



Otsuka Chemical Co., Ltd.



Introduction

Corporate Philosophy of Otsuka Holdings

Otsuka-people creating new products
for better health worldwide

Corporate Philosophy of Otsuka Chemical

Trusted by individuals,
Trusted by the company,
Trust is the dream of our society.
Building trust with technology
and commitment.
Spreading trust with the people
around the world.

Otsuka Chemical Declaration on Health

Corporate philosophy of Otsuka Holdings:
“Otsuka-people creating new products for better health worldwide”

Corporate philosophy of Otsuka Chemical:
“Trusted by individuals,
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Trust is the dream of our society.
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Spreading trust with the people around the world.

In order to realize these corporate philosophies, we need to recognize the importance of each employee’s mental and physical health.

Otsuka Chemical declares that it will provide workplace environments where employees can have trusting relationships in a vibrant atmosphere, while maintaining and improving their health.

June 2020
Otsuka Chemical Co., Ltd.
President and Representative Director:
Hiroyoshi Tosa

Message from the President

Otsuka Chemical’s Vision for the Future

Otsuka Chemical is a company that
collaborates with customers to find
creative new ways to utilize advanced
materials.

Hiroyoshi Tosa



President and Representative Director



Otsuka Chemical has created a wide range of products that improve the lives and health of people all over the world, in keeping with the Otsuka Group's philosophy,

[“Otsuka - people creating new products for better health worldwide”.](#)

Otsuka Chemical began its business by extracting chemicals from seawater bittern in 1950. Our products and technologies benefit from the gifts of nature and are now being used in a variety of industrial fields. Otsuka Chemical's corporate philosophy is “Trusted by individuals, trusted by the company, trust is the dream of our society. Building trust with technology and commitment. Spreading trust with the people around the world.” In B to B business, we have grown up by respecting that “trust”.

Now we run our business with our vision as to what we should be, “A company that collaborates with customers to find creative new usage by utilizing advanced materials.”

We will expand our business while utilizing materials in close collaboration with our customers, and providing a wide range of solutions.

We, Otsuka Chemical and the members of Otsuka Chemical, take responsibility for our activities and thoroughly respect company compliance. We will ongoingly contribute for better global environment and better life, and create “Unique” products that support to achieve SDGs.

Otsuka Chemical Co., Ltd.

Established: August 29, 1950

Capital: 5,000 million yen

President and Representative Director: Hiroyoshi Tosa

Head Office: 3-2-27 Ote-Dori, Chuo-Ku, Osaka 540-0021, Japan

Employees: Consolidated 1,944 Non-consolidated 506 (as of December 2022)

Net sales: Consolidated*: 80,647 million yen (FY 2022)

Non-consolidated: 33,825 million yen (FY 2022)

* The consolidated figures have been calculated using data from Otsuka Chemical Co., Ltd. and its subsidiaries (including overseas affiliates), and have not been audited.



Locations

Head Office

3-2-27 Ote-Dori, Chuo-Ku, Osaka 540-0021, Japan
TEL: +81-6-6943-7701

Tokyo Headquarters

2-2 Kanda-Tsukasamachi, Chiyoda-ku, Tokyo 101-0048, Japan
TEL: +81-3-5297-2727

Chubu District

Sakuradori Toyota Bldg. 13F, 4-5-28 Meieki, Nakamura-ku, Nagoya, Japan
TEL: +81-52-571-5526

Central R&D, Rubber Chemicals Laboratory, Advanced Polymer Laboratory, Technology Development Laboratory

Kagasuno 463, Kawauchi-cho, Tokushima-shi, Tokushima 771-0193, Japan
TEL: +81-88-665-1689

Tokushima Factory

Kagasuno 463, Kawauchi-cho, Tokushima-shi, Tokushima 771-0193, Japan
TEL: +81-88-665-1516

Matsushige Factory

139-40 Aza-toyohisakaitaku, Toyohisa, Matsushige-cho, Itano-gun 771-0213, Japan
TEL: +81-88-699-7980

Naruto Factory

615 Aza-Hanamen, Satoura, Satoura-cho, Naruto-shi, Tokushima 772, Japan
TEL: +81-88-684-2266

Otsuka Chemical Group

Otsuka-MGC Chemical Company, Inc.

Established: April 1, 2004

Capital: 450 million yen

Address: JMF-Bldg. Higobashi 01, 1-5-16, Edobori Nishi-ku, Osaka, 550-0002, Japan

TEL: +81-6-6445-1501

FAX: +81-6-6445-1502

URL: <http://www.moc-hh.co.jp/>

Business description: Manufacture and marketing of Hydrazine Hydrate

Otsuka-MGC Chemical Company is the largest maker of hydrazine hydrate in the world and the only company that makes it in Japan. The company was created by spinning off and merging the hydrazine businesses of Mitsubishi Gas Chemical Company, Inc. and Otsuka Chemical Co., Ltd. in April 2004. In addition to its main applications in water treatment, chemical foaming agents, and agricultural chemicals, hydrazine hydrate is now being used in a broader range of fields including electronics, healthcare, power plants, plastics, and chemicals. It is becoming increasingly important as a product indispensable for maintaining today's safe and prosperous lifestyles. The company is proud of its position and responsibilities as the top global manufacturer of hydrazine hydrate, and it will strive to expand its business into new fields while continuing to contribute to the environment and energy sectors.



Higashiyama Film Co., Ltd.

Established: May 23, 1949

Capital: 1,087 million yen

Address: Sakuradori Toyota Bldg. 13F, 4-5-28 Meieki, Nakamura-ku, Nagoya 450-0002, Japan

TEL: +81-52-589-9105

FAX: +81-52-589-9107

URL: <http://www.hynt.co.jp/>

Business description: Manufacture and marketing of Functional film

Established in 1949, Higashiyama Film has a history of more than half a century. It started by making paper-covered wire for electric fan motors and transformers, and then moved on to molding polyester film, using equipment developed in-house. Today, the company provides new materials with high added value by adding to the functionality of polyester film, such as film coatings with optical properties used to make touch panels. Based on a history of trust, Higashiyama Film is meeting customer needs through its ability to select materials in cooperation with raw material manufacturers, its technology for film processing using equipment developed in-house, as well as its human resources and field experience necessary to realize this expertise.



SynCrest Inc.

Established:

Capital:

Address: 2-26-1 Muraoka higashi, fujusawa-shi, Kanagawa 251-8555, Japan

TEL: +81-466-24-5539

FAX: +81

URL: <https://syncrest.com>

Business description:

Aiming to become a leading company in middle-molecule drug CRDMO (contract research, development and manufacturing organization), SynCrest comprehensively handles the entire process from library synthesis for drug discovery support to process development, manufacturing of investigational drugs, handling of documents for product launch and commercial production. As the ideal partner for pharmaceutical companies and research institutions, SynCrest utilizes an advanced, continuous flow synthesis method integrating in-line measurement and addresses problems and needs concerning Q (quality), D (delivery) and C (cost) in the drug discovery value chain. SynCrest also offers contract research, development and manufacturing services throughout the entire process from special raw material to intermediate and middle-molecule APIs, based on keywords including "speed," "high efficiency" and "high quality" to meet extensive demand from customers for exploratory research, drug discovery research and API manufacturing.



Agribest Co., Ltd.

Established: September 1, 2003

Capital: 80 million yen

Address: 25 Nishihara, Kagami, Ichiba-cho kagami, Awa-shi, Tokushima 771-1610, Japan

TEL: +81-883-36-6201

FAX: +81-883-36-6202

URL: <http://www.agribest.jp/>

Agribest was established to provide consumers with fresh and delicious agricultural products that make the most of the power of nature and can be clearly traced back to the farms of origin. The company offers consumers safe and reliable agricultural products with excellent quality and at a good price. Through crop production using the latest cultivation techniques, Agribest provides reliability to both consumers and farmers, while also pursuing earnings growth.



Otsuka Turftech Co., Ltd.

Established: March 12, 2007

Capital: 20 million yen

Address: Suburbia-Kishiwada 202, 3-15-22 Habu-cho, Kishiwada-shi, Osaka 596-0825, Japan

TEL: +81-72-427-4781

FAX: +81-72-426-0597

URL: <http://turftech.otsukac.co.jp/>

Business description: Manufacture and sale of artificial turf and artificial clay tennis courts

With the aim of making even better artificial turf products, Otsuka Turftech carries out continual research from the standpoint of athletes and facility operators. As Japan's top artificial turf maker, the company has an extensive track record with installations in indoor and outdoor sports facilities, including stadiums and tennis courts across the country. It has also created G-CLAY, a next-generation artificial clay for tennis courts, developed especially for the Japanese climate. This product has been certified by the Japan Soft Tennis Association. The use of G-CLAY for the Maruyama Park tennis courts in Hokkaido in 2012 has been the trigger for its use in a variety of places, and it has been decided to use G-CLAY for 20 courts for the 70th National Sports Festival in Wakayama. Otsuka Turftech is now working to further expand sales of G-CLAY.



New-generation artificial clay for tennis courts

Otsuka Ohmi Ceramics Co., Ltd.

