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# **Natural Capital Protocol in Practice**

## **Ajinomoto**

**Ajinomoto Co., Inc.**  
**Global Communications dept**  
**CSR group**

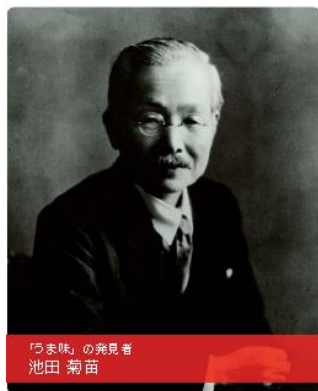
**Mr. Keiji NAKAMURA**

# 1. Introduction of Ajinomoto Group

## (1) Outline

### The Aspiration of the Ajinomoto Group

Professor Kikunae Ikeda and businessman Saburosuke Suzuki II were two men with a vision to help improve the nutrition of Japanese people. The history of the Ajinomoto Group began when Mr. Suzuki started marketing umami, which was discovered by Professor Ikeda, as a product called AJI-NO-MOTO®. Inheriting the founding spirit of “Eat Well, Live Well.”, which has been passed on for more than 100 years, the Group is continuing to grow as an enterprise that contributes to the healthy lifestyles of communities around the world.



最初の「味の素」(1909年)

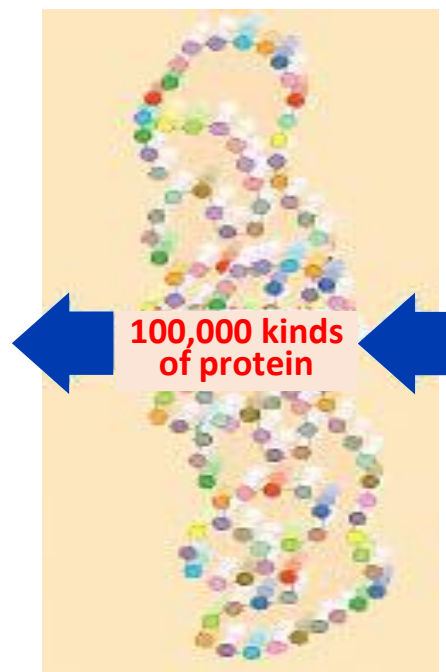
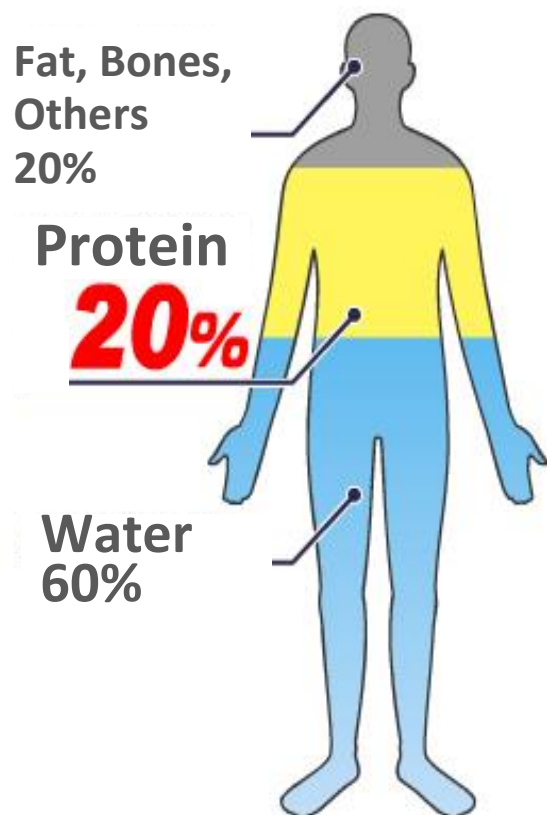
# 1. Introduction of Ajinomoto Group

## (1) Outline

Amino acid, component of our body

Components to build human body

20 amino acids to compose protein  
in human body



Essential amino acids	Non-essential amino acids
Histidine	Alanine
Isoleucine	Arginine
Leucine	Aspartic acid
Lysine	Cysteine
Methionine	Glutamic acid
Phenylalanine	Glutamine
Threonine	Glycine
Tryptophan	Proline
Valine	Valine
	Tyrosine
	Asparagine

# 1. Introduction of Ajinomoto Group

## (1) Outline

Carrying on the “Aspiration of Our Founding” through “The Ajinomoto Group Way” to diversify our business and realize globalization



