

Earth Group Corporate Philosophy

In concert with our stakeholders, we will continue to take on the challenge of living in harmony with the Earth in our own unique way, while responding flexibly to changes in society. In this manner, we will work to secure sustainable growth and enhance corporate value over the next 100 years.

**Earth
Policy**

Earth Value



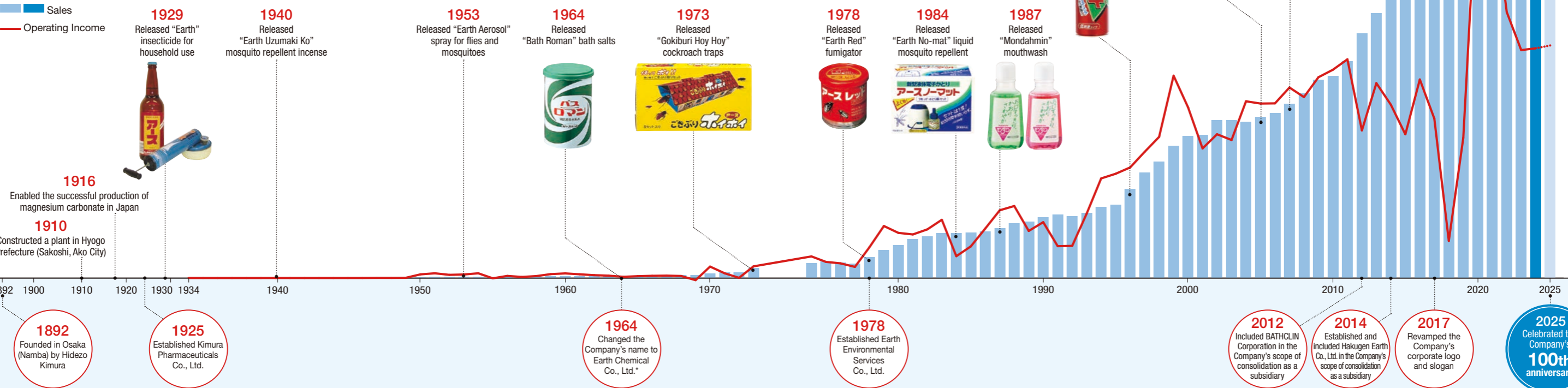
EARTH
Act For Life

A Century of Continuously Delivering Safe and Comfortable Lives: The History of Earth Corporation

Over the past **100 years**, Earth Corporation has continued to conceive new products and services that address changes in the times.

Since our founding in 1892 and incorporation as a company in 1925, Earth Corporation has placed the utmost importance on the “customer’s perspective” while diligently developing new products and improving existing services. Having welcomed the 100th anniversary of our establishment, we continue to contribute to the healthy and comfortable lives of people in Japan and around the world, and achieve steady growth in concert with society.

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 Hoy Hoy” 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 40 countries and regions around the world.

2000~

From “Insecticides” to “Insecticides & 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 & Repellents” in English). Over the ensuing period, we have looked beyond performance and functionality to also focus on consumers, product safety, and environmental concerns.

Overseas Expansion

1980	Established ARS CHEMICAL (THAILAND) CO., LTD. (currently Earth (Thailand) Co., Ltd.)	2004	Earth Environmental Service Co., Ltd. established Beijing Earth Environmental Service Co., Ltd.	2012	Hakugen Earth Co., Ltd. established Hakugen Daily Consumer Products (Shenzhen) Co., Ltd.	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	2020	Earth Environmental Service Co., Ltd. established Earth Environmental Service Vietnam Co., Ltd.
1990	Established Earth Corporation (Tianjin)	2005	Established Earth Corporation (Suzhou)	2015	Established Earth Chemical (Shanghai) Management Co., Ltd. (currently Earth Corporation (Shanghai))	2019	Established EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD. Earth Environmental Service Co., Ltd. established Earth Environmental Service (Taiwan) Co., Ltd.	2022	Established EARTH HOMECARE PRODUCTS (PHILIPPINES), INC.		