Established: July 14, 1973

Capital: 300 million yen

Address: 3-2-21, Ote-Dori, Chuo-Ku, Osaka, 540-0021, Japan

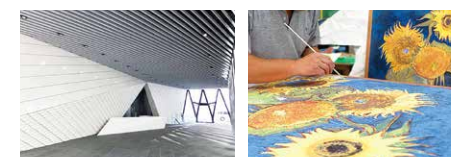
TEL: +81-6-6943-6695

FAX: +81-6-6943-6487

URL: <http://www.ohmi.co.jp/>

Business description: Plan, design, manufacture and construction of ceramic board (toban)

Since its foundation in 1973, Otsuka Ohmi Ceramics has offered a product lineup in three main categories—large ceramic boards, terracotta, and OT ceramics with a wide array of products to satisfy our customers' needs, from flat and three-dimensional art materials to architectural pieces and decorative works for living spaces. Utilizing our highly acclaimed reproduction techniques, we have worked to document and preserve valuable cultural heritage on ceramic boards, which includes full-scale restorations of the murals found in the ancient Kitora burial mound. At the Otsuka Museum of Art, Otsuka Ohmi Ceramics has reproduced more than 1,000 pieces of art to their original size using ceramic boards.



Worldwide Network

Otsuka Chemical maintains a worldwide network

Since establishing a company to manufacture and market hydrazine in South Korea in 1988, Otsuka Chemical has established production and marketing bases around the world. These companies strive every day to earn respect as good corporate citizens in their respective countries and communities.

in 8 countries gaining trust globally.



Bases Outside Japan



1 KOC Co., Ltd.

Established: November 2, 1988
Capital: ₩15billion
Address: 67-34, Ijin-ro, Onsan-eup, Ulju-gun, Ulsan, 44998, Korea
TEL: +82-52-240-1200
FAX: +82-52-238-5886
Business description: Manufacture and marketing of hydrazine hydrate
URL: <http://www.ikoc.co.kr>



2 Higashiyama (Shanghai) Film Co., Ltd.

Established: December 29, 2005
(capital invested November 13, 2014)
Capital: US\$2.83million
Address: Room 505, Office Tower 3, No.29,33 Suhong Rd, Minhang District, Shanghai, P.R. China 201106
TEL: +86-21-3471-0325
FAX: +86-21-3471-0028
Business description: Sales and marketing of functional film



3 P.T. Lautan Otsuka Chemical

Established: July 17, 1989
Capital: US\$22.5million
Address: Graha Indramas, 5th floor Jl. AIP II K.S Tubun Raya No. 77, Jakarta 11410 Indonesia
TEL: +62-21-5367-1251
FAX: +62-21-5367-1250
Business description: Manufacture and marketing of foaming agents
URL: <https://lautanotsuka.com>



4 Hebron S.A.

Established: November 22, 1961
Capital: € 330,000
Address: Calle Girona, 20 08120 - La Llagosta, Barcelona, Spain
TEL: +34-93-574-2011
FAX: +34-93-560-1559
Business description: Manufacture and marketing of general chemicals, especially resin additives
URL: <https://www.hebronsa.es>



5 Trocellen Iberica S.A.

Established: December 20, 1988
(capital invested July 31, 2006)
Capital: €6.664million
Address: Avda. Avilla, s/n E-28804, Alcala de Henares, Madrid, Spain
TEL: +34-91-885-5500
FAX: +34-91-885-5501
Business description: Manufacture and marketing of polyolefin foams
URL: <https://trocellen.com/>



6 Otsuka Chemical (Shanghai) Co., Ltd.

Established: October 26, 2016
Capital: US\$2.0 million
Address: Room 505, Office Tower 3, No.29,33 Suhong Rd, Minhang District, Shanghai, P.R. China 201106
TEL: +86-21-6236-8548
FAX: +86-21-6236-8160
Business description: Marketing for products of Otsuka Chemical and Zhangjiagang Otsuka Chemical in China



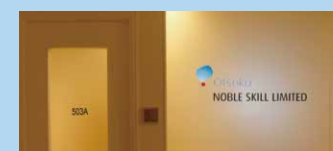
7 Zhangjiagang Otsuka Chemical Co., Ltd.

Established: October 26, 2004
Capital: US\$15million
Address: No. 33, Nanhai Road, Jiangsu Yangzijiang International Chemistry Industrial Park, Zhangjiagang City, Jiangsu 215635, China
TEL: +86-512-5690-7600
FAX: +86-512-5690-7616
Business description: Manufacture and marketing of flaky titanate and special compounds
URL: <http://zjg.otsukac.com.cn>



8 Otsuka Material Science & Technology (Shanghai) Co., Ltd.

Established: March 21, 2013
Capital: RMB10million
Address: 1st Floor AB Area, Building No.10, No.471 Guiping Road, Xuhui District, Shanghai 200233, China
TEL: +86-21-6091-7675
FAX: +86-21-6191-2937
Business description: Research and development, and assessment of high-valued-added compounds and combination agents
URL: <http://www.otsukamst.com.cn/>



9 Noble Skill Limited

Established: February 27, 2004
(capital invested January 10, 2014)
Capital: HK\$28.14million
Address: Unit801, 8F, Zung FU Industrial Building,1067 King's Road, Quarry Bay, Hong Kong
TEL: +852- 2861-0995
Business description: Resin, Resin parts and Assembling parts



10 Otsuka South China Precision Instruments(Shenzhen) Co., Ltd.

Established: November 13, 2011
(capital invested January 10, 2014)
Capital: RMB6.22million
Address: Block B10, A-5 District, Tongfuyu Industrial Zone (Buchong), Shajing, Baoan, Shenzhen, Guangdong, China
TEL: +86-755-8144-4001
FAX: +86-755-8144-4008
Business description: Manufacture and sale of plastic precision parts



11 Otsuka Chemical (India) Pvt. Ltd.

Established: January 2, 2006
Capital: Rp415million
Address: 402 JMD Pacific Square, Sector 15, Part-2, Gurgaon (Haryana) 122001, India
TEL: +91-124-4597979
FAX: +91-124-4597980
Business description: Manufacture and marketing of pharmaceutical intermediates
URL: <https://www.otsukaindia.com/>



12 Otsuka Chemical America, Inc.

Established: February 6, 2014
Capital: US\$27million
Address:100 The Lakes Parkway, Griffin GA 30224 USA
TEL: +1-678-572-4665
Business description: Manufacturing and sale of Terracess (fiber-free potassium titanate)
URL: <https://otsukachemicalamerica.com/>

Offices Outsidess Japan



13 Rep. Office of Otsuka Chemical Co., Ltd. in HCMC

Address:7F, Empire Tower Building, 26-28 Ham Nghi Street, Ben Nghe Ward, District 1, Ho Chi Minh City 700000 VIETNAM
Phone : +84 28 3636 1575

Aiming to Earn Global Trust

Since establishing a company to manufacture and market hydrazine in South Korea in 1988, Otsuka Chemical has established production and marketing bases around the world. The company is striving each day to enhance its reputation as a good corporate citizen in countries and territories worldwide.

We contribute to the lives of people
around the world by utilizing the power of materials.

U.S.A



Otsuka Chemical America, Inc.

Spain



Trocellen Iberica S.A.



Spain



Hebron S.A.



China



Zhangjiagang Otsuka Chemical Co., Ltd.

India



Otsuka Chemical (India) Pvt. Ltd.

South Korea



KOC Co., Ltd.

Indonesia



P.T. Lautan Otsuka Chemical

Corporate Philosophy of Otsuka Holdings

Otsuka-people creating new products for better health worldwide

Goal of Otsuka Group

To become an indispensable contributor to people's health worldwide

Overview

The Otsuka group of companies, whose origins date back to 1921, aims to contribute to the health of people around the world. It aims to do so through two main pillars: the pharmaceutical business for the diagnosis and treatment of diseases and the nutraceutical*¹ business to support the maintenance and promotion of everyday health.

The company's culture, summarized in a few words as, "Ryukan-godo" (by sweat we recognize the way), "Jissho" (actualization) and "Sozosei" (creativity), have been fostered by successive Otsuka leaders. These are emphasized by our 47,000*² employees across 196 group companies in 32 countries and regions who strive to create and market unique products and services.

*1. Nutraceuticals: nutrition + pharmaceuticals *2. As of end of December, 2022. Otsuka Holdings and subsidiaries and affiliates.

