

Engagement

Core Principles

The Otsuka group believes that building relationships of trust with its various stakeholders, including employees, customers, business partners, society, investors, and shareholders, is essential to achieving sustainable growth and a healthy and sustainable society. In particular, to promote environment-friendly initiatives, the Otsuka group aims to solve social issues through business in cooperation with the national government, ministries and agencies, local governments, and industry groups.



Industry Associations

The Otsuka group is promoting common environmental initiatives in cooperation with various industry associations, including the Japan Pharmaceutical Manufacturers Association and the Japan Soft Drink Association, while maintaining fair relationships. The group deepens mutual understanding through communication and discussion and work together to improve the sustainability of the entire industry.

Japan Soft Drink Association

PET bottles for beverages account for about 70% of plastic containers and packaging used for consumer products handled by the group companies. For this reason, the group considers PET bottles recycling a social responsibility. Otsuka Pharmaceutical and Otsuka Foods are members of the Japan Soft Drink Association. In particular, Otsuka Pharmaceutical serves as executive director of the organization and actively works to resolve industry issues, including the promotion of a PET bottle recycling system: "Bottle-to-Bottle" initiatives, and efforts to address logistics issues.

Community and Society

Promotion of agroecology*1

Nutrition et Santé (N&S), a pioneer in health foods in Europe, is actively promoting agroecology, a sustainable agriculture that leverages ecosystems, in collaboration with business partners to ensure a stable supply of high-quality products in the future.

In recent years, soil degradation in Europe has become a serious issue due to changes in soil environments, including climate change. Maintaining the soil environment of agricultural products, which are the raw materials, is essential for the stable supply of high-quality products. Therefore, N&S signed a sustainable partnership with agricultural cooperatives and farmers in 2024 to promote sustainable agriculture through soil conservation while securing high-quality raw

materials. Specifically, by reducing the use of chemical fertilizers, soil improvement is promoted, and the procurement of nutrient-rich raw materials is expected. In addition to technical and financial support for farmers, through a 3 year follow-up, the partnership aims to increase the proportion of raw material procurement accordance with this partnership to over 60% (100% for main raw materials such as wheat and organic soybeans) by 2030.



Tripartite agreement ceremony

*1 Agriculture and farming methods that improve soil quality, plant health, and crop productivity without relying on chemical pesticides and fertilizers by effectively utilizing interactions among various species in farmland and the surrounding environment. They are to scientifically demonstrate the effectiveness of various (traditional) farming methods, local ecological knowledge, and small-scale, diversified farming that are suitable for the local environment.

Promotion of regenerative agriculture*2

Regenerative agriculture is a holistic farming approach that helps to restore and improve soil and the environment while cultivating nutrient-rich crops. FoodState's brand, MegaFood, a pioneer in food-based supplements in the United States, is actively supporting regenerative agriculture through academic research, investment in supplier education, and participation in related initiatives.

For example, the company is conducting joint research with academia on beets, a vegetable rich in antioxidant polyphenols and used in a number of MegaFood's popular products. The study will analyze how growing conditions and processing affect nutrients in raw materials and results will be used to help educate consumers on the implications of regenerative agriculture.

*2 Agricultural approaches aimed at improving the soundness of the ecosystem across farms while increasing farm productivity and profitability, focusing on soil health, the water cycle, and biodiversity

