

At a Glance

Earth Corporation engages in businesses that are closely aligned to everyday life in a bid to ensure safety, security, and comfort. The Company supports people's healthy and comfortable lives through its two household products and general environment and sanitation businesses.



Strengths and Focus Fields

Centered on insecticides and repellents—for which it boasts the overwhelming top market share—Earth Corporation offers a wide range of products as a leading supplier of household products, including bath salts, oral hygiene products, insect repellents for clothing, cleaning products, and pet products. In addition to promoting the revitalization of the domestic market through its ability to develop sales floors utilizing the Company's mobility and organizational strength, Earth Corporation is focusing on global development and has expanded exports to approximately 50 countries overseas. Moving forward, we aim to be a company trusted by society by responding to social needs through product development from the customer's perspective.

Major Group Companies

BATHCLIN Corporation, Hakugen Earth Co., Ltd., Earth Pet Co., Ltd.

Main Products

Insecticides and Repellents Segment	Household Products Segment	Pet Products and Others Segment
Liquid mosquito repellent: Earth No-mat Sprays for flies & mosquitoes: Earth Jet Cockroach poison bait: Black Caps Sprays for cockroaches: Goki Jet Pro Insect repellent spray: Saratect Standing insect repellent: Mamoroom	Bath salts: Bath Clin Bath salts: Kikiyu Bath salts: ONPO Mouthwash: Mondahmin Insect repellents for clothing: Mrs. Lloyd Dehumidifier: Dry & Dry UP NECO Masks: Kaiteki Guard Pro Cleaning products: Bubloon Deodorant air fresheners: Sukki-ri! Cooling packs: ICE-NON	Pet food: 1st CHOICE Pet care products: JOYPET



Strengths and Focus Fields

From food and pharmaceuticals to advanced medical fields, Earth Corporation supports the quality assurance activities of business operators by providing its unique integrated environmental hygiene management service to protect products from foreign substances and contamination. The backbone of this service is the GMP of Group company Otsuka Group, which features unique technology and know-how cultivated in the field. Saito Research and Training Institute (T-CUBE) is working on the development of AI-driven insect capturing and analysis systems and on industrial applications for sterilization and deodorization using MA-T system®, an oxidation control technology, thereby playing a core role in innovation that contributes to society. Particularly in the field of future / advanced medicine, Earth Corporation is working to create innovation by training specialists in the field of regenerative medicine, developing hygiene management methods, and participating in Nakanoshima Cross (The International Center for Future Medicine).

Major Group Companies

Earth Environmental Service Co., Ltd.

Main Services

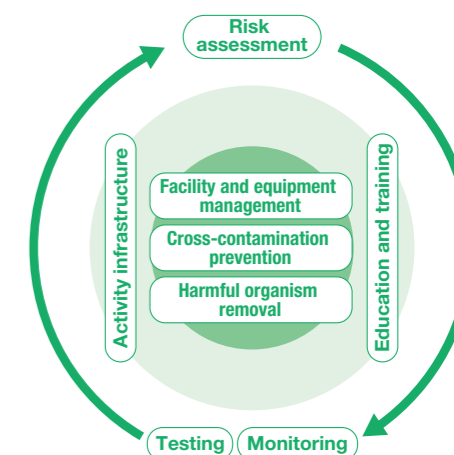
- Various environmental monitoring
- Inspection and identification of microorganisms, foreign matter
- Pest control, microbial contamination control
- Sanitation, special cleaning
- Quality assurance system development, support for acquisition of standards certification, conformity audits
- Training services and other human resource development
- Plant design and construction support, hardware installation, building maintenance
- IoT system development
- Product sales

Integrated Environmental Hygiene Management

This business offers integrated and systematic hygiene management support services that consist of eight approaches tailor-made for each client based on our proprietary technologies and expertise. The "Environmental Doctor" diagnoses the sanitary environments of business facilities, highlights problem areas, issues prescriptions for remedial measures, and supports the maintenance and promotion of a safe and secure environment through treatment and prevention.