# 1. Introduction of Ajinomoto Group

## (1) Outline

### Overview of the Ajinomoto Group (As of March 31, 2017)

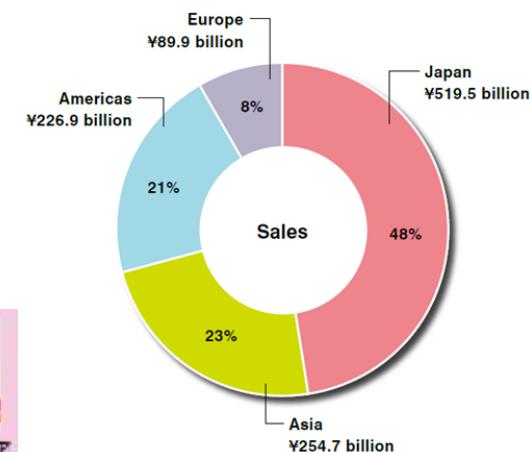
Business Sites	Areas Where Products Are Sold	Number of Production Plants
30 countries and regions	Over 130 countries and regions	118
Sales	Number of Employees	Number of R&D Personnel
¥1,091.1 billion	32,734	Over 1,700



各地の食文化に根ざした風味調味料。

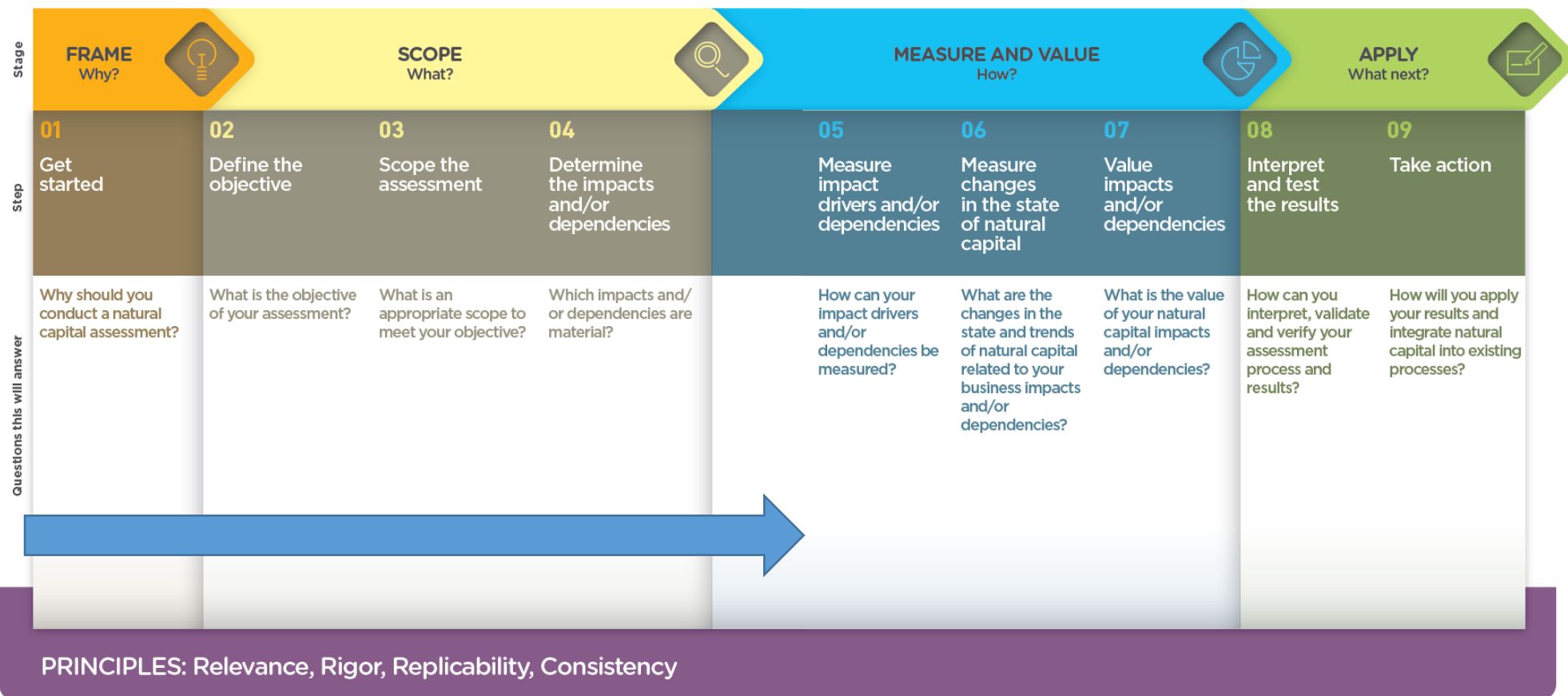


By Geographical Area



Our key products are amino acids which are fermented sugars as raw material. Sugars as raw material make from sugarcane, cassava, corn which are different agricultures material by each area.

