Notes: 1. **This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.**
2. **Please be advised that certain expressions for domestic voting procedures that are not applicable to the shareholders outside Japan and certain items, pictures, graphs and reference matters are omitted or modified to avoid confusion.**
3. **The date and time referred in this document is based on Japan Standard Time.**

Stock Code: 2802
Ajinomoto Co., Inc.

NOTICE OF CONVOCATION OF THE 145th ORDINARY GENERAL MEETING OF SHAREHOLDERS

1. **Date: 10:00 a.m. (doors open at 9:00 a.m.), Tuesday, June 27, 2023**

2. **Place: Ajinomoto Group Takanawa Training Center**
13-65, Takanawa 3-chome, Minato-ku, Tokyo

3. **Agenda of the Meeting:**

Matters to be Reported:

1. Report on contents of the Business Report, Consolidated Financial Statements, and Audit Reports of the Accounting Auditor and the Audit Committee on the Consolidated Financial Statements, for the 145th Fiscal Year (from April 1, 2022 to March 31, 2023)

2. Report on contents of Non-Consolidated Financial Statements for the 145th Fiscal Year (from April 1, 2022 to March 31, 2023)

Matters to be Resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Election of 11 Directors

*If any changes occur to the disclosed information, the changes will be posted on https://www.ajinomoto.co.jp/company/en/ir/event/meeting.html (the Company's website).

Exercising Your Voting Rights:

-To vote in writing:
Please indicate on the enclosed Voting Form, your votes for or against the proposals, and return the Voting Form by mail. If there is no indication on the Voting Form of your vote for or against each of the proposals, your votes will be deemed as in favor of the proposals.

Deadline for voting: delivery no later than 4:30 p.m., Monday, June 26, 2023

-To vote via internet:
Please refer to "Exercising Your Voting Rights Via Internet" (page 2) and cast your votes for or against the proposals.

Deadline for voting: no later than 4:30 p.m., Monday, June 26, 2023

-How to fill out the Voting Form:
Please indicate your votes for or against each proposal.
(If for or against a proposal is not indicated on the Voting Form, the votes will be deemed as in favor of the proposal.)

Proposal 1:
-For: Mark a circle in the box marked "賛".
-Against: Mark a circle in the box marked "否".

Proposal 2:
-For all candidates: Mark a circle in the box marked "賛".

-Against all candidates: Mark a circle in the box marked “否”.
-Against some candidates: Mark a circle in the box marked “賛” and write the number of each candidate you wish to vote against.

Exercising Your Voting Rights Via Internet:

Voting Via Internet is available only in Japanese.

If you wish to exercise your voting rights via Internet, please refer to the following information before exercising your voting rights.

(1) By Scanning the QR Code
Using the QR Code allows you to log in without requiring a Login ID and Temporary Password

1. Scan the QR Code
   Scan the “Login QR Code” on the right side of the Voting Form with your smartphone.
2. Choose the method for exercising your voting rights
3. Indicate whether you are for or against the proposals by following the instructions on the screen.

(2) By Entering your Login ID and Temporary Password

1. Access the voting rights exercise website (https://evote.tr.mufg.jp/).
2. Enter the “Login ID” and “Temporary Password” printed on the right side of the Voting Form.
3. Enter both the “New Password” and “New Password (Confirmation)” fields.
4. Indicate whether you are for or against the proposals by following the instructions on the screen.

*In the event that a voting right is exercised both by Voting Form and via internet, only the vote via internet shall be deemed as valid.
*In the event that a voting right is exercised more than once via internet, only the last vote shall be deemed as valid.

Information about live stream and submission of questions in advance via the Internet

We will offer a live stream of the Meeting and will accept questions in advance of the Meeting via the Internet, so that shareholders have the option of watching from their homes. Please note that the live stream is offered only in Japanese.

1. Broadcast date and time

June 27, 2023 (Tuesday) from 10:00 a.m. to the close of the Meeting.

*On the day of the Meeting, the live stream viewing page will be accessible from around 9:30 a.m., 30 minutes before the start of the Meeting.

2. How to view the live stream

(1) Please access the "Engagement Portal" shareholders' meeting site (hereinafter, the “Website”) from the following URL. Please note that the Website is available only in Japanese.

URL：https://engagement-portal.tr.mufg.jp/

(2) On the shareholder authentication screen (login screen), please enter the following login ID and password, confirm the terms of use, click "I agree to the terms of use," and then click the "Login" button.

① Login ID: "Login ID" (15-digit alphanumeric code) printed on the right side of the Voting Form
② Password: "Temporary password" (6-digit number) printed on the right side of the Voting Form
*Please keep your Login ID and password handy before posting your Voting Form.
*Passwords changed on the voting rights exercise website (please refer to page 2) will not be carried over to the Website.

(3) On the Website, please click on “Watch today's live stream,” confirm the terms of use, click “I agree to the terms of use,” and then click the “Watch” button.

*You can test your viewing environment in advance by clicking the "Viewing environment test site" button on the Website.

3. Important notes

(1) Viewing the Meeting via live stream over the Internet is not considered attendance at the General Meeting of Shareholders, and therefore, you cannot exercise your voting rights or make any remarks, including asking questions. Please exercise your voting rights in advance via the Voting Form or the Internet. (Please refer to page 1 for the method of exercising voting rights.)

(2) Only shareholders are permitted to view the live stream.

(3) Photography, recording, audio recording, storage, and publication on social networking services, etc., of the live stream are strictly prohibited.

(4) Viewing and/or sound quality may be impaired depending on your device (model, performance, etc.) or Internet environment (line status, communication speed, etc.).

(5) Internet connection fees and telecommunication charges incurred during the viewing will be borne by the shareholder.

(6) Due to unavoidable circumstances, there is a possibility that we may be unable to provide a live stream of the Meeting. In such case, a notice will be posted on our website (only in Japanese).

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

4. Information for shareholders attending the Meeting on the day

In consideration of the privacy of shareholders present at the Meeting and other factors, footage via the live stream will focus on the video screen and the immediate vicinity of the officers' seats. Please note that shareholders present at the Meeting may unavoidably be shown in the live footage.

5. Submission of questions in advance via the Internet

You may submit questions relating to the agenda of the Meeting in advance.

(1) Submission deadline

Saturday, June 10 until 5:00 p.m.

(2) How to submit questions

See “2. How to view the live stream”, log in to the Website, and follow the steps below.

① Please click the "Question in advance" button displayed on the screen after you login.

② After selecting the question category and inputting your question, confirm the terms of use, click "I agree to the terms of use", and click the "Go to confirmation screen" button.

③ After confirming the content of your submission, please click the “Send” button.

(3) Important notes

① Questions will be limited to matters related to the agenda of the Meeting.

② Question length is limited to 200 characters (in Japanese) per question per person.

③ Of the questions received, we will focus on those that we believe will be of most interest to our shareholders and answer them on the day of the Meeting.

④ We do not promise to answer all questions. Also, please note that we cannot give responses specific to individual shareholders.

⑤ Shareholders will bear any communication charges, etc., for use of this live stream facility.

For inquiries regarding the live stream, submission of questions in advance, please contact:

Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation (Japanese only)

0120-676-808 (toll free only from Japan)

Hours: 9:00 a.m. - 5:00 p.m. (except Saturdays, Sundays and holidays).

(Note: On the day of the Meeting, operating hours will be from 9:00 a.m. to the close of the Meeting.)

Dear shareholders:

Looking back on the first year under the new management team: With record-high profits, we have entered a new stage of growth one year ahead of schedule

In April 2022 when I became the Chief Executive Officer (CEO), I declared that we were aiming to become a corporate group that would deliver the "Essence of Happiness" to the world. I said I would continue the work of former CEO Takaaki Nishii in the areas of ASV*1 Management and "Purpose x Passion x OE (Operational Excellence)," and that I would sustainably enhance our corporate value through the "Speed-Up x Scale-Up" of management.

Despite FY2022 being a tumultuous year with the COVID-19 pandemic, conflict in Ukraine, a range of cost increases, and exchange rate fluctuations, I aimed for quick progress through my 100-day plan, a concrete action plan under the new executive team which began from April 2022, and worked to enhance our ability to respond to cost increases. As a result, in FY2022 our consolidated sales increased 18.2% year-on-year to ¥1,359.1 billion and business profit increased 11.9% year-on-year to ¥135.3 billion. Our stock price and market capitalization also reached all-time highs, and our view is that the Company has entered a stage of re-growth. I would like to express my sincere gratitude to all those who shared in this sense of purpose.

Nonetheless, this record-high profit and the high evaluation is still not enough. We see our growth potential and profitability as still being a work in progress when compared with leading global companies, and I believe that there are still issues to be addressed. If we can "Scale-Up," I believe we will be able to aim for even greater heights. We are committed to working together across the entire company towards the achievement of these challenging and ambitious 2030 ASV indicators, including annual business profit growth of more than 10%, as announced in February.

*1 ASV stands for "Ajinomoto Group Creating Shared Value." These are initiatives that create both social and economic value through our business activities.

Purpose-Driven Management through our Medium-Term ASV Initiatives 2030 Roadmap

In February 2023, we announced our Medium-Term ASV Initiatives 2030 Roadmap which shows where we want to be in 2030 and the path to achieving it. In the Roadmap, we evolved the Ajinomoto Group's purpose from "solving food and health issues by unlocking the power of amino acids" to "contributing to the well-being of all human beings, our society, and our planet with AminoScience®*2."

The Ajinomoto Group's unique strength, AminoScience®, has been incorporated into this new purpose to contribute not only to solving food and health issues but also to the well-being*3 that lies beyond. This purpose incorporates not only the thoughts of our top management but also the thoughts generated by the employees of the Ajinomoto Group around the world and the determination to meet the expectations of our Sustainability Advisory Council and all of our stakeholders. Looking ahead to 2030, we will work to solve health and nutrition issues linked to food systems*4 together with our promotion of sustainability. We will aim to achieve: "extending the healthy life expectancy of one billion people" and "reducing our environmental impact by 50%."

*2 A general term for various materials, functions, technologies, marketing, and services obtained from research processes and implementation processes focused on the functions of amino acids, since our founding. Symbolizes the Ajinomoto Group's unique scientific approach to solving social issues and contributing to well-being. "AminoScience" is a registered trademark in Japan.
*3 Healthy and happy state.
*4 The series of activities related to food production, processing, transport, and consumption.

Promoting sustainability

I believe that promoting sustainability not only lowers the cost of capital but also leads to significant growth opportunities. Last winter, the Sustainability Advisory Council reported to the Board of Directors the important matters (materiality) that concern our diverse stakeholders. I am very excited about these opportunities to co-create economic value while solving social issues.

One example is our "Smart Salt®" initiative, aimed at helping consumers to reduce salt intake without compromising taste. We are now expanding this initiative from Japan to ASEAN and South America. On the environmental front, we are working to reduce the use of plastic by using paper as packaging material for the umami seasoning "AJI-NO-MOTO®" and flavor seasonings in Japan and ASEAN countries, and we are also working to utilize renewable energy at our plants.

In this way, the Ajinomoto Group will continue to work toward reducing environmental impact by 50% by 2030 and achieving net zero*5 by 2050. In addition, we will continue working towards our goals of reducing greenhouse gas emissions, plastic waste, food loss, and achieving sustainable procurement. These have all been main themes for us. With the Ajinomoto Group as the starting point, we will further promote collaboration with various stakeholders who share our purpose.

*See page 7 to 8 for information about the sustainability policies of the Ajinomoto Group and its response to climate change.

*5 To achieve net-zero greenhouse gas emissions.

Our approach to shareholder returns

Following our payment of a year-end dividend last June, we received a thank-you letter from a shareholder. The letter read: "I wish to thank you for the dividend every year, and for raising the dividend again this year." It was very nice for me to read this, and it encouraged my desire as a manager to achieve a progressive dividend system where we increase dividends in line with sustainable profit growth. We have now established a progressive dividend policy under which we increase or maintain dividend without reducing it, in our medium-term ASV initiatives. I believe that it is important to achieve sustainable profit growth and corporate value growth so that we can continue this policy and aim for a total rate of return to shareholders*6 of over 50%.

*6 Dividends and share buybacks as a percentage of profit attributable to owners of the parent company

FY2022 results and future outlook

Looking at our business results for FY2022, the Company's consolidated sales increased 18.2% year-on-year, or ¥209.7 billion, to ¥1,359.1 billion. This was primarily the result of a significant increase in sales in the food products business due to higher unit prices and sales volumes overseas, as well as increased sales of electronic materials and biopharma services.

Business profit increased 11.9% year-on-year, or ¥14.4 billion, to a record high of ¥135.3 billion. This was primarily due to a significant increase in sales in the Healthcare and Others segment, despite increases in costs, such as for raw materials in the food products business. Profit attributable to owners of the parent company reached a record high of ¥94.0 billion, up 24.2%, or ¥18.3 billion.

As for our performance in FY2023, although costs of raw materials and fuel prices are expected to continue to rise, at this stage we expect to outperform the levels of FY2022.

To conclude

Since the launch of our new management team in April 2022, we have steadily improved our corporate value. By linking and infusing this newly formulated management policy (Medium-Term ASV Initiatives) into the structure of our organization and our human-resource management, the ASV goals and actions of each employee can become connected to their purpose, and the passion towards the purpose of the organization and individuals will increase. Thus, I believe that our corporate culture will further evolve into a hands-on one where people are self-motivated, and this will become a major driver of further growth in our corporate value. The passion of everyone who shares the same purpose will spread in the same way, and co-creation will progress.

As the CEO, I will put my heart and soul into promoting the Medium-Term ASV Initiatives and achieving both "extending the healthy life expectancy of one billion people" and "reducing environmental impact by 50%" by 2030. I will continue working to significantly and sustainably improve our corporate value and contribute to the happiness of all stakeholders who share our purpose.

"Eat Well, Live Well."

Yours sincerely,
Taro Fujie
Representative Executive Officer,
President & Chief Executive Officer
Ajinomoto Co., Inc.
15-1 Kyobashi 1-chome
Chuo-ku, Tokyo, Japan

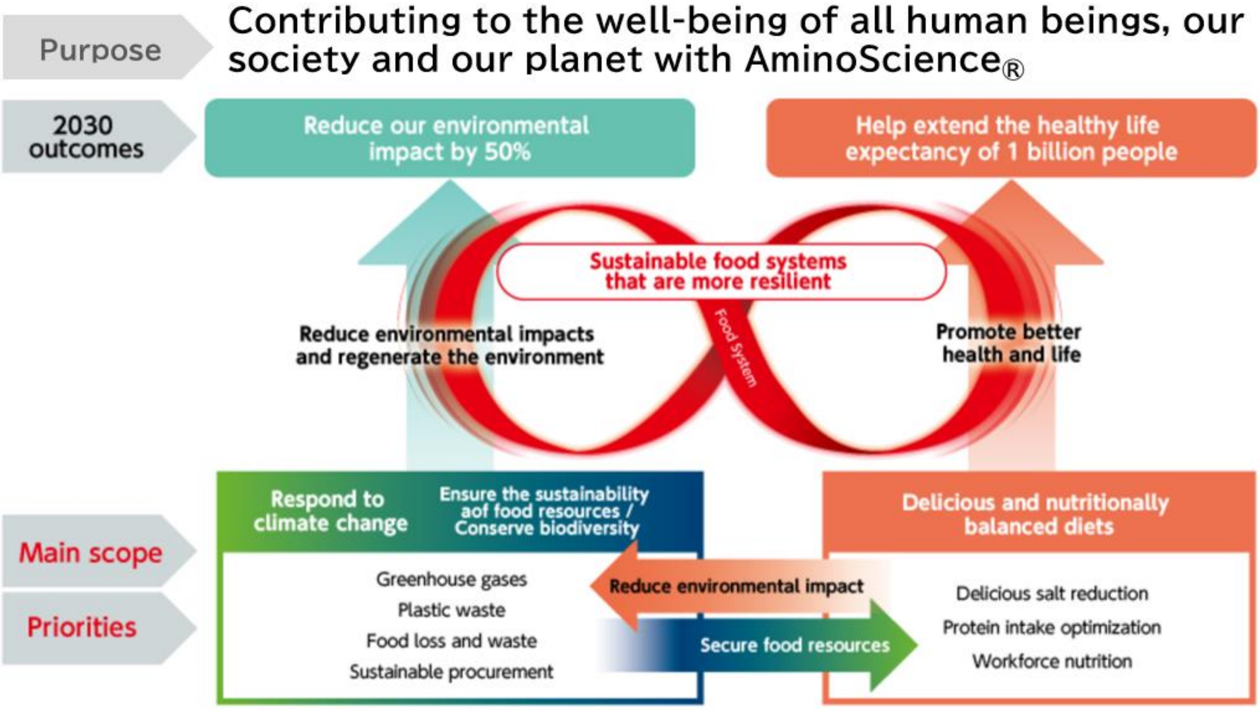
(Reference) The Ajinomoto Group's approach to sustainability and response to climate change

The Ajinomoto Group's approach to sustainability
The Ajinomoto Group aims to contribute to the well-being of all human beings, our society, and our planet with AminoScience®. To achieve this goal, we believe it is necessary to achieve both the outcomes of "extending the healthy life expectancy of one billion people" and "reducing our environmental impact by 50%" by 2030.

The business of the Ajinomoto Group is supported by sound food systems*1. We believe that in order to sustainably contribute to healthier and better lives that lead to extended healthy life expectancy, we must reduce our environmental impact through measures such as responding to climate change, ensuring sustainability of food resources, and the conservation of biodiversity.

Through our business activities, we provide products and services that are tasty, nutritionally balanced, and of benefit for people’s dietary habits, and further promote a reduced environmental impact caused by greenhouse gases, plastic waste, and food loss and waste. Also, through our resource recycling-based amino acid fermentation process (a bio-cycle), we are contributing to sustainable food systems that are more resilient and to regeneration of the global environment.

Furthermore, we will maximize our strength in AminoScience®, and transform food systems through innovation and building ecosystems.



*1 The series of activities related to food production, processing, transport, and consumption.

Our response to climate change
The Company regards climate change as a significant corporate risk and an opportunity, and endorses the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), and disclosed information in line with the framework. In our food products business, we have a wide range of products from seasonings to frozen foods, and we are also expanding our business in fields such as healthcare. Climate change may affect the Group's business in many ways, including causing the suspension of business activities due to major natural disasters, affecting our ability to procure raw materials such as crops and fuel, and altering the consumption of our products.

Therefore, based on the TCFD recommendations, the Company has been studying countermeasures and disclosing relevant information from the four perspectives of governance, strategy, risk management, and indicators and targets. As part of this effort, we are conducting a scenario analysis to evaluate the impact of climate change on our business. In FY2022, we conducted a scenario analysis of the impact of climate change on global umami seasonings and major products in Japan and overseas in 2030 and 2050 assuming a scenario in which the average global temperature will rise 1.5°C or 4°C above the level of the post-industrial revolution in 2100. As for medium- to long-term production issues, among the effects of climate change, droughts, floods, sea level rise, and changes in raw material yields were analyzed as physical risks, while the introduction of carbon taxes and other tighter regulations, increases in energy prices, and changes in consumer preferences were analyzed as transition risks.

Please see below for an outline of the risks and opportunities based on the scenario analysis as of 2050 and the measures taken to address them.

Based on the scenario analysis of the impacts of climate change on our business, we will plan investments in fuel conversion, renewable energy utilization, and environmentally friendly manufacturing methods to further reduce GHG emissions. In addition, we will work to formulate a new business strategy to realize "ASV," in which sustainability initiatives lead to higher added value for our products.

In scenario analysis for FY2023 and beyond, we will enhance our analysis of risks and opportunities by expanding the products and risks covered by the analysis.

Risks	Business Impact and Potential Financial Impact		Countermeasures	Social value	Economic value
Rising of average temperature	• Increase in raw material procurement costs • Decrease in productivity of agricultural, livestock and fishery products	¥200 million/year (1.5°C scenario) ¥4.5 billion/year (4°C scenario)	• Support for raw material production areas (1.5°C scenario) • Diversification of procurement areas (4°C scenario) • Development of extract reduction recipes (4°C scenario) • Introduction of high-temperature resistant varieties (4°C scenario) • Examination of raw materials produced by different production methods (1.5°C scenario) • Enhanced collaboration with suppliers and farmers (4°C scenario) • R&D of alternative raw materials (4°C scenario)	Reduction in environmental impact	Securing necessary volumes of raw materials and fuel, managing procurement price hikes
Increase in the severity and frequency of drought and flooding	• Measures to ensure continuous supply (1.5°C scenario) • Increase in raw material procurement costs (4°C scenario) • Decrease in sales due to the shutdown of operations and delays in delivery (4°C scenario)	Just a few (1.5°C scenario) ¥100 million/year (4°C scenario)	• Diversification of procurement areas • Continuation and improvement of water-saving measures in production (4°C scenario) • R&D of alternative raw materials • Development of supply and logistics systems (4°C scenario)		
Strengthening of laws and regulations applicable to products (1.5°C scenario)	• Increase in raw material procurement costs due to stricter laws and regulations on traceability, etc.	—	• Comprehensive cooperation upstream and downstream of the supply chain		
Changes in consumer preferences	• Decrease in demand due to rise in temperatures	—	• Communication aimed at creating habitual eating through promotion of ASV (nutritional value) • Marketing aimed at promoting consumption of soup and beverage products in chilled form • Improvement to easy heat cooking communication (4°C scenario) • Exploration and proposal of microwave cooking menus		
Introduction of carbon pricing mechanism (1.5°C scenario)	• Increase in procurement cost of raw materials and fuels used due to the introduction of a carbon tax and emissions trading	¥13 billion/year*2 in 2030 ¥30 billion/year*2 in 2050	• Visualization of financial impact through internal carbon pricing system • Fuel conversion • Development of environmentally conscious manufacturing methods • Use of renewable energy		
Increase in fuel cost (4°C scenario)	• Increase in cost of fossil fuel and electricity	¥2.5 billion/year	• Fuel conversion • Development of environmentally conscious manufacturing methods • Use of renewable energy		

Opportunities	Business Impact	Countermeasures	Social value	Economic value
Low CO_2 emission products and services	• Expansion of needs due to the spread of ethical consciousness	• Development of environmentally conscious manufacturing methods and products • Enhancement of evidence to prove low environmental impact • Promotion of efforts to obtain positive ESG evaluations (1.5°C scenario) • Promotion measures to shift customer preferences toward medium- and large-volume products	Reduction in environmental impact Promotion of health	Appreciation for our initiatives Increase in sales from higher premium with increase in consumer preference
Changes in consumer preferences	• Change of needs due to an increase in health consciousness and rise in temperatures	• Enhancement of nutritional value of products • Development of environmentally conscious manufacturing methods and products • Promoting appeal of nutritional value of products		

Our Strategy for GHG Reduction

		2030	2050
Scope 1, 2	Installation of cogeneration systems, fuel conversion to city gas, GHG reduction investments such as purchase of non-fossil certificates*3	-50% (compared to FY2018)	Achievement of net zero emissions
Scope 3	Acceleration of collaboration with external parties including suppliers, development and adoption of new technologies	-24% (compared to FY2018)	

*2 The 4°C scenario is the status quo and assumes no additional or increased carbon taxes or emissions trading.
*3 We are considering further investments to reduce GHG emissions, and will disclose the details as soon as they are determined.

Reference Documents for Shareholders' Meeting

Proposal 1	Appropriation of Surplus

The Company's basic policy is to distribute dividends twice a year, in the form of interim and year-end dividends.

Under the Medium-Term Management Plan for 2020-2025, the Company has been enhancing shareholder returns in a stable and continual manner to make the total return ratio 50% or more with a target dividend payout ratio of 40%.

In accordance with this policy, for the current fiscal year we propose to provide a year-end dividend of ¥37 per share (which including an interim dividend of ¥31 per share, brings the annual dividend to ¥68 per share).

If this Proposal is approved, the consolidated dividend payout ratio for the current fiscal year will be 38.6%. In the Medium-Term ASV Initiatives 2030 Roadmap, which was announced in February 2023, the Company declared a progressive dividend policy indicating dividends will not be reduced but will be increased or maintained. In addition, a concept of dividends based on normalized EPS* has been introduced, whereby the dividend amount is determined by business profit, which is less affected by extraordinary profit fluctuations such as from impairment losses. The Company will work to further improve dividends by steadily increasing business profit.

*Dividends based on normalized EPS = (Business profit x (1 − FY2023 Ajinomoto Group standard tax rate of 27%)) / Total number of shares outstanding x Return coefficient of 35%

1. Matters related to year-end dividend

    (1) Kind of dividend assets:

    Cash

    (2) Items relating to allocation of dividend assets to shareholders and total amount of the same:

    ¥37 per share of common stock / a total of ¥19,598,006,080

    (3) Effective date of payment of dividend from surplus:

    June 28, 2023

2. Other matters related to appropriation of surplus

    There are no applicable matters.

Proposal 2	Election of 11 Directors

The terms of office of all 10 Directors will expire at the close of this Ordinary General Meeting of Shareholders. In addition, Director Chiaki Nosaka passed away on November 10, 2022. Based on the decision of the Nomination Committee, we request that 11 Directors be elected.

If this Proposal is approved, the proportion of Independent Directors on our Board of Directors will exceed one-half, the three female Directors will bring the proportion of female Directors to exceed one-quarter, and one Director of non-Japanese nationality will be added. The 11 Director candidates are as follows.

Outside = Outside Director
Independent = Independent Director

Candidate No.	Name		Current position and responsibility in the Company	Board of Directors meeting attendance (FY2022)	Committee meeting attendance (FY2022)
1	Kimie Iwata	Reappointment Outside Independent	Outside Director Chair of the Board Member of the Nomination Committee Member of the Compensation Committee	18 out of 18 meetings (100%)	Nomination Committee: 9 out of 10 meetings (90%) Compensation Committee: 12 out of 13 meetings (92%)
2	Joji Nakayama	Reappointment Outside Independent	Outside Director Chair of the Compensation Committee Member of the Nomination Committee Member of the Audit Committee	18 out of 18 meetings (100%)	Nomination Committee: 10 out of 10 meetings (100%) Compensation Committee: 13 out of 13 meetings (100%) Audit Committee: 10 out of 10 meetings (100%)
3	Atsushi Toki	Reappointment Outside Independent	Outside Director Chair of the Audit Committee Member of the Nomination Committee	17 out of 18 meetings (94%)	Nomination Committee: 7 out of 7 meetings (100%) Audit Committee: 15 out of 15 meetings (100%)
4	Mami Indo	Reappointment Outside Independent	Outside Director Member of the Compensation Committee Member of the Audit Committee	18 out of 18 meetings (100%)	Compensation Committee: 8 out of 8 meetings (100%) Audit Committee: 15 out of 15 meetings (100%)
5	Yoko Hatta	Reappointment Outside Independent	Outside Director Member of the Audit Committee	13 out of 13 meetings (100%)	Audit Committee: 10 out of 10 meetings (100%)
6	Scott Trevor Davis	New appointment Outside Independent	—	—	—
7	Taro Fujie	Reappointment	Director Representative Executive Officer, President & Chief Executive Officer Member of the Nomination Committee	13 out of 13 meetings (100%)	Nomination Committee: 7 out of 7 meetings (100%)

8	Hiroshi Shiragami	Reappointment	Director Representative Executive Officer & Executive Vice President Chief Innovation Officer (CIO) Supervision of Research and Development	13 out of 13 meetings (100%)	—
9	Tatsuya Sasaki	Reappointment	Director Executive Officer & Senior Vice President General Manager, Corporate Division	13 out of 13 meetings (100%)	—
10	Takeshi Saito	New appointment	Executive Officer & Vice President Chief Transformation Officer (CXO)	—	—
11	Takumi Matsuzawa	New appointment	Executive Officer & Vice President In charge of Internal Control and Audit Committee General Manager, Internal Auditing Dept.	—	—

(Notes)

1. The records for Ms. Yoko Hatta, Mr. Taro Fujie, Mr. Hiroshi Shiragami, and Mr. Tatsuya Sasaki indicate their attendance at meetings of the Board of Directors and Committees after their Director appointment on June 23, 2022.
2. The records of attendance for Mr. Atsushi Toki at meetings of the Nomination Committee, for Mr. Joji Nakayama at meetings of the Audit Committee, and for Ms. Mami Indo at meetings of the Compensation Committee are those for meetings after their Committee appointments on June 23, 2022.