Eight Approaches



Sales ¥158,344million Up 3.9% YoY ↑	Operating income ¥6,370million Down 14.3% YoY ↓	ROE 6.3% Down 2.3 pt YoY ↓	Annual dividend per share ¥118 ± ¥0 YoY →	DOE 4.0% Down 0.2 pt YoY ↓	Number of countries in which the Group operates / Number of bases Products bases / plants 13 bases in 4 countries Local subsidiaries 5 countries Export destinations 50 countries mainly in Asia, the Middle East, Europe, and the U.S.
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Earth Brand Forged with the Voices of Customers

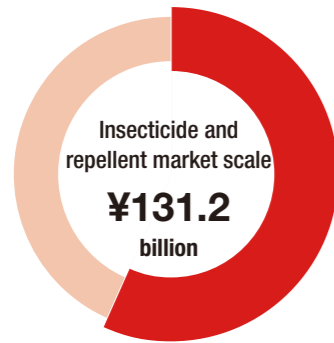
Earth Corporation always values the “customer’s perspective” and works tirelessly to develop new products and improve existing services. Believing that our customers’ support equates to our market share, we will continue to provide products and services that help make everyone’s lives safe and comfortable.

Market Position

Insecticides and repellents

Domestic share ratio

56.9%

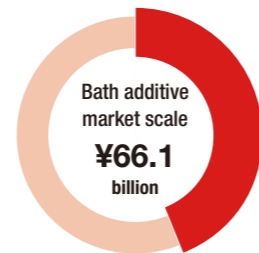


Sources: Intage SRI+ insecticide market (excluding horticultural agents)
National total, all business categories from January to December 2023, cumulative sales amount

Bath additives

Domestic share ratio

44.1%

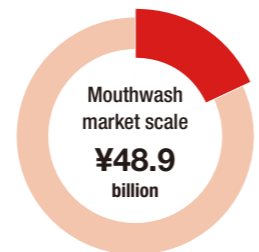


Sources: Intage SRI+ bath additive market
National total, all business categories from January to December 2023, cumulative sales amount
* Earth Group (Earth Corporation, BATHCLIN, Hakugen Earth)

Mouthwash

Domestic share ratio

18.3%



Sources: Intage SRI+ mouthwash (mouthwash / liquid toothpaste)
National total, all business categories from January to December 2023, cumulative sales amount

Best seller BATHCLIN

Recognized by Guinness World Records as the world’s leading bath additive based on annual sales (2019)

Long seller celebrating 50 years on the market Gokiburi Hoi Hoi

In the 1960s, Earth Corporation was in financial distress and facing bankruptcy, and Gokiburi Hoi Hoi became a driving force for growth. Cockroach infestations inside homes became a problem in daily life as residential conditions changed. Coinciding with this, and after its release in January 1973, orders for Gokiburi Hoi exceeded production capacity, enabling the Company to turn a profit that summer. In the 1990s, there were many similar products on the market, yet we firmly maintained our product strength and competitive advantage by constantly making improvements from the customer’s perspective. Since its launch, Gokiburi Hoi Hoi still accounts for approximately 90% of the domestic cockroach traps market and is sold under the name HOYHOY in 30 countries around the world, boasting overwhelming recognition as a synonym for cockroach traps.



Strength Supporting the Earth Brand

Number of researchers

318

Production bases

12 (globally)

Nationwide sales network

Approximately **103,000** locations

* Earth Corporation estimates

Global expansion

Export sales to approximately **50** countries worldwide

Number of inquiries handled by the Customer Service Department

Approximately **90,000** responses

Number of general environment and sanitation business contracts

15,208 companies

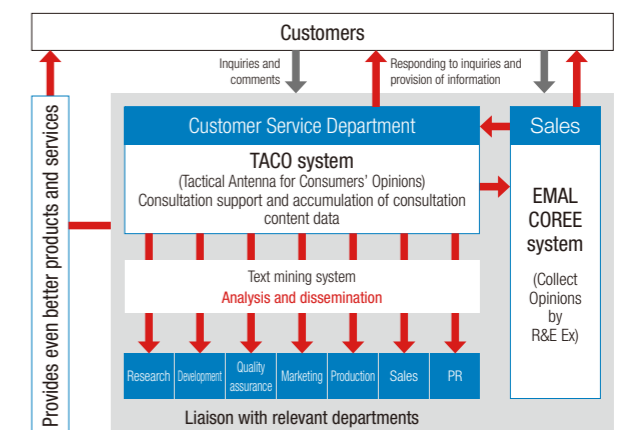
Level of employee satisfaction

3.38

* Overall satisfaction with current job, workplace, supervisor, and company based on the Employee Satisfaction Survey (average score out of 5)

Platforms to Leverage Customer Insights

Earth Corporation has established its own customer response system, the TACO System*, to promptly and courteously respond to consultations and ideas offered from customers. This system accumulates data on consultation details collected from customers and retailers by the COREE System*, through which the Customer Service Department and EMAL* register information. To enable related divisions to utilize customer insight to provide better products and services, the Customer Service Department analyzes and disseminates information using a text mining system.



