## **Earth Group**

Profile 2023

地球を、キモチいい家に。

earth.jp

## Act For Life.

地球を、キモチいい家に。

Our name "Earth" represents our passion to bring happiness to everyone living on Earth.

Changing with the times, we have operated for nearly 100 years. We deliver user-friendly products that serve many people in everyday life, learning from nature, and making discoveries through science.

Thinking about what's "pleasant" for users, we create just the right balance through creativity and combinations.

People who create, deliver, and support come together today, tomorrow, the day after tomorrow, and into the future.

Our products are safe and become more pleasant as they are used.

We are here with you in your daily life to increase "pleasant" time.

Earth Group is looking one step ahead to bring many more "pleasant" smiles to the Earth.



## **Earth Group Midterm Plan**

2021 - 2023

Earth Corporation previously announced Earth Group Midterm Plan for the next three years (2021 - 2023) with commitment to CSV-based management at the core, aiming to continuously improve corporate value by addressing social issues while expanding business revenue.

Along with this plan, we are transforming our organizational structure to be more flexible and become a sturdy company that can respond to unexpected situations, striving to advance global management and group management. We will embrace ESG across all areas of business through work style reform, compliance with revised the Corporate Governance Code, and strengthen initiatives to address climate change and create a carbon-free society. With "One Earth" and "Open Communication" in our DNA, we will strengthen our ability to respond to changes to improve corporate value.

#### Strengthen business foundation and improve corporate value sustainably

By adopting new performance indicators such as capital costs and non-financial KPIs, we will thoroughly revamp business infrastructure such as company programs and policies as well as business processes and systems. Making some of the largest IT investments in our history, we will actively harness evolving digital technologies to build new systems and business infrastructure for the future.

#### Drive industrygovernment-academia collaboration to address social challenges

Following the strategy to expand international business and maximize group synergies specified in the previous Earth Group Midterm Plan, we will continue to invest into focused areas of "Asia" and "cost synergies." The ESG-driven open innovation strategy has been added to the Earth Group Midterm Plan. To solve social issues in Japan and Asia, we will act swiftly by promoting open innovation and integrating strengths of others through industry-government-academia collaboration.

#### [Financial highlight]

	Actual 2022	Target 2023		
Sales	JPY <b>152.3</b> bil.	JPY <b>160.0</b> bil.		
Operating income	JPY <b>7.43</b> bil.	JPY <b>8.0</b> bil.		
Net income	JPY <b>5.3</b> bil.	JPY <b>5.4</b> bil.		
ROE	8.6%	8% range		

<sup>\*</sup> New accounting Standard for Revenue Recognition applied since 2022

# New standard Oberating brocess Oberating system Standard Expand revenue base in Asia Generate group synergies ESG-driven open innovation

## **Act For SMILE**

#### COMPASS 2023

Act For SMILE COMPASS 2023 is a nickname of the Earth Group Midterm Plan selected from among entries from employees in a campaign to help them understand the significance of the plan and become more engaged in our shared goals.

The Midterm Plan is a "COMPASS" that shows us the way to our destination as we respond to changes in the business environment. "SMILE" represents specific actions that we will take in line with the strategic framework defined in the plan to bring a smile to our customers and all other stakeholders of Earth Group.

### S

#### **System renewal for Synergy**

We will create group synergies by revamping core operating systems and reviewing company programs and policies from scratch.



#### **Managerial accounting**

We will accelerate the PDCA cycle by building a platform for managing and monitoring revenue in line with strategies for each business and product category, thus taking effective steps quickly.



#### Innovation by MA-T

We will initiate our MA-T open innovation platform through industry-government-academia collaboration. Leveraging MA-T technology, we are working to develop new solutions that address infections in Asia.



#### Lean production

To strengthen support for changing demand and expand throughput, we will build a sturdier supply chain management system by reviewing business processes/systems across the supply chain from acceptance of orders to procurement of raw materials from the standpoint of optimizing the whole supply chain.



#### **Engagement with employee**

Employees are the most important asset for the company. We will drive sustainable growth by creating a friendly work environment for employees and improving employees' satisfaction.

## Use cartoon as tool to help employees understand, empathize, and act



COMPASS COMIC is a reader-friendly comic book providing information about the Earth Group Midterm Plan in plain words to help readers understand the plan. Stories depicting everyday operations provide a clear picture of activities.

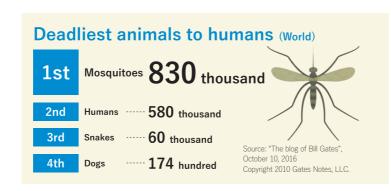
### **Commitment to the Asian market**

Delivering value of Earth Group to 2.4 billion people in East and Southeast Asia, constituting about 30% of global population



#### [Creating safe living space]

Every year in Southeast Asia, many precious lives are lost due to the serious impact of mosquito-borne diseases such as malaria and dengue commonly seen in tropical regions where the temperature and humidity are high throughout the year. As a leading insecticide provider, we stay committed to tackling this social threat.



### **Expanding revenue base in Asia**

The top priority in our strategy for 2016 - 2020 was to expand international business. We increased capital into our subsidiary in Thailand, conducted M&A in Vietnam, established a new subsidiary in Malaysia, and reorganized three companies in China. By actively investing in the solidification of business in Asia, our international revenue doubled over the last five years.



In our new mid-term strategy through 2023, we are accelerating growth by expanding our market share with our key insecticide products and offering an even broader portfolio of oral care, deodorizers and air fresheners in these four key countries. We are striving for international revenue of JPY 17 billion in 2023 by further expanding our footprint in Asia, including M&A in the Philippines in 2022.













## Accelerating exports to expand into more countries

In addition to the five countries where Earth Group has local offices, we currently export products to about 50 countries mainly in Asia, the Middle East, Europe, and the US.

Even within Asia, for example, countries are different in many aspects such as climate, cultures, religions, preferences, and pharmaceutical regulations. In our export business, we have established solid partnerships with local agencies to deploy finely-tuned marketing while also creating a foothold for expanding into more countries in the future.

Whether through local subsidiaries or export business, we always focus on making Earth a brand loved by people all over the world by addressing and solving challenges faced by people in local communities and ensuring our pursuit of customer perspectives to offer better 'comfort.'