# 2. Natural Capital Coalition Protocol in Practice





## 2. Natural Capital Coalition Protocol in Practice

### (1) Step 1~3

Applying the basic concepts of natural capital to the business context	<p>The business depends on agricultural produce. Global population growth is expected to result in competition in securing raw materials and increased environmental impacts.</p> <p>Demonstrate to top management the importance of R&amp;D on fermentation technology that makes use of non-edible biomass in securing business opportunity.</p>
The target audience	Board Director in charge of research
Organizational focus and value chain boundary	Product “AJINOMOTO®” produced at Ayutthaya factory in Thailand including upstream of value-chain
Type of value	Monetary, for the ease of understanding by directors
Specific benefit anticipated from the assessment	Decreasing risk and increasing business opportunity brought by R&D in terms of natural capital impact and dependencies

# 2. Natural Capital Coalition Protocol in Practice

Eat Well, Live Well.



## (4) Step 4

### ① Option Comparison

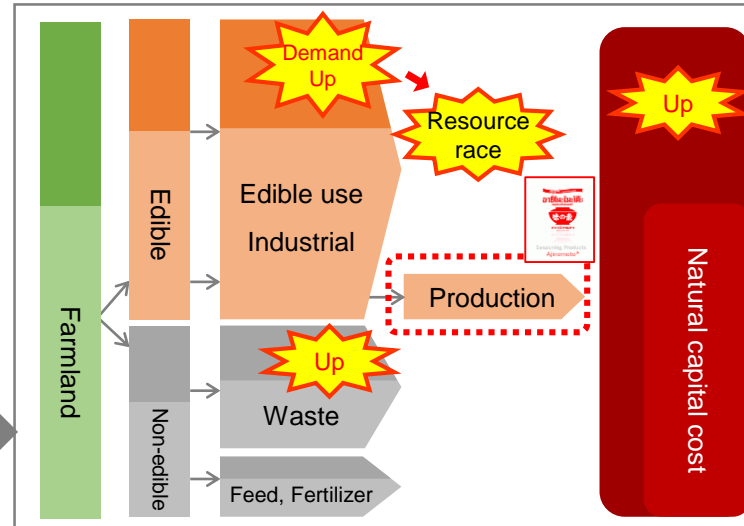
Present  
7 billions pop.



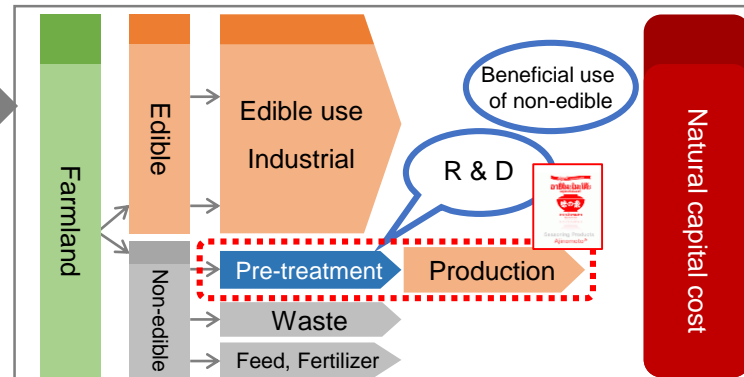
2030  
8.5 billions pop.

