Corporate Philosophy

Otsuka-people creating new products for better health worldwide

In keeping with this corporate philosophy and the Otsuka values of Ryukan-godo (by sweat we recognize the way), Jissho (actualization) and Sozosei (creativity), we strive to do what only Otsuka can do. The Otsuka group supports the lives of people worldwide through a wide range of innovative and creative products including pharmaceuticals, functional beverages, and functional foods. We are dedicated to cultivating a dynamic corporate culture and workplaces that reflect our vision as a healthcare company, to finding ways to live in harmony with local communities and the natural environment, and to contributing to richer and healthier lives.

Jissho (actualization) Self-actualization through achievement, completion and the discovery of truth Otsuka's Goal

To become an indispensable contributor to people's health worldwide

The Otsuka group aims to be an indispensable contributor to people's health worldwide, fulfilling its corporate philosophy in every aspect of its operations. This commitment to improving people's health worldwide is part of the unchanging value we will continue to provide society. Our operations encompass two core businesses: the Pharmaceutical Business, which provides comprehensive health support from diagnosis to treatment of diseases, and the Nutraceutical Business,* which helps people maintain and improve day-to-day health.

* Nutraceuticals = nutrition + pharmaceuticals

Essence of Management

(Our Corporate Culture)

Ryukan-godo

(by sweat we recognize the way)

The process of discovering the core substance of something through hard work and practice

Sozosei (creativity)

Pursuing that which only Otsuka is capable of delivering

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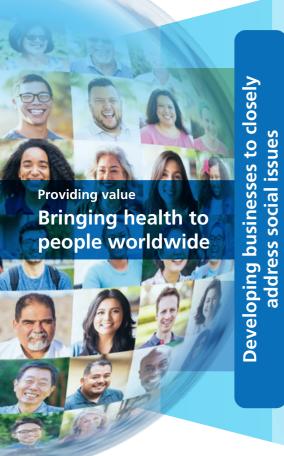
Providing Value through Our Businesses



2 Otsuka Holdings Co., Ltd. INTEGRATED REPORT 2020 3

Otsuka's Goal through its Development as a Total Healthcare Company

The Otsuka group has continuously developed as a total healthcare company, by providing products and services that lead to the resolution of social issues, with the aim of bringing health to people worldwide. At present, we are pursuing what only Otsuka can do based on the six Otsuka's strengths, with an emphasis on the specified key material issues that require focused and prioritized efforts. Our goal is to become an indispensable contributor to people's health worldwide, thereby contributing to the realization of a sustainable society.



Founding

Pharmaceutical Business

Total Healthcare →Pages 22-25

Nutraceutical Business

How We Will Grow →Pages 28-41 What only Otsuka can do A sustainable society Value Creation Model → Pages 14-15 Social well-being² To become an indispensable contributor to people's health worldwide **Physical** Mental well-being² well-being² Otsuka's Strengths What we can achieve How We Will Achieve Sustainability →Pages 42-71

Future

Present —

Materiality

→ Pages 20-21

1. Cosmedics = cosmetics + medicine

2. The state of health, as defined in the constitution of the World Health Organization(WHO)