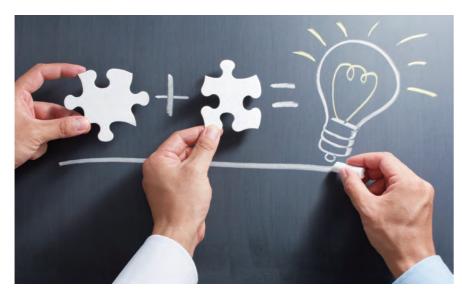




## **Group Synergy**

Creating group synergies is one of the most important strategies at Earth Group. To further solidify the corporate foundation in Japan, which is the core of the group, Group companies accelerate synergies by strengthening collaboration across the value chain including marketing, research, procurement, manufacturing, logistics, sales, and systems.

With diverse backgrounds, the companies recognize each other and build unity in the group to transform and drive growth. Embracing this value of diversity & inclusion, the companies continue discussions and research, for example by combining two different ideas and technologies to obtain lessons and inspiration that would not be possible in a single company, and generating new customer value.



#### **Develop products through group collaboration**

## Drive development of innovative products through Inspire One Earth technology interaction

Group companies share unique viewpoints and thoughts as well as technologies and know-how. Active discussions and interaction make it possible to speedily develop new products, which would not be possible in a single company.





#### **Evolve & improve productivity**

#### Improve products and revitalize the market enhance productivity by adopting common containers

Bathclin and Bath Roman were fully revamped with the aim of revitalizing the bath powder market, where Earth Group holds a leading position. Adoption of common sustainable paper containers has enabled production in a single line, leading to both packaging friendlier to the environment and improved productivity.



BATHCLIN's Shizuoka plant specializes in manufacturing a variety of bath salts including powder, granules, and divided packaging.

#### BATHCLIN







#### **Group synergies found in many fields**

#### Integrate systems

#### Share and standardize

Active communication in the group is essential to create synergies. Therefore, we have integrated communication tools such as video conferencing systems, email software, and cloud servers. We will further consolidate mission-critical systems and standardize business processes.

### Jointly procure raw materials

#### Maximize benefits

Raw and packaging materials used commonly in the group are procured by the group to achieve economies of scale. Group companies also work together to use common materials to save cost while exploring sustainable materials leveraging the networks that individual companies have.

#### **Operate CMS**

#### Manage funds across group

To address the fluctuating need for funds at the companies due to the influence of seasonal products, we have implemented a cash management system (CMS) across the group.

This has enabled more efficient fund management and streamlined business operations.

Earth Group Topics

Earth Group Topics

#### Innovative oxidation control technology developed in Japan

## MA-T system project supports our aspiration to

#### become the provider of comprehensive care for infections

"We act to live in harmony with the Earth." Based on this philosophy, we are working toward our goal to be a provider of comprehensive care for infectious diseases, delivering even more solutions to tackle infections. One of the key drivers is MA-T system, an innovative oxidation control technology developed in Japan.

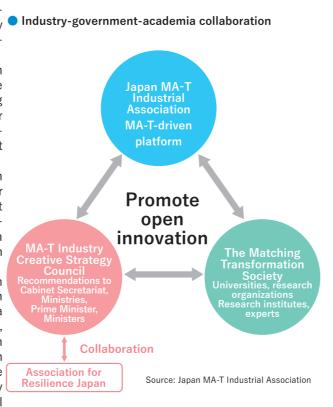
## With our experience and insights, we contribute to the world in the fight against infections.

MA-T (Matching Transformation) System® is a scheme to control oxidation. Developed in Japan, this innovative technology can be used across broad applications with controlled activation levels.

As a leading provider of insecticide solutions, Earth Corporation has conducted various activities all over the world to reduce the number of cases of mosquito-borne diseases by helping people understand insecticide products appropriately. With our experience and insights, we continue to promote broad adoption of MA-T system and contribute to the world in the fight against infectious diseases that pose urgent global threats.

The Japan MA-T Industrial Association was established as an open innovation platform for exploring opportunities for addressing social challenges and increasing economic effect through commercial applications of MA-T system, an innovative oxidation control technology. In the Association, Earth Corporation's role is to build confidence in MA-T system in the society and promote wide recognition.

Industry-government-academia collaboration has been launched to put the innovative MA-T system to practical use in a broad range of areas. Academic organizations such as Osaka University are conducting research in pharmaceutical, medical, dental, engineering and other fields. These studies have been selected as government-funded projects such as Program on Open Innovation Platform with Enterprises, Research Institute and Academia (OPERA) by the Japan Science and Technology Agency (JST) and a program by the Japan Agency for Medical Research and Development (AMED).



#### Conversation about future of MA-T system

Celebrating the second anniversary of its launch, the Japan MA-T Industrial Association is now joined by more than 100 companies. These leaders in their own fields are taking diverse approaches to utilize MAT-system.

A discussion themed 'talking about dreams' highlighted the Japan MA-T Industrial Association' s past initiatives, background of the launch of The Matching Transformation Society and its goals, current research at colleges and graduate schools, joint research between industry and academia, and development of young talent.



[Left] Mr. Yoshinori Ohsumi, Nobel Prize laureate in Physiology or Medicine, Honorary Professor at Tokyo Institute of Technology, honorary member of the Matching Transformation Society; [Center] Katsunori Kawabata, Chairman of the Japan MA-T Industrial Association (Earth Group CEO); [Right] Mr. Takefumi Doi, Chairman, the Matching Transformation Society, Specially Appointed Professor, Osaka University

#### [MA-T system for various applications depending on activation levels]

## Infection control

On-demand chlorite ion solution

#### Food hygiene

Disinfecting food/ tableware Hygiene management at food factories

### Healthcare, life sciences

Anticancer agents, treatment for infective dermatitis, CryoEM

## Agriculture, forestry

Sterilizing spore-forming bacteria
Disinfecting seeds

### Surface oxidation

Modifying/adding functions (hydrophilic treatment, adhesion) to macromolecule surface

#### Energy

Generating methanol and formic acid from methane

Low

High

Support broad applications by enabling control of activity levels





## BATHCLIN

## Earth Group

Serving lives and contributing to the Earth

This is what we share across the group in our concerted effort to help create a better society.