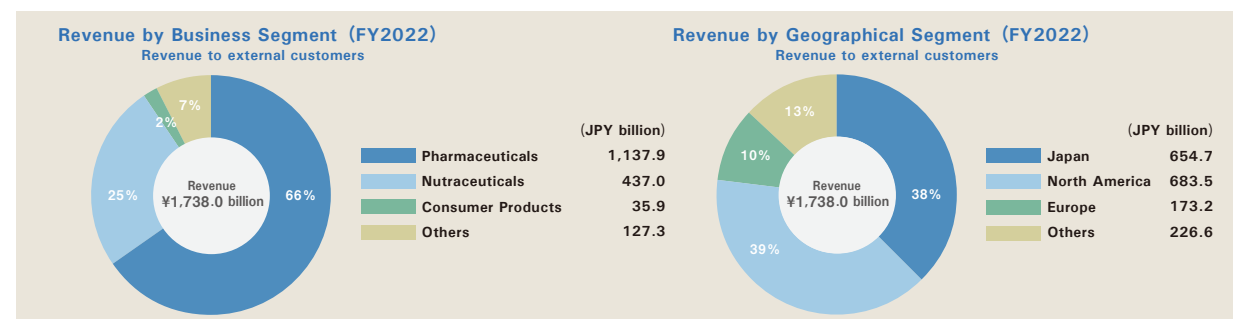
Organizational Structure



Milestones

- 1921 Founded as a chemical raw material manufacturer in Naruto City, Tokushima Prefecture
- 1946 Started infusion (intravenous solutions) production, entering the pharmaceuticals field
- 1965 Launched nutritional drink (ORONAMIN C DRINK), entering the nutraceuticals field
- 1971 Otsuka Pharmaceutical Co., Ltd. established the group's first pharmaceutical research laboratory
- 1973 First expansion outside Japan, in Thailand and the US
- 2008 Established Otsuka Holdings as a group holding company aiming to increase sustainable corporate value
- 2010 Otsuka Holdings Co., Ltd. listed on the Tokyo Stock Exchange
- 2021 100th anniversary of the Otsuka group

Financial Highlights



For more information about Otsuka Holdings : <https://www.otsuka.com/en/>
For information about Otsuka's CSR : https://www.otsuka.com/en/csr/hd_activity/

Sustainability Mission

Address social issues such as the evolution toward a healthier and more sustainable society, while simultaneously achieving growth. These activities are all supported by a comprehensive governance system.

Contribution to a More Sustainable Society

Otsuka's business is fully synchronized with our efforts to address social issues

Otsuka-people creating new products for better health worldwide



Otsuka Group's Materiality and Related SDGs

Materiality	Social Issues	Our Goals	Our Activities	Related SDGs
Health	● Unmet medical and health needs ● Spread of infectious diseases ● Nutritional needs ● Increasing aging issues	● Contribution to unmet needs solution ● Eradication of tuberculosis ● Creation of a system for the realization of a healthful life ● Healthy life extension	● Promotion of R&D for unmet needs ● R&D of antituberculosis drugs and improvement of drug access ● Support for people's health maintenance / improvement mainly on exercise and nutrition etc., enlightenment activities ● Promotion of problem solving by strengthening partnerships	3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
Society	● Presenteeism* ¹ ● Unprepared for diversification	● Creation of a corporate culture that stimulates creativity ● Enhance employee engagement	● Human resource development ● Diversity promotion ● Health management	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
Quality in all we do	● Consumption and production that impairs sustainability	● Gaining stakeholder trust ● Pursuing sustainability at all levels of the value chain ● Establishing a quality assurance system for safety and security	● Sustainable procurement and product design ● Thorough quality control and stable supply ● Responsible promotional activities and information provision ● Deepening communication with stakeholders ● Promotion of "customer-centric management"	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
Carbon neutrality * ²	● Global warming	● 2028 targets : Reduce 50% in CO ₂ emissions compared to 2017	● Reduce CO ₂ emissions throughout the value chain	13
Circular economy * ³	● Environmental load increase	● 2028 targets : Reduce 50% in simple incineration and landfill disposal compared to 2019 ● 2030 targets : 100% content of recycled and plant-based materials in our PET bottles	● Reduce environmental impact by improving resource efficiency ● Promotion of business activities aimed at a sustainable state in both society and the earth	9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
Water neutrality * ⁴	● Reducing freshwater availability	● 2028 targets : Expand the plant water management program to all locations globally ● 2028 targets : Develop a water use strategy for business locations in water-stressed areas	● Understanding water resources risk ● Management and effective use of water resources	6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
Governance	● Fragile governance system ● Social change risk	● Long-term improvement of corporate value	● Strengthen corporate governance ● Thorough compliance ● Risk identification, evaluation and management	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

*1 The situation where productivity does not go up from the badness of the mind and body condition despite coming to work *2 Sustainable energy use *3 Sustainable use of raw materials
*4 Sustainable use of water resources

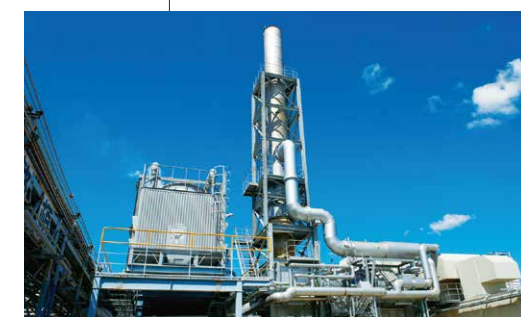
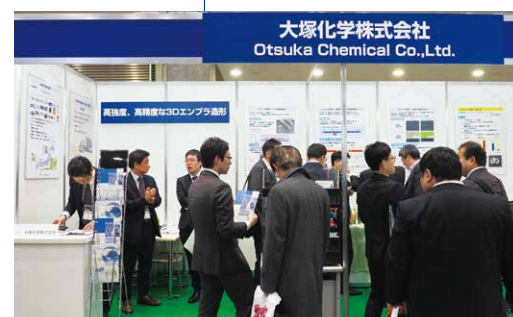
For more information about Otsuka group's CSR : <https://www.otsuka.com/en/csr/>

Otsuka Chemical has continued to grow by living up to the trust of its customers

Since its founding in 1950, Otsuka Chemical has won the trust of numerous customers as a top manufacturer

and marketer of chemical products. Going forward, Otsuka Chemical will pursue further growth as a core company in the Otsuka Group.

1950	Otsuka Chemicals Inc. established. Manufacture and marketing of potassium nitrate and hydrazine started. Tokushima Factory (present Naruto Factory) established.	1988	Otsuka Chemical Korea Co., Ltd. (Present KOC Co., Ltd) established.	2004	Otsuka-MGC Chemical Company, Inc. established. Zhanjiagang Otsuka Chemical Co., Ltd. (China) established.	2014	Noble Skill Limited (Hong Kong) acquired. Otsuka South China Precision Instruments (Shenzhen) Co., Ltd. acquired. Otsuka Turftech Co., Ltd. became a subsidiary. Otsuka Chemical America, Inc. established. TERPLUS production facility completed at Tokushima Factory. Higashiyama Film Co., Ltd. Higashiyama (Shanghai) Film Co., Ltd. and Higashiyama Film Korea Co., Ltd. (Present Higashiyama Film Co., Ltd. Korea Office) 2009 acquired.
1956	Uniform AZ foaming agent launched.	1989	P.T. Lautan Otsuka Chemical (Indonesia) established. Hebron S.A. (Spain) acquired.	2006	Otsuka Chemical (India) Pvt. Ltd. established. Capital invested in Trocellen Iberica S.A. (Spain).	2015	TERRACESS production facility completed at Otsuka Chemical America, Inc.
1965	Oronamin C Drink launched. (Note: Otsuka Pharmaceutical Co., Ltd., markets Oronamin C Drink at present.)	1990	Antibiotic intermediate GCLE launched.	2009	Otsuka Chemical Holdings Co., Ltd. merges with subsidiary Otsuka Chemical Co., Ltd., and company name changed to Otsuka Chemical Co., Ltd. Became a wholly owned subsidiary of Otsuka Holdings Co., Ltd. through a share exchange.	2016	Otsuka Chemical (Shanghai) Co., Ltd. established.
1968	Production and marketing of Bon Curry started. (Note: Otsuka Foods Co., Ltd., markets Bon Curry at present.)	1991	β -Lactamase inhibitor YTR bulk drug manufacturing facility completed.	2010	AgriTechno business became independent and established Otsuka AgriTechno Co., Ltd. (Present OAT Agrio Co., Ltd.)	2017	Expansion of GCLE plant of Otsuka Chemical (India) Pvt. Ltd.
1969	Imagire Factory (now Tokushima Factory) opened. Capital increased to 2.4 billion yen.	2000	Matsushige Factory opened. Advanced titanate products TERRACESS launched.	2011	Otsuka Holdings listed on the First Section of the Tokyo Stock Exchange in December 15th.	2019	Succeeded part of the Cefixime business from Astellas Pharma Inc.
1974	Hydrazine manufacturing equipment increased.	2002	Otsuka Food Co., Ltd., made a subsidiary through share exchange. Capital increased to 3.3 billion yen. Company name changed to Otsuka Chemical Holdings Co., Ltd. Moved to an operating holding company structure. Otsuka Chemical Co., Ltd., established to take over the chemicals and agrochemicals business Otsuka Furniture MS Co., Ltd. established to take over the furniture business	2020	The 90th anniversary of the Otsuka group.	2022	SynCrest Inc. established.
1977	Food additive (flavoring agent) Maltol launched.	2003	Agribest Co., Ltd. established.	2023	Otsuka Chemical Co., Ltd. established Otsuka Material Science and Technology (Shanghai) Co., Ltd. (China)	2023	Opened Vietnam office.
1978	The potassium titanate whisker "TISMO" sales.						
1984	Merged with Otsuka Furniture Co., Ltd. Capital increased to 2.8 billion yen. Furniture division established. Company name changed to Otsuka Chemical Co., Ltd.						



About Otsuka Chemical Business Divisions

Automotive and Mobile Technologies Division

Otsuka Chemical succeeded in establishing the hydrazine industry in Japan. With a focus on hydrazine derivatives, and using advanced synthesizing technologies, it provides high-performance polymers and functional chemicals catering to a wide range of needs.