* Please refer to the Glossary on P. 68

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Celebrating the
Company's 100th
anniversary

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● Delivering Comfort to the World

Carrying Out Strategies That Help Create Value

Working with Stakeholders to Protect and Deliver "Comfortable Lives"

Management System Designed to Continuously Create "Comfortable Lives"

Data

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Working with Stakeholders to Protect and Deliver "Comfortable Lives"

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Editorial Policy

Earth Corporation published Integrated Report 2025 in order to provide shareholders, investors, and other stakeholders with a better understanding of the value created by the Group and its efforts to continue creating value. Integrated Report 2025 has been edited with a focus on reporting financial and non-financial information, including the value creation process, operations, Medium-Term Business Plan, and materiality initiatives in an integrated manner. We hope that this report will help further deepen dialogue with our stakeholders.

Period Covered FY2024 (January 1, 2024 – December 31, 2024)
* Includes certain activities after the period covered.

Organizations Covered Earth Corporation and domestic / overseas Group companies
* However, certain items are reported for Earth Corporation on a non-consolidated basis.

Reference guidelines

- "International Integrated Reporting Framework" by the International Financial Reporting Standards (IFRS) Foundation
- "Value Co-Creation Guidance" by the Ministry of Economy, Trade and Industry



Regarding Forward-Looking Statements

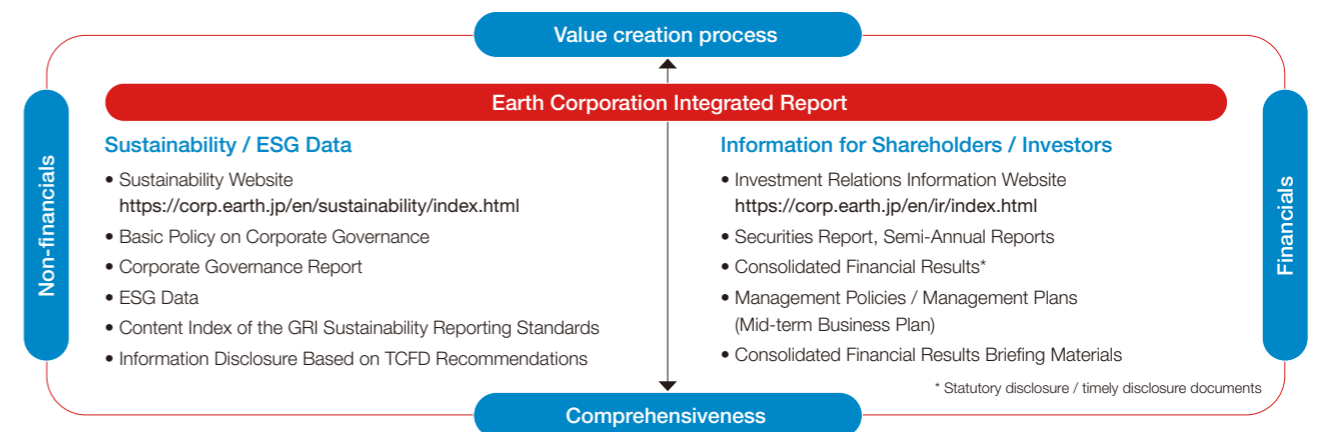
Forward-looking statements and earnings forecasts described in this report are the Company's assumptions based on information currently available and are subject to potential risks and uncertainties. Therefore, please be aware that changes in various factors may cause actual results to differ materially from those discussed in the forward-looking statements.

* The figures listed are rounded down to the nearest digit. As a result, totals may not equal the sum of individual figures.

* All product names mentioned in this report are registered trademarks of the Company or its affiliates.

* Comments and other information contained in this report have been properly obtained.

Information Disclosure Framework



The Earth Brand Bringing Smiles to People’s Faces Around the World~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 businesses that include the Household Products Business and the General Environment and Sanitation Business.

