

NEWS RELEASE

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Otsuka Pharmaceutical to use CO₂-free electricity at all plants in Japan

*Two additional domestic using of CO₂-free electricity as of April
Use at all domestic plants will reduce annual CO₂ emissions by one-half*

Otsuka Pharmaceutical Co., Ltd., a subsidiary of Otsuka Holdings Co., Ltd., since April of this year has operated the Takasaki and Saga factories in Japan through utilization of CO₂-free electricity, derived from renewable energy sources that do not emit CO₂.

Several other Otsuka Pharmaceutical plants in Japan have been utilizing CO₂-free electricity since the summer of 2019. Use of CO₂-free electricity at all of our domestic plants is expected to reduce CO₂ emissions by approximately 44,000 tons per year, which is approximately 52 percent of the plants' annual CO₂ emissions.

The Paris Agreement, which is an international framework for combating global warming, set voluntary, global long-term targets to reduce greenhouse gas emissions. Parallel to the recognition that climate change issues should be addressed at a global level, there is an increasing movement to introduce renewable energy that does not emit CO₂ and other greenhouse gases.

The Otsuka Group has identified important areas (which we describe as material) in our environmental protection efforts as climate change, resource circulation and water conservation. In the area defined as climate change Otsuka group companies aim to achieve a 30 percent overall reduction in CO₂ emissions in global operations by the year 2030 compared to 2017. Otsuka Pharmaceutical is working aggressively to contribute to the achievement of this group target.

As of April 2020, CO₂-free electricity has been introduced at, in addition to Otsuka Pharmaceutical, Otsuka Pharmaceutical Factory, Taiho Pharmaceutical, Otsuka Chemical, and Otsuka Foods. Going forward, we will continue to optimize energy use through expansion of cogeneration systems¹ and fuel conversion. For these and other initiatives, synergistic effects from collaboration among Otsuka group companies will support more decarbonized production and ultimately a more sustainable society.

*1 Systems that use fuels such as natural gas, petroleum and LP gas to generate power via engines, turbines, fuel cells etc., and recover waste heat as they do so. Recovered waste heat can be used in the form of steam or hot water as heat sources, air conditioning or hot water etc. in factories. The aim is to achieve high-level comprehensive energy efficiency through zero-waste use of heat and electricity.