It also researches, develops and manufactures resin compounds and other new materials in areas such as organic and inorganic materials.

The Automotive and Mobile Technologies Division works to develop a diverse range of high value-added materials that match the needs of the smart device and mobility markets (among others), based on chemical technologies developed thus far in the fields of organic, inorganic and polymer chemistry. The division seeks not only to propose materials, but also to propose a range of solutions to various industries from a global perspective.

For example, Otsuka Chemical's hydrazine derivatives business uses hydrazine as a starting point and also includes aldehyde deodorants, cross-linking agents for resin and rubber additives, among other materials, whereas the organic materials business operations deal in materials such as foaming agent. is that we are able to conduct high-quality and cost-competitive business operations using an integrated production approach, from the raw material stages. This makes it possible for us not only to synthesize general-use hydrazine derivatives but also offer custom synthesis from lab scale to plant scale, according to the needs of our customers.



In the inorganic salts business with a focus on sodium chloride, which the Otsuka Group began producing since the time of its establishment, as well as the ceramic products business derived from it, Otsuka Chemical develops, manufactures and sells a diverse range of functional fillers including brake materials, resin reinforcements and conductive materials. Thermoplastic compounds that utilize these ceramic technologies are also used in many fields. We research and develop plastics with typical performance characteristics that include tribological characteristics, precision reinforcement, conductivity, and dielectric properties. We also manufacture parts by injection molding and modeling using 3D printers.

In the advanced polymer business we use a proprietary living radical polymerization technology called "TERP" to produce and sell the advanced polymer TERPLUS. We currently supply TERPLUS for a wide range of applications, including pigment dispersant agents and adhesives.



Life Science Division

Otsuka Chemical is well known worldwide for its development and manufacturing of pharmaceutical intermediates, synthetic reagents, and APIs using proprietary technologies.

Otsuka Chemical researchers independently developed GCLE, an intermediate for cephalosporin antibiotics. Building on the technology accumulated during that process, the company is undertaking R&D into β -lactam and other pharmaceutical intermediates and bulk drugs. The company also manufactures pharmaceutical intermediates and synthetic reagents that use aromatic compounds and their derivatives. These product lines are not only in the field of pharmaceuticals, but have a wide range of applications as electronic materials, cosmetic intermediates, food flavor agents, and so forth, and are well known in Japan as well as internationally. In 2006, the company established Otsuka Chemical India, which is now a manufacturing plant for GCLE. Recently, we have been focusing on cefixime (antibacterial drug) APIs.



By focusing on advanced materials and always pursuing technological innovation, Otsuka Chemical aims to create products that help realize more prosperous lifestyles. Centered on hydrazine, inorganic materials, compound materials, and pharmaceutical intermediates, the company provides products globally in the fields of automobiles, electrical and electronic products, housing, and medicine.

Main Products

Potassium nitrate



Sodium chloride



Hydrazine dihydrochloride



Adipic dihydrazide



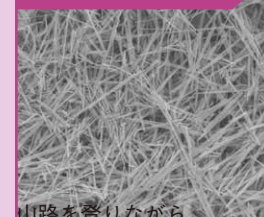
CHEMCATCH



TERPLUS



TISMO



TERRACESS



POTICON



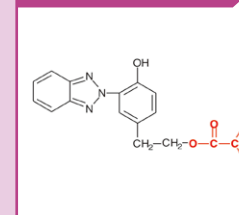
Molded parts



Q-CHARGE



RUVA



Inorganic salts

- Aldehyde Absorbent
- CHEMCATCH (deodorizers)

Foaming agent for resin

Hydrazine hydrate derivatives

- hydrazine salts,
- heterocyclic compounds
- hydrazide compounds
- Adipic dihydrazide, Dodecanedihydrazide, Sebacic dihydrazide
- Isophthalic acid dihydrazide and more

Rust Preventive Agents

- SHADAN (corrosion inhibitors, detergents, surface preparation agents)

High performance polymer

- TERPLUS (dispersant and pressure sensitive adhesive)

Azo type initiators

- AIBN, ADVN, AMBN, ACVA
- Polymerization initiator OTAZO-1 5, MAIB

Advanced materials

- TISMO (staple material for disk brake pads)
- TERRACESS (scale-like filler, raw material for next-generation disk brake pad)
- RUVA (reactive ultraviolet absorbing agent)

Compound materials (resin compounds with TISMO or TERRACESS)

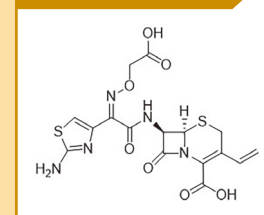
- POTICON (high rigidity, surface characteristics, tribological characteristics)
- POTICON for films
- Molded parts

Electric double layer capacitors (EDLC)

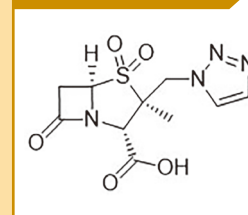
- Q-CHARGE (electrolyte for use in capacitor)

Main Products

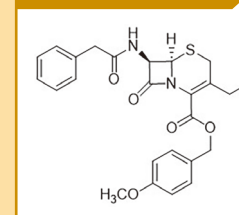
Cefixime



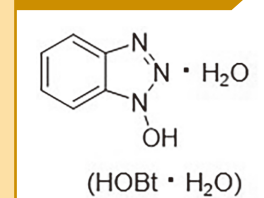
Tazobactam



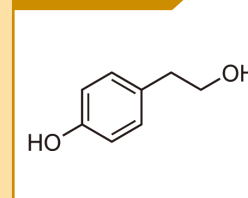
GCLE



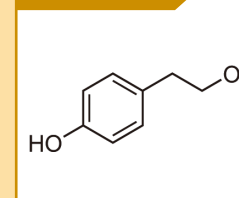
1-HOB



PHEP



PHME



CDMO Service

- APIs (Oligonucleotide/ Peptide)
- Intermediates (Special Amino acids/Special Amidites)

API

- Cefixime (Antibiotic)
- Tazobactam (β -lactamase inhibitor)

other intermediates, reactants, fragrance chemicals

- p-Hydroxyphenethyl alcohol
- p-(2-Methoxyethyl)phenol
- p-Hydroxyphenylacetic acid
- Levulinic acid
- 1,2,3-Triazole
- 2-Methyl-3-hydroxy-4-pyrone (Maltol)
- 2-Ethyl-3-hydroxy-4-pyrone (Ethyl Maltol)

With a focus on enhancing people's lifestyles and health, the products of Otsuka Chemical are used in the many different aspects of everyday life.

Automotive

Dispersant

TERPLUS
By controlling the arrangement of components that affect affinity to a solvent or binders and absorption to pigment based on block polymer structure, a product with both outstanding dispersant properties and dispersant stability has been realized.

Windshield
Potassium nitrate
Strength of the glass is improved.

Aldehyde deodorizing agent
CHEMCATCH
As formaldehyde deodorizing agent, this product has proven results in automobiles.

Electric parking brake · clutch · side-view mirror · interior trim
UNIFOAM AZ
This product is used for automotive door trim and instrument panels in order to improve the design. It is also used in automotive interior ceilings for soundproofing, anti-vibration, and insulation.

POTICON
It is a compound material made from thermoplastic resin and TISMO, a potassium titanate fiber. It offers high dimensional accuracy and abrasion resistance.

Bumper

DENTALL WK
While offering the features of potassium titanate fiber, this is a white conductive ceramic. It is used as a conductive material for electrostatic paint primer on automotive bumpers.

Friction agent for brake pads
TISMO
A ceramic with high strength, high rigidity, and a high aspect ratio. It is used for oil filters and as a friction material for brakes.

Weatherstripping

UNIFOAM AZ
This product is used for weatherstripping, the product controls the intrusion of wind, rain, dust and noise.

Tire
Acroad
Acroad is contained in tire rubber and serves as a raw material to increase a tire's fuel efficiency and prolong product life.

Anti-chip coating

Hydrazine Compounds
Resin curing agents that are widely used in areas such as adhesives and paints.

Electrical and electronic equipment

Camera module
POTICON

A compound material made from thermoplastic resin and TISMO, a potassium titanate fiber. It is a high-performance compound with high dimensional accuracy and micro reinforcing.

LED

POTICON
Used for LED reflectors found in display light sources, due to its highly reflective and weather resistant properties.

Glass

Potassium nitrate
Used as a reinforcing agent for glass.

Condensers, reducing agent
Hydrazine Derivative

Touch panel
Hard coat film
Anti-shatter film
This product is manufactured and sold by Higashiyama Film a subsidiary of Otsuka Chemical.

Semiconductor-related cleaning agent
Hydrazine Derivative

It is used as a cross-linking agent enabling curing at low temperatures, and it has high reactivity to thermosetting resins such as acrylic and epoxy.

Dispersant, Pressure Sensitive Adhesives
TERPLUS

Pigment dispersant: color filter, inkjet ink etc Pressure sensitive adhesive: Protective film for various processes, OCA etc By decreasing oligomer that affect contamination resistance and heat resistance based on controlled molecular weight polymer.

