and execution separated under the “Company with Three Committees” system, the Chief Executive Officer to which the Board of Directors delegates significant authority plays a central role in making decisions on important aspects of business execution at the Executive Committee so that the Executive Committee unites as one to sustainably enhance corporate value.

Details on the Executive Committee are set out in “Chapter 4.8: Executive Committee” of the Ajinomoto Principle on Corporate Governance.

Business management organizations are divided into the Global Corporate Division, Corporate Division, Food Products Division, and AminoScience Division. Each organization carries out the operations delegated to it under the direction and supervision of the Executive Officer in charge. Each member of the Executive Committee supervises the execution of the business by an organization the member is in charge of.

In addition, the internal rules on decision-making procedures of the Ajinomoto Group, which classify each business operational organization of the Group (including Group companies) into “governing headquarter (HQ)” and “delegated front” from the standpoint of their roles, clarify approval criteria. In this manner, Ajinomoto Co., Inc. strives to speed up decision making and raise the efficiencies of its organizational management as well as streamline operations across the entire Group by reinforcing the management functions of the Board of Directors and further delegating authority to the Executive Committee. This section is related to “IV. 1.(2) Status of the development of the Internal Control System” of this report.

○Internal Controls and Risk Management

Recently, the business environment has changed greatly due to the prolonged COVID-19 pandemic, making it important to take more comprehensive risk management measures than before. While faithfully observing the AGP, which lays out the principles that illustrate the beliefs and behaviors which the companies in the Ajinomoto Group and each officer and employee who works there should comply with, and continuing to focus on developing and properly implementing its internal control systems, we will strengthen a system where sustainability is regarded as an opportunity for taking risks actively and enhance corporate value in a sustainable manner.

Details on internal control are set out in “Chapter 6.4: Internal Controls” of the Ajinomoto Principle on Corporate Governance.

Our basic approach to risk management is set out in “Chapter6: Sustainability and Risk Management” of the Ajinomoto Principle on Corporate Governance.

3. Reasons for Adoption of Current Corporate Governance System

The reason why Ajinomoto Co., Inc. has selected the current corporate governance is set out in “Chapter 2: Basic Approach” of the Ajinomoto Principle on Corporate Governance.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The Notice of Convocation of the Ordinary General Meeting of Shareholders is sent out at least three weeks prior to the date of the meeting.
Scheduling AGMs Avoiding the Peak Day	Ajinomoto Co., Inc. determines the date on which the General Meeting of Shareholders is held and prepares the accounts settlement schedule in consideration of the time required for accounts settlement operations and for performing audits by the Accounting Auditor and Audit Committee members.
Allowing Electronic Exercise of Voting Rights	Shareholders are given the opportunity to exercise their voting rights online.
Participation in Electronic Voting Platform	Ajinomoto Co., Inc. participates in the Tokyo Stock Exchange's electronic voting rights platform to provide nonresident investors and institutional investors with the opportunity to optimally exercise their voting rights.
Providing Convocation Notice in English	Ajinomoto Co., Inc. prepares an English language version of the Notice of Convocation of the Ordinary General Meeting of Shareholders and publishes it on its corporate website. This year, the English language version of the Notice of Convocation of the Ordinary General Meeting of Shareholders was published on the Company's corporate website before being sent out by postal mail.
Other	To enhance the convenience of shareholders, Ajinomoto Co., Inc. provides opportunities for shareholders to exercise their voting rights online. In order to provide sufficient time for shareholders to review matters for the exercising of their voting rights, the Notice of Convocation of the Ordinary General Meeting of Shareholders will be published on the Company's corporate website before it is sent by postal mail.