## Customers' perspectives at core of synergy strategy

### で アース製薬

Established in 1925, Earth Corporation is a leading provider of household goods that support healthy and comfortable lives of people. With a dominant position in the insecticide market, the company also offers Mondahmin oral care, ONPO Carbonic Acid Bath, and Raku Hapi cleaning supplies. The company is driving the market in Japan with its strong ability to deploy products through retailers systematically with agility. At the same time, the company now exports to about 50 countries, focusing on expanding its revenue base in Asia. Also with synergies through closer collaboration among group companies, the company recorded its highest-ever business results for the last period. Earth Corporation leads the growth of Earth Group by striving toward "Creating a Market with customers" and vigorously working to generate group synergies.







Mondahmin mouthwash is designed to remove particles in the mouth that cause problems. A broad array of products address various oral problems for people of all ages from children to the elderly.



Earth No-mat series of mosquito repellent liquid delivers reliable effect and great usability. It has maintained top share in the mosquito repellent market for more than 30 years since its launch in 1984



Gokiburi Hoi-Hoi became a big hit when released in 1973, grabbing people's attention as an innovative product that attracts and catches cockroaches without insecticide ingredients. It has been popular in the market for 50 years.

### Bring better value to baths with the power of nature and science

## BATHCLIN

BATHCLIN Corporation, which traces its roots back to Tsumura Juntendo (currently Tsumura & Co.), known for the first bath additive in Japan called Chu-jo-tou released in the Meiji era, became a part of Earth Group in 2012. BATHCLIN develops unique products such as Bathclin bath salts loved by people across Japan, Nihon no meitou bath additives that recreate the water of various onsen hot springs in Japan, and INCENT hair growth tonic. These are based on herbal products, minerals from onsen hot springs, and other natural ingredients. The company actively works with universities and research organizations to evaluate the benefits of taking a warm bath and the action of herbal ingredients and to establish scientific evidence. Through this, BATHCLIN has shared many findings from research on bath salts for addressing issues faced by people of all ages from babies through the elderly, and research on materials that help manage atopic dermatitis and contribute to healthy life expectancy. How people take a bath is changing along with the changes in the social environment. BATHCLIN is working earnestly to help people boost their natural healing power with the bathing habit and use of bath salts to stay healthy physically and mentally.









INCENT Medicinal hair growth tonic is the result of herbal medicine research. Active herbal ingredients such as ginger and Swertia herb help increase blood circulation to the scalp and reduce hair loss.



Released in 1930, Bathclin has been loved for more than 90 years. With more than 25 types available, it was certified by the 'Guinness World Records® as the world's best-selling bath salt powder in 2017.

'Guinness World Records®' is a register trademark of Guinness World Records Limite



Nihon no meitou is a bath salt developed through comprehensive studies of onsen hot springs in Japan. Based on data analysis, the products provide the exotic onsen water experience with colors and scents while also recreating texture. These bath salts have been certified by local onsen organizations.

◆The products are not 100% identical to onsen water.

\*Quality check has been conducted in terms of the product concept, water texture, color, odor, etc. by local governments or other organizations engaged in onsen-related activities at onsen towns.

## Support diversification of group business with established brands

## 省自元アース

HAKUGEN EARTH became an Earth Group company in 2014 through a business transfer from HAKUGEN CO., LTD. Having many widely-accepted brands of household supplies such as the market-leading Mrs. Lloyd insect repellents for clothes. Nonsmel deodorizers, and Ice-non cooling packs, the general household product supplier provides more breadth and firm support for diversifying Earth Group businesses. HAKUGEN EARTH is also working with Earth Corporation and BATHCLIN to revitalize the bath salt market. The skincare-type HERS Bathlabo and onsen concept li Yu Tabidachi play key roles to attain synergies. As the face mask market is growing rapidly amid the challenge currently faced by society, the company also offers unique products such as Kaiteki Guard and be-style. Among new products, the Dry & Dry UP NECO dehumidifier released in 2022 is attracting attention as a product that both supports customers' needs and ensures environmental sustainability. HAKUGEN EARTH continues to develop attractive new products and contribute to expanding the group's businesses.







Launched in 1988, Mrs. Lloyd became a big hit as an insect repellent that does not leave smell on clothes. Also featuring deodorizing, anti-mold, anti-yellowing, and mite-repelling effects, the brand delivers comprehensive care for clothes and wardrobe



Kaiteki Guard Pro series of face masks are effective at filtering pollen and virus-laden droplets. A nose cushion fills the gap and keeps glasses from fogging up.



Ice-non is a long-running product released in 1965. As the brand evolves, it now has a range of products including the pillow type, spray type, and neck wrap type.

## For more pleasant and comfortable life with pets



Earth Pet Co., Ltd. was established in 2017 through a merger between Earth Biochemical Co., Ltd., a long-established provider of insecticide solutions for pets, and Johnson Trading Co., Ltd., a leading provider of pet care products. The company has a broad range of brands including Earth series for protecting pets from insects such as fleas and mosquitoes, Joy Pet series of deodorants and shampoos, and 1ST CHOICE premium foods, as well as collars and leashes. Its subsidiary PETFOOD KITCHEN CO.,LTD. manufactures and markets foods that support comfortable life with pets from comprehensive perspectives, with a lineup including natural foods without additives. As a part of the group's global strategy, it is seeking to enter the pets market in Asia, where increasing population and income levels are driving significant growth, and communicate globally the importance of keeping pets healthy and improving their QOL, along with publicizing products.







Shampoo Towel with moisturizing collagen removes dirt and odors with lick-safe cleaning ingredients. The towels contain two types of collagen for smooth skin and hair.



Natural ingredient Deodorizer for Dog Odor powerfully removes pet urine odor with a lick-safe natural green tea deodorant ingredient. It is scented with fresh herbs.



The popular mosquito repellent liquid Earth No-mat series includes pet versions. With a sturdy body with excellent heat-resistant and antishock properties, they can be used safely in spaces with animals.

