

Environment

Eco-Friendly Plants

As part of its biodiversity conservation activities, the Otsuka Group promotes the creation of biotopes to preserve natural habitats for wildlife and to build harmonious relationships with the natural environment.



Otsuka Pharmaceutical: Biotope at Tokushima Itano Factory



Taiho Pharmaceutical: Biotope at Okayama Plant

Priority Initiatives

Creating Biotopes and Building Harmonious Relationships with Wildlife and the Local Community

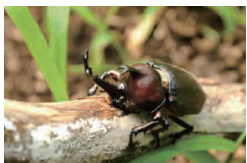
Located at the foot of the Asan Mountains looking out across the Tokushima Plain, Otsuka Pharmaceutical's Tokushima Itano Factory manufactures pharmaceuticals and soy products. Designed to be an eco-friendly and people-friendly plant based on the concept of building harmonious relationships with the natural environment, the site features a section of untouched forest and biotope that offer a natural environment for diverse wildlife. The biotope pond, fed by cooling water from the plant, creates an environment for diverse aquatic creatures, including dragonfly larva, water scorpions, and pygmy water lilies. A spot has been made for rhinoceros beetles to emerge from the ground near the biotope pond. Every year leaves from deciduous trees on the plant grounds are used to raise several hundred of the beetles, which are popular with children who come to tour the plant. What is more, cyprinid fish, a small freshwater species that was thought to have gone extinct in Tokushima prefecture, was rediscovered in 2004. The company joined a project started by Tokushima Prefecture in cooperation with industry, government, academia, and the public, to protect and propagate the fish and return it to nature. In June 2012, it signed an agreement pertaining to the protection and propagation of the rare wild cyprinid fish, and the following November released 1,000 cyprinid fish received from Tokushima Prefecture into the biotope pond. This was the start of efforts to protect, propagate, and nurture them. The fish have been raised carefully while exchanging brood fish with other breeding sites in the prefecture. At present, they have propagated to the point where they are ready to be returned to their native habitats, which is the ultimate goal of the program. Tokushima Prefecture plans to conduct trial releases

during fiscal 2015. In recognition of these kinds of conservation efforts, the plant was chosen in 2010 as among the 'Best 100: Corporate Greening Linked to Conservation of Biodiversity' by the Organization for Landscape and Urban Green Infrastructure.

Otsuka Pharmaceutical's Tokushima Wajiki Factory actively participates in local nature conservation activities, and is involved in the Acorn Project of the Tokushima Prefecture Government South District Administration Bureau. The project raises seedlings of acorn-bearing trees that are native to the region. Once the seedlings are large enough, they are distributed to local communities and also planted on the factory grounds.

Located in a scenic spot overlooking Kugui Bay in the city of Bizen, Taiho Pharmaceutical's Okayama Plant uses eco-friendly wastewater treatment methods to purify cooling and cleaning water generated in the manufacture of the Tiovita Drink series. This enables the plant to discharge the treated water into the sea in a condition closer to its natural state. In the biotope on the plant grounds, there are a variety of features such as a babbling brook, a deep pool, and sandbars, creating an environment in which fish and small animals can thrive. The water also attracts insects and birds that are looking for food along its edge. The treated wastewater that flows through this 300-meter long biotope is eventually released into the sea and has the same qualities as natural stream water, rich in organic material. This helps to increase the plants and animals in the tidal flats of Kugui Bay. The biotope is thus contributing to regional biodiversity conservation. The Okayama Plant has been recognized for its efforts with the Fiscal 2013 Bizen General Service Bureau Director's Award for Regional Environmental Protection. The plant was also selected as a Fiscal 2014 Okayama Prefecture Eco Tour Learning Facility.