2. IR Activities

	Supplementary Explanations	Explanation by the Representative
Preparation and Publication of Disclosure Policy	Ajinomoto Co., Inc. has established a disclosure policy and publishes it on its corporate website. This policy states the Company will disclose information in a timely and fair manner, including information set out in the Financial Instruments and Exchange Act, other laws and regulations, and the timely disclosure regulations of the financial instruments exchange where its securities are listed. It also deems information believed to affect the investment decisions of investors, even if such information is not applicable to disclosure rules, as important company information and the Company will make efforts to disclose this information in a timely and fair manner.	
Regular Investor Briefings for Analysts and Institutional Investors	Briefings are held for the interim financial results and fiscal year-end financial results, with presentations made by the president and executive officer in charge of finance.	Yes
Posting of IR Materials on Website	Ajinomoto Co., Inc. publishes its Securities Report, Shareholders' Newsletter, Integrated Report, IR Data Book, Business Introduction Pages, Corporate Governance Report, Summary of the Evaluation of the Effectiveness of the Board of Directors, Financial Results Information, the Notice of Convocation of the Ordinary General Meeting of Shareholders, various press releases, and other documents on its corporate website.	
Establishment of Department and/or Manager in Charge of IR	The IR Group has been established within the Global Finance Dept.	
Other	The Company's dialogue with shareholders and investors is set out in "Chapter3.2: Dialogue with Shareholders and Investors" of the Ajinomoto Principle on Corporate Governance.	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	AGP contains provisions on respect for the standing of each stakeholder, including customers, communities, shareholders, investors, business partners, and employees. Specifically, these stipulations include providing safe, high-quality products and services to our customers, making social contributions to communities through business activities and respecting their local cultures, conducting appropriate information disclosures and meeting expectations by always working to increase corporate value for shareholders and investors, and promising to engage in fair and transparent transactions for business partners.
Implementation of Environmental Activities, CSR Activities etc.	Since its foundation, the Ajinomoto Group has worked to resolve social issues through its businesses, improve economic value by creating shared value with societies and communities, and to achieve growth (ASV). In the fiscal 2020-2025 Medium-Term Management Plan, we have set a target of greenhouse effect gas emission reductions by 50% by fiscal 2030 compared to fiscal 2018, and are steadily moving forward with actions toward carbon-free management. On the other hand, Water risk, Plastic waste, Food loss, and Sustainable procurement are recognized as important environmental issues, and we have set targets for reducing the burden and managed our results. We have also established and applied, on a companywide basis, an environmental management system based on an ISO 14001 framework, the Group Shared Policy on Environment and the Environmental Regulations, as well as the Ajinomoto Quality Assurance System based on an ISO9001 framework, the Group Shared Policy on Quality, and the Quality Assurance Regulations. Our activities concerning ESG and Sustainability are mainly described in our Integrated Report and Sustainability Data Book and disclosed on the corporate website.
Development of Policies on Information Provision to Stakeholders	<p>The Group Shared Policy on Information Sharing with Stakeholders stipulates that Ajinomoto Co., Inc. will work on the evolution of ASV in all countries and regions where it operates, and the Company will build relationships of trust with the diverse stakeholders through information sharing and dialogue.</p> <p>Since 2016, the Company has published the Integrated Report containing financial and non-financial information in story form, the Sustainability Data Book, IR Data Book, Medium-Term Management Plan, Securities Report, and this Corporate Governance Report. With those, the Company reports the Ajinomoto Group's initiatives while it engages stakeholders through forums and dialogue sessions.</p>
Other	<p>In terms of workstyle innovation, in order to promote "new normal" work styles, Ajinomoto Co., Inc. utilized digital technology, thereby promoting initiatives to create an environment which will increase productivity and job satisfaction for each employee. For example, the Company introduced an electronic seal and electronic contract system so that a delay of internal and external approval can be prevented even if employees do not come to the office. In addition, the Company introduced ICT tools to transform communication styles amid the rapid expansion of remote working. Through these initiatives, we are creating an environment that supports each employee's highly productive, flexible and diverse work style, and new innovations.</p> <p>Ajinomoto Co., Inc. has also been selected as the "Health & Productivity Stock Selection" for the fifth consecutive year by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange as a company that is strategically working on employee health management from a management-oriented perspective. The Company is also promoting diversity and inclusion with the aim of linking human resource diversity to growth of both employees and businesses. In the past 5 years, the ratio of female managers at Ajinomoto Co., Inc. has increased from 8.0% to 11.3% as a result of our active promotion of measures to accelerate the appointment of women to decision-making positions. Furthermore, we endorse the 30% Club Japan and EMPOWER, and make concerted efforts with other companies to implement female success promotion projects, contributing to transformation of the Japanese society as a whole. These efforts have been recognized and Ajinomoto Co., Inc. has been selected by METI as "Semi-Nadeshiko Brand."</p> <p>In the management plan for fiscal 2021, we will clearly state "Career Diversity & Inclusion" as one of the three core components of human resource development and promote initiatives to make the most of diversity in the future in order to realize mutual growth between the Company and the individual.</p>

