




# Initiative/External Assessment

## Initiatives That We Are Engaged In


Initiative/ Organization Name	Projects
<b>Task Force on Climate-related Financial Disclosures (TCFD)</b>	<p>The Otsuka group has announced its support for recommendations issued by TCFD in October 2021. Scenario analysis assesses climate-related risks and opportunities, including carbon taxes, physical risks, and crop demand. We promote various measures based on the assessment result.</p>  <p> <a href="#">Information Disclosure Based on the TCFD Recommendations</a></p>
<b>RE100</b>	<p>Otsuka Holdings has endorsed RE100, an international initiative that aims for 100% use of renewable energy for business operations, and joined it in April 2022.</p> 
<b>Japan Climate Initiative (JCI)</b>	<p>Otsuka Holdings supports for Japan Climate Initiative that declares "joining the front line of global push for decarbonization from Japan," and participates in various activities.</p> 
<b>Science Based Targets (SBTi)</b>	<p>Greenhouse gas (GHG) emissions reduction targets set by Otsuka Pharmaceutical and Taiho Pharmaceutical have been certified by the Science Based Targets (SBT) initiative.</p> <p>* An international initiative led by the United Nations Global Compact (UNGC), World Resources Institute (WRI), and World Wide Fund for Nature (WWF). It certifies the CO<sub>2</sub> emission reduction targets of companies that are in line with emissions reduction scenarios based on scientific facts, for achieving the Paris Agreement-mandated objective of limiting the average global temperature rise to below 2°C.</p> 

## ESG Environment Indexes for which Otsuka Holdings has been selected as their constituent

<b>FTSE Blossom Japan Index</b>	<p>Indexes by U.K. based FTSE Russell. An ESG investment index that reflects the performance of Japanese companies that excel in responding to ESG. Otsuka Holdings has been included since 2023.</p> 	<b>FTSE Blossom Japan Index</b>
<b>FTSE Blossom Japan Sector Relative Index</b>	<p>Indexes by U.K. based FTSE Russell. An ESG investment index that reflects the performance of Japanese companies that relatively excel in responding to ESG in each sector. Otsuka Holdings has been included since 2022.</p> 	<b>FTSE Blossom Japan Sector Relative Index</b>
<b>MSCI Japan ESG Select Leaders Index</b>	<p>Index by MSCI in the United States. An index for issues that relatively excel in ESG rating within the industry among the constituent stocks of the MSCI Japan IMI Index. Otsuka Holdings has been included since 2024.</p>	<b>2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX</b>
<b>S&amp;P/JPX Carbon Efficient Index</b>	<p>A stock price index that determines the weighting of its constituent stocks in the Tokyo Stock Price Index (TOPIX) with a focus on the status of environmental information disclosure and the level of carbon efficiency (carbon emissions per unit of revenue). The Government Pension Investment Fund (GPIF), one of the world's largest pension funds, newly selected this ESG index for investment. Otsuka Holdings has been included since 2018.</p> 	<b>S&amp;P/JPX Carbon Efficient Index</b>

## External Recognition

### ESG External Assessment

<b>CDP</b>	<p><b>Otsuka Holdings selected for CDP Climate Change A List</b></p> <p>CDP is a UK-based international NGO that works on environmental issues such as climate change. They ask major companies and cities around the world to disclose information on how they are dealing with issues such as climate change and water management, and conduct questionnaires and assessments. In 2023, Otsuka Holdings received the highest evaluation of A List for climate change, and A- for water security.</p> 
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