Candidate director skill matrix

The Company’s basic policy is to ensure that the Board of Directors is composed of Independent Directors who can objectively supervise business execution from an independent perspective, Internal Directors who also serve as Executive Officers including the Chief Executive Officer, and Internal Director who is a Member of the Audit Committee (Standing), taking into consideration the number of Directors, the ratio of people from inside and outside the Company, the proportion of Directors who also serve as Executive Officers, and the diversity with regard to individual experience, capacities, expertise, international background, gender, etc.

Our Board of Directors, which consists of candidates with the expertise, knowledge, and experience shown in the table below, work with our stakeholders in the spirit of contributing to the well-being of all human beings, our society, and our planet with "AminoScience®," to overcome social issues, help achieve a sustainable society, and continuously improve our corporate value.

	Manag-ement Strategy	Global	Sustainability	Digital	R&D / Production	Sales/ Marketing	Finance/ Accounting	HR/ HR Development	Legal Affairs/ Risk Management
Kimie Iwata	○		○					○	
Joji Nakayama	○	○			○			○	
Atsushi Toki									○
Mami Indo	○						○		○
Yoko Hatta		○					○		○
Scott Trevor Davis	○	○	○					○	
Taro Fujie	○	○				○		○	
Hiroshi Shiragami	○	○		○	○				
Tatsuya Sasaki	○	○	○			○			
Takeshi Saito	○			○	○		○		
Takumi Matsuzawa		○						○	○

(Notes)
1. This matrix lists up to four skills possessed by each candidate director and does not represent all their skills.
2. Please refer to page 24 to 25 for definitions of the skills in the skill matrix and reasons for selection.

1	Reappointment / Outside / Independent	**Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies**
Kimie Iwata		April 1971 Joined the Ministry of Labour (currently Ministry of Health, Labour and Welfare) January 2001 Director-General of Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare June 2004 Director, Corporate Officer, Shiseido Company, Limited April 2007 Director, Corporate Executive Officer, Shiseido Company, Limited April 2008 Director and Executive Vice President, Shiseido Company, Limited June 2008 Representative Director, Executive Vice President, Shiseido Company, Limited March 2012 Outside Audit & Supervisory Board Member, Kirin Holdings Company, Limited April 2012 Director, Shiseido Company, Limited July 2012 Outside Director, Japan Airlines Co., Ltd. October 2015 Audit and Inspection Commissioner, the Tokyo Metropolitan Government (present post) March 2016 Outside Director, Kirin Holdings Company, Limited June 2018 Outside Director, Sumitomo Corporation (present post) June 2019 Outside Director, Resona Holdings, Inc. (present post) June 2019 Outside Director, Ajinomoto Co., Inc. (present post) (Important positions currently held in other companies) Audit and Inspection Commissioner, the Tokyo Metropolitan Government Outside Director, Sumitomo Corporation Outside Director, Resona Holdings, Inc.
	Date of birth: April 6, 1947 Number of Company shares held: 1,700 shares Board of Directors meeting attendance: 18 out of 18 meetings (100%) Nomination Committee meeting attendance: 9 out of 10 meetings (90%) Compensation Committee meeting attendance: 12 out of 13 meetings (92%)	

● Special items relating to candidate for Outside Director:

Ms. Kimie Iwata is a candidate for Outside Director under Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. Ms. Iwata was appointed to be an Outside Director of the Company at the 141st Ordinary General Meeting of Shareholders held on June 25, 2019. As of the conclusion of this Ordinary General Meeting of Shareholders, her term as an Outside Director will have been 4 years.

● Reasons for nomination as a candidate for Outside Director, and summary of expected role:

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 in important Company matters and 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 has demonstrated great leadership since her appointment as Chair of the Board in June 2021. For these reasons, we re-nominate Ms. Iwata as a candidate for Outside Director. We envision for her to continue as the Chair of the Board and be active as a Member of both the Nomination Committee and the Compensation Committee.

In September 2014, while she was an outside director of Japan Airlines Co., Ltd., it was discovered that customer information had been leaked due to unauthorized access to the company's customer information system. Although she was unaware of the incident until it was discovered, she was appointed as chairman of a review committee made up of independent officers and established by the airline (in October of 2014) after the leak was uncovered, and worked on measures to prevent a recurrence.

2	Reappointment / Outside / Independent

Joji Nakayama

Date of birth:
May 11, 1950

Number of Company shares held:
600 shares

Board of Directors meeting attendance: 18 out of 18 meetings (100%)

Nomination Committee meeting attendance: 10 out of 10 meetings (100%)

Compensation Committee meeting attendance: 13 out of 13 meetings (100%)

Audit Committee meeting attendance: 10 out of 10 meetings (100%)

Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies

April 1979	Joined Suntory Limited
March 2000	Director, Suntory Limited
December 2002	President, CEO, Daiichi Suntory Pharma Co., Ltd.
June 2003	Director, Daiichi Pharmaceutical Co., Ltd.
June 2010	Representative Director, President, CEO, Daiichi Sankyo Co., Ltd.
April 2017	Representative Director, Chairman, CEO, Daiichi Sankyo Co., Ltd.
June 2019	Representative Director, Chairman, Daiichi Sankyo Co., Ltd.
June 2020	Full-time Advisor, Daiichi Sankyo Co., Ltd. (present post)
June 2021	Outside Director, Ajinomoto Co., Inc. (present post)

● Special items relating to candidate for Outside Director:
Mr. Joji Nakayama is a candidate for Outside Director under Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. Mr. Nakayama was appointed to be an Outside Director of the Company at the 143rd Ordinary General Meeting of Shareholders held on June 23, 2021. As of the conclusion of this Ordinary General Meeting of Shareholders, his term as an Outside Director will have been for 2 years.

● Reasons for nomination as a candidate for Outside Director, and summary of expected role:
Mr. Joji 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 the healthcare field. By utilizing this knowledge, he has contributed in making important managerial decisions at the Board of Directors and supervision of the way business is carried out. For these reasons, we re-nominate Mr. Nakayama as a candidate for Outside Director. We envision for him to be active as Chair of the Nomination Committee and as a member of the Remuneration Committee and the Audit Committee.

3	Reappointment / Outside / Independent

Atsushi Toki

Date of birth:
May 19, 1955

Number of Company shares held:
5,400 shares

Board of Directors meeting attendance: 17 out of 18 meetings (94%)

Nomination Committee meeting attendance: 7 out of 7 meetings (100%)

Audit Committee meeting attendance: 15 out of 15 meetings (100%)

Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies

April 1983	Registered as an attorney at law
April 1989	Partner, Okudaira Toki Law Office
April 1997	Representative, Meitetsu Sogo Law Office
December 2001	Outside Corporate Auditor, Maruyama Mfg Co., Inc.
May 2003	Outside Director, Parco Co., Ltd.
June 2003	Outside Corporate Auditor, Credit Saison Co., Ltd.
March 2008	Partner, Seiwa Meitetsu Law Office
December 2015	Outside Director / Audit and Supervisory Committee member, Maruyama Mfg Co., Inc. (present post)
June 2016	Outside Director, GEOSTR Corporation (present post)
June 2016	Audit & Supervisory Board Member (External) Ajinomoto Co., Inc.
September 2018	Representative, Meitetsu Sogo Law Office (present post)
June 2021	Outside Director, Ajinomoto Co., Inc. (present post)

(Important positions currently held in other companies)
Representative, Meitetsu Sogo Law Office (attorney at law)
Outside Director / Audit and Supervisory Committee member, Maruyama Mfg Co., Inc.
Outside Director, GEOSTR Corporation

● Special items relating to candidate for Outside Director:

Mr. Atsushi Toki is a candidate for Outside Director under Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. Mr. Toki was appointed to be an Outside Director of the Company at the 143rd Ordinary General Meeting of Shareholders held on June 23, 2021. As of the conclusion of this Ordinary General Meeting of Shareholders, his term as an Outside Director will have been for 2 years. Furthermore, before taking office as an Outside Director of the Company, Mr. Toki has been an Audit & Supervisory Board Member (External) of the Company. If this period of 5 years in office is added, his term of office will be 7 years.

● Reasons for nomination as a candidate for Outside Director, and summary of expected role:

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 has made a significant contribution to the strengthening of the Company in auditing functions and systems of corporate governance. For these reasons we re-nominate Mr. Toki as a candidate for Outside Director. We envision for him to continue to be active as Chair of the Audit Committee and as a member of the Nomination Committee. Although Mr. Toki has not been involved in the management of companies except by becoming an outside director or outside corporate auditor, we deem that for the reasons mentioned above, he will be able to faithfully carry out his duties as an Outside Director.

4	Reappointment / Outside / Independent

Mami Indo

Date of birth:
November 6, 1962

Number of Company shares held:
1,100 shares

Board of Directors meeting attendance: 18 out of 18 meetings (100%)

Compensation Committee meeting attendance: 8 out of 8 meetings (100%)

Audit Committee meeting attendance: 15 out of 15 meetings (100%)

Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies

April 1985	Joined Daiwa Securities Co. Ltd.
August 1989	Transferred to Daiwa Institute of Research Ltd.
April 2004	Transferred to Daiwa Securities SMBC Co. Ltd. (presently Daiwa Securities Co. Ltd.)
April 2006	External Director, Daiwa Investor Relations Co., Ltd.
October 2007	Transferred to Daiwa Institute of Research Ltd.
April 2009	Senior Managing Director, Executive Officer of Consulting Division, Daiwa Institute of Research Ltd.
August 2010	Senior Managing Director, Executive Officer of First Consulting Division, Daiwa Institute of Research Ltd.
April 2013	Executive Managing Director, Deputy Executive Officer of Research Division, Daiwa Institute of Research Ltd.
April 2016	Senior Executive Director, Daiwa Institute of Research Ltd.
December 2016	Commissioner, Securities and Exchange Surveillance Commission
June 2020	Audit & Supervisory Board Member (External), Ajinomoto Co., Inc.
June 2020	Outside Director, Tokyo Gas Co., Ltd. (present post)
June 2021	Outside Director, Fujitec Co., Ltd.
June 2021	Outside Director, Ajinomoto Co., Inc. (present post)

(Important positions currently held in other companies)
Outside Director, Tokyo Gas Co., Ltd.

● Special items relating to candidate for Outside Director:
Ms. Mami Indo is a candidate for Outside Director under Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. Ms. Indo was appointed to be an Outside Director of the Company at the 143rd Ordinary General Meeting of Shareholders held on June 23, 2021. As of the conclusion of this Ordinary General Meeting of Shareholders, her term as an Outside Director will have been for 2 years. Furthermore, before taking office as an Outside Director of the Company, Ms. Indo has been an Audit & Supervisory Board Member (External) of the Company. If this period of 1 year in office is added, her term of office will be 3 years.

● Reasons for nomination as a candidate for Outside Director, and summary of expected role:
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-nominate Ms. Indo as a candidate for Outside Director. We envision for her to continue to be active as a member of the Compensation Committee and the Audit Committee.

5	Reappointment / Outside / Independent	Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies
	Yoko Hatta	August 1988 Joined Peat Marwick Main & Co. (presently KPMG LLP New York Office) August 1997 Partner of the same office September 2002 Partner, KPMG Peat Marwick Tax Corporation (presently KPMG Tax Corporation) June 2008 Auditor of International Christian University June 2015 Outside Corporate Auditor, Kobayashi Pharmaceutical Co., Ltd. (present post) June 2016 Outside Corporate Auditor, IHI Corporation June 2016 Outside Corporate Auditor, Nippon Paper Industries Co., Ltd. June 2019 Outside Director, Nippon Paper Industries Co., Ltd. (present post) June 2022 Outside Director / Audit and Supervisory Committee member, Koei Chemical Co., Ltd. (present post) June 2022 Outside Director, Ajinomoto Co., Inc. (present post) (Important positions currently held in other companies) Outside Corporate Auditor, Kobayashi Pharmaceutical Co., Ltd. Outside Director, Nippon Paper Industries Co., Ltd. Outside Director / Audit and Supervisory Committee member, Koei Chemical Co., Ltd.
	Date of birth: June 8, 1952 Number of Company shares held: 0 shares Board of Directors meeting attendance: 13 out of 13 meetings (100%) Audit Committee meeting attendance: 10 out of 10 meetings (100%)	

● Special items relating to candidate for Outside Director:

Ms. Yoko Hatta is a candidate for Outside Director under Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. Ms. Hatta was appointed to be an Outside Director of the Company at the 144th Ordinary General Meeting of Shareholders held on June 23, 2022. As of the conclusion of this Ordinary General Meeting of Shareholders, her term as an Outside Director will have been for 1 year.

● Reasons for nomination as a candidate for Outside Director, and summary of expected role:

Ms. Yoko Hatta has extensive experience in international accounting firms and a great insight into international taxation and other matters. This insight is highly regarded both internally and externally. In June 2022, Ms. Hatta was appointed as an Outside Director of the Company 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 finance & accounting. For these reasons, we re-nominate Ms. Hatta as a candidate for Outside Director. We envision for her to continue to be active as a member of the Audit Committee. Although Ms. Hatta has not been involved in the management of companies except by becoming an outside director or outside corporate auditor, we deem that for the reasons mentioned above, she will be able to faithfully carry out her duties as an Outside Director.

In January 2019, while she was in office as an outside corporate auditor of IHI Corporation, it was discovered that inappropriate work was being carried out in the company's commercial aircraft engine maintenance business. In response, in March 2019, the Ministry of Economy, Trade and Industry ordered the company to make licensed repairs based on the Aircraft Manufacturing Industry Act, and in April 2019, the Ministry of Land, Infrastructure, Transport and Tourism issued a business improvement order to the company, based on the Civil Aeronautics Act. Ms. Hatta made recommendations on the importance of legal compliance and risk management, based on her wealth of experience and insight, before these facts became clear. After the facts of the incident came to light, Ms. Hatta maintained a clear understanding of the situation by receiving reports on the progress of the investigation. She strove to prevent a recurrence, and took steps that included demanding a prompt investigation of the impact on safety, taking appropriate measures to prevent a recurrence, and further strengthening and enforcing compliance.

6	New appointment / Outside / Independent	**Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies**
Scott Trevor Davis		April 1990 Researcher, The Japan Institution of Labour (currently The Japan Institute for Labour Policy and Training) April 2001 Professor, Department of International Economics, Reitaku University May 2004 Outside Director, Ito-Yokado Co., Ltd. September 2005 Outside Director, Seven & i Holdings Co., Ltd. March 2006 Outside Corporate Auditor, Nissen Co., Ltd. April 2006 Professor, Department of Global Business, College of Business, Rikkyo University (present post) March 2011 Outside Director, Nomination Committee / Compensation Committee member, Bridgestone Corporation (present post) June 2014 Outside Director, Chair of Nomination Committee, Compensation Committee member, Sompo Holdings, Inc. (present post) (Important positions currently held in other companies) Professor, Department of Global Business, College of Business, Rikkyo University Outside Director, Nomination Committee / Compensation Committee member, Bridgestone Corporation Outside Director, Chair of Nomination Committee, Compensation Committee member, Sompo Holdings, Inc.
	Date of birth: December 26, 1960 Number of Company shares held: 0 shares Board of Directors meeting attendance: ―	

● Special items relating to candidate for Outside Director:
Mr. Scott Trevor Davis is a candidate for Outside Director under Article 2, Paragraph 3, item 7 of the Ordinance for Enforcement of the Companies Act.

● Reasons for nomination as a candidate for Outside Director, and summary of expected role:
Mr. Scott Trevor Davis is a professor in the Department of Global Business, College of Business, Rikkyo University. He has a high level of academic knowledge regarding the theory and practice of social value creation through management strategies, as well as extensive insight into CSR and sustainability. In addition, as an outside director in other companies, he has been involved in making important management decisions and supervising business execution. From April 2021 to March 2023, Mr. Davis served as the Chair of our Sustainability Advisory Council where he led appropriate reporting to the Board of Directors on materiality (important matters for solving social issues and achieving sustainable development). For these reasons, we nominate Mr. Davis as a candidate for Outside Director. We envision for him to be active as Chair of the Compensation Committee and as a member of the Nomination Committee. Although Mr. Davis has not been involved in the management of companies except by becoming an outside director or outside corporate auditor, we deem that for the reasons mentioned above, he will be able to faithfully carry out his duties as an Outside Director.

● Special interests between the candidate and the Company:
Although Mr. Davis has been involved with the Company through an agreement regarding his appointment as the Chair of our Sustainability Advisory Council and through an agreement regarding his appointment as an ASV Award selection committee member, he satisfies the Company's standards for determining the independence of outside directors.

7	Reappointment	Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies	
	Taro Fujie	April 1985	Joined Company
	Date of birth: October 25, 1961 Number of Company shares held: 22,100 shares Board of Directors meeting attendance: 13 out of 13 meetings (100%) Nomination Committee meeting attendance: 7 out of 7 meetings (100%)	July 2008	General Manager, China Foods & Seasonings Dept., China Business Strategy & Planning Division
		July 2011	President, Ajinomoto Philippines Corporation
		June 2013	Corporate Executive Officer, Ajinomoto Co., Inc.
		June 2015	President, Ajinomoto do Brasil Indústria e Comércio de Alimentos Ltda.
		June 2017	Corporate Vice President, Ajinomoto Co., Inc.
		April 2021	General Manager, Food Products Division
		June 2021	Executive Officer & Senior Vice President
		April 2022	Representative Executive Officer, President & Chief Executive Officer (CEO) (present post)
		June 2022	Director (present post)

● Reasons for nomination as a candidate for Director:

Mr. Taro Fujie, with the purpose of "contributing to the well-being of all human beings, our society, and our planet with AminoScience®," laid out the Medium-Term ASV Initiatives 2030 Roadmap. With his firm leadership, Mr. Fujie is driving the Company's management transformation and the sustainable improvement of corporate value. We re-nominate Mr. Fujie as a candidate for Director to ensure that these transformational efforts are carried out. Upon his election as such, we envision for him to continue to serve as Representative Executive Officer, President & Chief Executive Officer (CEO) and as a member of the Nomination Committee.

8	Reappointment	**Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies**

Hiroshi Shiragami

Date of birth: May 10, 1961

Number of Company shares held: 14,715 shares

Board of Directors meeting attendance: 13 out of 13 meetings (100%)

April 1986	Joined Company
July 2009	General Manager, AminoScience Business Development Dept., Amino Acids Company
July 2013	Board Chairman & Managing Director, Ajinomoto Althea, Inc.
July 2015	Corporate Fellow, Ajinomoto Co., Inc.
June 2019	Corporate Vice President
June 2019	General Manager, Research Institute for Bioscience Products & Fine Chemicals, AminoScience Division
June 2021	Executive Officer & Senior Vice President
April 2022	Representative Executive Officer & Executive Vice President (present post)
June 2022	Director (present post)

(Current Assignment in the Company)
Chief Innovation Officer (CIO)
Supervision of Research and Development

● Reasons for nomination as a candidate for Director:

In addition to his role as Representative Executive Officer & Executive Vice President where he strongly supports the efforts of CEO Fujie in a range of reforms, Mr. Hiroshi Shiragami, as the Chief Innovation Officer (CIO), has led the creation of new businesses through business model transformation and innovation. For these reasons, we re-nominate Mr. Shiragami as a candidate for Director and, upon his election as such, envision for him to continue to serve as Representative Executive Officer & Executive Vice President, CIO, Supervisor of Research and Development and to act as a member of the Nomination Committee.

9	Reappointment	Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies
Tatsuya Sasaki		April 1986 Joined Company January 2011 General Manager, Nutrition Care Dept., Wellness Business Division July 2013 General Manager, Corporate Planning Dept. June 2017 Corporate Executive Officer June 2019 Corporate Vice President July 2019 President, Ajinomoto do Brasil Indústria e Comércio de Alimentos Ltda. June 2021 Executive Officer & Vice President, Ajinomoto Co., Inc. April 2022 Executive Officer & Senior Vice President (present post) April 2022 General Manager, Global Corporate Division April 2022 General Manager, Corporate Service Division June 2022 Director (present post) June 2022 Outside Director, J-Oil Mills, Inc. (present post) April 2023 General Manager, Corporate Division (present post) (Current Assignment in the Company) General Manager, Corporate Division (Important positions currently held in other companies) Outside Director, J-Oil Mills, Inc.
	Date of birth: June 25, 1963 Number of Company shares held: 7,837 shares Board of Directors meeting attendance: 13 out of 13 meetings (100%)	

● Reasons for nomination as a candidate for Director:

Mr. Tatsuya Sasaki has extensive experience and a proven track record in business management both in Japan and abroad. As the General Manager of our Corporate Planning Dept., he has been deeply involved in the formulation and implementation of management plans and has promoted the strengthening of the management base of the entire Ajinomoto Group from the position of supervising our corporate departments. For these reasons, we re-nominate Mr. Sasaki as a candidate for Director and, upon his election as such, envision for him to continue to be General Manager of the Corporate Division.

10	New appointment	Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies
Takeshi Saito		April 1992 Joined Corporate Directions, Inc. August 2003 Joined Industrial Revitalization Corporation of Japan November 2004 Outside Director, OCC, Inc. June 2005 Outside Director, Kanebo Corporation August 2005 Managing Director, Industrial Revitalization Corporation of Japan April 2007 Partner and Managing Director, Industrial Growth Platform, Inc. January 2015 Director, Industrial Growth Platform, Inc. January 2019 Chief Development Officer, Misaki Capital, Inc. September 2019 Chief Engagement Officer, Misaki Capital, Inc. June 2021 Representative Director, IMCES, Inc. (present post) July 2021 Advisor and Assistant to CXO, Ajinomoto Co., Inc. April 2023 Executive Officer & Vice President (present post) (Current Assignment in the Company) Chief Transformation Officer (CXO) (Important positions currently held in other companies) Representative Director, IMCES, Inc.
	Date of birth: October 29, 1966 Number of Company shares held: 5,900 shares Board of Directors meeting attendance: ー	

● Reasons for nomination as a candidate for Director:

For more than 30 years as a management professional, Mr. Takeshi Saito has contributed to the creation and expansion of business value and corporate value in various positions, including consultant, advisor, investor, manager, and director. He has extensive knowledge and experience in management of transformation and evolution. As a member of our Value Creation Advisory Board under the direct control of the President and Executive Vice President, Mr. Saito has been closely involved in the transformation of the Company. Since April 2023 Mr. Saito has been involved in management as an Executive Officer & Vice President and Chief Transformation Officer (CXO). For these reasons, we nominate Mr. Saito as a candidate for Director and, upon his election as such, envision for him to continue as CXO.

11	New appointment	**Biographical Outline, Position, Responsibility, and Important Positions Currently Held in Other Companies**
Takumi Matsuzawa		April 1987 Joined Company July 2003 Director, Ajinomoto Co., (Thailand) Ltd. July 2011 General Manager, Global Human Resources Group, Human Resources Dept. July 2014 Managing Director, Ajinomoto do Brasil Indústria e Comércio de Alimentos Ltda. June 2017 Corporate Executive Officer, Ajinomoto Co., Inc. June 2017 General Manager, Global Human Resources Dept. April 2018 General Manager, Human Resources Dept. June 2021 Executive Officer June 2021 Executive Officer, In charge of Internal Control and Audit Committee (present post) July 2021 General Manager, Internal Auditing Dept. (present post) April 2023 Executive Officer & Vice President (present post) (Current Assignment in the Company) In charge of Internal Control and Audit Committee General Manager, Internal Auditing Dept.
	Date of birth: June 27, 1964 Number of Company shares held: 15,470 shares Board of Directors meeting attendance: ―	

● Reasons for nomination as a candidate for Director:

Mr. Takumi Matsuzawa has been involved in operations in the human resources department of the Company for many years and has also been involved in the management of overseas business. He has a wealth of knowledge and experience regarding the Company's domestic and overseas operations. Since June 2021 Mr. Matsuzawa has properly overseen the legality and appropriateness of business execution from his position as the person in charge of internal control and the Audit Committee. For these reasons, we nominate Mr. Matsuzawa as a candidate for Director and, upon his election as such, envision for him to become Member of the Audit Committee (Standing) as the only non-outside Director specializing in supervision who does not have an executive role.

Notes:

1. We have designated 5 individuals (Ms. Kimie Iwata, Mr. Joji Nakayama, Mr. Atsushi Toki, Ms. Mami Indo, and Ms. Yoko Hatta) to be independent officers under the stipulations of the Tokyo Stock Exchange and have registered this decision with the Exchange. If the election of these 5 individuals is approved, we will continue to designate them to be independent officers. In addition, if the election of Mr. Scott Trevor Davis is approved, we will newly designate him to be an independent officer and register this decision with the Exchange. For information on the Company's standards for determining the independence of outside directors, please refer to page 26.
2. The Company has entered into an agreement with 5 individuals (Ms. Kimie Iwata, Mr. Joji Nakayama, Mr. Atsushi Toki, Ms. Mami Indo, and Ms. Yoko Hatta) to limit 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. If the election of these 5 individuals is approved, this Agreement shall be continued. In addition, if the election of Mr. Scott Trevor Davis is approved, we will newly conclude an agreement with him similar to that described above to limit his liability for damages.
3. The Company has concluded a liability insurance policy to insure 10 individuals (Ms. Kimie Iwata, Mr. Joji Nakayama, Mr. Atsushi Toki, Ms. Mami Indo, Ms. Yoko Hatta, Mr. Taro Fujie, Mr. Hiroshi Shiragami, Mr. Tatsuya Sasaki, Mr. Takeshi Saito, and Mr. Takumi Matsuzawa) with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. If a claim for damages is filed by a shareholder or a third party, those damages such as damages and dispute costs that the insured is to bear will be covered by the insurance policy. If the election of the 10 individuals (Ms. Kimie Iwata, Mr. Joji Nakayama, Mr. Atsushi Toki, Ms. Mami Indo, Ms. Yoko Hatta, Mr. Taro Fujie, Mr. Hiroshi Shiragami, Mr. Tatsuya Sasaki, Mr. Takeshi Saito, and Mr. Takumi Matsuzawa) is approved, these 10 individuals will continue to be insured by the insurance policy. Upon the approval of the election of Mr. Scott Trevor Davis, we will newly cover him in this policy. The insurance policy will be renewed in September 2023.