Heat insulating bush

POTICON

Fixed gear, Slide bearing
POTICON

Drum flange gear
POTICON

Ink cartridge bearing
POTICON

Membrane Switch

Industrial printing film
This product is manufactured and sold by Higashiyama Film a subsidiary of Otsuka Chemical.

Driver roller

POTICON

Housing-related

LED

POTICON
It is used for LED reflectors found in display light sources, due to its highly reflective and weather resistant properties.

Glass

Potassium nitrate
Used as a reinforcing agent for glass.

Flavoring

PIROMATOL
It is used as a food additive flavoring.

Food additives and food processing

Sodium chloride·Potassium chloride·Potassium nitrate

Deodorizer for interior paint

CHEMCATCH
As an formaldehyde deodorizing agent, this product has proven results in various fields including building materials and paint.

Paint for interior building materials

RUVA-93
A benzotriazole type ultraviolet absorber with a reactive group. It is ideal for film and paint applications where heat resistance and long-term stability are required.

Wallpaper

UNIFOAM AZ
Improvement of design quality

Flooring

UNIFOAM AZ
This product is used for flooring, the product increases the shock-absorbing, thermal insulation, and sound deadening properties of flooring.

Pharmaceuticals

Active Pharmaceutical Ingredient

β-Lactam compounds
The company supplies bulk drugs such as oral antimicrobial agent Cefixime and beta-lactamase inhibitor Tazobactam.

Pharmaceutical intermediates

GCLE
p-Hydroxyphenethylalcohol (PHEP)
p-(2-Methoxyethyl)phenol (PHME)
p-Hydroxyphenylacetic acid (PHPA)

These are aromatic compounds for pharmaceutical synthetic raw materials and various β-lactam compounds, including GCLE as intermediate for cephalosporin antibiotics.

I.V. solutions

Potassium chloride
Sodium chloride
Calcium Chloride Dihydrate
Magnesium Chloride Hexahydrate

Oligonucleotide / Peptide Therapeutics

CDMO* service for Oligonucleotide/Peptide APIs (GMP/ Non-GMP)

*CDMO =Contract Development and Manufacturing Organization
This product is available from SynCrest Inc., a subsidiary of Otsuka Chemical.

Focusing research and development on creating the products the world needs

The research and development division of Otsuka Chemical conducts research and develops products for the global market using world-class technology, based on the philosophy of "contributing to the customer using innovative technology."

The organization includes the Materials Development Laboratory, Advanced Polymer Laboratory, Rubber Chemicals Laboratory, and Technology Development Laboratory, with activities ranging from basic and applied research to prototyping at intermediate testing facilities and final product creation.

Central R&D

Aiming at the development of revolutionary only one product



Otsuka Chemical conducts R&D that contributes to society by creating core technologies, building confidence with customers, and achieving sustainable development. The Materials Development Laboratory aims to develop one-of-a-kind products through research and development from the perspectives of new market needs and technology seeds. These efforts are based on component technologies developed in past research activities acquired through product development in the fields of inorganic materials and resin compound materials.

In the field of inorganic materials, research and development is focused primarily on titanates. Products such as TISMO and TERACESS, which are characterized by their excellent frictional stability, micro-level reinforcement and tribological characteristics are used in applications such as brake pads for automobiles.

We also pursue applications for inorganic synthesis processing, powder shape, composition control and other technologies in battery materials and paint.

For the development of resin compound materials, we have created POTICON, a custom compound product based on TISMO.

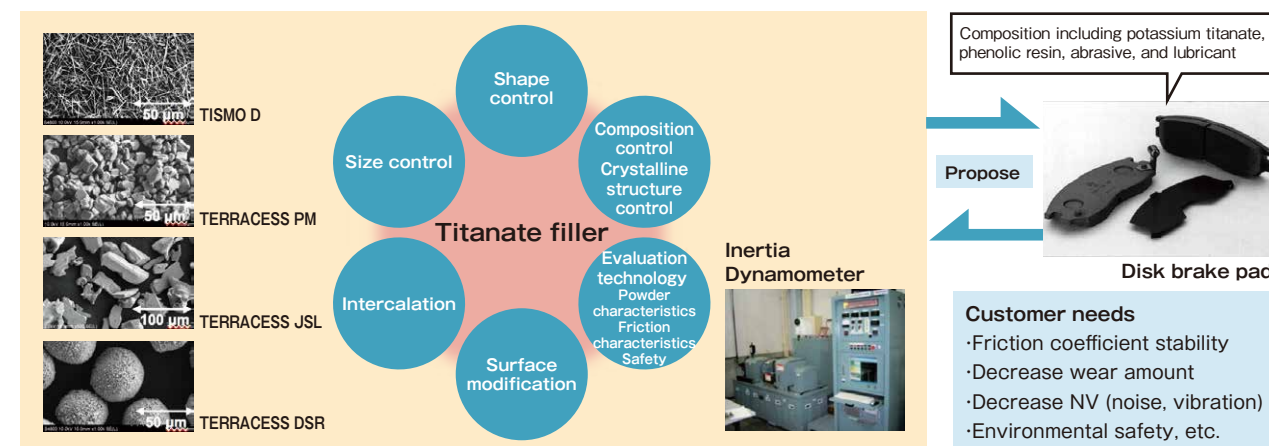
Harnessing the functions of TISMO, the product plays extensive roles that are close to our lives, for instance in the precision parts of watches and smartphones and the mechanism parts of printers and automobiles.

In recent years, we have been approaching customers in many different fields with the aim of expanding our operations for "creating" films, blocks, filaments and other products leveraging the characteristics of POTICON.

In line with Otsuka Chemical's vision of becoming "a company that collaborates with customers to find creative new ways to use advanced materials," the Materials Development Laboratory will continue to create technologies and products that will serve as the basis for this.

Development of Titanate for Friction Materials

We are pioneering new chemical frontiers in the effects of titanate to meet the needs of diverse customers.

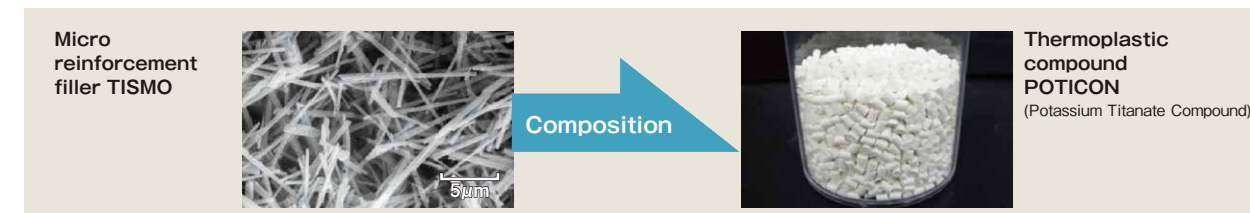


Recent conference presentations

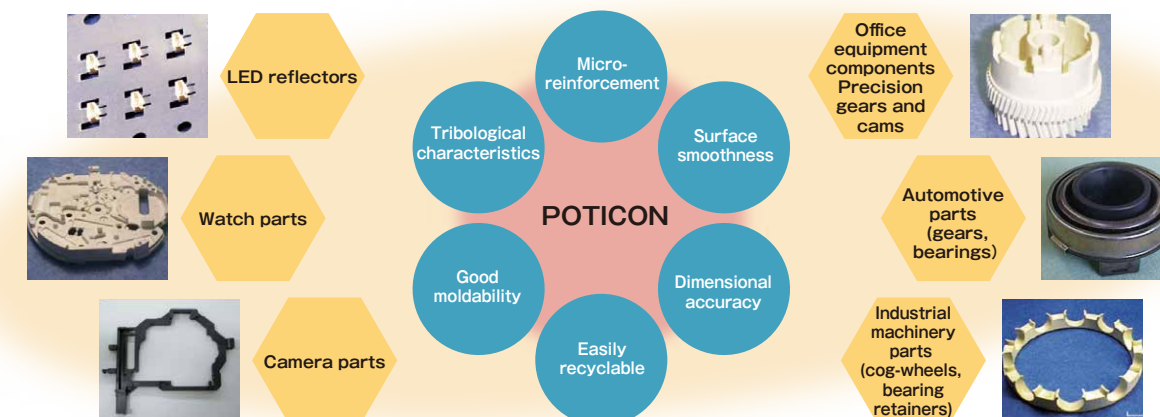
- SAE Brake Colloquium & Exhibition (USA) / 2015: Comparison of MPU on Friction Materials between Formulations
- 2017: Interactions of NBR and Titanate on the Friction Surface as Related to μ Stability Effects in Low Load Conditions
- China Friction and Sealing Material Association (China) / 2016: Benefits of Titanate in Low-steel Formulation and a Metal Pick Up Phenomenon
- 2017: Chemical Effects of Titanate Compounds on the Thermal Reactions of Phenolic Resins in Friction Materials
- Euro Brake (Europe) / 2014: Microstructure of Metal Pick up and its Surroundings
- 2019: Chemical Effects of Titanate Compounds on the Friction Surface - part 2
- Brake Forum in Japan (Japan) / 2016: Chemical Effects of Titanate Compounds on the Thermal Reactions of Phenolic Resins in Friction Material

Development of the Resin Compound POTICON

We propose optimal compounds for various precision parts and sliding parts.

