

Otsuka Pharmaceutical Factory, Inc.

NEWS RELEASE

Otsuka Holdings Co., Ltd.

September 29, 2020

Otsuka Pharmaceutical Factory introduces a self-consuming solar power generation facility that contributes to CO₂ emission reductions to its Kushiro Factory

Otsuka Pharmaceutical Factory, Inc. (Head Office: Naruto, Tokushima, Japan; President and Representative Director: Shinichi Ogasawara), a subsidiary of Otsuka Holdings Co., Ltd., (Head Office: Chiyoda-ku, Tokyo, Japan; President and Representative Director, CEO: Tatsuo Higuchi) has introduced a self-consuming solar power generation facility^{*1} that contributes to reducing CO₂ emissions to its Kushiro Factory (Kushiro, Hokkaido, Japan). The completion ceremony was held on September 28.

The Kushiro Factory's self-consuming solar power generation facility uses power generated by solar panels installed on its site to manufacture ethical drugs such as IV solutions. By utilizing renewable energy from sunlight, the annual power generation is expected to be about 3,300 MWh and the annual CO₂ emissions at the Kushiro Factory can be reduced by about 2,100 tons, which is equivalent to about 10% of the annual emissions of the Kushiro Factory.*² This is the first introduction of mega solar^{*3} facility for

the Otsuka Group in Japan.



Some of the solar panels installed

The Kushiro Factory has been working to reduce environmental impacts. In order to reduce CO_2 emitted in business activities, the Kushiro Factory implemented conversion of boiler fuel (from heavy oil to natural gas) in 2013, and has introduced CO_2 -free electricity since July this year.^{*4} We expect that the introduction of self-consuming solar power generation facility will contribute to further reduction in the environmental burden and energy savings. As a leading company in IV solutions in Japan, we will continue to make our manufacturing more environmentally friendly.

The Otsuka Group has identified climate change, resource circulation, and water resources as CSR Materiality for developing environmental initiatives. Regarding climate change, with the goal of reducing CO₂ emissions by 30% by 2030,^{*5} we are working to further utilize renewable energy and improve energy use efficiency through the development of in-house power generation facilities such as cogeneration systems and the introduction of solar power generation facilities in addition to CO₂-free electricity.

The Otsuka Group is working to contribute to the health of people worldwide under the corporate

philosophy of "Otsuka-people creating new products for better health worldwide." By collaboration among each group company, the group will optimize energy utilization and contribute to the realization of a low-carbon society, and consequently, a sustainable society.

*1 Self-consuming solar power generation is a system that uses electricity produced from solar power for its own electrical needs instead of selling it.

*2 Compared to 2017.

- *3 Refers to a facility of a large-scale system with output exceeding 1 MW (1000 kW) in solar power generation.
- *4 With the introduction of CO₂-free electricity in addition to solar panels, the annual CO₂ emissions at the Kushiro Factory are expected to be reduced by about 57% (compared to 2017).
- *5 From Otsuka group company 2017 levels (applies to CO2 emissions both in Japan and overseas).

[Reference information: Major domestic efforts related to climate change by the Otsuka Group].							
July 2019:	CO ₂ -free electricity introduced at factories and research institutes of Otsuka Pharmaceutical, Otsuka Pharmaceutical Factory, Taiho Pharmaceutical, Otsuka Chemical, and Otsuka Foods in Tokushima and at Fukuroi Factory of Otsuka Pharmaceutical						
January 2020:	CO ₂ -free electricity introduced at Shiga Factory of Otsuka Foods						
February 2020:	Cogeneration system introduced at Toyama Factory of Otsuka Pharmaceutical Factory						
April 2020:	CO ₂ -free electricity introduced at Takasaki and Saga Factories of Otsuka Pharmaceutical						
July 2020:	CO ₂ -free electricity introduced at Kushiro Factories of Otsuka Pharmaceutical Factory and Otsuka Foods						
Santanal an 2020.	CO free electricity introduced at Tailes Dharmessautical in Taylysha area						

September 2020: CO₂-free electricity introduced at Taiho Pharmaceutical in Tsukuba area

Company Profile

Otsuka Pharmaceutical Factory, Inc.

Established	:	October 7, 1969 (founded September 1, 1921)
Capital	:	80 million yen
Representative	:	Shinichi Ogasawara, President and Representative Director
Head Office	:	115 Kuguhara, Tateiwa, Muya-cho, Naruto, Tokushima 772-8601, Japan
Employees	:	2,247 (as of December 31, 2019)
Business Description	:	Manufacture, sale, import and export of clinical nutrition products and other
		pharmaceutical products, medical devices, functional foods, etc.
URL	:	https://www.otsukakj.jp/en

Otsuka Holdings Co., Ltd.

Established	:	July 8, 2008
Capital	:	81.69 billion yen
Representative	:	Tatsuo Higuchi, President and Representative Director, CEO
Head Office	:	2-9 Kanda-Tsukasamachi, Chiyoda-ku, Tokyo 101-0048, Japan
Employees	:	104 (as of December 31, 2019)
Business Description	:	Holding company