5. Data

Materiality (Material Issues)

Fiscal 2023 Goals and Fiscal 2022 Progress

Among the 12 social issues determined to be Otsuka group's materiality, we selected nine issues that we regard as especially important at present, and set goals related to them for fiscal 2023.

Materiality		Social Issues	Our Goals	Our Activities	Related SDGs	Social Issues	FY2023 Goals	FY2022 Progress	
Society (Healthier Society)	Health	 Unmet medical and health needs Spread of infectious diseases Nutritional needs Increase in issues caused by population aging 	Contribution to the resolution of unmet needs Eradication of tuberculosis Creation of a system for the realization of healthy lifestyles Healthy life extension	Promotion of R&D for unmet needs R&D of anti-tubeculosis drugs and improvement of drug access Support and awareness activities for people's health maintenance/improvement, mainly on exercise and nutrition, etc. Promotion of problem solving by strengthening partnerships	3 mentus 4 mere 177 mentus 177 mentus 187 me	•	Promotion of R&D for unmet needs Address unmet needs in the psychiatry and neurology areas Create first-in-class products in the oncology area Create first-in-class products in the cardiovascular and renal area In areas with unmet needs New development projects: 10 or more Late-phase development projects advancing to the next phase: 30 or more	 In areas with unmet needs New development projects: 17 projects¹ Late-phase development projects advancing to the next phase: 27 projects 	
						2	Provide delamanid for more than 60,000 cases Supply DELTYBA (generic name: delamanid) for pediatric patients Launch a clinical trial for new treatment regimen Increase access to delamanid by collaborating with partners	Provided delamanid for 90,000 cases ahead of schedule, in more than 120 countries/regions DELTYBA pediatric formulation available from the Global Drug Facility (GDF), from June 2022 Contract signed in collaboration for a clinical trial of a new treatment regimen, August 2022	Continued participation in Pan-TB collaboration and accelerated the development of new TB treatment regimen Delamanid supplied through the Global Drug Facility (GDF) of the Stop TB Partnership and alliance partners Continued participation in the Global Health Innovative Technology Fund (GHIT Fund)
						8	Challenge new categories and new areas Create new systems and reinforce existing systems for the realization of healthy lifestyles Create new concepts and products keeping an eye on changes in environments	Executed comprehensive cooperation agreements on health with all 47 prefectures in Japan and other local governments, and promoted collaboration in health and other fields Raised awareness of proper hydration and electrolyte replenishment Continued to hold Women's Health Seminars More than 30 years of publishing the Otsuka Health Comic Library	Ongoing provision of the Kenko Shacho ("Healthy President") service Expanded dietary education to communicate the importance of good nutrition Support in disasters and emergencies Support for the Tokyo Marathon Support for the Inter-High School Championships
	People	 Presenteeism¹ Lack of response to diversification 	Creation of a corporate culture that stimulates creativity Enhance employee engagement	Human resource development Diversity promotion Health and productivity management	3 manual 5 mm. 8 mm. 10 mm. 10 mm. 4 ÷	6	Further instill the corporate culture and philosophy Build systems for ongoing human resource development aligned with changes in society and the times Further promote and instill diversity as a source of innovation Build new systems to maintain more comfortable working environments	- Cumulative total participants in the executive human resource development programs of Otsuka Global Academy (OGA): 257 ² - Opened employee training facility - Implemented employee participation program	- Cumulative hours of training: 103,586 ³ - Established a women's health consultation service - E-learning on women's health, number of participants: 5,700 - Implemented Otsuka Group Human Rights Policy and offered necessary training
	Quality in All We Do	Consumption and production that impairs sustainability	Gaining stakeholder trust Pursuing sustainability at all levels of the value chain Establishing a quality assurance system for safety and security	Sustainable procurement and product design Thorough quality control and stable supply Responsible promotional activities and information provision Deepening communication with stakeholders Promotion of "Consumer-oriented management"	12 crosts or strates	7	- Suppliers implementing self-assessment questionnaire (SAQ): 196 - Pursuing sustainability at all levels of the value chain - Sustainable procurement Conduct supplier briefings For 160 suppliers Original goal: Over 30 times/companies by fiscal 2023	Number of companies implementing SAQ: 597 (577 in Japan, 20 overseas) Number of companies participating in on-demand information sessions for suppliers: 583 Stable supply of products during the COVID-19 pandemic Held a group-wide Global Quality, Production, Supply chain and Environment Meeting	Implemented "Manufacturing Errors" Workshop Improved products based on customer feedback
Environment (Healthier Planet)	Carbon Neutrality ²	3 Global warming	• 2028 target: Reduce 50% in CO ₂ emissions compared to 2017	- Reduce CO ₂ emissions throughout the value chain	6 structure 12 structure 12 structure 12 structure 13 structure 14 structure 15 str	8	Reduce CO2 emissions by introducing renewable energy and maximizing energy efficiency Reduce CO2 emissions throughout the value chain	- Established an integrated energy service system to centralize energy management in Japan	Large-scale solar installation in India (Otsuka Chemical India) Introduced CO2-free electricity ⁸ at four Indonesian group companies ⁴
	Circular Economy ³	Environmental load increase	2028 target: Reduce 50% in simple incineration and landfill disposal compared to 2019 2030 target: 100% content of recycled and plant-based materials in our PET bottles	Reduce environmental impact by improving resource efficiency Promotion of business activities aimed at sustainability for both society and the earth		9	Reduce environmental impact through enhanced resource efficiency Promote business activities that aim for social and environmental sustainability	Expanded sales of PET bottles using recycled PET resin Promoted horizontal recycling of PET bottles	Promoted resource recycling initiatives
	Water Neutrality ⁴	Reduced freshwater availability due to water resource risks	2028 target: Expand the plant water management program to all locations globally 2028 target: Develop a water use strategy for business locations in water-stressed areas	Understanding water resource risks Management and effective use of water resources		•	Analyze and ascertain risks regarding sustainable water usage Ensure effective use and management of water resources	- Implemented water source management programs at three sites	
Governance Governance		Fragile governance system Social change risk	- Long-term improvement of corporate value	- Strengthen corporate governance - Thorough compliance - Risk identification, evaluation and management	16 manum meren Marian	®	Build a system to strengthen compliance within the group Strengthen corporate governance to further raise effectiveness Build a governance system capable of global business development and response to various changes	Carried out activities for directors to raise effectiveness Board of Directors meeting attendance rate: 100% Implemented the Otsuka Group Global Anti-Fraud Policy Establish the Otsuka Group Global ERM Policy Establish the Otsuka Group's Global ERM Implementation Guidelines.	Conducted training to develop cybersecurity personnel Reinforced efforts to improve efficacy of crisis management Reinforced activities responding to significant domestic and international risks Strengthened the information security of each group company (education and training)
1. A struction in which despite comings in to work productivity does not increase due to the employee's poor mental and physical condition						1. Cumulative total since 2019	5 Includes carbon-peutral electricity utilizing certificates equal to renewable energy that does not emit CO:		equal to renewable energy that does not emit COs

A situation in which, despite coming in to work, productivity does not increase due to the employee's poor mental and physical condition
 To reduce CO2 emissions from business activities to substantially zero (calculated by subtracting uptake from emissions)

To establish an economic system that recycles resources by reusing waste discharged from business activities as new raw materials

^{4.} To reduce the impact of water intake and discharge from business activities on water resources to zero

^{1.} Cumulative total since 2019