

### Performance

GRI201-2

▶ Integrated Report  
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### Summary of Scenario Analysis Conducted in Fiscal 2018

In fiscal 2018, the Ajinomoto Group conducted a scenario analysis of potential impact from the climate change risk until 2050 for Southeast Asia using the model of umami seasoning *AJI-NO-MOTO*<sup>®</sup>, one of the Group's major products, under the scenario of a 2°C rise in average global temperature in 2100. The analysis examined droughts, floods, rising sea levels and changes in yield of main raw materials as physical risks, as well as rising energy prices, tight supply and demand, and price increases due to competition for major raw materials with other food sources and biofuels as transition risks.

For physical risks, the Group had anticipated that main raw materials will be affected by the rising frequency of floods, droughts and pests, but the scenario analysis showed that the impact of the physical risks on profits is not large in Southeast Asia, where the main production plant of *AJI-NO-MOTO*<sup>®</sup> is located.

On the other hand, the analysis revealed that rising energy prices and carbon tax increases in case of a shift to a lower carbon economy as the impact of climate change worsens may have a significant impact on the production costs of *AJI-NO-MOTO*<sup>®</sup> and business profits. The Group aims to fast-track ongoing measures, such as the switch to renewable energy and low-GHG energy sources and the development of production technologies using non-edible raw materials to curb rising production costs of *AJI-NO-MOTO*<sup>®</sup> while contributing to global sustainability in case of rising raw material prices and carbon tax increases due to climate change.