## Generate innovation based on insights on hygiene management



Earth Environmental Service Co., Ltd. offers Integrated environmental hygiene management solutions for fields where quality and hygiene control are critical, such as food and pharmaceutical manufacturing sites, retail stores, and healthcare facilities. To protect facility environments from microbial contamination, insects and other foreign substances, the company offers integrated support from science-based professional consulting through on-site implementation. With the belief that supporting on-site hygiene management contributes to healthy and happy life of consumers, the company offers management technologies and implementation know-how as a quality and hygiene management specialist that ensures safety of customers.

At Saito Research and Training institute (T-CUBE) in Ibaraki city, Osaka, it focuses on industry-academia collaboration to develop new technologies. Recent projects include development of Al-driven insect-capturing and analysis systems, commercial application of MA-T disinfection/deodorant system based on an oxidization control technology, and talent development and collection of scientific data in the field of regenerative medicine at a cell processing facility for education and training. It plays a central role in driving innovation that contributes to Earth Group and society as a whole.













lished in January 2016 with a goal to build and offer general environmental hygiene management systems that are ready to support international good manufacturing practice (GMP) in an effort to quickly commercialize and market advanced medicines and medical services

T-CUBE was estab-

## Hub of global strategies across Asia and the Middle East



Earth (Thailand) Co., Ltd. was established in 1980 as the first local office outside of Japan in Earth Group. It has built a solid foundation in Thailand with a community-based business model, broadly covering product development, manufacturing, sales, and logistics. It is also working to foster "customer-oriented perspectives" by sharing cases to respond to the needs of the market in Thailand, such as manufacturing the local insecticide brand OASIS and local special Mondahmin flavors. Supported by stable demand, more products are now manufactured internally. With strong manufacturing capability, the company also plays a role as a supply base for Japan, ASEAN, and the Middle East. To win the top share in the insecticide market for the first time in the Southeast asia, we are leveraging insights from deploying business internationally at early stages, which we expand to other countries, and making a leap forward as a hub in Asia.













As mosquito repellent incense sticks and liquids become popular, there is a growing demand for suspended insect nets to block mosquitoes.





OASIS air freshener with insect repellent effect has been developed based on the needs of Thai people who love fragrances. The series features local Thai scents such as watermelon and coriander.

## Win recognition and trust in China amid remarkable growth

### **Earth Corporation (Shanghai)**

Earth Corporation (Shanghai) was established in 2015 as the general sales company of the Sales Division, aiming to expand sales in China, where the market is growing remarkably. Working as one team with two factory operators as well as HAKUGEN EARTH CO., LTD,' s sales function in China, the company conducts sales activities mainly in Beijing, Shanghai, Guangzhou, and Shenzhen. The major offerings include 安速 (Earth) brand specifically for China. Also offering various insecticide products such as 速貝童 (su bei tong) series for children, the company has won recognition and trust in the market. It also focuses on selling through Chinese e-commerce channels that see growing demand mainly in urban areas, while working flexibly with a cross-border e-commerce team in Japan. The company is also expected to play a role as a marketing center for promoting Earth brand in Asia both from China and Japan.



安速 小强黑克 Pro (Black Caps), 12 pieces. With a chain effect, it also kills cockroaches in the nests. It gained tremendous popularity in their inbound market in Japan. It has also been well-received in China











速速U選 泡泡多効能洗浄剤 foam cleaner spray. The foam effectively works on various types of stains such as toilet bowl stains, mold in water pipes, and hard water stains on sinks. The convenience of simply applying foam and flushing without brush ing has been well-received by Gen Z con-

## Revitalize insecticide market leveraging strong sales network



### **Earth Corporation Vietnam**

Earth Corporation Vietnam was previously known as A My Gia Joint Stock Company (AMG). The local manufacturer and distributor of household supplies in Vietnam started operations under the new trade name in 2017. Vietnam's territory extends over a long distance from north to south. In addition, small shops account for 70% of all retailers. To ensure smooth delivery, the company leverages its growing sales network of 700 members across the country. With the mainstay detergent brand Gift as a foundation, the company is working to revitalize the insecticide market, promoting broad adoption of the insecticide brand ARS. At Binh Duong plant in the southern part of the country, the company mainly manufactures liquids and aerosol sprays. Earth Corporation Vietnam is actively investing into the plant, potentially making it a manufacturing site for ASEAN and Japan.











As a provider of comprehensive care against infectious diseases, the company offers alcohol disinfectant with 100% natural ingredients (Natuearth), which protects people from germs and viruses in everyday life, including food poisoning,



ARS aerosol sprays have the same trigger nozzle that Earth Jet is equipped with. They have won customer trust insects and reliable effect.



Gift is a household detergent series that has been popular since the company was called AMG. It has maintained a large share in the market until today. It comes in a variety of choices such as dish soans and toilet cleaners.

## New center for global strategy in key ASEAN country

## Earth Home Products (Malaysia) Sdn. Bhd.

Earth Home Products (Malaysia) Sdn.Bhd.Bhd. was established in 2019 as a sales trading company in Malaysia, one of the ASEAN countries that maintains the highest rates of economic growth. In Malaysia, like in many other Southeast Asian countries, there is a strong need for insecticide because of the risk of mosquito-borne infections due to the warm climate. As the economy grows, consumers are becoming more aware of hygiene and more willing to buy such products. It is a promising growth market that is ready to adopt value-added products, which are Earth Corporation's forte. Currently, the company is working closely with local distributing agencies and partners to increase brand awareness in Southeast Asia. It is accelerating global deployment of products manufactured by the group such as Hoy Hoy Trap-A-Roach.









Aerosol products released in May 2022. They have stronger characteristics than competitors: ARS 12 HRS provides lasting effects for 12 hours, and ARS CRAWLY 7 is effective for bedbugs.



Natucair disinfectant/deodorizing fabric spray eliminates 99.9% of germs and viruses. The spray also has anti-mite effect.



Floor-type air freshener with mosquito repellent. The company is expanding the OASIS brand with potential release of other types.

## New global strategic location for expanding revenue base in Asia



### Earth Homecare Products (Philippines), Inc.

Earth Homecare Products (Philippines), Inc. started operations under the new name in 2022 through acquisition of the most part of business from Neumann & Mueller Philippines, Inc., which used to provide insecticides, homecare products, and pet care products in the Philippines. The company creates synergies by collaborating with factories in Thailand and Vietnam established earlier.