Household Products Business

P.36

Sales

¥148,913 million

Ratio of sales

82.4%
(FY2024)

Insecticides & Repellents

Household Products

Strengths and Focus Fields

Centered on insecticides and repellents—for which it boasts the overwhelming top market share—the Earth Group 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 40 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.

アスノーマット

バスクリン

Main Products

Insecticides & Repellents

Household Products

For flies and mosquitos: Earth No-mat

For cockroaches: Black Cap

Bath salts: Bathclin

Mouthwash: Mondahmin

Major Group Companies

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

General Environment and Sanitation Business

P.40

Sales

¥31,888 million

Ratio of sales

17.6%
(FY2024)

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, etc.

Major Group Companies

Earth Environmental Service Co., Ltd.

Strengths and Focus Fields

From food and pharmaceuticals to advanced medical fields, Earth Environmental Service Co., Ltd. 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 Environmental Service Co., Ltd. is working to create innovation by training specialists in the field of regenerative medicine, developing decontamination and other hygiene management methods, and participating in Nakanoshima Qross (The International Center for Future Medicine).

* Please refer to the Glossary on P. 68

Earth Corporation by the Numbers (FY2024)

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.

Finance (consolidated) P.22

Sales

¥169,278 million

Up 6.9% YoY

Operating income

¥6,425 million

Up 0.9% YoY

ROE

5.1%

Down 1.2pt YoY

Annual dividend per share

¥120

Up +¥2 YoY

DOE

3.9%

Down 0.1pt YoY

Strength Supporting the Earth Brand

Number of inquiries handled by the Customer Service Department*

Approximately 90,000 responses

* Please refer to the Glossary on P. 68

Employees assigned to R&D Headquarters

347 (consolidated)

Production bases

12 (globally)

Number of countries in which the Group operates

Export sales to approximately 40 countries and regions worldwide

Number of general environment and sanitation business contracts

15,560 companies

Employee Engagement Survey

B

* Engagement rating rated on a scale of AAA to DD, with 11 levels in total.

Market Position

Insecticides & Repellents Domestic share ratio

57.3%

Insecticide & Repellent market size

¥139.4 billion

Bath salts Domestic share ratio

42.5%

Bath salt market size

¥68.7 billion

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Message from the President

Building on a century of progress, the Earth Group will enter a new stage of growth. While strengthening holding company functions, we will accelerate the pace of our global growth and create a future that supports people’s healthy and comfortable lives.

Profit Is a By-Product of a Three-Year Period of Forward-Looking Work

Steady progress in expanding sales overseas, transforming the earnings structure, and strengthening Group management capabilities despite the effects of the external environment.

I believe that challenges are a constant companion. The issue at hand is how best to overcome each challenge in a timely manner. The medium-term business plan, “Act For SMILE COMPASS 2026,” which is currently in progress, was formulated at a time of dramatic change, with the external environment exhibiting considerable volatility, impacted by such factors as climate change, the spread of infectious diseases, a surge in material prices, fluctuations in foreign currency exchange rates, and changes in consumer behavior. In the lead-up to a significant leap forward, Act For SMILE COMPASS 2026 is positioned as a three-year period of preparation. Looking back on fiscal 2024, the first year of the medium-term business plan, we worked diligently to expand sales overseas, transform the earnings structure, and strengthen Group management capabilities against the backdrop of high costs and a weak yen, which significantly impacted profits.

As far as efforts to expand sales overseas are concerned, we have completed the seed-sowing phase. As a result, overseas sales expanded to the ¥20 billion level in fiscal 2024. In similar fashion to Japan, our goal in Thailand and Vietnam, which are positioned as principal overseas locations, is to gain market share through the support of customers. We are especially committed to securing the leading share of the insecticides and repellents market in Thailand. Moreover, we are focusing on our export business, targeting such countries and regions as Saudi Arabia, North America, Hong Kong, and Taiwan, with a view to expanding overseas sales.