(Reference) Definition of skills and reason for selection

Skills	Definition	Reasons for selection
Management Strategy	Skills to realize enhancement of corporate value through sustainable growth by gaining thorough knowledge of business, and through supervising and promoting an appropriate strategy that is conscious of capital markets	As a solution-providing group of companies for food and health issues, these skills are essential to dramatically increase the corporate value of the Ajinomoto Group through the promotion of Ajinomoto Group Creating Shared Value (ASV) management.
Global	Skills to supervise and promote appropriate strategies for global business development based on diverse values and cultures	These skills are essential for appropriate supervision and promotion of business execution based on understanding of diverse values and cultures for the sustainable global expansion of business domains
Sustainability	Skills to supervise and promote appropriate strategies for resolving social issues through business to realize a sustainable society	These skills are essential to achieve "the extension of healthy life expectancy for 1 billion people" and "the reduction of our environmental footprint by 50%" through ASV management that achieves both social value and economic value.
Digital	Skills to supervise and promote appropriate strategies for innovation and improvement of productivity, etc. by making full use of IT and digital technologies	These skills are essential for transforming the company into a solution-providing group of companies for food and health issues while enhancing our corporate value by raising our competitiveness, efficiency, and productivity through DX
R&D / Production	Skills to supervise and promote appropriate strategies for constantly pursuing innovative R&D as well as safe and secure products and services	These skills are essential to achieve "the extension of healthy life expectancy for 1 billion people" and "the reduction of our environmental footprint by 50%" through innovation based on the pursuit of "unlocking the power of amino acids"
Sales/ Marketing	Skills to supervise and promote appropriate strategies to enhance brand value to accelerate growth in key businesses	These skills are essential for growth through brand management that meets the values of the market and consumers and "Speed Up x Scale Up"

Finance & Accounting	Skills to supervise and promote appropriate strategies based on advanced expertise in finance, accounting, and tax matters	These skills are essential to maximize corporate value through ASV management, to formulate and promote strategies that realize both investment for growth and shareholder returns, and to ensure appropriate supervision of business execution
HR/ HR Development	Skills to supervise and promote appropriate strategies for each and every diverse human resource to develop and maximize their abilities	These skills are essential to evolve ASV management by strengthening human assets, which are the driving force for the enhancement of the value of all intangible assets, through the cogrowth of individuals and organizations
Legal Affairs/ Risk Management	Skills to supervise and promote appropriate strategies to realize sustainable enhancement of corporate value through legal compliance, corporate governance and risk management	These skills are essential to steadily and stably promote ASV management by realizing sustainable enhancement of corporate value through penetration and implementation of Ajinomoto Group Policies (AGP)*

*The Ajinomoto Group Policies (AGP) set out the beliefs and behaviors to which all Ajinomoto Group companies and each of those who work there are committed. The AGP serves as a written pledge to all stakeholders that Ajinomoto Group personnel will work earnestly to uphold these beliefs and behaviors.

(Reference) Scheduled membership of Directors in each committee

If this Proposal is approved, the composition of each committee will be as follows. (◎ = Committee chair)

Candidate No.	Name	Nomination Committee	Compensation Committee	Audit Committee	Remarks
1	Kimie Iwata	○	○		Chair of the Board Lead Independent Director
2	Joji Nakayama	◎	○	○	
3	Atsushi Toki	○		◎	
4	Mami Indo		○	○	
5	Yoko Hatta			○	
6	Scott Trevor Davis	○	◎		
7	Taro Fujie	○			Representative Executive Officer, President & Chief Executive Officer (CEO)
8	Hiroshi Shiragami	○			Representative Executive Officer & Executive Vice President Chief Innovation Officer (CIO) Supervision of Research and Development
9	Tatsuya Sasaki				Executive Officer & Senior Vice President General Manager, Corporate Division
10	Takeshi Saito				Executive Officer & Vice President Chief Transformation Officer (CXO)
11	Takumi Matsuzawa			○	Member of the Audit Committee (Standing)

(Reference) Standards for Determining the Independence of Outside Directors
Outside Directors must not fall under any of the following categories to be considered independent.

(1) Said person regards the Company as a key customer, or is an executive officer for such a party.
(2) Said person is a key customer of the Company, or is an executive officer for such a party.
(3) Said person is a consultant, accounting specialist or legal specialist who has received substantial monetary or other assets (other than director compensation) from the Company (if the person receiving said assets is a corporate entity, association, or other such organization, this stipulation extends to members of that organization)
(4) Said person who falls under criteria (1), (2), or (3) above at any time within a one-year period before the proposed appointment.
(5) Said person is a relative (a relative up through the second degree of kinship) of any person (other than those deemed unimportant) falling under criteria 1), 2), or 3) below.
  1) A person falling under criteria (1), (2), (3), or (4) above.
  2) A person who is an executive officer of a subsidiary of the Company.
  3) A person who falls under criteria 2) above or is an executive officer of the Company, at any time within a one-year period before the proposed appointment.

Notes:
1. A person who “regards the Company as a key customer,” refers to a person who, within the most recent business year, received from the Company an amount corresponding to 2% of that party’s annual consolidated sales or ¥100 million, whichever is higher.
2. A person who is “a key customer of the Company,” refers to a person who, within the most recent business year, paid to the Company an amount corresponding to 2% of our annual consolidated sales or ¥100 million, whichever is higher.
3. A person who “has received substantial monetary or other assets from the Company,” refers to a person who, within the most recent business year, has received from the Company monies/property in an amount corresponding to 2% of that party's sales/ total revenues or ¥10 million, whichever is higher.

End

(Attached Document)

Business Report (From April 1, 2022 to March 31, 2023)

I. Matters regarding the Current Status of the Ajinomoto Group

1. Progress of Operations and Operating Results

During the fiscal year ended March 31, 2023, the Company's consolidated sales increased 18.2% year-on- year, or ¥209.7 billion to ¥1,359.1 billion. This was due to the effect of currency translation and increases in sales in the Seasonings and Foods segment, the Frozen Foods segment, and the Healthcare and Others segment.

Business profit increased 11.9% year-on-year, or ¥14.4 billion, to ¥135.3 billion, primarily due to the effect of currency translation and an increase in sales in the Healthcare and Others segment, despite increases in costs, such as for raw materials.

Operating profit increased 19.6% year-on-year, or ¥24.3 billion, to ¥148.9 billion mainly as a result of gain on sale of non-current assets (idle assets) recorded in other operating income despite the impairment loss on goodwill related to Ajinomoto Foods North America, Inc. recorded in other operating expenses, as well as other factors.

Profit attributable to owners of the parent company totaled ¥94.0 billion, up 24.2%, or ¥18.3 billion.

Note: "Business profit" is our original profit indicator and defined as sales minus the cost of sales, selling expenses, research and development expenses, and general and administrative expenses, to which share of profit of associates and joint ventures is then added. Business profit does not include other operating income or other operating expenses.

Seasonings and Foods

In the Seasonings and Foods segment, sales increased 16.7% year-on-year, or ¥110.7 billion, to ¥775.0 billion, primarily because of increases in unit prices and sales volume overseas, in addition to the effect of currency translation. Segment business profit increased 2.1% year-on-year, or ¥1.7 billion, to ¥82.9 billion, mainly owing to the effect of currency translation and increased revenue, despite the effect of cost increases for raw materials and other inputs.

Main factors affecting segment sales

Sauce & Seasonings

Overall large increase in revenue.

Japan: Decrease in revenue primarily due to the fall back in at-home demand after the increase in the previous year.

Overseas: Large increase in revenue due to the impact of currency translation, and also increased unit sales prices and increased quantity of product sold.

Quick Nourishment

Overall increase in revenue.

Japan: Decrease in revenue, but if the impact of structural reform in coffee products is excluded, increase in revenue.

Overseas: Large increase in revenue due to the impact of currency translation, and also increased unit sales prices, and increased sales of instant noodles, ready to drink beverages, etc.

Solution & Ingredients

Large increase in revenue primarily due to increased unit sales prices of, and the impact of currency translation on, umami seasonings for processed food manufacturers and increased sales of foodservice-use products.

Main factors affecting segment profits

Sauce & Seasonings

Overall decrease in profit.

Japan: Large decrease in profit primarily due to the impacts of cost increases, such as for raw materials, and decreased revenue.

Overseas: Increase in profit primarily due to the impacts of increased revenue and currency translation, despite the impact of cost increases, such as for raw materials.

Quick Nourishment

Overall decrease in profit.

Japan: Large decrease in profit primarily due to the impact of cost increases, such as for raw materials.

Overseas: Large increase in profit primarily due to the impacts of increased revenue and currency translation, despite the impact of cost increases, such as for raw materials.

Solution & Ingredients

Overall large increase in profit primarily due to the impacts of increased revenue and currency translation, despite the impact of cost increases, such as for raw materials.

Frozen Foods

Frozen Foods segment sales increased 20.5% year-on-year, or ¥45.5 billion, to ¥267.2 billion, primarily as a result of the effect of currency translation and increases in unit prices. Segment business profit increased year-on-year by ¥0.9 billion to ¥0.2 billion, mainly owing to increased revenue and the effect of currency translation, despite the effect of cost increases for raw materials and other inputs.

Main factors affecting segment sales

Overall large increase in revenue.

Japan: Revenue was level with the previous year primarily due to the recovery in restaurant and industrial-use products and increased unit sales prices despite the impact of structural reform.

Overseas: Large increase in revenue primarily due to the impact of currency translation and increased unit sales prices.

Main factors affecting segment profits

Overall increase in profit.

Japan: Decrease in profit primarily due to strategic expenses and the impact of cost increases, such as for raw materials.

Overseas: Increase in profit primarily due to the impacts of increased revenue and currency translation despite the impact of cost increases, such as for raw materials.

Healthcare and Others

Healthcare and Others segment sales increased 19.3% year-on-year, or ¥48.4 billion, to ¥299.6 billion, mainly due to increases in sales of both Bio-Pharma Services & Ingredients and Functional Materials (electronic materials and others), and the effect of currency translation. Segment business profit increased 21.1% year-on-year, or ¥9.1 billion, to ¥52.5 billion, mainly due to the effects of revenue growth and currency translation.

Main factors affecting segment sales

Bio-Pharma Services & Ingredients

Large increase in revenue due to increased sales of Bio-Pharma Services (CDMO services) and amino acids for pharmaceuticals and foods, and also the impact of currency translation.

Functional Materials (electronic materials and others)

Large increase in revenue primarily due to increased sales of electronic materials.

Others

Large increase in revenue due to the impact of currency translation, and also increased sales of primarily medical foods.

Main factors affecting segment profits

Bio-Pharma Services & Ingredients

Increase in profit accompanying large increase in revenue.

Functional Materials (electronic materials and others)

Large increase in profit accompanying large increase in revenue.

Others

Decrease in profit primarily due to an increase in strategic investments.

2. Assets and Income Status

	142nd Fiscal Year (FY2019)	143rd Fiscal Year (FY2020)	144th Fiscal Year (FY2021)	145th Fiscal Year (Current Fiscal Year) (FY2022)
Sales (Billions of yen)	1,100.0	1,071.4	1,149.3	1,359.1
Business profit (Billions of yen)	99.2	113.1	120.9	135.3
Profit attributable to owners of the parent company (Billions of yen)	18.8	59.4	75.7	94.0
Basic earnings per share (yen)	34.37	108.36	139.42	175.97
Total assets (Billions of yen)	1,353.6	1,431.2	1,457.0	1,511.7
Total equity (Billions of yen)	592.0	667.8	739.7	822.9
Equity per share (attributable to owners of the parent company) (Yen)	983.19	1,130.82	1,280.50	1,452.24
ROE (Return on equity attributable to owners of the parent company) (%)	3.3%	10.3%	11.6%	12.9%

Notes: 1. The Ajinomoto Group has adopted the International Financial Reporting Standards (IFRS)
2. Basic earnings per share is calculated based on the average number of shares outstanding during the fiscal year less the average number of shares of treasury stock during the fiscal year.
3. Equity per share (attributable to owners of the parent company) is calculated based on the number of shares outstanding at the end of the fiscal year less the number of shares of treasury stock at the end of the fiscal year.

3. Capital Expenditures of the Ajinomoto Group

Capital expenditures of the Ajinomoto Group for the fiscal year ended March 31, 2023 amounted to a total of ¥69.8 billion, which was mainly for the following:

- Expansion of pharmaceutical manufacturing facilities (India) (completed in February 2023)
- Renewal of information facilities (Japan) (completed in March 2023)
- Construction of food production facilities (Malaysia) (completed in March 2023)
- Installation of a biomass combined heat and power system (Thailand) (completed in March 2023)
- Expansion of food production facilities (U.S.A.) (completed in March 2023)
- Expansion of pharmaceutical manufacturing facilities (U.S.A.) (scheduled for completion in July 2023)
- Expansion of food production facilities (Japan) (scheduled for completion in March 2024)
- Renewal of combined heat and power system (Japan) (scheduled for completion in March 2024)
- Expansion of amino acid production facilities (U.S.A.) (scheduled for completion in June 2024)

4. Company Reorganization

There are no applicable matters.

5. Financing of the Ajinomoto Group

There are no applicable matters.

6. Employees of the Ajinomoto Group (as of March 31, 2023)

(1) Employees of the Company and its consolidated subsidiaries

Number of employees	Change from the previous fiscal year end
34,615	Increase by 417

Note: The number of employees indicates full-time employees, excluding temporary employees.

(2) Employees of the Company

Number of employees	Change from the previous fiscal year end
3,335	Increase by 83

Note: The number of employees indicates full-time employees, excluding temporary employees.

7. Important Subsidiaries and Affiliates (as of March 31, 2023)

The Company has 110 consolidated subsidiaries, including the 48 companies listed in "(1) Important Subsidiaries" below, and 14 affiliates accounted for by the equity method, including the 3 companies listed in "(2) Important Affiliates" below.

(1) Important Subsidiaries

Company name	Location	Capital stock	Ratio of voting rights (%)	Main business
Ajinomoto Frozen Foods Co., Inc.	Chuo-ku, Tokyo	JPY 9,537 million	100	Frozen Foods
Ajinomoto Food Manufacturing Co., Ltd.	Kawasaki-ku, Kawasaki-shi	JPY 4,000 million	100	Quick Nourishment
Ajinomoto AGF, Inc.	Shibuya-ku, Tokyo	JPY 3,862 million	100	Quick Nourishment
Ajinomoto Healthy Supply Co., Inc.	Chuo-ku, Tokyo	JPY 380 million	100	Other (Healthcare)
AJINOMOTO ENGINEERING CORPORATION	Ota-ku, Tokyo	JPY 324 million	100	Other
Ajinomoto Fine-Techno Co., Inc.	Kawasaki-ku, Kawasaki-shi	JPY 315 million	100	Functional Materials
Ajinomoto Trading Co., Ltd.	Minato-ku, Tokyo	JPY 200 million	100	Other (Healthcare)
DELICA ACE Corporation	Ageo-shi, Saitama	JPY 200 million	100	Solution & Ingredients
Ajinomoto Financial Solutions, Inc.	Chuo-ku, Tokyo	JPY 100 million	100	Other
Ajinomoto Bakery, Inc.	Chuo-ku, Tokyo	JPY 100 million	100	Solution & Ingredients
Ajinomoto Communications Co., Inc.	Chuo-ku, Tokyo	JPY 100 million	100	Other
GeneDesign, Inc.	Ibaraki-shi, Osaka	JPY 59 million	100	Bio-Pharma Services & Ingredients
Saps ltd.	Chuo-ku, Tokyo	JPY 50 million	100	Solution & Ingredients
Ajinomoto Direct Corporation	Chuo-ku, Tokyo	JPY 10 million	100	Other (Healthcare)
Ajinomoto Digital Business Partners Co., Inc.	Chuo-ku, Tokyo	JPY 51 million	66.7	Other
Ajinomoto SEA Regional Headquarters Co., Ltd.	Thailand	THB 2,125,000 thousand	100	Seasonings and Foods / Frozen Foods

Company name	Location	Capital stock		Ratio of voting rights (%)	Main business
Ajinomoto Co., (Thailand) Ltd.	Thailand	THB	796,362 thousand	99.7	Sauce & Seasonings
AJINOMOTO SALES (THAILAND) COMPANY LIMITED	Thailand	THB	50,000 thousand	100*	Sauce & Seasonings and Quick Nourishment
AJITRADE (THAILAND) CO., LTD.	Thailand	THB	10,000 thousand	100*	Other (Healthcare) and Quick Nourishment
WAN THAI FOODS INDUSTRY CO., LTD.	Thailand	THB	60,000 thousand	60.0*	Quick Nourishment
AJINOMOTO BETAGRO FROZEN FOODS (THAILAND) CO., LTD.	Thailand	THB	764,000 thousand	50.0*	Frozen Foods
PT Ajinomoto Indonesia	Indonesia	USD	8,000 thousand	51.0	Sauce & Seasonings
P.T. AJINOMOTO SALES INDONESIA	Indonesia	USD	250 thousand	100*	Sauce & Seasonings
Ajinomoto Vietnam Co., Ltd.	Vietnam	USD	50,255 thousand	100	Sauce & Seasonings
Ajinomoto (Malaysia) Berhad	Malaysia	MYR	65,102 thousand	50.4	Sauce & Seasonings
AJINOMOTO PHILIPPINES CORPORATION	The Philippines	PHP	665,444 thousand	95.0	Sauce & Seasonings
Ajinomoto (China) Co., Ltd.	China	USD	104,108 thousand	100	Other (Healthcare)
Shanghai Ajinomoto Seasoning Co., Ltd.	China	USD	27,827 thousand	100*	Sauce & Seasonings and Solution & Ingredients
Shanghai Ajinomoto Trading Co., Ltd.	China	RMB	10,000 thousand	100*	Bio-Pharma Services & Ingredients
AJINOMOTO (HONG KONG) CO., LTD.	Hong Kong	HKD	5,799 thousand	100	Solution & Ingredients
AJINOMOTO (SINGAPORE) PRIVATE LTD.	Singapore	SGD	1,999 thousand	100	Solution & Ingredients
Ajinomoto (Cambodia) Co., Ltd.	Cambodia	USD	11,000 thousand	100	Sauce & Seasonings
Ajinomoto Korea, Inc	Republic of Korea	KRW	1,000,000 thousand	70.0	Quick Nourishment
AJINOMOTO TAIWAN INC.	Taiwan	NTD	250,000 thousand	100	Sauce & Seasonings
Myanmar Ajinomoto Foods Co., Ltd.	Myanmar	MMK	61,290,000 thousand	100*	Sauce & Seasonings
Ajinomoto Foods North America, Inc.	U.S.A.	USD	15,030 thousand	100*	Frozen Foods
Ajinomoto Health & Nutrition North America, Inc.	U.S.A.	USD	0	100*	Bio-Pharma Services & Ingredients
Ajinomoto Althea, Inc.	U.S.A.	USD	0	100	Bio-Pharma Services & Ingredients
Ajinomoto Cambrooke, Inc.	U.S.A.	USD	34,280 thousand	100*	Other (Healthcare)

Company name	Location	Capital stock	Ratio of voting rights (%)	Main business
Ajinomoto do Brasil Indústria e Comércio de Alimentos Ltda.	Brazil	BRL 913,298 thousand	100	Sauce & Seasonings, Solution & Ingredients, and Bio-Pharma Services & Ingredients
Ajinomoto del Perú S.A.	Peru	PEN 45,282 thousand	99.6	Sauce & Seasonings and Quick Nourishment
AJINOMOTO FOODS EUROPE S.A.S.	France	EUR 35,000 thousand	100*	Solution & Ingredients
S.A. Ajinomoto OmniChem N.V.	Belgium	EUR 21,320 thousand	100*	Bio-Pharma Services & Ingredients
AJINOMOTO FOODS NIGERIA LTD.	Nigeria	NGN 2,623,714 thousand	100	Sauce & Seasonings
AJINOMOTO ISTANBUL FOOD INDUSTRY AND TRADE LTD. CO.	Turkey	TRY 51,949 thousand	100	Sauce & Seasonings and Quick Nourishment
AJINOMOTO POLAND SP Z.O.O.	Poland	PLN 39,510 thousand	100	Quick Nourishment
Nualtra Limited	Ireland	EUR 0	100*	Other (Healthcare)
Agro2Agri, S.L.	Spain	EUR 2,027 thousand	100*	Other (Healthcare)

Notes: 1. In the current fiscal year, Myanmar Ajinomoto Foods Co., Ltd. and Nualtra Limited were added to the list of Important Subsidiaries.

2. In the current fiscal year, Ajinomoto North America Holdings, Inc. and More Than Gourmet Holdings, Inc. were removed from Important Subsidiaries.

3. The Company’s ratio of voting rights in companies indicated with an * (asterisk) mark are calculated including the voting rights held by the Company’s subsidiaries.

(2) Important Affiliates

Company name	Capital stock	Ratio of voting rights (%)	Main business
EA Pharma Co., Ltd.	JPY 9,145 million	40.0	Manufacture and sale of pharmaceuticals, etc.
J-Oil Mills, Inc.	JPY 10,000 million	27.2	Manufacture and sale of edible oils, etc.
Promasidor Holdings Limited	USD 0 thousand	33.3	Manufacture and sale of processed foods etc.

8. Policy on Determination of Dividends of Surplus, etc.

The Company's basic policy is to distribute dividends twice a year, in the form of interim and year-end dividends.

Under the Medium-Term Management Plan for 2020-2025, the Company has been enhancing shareholder returns in a stable and continual manner to make the total return ratio 50% or more with a target dividend payout ratio of 40%.

In the Medium-Term ASV Initiatives 2030 Roadmap, which was announced in February 2023, the Company declared a progressive dividend policy indicating dividends will not be reduced but will be increased or maintained. In addition, a concept of dividends based on normalized EPS* has been introduced, whereby the dividend amount is determined by business profit, which is less affected by extraordinary profit fluctuations such as from impairment losses. The Company will work to further improve dividends by steadily increasing business profit.

The year-end dividend may be determined by a resolution of the Board of Directors in accordance with Article 34, Paragraph 1 of the Articles of Incorporation, but in principle, the dividend is to be determined by a resolution of the General Meeting of Shareholders, except in cases where infectious diseases or natural disasters may affect the holding and operation of the General Meeting of Shareholders.

*Dividends based on normalized EPS = (Business profit x (1 − FY2023 Ajinomoto Group standard tax rate of 27%)) / Total number of shares outstanding x Return coefficient of 35%

9. Our Tasks Ahead

Looking back on Phase 1 of the "2020-2025 Medium-Term Management Plan” (the 2020-2022 Medium-Term Management Plan)

To achieve sustainable growth going forward in Phase 1 (the 2020-2022 Medium-Term Management Plan) of the “2020-2025 Medium-Term Management Plan,” we undertook thorough structural reforms, worked toward achievement of steady organic growth, concentrated on priority businesses, and promoted asset-light management to reduce tangible assets. Moreover, from April 2022 under the banner of “Speed-Up x Scale-Up” we promoted the transformation of our corporate culture to accelerate the speed of decision-making and execution, and accelerated the improvement in our adaptability, such as our efforts to achieve stable supplies of raw materials and our prompt response to cost increases under uncertain social conditions.

We have achieved essentially all of the financial and non-financial targets set in Phase 1, and have been able to reach a stage of re-growth one year ahead of schedule. Although we did not achieve our targets for high-priority business sales and employee engagement scores, we will continue to strive to enhance our human resources, which are the source that enables us to increase the value of our intangible assets. In addition to implementing a new, more accurate method of assessing employee engagement, we will strive for the simultaneous growth of both our individual employees and of our organization, united by the ASV purpose, further raising these engagement scores and contributing to an increase in corporate value.

FY2020–2022
Phase 1

Structural reform

			FY19 (Actual)	FY20 (Actual)	FY21 (Actual)	FY22 (Actual)	FY22 (MTP Target)
Financial indicators	Efficiency	ROIC (>Capital cost) ( ): Excluding expenses for structural reform	3.0% (Approx. 6%)	6.9% (Approx. 8%)	7.9% (8.5%)	**9.9%** **(10.8%)**	8%
Financial indicators	Growth	Organic sales growth (YoY)	0.3%	-0.6%	6.8%	**9.5%**	4%
Financial indicators	Priority KPIs	Percentage of sales from core businesses	66.5%	66.6%	68.7%	**68.7%**	70%
Financial indicators	Priority KPIs	Unit price growth (YoY) (International consumer products)	Approx. 5%	2.8%	4.8%	**11.9%**	2.5%
Non-financial indicators	Priority KPIs	Employee engagement score (“ASV as one’s own initiative”)	55%	64%	61%	**62%**	70%
Non-financial indicators	Strengthening brand	Brand value (mUSD) (Interbrand research)	780	926	1,208	**1,391** (YoY +15%)	Target 7% CAGR for brand value
Non-financial indicators	Strengthening brand	Brand strength score	56	58	59	**59**	Increase in score for each of 12 major countries of business

Our Philosophy: solving food and health issues and beyond

In the past, the Ajinomoto Group has formulated and implemented 3-year medium-term management plans. Despite the constantly changing social and economic conditions, our main focus remained on the creation of precise management figures for the three years ahead, where the future is unknown. This hindered our ability to implement challenging initiatives and growth was inadequate. For these reasons, we have moved away from conventional 3-year management plans that were prone to overload and planning fatigue due to excessively detailed numerical targets for the 3-year period. Instead, based on our long-term vision, we established "ASV indicators*1" and backcasted*2 to clarify the path we ought to take in order to reach our vision for 2030—also known as our Medium-Term ASV Initiatives 2030 Roadmap.

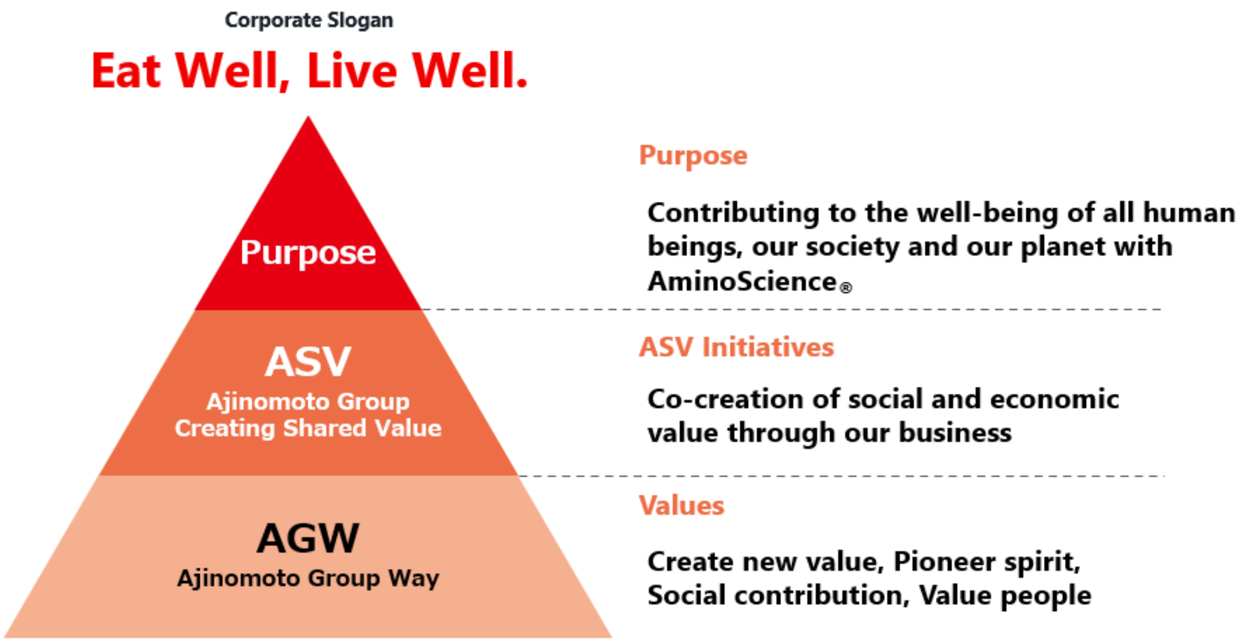
In drawing up the Medium-Term ASV Initiatives 2030 Roadmap, we have sought to evolve the Ajinomoto Group's purpose from "solving food and health issues by unlocking the power of amino acids," to "contributing to the well-being of all human beings, our society and our planet through AminoScience®*3." We have also reorganized our philosophy to be clearer and more concise. Under this philosophy, we will reform our management in accordance with the "Medium-Term ASV Initiatives" and "ASV indicators", seeking to go beyond simply solving food and health issues, by contributing to the well-being of all human beings, our society and our planet through AminoScience®, and to make good on our vision of a world where people "Eat Well, Live Well."

*1 Indices that encourage further growth and challenges, consisting of economic indicators that demonstrate the financial performance of the Ajinomoto Group through its businesses, and social value indicators that are intended to measure the value that the Group is striving to create on a societal level.