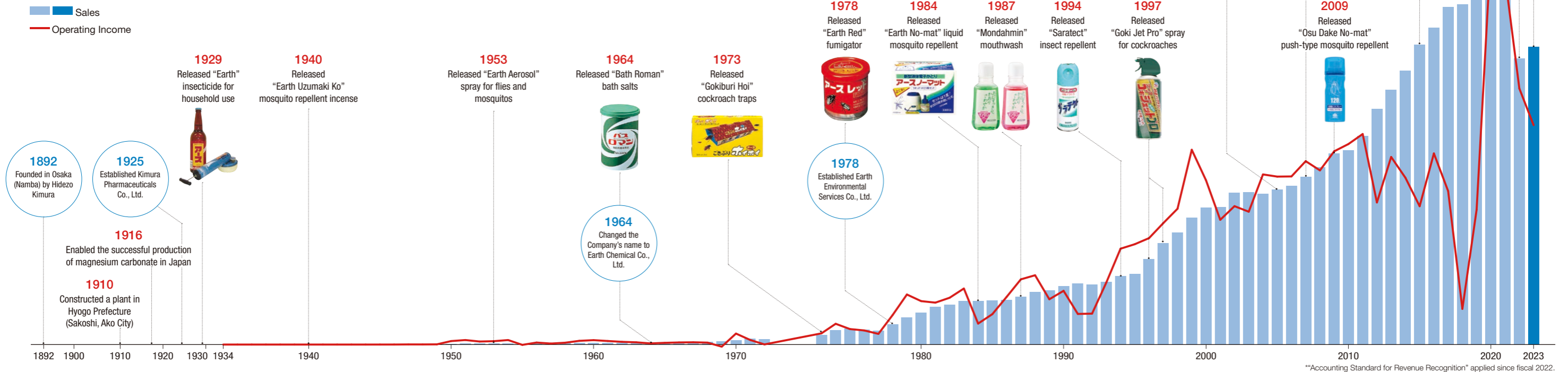
* Please refer to the Glossary on P. 62

A History Aligned Closely to the Earth and Humankind

Based on our corporate philosophy “We act to live in harmony with the Earth,” Earth Corporation has engaged in the development and expansion of its products and services for more than a century.

Since its establishment in 1892, Earth Corporation has worked diligently to develop new products and improve existing services while paying close attention to “customers perspectives.” Both at home and overseas, we have continued to contribute to healthy and comfortable lifestyles and achieved steady growth along with society while taking into consideration the environment.

Trends in Sales and Operating Income



1890~

Enabled the Successful Production of Magnesium Carbonate in Japan

In 1916, Earth Corporation successfully enabled the domestic production of magnesium carbonate, which enhances the durability of natural rubber. The Company’s predecessor, Kimura Pharmaceuticals Co., Ltd. became a leader in the bittern industry. The Company later released “Earth” in response to the growing need to insecticides. Successful steps were then taken to expand these needs through such sales promotion activities as the free distribution of products. This in turn helped broaden Earth Corporation’s profile nationwide.

1970~

Capital Participation by the Otsuka Group

Earth Corporation fell into a state of financial crisis and, in 1970, in an effort to rebuild its business, the Company sought financial assistance from Otsuka Pharmaceutical Factory, Inc., an existing business partner, and invited the late Masatomi Otsuka to take on the position of president. In 1973, the Company released “Gokiburi Hoi Hoi” which quickly became an explosive hit, eliminating the accrued deficit and bringing the Company back to life.

1980~

Promoting Global Expansion through Exhaustive Market Surveys

Earth Corporation marked the start of efforts to vigorously promote its global strategy with the establishment of ARS Chemical (Thailand) Co., Ltd. (currently Earth (Thailand) Co., Ltd.) in 1980. The Company engages in marketing activities tailored to the characteristics of each country through exhaustive market surveys that encompass such attributes as dissimilar lifestyles and preferences. We currently export to 55 countries around the world.

