

Message from the Director in Charge of Sustainability

We aim to contribute to a sustainable society that leads to a prosperous future.

Based on its corporate philosophy of "Otsuka-people creating new products for better health worldwide," the Otsuka group works to solve social issues through its businesses and contribute to the creation of a healthy and sustainable society, while achieving its continued growth. As a unique total healthcare company that contributes to maintaining and improving people's health through innovative and creative products, We hope to contribute to a sustainable future through handing down continuously to future generations a society where people and the earth can coexist.

The Otsuka group aims to help resolve social issues through its business activities. We have adopted the 2050 Environmental Vision, "Net Zero," which calls for us to reduce the total environmental impacts of our business activities to zero. In light of our business characteristics, we have determined the environmental issues with which we are particularly concerned to be carbon neutrality, circular economy, and water neutrality. We have set medium-term targets for 2028 and 2030, and are working together to achieve these targets. For carbon neutrality, in order to achieve unified management for optimizing energy consumption of group companies in Japan, we have established a new integrated energy service structure, and started its operation in the Shikoku region, where many of our production facilities are located. We have also begun to introduce renewable energy in Indonesia and India, which have the highest environmental impact within our group after Japan. For circular economy, in accordance with the Otsuka Group Plastic Policy, we aim to achieve 100 percent content of recycled and plant-based materials in our PET bottles. In Japan and Indonesia, we have launched a PET bottle made using recycled PET resin for POCARI SWEAT. In Indonesia, local governments, residents in the vicinity of our plants, and our staff are working together to raise awareness and to form habits about environmental consciousness, as well as to support the creation of communities together with the local areas that promote resource recycling. For water neutrality, we are working to identify water risks in accordance with the characteristics of each region and to establish a management system to mitigate such risks.

The Otsuka group is formulating a plan for the integrated operation and promotion of a sustainability strategy, which incorporates management strategy and the environment into the Fourth Medium-Term Management Plan to be launched in 2024. We will continue working on our own approaches, such as introduction of new technologies, and will earnestly strive to take our environmental initiatives, in order to achieve the goals.

Yoshiro Matsuo

Executive Deputy President and Director
Otsuka Holdings Co., Ltd.