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

(1) Basic views

Ajinomoto Co., Inc. is striving to develop and enhance internal control systems, which we regard as an important issue of corporate management. To serve as a form of verification of the status of operations and effectiveness of our Internal Control Systems, we confirm the status of operations and activities of the Business Conduct Committee, the Sustainability Committee, audits by the Internal Auditing Department, the Global Governance Regulations, and other relevant regulations at the meeting of Inspection of Internal Control. We confirm whether issues and problems are being dealt with appropriately and whether continuous improvements are being made. The verification results are reported to the Board of Directors.

Details on the Business Conduct Committee are set out in “Chapter 7.2: Business Conduct Committee” of the Ajinomoto Principle on Corporate Governance.

Details on the Sustainability Committee are set out in “Chapter 6.3: Committee as a subordinate organization of the Executive Committee” of the Ajinomoto Principle on Corporate Governance.

(2) Status of the development of the Internal Control System

The Board of Directors of Ajinomoto Co., Inc. passes a resolution on the Basic Policy on the Internal Control System, and discloses the Basic Policy on the Internal Control System.

The Basic Policy on the Internal Control System is disclosed on the following website:

https://www.ajinomoto.co.jp/company/en/ir/strategy/corp_gov/main/0/teaserItems1/03/linkList/0/link/Internal%20control_E.pdf

2. Basic Views on Eliminating Anti-Social Forces

(1) Basic approach to the exclusion of antisocial forces

Ajinomoto Co., Inc. believes that dealing with antisocial forces and giving in to unreasonable demands of antisocial forces result in providing the underlying support for the survival and strengthening of antisocial forces and lead to the infiltration of antisocial forces in the Company and the spread of related damage. Consequently, we have a basic principle to:

- 1) absolutely not have any dealings with antisocial forces,
- 2) take a resolute stance against antisocial forces and reject all unreasonable demands from antisocial forces; and
- 3) work with relevant organizations on the exclusion of antisocial forces, while seeking the guidance and support of the police, lawyers, and other external professional organizations. This basic principle is made known inside and outside the Company through AGP.

(2) Status of the exclusion of antisocial forces

1) Legal & Compliance Department, the supervisory division in dealing with antisocial forces, and general affairs sections responsible for dealing with antisocial forces in each office play the central role in ensuring that there is absolutely no contact with antisocial forces as part of risk management efforts. They seek the guidance of the police as needed and work in close cooperation with business operating units and subsidiaries and related companies.

2) We have a structure in place to handle unreasonable demands related to product claims with the coordination of Legal & Compliance Department and other internal organizations, instead of leaving them to a single contact point. We also seek the guidance and support of lawyers and the police as necessary.

3) If it is discovered that the Company has unknowingly entered into business transactions with antisocial forces, the top priority is given to immediately terminate all business transactions with them. We are moving forward with measures to include anti-organized crime clauses in all contracts to minimize the damage related to contract termination.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures

Not Adopted

Supplementary Explanation

2. Other Matters Concerning to Corporate Governance System

Our internal structure concerning the timely disclosure of corporate information is set out below:

We have set forth Information Security Regulations as internal regulations. These regulations are designed to prevent information leaks and unauthorized use of information, and ensure the appropriate handling of personal information by means of clarifying the Company's information-related basic policies and establishing basic rules for the handling of information.