With expected population surge and economic growth, the Philippines has seen growing need for insecticides and homecare products like other countries in Southeast Asia. The market has strong potential for growth in the future along with its economic growth. The acquired business has been strong even during the COVID-19 pandemic. With additional products from Earth Group, the company strives to grow further by playing its part to expand revenue base in Asia.









It is the company's own brand for aerosol, a key category in the market, since it was Neumann & Mueller. While maintaining value it currently has, the company strives for expanding its business foundation through synergies with Earth's strengths.



This fabric spray is ahead of competitors in providing added value to address the COVID-19 pandemic. In global deployment, it is also essential to accurately understand local laws and regulations in each country.



The company offers Earth's iconic Hoy Hoy Trap-A-Roach. This product also serves as the first insecticide that shows the quality of Japanese products.

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## **Global One Earth**

## Reliable quality spreads across Asia

#### [Earth Group factories in Japan, overseas]



Japan, Thailand, China, Vietnam \*As of end of March 2023

Acquired ownership of BATHCLIN in 2012; Established HAKUGEN EARTH in 2014; Established Earth Pet and acquired ownership of A My Gia Joint Stock Company (currently Earth Corporation Vietnam) in 2017. Combining manufacturing know-how of Earth Corporation and know-how of new companies that have joined the group, we are streamlining costs and improving profitability.

Earth Corporation (Tianjin) (Earth Corporation Tianjin plant)



No. 98, Xin An Road, TEDA West, Tianjin, China

HAKUGEN Daily Consumer Products (ShenZhen) Co.,Ltd.



ZeDaLi Science Park, Jian An Road, Fu Yong New & High-Tech Development Zone, Baoan District, ShenZhen, China

Binh Duong plant, Earth Corporation Vietnam



Block C6, N3 St., Nam Tam Uyan IZ, Khanh Binh Ward, Tan Uyen Town, Binh Duong Province, Vietnam

### Earth Corporation (Suzhou) (Earth Corporation Suzhou plant)



No. 418 Chaohong Road, Suzhou New District, Suzhou, Jiangsu, China....

Earth (Thailand) Co., Ltd. Nava Nakorn plant 1, 2



<Plant 1> 101/64 Moo 20, Navanakorn Industrial Estate, Phaholyothin Road, Klong Luang, Pathumthani 12120, Thailand

Thailand

China

<Plant 2> 60/69, 60/87 Moo 19, Navanakorn Industrial Estate, Phaholyothin Road, Klong Luang, Pathumthani 12120, Thailand Ako plant, Earth Corporation



1122-73, Nishihamakita-machi, Ako-shi, Hyogo

Sakoshi plant, Earth Corporation



3218-12 Sakoshi, Ako-shi, Hyogo

Vietnam

#### Saitama plant, HAKUGEN EARTH CO., LTD.



1387, Koemon, Kuki-shi, Saitama

Japan

#### Tochigi plant, HAKUGEN EARTH CO., LTD.



70-2, Oaza-Arai, Oyama-shi, Tochigi

#### Shizuoka plant, BATHCLIN Corporation



242-1, Yainaba, Fujieda-shi, Shizuoka

#### Kakegawa plant, Earth Corporation



635-1, Aza-Yamaai, Hosoya, Kakegawashi, Shizuoka

#### Tokushima plant, Earth Pet Co., Ltd.



923, Kagasuno, Kawauchi-cho, Tokushima-shi, Tokushima

#### Wakayama plant, HAKUGEN EARTH CO., LTD.



1-1-27, Kozaika, Wakayama-shi Wakayama

## Our products touch every corner of life

**Outdoors** 

# Bathroom Bath Salt Second of the second of

#### Washroom



#### Closet





Dry & Dry I



#### Dot



1ST CHOICE Dog adult small bite chicken

Deodorant

Paralla ingredient

JOYPET Natural ingredient Deodorizer for Dog Odor

Living room, etc.



Earth Jet



#### Kitchen



Hoi Hoi

Toilet



Sukki-ri! for Toilets

# Weed killer Insecticide and disinfectant

Gardening

Gardening

Earth Garden
Ouchi no Kusa Korori

Earth Garden Lohapi

# Earth Group's global sustainability initiatives

Earth Group is actively working on CSR and sustainability to drive sustainability for the group and for society by enabling safe and comfortable life. Our initiatives spread globally.

Thinking about sustainable business management

### Sustainability at Earth Corporation Materiality

For long-term growth of Earth Group, we need to understand and assess the impact of diverse social issues on our corporate activities and clarify important business challenges. Based on this belief, we defined Sustainability Materiality in 2021.

To promote sustainable initiatives harnessing Earth Group's business characteristics and management resources, we have set key topics and associated goals/KPIs.

### **Environmental Materiality** and action/policy

#### [Addressing climate change]

- · We will reduce CO<sub>2</sub> emissions.
- We will transition to renewable energy to power our operations.

#### [Paying attention to global environmental issues]

- We will improve the efficiency of water use for manufacturing (from R&D through production).
- We will use resources effectively to enable circular society

#### [Driving sustainable procurement]

- We will drive procurement of environmentally-friendly packaging materials.
- We will define Earth ECO Standards and promote broader adoption of environmentally-friendly products.

Overview of Earth ECO Standards: You can access information about Earth ECO Standards using the QR code on the right.



## Social Materiality and action/policy

#### [Providing products/services that contribute to safe and comfortable life]

- We will conduct periodic quality audits more frequently at our own plants and partner manufacturing plants to eliminate critical quality incidents that would undermine customer satisfaction and trust.
- We will offer more education & training based on our annual plan to ensure compliance with relevant laws and regulations and eliminate critical incidents that would lead to violations.

#### [Building workplace that empowers diverse talent]

- We will encourage employees to take annual paid leaves
- We will have more women in management positions and give them career opportunities.

You can access information about our Materiality using the OR code on the right.

0, ...

Contributing to sustainable development of society

## We are taking action as participants in the UN Global Compact

The United Nations Global Compact (UNGC) is one of the organizations under the UN Executive of the Secretary-General (EOSG). It is a network organization that works with various UN organizations. It collaborates with stake-holders including governments, companies, academia, NGOs, and individuals. Participating companies and organizations endorse the UNGC's Ten Principles and engage in/collaborate to build a framework for sustainable growth. On May 12, 2021, Earth Corporation announced participation. As a member of the Global Compact Network Japan (GCNJ), we are promoting ESG-oriented management, supporting the Ten Principles in deploying business globally.

