

Otsuka Pharmaceutical Factory, Inc.

NEWS RELEASE

Otsuka Holdings Co., Ltd.

February 10, 2022

Otsuka Pharmaceutical Factory introduces a cogeneration system that contributes to CO₂ emission reductions and stable supplies of pharmaceuticals to its Naruto 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 cogeneration system^{*1} facility that contributes to reducing CO₂ emissions and stably supplying pharmaceuticals to its Naruto Factory on the premises of the head office.

The Naruto Factory's cogeneration system facility uses natural gas as fuel to generate power and uses the waste heat produced during the power generation to produce steam and hot water. With the introduction of the system, further improvements are expected in energy-use efficiencies, and the annual CO₂ emissions at the Naruto Factory can be reduced by approximately 1,500 tons. This is equivalent to approximately 5% of the annual emissions of the Naruto Factory.^{*2} In addition, the boiler fuel was



Naruto Factory's cogeneration system

converted from heavy fuel oil A^{*3} to LNG^{*4} in September last year, and along with the introduction of this facility, the CO₂ emissions are expected to be reduced by approximately 4,800 tons, which is equivalent to approximately 17% of the annual CO₂ emissions of the Naruto Factory.^{*2}

The Otsuka Group has identified climate change, resource circulation, and water conservation as CSR Materiality for developing environmental initiatives. Regarding climate change, with the goal of reducing CO₂ emissions by 50% by 2030,^{*5} the entire Group is united to actively promote initiatives such as efficient energy use and conversion to fuels that have less environmental impact.

This facility is also excellent for disaster resistance, such as earthquakes, and is a BCP^{*6} response facility that allows for continued production of pharmaceuticals through the use of in-house power generation during blackouts. As a leading company in IV solutions in Japan, we will continue to strive to provide a stable supply of products.

Based on the corporate philosophy of "Otsuka-people creating new products for better health worldwide," the Otsuka Group is dedicated to contributing to the health of people around world. We will also aim to contribute to the realization of a low-carbon society and eventually a sustainable society in collaboration with each group company.

- *1 System that uses fuels such as natural gas, LP gas, etc. to generate power via engines, turbines, fuel cells, etc., while recovering the waste heat generated during the process. By doing so, heat and electricity can be used without being wasted.
- *2 From our company 2017 levels.
- *3 One of the heavy petroleum products mainly used for fuel.
- *4 Liquefied Natural Gas: A colorless and transparent liquid made by cooling and liquefying natural gas containing methane as the main component.
- *5 From group company 2017 levels. Applies to CO₂ emissions both in Japan and overseas.
- *6 BCP (Business Continuity Plan)

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	:	2,266 (as of December 31, 2021)
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/

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	:	137 (as of December 31, 2021)
Business Description	:	Holding company

Otsuka Holdings Co., Ltd.