2000~

From “Insecticides” to “Insecticides and Repellents”













The history of Earth Corporation’s ongoing growth is a record of existing product improvement. Drawing on its research into competing products, the Company worked diligently to develop a succession of effective products, including “Earth Red,” an active ingredient vapor dispersion insecticide, and “Goki Jet Pro,” which boasts strong spraying power. In 2017, we coined the proprietary term Mushi-care (“Insecticides and Repellents” in English). Over the ensuing period, we have looked beyond performance and functionality to also focus on consumer, product safety, and environmental concerns.

Overseas Expansion

- 1980** Established ARS CHEMICAL (THAILAND) CO., LTD. (currently Earth (Thailand) Co., Ltd.)
- 1990** Established Earth Chemical (Tianjin) Co., Ltd.
- 2004** Earth Environmental Service Co., Ltd. established Beijing Earth Environmental Service Co., Ltd.
- 2005** Established Earth Chemical (Suzhou) Co., Ltd.
- 2012** Hakugen Co., Ltd. established Hakugen Daily Consumer Products (Shenzhen) Co., Ltd.
- 2015** Established Earth Chemical (Shanghai) Management Co., Ltd. (currently Earth Corporation (Shanghai))
- 2016** Earth Environmental Service Co., Ltd. established Shanghai Earth Environmental Service Co., Ltd., Earth Environmental Service (Thailand) Co., Ltd., and ARS Environmental Service (Thailand) Co., Ltd.
- 2017** Included A My Gia Joint Stock Company (currently Earth Corporation Vietnam) in the Company’s scope of consolidation as a subsidiary
- 2019** Established EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD. Earth Environmental Service Co., Ltd. established Earth Environmental Service (Taiwan) Co., Ltd.
- 2020** Earth Environmental Service Co., Ltd. established Earth Environmental Service Vietnam Co., Ltd.
- 2022** Established EARTH HOMECARE PRODUCTS (PHILIPPINES), INC.

Stakeholder Engagement

Earth Corporation's business activities are supported by various stakeholders, including customers, employees and their families, suppliers, shareholders and investors, and local communities. We believe that it is important to communicate with each of these stakeholders, and to put in place an environment that promotes dialogue in order to create shared value.