Regarding the disclosure of corporate information in particular, we have Minor Regulations on Disclosure of Corporate Information as bylaws of the above regulations. The Regulations bind the Company to provide information on the management philosophy, financial results, and future earnings potential of Ajinomoto Co., Inc. and its group companies in a timely manner, and thereby obtain investors' confidence in and their fair evaluation of the Company.

The above detailed regulations provide for the internal structure for the timely disclosure of corporate information, which is explained below.

1. Basic principles for the disclosure of corporate information

Disclosure of corporate information by Ajinomoto Co., Inc. takes place according to the following basic principles:

- Timely disclosure
- Appropriate disclosure
- Accurate disclosure
- Fair disclosure
- Voluntary disclosure
- Continuous disclosure

2 Internal structure

Directors and employees of Ajinomoto Co., Inc. strive to be well-versed in the Minor Regulations on Disclosure of Corporate Information; abide by laws and regulations as well as company regulations, instructions, and directions; and disclose corporate information in accordance with these basic principles.

(1) Establishment of disclosure executives

number of Disclosure Executives have been designated as officials responsible for the disclosure of corporate information.

1) Disclosure Executives

The members of the Executive Committee, General Manager of the Corporate Planning Department, General Manager of Global Finance Department, General Manager of the Legal & Compliance Department, General Manager of Global Communications Department, General Manager of the Sustainability Development Department, and General Manager of IR Group within the Global Finance Department.

2) Role of Disclosure Executives

Disclosure Executives are responsible for the timely disclosure of corporate information. Their responsibilities include:

- Determining which significant corporate information should be made public and which should not, and deciding on the details of disclosure. Reports to the Executive Committee and the Board of Directors must also be conducted and approval received when necessary.
- Providing revisions to previously disclosed corporate information and additional information when conditions change, as well as monitoring and supervising the status of the disclosure of corporate information.
- Deciding on countermeasures to deal with rumors that may affect the investment decisions of investors.

(2) Establishment of Liaison Managers

Liaison Managers are designated in necessary organizations to cooperate with Disclosure Executives concerning the provision and disclosure of corporation information.