*2 Backcasting is a method that involves working backward from a desirable future to the present, to determine what one should do now.

*3 A general term for various materials, functions, technologies, marketing, and services obtained from research processes and implementation processes focused on the functions of amino acids, since our founding. Also, the Ajinomoto Group's unique scientific approach to leveraging those materials, functions, technologies, marketing and services for the solving of social issues and to contribute to human well-being. "AminoScience" is a registered trademark in Japan.

Our Philosophy

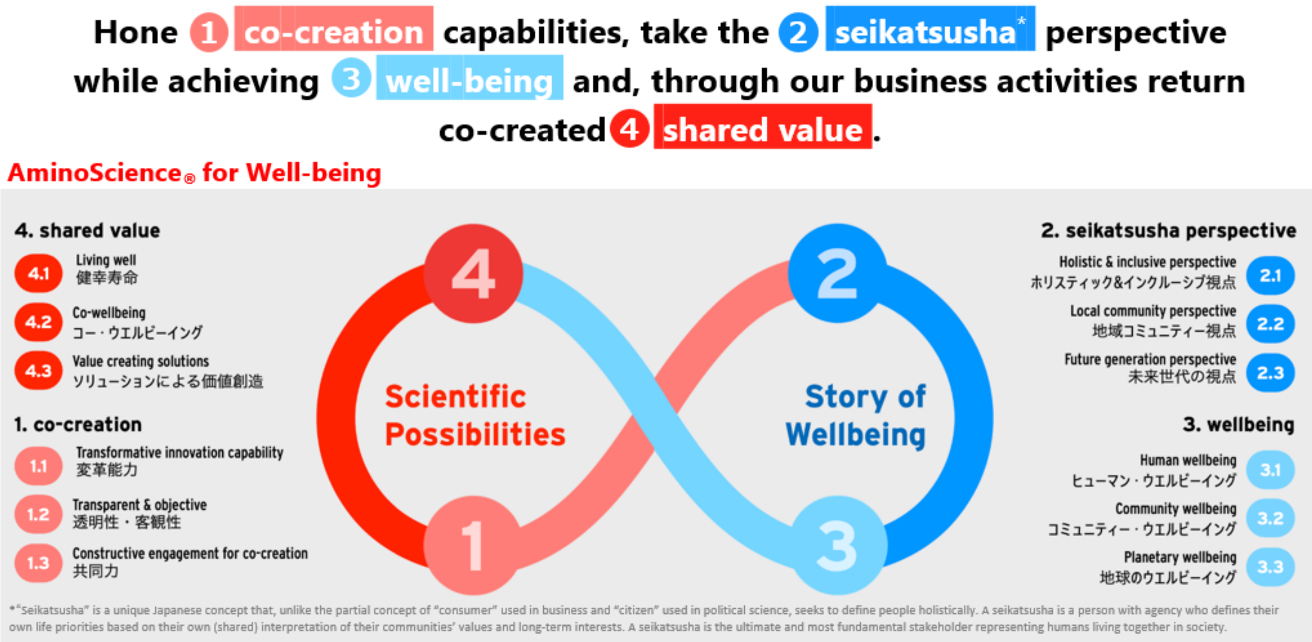


Important issues that the Ajinomoto Group must tackle (Materiality)

Based on continued dialogue with our diverse stakeholders and the recommendations of our Sustainability Advisory Council, composed mainly of outside experts, we have set important issues (Materiality) as a strategic framework that the Ajinomoto Group must tackle over the long term.

In the figure below, "AminoScience® for Well-being" represents the Ajinomoto Group's approach to the future, which is to transform the quality of life sought by human beings into "well-being" and to grow it sustainably by regenerating the global environment and expanding its possibilities through the power of AminoScience®. The infinite mobius circle also signifies sustainable growth. This concept of positive growth is exactly in line with our purpose, which is to "contribute to the well-being of all human beings, our society, and our planet through AminoScience®. We are conscious of the connection between our purpose and Materiality, and will engage in dialogue with our diverse stakeholders while setting, measuring, and disclosing specific initiatives and target KPIs as part of our management strategy.

We have invited Professor Scott Trevor Davis of Rikkyo University, who chaired our Sustainability Advisory Council, to join our Board of Directors as an Outside Director to ensure that this initiative will be implemented, and not just a figure of speech.



The Medium-Term ASV Initiatives 2030 Roadmap

(1) Transforming our management in line with the Medium-Term ASV Initiatives

The first point in the Medium-Term ASV Initiatives 2030 Roadmap is the transformation of our management in line with the Medium-Term ASV Initiatives. We will evolve from a plan-centered approach to management that continuously refines its execution capabilities. We will discontinue the formulation of medium-term management plans and instead advance our Medium-Term ASV Initiatives that will enable us to continuously pursue our ASV Indicators. To make this possible, we identified the indicators we wanted to achieve in our vision for 2030, then backcasted to formulate a roadmap to FY2030. These indicators are our ASV Indicators. These are more than simply economic values; they also show the social value indicators that lead to these economic values.

We understand that as we proceed with this approach, we may not achieve success in every single aspect. We will continue to hone our ability to execute by promptly recognizing any signs of issues and continuing to take action to improve our approach.

Each and every employee will grow by continuing to pursue high goals, and we will use these as a driving force to boost and continuously enhance our corporate value.

We will continue to announce forecasts for each fiscal year as in the past, and will always aim to achieve our targets.

Ref. Aim for approx. **3x EPS** (vs. FY2022)

			FY22	FY23 (forecast)	FY25 (plan)	FY30 (plan)
ASV Indicators	Economic value indicators	ROE	12.9%	12.4%	18%	Approx. 20%
		ROIC (>Capital Cost)	9.9%	9.5%	13%	Approx. 17%
		Organic sales growth	9.5%	8.8%	5% (FY22-25)	5% or more (FY25-30)
		EBITDA margin	15.2%	15.4%	17%	19%
	Social value indicators	Initiatives to Reduce Environmental Impact	-	-	-	Reduce our environmental impact by 50% (outcome)
		Nutrition commitment We plan to consider KPIs for other contributions than nutrition as well.	-	-	-	Help extend the healthy life expectancy of 1 bl people (outcome)
	Strengthening intangible assets	Employee engagement score*	62% (75%**)	-	80%	85% or more
		Brand Value (mUSD) (Interbrand research)	1,391 (Actual +15% YoY)	Compared with FY19, CAGR 7% or more		

Challenging targets from management

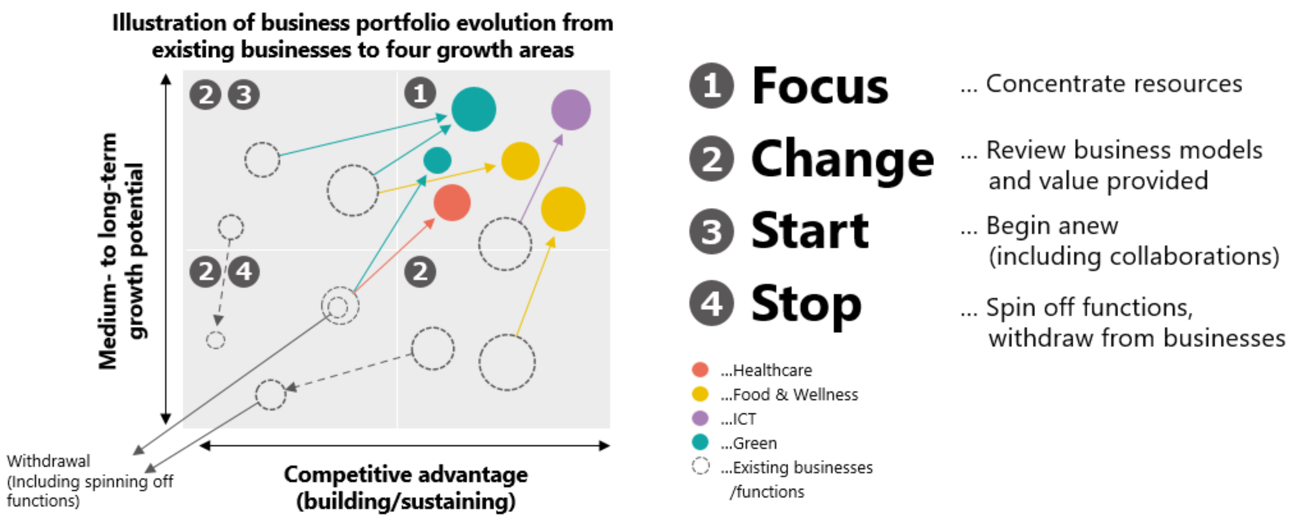
ASV will grow dramatically and continually, and we will continue to be an attractive group for stakeholders and society

* From FY2023, the measurement method will be changed from a single question about ASV as one's own initiative to an average value from nine questions about the ASV achievement process to better grasp the actual situation

** FY2022 score for ASV achievement process

(2) The evolution of portfolio management

The second point is the evolution of portfolio management that focuses on considering the optimum allocation of assets. We will shift the allocation of our various portfolios such as our businesses, functions and regions, in reflection of our purpose and the Medium-Term ASV Initiatives. Until now, we have proceeded along the axis of growth and efficiency, with particular priority given to concentrating on our six key businesses and implementing asset-light initiatives (holding fewer assets and lightening our financials). Going forward, while continuing to improve efficiency and implement asset-light initiatives, we will focus more on medium- to long-term growth potential. In our new portfolio approach, we will focus on medium- to long-term growth potential on the vertical axis and on building competitive advantage and sustainability on the horizontal axis, concentrating management resources in growth areas and shifting to a highly profitable business structure, while continuing to plant seeds with an eye on the future and making prompt withdrawal decisions. This will be a process of constantly renewing and evolving our portfolio through (1) Focus, (2) Change (3) Start and (4) Stop.

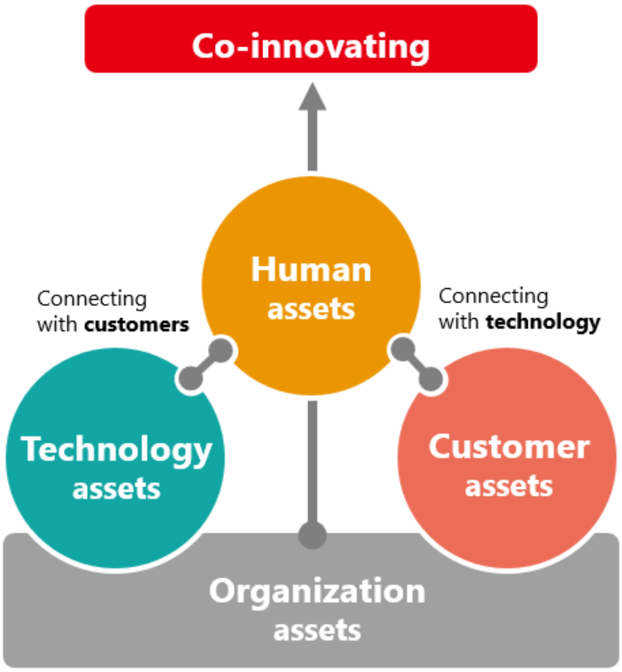


(3) Investment in intangible assets

The final point is investment in intangible assets. We believe that the core of our competitive advantage lies in our intangible assets—our technological assets, human resources assets, customer assets, and organizational assets. We will further refine these while promoting their "visualization."

Firstly, our technological assets include AminoScience®, represented by our Palatability Design Technology and leading-edge bioscience and fine chemical technologies. This also includes marketing techniques that help us determine how to appeal to consumers. Our most important intangible asset is human resources. The strength of the Ajinomoto Group lies in our human resources who believe in our purpose, are passionate about it, who create innovation by matching customers with technologies, and who work closely in the field. In the future, we will work to acquire and develop human resources capable of creating even more diverse value. In terms of our customer assets, our strength lies in our relationships with diverse and global customers spanning B2B, B2C, industries, and regions. Finally, our organizational assets refer to the strength of our organization as a whole that is shared by our Company: our purpose and passion for that purpose, our ASV Initiatives, the Ajinomoto Group Way, and our corporate brand. At the same time, to shift to growth, we believe we need to enhance the mechanism to "Speed-Up x Scale-Up" innovation in the field. To this end, we will invest approximately ¥100 billion in human resources by 2030, increasing learning opportunities through workshops and training, and revitalizing organizational assets and organizational culture in an integrated manner.

We believe that efforts to invest in and strengthen these intangible assets are closely related to the creation of Ajinomoto Group Creating Shared Value (ASV). By continuing to reaffirm the ASV achievement process every year as one measure of employee engagement, we will continue to improve our corporate value.



Diversity, Equity and Inclusion

In order to enhance our diversity, we are promoting initiatives to advance three important indicators (gender, nationality, and Group company affiliation). As part of this, from April 2023 we have promoted 3 women and 2 non-Japanese nationals as executive officer candidates and proposed one non-Japanese national as an Outside Director candidate.

In addition, utilizing the position management system*4 we have introduced, the HR Committee will also help ensure that the outstanding human resources of the Ajinomoto Group can play an even more active role on the global stage beyond corporate and national borders. At leadership level, we will also work to achieve a diversity rate of 30% representing these three indicators by 2030. To this end, we will enhance and visualize our human resource pool, develop capabilities at our global human resource development program, "the Ajinomoto Group Academy," and promote the right people to the right positions, including through cross-regional collaboration.

*4 Identifies the duties necessary for the organization to realize the business strategy, and determines the requirements for each job and the human resources required to carry out those duties.

Reinforcement of our risk management system

In recent years, the business environment has been changing rapidly, and we recognize that comprehensive risk management is more important than ever. Accordingly, we established the Risk Management Committee in April 2023. Until then, risk management was handled by the Risk & Crisis Subcommittee, a subordinate organization to the Sustainability Committee, which was responsible for formulating countermeasures for risks and opportunities of company-wide management issues based on Materiality, however we were not able to take sufficient pre-emptive measures against the pandemic and geopolitical risks under this structure. The newly established Risk Management Committee will improve the Ajinomoto Group's risk management capabilities by identifying risks that could hinder the realization of the Medium-Term ASV Initiatives 2030 Roadmap at an early stage, conducting an assessment of their impact on the Ajinomoto Group, and formulating measures to address them. Risks and opportunities based on Materiality, such as environmental issues and human rights issues in the supply chain, will continue to be addressed by the Sustainability Committee. Through close collaboration between the Risk Management Committee and the Sustainability Committee, the Ajinomoto Group's risks will be appropriately managed.

II. Matters regarding Shares of the Company (as of March 31, 2023)

(1) Number of shares authorized to be issued by the Company: 1,000,000,000 shares

(2) Number of shares issued: 529,798,154 shares

(3) Number of shareholders: 118,147

(decreased by 2,474 compared with the end of the previous fiscal year)

(4) Major shareholders

Shareholder	Number of shares held (thousand shares)	Ownership interest (%)
The Master Trust Bank of Japan, Ltd. (trust account)	100,279	18.93
Custody Bank of Japan, Ltd. (trust account)	42,182	7.96
JP MORGAN CHASE BANK 385632	28,022	5.29
The Dai-ichi Life Insurance Company, Limited	26,199	4.95
NIPPON LIFE INSURANCE COMPANY	25,706	4.85
Meiji Yasuda Life Insurance Company	11,362	2.15
STATE STREET BANK WEST CLIENT – TREATY 505234	8,257	1.56
MUFG Bank, Ltd.	8,162	1.54
JP MORGAN CHASE BANK 385781	6,363	1.20
Sompo Japan Insurance Inc.	6,282	1.19

Notes: 1. Ownership interests are calculated after deduction of treasury stock (122 thousand shares).

2. The number of shares held by The Dai-ichi Life Insurance Company, Limited does not include 2,000 thousand shares of the Company contributed as a trust asset for a retirement benefit trust of The Dai-ichi Life Insurance Company, Limited. The Dai-ichi Life Insurance Company, Limited holds voting rights in respect of these shares.

(5) Shares issued to corporate officers as compensation for the execution of their duties during the current fiscal year

Details of stock-based compensation granted during the current fiscal year are as follows.

	Number of shares	Number of recipients
Directors (excluding Outside Directors, including Executive Officers)	22,000	3
Outside Directors	—	—
Executive Officers who are not Directors	7,000	1

Note: The number of shares represents the number of shares delivered as medium-term company performance-linked stock compensation to Directors and an Executive Officer who retired in June 2022 for their terms of office.

(6) Other important matters regarding shares

(1) Based on the resolution made at a Board of Directors meeting held on November 7, 2022, the Company repurchased 7,198,100 shares of common stock for the purpose of increasing the level of shareholder returns and improving capital efficiency.

(2) Based on the resolution made at a Board of Directors meeting held on February 28, 2023, the Company retired all of the treasury shares acquired in (1) above on March 27, 2023.

(3) The Company decided at the meeting of the Board of Directors held on May 11, 2023, to repurchase shares for the purpose of increasing the level of shareholder returns and improving capital efficiency. Details are as follows.

Total number of shares to be repurchased	12.5 million shares of common stock (maximum) (2.36% of total shares outstanding, excluding treasury stock)
Total amount to be paid for repurchase	¥50 billion (maximum)
Term of repurchase	May 12, 2023 to July 31, 2023
Method of repurchase	(a) Purchase through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) (b) Purchase in the market through the Tokyo Stock Exchange

With regard to the abovementioned (a) Purchase through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) of “Method of repurchase”, on May 12, 2023, the following repurchase of shares was conducted.

Total number of shares repurchased	5 million shares of common stock (0.9% of total shares outstanding, excluding treasury stock)
Total amount paid for repurchase	¥24.16 billion (¥4,832 per share)

(7) Cross-shareholdings

(1) The Company's policy regarding cross-shareholdings

The Company will decrease its holdings of cross-shareholdings gradually to the minimum amount necessary. The Company carefully scrutinizes each individual cross-shareholding in terms of whether the purpose of holding them is appropriate and whether the benefits and risks of holding them are commensurate with the capital costs. Every year, the Company reviews the propriety of holding shares through the Board of Directors and discloses the results of these reviews. Those shares judged as inappropriate to hold will be sold once the detailed plan for selling is determined.

(2) Standard for the exercise of voting rights

The Company will exercise voting rights of cross-shareholdings so as to contribute to improving long-term corporate value. The Company will vote against instances where shareholder value is significantly impaired due to organizational restructuring or other factors, or cases where serious concerns arise with regard to corporate governance for reasons such as social scandals.

(3) Total number of cross shareholdings and balance sheet amount

Category		FY2019	FY2020	FY2021	FY2022
Number of individual cross-shareholdings (companies)	Listed	42	36	35	34
	Non-listed	67	69	71	71
	Total	109	105	106	105
Balance sheet amount (¥ million)	Listed	24,755	28,220	28,201	27,218
	Non-listed	3,177	3,156	3,500	5,063
	Total	27,932	31,376	31,701	32,281

III. Corporate Governance and Matters Regarding the Corporate Officers of the Company (as of March 31, 2023)

1. Matters Regarding Corporate Governance

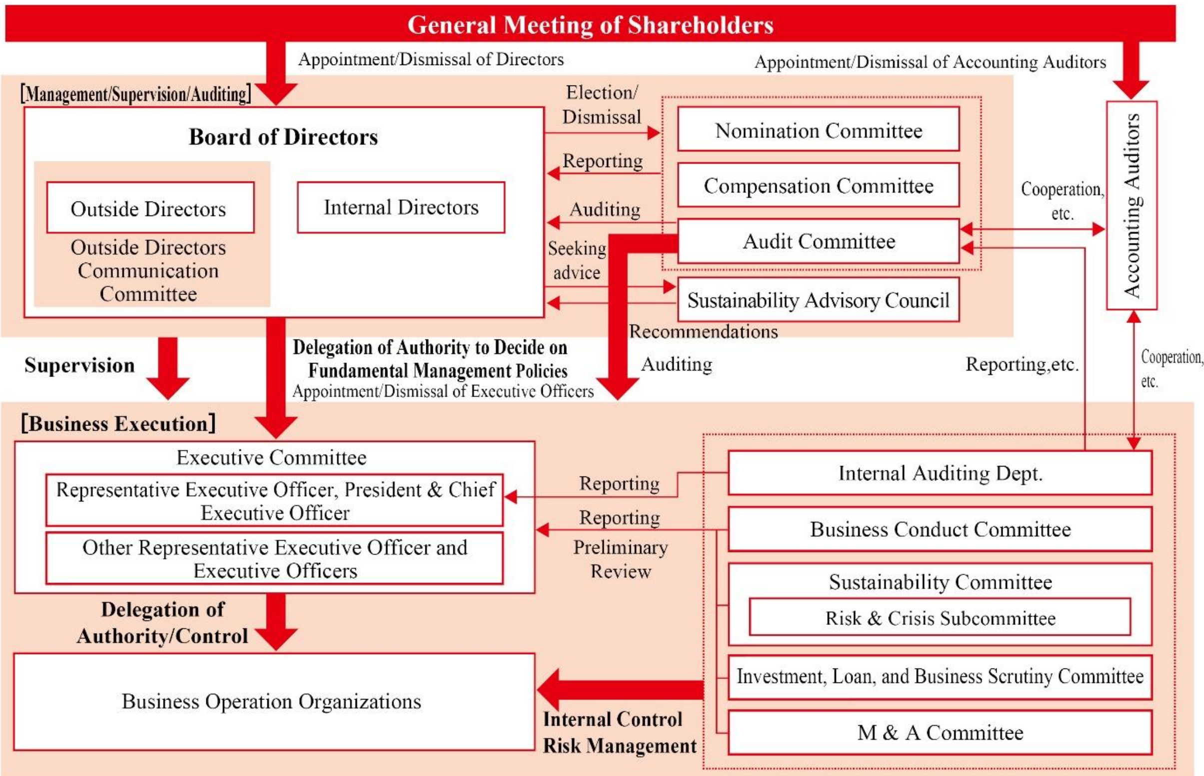
(1) Basic Approach to Corporate Governance

The Ajinomoto Group positions corporate governance as one of the most important aspects of its management foundation for strengthening ASV Management and achieving its 2030 vision. Toward 2030, through dialogue with multi-stakeholders, we accelerate ASV Management by contributing to greater wellness for people worldwide and reducing greenhouse gas emissions by 50% as priority issues, and by digging up invisible assets such as human resources through digital transformation. Furthermore, in order to enhance the effectiveness of ASV Management, we select a Company with Three Committees that clearly separate supervision and execution by balancing “supervision of appropriate execution that reflects the opinions of stakeholders" and "speedy business execution.” 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 decisions for important business execution at the Executive Committee, will realize sustainable enhancement of corporate value as one team. In order to closely communicate between the Board of Directors and the Executive Committee, governance rules are established based on the Company's approach to enhance 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.

Recently, the business environment has changed dramatically due to the prolonged COVID-19 pandemic, and comprehensive risk management is more important than ever. We comply honestly with the Ajinomoto Group Policy (AGP) that shows the ideal way of thinking and action that Ajinomoto Group companies and their officers and employees should comply with, continue to develop and properly operate our internal control system, strengthen our system that considers sustainability as an active risk-taking system, and continuously enhance our corporate value.

(2) Organizational Structure of the Corporate Governance System

The organizational structure of our corporate governance system is as follows.



(Board of Directors and Committees)

・Board of Directors

Consisting of 6 Outside Directors and 5 Internal Directors (a total of 11 members), one of the Outside Directors is the Chair of the Board. The Board of Directors, as the highest decision-making body for management, discusses and examines important management matters that greatly affect corporate value, indicates a major direction, supervise appropriate executions that reflect the opinions of stakeholders. Additionally, through ASV Management, the Company works with stakeholders and others to resolve social issues, contributes to the realization of a sustainable society, and takes responsibility for sustainable enhancement of corporate value. Due to the death of Internal Director Chiaki Nosaka on November 10, 2022, as of March 31, 2023, the Company has a total of 10 Directors: 6 Outside Directors and 4 Internal Directors.

・Nomination Committee

Consisting of 4 Outside Directors and 2 Internal Directors (a total of 6 members), one of the Outside Directors is the Chair of the Committee. The Committee deliberates on validity of the evaluation and reappointment of Directors, on validity of the evaluation and reappointment of Representative Executive Officer & President, and on succession planning of the Representative Executive Officer & President, etc. The Nomination Committee decides the policy of electing and dismissing Directors, proposals for the election and dismissal of Directors, and proposals of draft for selection of the Representative Executive Officer & President, etc. Due to the death of Internal Director Chiaki Nosaka, who was a Member of the Nomination Committee, on November 10, 2022, as of March 31, 2023, the Committee consists of 4 Outside Directors and 1 Internal Director (a total of 5 Directors).

・Compensation Committee

Consisting of 4 Outside Directors, one of the Outside Directors is the Chair of the Committee. The Committee deliberates and decides matters related to remuneration for Directors and Executive Officers in order to determine the remuneration of Directors and Executive Officers fairly and appropriately.

・Audit Committee

Consisting of 4 Outside Directors and 1 Internal Director (a total of 5 members), one of the Outside Directors is the Chair of the Committee. The Committee plays an important role in the function of “supervision of the execution of duties” by the Board of Directors by auditing the legality and appropriateness of Directors’ and Executive Officers’ execution of duties.

・Sustainability Advisory Council

Consisting of 7 outside experts, 2 Outside Directors, and 3 Internal Directors (a total of 12 members), one of the outside experts is the chair of the Council. In order to pursue the enhancement of the corporate value of the Ajinomoto Group from the perspective of sustainability, based on the advisory of the Board of Directors, the Sustainability Advisory Council deliberates the Company's approach to sustainability from the perspective of multi-stakeholders and reports the result to the Board of Directors.

・Outside Director Communication Committee and Lead Independent Director

The aim of the Outside Director Communication Committee is to improve the quality of supervision of business execution through the exchange of information among the Outside Directors and by mutually complementing specializations. In addition, the Chair of the Board of Directors shall be the Lead Independent Director for the purpose of responding to stakeholders and effectively advising Directors who concurrently serve as Executive Officers and other Executive Officers.

(Executive Committee)

The Executive Committee will realize prompt and appropriate business execution with a team centered on the Chief Executive Officer based on major directions and mandates indicated by the Board of Directors. Deliberations and resolutions on basic plans, policies, and other important matters related to business execution will be described in the minutes along with the approval and disapproval of the members of the Executive Committee. In addition, proposals and reports to the Board of Directors are conducted in accordance with the Regulations on Board of Directors and the Minor Regulations on Board of Directors, and close communication is made so that the agenda of the Board of Directors can be set systematically and effectively. Members of the Executive Committee are consisted of the Representative Executive Officer & President and the other Executive Officers appointed by the Representative Executive Officer & President (excluding Executive Officers in charge of internal control), and approved by the Board of Directors.

(Internal control, risk management and sustainability)

・Business Conduct Committee

The Company has established the Business Conduct Committee to strengthen the Ajinomoto Group's management base and enhance corporate value by fostering an open corporate culture and building a corporate structure that is resistant to crises, etc., by raising compliance awareness and instilling AGP. In addition, the Business Conduct Committee thoroughly disseminate AGP, determine and implement various measures to respond promptly and appropriately to crises (compliance), etc., disseminate information to raise compliance awareness, grasp trends and respond from the viewpoint of compliance, and implement smooth and prompt responses and appropriate resolution.

・Sustainability Committee

The Company has established the Sustainability Committee to promote sustainability management. In accordance with materiality, the Sustainability Committee formulates measures, proposes them to the Executive Committee, and manages progress. In addition, the Committee formulates risk countermeasures for company-wide management issues, manages progress, develops and promotes risk management processes that contribute to strengthening internal control, and conducts matters related to crisis (safety and security) management. Furthermore, as a subcommittee of the Sustainability Committee, Risk & Crisis subcommittee is responsible for matters related to crisis (safety and security) management.