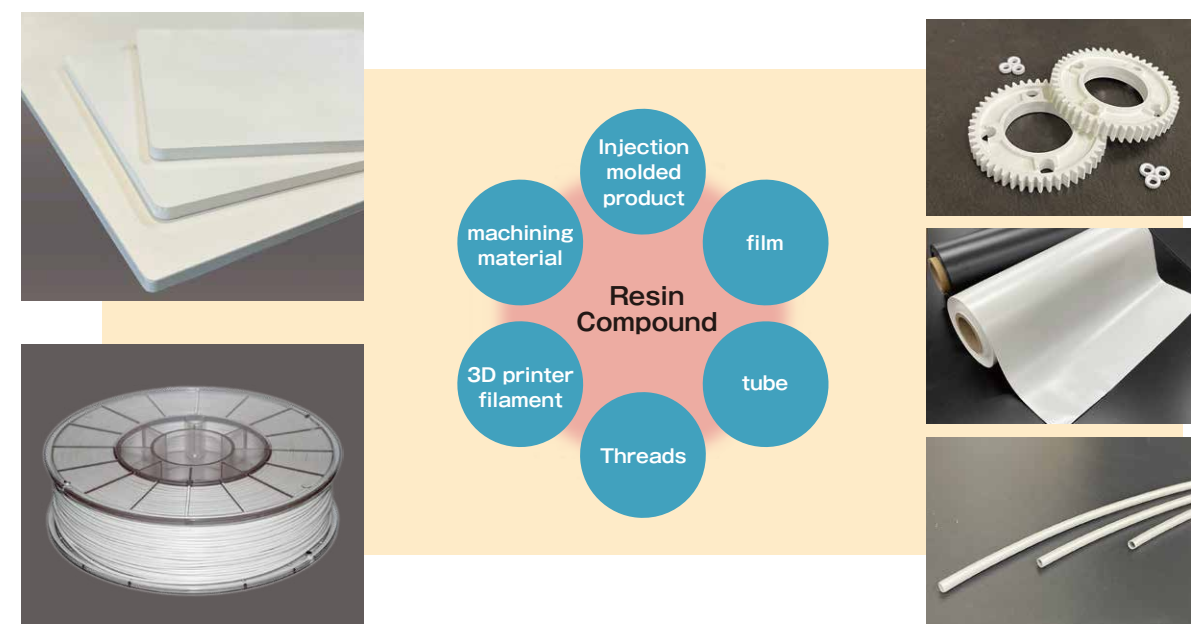


Applications



Application to resin compound materials and processed products

To meet the needs of a wide range of customers, we offer resin compound materials processed into different forms based on the extrusion processing technology we have developed over many years.



Our unique chemicals help enrich people's lives

Advanced Polymer Laboratory

Proposing new market value with proprietary controlled radical polymerization technology

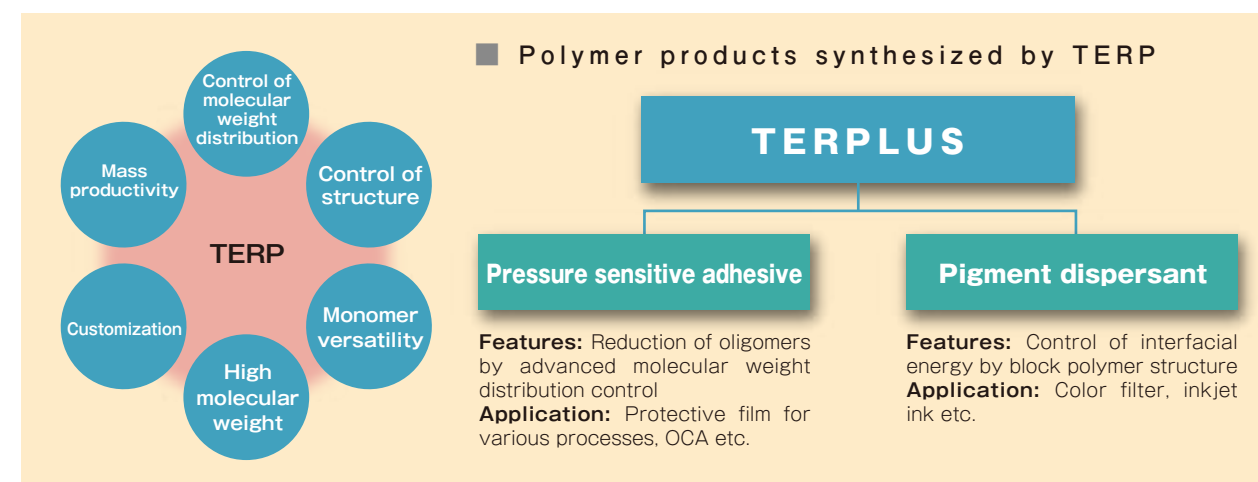
The Advanced Polymer Laboratory is conducting research and development in the field of functional polymer materials using the TERP method: a proprietary controlled radical polymerization method developed in collaboration with Yamago Laboratory, Kyoto University. The TERP method is characterized by its advanced molecular weight control, wide-ranging versatility that allows it to be applied to various monomers, and high functional group resistance. These characteristics make it possible to design various functional polymer materials with new properties that did not previously exist. So far we have developed applications such as adhesives that take advantage of the features of molecular weight control in the high molecular weight domain, and pigment dispersants that can be created in a wide range of designs utilizing monomer versatility in block copolymer synthesis, which is another feature of controlled radical polymerization. These products have been launched onto the market under the TERPLUS brand name.

We are also developing commercial production processes utilizing pilot facilities at a dedicated TERPLUS plant, situated inside our Tokushima Plant. Moving forward, we will continue to propose new value to the market by developing functional polymer materials utilizing the TERP method.



Development of Functional Polymer Materials

We propose the functional polymer materials for market demands by the advantage of Otsuka's controlled radical polymerization technology "TERP".



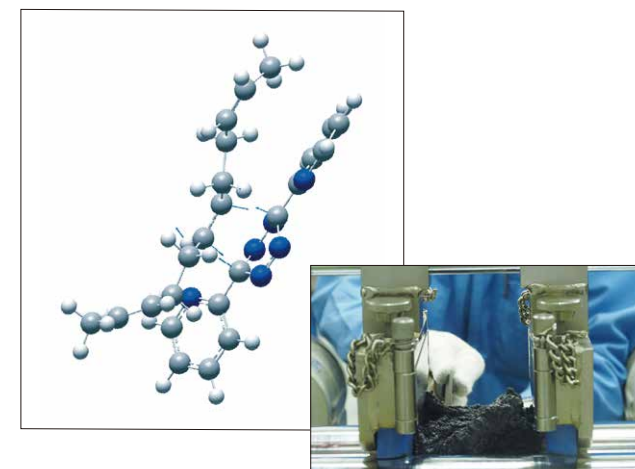
The technical awards of the adhesion society of Japan in 2013
 Inoue Harushige prize in 2018

Rubber Chemicals Laboratory

Contributing to the creation of an environmentally friendly mobility society with proprietary technologies developed in hydrazine chemistry

The Rubber Chemicals Development Laboratory conducts research and development of specialized organic chemicals that can improve fuel economy and durability of automobile tires, with activities ranging from chemical structure design of original new compounds and their organic synthesis, to basic evaluation of their rubber material properties. Otsuka Chemical is engaged in the efficient development of new additives, by introducing equipment that enables evaluation of basic rubber properties from in-house production of rubber test samples.

Through these evaluation and analysis technologies, we also aim to be able to propose appropriate additive types and methods for utilizing them to companies that produce rubber products. The laboratory is also responsible for global commercialization and production technologies for these additives.



Tires are important components that relate to the safety, environmental performance and comfort of cars. The performance of tires is affected greatly by the properties of the rubber materials used. World-first original compounds developed by Otsuka Chemical have been adopted for use in rubber materials for high-performance tires. Although these compounds are not conspicuous because they are found in only small amounts in rubber materials, they contribute greatly to today's mobility society. In particular, chemical technologies for fuel-efficient tires—which lead to improved fuel economy in cars—contribute to a reduction in carbon dioxide on earth, also leading to reductions in environmental impact.



Technology Development Laboratory

Creating competitiveness in the global market through development and production

For functional chemicals, we researched the processes for manufacturing hydrated hydrazine -- a material we were the first in Japan to industrialize -- as well as hydrazine derivatives, foaming agents, azoic polymerization initiators, ionic liquid and ultraviolet absorbing agents, among others. We have also commercialized these products. Responding to the needs of customers, we engage in extensive research and development activities up to the custom synthesis of different derivatives.

For pharmaceuticals, our research and development is directed at improving production sites and our product power, as well as commercializing products, by developing the processes for manufacturing pharmaceutical APIs and intermediates based on the technologies accumulated through the development of tazobactam and GCLE. Tazobactam is a beta-lactamase inhibitor while GCLE is a cephalosporin key intermediate.