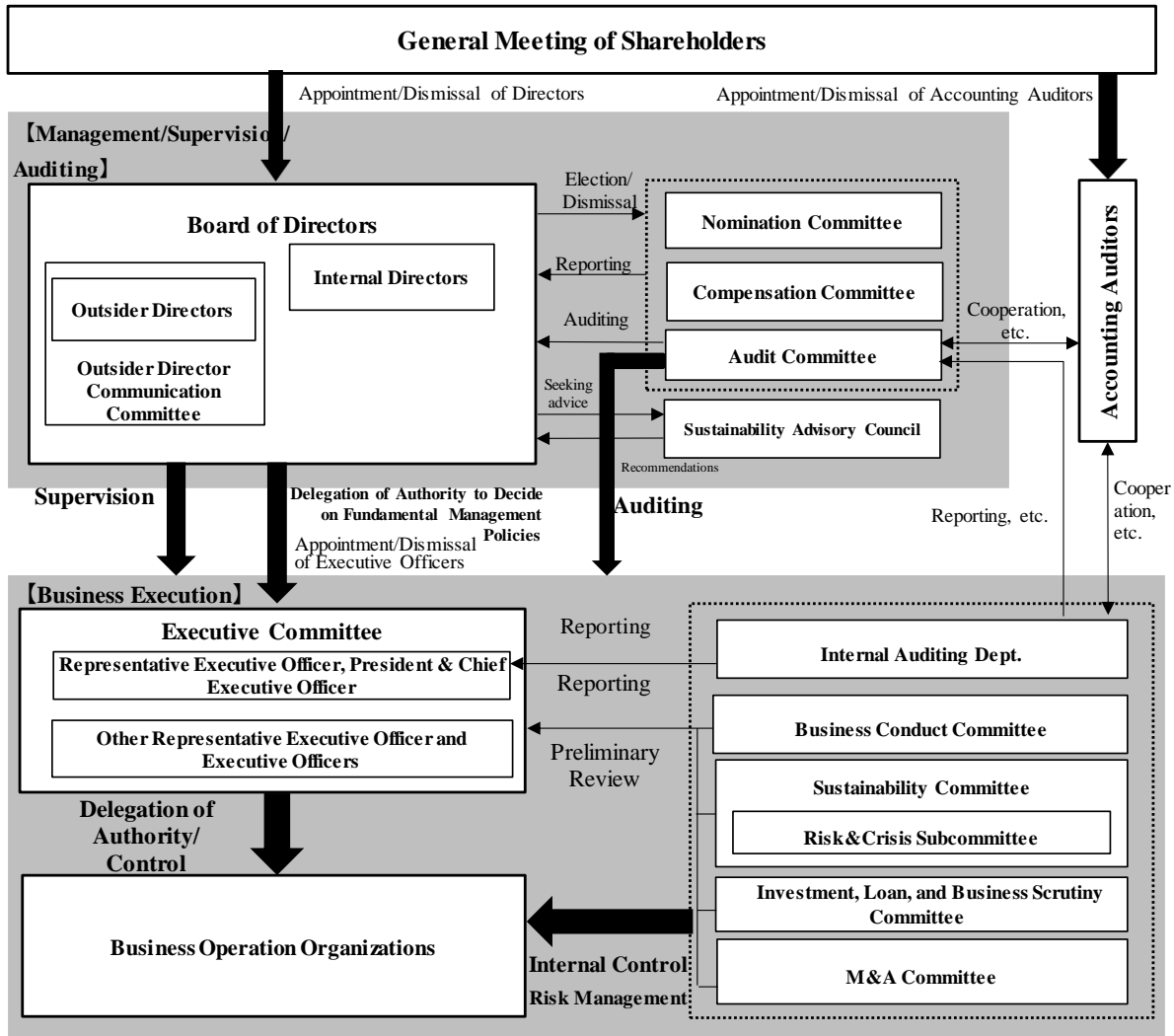
Liaison Managers promote the timely disclosure of corporate information by providing Disclosure Executives with corporate information from the respective organizations in a timely and appropriate manner.

- Collection of corporate information from the covered respective organizations and coordination with Disclosure Executives concerning the details of disclosure
- Contact with Disclosure Executives on significant undisclosed information or facts that may prove to be significant at the time of their occurrence.
- Responses to other matters when instructed or requested by Disclosure Executives for cooperation concerning disclosure of corporate information.

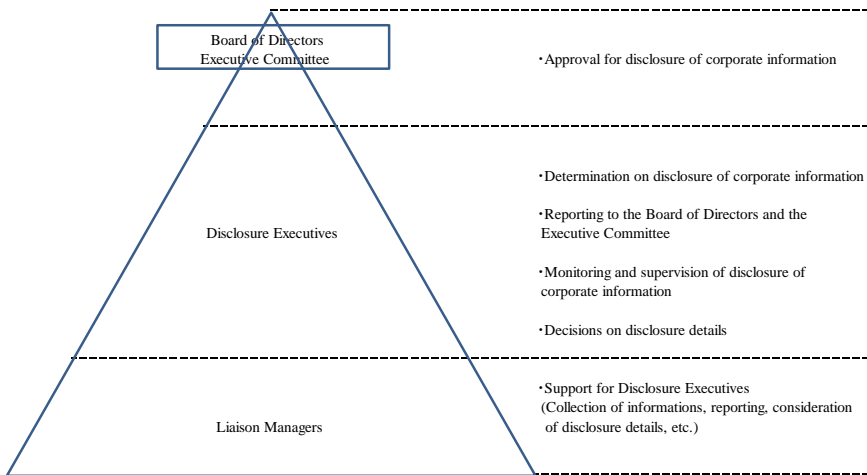
Ajinomoto Co., Inc. provides for the treatment of significant undisclosed corporate information in the Regulations Concerning Prevention of Insider Trading (internal regulations).