・Investment, Loan and Business Scrutiny Committee

The Committee carries out multifaceted reviews of investment and loan decisions, the revitalization of businesses requiring close supervision, as well as exits from such businesses, prior to deliberations by the Executive Committee.

・M&A Committee

The M&A Committee carries out multifaceted reviews of M&A deals prior to deliberations by the Executive Committee.

(3) Reasons for Selection of the Current Corporate Governance System

The Company has selected a Company with Three Committees system to reflect the opinions of multi-stakeholders and evolve ASV Management with a more effective corporate governance system that combines appropriate supervision of execution with speedy business execution.

(4) Views on the Abilities and Diversity of the Board of Directors as a Whole

The Company has the basic policy, considering the number of members, the percentage of Internal Directors and Outside Directors, the percentage of persons who concurrently serve as Directors and Executive Officers, individual experiences, abilities, insights, internationality, gender, etc., for the Board of Directors composed of Independent Directors who can objectively supervise business execution from an independent standpoint, Internal Directors who concurrently serve as Executive Officers including Chief Executive Officer, and Internal Directors who are Members of the Audit Committee (Standing). In addition, in order to promote the separation of supervision and execution and further enhance the effectiveness of the management oversight function by the Board of Directors, the Outside Directors shall occupy a majority, and the Chair of the Board shall be the Outside Director.

2. Matters regarding Corporate Officers

(1) Names, Positions and Assignment in the Company and Important Positions Currently Held in Other Companies, etc. of Directors and Executive Officers

1. Directors

Position	Name	Assignment in the Company	Important Positions Currently Held in Other Companies, etc.
Outside Director (Independent Officer)	Kimie Iwata	Chair of the Board Member of the Nomination Committee Member of the Compensation Committee	Audit and Inspection Commissioner, the Tokyo Metropolitan Government Outside Director, Sumitomo Corporation Outside Director, Resona Holdings, Inc.
Outside Director (Independent Officer)	Takashi Nawa	Chair of the Nomination Committee Member of the Compensation Committee	Representative Director, Genesys Partners, Ltd. Professor, the School of International Corporate Strategy, Hitotsubashi University Business School Outside Director, NEC Capital Solutions Limited Outside Director, Sompo Holdings, Inc.
Outside Director (Independent Officer)	Joji Nakayama	Chair of the Compensation Committee Member of the Nomination Committee Member of the Audit Committee	
Outside Director (Independent Officer)	Atsushi Toki	Chair of the Audit Committee Member of the Nomination Committee	Representative, Meitetsu Sogo Law Office (attorney at law) Outside Director / Audit and Supervisory Committee member, Maruyama Mfg Co., Inc. Outside Director, GEOSTR Corporation
Outside Director (Independent Officer)	Mami Indo	Member of the Compensation Committee Member of the Audit Committee	Outside Director, Tokyo Gas Co., Ltd.
Outside Director (Independent Officer)	Yoko Hatta	Member of the Audit Committee	Outside Corporate Auditor, Kobayashi Pharmaceutical Co., Ltd. Outside Director, Nippon Paper Industries Co., Ltd. Outside Director / Audit and Supervisory Committee Member, Koei Chemical Co., Ltd.
Director	Taro Fujie	Member of the Nomination Committee	
Director	Hiroshi Shiragami		
Director	Tatsuya Sasaki		Outside Director, J-Oil Mills, Inc.
Director	Masaya Tochio	Member of the Audit Committee	

2. Executive Officers

Position	Name	Assignment in the Company	Important Positions Currently Held in Other Companies, etc.
Representative Executive Officer & President	Taro Fujie	Chief Executive Officer	
Representative Executive Officer & Executive Vice President	Hiroshi Shiragami	Chief Innovation Officer (CIO) Supervision of Research and Development	
Executive Officer & Senior Vice President	Tatsuya Sasaki	General Manager, Global Corporate Division General Manager, Corporate Service Division	Outside Director, J-Oil Mills, Inc.
Executive Officer & Senior Vice President	Yoshiteru Masai	General Manager, Food Products Division	Outside Director, Tokai Denpun Co., Ltd.
Executive Officer & Senior Vice President	Takayuki Koda	Chief Digital Officer (CDO) Chief Transformation Officer (CXO)	
Executive Officer & Vice President	Tetsuya Nakano	In charge of Finance & Investor Relations	
Executive Officer & Vice President	Sumio Maeda	General Manager, AminoScience Division	
Executive Officer & Vice President	Junichiro Kojima	General Manager, Institute of Food Sciences and Technologies	
Executive Officer & Vice President	Ikuo Kira	General Manager, Research Institute for Bioscience Products & Fine Chemicals General Manager, Kawasaki Administration & Coordination Office	
Executive Officer & Vice President	Narutoshi Fukase	Supervision of Food Products Sales	
Executive Officer & Vice President	Jiro Sakamoto		President, Ajinomoto Health & Nutrition North America, Inc.
Executive Officer & Vice President	Ichiro Sakakura		President, Ajinomoto Co., (Thailand) Ltd.
Executive Officer & Vice President	Masami Kashiwakura		President, Ajinomoto Europe S.A.S
Executive Officer & Vice President	Shigeo Nakamura		President, Ajinomoto do Brasil Industria e Comércio de Alimentos Ltda.
Executive Officer & Vice President	Tatsuya Okamoto	In charge of Marketing Strategy	
Executive Officer & Vice President	Hideaki Kawana	Supervision of Frozen Foods	
Executive Officer	Chika Morishima	In charge of Sustainability and Communications	
Executive Officer	Masaki Kashihara	In charge of Business Model Transformation	

Executive Officer	Takumi Matsuzawa	In charge of Internal Control and Audit Committee General Manager, Internal Auditing Dept.	

Notes: 1. 3 Directors, Taro Fujie, Hiroshi Shiragami and Tatsuya Sasaki, concurrently serve as Executive Officers.

2. There are no significant transactions and/or other special relationships between the Company and the other companies at which the Outside Directors hold important positions.

3. All Outside Directors are designated as Independent Officers as specified by the Tokyo Stock Exchange and the Company has registered them at the Tokyo Stock Exchange.

4. Mr. Masaya Tochio is appointed as a Member of the Audit Committee (Standing) in order to enhance the effectiveness of auditing.

5. Ms. Yoko Hatta, a Member of the Audit Committee, possesses a respectable degree of knowledge of finance and accounting, having many years of work experience at international accounting firms.

6. Directors who changed positions during the period are as follows. Director Chiaki Nosaka retired due to her death on November 10, 2022.

Name	New Position	Former Position	Date of Change
Taro Fujie	Director	(New Appointment)	June 23, 2022
Hiroshi Shiragami	Director	(New Appointment)	June 23, 2022
Tatsuya Sasaki	Director	(New Appointment)	June 23, 2022
Yoko Hatta	Outside Director	(New Appointment)	June 23, 2022
Chiaki Nosaka	(Retired)	Director	November 10, 2022

7. As of the Company’s 144th Ordinary General Meeting of Shareholders held on June 23, 2022, Takaaki Nishii, Hiroshi Fukushi and Kaoru Kurashima retired as Directors, and Hideki Amano retired as an Outside Director.

8. Changes in the positions of Executive Officers as of the period are as follows. Chiaki Nosaka, Executive Officer & Senior Vice President, retired due to her death on November 10, 2022.

Name	New Position	Former Position	Date of Change
Chiaki Nosaka	(Retired)	Executive Officer & Senior Vice President	November 10, 2022

9. Takaaki Nishii, Hiroshi Fukushi, Masatoshi Ito, Kaoru Kurashima and Gwinnett Bompas retired as Executive Officers as of the conclusion of the extraordinary meeting of the Board of Directors held on June 23, 2022.

10. Changes in the positions of Executive Officers effective April 1, 2023 are as follows.

Name	New Position	Former Position
Chika Morishima	Executive Officer & Vice President	Executive Officer
Takeshi Saito	Executive Officer & Vice President	(New Appointment)
Eiichi Mizutani	Executive Officer & Vice President	(New Appointment)
Takumi Matsuzawa	Executive Officer & Vice President	Executive Officer
Takayuki Tahara	Executive Officer & Vice President	(New Appointment)
Miroslav Smriga	Executive Officer	(New Appointment)
Takaaki Arashida	Executive Officer	(New Appointment)
Shino Kayahara	Executive Officer	(New Appointment)
Maiko Mori	Executive Officer	(New Appointment)
Michael Lish	Executive Officer	(New Appointment)
Tetsuya Nakano	(Retired)	Executive Officer & Vice President
Narutoshi Fukase	(Retired)	Executive Officer & Vice President

(2) Amounts of Compensation, etc. Paid to Directors and Executive Officers (“Executive Officers, etc.”)

(1) Policy regarding the compensation, etc., paid to individual Executive Officers, etc.

The Company’s policy regarding the compensation, etc. paid to individual Executive Officers, etc. is resolved by the Compensation Committee.

Below is an overview of the policy.

1) Basic policy regarding compensation paid to Executive Officers, etc.

(a) In line with Ajinomoto Group Policy (AGP), it will lead to medium- to long-term expansion of corporate value

(b) The level of compensation is sufficiently competitive with the market level

(c) Compensation will be determined through a transparent process that is accountable to stakeholders

2) Overview of compensation for Executive Officers, etc.

(a) Compensation for Executive Officers (including those who concurrently serve as Directors)

Comprises basic compensation, short-term company performance-linked compensation, and medium-term company performance-linked stock compensation, the details of which are as below.

(i) Basic compensation

Basic compensation is a monetary compensation that is paid every month to encourage employees to fully demonstrate the qualities and abilities that drive corporate growth and to meet their responsibilities. A fixed amount is paid monthly.

(ii) Short-term company performance-linked compensation

Short-term company performance-linked compensation is a monetary compensation that is paid at the end of June each year, depending on the performance evaluation of the entire company and each unit after the end of the fiscal year, as an incentive to encourage steady achievement of performance targets for a single fiscal year and appropriate management.

(iii) Medium-term company performance-linked stock compensation.

Medium-term company performance-linked stock compensation is a performance-linked compensation that is assessed using a predetermined valuation index after the end of the three fiscal years commencing on April 1, 2020 (hereinafter referred to as the "Target Period") with the aim of achieving sustained medium-to long-term improvement in business performance and increasing corporate value of the Ajinomoto Group, and is paid in the Company's shares and the amount equivalent to the conversion and disposal of the Company's shares. The maximum monetary amount the Company contributes to the stock-granting trust (hereinafter referred to as the "Trust") for the medium-term company performance-linked stock compensation is ¥2.2 billion for the Target Period and the maximum amount of the Company’s shares to be acquired with the money contributed by the Trust is 1.1 million. The number of the Company's shares, etc. to be used for payment of compensation is obtained as follows. Each evaluation index (calculated from the target achievement rate and evaluation weight for each evaluation index) is multiplied by the preset medium-term performance-linked compensation amount for each job position. The total number obtained is then divided by the closing price (2,010.5 yen) of the Company's shares on March 31, 2020, to yield the number of shares to be used for payment of compensation. Half of the compensation will be delivered in the form of Company shares, and the remaining 50% will be used for payment of income tax, etc., therefore the Trust will convert this to cash by selling the shares on the market and then paying the amount equivalent to the conversion and disposal of the Company's shares. Medium-term company performance-linked stock compensation may be paid to non-residents of Japan in the form of cash compensation.

(b) Compensation for Outside Directors and Internal Directors who are Members of the Audit Committee

Compensation for Outside Directors shall be based solely on the basic compensation, with a fixed monetary amount paid monthly.

Compensation for Internal Directors who are Members of the Audit Committee shall be based solely on the basic compensation and shall be paid monthly in a fixed amount.

3) Policy on determining the amount of compensation of Executive Officers, etc.

(a) Method for setting the amount of compensation

The amount of compensation will be set by position based on the responsibilities of supervision and execution assumed by Executive Officers, etc.

(b) Method for determining compensation levels

(i) Compensation levels for Internal Directors and Executive Officers, excluding foreign officers, are based on the 50th to 75th percentile (the top 25th to 50th percentile) of compensation levels for executives (based on the results of surveys conducted by external organizations on about 50 major Japanese companies that are similar in size and business type to the Company). In the event that such Internal Directors or Executive Officers concurrently serve as Presidents of overseas group companies, they will be paid various allowances associated with their overseas secondment, and the amount of compensation from the Company will be adjusted in consideration of the amount equivalent to income taxes that would be imposed if they worked in

Japan, the amount of compensation from the overseas group company, and other relevant factors. In the event that income taxes, etc., are incurred in the country to which the Internal Director or Executive Officer has been seconded, the amount equivalent to such income taxes, etc., will be borne by the overseas group company.

(ii) Compensation levels for foreign Executive Officers, etc. are based on the 50th to 75th percentile (top 25th to 50th percentile) of compensation levels for executives, based on the results of surveys conducted by external organizations on companies that are similar in size and business type in the country (or region) most closely related to the Executive Officer, etc. concerned. The amount of remuneration from the Company will be adjusted in consideration of the amount equivalent to taxes that would be levied if the employee worked in the relevant country. In addition to the above, in the event that income taxes, etc. are incurred in Japan as a result of the appointment of a person seconded to the Company from an overseas group company to serve as an Executive Officers, etc. of the Company, the Company will bear the amount equivalent to such income taxes, etc. in Japan.

(iii) Compensation levels for Outside Directors are based on the 50th to 75th percentile (the top 25th to 50th percentile) of compensation levels for executives (based on the results of surveys conducted by external organizations on about 50 major Japanese companies that are similar in size and business type to the Company).

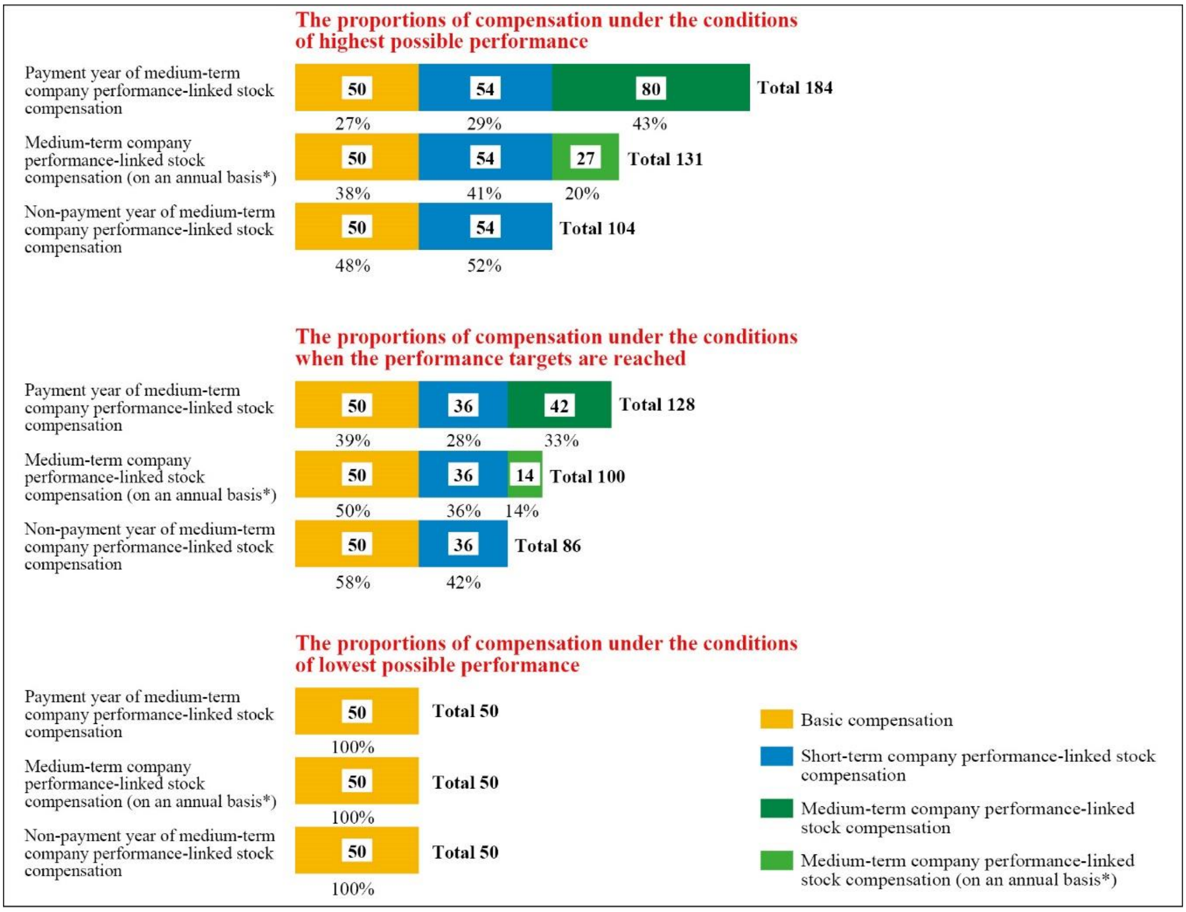
4) Policy on determining the payment ratio of performance-based compensation and compensation other than performance-based compensation

Executive Officers (including those who concurrently serve as Directors) will be paid basic compensation, short-term company performance-linked compensation, and medium-term company performance-linked stock compensation at approximately 50:36:14 (47:40:13 for some positions) (on an annual basis) at the time of achieving the standard performance target.

a) In fiscal years when medium-term company performance-linked stock compensation is paid, short-term company performance-linked compensation and medium-term company performance-linked stock compensation (monetary value conversion at the time of contribution to the Trust) account for a minimum of 0% and a maximum of around 72% of total compensation.

b) Short-term company performance-linked compensation accounts for between 0% and 52% of total compensation in fiscal years when medium-term company performance-linked stock compensation is not paid.

c) If the total compensation at the time of a standard evaluation (on an annual basis *) when the performance targets are reached is assigned an index of 100, then the indices of total compensation under the conditions of highest possible performance and of lowest possible performance, as well as the proportions of each type of compensation in total compensation are as follows.



* "On an annual basis" means when the medium-term company performance-linked stock compensation to be paid after the end of the three-year Medium-Term Management Plan starting from April 1, 2020 is leveled and paid annually.

5) Policy regarding the determination of evaluation indicators for performance-linked compensation

(a) Short-term company performance-linked compensation

Executive Officers who concurrently serve as Director or the Executive Officer & Chairman of Company are evaluated only on the basis of company-wide performance. Other Executive Officers are evaluated based on company-wide performance and unit performance, and the weighting of the evaluation of company-wide performance and unit performance, and the weight of the evaluation of company-wide performance and unit performance is generally 1:1. In addition to Sales and Business profit, which are key indicators of annual financial results, the Company's performance is calculated using Profit attributable to the owners of the parent company (all on a consolidated basis) as an evaluation indicator and using the following formula. Unit performance is determined on the basis of a predetermined compensation schedule based on an evaluation of the performance of the division, organization, and corporation in charge of each Executive Officer.

Amount of short-term company performance-linked compensation = Base amount by position × Evaluation indicators*

*The evaluation indicators are calculated based on the sum of the following three elements. If the achievement rate of each evaluation indicator exceeds 1.25, the upper limit shall be 1.25.

(Consolidated Sales achievement rate x 2 - 1) x 30%

(Consolidated Business Profit achievement rate x 2-1) x 50%

(Consolidated Net Income achievement rate x 2-1) x 20%

(b) Medium-term company performance-linked stock compensation

The following table shows the evaluation indicators, target values and weighting in evaluation of the medium-term company performance-linked stock compensation.

	Evaluation indicators	Target value	Weighting in evaluation
1	ROIC (Return on Invested Capital) Achievement rate (Notes. 1)	8.0%	60%
2	Proportion of core businesses sales achievement	70%	20%

	rate (Notes. 2)		
3	Relative TSR (Total Shareholders' Return) (Notes. 3)	1	10%
4	Employee engagement (Notes. 4)	―	5%
5	ESG target (Notes. 5)	―	5%

Notes: 1. Weighted average value of target achievement rate in each financial year of the Target Period
(Weighted average weight: 25% in FY2020, 25% in FY2021, 50% in FY2022)
ROIC (Return on Invested Capital) is calculated using the method shown below (all values are on a consolidated basis).
.: ROIC = (Operating income after tax for the fiscal year) ÷ [(Capital invested in that fiscal year) + (Capital invested in the previous fiscal year) ÷ 2]
* Invested capital = Shareholders' equity attributable to the owners of the parent company + interest-bearing debt

2. Rate of achievement of FY2022 targets
The proportion of high-priority business sales is calculated using the method shown below (all values are on a consolidated basis).
.: Proportion of core business sales = (Core business sales in FY2022) ÷ (Consolidated sales in FY2022)

3. Rate of achievement of FY2022 targets
Relative TSR is calculated using the method shown below.
.: Relative TSR = (Total shareholder return on the last day of the most recent fiscal year) ÷ (TOPIX total shareholder return including dividends for the period corresponding to the Company's total shareholder yield calculation period)

4. Self-evaluation of the results of the employee engagement survey, and the initiatives stated in the new Medium-Term Management Plan and the degree of achievement of these initiatives

5. Self-evaluation of the initiatives taken towards the ESG targets in the Medium-Term Management Plan and the degree of achievement of these initiatives

6. In the case of foreign Executive Officers, etc., in addition to the amount based on the above evaluation indicators, medium-term company performance-linked stock compensation based on other evaluation indicators may be paid.

6) Reasons why the Compensation Committee has determined that the details of individual compensation, etc. of Executive Officers, etc. follow the decision policy regarding the content of individual compensation, etc. of Executive Officers, etc.

As individual compensation, etc. of Executive Officers, etc. is paid in accordance with the compensation standard based on the decision policy established by the Compensation Committee, the details of individual compensation for Executive Officers, etc. are in line with the decision policy.

(2) Amounts of compensation, etc. paid to Directors and Executive Officers

<table>
<tr><th rowspan="4">Category</th><th rowspan="4">Number of persons to whom compensation, etc. was paid</th><th colspan="3">Total compensation, etc., by category (million yen)</th><th rowspan="4">Total compensation, etc. (million yen)</th></tr>
<tr><th>Fixed compensation</th><th colspan="2">Performance-linked compensation</th></tr>
<tr><th colspan="2">Cash compensation</th><th>Non-cash compensation</th></tr>
<tr><th>Basic compensation</th><th>Short-term company performance-linked compensation</th><th>Medium-term company performance-linked stock compensation</th></tr>
<tr><td>Directors (excluding Outside Directors)</td><td>8</td><td>298</td><td>115</td><td>91</td><td>504</td></tr>
<tr><td>Outside Directors</td><td>7</td><td>106</td><td>―</td><td>―</td><td>106</td></tr>
<tr><td>Executive Officers</td><td>18</td><td>429</td><td>253</td><td>195</td><td>878</td></tr>
</table>

Notes: 1. The number and compensation amounts of "Directors (excluding Outside Directors)" and "Outside Directors" above include 3 Directors and 1 Outside Director who served from April 1, 2022 to the conclusion of the Ordinary General Meeting of Shareholders on June 23, 2022, and 1 Director who served from April 1, 2022 to November 10, 2022, as well as their compensation amounts.

2. The number and compensation amounts of "Executive Officers" above include 2 Executive Officers who served from April 1, 2022 to the conclusion of the first Board of Directors meeting that was held after the conclusion of the Ordinary General Meeting of Shareholders held on June 23, 2022, as well as their compensation amounts.

3. The number and compensation amounts of "Executive Officers" do not include 3 Executive Officers who concurrently served as Directors from the conclusion of the first Board of Directors meeting held after the conclusion of the Ordinary General Meeting of Shareholders held on June 23, 2022 until March 31, 2023, but those 3 Executive Officers are included in "Directors (excluding Outside Directors)."

4. The amounts of compensation, etc., listed above are amounts based on International Financial Reporting Standards (IFRS).

5. The following table shows the actual results for the short-term company performance-linked compensation evaluation indicators for the current fiscal year. The difference between a) the expected payment amount and the total amount of short-term company performance-linked compensation paid in FY2022 and b) the expected payment amount disclosed in the business report for the previous fiscal year, is included in the short-term company performance-linked compensation.

	Evaluation indicators	Actual results for the current fiscal year
1	Sales	¥1,359.1 billion
2	Business profit	¥135.3 billion
3	Profit for the business year attributable to the owners of the parent company	¥94.0 billion

6. The following table shows the actual results for the medium-term company performance-linked stock compensation evaluation indicators. The difference between a) the total amount of reserves for the current fiscal year and medium-term performance-linked stock compensation paid in FY2022 and b) the expected payment amount disclosed in the business report for the previous fiscal year is included in the medium-term company performance-linked compensation.

In addition, "medium-term company performance-linked stock compensation" is paid to non-residents of Japan in the form of cash compensation.

	Evaluation indicators	Results for the target period
1	ROIC (Return on Invested Capital) achievement rate	FY2020: 6.9% FY2021: 7.9% FY2022: 9.9%
2	Proportion of core businesses sales achievement rate	68.7%
3	Relative TSR (Total Shareholders' Return)	1.9
4	Employee engagement	62%
5	ESG target	(Currently being calculated)

7. The above compensation includes expenses related to the partial compensation of income taxes and rent.

8. In addition to the above total amount of remuneration, the Company paid ¥24.8 million in retirement benefits to former Director Masatoshi Ito in accordance with a resolution entitled "Payment of Retirement Benefits to Retiring Directors, Payment of Retirement Benefits to Directors and Corporate Auditors due to the Abolition of the Retirement Benefit Program," passed at the 129th Ordinary General Meeting of Shareholders held on June 28, 2007.

9. There were errors found in the total amounts of remuneration reported to have been paid to Executive Officers for the previous fiscal year. These have been corrected as shown in the table below.

	Category	Number of persons to whom compensation, etc. was paid	Total compensation, etc., by category (million yen)			Total compensation, etc. (million yen)
			Fixed compensation	Performance-linked compensation		
			Cash compensation		Non-cash compensation	
			Basic compensation	Short-term company performance-linked compensation	Medium-term company performance-linked stock compensation	
Incorrectly reported amount	Executive Officers	15	375	429	213	1,017
Actual amount	Executive Officers	15	389	447	231	1,068

(3) Main Activities of Outside Directors in the Current Fiscal Year

Position	Name	Attendance of meetings (attendance rate)	Statements and duties performed by Outside Directors in their expected roles
Outside Director	Kimie Iwata	Board of Directors: 18 out of 18 meetings (100%) Nomination Committee: 9 out of 10 meetings (90%) Compensation Committee: 12 out of 13 meetings (92%)	Appropriately made comments based on her knowledge of corporate management and corporate social responsibility. At the Board of Directors meetings, as the Chair of the Board of Directors, she leads discussions and deliberations on important management matters that significantly affect corporate value, and as the Lead Independent Director, she held Outside Directors Communication Committee meetings five times in FY2022, and leads the exchange of information and complementation of areas of expertise in order to improve the quality of supervision of business execution, also participating in active deliberations as a member of the Nomination Committee and Compensation Committee.
	Takashi Nawa	Board of Directors: 18 out of 18 meetings (100%) Nomination Committee: 10 out of 10 meetings (100%) Compensation Committee: 10 out of 13 meetings (77%)	Appropriately made comments based on his knowledge of international corporate management. At the Nomination Committee meetings, as the Chair of the Committee, he leads discussions to enhance corporate governance by strengthening the fairness, transparency, and objectivity of agenda deliberations, etc. concerning the election of Director candidates and participates in active deliberations as a member of the Compensation Committee.