Otsuka Pharmaceutical, Taiho Pharmaceutical



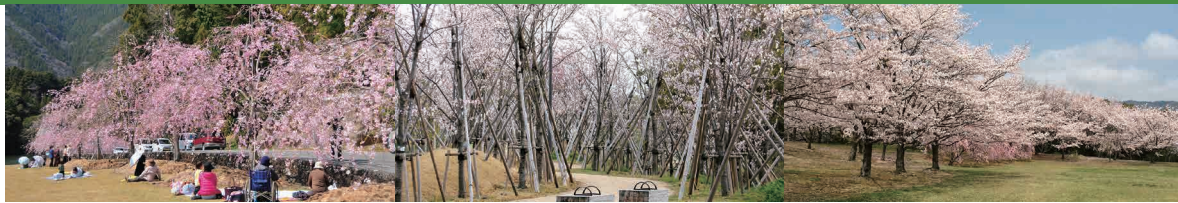
An emerged rhinoceros beetle



Cyprinid fish



Exchanging brood fish with Tokushima Prefectural Senior High School of Science and Technology



Tokushima Wajiki Factory (Otsuka Pharmaceutical)

Kitajima Plant (Taiho Pharmaceutical)

Saga Factory (Otsuka Pharmaceutical)

Priority Initiatives

Maintaining Factory Grounds as Parks

Otsuka Pharmaceutical's Tokushima Wajiki Factory carries out environmentally friendly production as a factory park that is integrated with people and nature in a verdant hilly area. The factory's grounds are open to the local community. When the weather is nice, children can be seen running around the plant's large lawn while local residents walk the grounds. It is also a popular place for enjoying weeping cherry blossoms in spring. In order to protect this abundant green space, the factory refrains from using pesticides and herbicides as much as possible. Otsuka Pharmaceutical's Saga Factory opens its grounds during the cherry blossom season for the enjoyment of people who visit it as a new hot spot for cherry blossom viewing. Making use of its lush green environment, it also held a class to learn about forest trees for nearby elementary school students in cooperation with the town of Yoshinogari. Otsuka Pharmaceutical's Fukuroi Factory is also committed to maintaining and managing its green spaces in an environmentally friendly way, and employees regularly weed the beautiful lawn in order to protect it.

Itano Factory also strengthens ties with the local community through a charity walking event and a marathon, under the theme of environment and health. Meanwhile, the Kitajima Plant of Taiho Pharmaceutical created a promenade lined with cherry trees on its grounds as a place for relaxation and contemplation for local residents. Cooperating with the community to establish a disaster preparedness system, a disaster management agreement has been signed with nearby local governments, designating a part of the grounds as a temporary shelter for local residents in the event of a large-scale disaster.

Otsuka Group



Otsuka Pharmaceutical: Children in forest tree class

Otsuka Pharmaceutical



Otsuka Pharmaceutical: Asan Walking Festival in Itano

Priority Initiatives

Participating in the Community

With the cooperation of local residents, the factories of the Otsuka Group hold various events for community revitalization. Every year since 1990, together with Otsuka Techno, the local government, and the chamber of commerce and industry, Otsuka Pharmaceutical's Tokushima Wajiki Factory has held a free outdoor concert, "Exciting Summer in Wajiki," on the lawn of the factory grounds. Otsuka Pharmaceutical's Tokushima



"Exciting Summer in Wajiki" concert

Column



Participants in the fishing tournament

Participating in a Prefectural Project to Protect the Ecosystem in Lake Biwa

At present, non-native species such as bluegill and black bass are multiplying in Lake Biwa, threatening the ecosystem. As part of a project promoted by Shiga Prefecture to eliminate invasive species, the Otsuka Group holds an annual fishing tournament to catch non-native species, in an effort to have fun thinking about and protecting Lake Biwa's environment and native ecosystem while also socializing across Group companies in the Shiga region. In 2014, 111 employees and their family members participated in the sixth tournament, catching 18.35 kg of fish, which was more than the previous year.

Otsuka Pharmaceutical, Otsuka Warehouse, Otsuka Foods, Otsuka Electronics