#### **WE SUPPORT**



#### **The Ten Principles - UN Global Compact**

- 1. Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2. Make sure that they are not complicit in human rights abuses.
- **3.** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4. The elimination of all forms of forced and compulsory labor;
- 5. The effective abolition of child labor; and
- **6.** The elimination of discrimination in respect of employment and occupation.
- 7. Businesses should support a precautionary approach to environmental challenges:
- 8. Undertake initiatives to promote greater environmental responsibility; and
- **9.** Encourage the development and diffusion of environmentally friendly technologies.
- **10.**Businesses should work against corruption in all its forms, including extortion and bribery.

Disclosing specific climate initiatives and impact

## We announced endorsement of recommendations by Task Force on Climate-related Financial Disclosures (TCFD)

In October 2022, we endorsed recommendations by the TCFD. Earth Group is promoting sustainable business management to contribute to a sustainable society and ensure sustainable growth as a company. We will diligently disclose information based on analyses and reviews in accordance with TCFD's recommendations so that we can address climate change as specified in the group's Materiality. In collaboration with 13 Earth Group companies in Japan and other countries, we will calculate the amount of CO2 emissions (Scope 1, 2, 3) and have third-party verify our emissions.



Work with international non-profit organization to tackle insect-borne diseases

World Masquita Program

## In collaboration with World Mosquito Program, we are working to prevent dengue in Vietnam

Earth Corporation believes that it is our responsibility to help people understand insect-borne diseases appropriately and reduce the number of cases of infectious diseases globally. Starting in 2021, we are supporting a dengue control program in Vietnam conducted by the World Mosquito Program (WMP), a global non-profit organization established by scientists at Monash University, Australia to protect people from mosquito-borne diseases. We worked with the local community in Thu Dau Mot district, Binh Duong Province in Vietnam where Earth Corporation factory is located and deployed a dengue prevention campaign. The WMP uses safe natural bacteria commonly found in the environment called Wolbachia to prevent the occurrence of Aedes aegypti mosquito-borne diseases without reducing the population of mosquitoes in the environment.



Restore natural environment by maintaining forests

## Foster water and protect forest in Bathclin Forest

Co-existing with nature, including water, is a part of BATHCLIN's philosophy. To conserve water, the source of baths, the company has employed recycled paper for product packaging and developed biodegradable products by reviewing the impact of drainage. In 2019, BATHCLIN launched a project to coordinate and restore a forest left untreated for many years in Shizuoka prefecture, where the company has a manufacturing location, naming the forest Bathclin Forest. The company continues this project, now based in Tokyo. This forest conservation program is funded by partial revenue from Bathclin Marché released in September 2018.

https://www.bathclin.co.jp/bathclinnomori/





Promote physical and mental health of employees

# Earth Corporation, BATHCLIN, and HAKUGEN EARTH have been certified as Health & Productivity Management Outstanding Organizations

The Health & Productivity Management Outstanding Organizations Recognition Program was launched in 2017 to recognize both large enterprises and small- and medium-sized businesses that have outstanding health management systems. In 2022, Earth Corporation was certified as Health & Productivity Management Outstanding Organization (White 500) in the large enterprise category, and BATHCLIN and HAKUGEN EARTH were certified as Health & Productivity Management Outstanding Organization in the SME category.

Adopting the Earth Health Declaration in 2019, Earth Corporation has supported employees' health management/enhancement, expanded employee programs that support flexible workstyles, and provided financial aid for comprehensive health checkups, vaccination, and screening for infections.

BATHCLIN helps employees improve health literacy through online seminars by bathing advisors on healthy bathing and lectures by occupational physicians on mental health. By offering various health information, the company supports employees to maintain and improve health.

HAKUGEN EARTH encourages all employees to leave the office by 8:00 p.m. and sets no-overtime days in its Health Declaration. The company is conducting health management initiatives with focus on three challenges: Work style reform, which includes efforts to reduce long working hours; mental health; and safety & hygiene. We will continue to assist employees' health management and build a fulfilling work environment, by promoting physical and mental health.







Certificates for Earth Corporation (top), BATHCLIN (bottom left), and HAKUGEN EARTH (bottom right)

Support continuous development of sports

### Contribute to society through sports

Earth Group supports the growth of sports to inspire and encourage people with the power of sports.

Since 2012, Earth Corporation has hosted the Earth Mondahmin Cup, women's professional golf tour, marking the 12th event in 2023.

In track and field, we have signed a performance partner agreement with a long-distance runner Hitomi Niiya, supporting her recovery from fatigue and improve performance.

In professional football in Japan, we are the uniform sponsor of Tokushima Vortis, a member of the J.League organized by the Japan Football Association (JFA). In women' s professional football in Japan, we are the uniform supporter of INAC Kobe Leonessa, a member of the WE League organized by the JFA and the Women Empowerment League. In women' s amateur football, we are the uniform supporter of AS Harima Albion, a member of the Nadeshiko League organized by the Japan Women' s Football League. We participate in local revitalization events.

As an official partner of Tokyo Marathon organized by the Tokyo Marathon Foundation, BATHCLIN helps runners boost their performance through bathing.

Earth Group will continue to play a role to support athletes and help the continued growth of sports.





