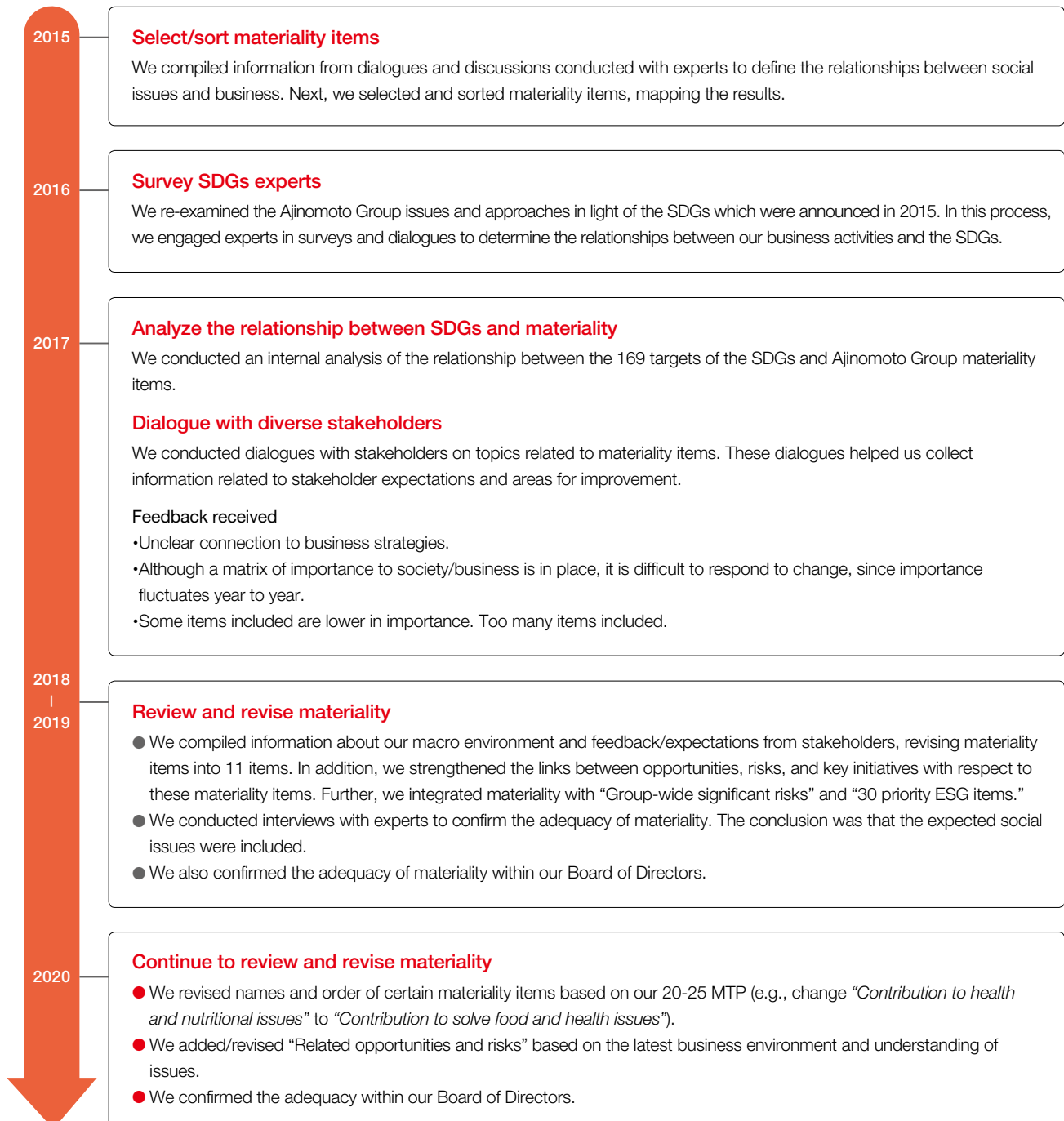


Materiality

How we identify material issues

The Ajinomoto Group identifies materiality items that have a substantial impact on our ability to create value through ASV. Once we identify these issues, we define their orders of importance and priority, then reflect these matters in our business activities.



Future plans

- Engage in specific activities based on revised materiality.
- Collect feedback from stakeholders regarding revised materiality.
- Review materiality on an annual basis, given the rapidly changing nature of social conditions.

Materiality

Ajinomoto Group materiality

During 2020, the Ajinomoto Group conducted an annual review of our materiality items, revising content based on the latest social conditions and the feedback and expectations of our stakeholders. Further, we aim to create value by identifying opportunities and risks within our materiality and developing corresponding initiatives.

Macro environment surrounding the Ajinomoto Group

Growing world population^[1]

2018 **7.6 billion** ► 2050 **9.8 billion**

Food production needed by 2050 compared to 2005-2007 **+60%^[2]**

- Rising demand for food, water, and energy

Global population aging

Population over 65^[3] 2015 **0.6 billion** ► 2050 **1.5 billion**

- Rising needs for extending healthy life expectancy
- Rising demand for healthcare

Climate change

Global average temperature by 2100^[4] **+4.8°C**

- Accelerated decarbonization
- Physical damage from natural disasters
- Unstable materials sourcing
- Breakdown in supply chain
- Impact on health

Rapid urbanization

Urban population by 2050^[5] 2018 **55%** ► 2050 **68%**

- New flow of goods
- Rising middle class
- Intense competition

Digital innovation

- Digital disruption (new business opportunities and new competitors)
- Changes of methods to provide information, products, and services
- Accelerated use of AI and IoT

Ajinomoto Group Corporate Message		
Eat Well, Live Well.		
Materiality items	Related SDGs	Related pages
Contribution to solve food and health issues		P11
Rapid response to consumer lifestyle changes		P31
Assurance of product safety		P36
Diverse talent		P49
Climate change adaptation and mitigation		P64
Contribution to a circular economy		P71
Reduction of food loss and waste		P78
Sustainable materials sourcing		P82
Conservation of water resources		P94
Strong corporate governance		P97
Preparation for intense global competition		Please see Ajinomoto Group Integrated Report 2020

[1] United Nations (UN), 2017
 [2] Food and Agriculture Organization (FAO), 2014
 [3] UN, 2015
 [4] Intergovernmental Panel on Climate Change (IPCC), 2013
 [5] 2018 Revision of World Urbanization Prospects, UN

► For details, please see Ajinomoto Group Materiality.