	Joji Nakayama	Board of Directors: 18 out of 18 meetings (100%) Nomination Committee: 10 out of 10 meetings (100%) Compensation Committee: 13 out of 13 meetings (100%) Audit Committee: 10 out of 10 meetings (100%)	Appropriately made comments based on his knowledge of corporate management and governance as well as the healthcare business. At the Compensation Committee meetings, as the Chair of the Committee, he led discussions to enhance corporate governance by strengthening the fairness, transparency, and objectivity of compensation decisions for Directors, Executive Officers, and Senior Corporate Advisors and participates in active deliberations as a member of the Nomination Committee and Audit Committee.
	Atsushi Toki	Board of Directors: 17 out of 18 meetings (94%) Nomination Committee: 7 out of 7 meetings (100%) Audit Committee: 15 out of 15 meetings (100%)	Appropriately made comments principally from his expert perspective as an attorney-at-law. At the Audit Committee meetings, as the Chair of the Committee, he led discussions to ensure the legal and appropriate execution of the Ajinomoto Group's business operations and to enhance corporate governance through auditing of the execution of duties by Directors and Executive Officers and participates in active deliberations as a member of the Nomination Committee.
	Mami Indo	Board of Directors: 18 out of 18 meetings (100%) Compensation Committee: 8 out of 8 meetings (100%) Audit Committee: 15 out of 15 meetings (100%)	Appropriately makes comments based on her knowledge of finance and accounting as well as legal affairs and risk management. As a member of the Audit Committee, she appropriately audits the execution of duties by Directors and Executive Officers and participates in active deliberations as a member of the Compensation Committee.
	Yoko Hatta	Board of Directors: 13 out of 13 meetings (100%) Audit Committee: 10 out of 10 meetings (100%)	Appropriately makes comments based on her knowledge of finance and accounting, as well as legal affairs and risk management. At the Audit Committee meetings, she appropriately audited the execution of duties by Directors and Executive Officers.

(Notes) 1. The attendance rate for Ms. Yoko Hatta indicates her attendance at meetings of the Board of Directors and Audit Committee after her appointment on June 23, 2022.

2. The attendance rates for Mr. Atsushi Toki, Mr. Joji Nakayama and Ms. Mami Indo indicate their attendance at meetings of the Nomination Committee, Audit Committee and Compensation Committee, respectively, after their appointments on June 23, 2022.

(4) 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.

(5) Summary of limited liability agreements for officers, etc.

The Company has concluded a liability insurance policy for officers, etc., with an insurance company, as stipulated in

Article 430-3, Paragraph 1 of the Companies Act. If a claim for damages is filed by a shareholder or a third party, those damages such as damages and dispute costs that the insured is to bear will be covered by the insurance policy. The persons insured by the liability policy are the Directors and Executive Officers of the Company, and the Directors, Audit & Supervisory Board Members and Corporate Officers of the Company's subsidiaries. The Company will bear all premium payments for the insurance policy. The insurance policy will be renewed in September 2023.

(6) Evaluation of the Effectiveness of the Board of Directors

(1) Method of implementation

In FY2022, in addition to a questionnaire survey of all Directors, interviews were conducted with an expanded scope (all Outside Directors and Directors serving concurrently as Representative Executive Officer & President), and the Board of Directors analyzed and evaluated the results. A summary is as follows.

(2) Results of the evaluation of the effectiveness of the Board of Directors

1) General remarks

According to the results of the questionnaire and interviews, we evaluate the effectiveness of the Board of Directors generally highly. We believe that this is a result of the continued efforts to enhance the effectiveness of the Board of Directors following the transition to a Company with Three Committees.

2) Initiatives taking into account the results of the previous survey

Based on the issues pointed out in the questionnaire survey of FY2021, we promoted the following reforms to the Board of Directors in FY2022. In this evaluation of the effectiveness of the Board of Directors, the results of the following initiatives were verified, and it was confirmed that they had contributed to enhancing the effectiveness of the Board of Directors. However, it was also confirmed that in some initiatives there remains room for further improvement.

(a) Further enhancement of discussions on seven important management matters

The Board of Directors further enhanced discussion of the seven important management matters by newly setting the "Medium-Term ASV Initiatives 2030 Roadmap," marketing and brand investment policy, and corporate culture reform initiatives as agenda items for discussion.

(b) Enhanced discussions on IT governance and formulation of policies

The Board of Directors discussed the DX investment strategy with an eye towards realizing our vision for 2030. Furthermore, the Board of Directors is scheduled to deliberate on information security in FY2023.

(c) Improvement in the Board of Directors operation (standardization of schedule, improvement of handout material quality, etc.)

As a result of measures such as standardizing the schedule and improving the quality of materials, a certain degree of improvement was achieved in the operation of the Board of Directors meetings, and further improvements will be made in FY2023.

(d) Improvement in the operational structure of the Nomination Committee and reporting to the Board of Directors

The operational structure of the Nomination Committee was improved by having the Chair of the Audit Committee serve concurrently as a member of the Nomination Committee and by expanding the size and strength of the Nomination Committee's secretariat. In addition, issues were addressed by appropriately reporting the discussions of the Nomination Committee to the Board of Directors.

(e) Provision of more opportunities for training Internal Directors

According to the results of questionnaires and interviews, the abilities of Internal Directors are generally highly evaluated by Outside Directors, and further improvement efforts will be made in FY2023.

(f) Further enhancement of management team training programs

The Nomination Committee deliberated on the development of the management team, centering on candidates for CEO for the next and subsequent terms. The Committee will continue its deliberations in the future.

(3) Responding to future issues

For FY2023 in addition to continuing the work carried out in FY2022, we have decided to further promote the following initiatives as a result of discussions of this evaluation of the effectiveness by the Board of Directors.

(a) Enhancement of measures to improve the overall literacy of the Board of Directors
(b) Enhancement of discussions on IT governance
(c) Enhancement of discussions on M&A and other large-scale investments
(d) Expanded utilization of Outside Director Communication Committee

3. Matters regarding Accounting Auditor

(1) Name of Accounting Auditor

KPMG AZSA LLC

(2) Amount of compensation, etc. to be paid to the Accounting Auditor

1) Amount of compensation, etc. to be paid to the Accounting Auditor regarding the fiscal year ended March 31, 2023

Description	Amount of fees to be paid for audit and attestation services (Millions of yen)	Amount of fees to be paid for non-audit services (Millions of yen)
The Company	200	0
The consolidated subsidiaries	102	35
Total	302	36

Notes: 1. The audit engagement agreement entered into by the accounting auditor and the Company does not clearly make a distinction between compensation, etc. for audit under the Companies Act and compensation, etc. for audit under the Financial Instruments and Exchange Act, and both are also substantially indistinguishable. Accordingly, the total amount is stated in the amount of fees to be paid for audit and attestation services.

2. After obtaining necessary information on the status of the execution of duties in the previous fiscal year, etc., and taking into consideration the “Practical Guidelines Related to Coordination with Accounting Auditors” announced by the Japan Audit & Supervisory Board Members Association, the Audit Committee has considered the validity of the content of the auditing plan of the Accounting Auditor, the calculation basis for the estimated amount of compensation, etc., and has judged that the aforementioned amount of fees to be paid for audit and attestation services at the Company (excluding the amount that can be clearly distinguished as pertaining to audit under the Companies Act) is justifiable and has given its consent, as provided for in Article 399, Paragraph 1 of the Companies Act.

3. The Company has commissioned the Accounting Auditor to perform services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services)—namely, the “review of the English translation of the Company’s convocation notice of ordinary general meeting of shareholders"—and has compensated them for such services.

2)Total amount of monetary and other financial benefits to be paid by the Company and its subsidiaries to the Accounting Auditor

The total amount of monetary and other financial benefits to be paid by the Company and its subsidiaries to the Accounting Auditor is ¥338 million.

(3) Matters related to audits of subsidiaries

Among the Company’s important consolidated subsidiaries, 25 subsidiaries are audited (limited to those according to the provisions of the Companies Act or the Financial Instruments and Exchange Act (or overseas laws and ordinances equivalent to these laws)) by Certified Public Accountants or audit firms (including those with equivalent overseas qualifications) other than the accounting auditor of the Company.

(4) Policy for decisions on dismissal or non re-appointment of the accounting auditor

In the event that the accounting auditor is recognized to have fallen under any of the items in Article 340, Paragraph 1 of the Companies Act, the Audit Committee shall dismiss the accounting auditor, based on the consent of all Members of the Audit Committee. In this case, a Member of the Audit Committee selected by the Audit Committee shall report the fact that the accounting auditor was dismissed and the reasons for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

In addition, if the Audit Committee recognizes that it is necessary to change the Accounting Auditor, such as cases when it conducts a comprehensive evaluation in accordance with evaluation indicators related to the Accounting Auditor’s qualifications, independence from the Company, expertise, and other criteria, and finds that there are issues preventing the Accounting Auditor from executing its duties, then it shall determine the content of a proposal related to the dismissal or non-reappointment of the Accounting Auditor to be submitted at the General Meeting of Shareholders.

Ends

Reference: Percentages and per-share figures stated in this Business Report are rounded off to the indicated units. All other figures stated in this Business Report are truncated to the indicated units.

(Attached Document)

Consolidated Financial Statements (prepared in accordance with IFRS)

Consolidated Statements of Financial Position

(As of March 31, 2023)

(Millions of yen)

Assets			Liabilities		
	FY ended March 31, 2023 (as of March 31, 2023)	**FY ended March 31, 2022** (Reference: as of March 31, 2022)		**FY ended March 31, 2023** (as of March 31, 2023)	**FY ended March 31, 2022** (Reference: as of March 31, 2022)
Assets			**Liabilities**		
Current assets			**Current liabilities**		
Cash and cash equivalents	132,777	151,454	Trade and other payables	197,981	199,908
Trade and other receivables	163,714	162,397	Short-term borrowings	12,599	8,219
Other financial assets	12,312	17,810	Current portion of bonds	19,988	19,990
Inventories	269,822	219,356	Current portion of long-term borrowings	16,733	14,418
Income taxes receivable	12,674	6,024	Other financial liabilities	11,084	15,802
Others	24,235	24,375	Short-term employee benefits	42,141	38,567
Sub total	615,537	581,419	Provisions	7,723	4,486
Assets of disposal groups classified as held for sale	—	—	Income taxes payable	15,990	10,085
Total current assets	**615,537**	**581,419**	Others	15,402	13,153
			Sub total	339,644	324,631
			Liabilities of disposal groups classified as held for sale	—	—
Non-current assets			**Total current liabilities**	**339,644**	**324,631**
Property, plant and equipment	536,565	522,312	**Non-current liabilities**		
Intangible assets	65,916	68,309	Corporate bonds	119,696	139,631
Goodwill	92,114	99,839	Long-term borrowings	119,548	131,650
Investments in associates and joint ventures	119,825	115,248	Other financial liabilities	54,984	56,740
Long-term financial assets	53,749	51,864	Long-term employee benefits	26,568	38,788
Deferred tax assets	8,969	7,017	Provisions	3,499	3,708
Others	19,056	11,049	Deferred tax liabilities	22,361	20,945
Total non-current assets	**896,197**	**875,641**	Others	2,461	1,219
			Total non-current liabilities	**349,120**	**392,684**
			Total liabilities	**688,765**	**717,316**
			Equity		
			Common stock	79,863	79,863
			Capital surplus	—	—
			Treasury stock	(1,342)	(1,371)
			Retained earnings	652,307	616,286
			Other components of equity	37,848	(7,869)
			Other components of equity related to disposal groups classified as held for sale	—	—
			Equity attributable to owners of the parent company	768,676	686,909
			Non-controlling interests	54,292	52,834
			Total equity	**822,968**	**739,744**
Total assets	**1,511,734**	**1,457,060**	**Total liabilities and equity**	**1,511,734**	**1,457,060**

(Attached Document)

Consolidated Statements of Income

(From April 1, 2022 to March 31, 2023)

(Millions of yen)

	FY ended March 31, 2023	FY ended March 31, 2022 (reference)
Sales	1,359,115	1,149,370
Cost of sales	(888,727)	(723,472)
Gross profit	470,387	425,897
Share of profit of associates and joint ventures	4,326	985
Selling expenses	(186,488)	(168,847)
Research and development expenses	(25,867)	(24,842)
General and administrative expenses	(127,017)	(112,277)
Business profit	135,341	120,915
Other operating income	40,983	26,788
Other operating expenses	(27,396)	(23,132)
Operating profit	148,928	124,572
Financial income	6,099	6,868
Financial expenses	(14,994)	(8,968)
Profit before income taxes	140,033	122,472
Income taxes	(39,863)	(42,244)
Profit	100,170	80,228
Attributable to:		
Owners of the parent company	94,065	75,725
Non-controlling interests	6,104	4,503

(Attached Document)

Consolidated Statements of Changes in Equity

(From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Equity attributable to owners of the parent company							
					Other components of equity			
	Common stock	Capital surplus	Treasury stock	Retained earnings	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasure-ments of defined benefit pension plans	Cash flow hedges	Cost of hedging surplus
Balance as of April 1, 2022	79,863	—	(1,371)	616,286	18,663	(14,008)	(1,883)	(240)
Profit				94,065				
Other comprehensive income					984	5,228	528	(98)
Comprehensive income	—	—	—	94,065	984	5,228	528	(98)
Purchase of treasury stock			(30,022)					
Disposal of treasury stock		0	0					
Retirement of treasury stock		(29,894)	29,894					
Dividends				(31,650)				
Changes in transactions with non-controlling interests		7,881						
Changes in ownership interests in subsidiaries that do not result in loss of control		(5,384)						
Transfer from other components of equity to retained earnings				889	(889)			
Transfer of negative balance of other capital surplus		27,258		(27,258)				
Transfer to non-financial assets							0	
Stock-based remuneration transaction		139	155					
Other				(25)				
Total net changes in transactions with owners of the parent company	—	—	28	(58,044)	(889)	—	0	—
Balance as of March 31, 2023	79,863	—	(1,342)	652,307	18,758	(8,779)	(1,354)	(338)

	Equity attributable to owners of the parent company					Non-controlling interests	Total
	Other components of equity			Other components of equity related to disposal groups classified as held for sale	Total		
	Exchange differences on translation of foreign operations	Share of other comprehensive income (loss) of associates and joint ventures	Total				
Balance as of April 1, 2022	(10,843)	441	(7,869)	—	686,909	52,834	739,744
Profit			—		94,065	6,104	100,170
Other comprehensive income	41,842	(1,878)	46,606	—	46,606	2,259	48,866
Comprehensive income	41,842	(1,878)	46,606	—	140,672	8,364	149,036
Purchase of treasury stock			—		(30,022)		(30,022)
Disposal of treasury stock			—		0		0
Retirement of treasury stock			—		—		—
Dividends			—		(31,650)	(4,267)	(35,918)
Changes in transactions with non-controlling interests			—		7,881		7,881
Changes in ownership interests in subsidiaries that do not result in loss of control					(5,384)	(2,634)	(8,019)
Transfer from other components of equity to retained earnings			(889)		—		—
Transfer of negative balance of other capital surplus			—		—		—
Transfer to non-financial assets			0		0		0
Stock-based remuneration transaction			—		294		294
Other			—		(25)	(3)	(29)
Total net changes in transactions with owners of the parent company	—	—	(889)	—	(58,905)	(6,906)	(65,811)
Balance as of March 31, 2023	30,999	(1,436)	37,848	—	768,676	54,292	822,968

Notes to the Consolidated Financial Statements

Notes regarding Significant Items for the Preparation of Consolidated Financial Statements

1. Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (hereinafter the "Ajinomoto Group") have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS") pursuant to the provisions under Article 120, Paragraph 1 of the Rules of Corporate Accounting. Pursuant to the provisions of the second sentence of the above Paragraph, certain disclosure items required under IFRS are omitted.

2. Scope of consolidation

Number of consolidated subsidiaries:
110 companies
Names of main companies:
Ajinomoto Frozen Foods Co., Inc., Ajinomoto Food Manufacturing Co., Ltd., Ajinomoto AGF, Inc., Ajinomoto Co., (Thailand) Ltd., and Ajinomoto do Brasil Indústria e Comércio de Alimentos Ltda.

3. Scope of application of the equity method

Number of associates and joint ventures accounted for using equity method:
14 companies
Names of main companies:
EA Pharma Co., Ltd., J-Oil Mills, Inc., and Promasidor Holdings Limited

4. Fiscal year, etc. of consolidated subsidiaries

The fiscal year-end for Ajinomoto Lakson Pakistan (Private) Limited is June 30, and the fiscal year-end for 20 consolidated subsidiaries including Ajinomoto del Peru S.A., is December 31, but all prepare financial statements as of March 31 for consolidation purposes.

5. Accounting policies

(1) Valuation standards and methods for significant assets

1) Financial assets

Financial assets are classified into financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss at initial recognition. The Ajinomoto Group initially recognizes financial assets on the transaction date when it becomes a contracting party to the financial asset. Financial assets measured at fair value through profit or loss are initially measured at fair value, while other financial assets are measured at fair value plus transaction costs that are directly attributable to the financial asset.

The Ajinomoto Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset.

(a) Financial assets measured at amortized cost

Financial assets are classified as financial assets measured at amortized cost if both of the following conditions are met:

- Assets are held in accordance with a business model whose objective is to hold assets to collect contractual cash flows, and
- Cash flows that are solely payments of principal and interest on the outstanding balance of the principal are generated on a specific date.

They are subsequently measured at amortized cost using the effective interest method.

(b) Financial assets measured at fair value through other comprehensive income (debt instruments)

Financial assets held by the Ajinomoto Group that meet both of the following conditions are classified as debt instrument measured at fair value through other comprehensive income:

- They are held in accordance with a business model whose objective is achieved by both the collection of contractual cash flows and the sales of assets, and
- Under the contractual terms, cash flows that are solely payments of principal and interest on the outstanding balance of the principal are generated on a specific date.

After initial recognition, they are measured at fair value, with subsequent changes recognized in other comprehensive income. Upon disposal, any cumulative gains or losses recognized through other comprehensive income are reclassified from other components of equity to profit or loss as a reclassification adjustment.

(c) Financial assets measured at fair value through other comprehensive income (equity instruments)

For investments in equity instruments, the Ajinomoto Group has made an irrevocable election to recognize subsequent changes in fair value in other comprehensive income, and classifies them as equity instruments measured at fair value through other comprehensive income.

After the initial recognition, they are measured at fair value, with subsequent changes in fair value recognized in other comprehensive income. Upon disposal, any cumulative gains or losses recognized through other comprehensive income are reclassified from other components of equity to retained earnings.

Dividends from financial assets measured at fair value through other comprehensive income are recognized in profit or loss as financial income.

(d) Financial assets measured at fair value through profit or loss

Financial assets other than financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income described above are classified as financial assets measured at fair value through profit or loss. There are no financial assets that the Group has made an irrevocable designation as financial assets measured at fair value through profit or loss at initial recognition.

After initial recognition, subsequent changes in fair value are recognized in profit or loss.

2) Impairment of financial assets

A loss allowance is recognized for expected credit losses on financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income (debt instruments). Addition to the loss allowances for expected credit loss on financial assets is recognized in profit or loss. Should the balance of the loss allowance decrease, the reversal of the loss allowance is recognized in profit or loss.

3) Financial liabilities

Financial liabilities are classified as financial liabilities measured at amortized cost and financial liabilities measured at fair value through profit or loss at initial recognition. The Ajinomoto Group initially recognizes financial liabilities on the transaction date when it becomes a party to the contractual provisions of a financial liability. Financial liabilities measured at amortized cost are initially measured at fair value less transaction costs directly attributable to the issue of the financial liabilities, and financial liabilities measured at fair value through profit or loss are initially measured at fair value.

Financial liabilities are derecognized when they are extinguished, that is, when the obligation in the contract is discharged, cancelled or expires.

(a) Financial liabilities measured at amortized cost

After initial recognition, financial liabilities measured at amortized cost are measured at amortized cost using the effective interest method.

(b) Financial liabilities measured at fair value through profit or loss

After initial recognition, financial liabilities measured at fair value through profit and loss are measured at fair value, with subsequent changes in fair value recognized in profit or loss.

4) Derivatives and hedge accounting

The Ajinomoto Group uses derivatives, including foreign exchange forward contracts and interest rate swaps, in order to hedge exposures to foreign exchange rate and interest rate fluctuations.

In applying hedge accounting, at the inception of a transaction, the Ajinomoto Group makes a formal designation and prepares documentation of the hedging relationship, the risk management objective and the strategy for undertaking the hedge. The documentation includes the identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and the method of assessing the effectiveness of hedging instrument in offsetting exposures to fair value or cash flow fluctuations of hedged items arising from the hedged risk. An ongoing assessment of hedge effectiveness is performed at the end of each fiscal year or upon a significant change in circumstances affecting the hedge effectiveness, whichever comes first.

Derivatives are initially recognized at fair value. After initial recognition, the fair value measurement is continuously applied, with subsequent changes in fair value accounted for as follows:

(a) Fair value hedges

Changes in the fair value of a derivative classified as a hedging instrument are recognized in profit or loss. Changes in the fair value of the underlying hedged item are recognized in profit or loss by adjusting the carrying value of the hedged item.

(b) Cash flow hedges

The effective portion of changes in the fair value of a derivative classified as a hedging instrument is recognized in other comprehensive income. The ineffective portion of fair value changes is recognized in profit or loss.

For cash flow hedging relationships that hedge foreign exchange risk, the Group designates only changes in the fair value of the direct component of the hedging instrument. Changes in the fair value of the forward component are accounted for separately as a cost of the hedge.

If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or liability, or a hedged forecast transaction for a non-financial asset or liability becomes a firm commitment for which fair value hedge accounting is applied, the initial carrying amount of the non-financial asset or liability is adjusted for the amount recognized in other comprehensive income.

Cash flow hedges other than those mentioned above are reclassified from other components of equity to profit or loss in the accounting period or periods during which the hedged future cash flows affect profit or loss. Notwithstanding, if a loss is recognized and the recoverability of all or a portion of that loss in one or more future periods is doubtful, the unrecoverable amount is transferred immediately to profit or loss.

Hedge accounting is discontinued prospectively when a hedging instrument expires or is sold, cancelled or exercised, the hedge does not meet the conditions for hedge accounting. If a forecast transaction is no longer expected to occur, the amount recognized in other comprehensive income is reclassified immediately from other components of equity to profit or loss.

(c) Derivatives not designated as hedges

Changes in the fair value of derivatives not designated as hedges are recognized in profit or loss.

5) Inventories

The cost of inventories comprises the purchase cost, the processing cost and all other costs incurred in bringing the inventories to their present location and condition. The Ajinomoto Group’s main cost formula is the weighted average method. The cost of inventories that are not ordinarily interchangeable and used for goods or services for specific projects are determined by using specific identification of their individual costs.

Inventories are measured at the lower of cost or net realizable value. Net realizable value is determined at the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

6) Impairment of non-financial assets

At the end of fiscal year, the Ajinomoto Group assesses whether there is any indication that a non-financial asset may be impaired. If an indication of impairment exists, the recoverable amount of the asset or cash-generating unit is estimated. Goodwill, intangible assets with indefinite useful lives and intangible assets currently not available for use are tested for impairment every year and whenever there is an indication of impairment. Goodwill is allocated to a cash-generating unit (minimum unit or unit group), which is expected to earn cash flows from the synergy of the business combination.

The recoverable amount is the higher of the fair value less costs of disposal or the value in use of an asset or a cash-generating unit. When the recoverable amount of an asset or a cash-generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the difference is recognized in profit or loss as an impairment loss. An impairment loss recognized is first allocated to reduce the carrying amount of the goodwill allocated to the cash-generating unit and then to reduce the carrying amount of other assets in the cash-generating unit, excluding the goodwill, on a pro rata basis.

At the end of fiscal year, the Ajinomoto Group assesses whether there is an indication that the impairment loss recognized in prior periods for an asset, excluding goodwill, or cash-generating unit may no longer exist or may have decreased. If such indication exists, the Ajinomoto Group estimates the recoverable amount, and reverses the impairment loss by increasing the carrying amount of the asset or cash-generating unit. The increase in the carrying amount of an asset or cash-generating unit attributable to a reversal of an impairment loss should not exceed the carrying amount, which would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized immediately in profit or loss. Impairment losses recognized on goodwill are not reversed in subsequent periods.

(2) Depreciation and amortization of significant depreciable assets

1) Property, plant and equipment (excluding right-of-use assets)

Property, plant and equipment are measured at cost on initial recognition. The cost of property, plant and equipment comprises the acquisition price, costs directly attributable to the acquisition, costs of dismantling, removing of assets and restoring the site to the original condition and borrowing costs.

After initial recognition, the Ajinomoto Group applies the cost model for measurement and carries the asset at cost less accumulated depreciation and accumulated impairment losses.

Except for non-depreciable assets, such as land, property, plant and equipment are depreciated on a straight-line basis over their useful lives.

The useful lives of major classes of property, plant and equipment are as follows:

- Buildings and structures:	3 to 50 years
- Machinery and vehicles:	2 to 20 years
- Tools, furniture and fixtures:	2 to 20 years

Residual values, useful lives, and depreciation methods are reviewed at the end of each fiscal year. Changes in residual value, useful lives or depreciation methods are accounted for as a change in accounting estimate.

2) Intangible assets (excluding right-of-use assets)

(a) Goodwill

The Group recognizes goodwill as of the acquisition date measured as the excess of a) over b) as described below:

a) the aggregate of the consideration transferred and the amount of non-controlling interest in the acquiree

b) the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed

After initial recognition, goodwill is measured at acquisition cost less accumulated impairment losses, and not subject to amortization.

Goodwill is derecognized when an asset in the cash-generating unit (or its disposal group) is disposed of. In determining gain or loss on disposal, the goodwill related to the operation to be disposed of is included in the carrying value of the operation.

(b) Intangible assets (excluding right-of-use assets)

Intangible assets are initially measured at cost. The acquisition cost of an intangible asset acquired in a business combination is measured at fair value as of the acquisition date. Expenditures for internally generated intangible assets are recognized as an expense as incurred, except for development expenditures that qualify for capitalization.

For measurement after initial recognition, the cost model is applied and the intangible asset is carried at cost less accumulated amortization and accumulated impairment losses.

Intangible assets with definite useful lives are amortized on a straight-line basis over their respective useful lives.

The useful lives of major classes of intangible assets with definite useful lives are as follows:

- Software:	3 to 5 years
- Trademarks:	up to 20 years
- Patents:	up to 10 years
- Customer relationships:	6 to 15 years

Useful lives and amortization methods for intangible assets with definite useful lives are reviewed at the end of each fiscal year. If there is a change in the useful life or amortization method, it is accounted for as a change in accounting estimate. The residual value is deemed to be zero.

Intangible assets with indefinite useful lives or that are not yet available for use are not amortized. For intangible assets with indefinite useful lives, the Ajinomoto Group reviews at the end of each fiscal year, whether an event or condition, which led to the conclusion that an asset has no definite life, continues to exist.

(c) Leases

As a lessee, the Group recognizes right-of-use assets and lease liabilities at the commencement date of the lease transaction. Lease liability is measured at the present value of the total lease payments payable, and right-of-use assets are measured based on the initial direct cost incurred by the lessee and the terms and conditions of the lease, such as lease payments made before the commencement date, and the acquisition cost adjusted for costs such as the obligation to restore to original condition.

After initial recognition, the right-of-use asset is depreciated using the straight-line method over the shorter of its useful life or the lease period.

Lease fees are allocated to financial expense and repayments on lease liabilities based on the effective interest rate method, and interest costs are recognized in the consolidated income statement.

However, for short-term leases with a lease term of 12 months or less and leases with a small underlying asset amount, the right-of-use asset and lease liability are not recognized, and the lease payments are recognized as expenses over the lease term using the straight-line method.

(3) Provisions

Provisions are recognized when the Ajinomoto Group has a present obligation (legal or constructive) as a result of past events, an outflow of resources embodying economic benefits required to settle the obligation is highly probable and the amount of the obligation can be reliably estimated.

Where the effect of the time value of money is material, the present value of the expenditures expected to be required to settle the obligation is used for the amount of provision. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(4) Post-employment benefits

The Ajinomoto Group sponsors defined benefit plans and defined contribution plans as post-employment benefit plans.