## **Group history**

aroup matory											
	1890 - 2013	2014 2015	2016	2017	2018	2019	2020	2021	2022		
EARTH アース製薬	<ul> <li>1892: Founded in Osaka (Namba)</li> <li>1925: Established Kimura Pharmaceuticals Co., Ltd.</li> <li>1964: Changed trade name to Earth Chemical Co., Ltd.</li> <li>1980: Established ARS Chemical (Thailand) Co., Ltd. (currently Earth (Thailand) Co., Ltd.)</li> <li>1990: Established Earth Chemical (Tianjin) Co., Ltd.</li> <li>2005: Established Earth Chemical (Suzhou) Co., Ltd.</li> <li>2012: Acquired ownership of BATHCLIN Corporation</li> </ul>	2014 Established subsidiary HAKUGEN EARTH CO., LTD.  Management Co., Ltd. (currently Earth Corporation (Shanghai)) 2015 Released ONPO Carbonic Acid Bath	2016 Acquired ownership of Johnson Trading Co., Ltd.  2016 Released Sukki-ri!	2017 Revamped corpslogan Acquired owner Gia Joint Stock (currently Earth Vietnam)	rship of A My Company	2019: Established Earth Home Products (Malaysia) Sdn.Bhd Established Earth Healthcare, Inc.  2021  2019  Released Osu Dake Earth Red Non-Smoke Push			Established Earth Homecare Products (Philippines), Inc.		
BATHCLIN	<ul> <li>1893: Founded Tsumura Juntendo (currently Tsumura &amp; Co.)</li> <li>1988: Changed trade name to Tsumura &amp; Co.</li> <li>2006: Established Tsumura Lifescience Co., Ltd (transferred/spun off household product business from Tsumura &amp; Co.)</li> <li>2008: Separated Tsumura Lifescience Co., Ltd. from Tsumura group</li> <li>2010: Changed trade name to BATHCLIN Corporation</li> <li>2012: Became part of Earth Group</li> </ul>	2014 Moved head office location  2014 Released Medicinal bath liquid (online)	2016  Released Bathclin kusuriyu (online)	2017 Released INCEI Medicinal Hair Rejuvenati		World Records	<b>s</b> ® <b>2020:</b> Releas	sed limited campaign prod Bathclin's 90th anniversar 2021 Released Bi Kan si (online)	y 極 (dishala dishala disha		
<b>◇ 白元アース</b>	<ul> <li>1923: Founded Kamada Shokai</li> <li>1950: Incorporated Kamada Shokai Co., Ltd.</li> <li>1972: Changed trade name to HAKUGEN CO.,LTD.</li> <li>2012: Established HAKUGEN Daily Consumer Products (ShenZhen) Co., Ltd.</li> </ul>	2014 Became part of Earth Group 2015 Released HERS Bathlabo	2016 Released Nonsmel Seisuika	2017: Released STYLE MATE series	2018 Released Na Mrs. Lloyd		g <b>i plant</b> <b>2020</b> Revamped Nonsm Seisuika	2021 Released Ice-non Cooling Mask	2022: Released revamped Mrs. Lloy Released Dry & Dry UP NECO Released Asedashi JUWA		
で、アース·ペット	1973: Established Otsuka Zoekon K.K. (currently Earth Pet Co., Ltd.)  1989: Changed trade name to Earth Biochemical Co., Ltd. (currently Earth Pet Co., Ltd.)  2008: Acquired ownership of Tarky Co., Ltd. 2012: Merged Nikke Pet Care Co., Ltd.	2014 Merged Nikke Pet Care Co., Ltd.  2014 Started selling 1ST CHOICE		Co., Ltd. Merged Johns	e name to Earth Pet on Trading Co., Ltd. ubsidiary PETFOOD	2019		leased Nuclin	21 eleased not On		
7-7環境 <b>フェフ</b> 严格 サービフ	1978: Established Earth Environmental Services Co., Ltd. 2004: Established Beijing FarthEnvironmental Service Co. Ltd.	2015: Developed alternati catalase test 2016	ve method to		2018: Launched Developed LED6	d web learning service 41 insect trap	e: 2020: Estab		ntal Service Vietnam Co.,Ltd. ed CPC for education and training		



EarthEnvironmental Service Co., Ltd.

2013: Opened Internathional Headquarters

Opened Saito Research and Training institute

Established Shanghai Earth Environmental Service Co., Ltd. **Established Earth Environmental** Service (Thailand) Co.,Ltd. **Established ARS Environmental** Service (Thailand) Co.,Ltd. Developed ESCOEVO information

consolidation system



2019: Established Earth Environmental

**2019:** Developed MAY yeast test kit to rapidly detect a contaminated origin by microflora

**2019:** Released BACT-102 disinfectant/deodorant for environmental hygiene

2022: Acquired ownership of Real Solution Co., Ltd.

small animal detection service





Service (Taiwan) Co.,Ltd.

2022: Developed Pescle, Al-based

#### **Group Information**

#### **■**Earth Corporation

#### [Overview]

Location 2-12-1, Kanda-Tsukasa-machi, Chiyoda-ku, Tokyo

Founded Established

April 1, 1892

Capital

August 26, 1925 9.895,270,000 JPY

Number of employees 1.352 (as of end of December 2022)

Business areas

Pharmaceuticals, quasi-drugs, medical equipment, household goods, etc.

#### [Philosophy]

We act to live in harmony with the Earth.

Chairman: Tatsuva Otsuka Katsunori Kawabata

Director: Yoshiyuki Furuya

Director: Yoshinori Kawamura Director: Hisaaki Karataki Director: Takeshi Shakata

Outside Director: Hideyuki Tamura President & Representative Director: Outside Director: Harold George Meij Outside Director: Naoko Mikami

> Auditor & Supervisory Board Member: Yasuhiko Murayama Outside Auditor & Supervisory Board Member

Shoii Kono Outside Auditor & Supervisory Board Member

#### ■BATHCLIN Corporation

#### [Overview]

Location

• 8th floor, Kudan Center Building, 4-1-7, Kudan-kita, Chiyoda-ku, Tokyo

Established July 1, 2008

Capital

300 million IPY

Number of employees 304 (as of end of December 2022)

Business areas

Manufacturing and sale of quasi-drugs (bath additives, hair growth tonic, etc.). cosmetics, and accessories

#### [Philosophy]

Building on the idea of living in symbiosis with nature, we provide a healthy and comfortable lifestyle that is in harmony with body and mind.

#### [Executives]

Chairman: Katsunori Kawahata President & Representative Director Shogo Sanmaido Managing Director: Terumasa Hirata

Director, member of the board Satoshi Ozawa

Director, member of the board

Koichi Kubo Director, member of the board: Keishi Matsumoto

Audit & supervisory Board member: Nobuva Shiratori

External auditor: Yasbunori Sakamoto

External Auditor: Yasunori Sakamoto

#### ■HAKUGEN EARTH CO., LTD.

#### [Overview]

Location

• 2-21-14, Higashi-ueno, Taito-ku, Tokyo

Capital

300 million JPY

Established • August 5, 2014

Number of employees

• 354 (as of end of December 2022)

Business

Manufacture and sale of insect repellents. masks, ice packs, dehumidifying agents, bath products, daily supplies, etc.

