

**Otsuka Foods' Shiga Factory Adopts CO<sub>2</sub>-free Electricity**  
**Annual CO<sub>2</sub> Emissions to Decline by Over 60%**

TOKYO, Japan, January 30, 2020—Otsuka Foods Co., Ltd. (Head Office: Chuo-ku, Osaka; President: Atsumasa Makise), a subsidiary of Otsuka Holdings Co., Ltd. (Head Office: Chiyoda-ku, Tokyo; President and Representative Director, CEO: Tatsuo Higuchi) announced the introduction of “CO<sub>2</sub>-free electricity,” which is derived from renewable energy and does not emit CO<sub>2</sub>, at its Shiga Factory.\*<sup>1</sup> It is predicted that this move will decrease the factory’s annual CO<sub>2</sub> emissions by approximately 2,500 tons (about 64%).

The Paris Climate Change Agreement, an international framework for global warming countermeasures, sets down a global long-term target for reducing greenhouse gas emissions. Climate change issues need to be addressed at a global level, and the movement to introduce renewable energies that do not emit greenhouse gases, including carbon dioxide, is growing.

The Otsuka group has identified climate change, resource circulation, and water conservation as CSR materiality for developing environmental initiatives. With regard to climate change, the group is actively endeavoring to achieve a target of reducing CO<sub>2</sub> emissions by 30% by 2030.\*<sup>2</sup> In August 2019, the Tokushima Prefecture factories and research facilities of Otsuka Pharmaceutical Co., Ltd., Otsuka Pharmaceutical Factory, Inc., Taiho Pharmaceutical Co., Ltd., Otsuka Chemical Co., Ltd. and Otsuka Foods Co., Ltd. and the Otsuka Pharmaceutical Co., Ltd. Fukuroi Factory in Shizuoka Prefecture introduced CO<sub>2</sub>-free electricity. The Shiga Factory implementation follows the introduction by those factories. Going forward, the group will continue to optimize energy consumption through measures such as the expansion of cogeneration systems\*<sup>3</sup> and fuel conversion, leveraging collaboration between group companies with the aim of achieving a low-carbon society and contributing to the realization of a sustainable society.

\*1. The Shiga Factory, located in the southern part of Shiga Prefecture, was established on May 3, 1987 as a key site in wide-area commerce connecting the Kinki and Chubu areas within a 100-km zone. It mainly manufactures beverages (MATCH, JAVATEA, etc.) and processed foods (Mannan Hikari, etc.).

\*2. From group company 2017 levels. Applies to CO<sub>2</sub> emissions both in Japan and overseas

\*3. Systems that use fuels such as natural gas, petroleum and LP gas to generate power via engines, turbines, fuel cells, etc. and recover waste heat as they do so. Recovered waste heat can be used in the form of steam or hot water as heat sources, air conditioning or hot water, etc. in factories. The aim is to achieve high-level, comprehensive energy efficiency through zero-waste use of heat and electricity.