These regulations set forth basic matters necessary for the management of information directors and employees acquire in the course of their business activities in order to prevent insider trading and fulfill the Company's corporate social responsibilities with appropriate disclosure of corporate information.

[Corporate Governance Structure]



[Schematic of the Internal Structure for Timely Disclosure of Corporate Information]



Internal regulations regarding disclosure of corporate information

Regulations concerning the prevention of insider trading	Detailed regulations concerning disclosure of corporate information	Information security regulations
The regulations set forth basic matters necessary for the management of information directors and employees acquire in the course of their business activities in order to prevent insider trading and fulfill our corporate social responsibilities with appropriate disclosure of corporate information.	The objectives of the regulations are to provide information on our management philosophy, financial results, and future earnings potential and to thereby obtain investors' confidence in and their fair evaluation of Ajinomoto Co., Inc.	The regulations aim to prevent information leaks and unauthorized use of information, and ensure the appropriate handling of personal information through the clarification of our information-related basic policies and the establishment of basic rules for the handling of information.

[The skills matrix of the Director]

Name	Business Strategy	Global Management	Sustainability /ESG	DX	R&D /Production	Sales & Marketing	Finance & Accounting	HR Management & Development	Legal /Risk Management
Kimie Iwata	○		○					○	
Takashi Nawa	○	○	○	○					
George Nakayama	○	○	○					○	
Atsushi Toki									○
Mami Indo							○		○
Yoko Hatta							○		○
Taro Fujie	○	○				○		○	
Hiroshi Shiragami		○		○	○			○	
Chiaki Nosaka		○			○			○	
Tatsuya Sasaki	○	○	○			○			
Masaya Tochio		○					○		○

[Scenario Analysis: Risks]

2°C Scenario (2050): In the case that a certain level of policy measures are adopted to reduce GHG emissions and fossil fuel consumption is reduced.						
Risks	Average temperature increase	Increased severity and frequency of floods and droughts	Mandates and regulations on products	Shifts in consumer preferences	The right applies to the entire Ajinomoto Group	Carbon pricing mechanism
Classification of Risks	Physical risk	Physical risk	Transition risk	Transition risk		Transition risk
Business Impact	Decline in productivity of agricultural, livestock and fisheries products (Assumption 1: Deterioration of the aquaculture farming environment; Assumption 2: Decline in the growth rate of livestock; Assumption 3: Decline in milk yield of dairy cattle; Assumption 4: Outbreak of infectious diseases in livestock).	Cost increase in raw material procurement (Assumption: Flooding in Thailand)	Increased costs due to stricter laws and regulations on the raw materials used (Assumption: Laws and regulations on traceability of raw materials and use of recycled materials)	Decrease in demand due to rising temperatures (Assumption: Knorr® Cup Soup, hot coffee)		Increased costs of raw materials and fuels used due to the introduction and increase in carbon taxes and emissions trading
Potential Financial Impact	JPY 1.5 billion/year	Under calculation	Under calculation	Under calculation		2030: JPY 20 billion/year* ¹ 2050: JPY 30 billion/year* ¹
Countermeasures	<ul style="list-style-type: none"> Diversification of sourcing regions R&D on alternative raw materials Development of environmentally friendly manufacturing methods 	<ul style="list-style-type: none"> Diversification of sourcing regions R&D on alternative raw materials 	<ul style="list-style-type: none"> Information gathering and collaboration with suppliers 	<ul style="list-style-type: none"> Communication to encourage eating habits through nutritional value appeals Marketing activities geared for cold consumption 		<ul style="list-style-type: none"> Visualization of the financial impact of internal carbon pricing schemes Conversion of fuels Use of renewable energy Development of environmentally friendly manufacturing processes