For defined benefit plans, the determination of the present value of the defined benefit obligations and the related current service cost and past service cost are based on the projected unit credit method. The discount rate is mainly determined based on the high quality corporate bond market yields at the end of the fiscal year, corresponding to the estimated benefit payments. The retirement benefit liability or asset is presented by netting the fair value of plan assets and the present value of the defined benefit obligation. Net interest on the retirement benefit liability or asset is recognized in profit or loss as financial expenses or income.

Remeasurements of the net defined benefit obligations and plan assets are recognized in other comprehensive income, and not reclassified to profit or loss in subsequent periods. Past service cost is recognized as an expense in the period in which it arises.

(5) Foreign currencies translation

1) Functional currency

Each company in the Ajinomoto Group prepares separate financial statements using its functional currency. Most of these companies use the local currency as their functional currency, but where a business environment in which they operate uses currency other than the local currency, they use that currency as the functional currency.

The consolidated financial statements of the Ajinomoto Group are presented in the millions of Japanese yen, which is the functional currency of the Company.

2) Translation of foreign-currency denominated transactions

Foreign-currency transactions are recorded in a functional currency using the spot exchange rate or the rate that approximates the exchange rate at the transaction date. Subsequently, monetary items denominated in foreign currencies are translated using the spot exchange rates as of the end of the fiscal year. Foreign currency-denominated non-monetary items measured at fair value are translated using the spot exchange rates at the fair value measurement date. Foreign currency-denominated non-monetary items measured at historical cost are continuously translated using the spot exchange rate at the transaction date or the rate that approximates that exchange rate.

Translation differences arising from the translation or settlement of foreign currency transactions are recognized in profit or loss; provided that translation differences arising from financial assets measured at fair value through other comprehensive income and cash flow hedges are included in other comprehensive income.

3) Translation of financial statements of foreign operations

Assets and liabilities of foreign operations are translated into Japanese yen using the spot exchange rate at the end of the fiscal year, and revenues and expenses are translated using the spot exchange rate at the transaction date or the rate that approximates the spot exchange rate, respectively. Translation differences are recognized in other comprehensive income. In case of disposing of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified to profit or loss in the period of disposal.

(6) Revenue recognition

IFRS 15 requires the Group to recognize revenue, excluding interest, dividend income recognized in accordance with IFRS 9 and insurance revenue recognized in accordance with IFRS 4, upon transfer of promised goods or services to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services based on the following five-step approach:

Step 1: Identify the contracts with customers
Step 2: Identify the performance obligations in each contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

(7) Other significant items for the preparation of consolidated financial statements

Presentation of amounts

Amounts less than one million yen are rounded down.

Notes on Changes in Accounting Policies

No applicable items.

Notes to Accounting Estimates

Accounting estimates are reasonable estimates based on information available at the time of preparation of the consolidated financial statements. Of the amounts recorded in the consolidated financial statements for the current fiscal year that are based on accounting estimates, the following items have the risk of having a material impact on the consolidated financial statements for the following fiscal year.

(1) Whether to recognize impairment losses on goodwill and intangible assets with indefinite lives

1) Amount recognized in the consolidated financial statements for the current fiscal year

The consolidated financial statements for the current fiscal year include goodwill of ¥29,366 million arising from the acquisition of Ajinomoto Foods North America, Inc., goodwill of ¥30,906 million and intangible assets with indefinite lives of ¥25,907 million arising from the acquisition of Ajinomoto AGF, Inc., and goodwill of ¥20,796 million related to Bio-Pharma Services. Additionally, the carrying amount of the goodwill in Ajinomoto Foods North America, Inc. was reduced to its recoverable amount in the current fiscal year, and the impairment loss of ¥13,467 million was recognized in "Other operating expenses". For details, please refer to "1. Impairment losses (2) Details of major assets for which impairment losses were recognized" in the Notes to Consolidated Statements of Income.

2) Other information that helps users of the consolidated financial statements understand the content of accounting estimates
Goodwill and intangible assets with indefinite useful lives are required to be tested for impairment on an annual basis. In the impairment test, the higher of either the value in use of each cash-generating unit or the fair value less costs to dispose of the asset, is used to determine the recoverable amount, and if the recoverable amount is less than the carrying amount, an impairment loss is recognized.
The estimated recoverable amount of the cash-generating unit of Ajinomoto Foods North America, Inc., Ajinomoto AGF, Inc. and Bio-Pharma Services is calculated using the discounted cash flow method.
The key assumptions used in the calculation of such recoverable amounts include the sales and operating profit margins in the business plans underlying the future cash flows, the growth rates used to extend the future cash flows, and the discount rates applied to the future cash flows. Those assumptions are subject to management's judgment and may affect the financial position and financial performance in the following fiscal year.

Notes to Consolidated Statements of Financial Position

1. Accumulated depreciation of property, plant and equipment

¥820,376 million

2. Loss allowance directly deducted from assets

(Millions of yen)

Trade and other receivables	1,315
Long-term financial assets	83

Notes to Consolidated Statements of Income

1. Impairment losses

Non-financial assets for which impairment losses are recognized are as follows:

(1) Impairment losses recognized by asset type

The Ajinomoto Group recognized impairment losses of ¥15,143 million for the fiscal year ended March 31, 2023. These impairment losses were recorded in “Other operating expenses” in the consolidated statement of income.

(Millions of yen)

	Current fiscal year (From April 1, 2022 to March 31, 2023)
Buildings and structures	102
Machinery and vehicles	1,550
Tools, furniture and fixtures	23
Goodwill	13,467
Total	15,143

(2) Details of major assets for which impairment losses were recognized

Frozen Foods Segment

The carrying amount of the goodwill in the Company's subsidiary, Ajinomoto Foods North America, Inc., has been reduced to its recoverable amount due to a significant increase in the discount rate associated with rising long-term U.S. interest rates and the current economic situation in the U.S. The Company has reduced the carrying amount of the goodwill in Ajinomoto Foods North America, Inc. to its recoverable amount and recorded the decrease of ¥13,467 million as an impairment loss in "Other operating expenses". The recoverable amount of ¥113,508 million is measured based on the value in use and is calculated by discounting its future cash flows to present value using the pre-tax discount rate of 12.2%.

2. Gain on sale of fixed assets

The Group recorded a gain on sale of fixed assets of ¥33,376 million in other operating income for the current fiscal year. This was mainly due to a gain on sale of ¥28,049 million of some of the fixed assets (idle assets) owned by the Company.

Notes on Revenue Recognition

Revenue recognized from contracts with customers is presented as sales.

1. Details of goods and services

(1) Seasonings and Foods

Seasonings and Foods segment of the Group earns revenues mainly from sales of seasonings, nutritional and processed foods, to general consumers, and the provision of services to restaurants and the food processing industry.

In these sales contracts with customers, the Company has obligations to deliver ordered products. The Company typically satisfies its performance obligations upon delivery. The payment due date depends on individual contracts, but is consistent with market conventions, and the promised amount of consideration does not have a significant financial component.

Rebates are deducted from sales only to the extent that it is highly probable that a significant reversal in revenue recognized will not occur. In Japan, rebates are calculated by multiplying the actual sales volume for a certain period by the rebate rate expected to be achieved, based on the contract with the customer. Overseas, the rebate is calculated by estimating the sales volume for a certain period and multiplying it by the rebate rate in line with actual sales results.

(2) Frozen Foods

Frozen Foods segment of the Group earns revenues mainly from sales of frozen foods.

In these sales contracts with customers, the Company has obligations to deliver ordered products. The Company typically satisfies its performance obligations upon delivery. The payment due date depends on individual contracts, but is consistent with market conventions, and the promised amount of consideration does not have a significant financial component.

Rebates are deducted from sales only to the extent that it is highly probable that a significant reversal in revenue recognized will not occur. Rebates are estimated by multiplying the actual sales performance for a certain period by the rebate rate expected to be achieved, based on the contract with the customer.

(3) Healthcare and Others

Healthcare and Others segment of the Group earns revenues mainly from provision of amino acids for pharmaceuticals and foods, biopharmaceutical services (CDMO), and the sale of functional materials (electronic materials and others).

"Amino Acids for Pharmaceuticals and Foods" business sells pharmaceutical and food ingredients, where the Company has obligations to deliver ordered products.

"Bio-Pharma Services (CDMO)" business engages in manufacturing and developing pharmaceutical intermediates and active ingredients. The Company satisfies its performance obligations when the manufacture and development are considered complete. The payment due date depends on individual contracts, but is consistent with market conventions, and the promised amount of consideration does not have a significant financial component.

"Functional Materials (electronic materials and others)" business sells functional materials and other products for domestic and overseas customers, where the Company has obligations to deliver ordered products. The Company typically satisfies its performance obligations upon delivery. The payment due date depends on individual contracts, but is consistent with market conventions, and the promised amount of consideration does not have a significant financial component.

"Others" business mainly sells feed-use amino acids, health foods and supplements for athletes.

Rebates are deducted from sales only to the extent that it is highly probable that a significant reversal in revenue recognized will not occur. The amount of rebates is estimated by multiplying actual sales results for a certain period by a rebate rate expected to be reached based on contracts with customers.

2. Breakdown of sales

The Group disaggregates revenue from contracts with customers into major product categories in each reportable segment based on the contracts with customers.

(Millions of yen)

Reportable Segment	Major Product Categories	Current fiscal year (From April 1, 2022 to March 31, 2023)
Seasonings and Foods	Sauce & Seasonings	379,795
	Quick Nourishment	209,546
	Solutions & Ingredients	185,679
	Subtotal	775,021
Frozen Foods	Frozen Foods	267,237
	Subtotal	267,237
Healthcare and Others	Amino Acids for Pharmaceuticals and Foods	57,696
	Bio-pharma Services (CDMO)	71,886
	Functional Materials (electronic materials and others)	70,116
	Others	99,970
	Subtotal	299,670
Others		17,185
Total		1,359,115

3. Contract balance

The balance of contract liabilities arising from contracts with customers at the end of the current fiscal year are as follows

(Millions of yen)

	Current fiscal year (From April 1, 2022 to March 31, 2023)
Contract liabilities	8,589

Revenue recognized in the current fiscal year that was included in the opening balance of contract liabilities was ¥10,590 million.

Contract liabilities are primarily related to advance consideration received from customers under manufacturing service agreements for pharmaceutical products and are included in "Other current liabilities."

4. Transaction price allocated to the remaining performance obligations

There are remaining performance obligations related to the manufacturing service agreements for pharmaceutical products as of the end of the previous fiscal year and the end of the current fiscal year. As the transaction price and the timing of satisfaction of the performance obligations estimated is subject to change due to the status of new drug approvals and other related conditions in the future, the aggregate amount of the transaction price allocated to the remaining performance obligations and the timing of expected revenue recognition are not disclosed.

In addition, by applying the practical expedient in paragraph 121 of IFRS 15, and the Group does not disclose information for performance obligations which are part of a contract with an original expected duration of one year or less.

Notes to Consolidated Statements of Changes in Equity

1. **Types and total number of shares issued at end of the fiscal year**

Type of shares issued:	Common stock
Total number of shares issued at the end of the fiscal year:	529,798,154 shares

2. **Matters regarding dividends**

(1) Amount of dividends paid

The following was resolved at the Ordinary General Meeting of Shareholders on June 23, 2022.

Matters regarding common stock:

Total amount of dividends:	¥15,032 million
Dividends per share:	¥28
Record date:	March 31, 2022
Effective date:	June 24, 2022

The above total amount of year-end dividends includes ¥12 million of dividends for the Company's shares owned by the Directors' Remuneration BIP Trust.

The following was resolved at the meeting of the Board of Directors held on November 7, 2022.

Matters regarding common stock:

Total amount of dividends:	¥16,643 million
Dividends per share:	¥31
Record date:	September 30, 2022
Effective date:	December 2, 2022

The above total amount of year-end dividends includes ¥12 million of dividends for the Company's shares owned by the Directors' Remuneration BIP Trust.

(2) Dividends for which the record date falls in the fiscal year ended March 31, 2023 and the effective date falls in the following fiscal year

The following proposal will be submitted at the Ordinary General Meeting of Shareholders to be held on June 27, 2023.

Matters regarding common stock:

Total amount of dividends:	¥19,598 million
Dividends per share:	¥37
Record date:	March 31, 2023
Effective date:	June 28, 2023

Notes to Financial Instruments

1. **Status of financial instruments**

(1) Credit risk management (risks of our business partners failing to honor contracts, etc.)
For trade and other receivables, each business or sales management division of the Company periodically monitors the credit status of major customers. By monitoring due dates and outstanding balances per customer, the risk of collectability may be early detected and minimized, and deposits are required, when deemed necessary. The same system of risk management is also applied to subsidiaries.

The Ajinomoto Group is exposed to the counterparty risk in relation to derivative transactions. To minimize this risk, derivative transactions are permitted, in principle, only with financial institutions with high credit ratings.

The Ajinomoto Group's maximum exposure to the credit risk is the carrying amounts of the financial assets recognized in the consolidated statements of financial position.

(2) Market risk management (risk of changes in exchange rates, interest rates, etc.)
The Ajinomoto Group conducts its business globally and, therefore, is exposed to the currency risk. The risk arises from receivables and payables and forecast transactions denominated in foreign currencies.

For receivables and payables denominated in foreign currencies, the currency fluctuation risk per currency and per month is hedged mainly using forward foreign exchange contracts. For forecast transactions denominated in foreign currencies, forward foreign exchange contracts may be used depending on the market conditions. As a basic rule, when the settlement date comes within six months, forward foreign exchange contracts may be used with an upper limit of 50% of the monthly forecast transaction amounts, and when the settlement date is comes between six months and one year, they may be used with an upper limit of 25% of the monthly forecast transaction amount, as a basic rule.

The Ajinomoto Group also conducts financing through interest-bearing debts. The Ajinomoto Group is exposed to interest rate risk from variable interest rates on some of these interest-bearing debts. Interest rate swaps are used to hedge the interest rate risk from such interest-bearing debts.

Furthermore, the Ajinomoto Group holds equity instruments issued mainly by its trade partners and, accordingly, is exposed to the market fluctuation risk. No equity instruments are held for short-term trading purposes. These equity instruments are periodically assessed with respect to fair value and the financial status of the issuing entity.

The finance division carries out derivative transactions in accordance with internal rules that specify authorization and transaction amount limits, and periodically reports the results of transactions to the executive officers in charge of finance and the Management Committee. The Company's consolidated subsidiaries also manage their derivative transactions in accordance with the Company's rules.

(3) Funding procurement liquidity risk management (risk of failure to meet payment deadlines)
The Ajinomoto Group is exposed to liquidity risk, by which financing may not be available in the necessary amount at the appropriate time. Confusion or disruption in the financial markets, the Company's credit rating lowered by credit rating agencies, and changes in policies and investment decisions by financial institutions all affect the Ajinomoto Group's financing capabilities by increasing the financing cost and reducing liquidity. To minimize such risk, the Company and its principal consolidated subsidiaries use a cash management system and internal loans in an attempt to reduce consolidated interest-bearing debt and mitigate liquidity risk. Liquidity risk is managed by maintaining liquidity at hand at a certain level and continuously setting commitment lines.

2. Breakdown of financial instruments by level of the fair value

Financial instruments measured at fair value on a recurring basis after initial recognition are classified into three levels of the fair value hierarchy depending on the observability and significance of the inputs used in the measurement.

Each level of fair value hierarchy is defined as follows:
Level 1: Fair value measured at quoted prices (unadjusted) in the active market for identical assets or liabilities
Level 2: Fair value measured using direct or indirect observable inputs other than those of Level 1
Level 3: Fair value measured using unobservable inputs

When two or more inputs are used for measurement of fair value, the level of fair value measurement is determined based on the lowest level of input that is significant to the entire measurement.
The details of assets and liabilities measured at fair value on a recurring basis at the end of the current fiscal year are as follows; provided that any transfer between the levels of fair value hierarchy is recognized at the end of the reporting period in which the transfer occurs.

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Assets				
Financial assets measured at fair value through profit or loss				
Derivative assets				
Currency related	—	2,199	—	2,199
Interest rate and currency related	—	1,777	—	1,777
Debt instruments	—	361	1,595	1,956
Financial assets measured at fair value through other comprehensive income				
Equity instruments	27,556	757	16,939	45,253
Total assets	27,556	5,095	18,534	51,186
Liabilities				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities				
Currency related	—	998	—	998
Interest rate related	—	1,232	—	1,232
Total liabilities	—	2,230	—	2,230

For assets and liabilities held as of the end of the current fiscal year, there were no transfers between Level 1 and Level 2.

Valuation techniques and inputs used in fair value measurement of each classification of financial instruments are as follows:
Derivative assets and liabilities
Derivative assets and liabilities classified at Level 2 of the fair value hierarchy are over-the-counter derivatives, and their fair value is measured using observable inputs, including interest rates and foreign exchange rates.

Financial assets measured at fair value through other comprehensive income
Financial assets measured at fair value through other comprehensive income classified as Level 3 of the fair value hierarchy include non-marketable securities and are measured mainly by the comparable peer companies analysis and other valuation techniques. Fair value is subject to change due to changes in comparable values of PER of peer companies and other factors.

No significant change in fair value is expected even if unobservable inputs are replaced with reasonably possible alternative assumptions.

Changes in Level 3 assets and liabilities measured at fair value on a recurring basis are as follows

(Millions of yen))

	Balance at beginning of fiscal year	Other comprehensive income	Increase due to purchases, etc.	Decrease due to sales, etc.	Balance at end of fiscal year
Equity instruments	16,575	78	294	(9)	16,939

Other than the above, there was no material fair value change with respect to the Level 3 debt instruments for the current fiscal year.

There were no transfers between levels during the current fiscal year.

With respect to the valuation process of fair value of Level 3 financial instruments, finance division personnel measure the fair value on a quarterly basis in accordance with the valuation policies and procedures approved by the head of the finance division.

3. Fair value of financial instruments

The breakdown of carrying amounts and fair value of financial assets and debt instruments measured at amortized cost as of the end of the current fiscal year are as follows. The fair values of financial assets and liabilities excluding those listed below are equal to or approximate their carrying amounts and are therefore not disclosed.

(Millions of yen)

	Amounts in consolidated statement of financial position	Fair value
		Level 2
Assets		
Debt instruments	5,553	5,522
Total assets	5,553	5,522
Liabilities		
Corporate bonds	119,696	118,928
Long-term borrowings	119,548	119,937
Total liabilities	239,245	238,865

Fair value measurement methods of each financial instrument are as follows:

Debt instruments

Fair values are determined based on the present value of the sum of the redemption amount at maturity and interest income discounted by the expected interest rate used when a similar new debt instrument is purchased.

Corporate bonds

Fair values are determined based on the market prices.

Long-term borrowings

For long-term borrowings with fixed interest rates, the fair values are determined based on the present value of the sum of the principal and interests discounted by the rate reflecting the credit risk deemed applicable if a similar borrowing was newly made. For long-term borrowings with variable interest rates, the fair values are measured at their carrying amounts, because the borrowings with variable interest rates reflect the current market rates in the short term and the Ajinomoto Group’s credit standing has not significantly changed since the initial borrowing, and thus considered to approximate the carrying amounts.

Notes regarding Per Share Information

Equity per share (attributable to owners of the parent company):	¥1,452.24
Basic earnings per share:	¥175.97
Diluted earnings per share:	¥175.96

Notes on Significant Subsequent Events

Repurchase of shares

The Company decided at the meeting of the Board of Directors held on May 11, 2023 to repurchase shares in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act of Japan, as well as its treasury stock holding policy.

1. Reason for Conducting the Share Repurchase

The purpose is to increase the level of shareholder returns and improve capital efficiency.

2. Details of the Repurchase

(1) Class of shares to be repurchased	Common stock
(2) Total number of shares to be repurchased	12.5 million (maximum) (2.36% of total shares outstanding, excluding treasury stock)
(3) Total amount to be paid for repurchase	¥50 billion (maximum)
(4) Term of repurchase	May 12, 2023 to July 31, 2023
(5) Method of repurchase	(a) Purchase through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) (b) Purchase in the market through the Tokyo Stock Exchange
(6) Other	The Company plans to retire a portion of the shares repurchased under this program by resolution of the Board of Directors, pursuant to the provisions of Article 178 of the Companies Act.

With regard to the abovementioned (5) Method of repurchase (a) Purchase through Off-Auction Own Share Repurchase Trading (ToSTNeT-3), on May 12, 2023, the following repurchase of shares was conducted.

(1) Class of shares to be repurchased	Common stock
(2) Total number of shares to be repurchased	5 million (0.9% of total shares outstanding, excluding treasury stock)
(3) Total amount to be paid for repurchase	¥24.16 billion (¥4,832 per share)

Furthermore, after the completion of the above-mentioned through Off-Auction Own Share Repurchase Trading (ToSTNeT-3), the Company intends to continue the repurchase of its shares on the Tokyo Stock Exchange up to either the total number of shares to be repurchased or the total amount to be paid as resolved at the meeting of the Board of Directors held on May 11, 2023, after subtracting the total number of shares and total amount paid for the those shares acquired through Off-Auction Own Share Repurchase Trading (ToSTNeT-3).

3. Clarification of treasury stock holding policy

The Company intends to accelerate investment in our four growth areas, and shift our focus towards growth. In order to diversify the sources of investment, we are considering the use of treasury stock in addition to cash expenditures. In addition, in order to continuously increase corporate value, it is important for not only directors and officers but also employees to actively hold the Company's shares, and the Company will consider future restricted stock compensation and stock options.

Therefore, for the above and other reasons, the Company has resolved to hold acquired treasury stock up to approximately 1% of the total number of shares issued and outstanding. Upon this acquisition of treasury stock, the Company has decided to hold approximately 0.25% of the total number of shares acquired as treasury stock instead of retiring it.

We will ensure capital mobility and maximize corporate value while taking into account the most appropriate options.

(Attached Document)

Non-Consolidated Financial Statements (prepared in accordance with Japanese-GAAP)

Non-Consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen)

	FY ended March 31, 2023 (as of March 31, 2023)	**FY ended March 31, 2022** (Reference: as of March 31, 2022)		**FY ended March 31, 2023** (as of March 31, 2023)	**FY ended March 31, 2022** (Reference: as of March 31, 2022)
Assets			**Liabilities**		
I Current assets	**245,157**	**246,075**	**I Current liabilities**	**332,105**	**338,377**
Cash on hand and in banks	6,979	33,717	Accounts payable	88,549	84,980
Notes receivable	3,944	3,641	Short-term borrowings	162,624	171,939
Accounts receivable	91,057	85,456	Current portion of bonds	20,000	20,000
Goods and products	41,202	36,353	Current portion of long-term borrowings	11,399	11,399
Goods in process	512	434	Lease liabilities	232	9
Raw materials and supplies	4,953	3,862	Other payables	17,190	19,662
Prepaid expenses	6,766	6,490	Accrued expenses	27,773	27,570
Short-term loans receivable	40,643	34,910	Accrued income taxes	224	496
Current portion of long-term loans receivable	167	—	Accrued bonuses for directors and corporate executive officers	343	538
Receivables	43,448	42,576	Provision for shareholder benefit program	353	312
Corporate tax receivable	9,247	1,257	Provision for directors' stock benefits	561	173
Others	3,175	3,103	Provision for performance-based bonuses	374	—
Allowance for doubtful accounts	(6,941)	(5,726)	Provision for special incentive for employee stock ownership association	1,546	—
			Provision for environmental measures	232	19
II Fixed assets	**728,777**	**714,926**	Provision for contract loss	—	263
1. Tangible fixed assets	**97,654**	**95,809**	Others	697	1,012
Buildings	118,556	117,715			
Structures	17,573	17,131	**II Long-term liabilities**	**248,671**	**275,395**
Machinery and equipment	120,265	116,029	Corporate bonds	120,000	140,000
Vehicles and transporting equipment	169	152	Long-term borrowings	106,041	115,499
Tools, furniture and fixtures	37,548	37,103	Deferred tax liabilities	5,342	2,151
Land	12,235	13,104	Lease liabilities	3,126	42
Leased assets	3,109	86	Accrued retirement benefits for employees	—	2,401
Construction in progress	3,715	6,149	Accrued retirement benefits for directors and others	—	24
Accumulated depreciation and accumulated impairment losses	(215,517)	(211,663)	Provision for directors' stock benefits	—	208
			Provision for environmental measures	537	400
2. Intangible fixed assets	**34,806**	**39,156**	Provision for contract loss	—	289
Patents	29	32	Provision for loss on business of subsidiaries and affiliates	—	387
Leaseholds	2,680	2,680	Asset retirement obligations	30	37
Trademark	17,809	19,126	Guarantee deposits received	11,252	11,398
Software	12,440	14,048	Others	2,342	2,552
Software in progress	1,845	3,266	**Total Liabilities**	**580,777**	**613,772**
Others	1	1			

3. Investments and other assets	**596,316**	**579,959**	**Net Assets**		
Investments in securities	32,281	31,701	**I Shareholders' equity**	**382,163**	**336,455**
Investments in stock of subsidiaries and affiliates	471,594	471,533	**1. Common stock**	**79,863**	**79,863**
Investments in capital	38	38	**2. Capital surplus**	**4,274**	**4,274**
Investments in capital of subsidiaries and affiliates	74,684	74,684	Additional paid-in capital	4,274	4,274
Long-term loans receivable	ー	157	**3. Retained earnings**	**299,366**	**253,688**
Long-term prepaid expenses	957	1,022	(1) Legal reserve	16,119	16,119
Pre-paid pension expense	15,860	ー	(2) Other retained earnings	283,247	237,568
Others	945	869	Reserve for advanced depreciation of fixed assets	4,841	5,051
Allowance for doubtful accounts	(46)	(46)	Retained earnings brought forward	278,405	232,516
			4. Treasury stock	**(1,342)**	**(1,371)**
			II Valuation, translation adjustments and others	**10,994**	**10,774**
			1. Unrealized holding gain on securities	**11,483**	**11,351**
			2. Unrealized gain (loss) from hedge instruments	**(489)**	**(577)**
			Total Net Assets	**393,157**	**347,229**
Total Assets	**973,935**	**961,002**	**Total Liabilities & Net Assets**	**973,935**	**961,002**

(Attached Document)

Non-Consolidated Statement of Income

(From April 1, 2022 to March 31, 2023)

(Millions of yen)

		FY ended March 31, 2023	FY ended March 31, 2022 (reference)
I	**Net sales**	**294,270**	**271,542**
II	**Cost of sales**	**177,790**	**154,381**
	Gross profit	**116,480**	**117,160**
III	**Selling, general and administrative expenses**	**132,079**	**130,216**
	Operating income (loss)	**(15,599)**	**(13,055)**
IV	**Non-operating income**	**128,724**	**107,335**
	Interest income	430	121
	Dividend income	125,021	103,336
	Others	3,272	3,876
V	**Non-operating expenses**	**12,043**	**10,839**
	Interest expense	2,987	3,940
	Cost of lease revenue	2,692	2,327
	Foreign exchange loss	2,006	1
	Allowance for doubtful accounts	1,414	2,963
	Others	2,942	1,605
	Ordinary income	**101,081**	**83,439**
VI	**Extraordinary gains**	**11,875**	**15,512**
	Gain on sale of fixed assets	7,192	12,070
	Gain on reversal of allowance for contract loss	239	1,517
	Others	4,443	1,924
VII	**Extraordinary losses**	**4,373**	**6,213**
	Loss on disposal of fixed assets	2,346	2,448
	Loss on valuation of stocks of subsidiaries and affiliates	964	607
	Loss on valuation of investment securities	114	1,157
	Loss on extinguishment of tie-in shares	–	884
	Provision for loss on business of subsidiaries and affiliates	–	387
	Others	946	728
	Net income before income taxes	**108,584**	**92,738**
	Income taxes--current	(1,811)	2,206
	Income taxes--deferred	3,146	1,362
	Net income	**107,249**	**89,168**

(Attached Document)

Non-Consolidated Statement of Changes in Net Assets

(From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity									Valuation, translation adjustments and others			Total net assets
		Capital surplus			Retained earnings								
	Common stock	Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings (*Note)	Total retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gain on securities	Unrealized gain (loss) from hedge instruments	Total valuation, translation adjustments and others	
Beginning balance	**79,863**	**4,274**	**–**	**4,274**	**16,119**	**237,568**	**253,688**	**(1,371)**	**336,455**	**11,351**	**(577)**	**10,774**	**347,229**
Changes in fiscal year ended March 31, 2023													
Dividends from retained earnings						**(31,675)**	**(31,675)**		**(31,675)**				**(31,675)**
Net income						**107,249**	**107,249**		**107,249**				**107,249**
Purchase of treasury stock								**(30,022)**	**(30,022)**				**(30,022)**
Disposal of treasury stock			**0**	**0**				**156**	**156**				**156**
Retirement of treasury stock			**(29,894)**	**(29,894)**				**29,894**	**–**				**–**
Transfer of negative amount of other capital surplus			**29,894**	**29,894**		**(29,894)**	**(29,894)**		**–**				**–**
Net changes in items other than those in shareholders' equity										**132**	**87**	**219**	**219**
Total changes in fiscal year ended March 31, 2023	**–**	**–**	**–**	**–**	**–**	**45,678**	**45,678**	**28**	**45,707**	**132**	**87**	**219**	**45,927**
Ending balance	**79,863**	**4,274**	**–**	**4,274**	**16,119**	**283,247**	**299,366**	**(1,342)**	**382,163**	**11,483**	**(489)**	**10,994**	**393,157**

Note: Details of other retained earnings:

(Millions of yen)

	Reserve for advanced depreciation of fixed assets	Retained earnings brought forward	Total
Beginning balance	5,051	232,516	237,568
Changes in fiscal year ended March 31, 2023			
Dividends from retained earnings		(31,675)	(31,675)
Reversal of other retained earnings	(209)	209	–
Net income		107,249	107,249
Transfer of negative amount of other capital surplus		(29,894)	(29,894)
Total changes in fiscal year ended March 31, 2023	(209)	45,888	45,678
Ending balance	4,841	278,405	283,247

Notes to the Non-Consolidated Financial Statements

Significant accounting policies

1. Valuation standards and methods for securities

(1) Stocks of subsidiaries and affiliated companies are stated at cost determined by the moving-average method.