Hard resource race by increasing population  
→Big impact of natural capital

Scenario 1



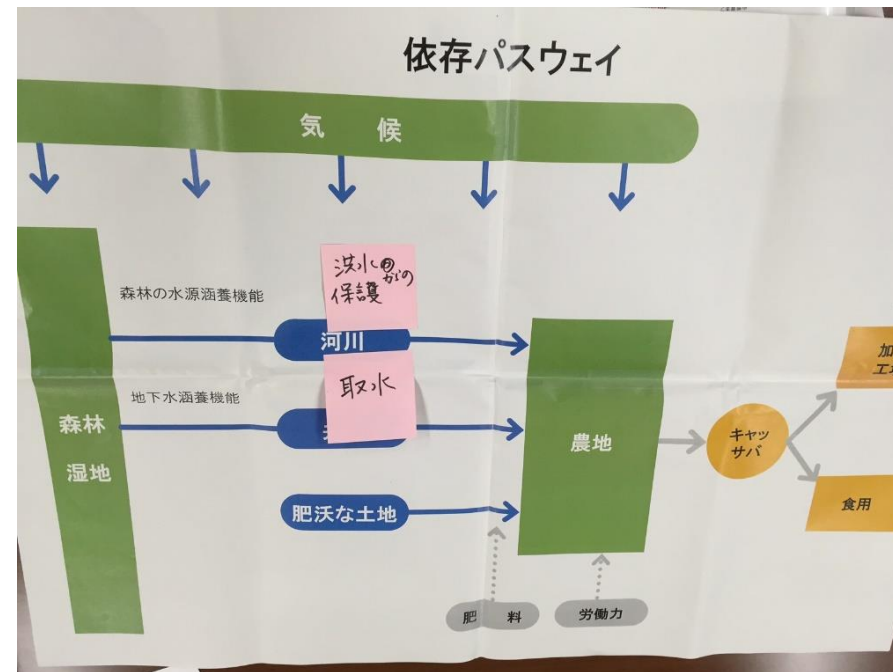
Scenario 2





## ~~(4) Step 4~~

## Dependency Pathway



# 2. Natural Capital Coalition Protocol in Practice

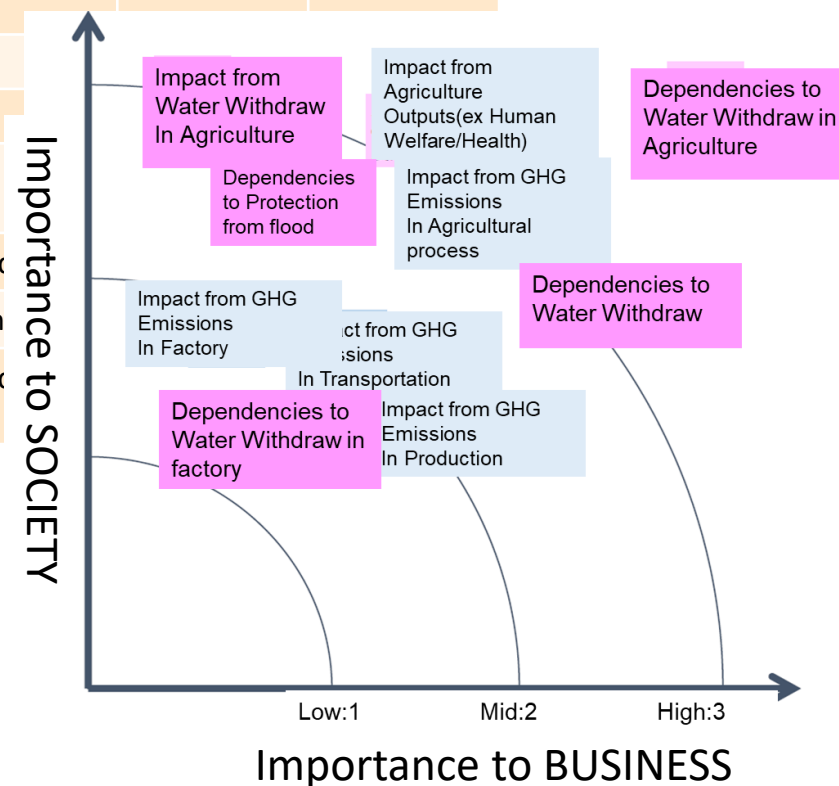
Eat Well, Live Well.



## (4) Step 4

### ④ Materiality Assessment in Process & Materiality Criteria

	Business Perspective				Social Perspective		
Criteria	Legal	Operational	Financial	Boundary	Impact to Stakeholder	Severity of Impact	Likelihood of Occurrence
Impact Driver Categories							
Water	High	High	High	Upper (Agriculture)	High		
GHG	Middle	Middle	Middle		High		
Land Use Change	Middle	Middle	Middle		High		
Water	Low	Low	Low	Lower (Factory Production)	Mid		
GHG	Middle	Middle	Middle		High		
Land Use Change	Low	Low	Middle		Mid		



The Most critical Impact Driver Categories

- Water
- GHG emission
- Land use change (deforestation)

**Eat Well, Live Well.**



**Thank you.**