Stakeholder	Stakeholder expectations, interests, and needs	Earth Corporation's main responsibilities	Engagement method	Shared value with stakeholders	
				Examples of shared value	Related capital
 <p>Customers (Consumers, business partners)</p> <p>In addition to general consumers (Earth Corporation's product users), business partners, including such sales channels as drugstores and supermarkets as well as e-commerce sites, comprise a major portion of the Group's important customers.</p>	<ul style="list-style-type: none"> • New product development • Optimal services that address diverse consumer needs • The provision of information on concerns related to daily life sanitation 	<ul style="list-style-type: none"> • Understand customers and their lifestyles, and strive to provide products and services that contribute to their quality and comfortable lifestyle • Place priority on communication with customers, and strive to apply the voice of customers in better management • Comply with laws and in-house rules related to fair trade 	<ul style="list-style-type: none"> • Support through contact points for receiving comments and suggestions from customers • Advertising and PR • Provision of information through web-sites and other media • Communication through sales activities <p>etc.</p>	<ul style="list-style-type: none"> • Number of customer concerns resolved at contact points • Products to emerge from contact points for receiving comments and suggestions from customers • Stable supply of products • The provision of products that address market needs • Supply Chain Platform 	 <p>Social capital</p>
 <p>Employees and their families</p> <p>The active participation of diverse human resources is the driving force behind Earth Corporation's growth. We recognize that the families that support our employees are also stakeholders in the Company's long-term creation of value.</p>	<ul style="list-style-type: none"> • A safe workplace environment • Workstyle reform to realize flexible workstyles • Diversity • Improvements in engagement • Increased motivation • Ensuring emotional security • Work-life balance • Acceptable evaluation and wages • Career development and training 	<ul style="list-style-type: none"> • Based on Earth's corporate value that "Diversity" place value on communication among employees, and develop and grow along with society • Strive for workplaces where employees are motivated and able to participate 	<ul style="list-style-type: none"> • In-house newsletters and intranet • Various training programs • Peer bonus system • Individual target management • Individual meetings <p>etc.</p>	<ul style="list-style-type: none"> • Increase in the paid leave usage rate • Increase in the female manager ratio • Improvements in the level of employee satisfaction and organizational capabilities • Improvements in sales and operating income margin per employee/unit time • Increase in wages • Provision of training opportunities (reskilling) • Health management and improvements in health literacy 	 <p>Human and intellectual capital</p>
 <p>Suppliers</p> <p>With many of the Company's products supplied on an OEM basis, OEMs are an important supply source. In addition, Earth Corporation's activities are supported by numerous business partners, including suppliers of raw as well as packaging materials.</p>	<ul style="list-style-type: none"> • Low cost and high quality • Environmental technologies • Increased productivity • Procurement that takes into consideration human rights and societal concerns • Opportunity and health equality 	<ul style="list-style-type: none"> • Choose suppliers fairly, based on purchasing policies. Promote CSR procurement, so that business partners conduct rigorous CSR activities as well. 	<ul style="list-style-type: none"> • Communication through purchasing activities • CSR self-assessments <p>etc.</p>	<ul style="list-style-type: none"> • The fulfillment of social responsibilities through collaboration with business partners and stakeholders • Joining Sedex (supplier membership) • Increase in public trust (relationship building) 	 <p>Social and natural capital</p>
 <p>Shareholders and investors</p> <p>Earth Corporation sees shareholders and investors as important stakeholders that support the Company's management foundation by providing capital and executing voting rights. The Company will work to build long-term relationships of trust through proactive dialogue.</p>	<ul style="list-style-type: none"> • The provision of appropriate returns to shareholders • The timely payment/repayment of interest and principal (borrowings) • Enhancement of corporate value (market capitalization) • Generation of new business earnings • Increase in the profitability of existing businesses 	<ul style="list-style-type: none"> • By disclosing appropriate information at the appropriate time, fulfill responsibilities for accountability, promote understanding of Earth Corporation's management philosophy, vision, and plans, and ensure that our corporate value is properly recognized. 	<ul style="list-style-type: none"> • General meetings of shareholders • Financial results briefings for institutional investors and analysts • Individual meetings • Provision of information through web-sites and other media • Facility tours <p>etc.</p>	<ul style="list-style-type: none"> • Dividends • Total return ratio • TSR (10 years) • Interest • Repayment of principal 	 <p>Finance</p>
 <p>Local community</p> <p>Earth Corporation strives to contribute to local communities and to resolve social issues facing municipalities in each of its business domains. We also engage in social contribution activities in an effort to raise the profile and value of the Company and its products through both training and educational initiatives.</p>	<ul style="list-style-type: none"> • Reduction of environmental impact • The formation of a resource-circulating society 	<ul style="list-style-type: none"> • Contribute to society, for example by striving to coexist with international society, improving health and hygiene, and supporting culture and sports. 	<ul style="list-style-type: none"> • Community clean-up activities • On-site lessons • Various events • Comprehensive collaboration agreements with each municipality • Visiting classes • Field marketing and horticultural activities; global festivals <p>etc.</p>	<ul style="list-style-type: none"> • Activities that help mitigate global-scale infectious and other diseases • Participation in efforts, including disaster support as well as donations to developing countries and the impoverished • Efforts to help prevent the spread of insect-borne infections through the provision of products and educational activities • Contributions to the community through the development of products that help prevent disasters • Acceptance of interns and visitors, provision of social learning opportunities for students 	 <p>Social capital</p>
 <p>The Earth</p> <p>Changes in ecosystems and habitats threaten efforts to conserve biodiversity. In this regard, the Earth, which provides the necessary habitat for insects to survive, is one of Earth Corporation's important stakeholders.</p>	<ul style="list-style-type: none"> • Reduction of environmental impact • Biodiversity conservation • The formation of a resource-circulating society 	<ul style="list-style-type: none"> • Contribute to protecting the global environment by providing environment friendly products and services. • In addition, based on a correct understanding of nature, Earth Corporation will realize its coexistence with the Earth. 	<ul style="list-style-type: none"> • Decarbonization • Eliminating plastics • Protecting biodiversity <p>etc.</p>	<ul style="list-style-type: none"> • Product development based in the Earth ECO Standards • The achievement of carbon neutrality in society • The switch to renewable energy • Enhancement of water usage efficiency • Use of Forest Stewardship Council® certified paper • Reduction in the emission of industrial waste to zero • Response toward and activities aimed at various consortiums and evaluation institutions • Control of invasive species, forest conservation, and the preservation of species (various biodiversity conservation activities aimed at protecting insects) 	 <p>Natural capital</p>