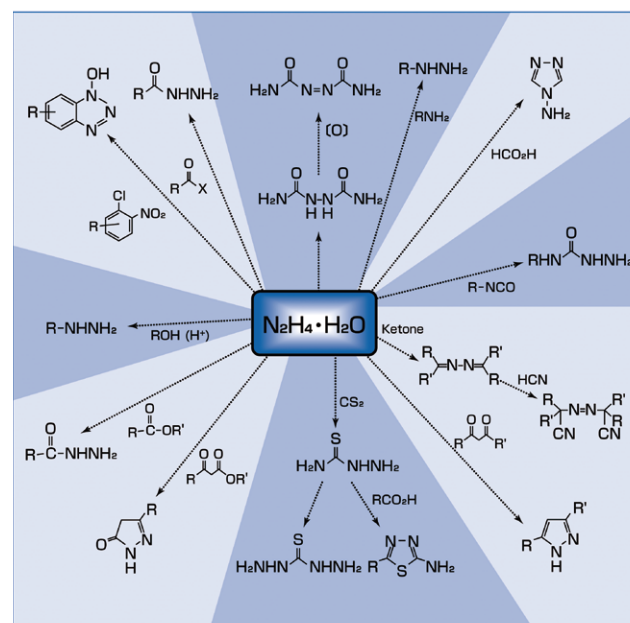
With regard to safety, we are implementing innovative and safe process development under the slogan of "ensuring safety with safety processes and safety equipment." We will continue to deliver our products to customers around the world with a high level of trust and reliability, through an uncompromising approach to ensuring strong manufacturing in all aspects.



Production Headquarters

For many years, Otsuka Chemical has been committed to the development of functional hydrazine derivatives and technologies for manufacturing beta-lactam antibiotic APIs and intermediates.

We also cater to customer needs for commissioned manufacturing, including the development of manufacturing processes, based on the various manufacturing technologies that we have developed so far.



Tokushima Factory



The Tokushima Factory opened in 1969 and began production of hydrazine. The following year it began production of Bon Curry and other foods in retort pouches. (Today, the Otsuka Group's foods business is operated by Otsuka Foods Co., Ltd.) In 1973, the factory acquired a license to manufacture pharmaceuticals.

Main Production Lines:

TISMO (functional inorganic fiber),
TERPLUS (dispersant and pressure sensitive adhesive)
Maltol (flavor enhancer), resin additives
and softeners, resin modifiers
Hydrazine Derivatives

Kagasuno 463, Kawauchi-cho, Tokushima-shi,
Tokushima 771-0193, Japan
TEL: +81-88-665-1516 FAX: +81-88-637-1099

Naruto Factory



The Naruto Factory opened in 1950 as the company's first production site. It started with the manufacture of inorganic chemicals, polymerization initiators, and other chemicals.

Main Production Lines:

Inorganic salts
Organic intermediates

615 Aza-Hanamen, Satoura, Satoura-cho, Naruto-shi,
Tokushima 772-8601, Japan
TEL: +81-88-684-2266 FAX: +81-88-684-2359

Matsushige Factory



The Matsushige Factory was established in 2000 and started to manufacture pharmaceutical intermediates. The following year it began production of the functional plastic compounds POTICON and WHISTATT. It is the company's most advanced production site.

Main Production Lines:

POTICON (Functional composite material)
GCLE derivative (pharmaceutical intermediate)

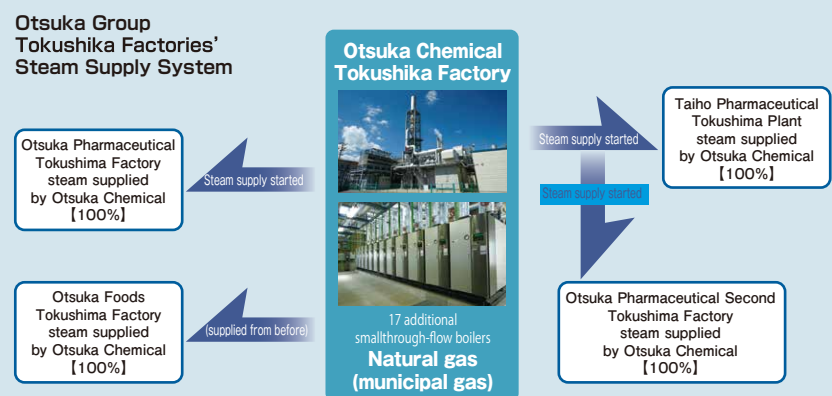
139-40 Aza-toyohisakaitaku, Toyohisa, Matsushige-cho,
Itano-gun, Tokushima 771-0213, Japan

We are actively orienting our structure toward energy saving, reduction of environmental impact and environmental friendliness

Reducing CO₂ emissions by switching fuels and consolidating equipment

Business sites belonging to Otsuka Group companies operating in the Imagire area of Tokushima City (Otsuka Pharmaceutical's Tokushima Factory and Second Tokushima Factory, Taiho Pharmaceutical's Tokushima Plant) have all done major overhauls to their fuel oil boiler systems. Otsuka Chemical's Tokushima Factory installed 17 small through-flow boilers that run on natural gas (municipal gas), which operate to meet each site's changing production demands. Since January 2009 it has been supplying steam to all sites.

This change was successful in the reduction of annual CO₂ emission generated during steam production by about 700 tons for Otsuka Pharmaceutical's two factories and about 2,200 tons for Taiho Pharmaceutical's Tokushima Factory



Improvement of employee training

Each employee of Otsuka Chemical is enthusiastically devoted to learning every day.

Initiatives for Human Resources Development



Project Management Training

Otsuka Chemical provides opportunities for training and practice to ensure that employees steadily learn new things and make substantial gains through experience. Based on this belief, the company promotes human resources development using on-the-job training. Young employees are often included as members of major projects, regardless of their job title, and actively selected and promoted to positions of responsibility. This approach has not changed over the years, and the company remains focused on systematic human resources development at a time when there is an urgent need for global management due to the rapid social, economic, and industrial changes in recent years.

Training and Education System (Grade-Specific Training)

Along with grade-specific training when employees join the company and at the time of promotion to section chief, assistant manager, and manager, the company provides follow-up training two years after joining the company (for those hired directly from high school, university, etc.) and ample step-up training every four to five years. The aim is for younger employees to experience steady growth. In addition to cross-cultural and foreign language training for employees to be posted outside Japan, the company also provides employees to be assigned overseas with cross-cultural, foreign language, and other necessary training. In addition, the company provides training for selected employees, including training of next-generation leaders, and sends executives and next-generation human resources to courses at external educational institutions so that they can gain a systematic grounding in business administration.



Training session

MBA Support

Otsuka Chemical invites interested employees to apply for company support for tuition toward an MBA with the aim of fostering future managerial and other human resources who are ready for the global stage. In addition to performing their jobs and studying at the same time, most of the teaching is in English, so the experience is quite demanding for the participants both physically and mentally, but they report improved abilities in advanced business administration as well as better English skills and helpful networking with other motivated participants. The employees get a lot out of the program and it is definitely worth the effort.



MBA earned in March 2022



Self-Development Support

Otsuka Chemical has programs to enhance motivation and the desire to learn in employees, such as a language certification reward program and a self-development grant system, which pays half the cost of eligible courses. The company has also implemented the Computerized Assessment System for English Communication (CASEC) and free e-learning courses. This has created an environment where employees have access to a wide range of study opportunities. On the other hand, every month, the company holds an online self-development seminar themed on various topics by inviting an internal or external lecturer. Any employee can participate in this seminar.



Quality Assurance Initiatives

The products of Otsuka Chemical are used in various applications in a variety of fields including pharmaceuticals, food products, automobiles, electronics, and housing. By ascertaining individual customer needs as well as the needs of each industry, the company is creating products that satisfy customers based on stringent quality control.

The entire company, with the exception of some departments, has obtained ISO 9001 quality management system certification. Meanwhile, the company's affiliated entities based in Japan and abroad have obtained certifications such as ISO 9001 and IATF 16949 (a standard for automotive quality management systems), creating an excellently coordinated production and quality assurance system on a global scale.

In Japan, three business units have been working to promote environmental management activities in collaboration with other group companies under the initiative of Otsuka Holdings Co., Ltd. and have obtained ISO 14001 certification for the group's integrated environmental management system. (To be obtained in 2020)

With a corporate philosophy of trust, Otsuka Chemical is working to continually enhance not just product quality, but also the quality of its people, systems, and work in order to continue providing customers with reliable products. In this way, the company is improving its quality assurance level and the performance of the company as a whole, as well as the value and quality of its products and services, aiming to pursue sustainable growth.



Anzen Dojo (Safety Training Center)

Located in the Tokushima Factory, the Anzen Dojo not only imparts safety knowledge through classroom learning, but also aims to improve the hazard awareness of all participants, through hazard experience training. In 2014, this program was recognized by the Japan Chemical Industry Association's 8th Responsible Care Awards.



Diversity Promotion and Enhanced Employee Education

We promote diversity as one of our efforts to achieve the sustainable growth of society and the Otsuka Chemical Group.

Diversity Promotion

Otsuka Chemical has established a Diversity Committee as part of its management strategy. The committee aims to improve organizational performance by taking steps to enhance the diversity of human resources, to allow all individuals to demonstrate their abilities, and to generate knowledge synergy. While also aiming to ensure that Otsuka Chemical is an attractive place to work and a company trusted by society, the company is carrying out diversity promotion measures according to the following three company policies, implementing both initiatives, physical and non-physical, including work-life balance initiatives, introducing a remote work system, encouraging employees to take childcare leave, and organizing social events for young employees.