4°C Scenario (2050): In current policies scenario, with no policy measures adopted to reduce GHG emissions				
Risks	Average temperature increase	Increased severity and frequency of floods and droughts	Shifts in consumer preferences	Increase in the cost of fuel
Classification of Risks	Physical risk	Physical risk	Transition risk	Transition risk
Business Impact	Decline in productivity of agricultural, livestock and fisheries products (Assumption 1: Deterioration of the aquaculture farming environment; Assumption 2: Decline in the growth rate of livestock; Assumption 3: Decline in milk yield of dairy cattle; Assumption 4: Outbreak of infectious diseases in livestock; Assumption 5: Poor growth and pest outbreak of agricultural products)	Decreased sales due to increased costs of raw material procurement, suspended operations and delayed deliveries (Assumption 1: Flooding in Thailand, Assumption 2: Drought in Brazil, Assumption 3: Flooding due to localized heavy rains in Japan)	Decrease in demand due to rising temperatures (Assumption: Knorr® Cup Soup, hot coffee)	Increased prices of fuels used.
Potential Financial Impact	JPY 2 billion/year	JPY 100 million/year	Under calculation	JPY 1 billion/year
Countermeasures	<ul style="list-style-type: none"> Diversification of sourcing regions R&D on alternative raw materials Introduction of high-temperature tolerant varieties Reflection on sales prices Development of environmentally friendly manufacturing methods 	<ul style="list-style-type: none"> Diversification of sourcing regions R&D on alternative raw materials 	<ul style="list-style-type: none"> Communication to encourage eating habits through nutritional value appeals Marketing activities geared for cold consumption 	<ul style="list-style-type: none"> Conversion of fuels Use of renewable energy Development of environmentally friendly manufacturing processes

* 1: Calculated by multiplying Ajinomoto Group's fiscal 2018 standard GHG emissions certified by SBTi and 2030 carbon tax and emissions trading forecasts: emerging countries = 75 \$ / t-CO₂, advanced countries = 100 \$ / t-CO₂, 2040 carbon tax and emissions trading forecast: emerging countries = 125 \$ / t-CO₂, developed countries = 140 \$ / t-CO₂ equivalent to the IEA 2°C scenario. The 4°C scenario is the current situation, and no addition or tax increase of carbon tax / emissions trading is expected.

[Scenario Analysis: Opportunities]

2°C Scenario (2050): In the case that a certain level of policy measures are adopted to reduce GHG emissions and fossil fuel consumption is reduced.		
Opportunities	Low-emission products and services	Shifts in consumer preferences
Classification of Opportunities	Products and services	Products and services
Business Impact	Sales increase as products with low environmental impact due to the widespread adoption of ethically-oriented thinking	<ul style="list-style-type: none"> • Increased needs due to higher level of health consciousness = increased sales • Increased demand for beverages and other products due to rising temperatures = increased sales
Countermeasures	<ul style="list-style-type: none"> • Development of environmentally friendly products and manufacturing processes • Promotion of initiatives to obtain positive ESG ratings • Reinforcement of evidence proving low environmental impact 	<ul style="list-style-type: none"> • Product development to improve nutritional value • Communication to encourage eating habits through nutritional value appeals • Development of environmentally friendly products and manufacturing processes

4°C Scenario (2050): In current policies scenario, with no policy measures adopted to reduce GHG emissions		
Opportunity	Low-emission products and services	Shifts in consumer preferences
Classification of Opportunities	Products and services	Products and services
Business Impact	Sales increase as products with low environmental impact due to the widespread adoption of ethically-oriented thinking	<ul style="list-style-type: none"> • Increased needs due to higher level of health consciousness = increased sales • Increased demand for beverages and other products due to rising temperatures = increased sales
Countermeasures	<ul style="list-style-type: none"> • Development of environmentally friendly products and manufacturing processes • Reinforcement of evidence proving low environmental impact 	<ul style="list-style-type: none"> • Product development to improve nutritional value • Communication to encourage eating habits through nutritional value appeals • Development of environmentally friendly products and manufacturing processes