(2) Other securities for which market price is available are stated at market price at the fiscal year end and the changes in market price, net of applicable income taxes, are directly charged or credited to net assets. The cost of such securities sold is determined by the moving-average method. Other securities for which market price is not available are stated at cost determined by the moving-average method.

2. Derivative instruments

Derivative instruments are carried out at fair value. However, special treatment is applied with respect to interest rate swaps, in cases where criteria for special treatment are met. If interest rate and currency swap contracts are used as a hedge and meet certain hedging criteria, the interest rate and currency swap contracts are not stated at fair value, and instead the amount to be received under the interest rate and currency swap contracts is added to or deducted from the interest on the liabilities for which the swap contracts are executed, and the liabilities denominated in foreign currencies, for which the interest rate and currency swap contracts are executed, are translated at the contracted rate (integral accounting).

3. Inventories

Inventories are stated at cost determined by the average method (in cases where the profitability has declined, the book value is reduced accordingly).

4. Depreciation method of fixed assets

(1) Tangible fixed assets (excluding leased assets)
The depreciation of tangible fixed assets is computed by the straight-line method. The range of useful life is 7 to 50 years for buildings and 4 to 15 years for machinery and equipment.

(2) Intangible fixed assets (excluding leased assets)
The amortization of intangible fixed assets is computed by the straight-line method. Software is amortized by the straight-line method over the estimated internal useful life (5 years). Trademarks are in principle amortized by the straight-line method over the period of its validity (20 years).

(3) Leased assets
The straight-line method is applied with the useful life of the asset being the lease period and the residual value being zero.

5. Reserves

(1) Allowance for doubtful accounts:
Allowance for doubtful accounts is recorded for possible bad debts at the amount estimated based on historical bad debts experience for general receivables and by reference to the individual collectability of specific doubtful receivables.

(2) Accrued bonuses for directors and corporate executive officers
In preparation for the payment of bonuses to directors and corporate executive officers, the Company has provided an allowance for expected payment for services during the fiscal year.

(3) Provision for shareholder benefit program
In preparation for payment relating to the shareholder benefit program, a provision for the shareholder benefit program has been recorded for the amount estimated based on past results, which shall be paid during and after the following fiscal year.

(4) Accrued retirement benefits for employees
Accrued retirement benefits for employees are provided based on the projected benefit obligations and fair value of pension plan assets at the end of the fiscal year in order to prepare for payment of retirement benefits.

Prior service cost is amortized by the straight-line method over a period within the average remaining service years of employees (10 years) at the time of recognition.

Actuarial gain or loss is amortized by the straight-line method over a period within the average remaining service years of employees (10 years) at the time of recognition, from the respective fiscal year following the fiscal year of recognition.

(5) Accrued retirement benefits for directors and others
Accrued retirement benefits for directors and corporate executive officers are recorded at the amount required to be paid in accordance with internal rules in order to prepare for payment of retirement benefits to those directors and others.

The Company abolished the system of payment of severance benefits to directors and corporate executive officers in June 2007, and has decided to pay severance benefits at the time of retirement with respect to the period in which the system was applied.

(6) Provision for share-based compensation
In preparation for delivery of the Company's shares to directors and others as part of the Company's share-based compensation program, the Company has recorded an allowance for the expected amount of obligations at the end of the fiscal year in accordance with internal rules.

(7) Provision for performance-based bonuses
In preparation for the payment of performance-based bonuses to certain employees, including foreign nationals, the Company has recorded the estimated amount of such payments for the current fiscal year.

(8) Provision for special incentive for employee stock ownership association
In preparation for the payment of special incentives to members of the employee stock ownership association, the amount to be borne for the current fiscal year has been recorded.

(9) Allowance for environmental measures
In preparation for payment for environmental measures, an allowance for the amount of costs expected to be incurred has been recorded.

(10) Provision for contract loss
In preparation for losses relating to the fulfillment of contracts, a provision for loss on contracts has been recorded for the estimated amount of losses expected.

(11) Provision for loss on business of subsidiaries and affiliates
In preparation for losses relating to the business of subsidiaries and affiliates, the Company recognized the provision for the estimated amount of such losses expected, taking into consideration the financial position and other factors of those subsidiaries and affiliates.

6. Standards for revenue recognition

The Company recognizes revenue, excluding interest and dividend income, etc., upon transfer of promised goods or services to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services based on the following five step approach

Step 1: Identify the contracts with customers
Step 2: Identify the performance obligations in each contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Company derives revenues primarily from the sale of seasonings, food products, and amino acids for medical and food use. Under the sales contracts for these products, the Company recognizes revenue upon delivery of goods that satisfy performance obligations.

7. Translation of assets and liabilities denominated in foreign currencies into yen

Monetary receivables and payables denominated in foreign currencies are translated into yen at the rate of foreign exchange in effect at the balance sheet date. The resulting exchange gain or loss is recognized in profit or loss.

8. Hedge accounting

(1) Hedge accounting policy
The Company adopts deferred hedge accounting.
Derivative instruments are carried out at fair value. However, special treatment is, in principle, applied with respect to interest rate swaps, in cases where criteria for special treatment are met. If interest rate and currency swap contracts are used as a hedge and meet certain hedging criteria, the interest rate and currency swap contracts are not stated at fair value, and instead the amount to be received under the interest rate and currency swap contracts is added to or deducted from the interest on the liabilities for which the swap contracts are executed, and the liabilities denominated in foreign currencies, for which the interest rate and currency swap contracts are executed, are translated at the contracted rate (integral accounting).

(2) Hedging instruments and hedged items

Hedging instruments	Hedged items
Interest rate swaps	Interest on corporate bonds and borrowings
Interest rate and currency swaps	Foreign currency borrowings, interest paid on borrowings

(3) Hedging policy
The Company hedges foreign exchange rate risk and interest rate risk for certain transactions that are significant and that can be recognized individually, based on internal rules for derivative transactions.

(4) Assessment of hedge effectiveness
An assessment of hedge effectiveness is not undertaken for forward exchange contracts, as the conditions pertaining to the hedging instruments and the hedged items are equivalent. Interest rate swaps for which special treatment is applied, or interest rate and currency swaps for which integral treatment is applied, evaluation of effectiveness is not conducted.

9. Accounting for retirement benefits

Accounting methods for unrecognized actuarial gains and losses and unrecognized prior service costs related to retirement benefits differ from those applied in the consolidated financial statements.

Changes in presentation method

(Notes to statement of income)

1. “Foreign exchange loss” (¥1 million in the previous fiscal year), which was included in “Others” under “Non-operating expenses” in the previous fiscal year, is presented as a separate line item in the current fiscal year because its materiality has increased.

Notes to accounting estimates

Accounting estimates are reasonable estimates based on information available at the time of preparation of the consolidated financial statements. Of the amounts recorded in the consolidated financial statements for the current fiscal year that are based on accounting estimates, the following items have the risk of having a material impact on the financial statements for the following fiscal year.

1. Valuation of shares in subsidiaries and affiliates

(1) Amounts recorded in the financial statements of the current fiscal year

Shares in subsidiaries and affiliates with no market price	¥471,594 million

(2) Other information relevant to the use of accounting estimates in the financial statements

If the substantive value of shares in subsidiaries and affiliates declines significantly due to deterioration in their financial position, a write-down is recognized unless the possibility of recovery is supported by sufficient evidence. The substantive value is calculated based on the net asset values obtained from subsidiaries and affiliates, also considering differences from the market price of assets, etc.

The calculation of actual value and the determination of recoverability are mainly influenced by management's judgment regarding the rationality of the business plan of the applicable companies, which involves future uncertainties that may impact the financial position and financial performance of the following fiscal year.

Notes to Balance Sheet

Monetary receivables and payables to subsidiaries and affiliated companies

Short-term monetary receivables	¥120,845 million
Long-term monetary receivables	¥180 million
Short-term monetary payables	¥230,266 million
Long-term monetary payables	¥1,984 million

Notes to Statement of Income

Transactions with subsidiaries and affiliated companies

Transaction amount with respect to operating transactions	
Sales	¥67,028 million
Purchasing	¥89,419 million
Supply of raw ingredients	¥56,933 million
Other Operating transactions	¥32,291 million
Transaction amount with respect to non-operating transactions	¥130,483 million

Notes to Statements of Changes in Net Assets

Types and total number of treasury stock at the end of the fiscal year:

Type of treasury stock:	Common stock
Total number of treasury stock at the end of the fiscal year:	495,714 shares

Notes on Securities

Stocks of subsidiaries and affiliated companies

(Millions of yen)

Category	Book value	Fair value	Variance
Stock of subsidiaries	1,420	14,802	13,382
Stock of affiliated companies	8,239	13,771	5,531
Total	9,659	28,574	18,914

Note: Carrying amount of securities, etc. with no market price not included in the above

Category	Book value
Stock of subsidiaries	385,438
Stock of affiliated companies	76,497

Notes on Deferred Tax Accounting

1. The significant components of deferred tax assets and liabilities as of March 31, 2023 were as follows:

Deferred tax assets:	(Millions of yen)
Loss on valuation of investment securities	24,841
Tax losses carried forward	5,469
Accrued bonuses	2,967
Allowance for doubtful account	2,139
Impairment losses	1,602
Period expense	1,333
Foreign tax credit carried forward	595
Depreciable assets, etc.	591
Loss from inventory revaluation	207
Accrued business taxes, etc.	98
Others	1,010
Gross deferred tax assets	40,857
Valuation allowance for loss carried forward	(5,469)
Valuation allowance for deductible temporary differences, etc.	(27,801)
Gross valuation allowance	(33,270)
Total deferred tax assets	7,586
Deferred tax liabilities:	
Reserve for advanced depreciation of fixed assets	(2,947)
Pre-paid pension expense	(4,856)
Unrealized holding gain on securities	(5,004)
Others	(120)
Total deferred tax liabilities	(12,928)
Net deferred tax liabilities	(5,342)

2. Accounting for corporate and local income taxes or tax effect accounting related to these taxes

Effective from the current fiscal year, the Company has adopted a group tax sharing system. Accounting treatment and disclosure of tax effect accounting related to corporate income taxes and local corporate income taxes are in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ PITF No. 42, August 12, 2021).

Notes regarding Related Party Transactions

Subsidiaries, affiliated companies, etc.

Attribution	Name of Company, etc.	Percentage of voting rights held	Relationship with related party	Details of transaction	Transaction amount (millions of yen)	Item	Year-end balance (millions of yen)
Subsidiary	Ajinomoto Food Manufacturing Co., Ltd.	100% (directly)	Purchase and sale of said company’s products by the Company; joint purchase and provision of raw materials to said company	Purchase of products, etc.[1]	88,370	Accounts payable	8,365
				Fee-based supply of raw materials, etc.[2]	59,031	Receivables	14,539
				Borrowing of funds[3]	-	Short-term borrowings	12,411

	Ajinomoto Frozen Foods Co., Inc.	100% (directly)	Purchase and sale of said company's products by the Company; joint purchase and provision of raw materials to said company; concurrent holding of corporate officer positions	Purchase of products, etc.[4]	831	Accounts payable	16,435
	Ajinomoto Engineering Corporation	100% (directly)	Subcontracting of operations to said company by the Company	Purchase of tangible fixed assets, etc.[5]	9,923	Other payables	5,113
	Ajinomoto Fine-Techno Co., Inc.	100% (directly)	Purchase of said company's products by the Company; subcontracting of said company's operations by the Company	Borrowing of funds[3]	-	Short-term borrowings	28,456
	Ajinomoto AGF, Inc.	100% (directly)	Purchase and sale of said company's products by the Company; concurrent holding of corporate officer positions	Purchase of products, etc.[4]	1,229	Accounts payable	18,534
				Fee-based supply of raw materials, etc.[2]	44,893	Receivables	13,145
	Ajinomoto Co., (Thailand) Ltd.	99.72% (directly)	Purchase and sale of said company's products by the Company; purchase and sale of the Company's products by said company; concurrent holding of corporate officer positions	Borrowing of funds[6]	102,515	Short-term borrowings	90,015
				Repayment of funds[6]	102,515		
	Ajinomoto Sales (Thailand) Co., Ltd.	100% (indirectly)	Purchase and sale of said company's products by the Company	Borrowing of funds[6]	10,000	Short-term borrowings	10,000
				Repayment of funds[6]	30,000		
	Ajinomoto Foods North America, Inc.	100% (indirectly)	Purchase and sale of the Company's products by said company; concurrent holding of corporate officer positions	Lending of funds[3]	-	Short-term loans receivable	12,166
	S.A. Ajinomoto OmniChem N.V.	100% (directly and indirectly)	Purchase and sale of said company's products by the Company; purchase and sale of the Company's products by said company; concurrent holding of corporate officer positions	Payment of contributions equivalent to compensation for early termination of employment contracts at said company[7]	396	-	-

(Transaction conditions, policy for deciding said conditions and others)

1. The purchase price of the products is determined by contract with consideration given to the manufacturing cost of Ajinomoto Food Manufacturing Co., Ltd. and the sales price to third parties.
2. For the fee-based supply of raw materials, the price is determined by reference to contract, with consideration given to market prices.
3. As the Company has a cash management system to facilitate unified cash management within the Ajinomoto Group and borrowing and lending between participating companies is conducted on a daily basis, transaction amounts are not disclosed. Interest rates are decided in consideration of market rates.
4. The Company is the sole agent and the price is determined by reference to contract, with the final selling price serving as the basis. These sole agent sales are recorded by netting sales and cost of goods sold, and therefore the disclosed amount is commission.
5. With respect to the purchase of tangible fixed assets, the price is determined by reference to contract, with consideration given to the purchase price of Ajinomoto Engineering Corporation and market prices.

6. With respect to borrowing of funds, interest rates are determined by reference to market interest rates.
7. Gwinnett Bompas served as an executive officer of the Company while maintaining his employment contract as an employee of S.A. Ajinomoto OmniChem N.V. ("AOC"). He retired from his position as an executive officer of the Company on June 23, 2022, and his employment contract with AOC concluded on March 31, 2023. As a result, with respect to the compensation paid by AOC to Mr. Bompas, the Company paid the equivalent amount to AOC. The amount of this transaction was recorded in Others under Extraordinary losses.

Notes regarding Revenue Recognition

Information on the basis for understanding revenue has been omitted because the same information is presented in the Notes to Consolidated Financial Statements, except for the frozen foods business, for which the Company acts as an agent.

Notes regarding Per Share Information

Net assets per share:	¥742.78
Net income per share:	¥200.64
Diluted net income per share:	¥200.62

Notes on Significant Subsequent Events

Repurchase of shares

The Company decided at the meeting of the Board of Directors held on May 11, 2023 to repurchase shares in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act of Japan, as well as its treasury stock holding policy.

1. Reason for Conducting the Share Repurchase

The purpose is to increase the level of shareholder returns and improve capital efficiency.

2. Details of the Repurchase

(1) Class of shares to be repurchased	Common stock
(2) Total number of shares to be repurchased	12.5 million (maximum) (2.36% of total shares outstanding, excluding treasury stock)
(3) Total amount to be paid for repurchase	¥50 billion (maximum)
(4) Term of repurchase	May 12, 2023 to July 31, 2023
(5) Method of repurchase	(a) Purchase through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) (b) Purchase in the market through the Tokyo Stock Exchange
(6) Other	The Company plans to retire a portion of the shares repurchased under this program by resolution of the Board of Directors, pursuant to the provisions of Article 178 of the Companies Act.

With regard to the abovementioned (5) Method of repurchase (a) Purchase through Off-Auction Own Share Repurchase Trading (ToSTNeT-3), on May 12, 2023, the following repurchase of shares was conducted.

(1) Class of shares to be repurchased	Common stock
(2) Total number of shares to be repurchased	5 million (0.9% of total shares outstanding, excluding treasury stock)
(3) Total amount to be paid for repurchase	¥24.16 billion (¥4,832 per share)

Furthermore, after the completion of the above-mentioned through Off-Auction Own Share Repurchase Trading (ToSTNeT-3), the Company intends to continue the repurchase of its shares on the Tokyo Stock Exchange up to either the total number of shares to be repurchased or the total amount to be paid as resolved at the meeting of the Board of Directors held on May 11, 2023, after subtracting the total number of shares and total amount paid for the those shares acquired through Off-Auction Own Share Repurchase Trading (ToSTNeT-3).

3. Clarification of treasury stock holding policy

The Company intends to accelerate investment in our four growth areas, and shift our focus towards growth. In order to diversify the sources of investment, we are considering the use of treasury stock in addition to cash expenditures. In addition,

in order to continuously increase corporate value, it is important for not only directors and officers but also employees to actively hold the Company's shares, and the Company will consider future restricted stock compensation and stock options. Therefore, for the above and other reasons, the Company has resolved to hold acquired treasury stock up to approximately 1% of the total number of shares issued and outstanding. Upon this acquisition of treasury stock, the Company has decided to hold approximately 0.25% of the total number of shares acquired as treasury stock instead of retiring it.
We will ensure capital mobility and maximize corporate value while taking into account the most appropriate options.

Additional Information

(Share-based Compensation of Executive Officers Based on the Company's Medium-term Earnings Performance)

1. Overview of transactions
The Company has introduced a share-based compensation for executive officers based on the Company's medium-term earnings performance (the "System"), for the purpose of boosting the motivation of Directors (excluding Internal Directors who are Members of the Audit Committee and Outside Directors) and Executive Officers (including those who concurrently serve as Directors) (excluding non-residents of Japan) (collectively the "Executive Officers, etc.") to contribute towards the improvement of the Ajinomoto Group's medium- and long-term business performance and enhancement of its corporate value.

The System was introduced for a trust period of three years covering the first years of the FY2020-2025 Medium-Term Management Plan that commenced on April 1, 2020 (the "Target Period") using a stock-granting trust (the "Trust") created by the Company as the trustor, using funds provided by the Company to acquire Company shares, and at the end of the Target Period grant or make payment to Executive Officers, etc. of Company shares and cash in the amount equivalent to the conversion value of Company shares depending on their job positions and the level of achievement of the performance targets.

2. Company shares held by the Trust
Shares held by the Trust are recorded as treasury shares under net assets, based on the Trust's book value (excluding expenses). At the end of the current fiscal year, the book value and total number of such treasury shares was ¥834 million and 373,400 shares respectively.

Audit Report

Copy of Report of Accounting Auditor Regarding Consolidated Financial Statements

Independent Auditor's Report

May 15, 2023

Mr. Taro Fujie,
Representative Executive Officer & President
Ajinomoto Co., Inc.

KPMG AZSA LLC
Tokyo Office, Japan

Designated Limited Liability and Engagement Partner, Certified Public Accountant: Takuji Kanai (seal)
Designated Limited Liability and Engagement Partner, Certified Public Accountant: Hirotaka Tanaka (seal)
Designated Limited Liability and Engagement Partner, Certified Public Accountant: Hiroto Kawase (seal)

Opinion

We have audited the consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements of Ajinomoto Co., Inc. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at March 31, 2023 and for the year from April 1, 2022 to March 31, 2023 in accordance with Article 444-4 of the Companies Act.

In our opinion, the above consolidated financial statements, prepared in accordance with International Financial Reporting Standards (IFRS) with certain omissions of disclosure items pursuant to the latter part of Paragraph 1, Article 120 of the Rules of Corporate Accounting, are based on Ajinomoto Co., Inc. and its consolidated subsidiaries, and we acknowledge that the status of assets and profits and losses for the period pertaining to the consolidated financial statements are fairly presented in all material respects.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) with certain omissions of disclosure items pursuant to the latter part of Paragraph 1, Article 120 of the Rules of Corporate Accounting. This includes the establishment and operation of an internal control system that Company management has decided is necessary to ensure that consolidated financial statements are prepared without any material misstatements due to fraud or error and are presented fairly.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so, disclosing, as applicable, matters related to going concern in accordance with International Financial Reporting Standards (IFRS) with certain omissions of disclosure items pursuant to the latter part of Paragraph 1, Article 120 of the Rules of Corporate Accounting.

The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with International Financial Reporting Standards (IFRS) with certain omissions of disclosure items pursuant to the latter part of Paragraph 1, Article 120 of the Rules of Corporate Accounting, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its subsidiaries which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

Copy of Report of Accounting Auditor Regarding Non-Consolidated Financial Statements

Independent Auditor's Report

May 15, 2023

Mr. Taro Fujie,
Representative Executive Officer & President
Ajinomoto Co., Inc.

KPMG AZSA LLC
Tokyo Office, Japan

Designated Limited Liability and Engagement Partner, Certified Public Accountant: Takuji Kanai (seal)
Designated Limited Liability and Engagement Partner, Certified Public Accountant: Hirotaka Tanaka (seal)
Designated Limited Liability and Engagement Partner, Certified Public Accountant: Hiroto Kawase (seal)

Opinion

We have audited the financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the notes to the non-consolidated financial statements, and the accompanying supplemental schedules of non-consolidated financial statements ("the financial statements and the accompanying supplementary schedules") of Ajinomoto Co., Inc. ("the Company") as at March 31, 2023 and for the 145th fiscal year beginning April 1, 2022 and ending March 31, 2023 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules
Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.
As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company’ s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’ s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’ s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan
Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

<u>Notes to the Reader of Independent Auditor’s Report:</u>
This is an English translation of the Independent Auditor’s Report as required by the Companies Act of Japan for the conveniences of the reader.

Copy of the Audit Committee Audit Report

Audit Report

The Audit Committee has audited the performance of duties by the Directors and Executive Officers for the 145th fiscal year beginning April 1, 2022 and ending March 31, 2023. The methods and results are reported as follows.

1. Overview of Auditing Methods

The Audit Committee periodically received reports from Directors, Executive Officers, employees, and others concerning the structure and operation of the details of resolutions of the Board of Directors concerning the matters listed in Article 416, Paragraph 1, Item 1 (b) and (e) of the Companies Act, and the systems (internal control systems) put in place based on those resolutions. The Audit Committee asked for clarification as needed, expressed its opinions, and conducted audits using the following methods.

1) At its meeting on July 28, 2022, the Audit Committee passed resolutions on the auditing policies, auditing plans, and division assignment of duties of each Member of the Audit Committee. In accordance with these resolutions and in collaboration with the Company's internal control divisions, Members of the Audit Committee attended important meetings, including those online, and received reports from Directors, Executive Officers, employees and others on matters related to the performance of duties. Members of the Audit Committee asked for clarification as needed, inspected important written approvals, etc., and investigated the operations and finances of headquarters and other major offices and plants. Regarding subsidiaries, the Members of the Audit Committee communicated and exchanged information with the Directors, Audit & Supervisory Board Members, and others of such, received business reports and investigated the operations and finances of the subsidiaries as deemed necessary.
2) Members of the Audit Committee received written reports from the Internal Auditing Division of the audit results after each audit and monthly reports, and every three months received and exchanged opinions on reports on the audit results and evaluation reports on internal control systems relating to financial reports.
3) Members of the Audit Committee received explanations of auditing plans in advance from the Accounting Auditor, and, in addition to carrying out discussions, received reports of the audit results. Furthermore, in addition to monitoring and examining whether the Accounting Auditor maintained an independent stance, as well as implementing fair audits, Members of the Audit Committee received reports from the Accounting Auditor to the effect that systems had been put in place to ensure that their duties are appropriately performed. Members of the Audit Committee discussed major audit considerations with KPMG AZSA LLC, received a report on the implementation of the audit, and requested explanations as necessary.

Based on the aforementioned methods, we examined the Business Report and the supplementary schedules for the fiscal year in question, along with the financial statements (the Balance Sheet, the Statement of Income, the Statements of Changes in Net Assets along with the Notes to the Non-Consolidated Financial Statements) and the supplementary schedules, the consolidated financial statements (the Consolidated Statements of Financial Position, the Consolidated Statements of Income, the Consolidated Statements of Changes in Equity and the Notes to the Consolidated Financial Statements).

2. Audit Results

(1) Result of Audit of Business Report, etc.

1) In our opinion, the Business Report and the supplementary schedules fairly represent the Company’s affairs in accordance with the applicable laws and regulations and the Articles of Incorporation.
2) With regard to the execution of duties by the Directors and Executive Officers, we have found no evidence of wrongful action or material violation of laws and regulations, or of the Articles of Incorporation.
3) In our opinion, the contents of the resolution of the Board of Directors with regard to the internal control systems are appropriate. We confirm that continuous improvements are being made with respect to the development and operation of the internal control systems. With regard to details of these internal control systems reported in the Business Report we have found no matters on which to remark.

(2) Auditing result of the financial statements and the supplementary schedules

In our opinion, the methods and results employed and rendered by the Accounting Auditor, KPMG AZSA LLC, are appropriate.

(3) Auditing result of the consolidated financial statements

In our opinion, the methods and results employed and rendered by the Accounting Auditor, KPMG AZSA LLC, are appropriate.

May 16, 2023

Audit Committee of Ajinomoto Co., Inc.

Atsushi Toki, Chair of the Audit Committee (Outside Director) (seal)

Masaya Tochio, Member of the Audit Committee (Standing) (seal)
Mami Indo, Member of the Audit Committee (Outside Director) (seal)
Yoko Hatta, Member of the Audit Committee (Outside Director) (seal)
Joji Nakayama, Member of the Audit Committee (Outside Director) (seal)

End