1. Creating a company where motivated and capable employees want to keep working.
2. Training human resources that can respond to national, cultural, and gender diversity.
3. Localizing global developments (glocalization).



Otsuka Group diversity promotion personnel meeting



Promoting Women's Participation

Otsuka Holdings of the Otsuka Group is a signatory of WEPs (Women's Empowerment Principles), corporate action principles for companies that actively promote women's participation, which were jointly developed by the UN Global Compact and UN Women. In March 2019, Otsuka Chemical received L-star (Eruboshi) certification (three stars) based on the Act on Promotion of Women's Participation and Advancement in the Workplace.

2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program

At Otsuka Chemical, Hiroyoshi Tosa, President and Representative Director, made the Declaration on Health in June 2020. Building an environment in which employees remain healthy and satisfied with their jobs is one of the top priorities for a company. To this end, Otsuka Chemical organizes a health management structure to facilitate its commitment to health management. Based on the Otsuka Chemical Declaration on Health, we have been building an environment that helps employees stay healthy and satisfied with their jobs. In 2023, Otsuka Chemical was selected under the Certified Health & Productivity Management Outstanding Organizations Recognition Program.

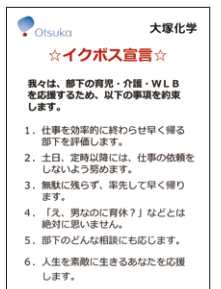


Work-life Balance

Otsuka Chemical has enhanced a work system that supports balancing of nursing care/childcare and work. For example, a short-time work system for childcare and a staggered work shift for childcare are available until an employee's child finishes the 3rd grade of elementary school. A short-time work system for nursing care and a staggered work shift for nursing care are available for a year per applicable family member. We are also striving to improve work-life balance by introducing No Overwork Day and a remote work system, etc. In 2020, we were authorized by the Minister of Health, Labour and Welfare as an excellent company that supports childcare in "Platinum Kurumin."

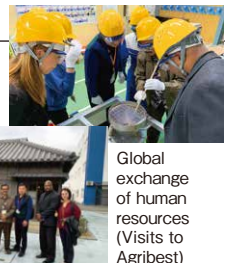
The IkuBoss Declaration

In 2019, we joined the IKUBOSS CORPORATE ALLIANCE, a network of companies motivated to develop ideal bosses (ikubosses) for a new age, and we established The IkuBoss Corporate Alliance. We are aggressively committed to the development of ikubosses who are continually able to perform at a high level while supporting their subordinates in their lives and careers so that all employees can achieve their own healthy work-life balance. This company is willing to help you to live a wonderful life.



Global Exchange Program for Human Resources

Since 2014, the Otsuka Chemical Group has run the Global Exchange Program to find and train human resources who contribute to the Otsuka Chemical Group's globalization, and as one aspect of its activities to promote diversity. Currently Otsuka Chemical accepts employees from overseas subsidiaries for around two weeks, and conducts training programs to improve their understanding of the Otsuka Chemical Group's and Japan. Although plans were interrupted in 2020 by the impact of the COVID-19 pandemic, once it becomes possible to continue these activities the next step will be for Otsuka Chemical employees to participate in parallel training programs at overseas subsidiaries.



Global exchange of human resources (Visits to Agribest)

Workplace Childcare

The Otsuka Group has in-office nurseries in Tokushima, Osaka, and Tsukuba. The Tokushima center had a capacity of 100 at the time of its opening in 2011, but this increased to 150 by 2014 and 210 by 2018, making it one of the largest in-office nurseries in the country. We are supporting the diverse lifestyles of our employees as well as establishing an environment where they can keep working with peace of mind.



Osaka

Tokushima

Associated data

	2018	2019	2020	2021	2022
Ratio of women to all persons holding managerial positions	9.4%	9.6%	10.4%	10.9%	12.3%
Ratio of managerial-level women to all female full-time employees	25%	27%	24%	25%	28%
Ratio of managerial-level persons to all full-time employees	32%	31%	30%	31%	32%
Percentage of employment of persons with disabilities	2.2%	2.1%	2.3%	2.3%	1.9%
Percentage of paid leave taken	67%	64%	61%	63%	69%
Percentage of female employees taking childcare leave	-	-	100%	100%	100%
Percentage of male employees taking childcare leave	-	-	19.4%	16.7%	39%

※As of the end of April 2022, our workforce included nine non-Japanese employees from China, South Korea and the Philippines.

Employee Welfare

The Otsuka Group has four guesthouse facilities operated directly by the group as retreats to support the health of employees. There are five more such facilities under contract to the Otsuka Pharmaceutical Health Association and the Otsuka Pharmaceutical Group Pension Fund.



Otsuka Shiosaiso (Tokushima)

Otsuka Hieizanso (Shiga)

Otsuka Amagisanso (Shizuoka)

Tsurugisanso (Tokushima)

Otsuka Chemical strives to enrich people's lives through cultural, educational, and other social contributions

Otsuka Chemical not only conducts R&D to create better products, but also undertakes social contribution initiatives to enrich people's lives. The company is deeply committed to its various efforts to make a difference in the world. The company is deeply committed to its various efforts to make a difference in the world,

Participating in the Awa-odori Festival: Otsuka Hatsuratsu Ren dance team

The Awa-odori Festival in Tokushima is one of Japan's three main Bon-odori dance festivals and is an important event for the local community. Otsuka Chemical's dance team has participated in the event since 1963, and the group changed its name from "Otsuka Chemical Ren" to "Otsuka Hatsuratsu Ren" in 1988. Employees and their families participate in the event every August.



Otsuka Hatsuratsu Ren performing the Awa Dance

Support for Education in Schools

Every year, Otsuka Chemical continues to take part in the "Adopt an Eco-School" program, an alliance among business, government and academia in Tokushima Prefecture. The company does this in partnership with two other Otsuka Group companies, Taiho Pharmaceutical and Otsuka Pharmaceutical. The program supports opportunities to make environmental education part of the lessons at local schools. Students participate in water quality surveys in their own communities and tours of Otsuka Group facilities to see environmental initiatives, both of which help to deepen their interest in environmental conservation.



Tour of a tomato sorting and packing plant

Water quality survey by high school students

Volunteer Community Cleanups

Many employees and their families participate in community cleanup activities around the company's business sites.



Working around a business site

CSR Activities

The Otsuka Group decided to issue a CSR report from 2012 as one report of the Group. The CSR activities of Otsuka Chemical have been reported in the Otsuka Group Integrated Report since 2017. That is, it reports on the strengths of the group and initiatives to accomplish the group's goals.

Otsuka Group CSR website: https://www.otsuka.com/jp/csr/hd_activity/
Integrated reports: <https://www.otsuka.com/jp/ir/library/annual.html>



大塚国際美術館
OTSUKA MUSEUM OF ART

<https://o-museum.or.jp/publics/translation/en/>

Otsuka Museum of Art

The Otsuka Museum of Art, the world's first museum exhibiting masterpieces reproduced on ceramic panels, was opened in Naruto, Tokushima in Japan, on the 75th anniversary of the founding of the Otsuka Group. The museum displays reproductions of many masterpieces, from ancient murals to modern works, from more than 190 museums in 26 countries. Rendered using special technology developed by Otsuka Ohmi Ceramics Co., Ltd., an Otsuka Group company, more than 1,000 pieces of art have been reproduced in original size and are exhibited in semi-permanent form without reducing the works' artistic value. The museum building is built into the mountainside in order to protect Naruto's beautiful environment and scenery. The permanent exhibitions in three underground levels and two aboveground floors are divided in the three categories of "The Environment," "Lineages" and a thematic section to enable visitors to understand the works in deeper and more enjoyable ways.

The museum also holds a diverse range of events to help visitors become more familiar with art. In 2020, a full-sized ceramic panel reproduction of Leonardo da Vinci's Lady with an Ermine valuable Polish cultural property was added to the museum's list of exhibits. Lady with an Ermine is the second of four portraits by Leonardo using female models. The museum employed its ingenuity to display the work alongside the Mona Lisa, enabling visitors to view and compare two of Leonardo's rare portraits of women. Leonardo using female models. The museum employed its ingenuity to display the work alongside the Mona Lisa, enabling visitors to view and compare two of Leonardo's rare portraits of women.

Tokushima Vortis

The Tokushima Vortis professional soccer team was formed in 2004 to help to revitalize the local region, based on a core group of players from the Otsuka Pharmaceutical soccer club. In 2019, Mima City, Otsuka Pharmaceutical, and Tokushima Vortis started the Program for Health Promotion ("SIB Project"). In 2020, the project was awarded the J League Challenge! Awards public prize. In 2021, Mima City was granted an award under the Japan Sports Agency's program to commend local governments that excel in sports initiatives and healthy community development. In 2023, the program was covered by the White Paper on Sport in Japan 2023 published by Sasakawa Sports Foundation.

The first team is currently in the J2 league but is fighting to return to the J1 league. , the company will focus more efforts on local contribution activities.

*SIB: Social impact bond. A scheme for setting up projects to solve social issues using private funds and for a local government to pay consideration according to the outcomes.



<http://www.vortis.jp/> (in Japanese only)



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