• 2nd floor, A-PALACE Shimbashi, 4-11-1

#### [Philosophy]

With zeal, creativity, and sincerity, we develop and deliver products that help lives of people in the world and contribute to happiness of all the people we serve and development of society.

#### [Executives]

Chairman: Katsunori Kawabata President & Representative Director: Kazuto Yoshimura

Managing Director: Yoshihiro Akamatsu Director: Takanobu Niimi Director: Yuji Uragami

Director: Masahiko Watabe Director: Koji Takamura Permanent Statutory Auditor: Yoshiyuki Ikoma

#### [Philosophy]

Value bond between pets and people for fulfilling life

#### Shimbashi, Minato-ku, Tokyo Established • August 15, 1973

Capital

Location

[Overview]

40 million JPY

Number of

• 119 (as of end of December 2022) employees

Business pet food, etc.

■ Earth Pet Co., Ltd.

Manufacture and sale of pet products and

#### [Executives]

Director: Hiroshi Sano Chairman: Katsunori Kawahata President & Representative Director: Director: Hideshi Fujimoto Toshiyuki Nagata Auditor: Yasunori Sakamoto

Vice President & Representative Director

#### (Philippines), Inc. [Overview]

■Earth Homecare Products

Location

 2105 Atlanta Centre, 31 Annapolis St., Greenhills, San Juan City, Metro Manila, **Philippines** 

Established April 1, 2022

Representative Hiroyuki Takagi, Managing Director

●161.5 million PHP Capital

Business areas Import, export and sales of insecticides and household supplies

#### ■Earth(Thailand)Co., Ltd.

#### [Overview]

Location

●25 Bangkok Insurance/Y.W.C.A Bldg. 30th Fl., South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand

No. 98, Xin An Road, TEDA West, Tianjin.

insecticides and household supplies

Established May 21, 1980

Representative Nentaro Sato, President & Representative Director

● 500 million THB Capital

Business areas Manufacture, sale, import, and export of insecticides and household supplies

**■**Earth Corporation (Tianjin)

July 18, 1990

Representative Masaharu Wada, Chairman

5.8 million USD

Business areas Manufacture, sale, import, and export of

#### ■ Earth Corporation (Shanghai)

#### [Overview]

Location

Room 908-909 The Place, Tower A, No.100 Zunyi Road, Changning District, Shanghai 200051, China

Established June 3, 2015

Representative Masaharu Wada, Chairman

17.8 million USD

Business areas Sale of insecticide products, household products, etc.

#### **■**Earth Corporation (Suzhou)

#### [Overview]

Location

No. 418 Chaohong Road, Suzhou New District, Suzhou, Jiangsu, China

Established May 20, 2005

Representative Masaharu Wada, Chairman

Capital ● 10 million USD

Business areas Manufacture, sale, and import/export of

household supplies

#### ■ Earth Corporation Vietnam

#### [Overview]

[Overview]

Established

Location

Capital

Location

 Floor 18th, Block A, Viettel Tower, 285 Cach Mang Thang Tam Street, Ward 12th, District 10th, Hochiminh City, Vietnam

June 28, 2006 Established

Representative Vutaka Yamauchi, President & Representative Director

Capital 15 billion VND

Business areas • Manufacture and sale of household cleaners, fragrances and insecticide products

#### ■ Earth Home Products (Malaysia) Sdn. Bhd.

#### [Overview]

Location

 A-8-02, Capital 1, Oasis Square, No.2, Jalan PJU 1A/7A, Ara Damansara, 47301 Petaling Java, Selangor, Malaysia

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**Established** March 19, 2019

Representative 

Shotaro Okada, Managing Director

Capital ● 5.5 million MYR

Business areas Sale, import, and export of insecticides and household supplies

[Overview] • 4-7-4, Harumi, Chuo-ku, Tokyo CROSS DOCK HARUMI 3A Location

**■**Earth Environmental Service Co., Ltd.

Established May 10, 1978

Capital 296 million IPY

Number of 996 (as of end of December 2022) employees

 Integrated environmental hygiene management **Business** for factories and hospitals areas

#### [Vision]

Contribute to building an "environment" that leads to a better future

[Executives]

Vice Chairman: Yoshio Matsumoto President & Representative Director: Toru Tabuchi Director: Norichika Tanaka

Chairman: Katsunori Kawabata

Director: Yoshiyuki Hara Auditor: Katsuhiro Nakano External Auditor: Yasunori Sakamoto

### 地球を、キモチいい家に。



Providing products and services that all the people on Earth need, and driving sustainable development and growth with society.

That is our will we embrace in our Philosophy, Earth Policies and Earth Values.

Act For Life represents our promise with customers to support their life and act to make them safer and more comfortable.













#### [Earth Group Corporate Philosophy]

We act to live in harmony with the Earth.

生命と暮らしに寄り添い、地球との共生を実現する。





### [Earth Policy]

Creating a Market with customers

お客様目線による市場創造

Passion • Innovation • Integrity

熱意・創意・誠意

Momentum · Achievement

すぐやる・必ずやる・最後までやる

#### [Earth Value]

One Earth

全員参画

Open communication

コミュニケーション

**Diversity** 

人がすべて



## One Earth

Earth Corporation will soon be celebrating its 100th anniversary. Modern society is changing rapidly. As we look back on our history, we have overcome many changes, maintaining the growth of our flagship insecticide business, entering new categories such as mouthwash and bath salts, and strengthening the global deployment of business mainly in Asia. This has been driven by our unwavering commitment to pursue customers' viewpoints. While we have future plans, we are also ready to change them flexibly if that is needed for the benefit of our customers. We will embrace this flexible mindset and get things done.

We continue to strive to be a company that brings smiles to customers and lives together with the Earth, extending customer trust that we have built with insecticide to all other products and services and across Earth Group.

We will harness and enhance the strength of the Earth Group with the power of talent to become a truly global company.