Complementing these endeavors, we are strengthening Group management and transforming our earnings structure in a bid to improve our ability to flexibly address changes in our operating environment. We recognize that improving sales and increasing our profit margin through stringent cost management are two equally important components to strengthening our operating resilience. Focusing solely on the former runs the risk of triggering governance issues, while excessive attention on the latter will likely create an awkward corporate culture.

I place considerable importance on the concept that “profit is a by-product of forward-looking work.” By putting the pedal to the metal in an effort to maximize sales, while engaging in cost management, placing the right people in the right positions, and implementing other ongoing measures aimed at increasing productivity, I am confident that we will achieve steady growth. This includes our consolidated net sales target of ¥170 billion in fiscal 2026, and looking further ahead, net sales* of ¥200 billion, which we achieved once previously in fiscal 2021 prior to a change in application of the “Accounting Standard for Revenue Recognition.”

Strengthening Holding Company Functions to Maximize Group Synergies

The time has come to leverage economies of scale and make strategic procurement and business decisions.

In addition to including BATHCLIN and Hakugen Earth in its scope of consolidation as subsidiary companies in 2012 and 2014, respectively, Earth Corporation has worked to expand its business overseas while actively promoting M&As. On this base, we are creating a unified group comprising various companies with diverse cultures. To date, with efforts

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Medium-Term
Business Plan
▶ P.24
Financial
Strategies

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Household
Products
Business

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Corporate
Governance

* Level exceeding ¥250
billion under the former
accounting standard

Representative Director, President & CEO
Earth Corporation

Katsunori
Kawabata

made to respect the autonomy of each company, we prioritized corporate culture integration through various means, including the revitalization of employee communication. Moving forward, however, we recognize the need to establish certain rules in order to respond to changes in the external environment in a flexible and timely manner, and to increase the efficiency of the Group as a whole.

In the past, we have allowed each subsidiary to make its own decisions while encouraging steps to visualize financial information and procurement prices. However, in light of the recent upswing in commodity prices and the status of supplier relationships, we believe it is now time to leverage economies of scale and make strategic procurement and business decisions. Even if there are limits on an individual company securing growth on its own, the potential exists to maximize stand-alone value by leveraging the Group’s strengths. Taking into consideration the importance of ensuring optimal management of the entire Group while respecting the uniqueness of each company, the decision was made that advancing the strengthening of holding company functions was ideal for the current Earth Group at this time of change and on the occasion of our 100th anniversary. Rather than guarantee a degree of freedom through independent accounting, we plan to strengthen control in certain areas while remaining conscious of Group synergies, and clarify the Group’s overarching direction.

Despite concerns that strengthening holding company functions will delay the pace of management, we believe that this initiative will accelerate growth through flexible and timely decision-making. Given the present situation where each

▶ P.20
Medium-Term
Business Plan

Message from the President

company is engaging in business based on its own decisions, the transition to this new structure will allow us to firmly establish Group-wide strategies, ensure the centralized control of the Group’s resources by holding company functions, and advance with a greater sense of speed.

Management is a living organism. Instances arise when management adopts a new framework or reverts to its original form. Although adapting to change is difficult, now is the time when action must be taken. Here, we will work toward more robust Group management while firmly conveying the significance of strengthening holding company functions both internally and externally.

The Thoughts Behind “Making the Earth a Home That Feels Good”

Linking the Earth Group’s direction and values to concrete action

Rather than rely solely on a reactive approach, proactively envisioning the future is essential for sustainable corporate growth especially during periods of intense volatility. While engaging in the Group’s management, I oversaw the renewal of our corporate identity (“CI”) in 2017 as one countermeasure to change. More than just an update of our logo, this initiative was an important step in redefining our direction and values as a company.

The decision to renew our CI was grounded in the accelerated pace of our global expansion. At that time, a portion of our logo was depicted in katakana, a Japanese syllabary and one component of the Japanese writing system. Cognizant of the need to provide a format that would attract wider appeal and recognition in overseas markets, we chose the slogan “Act For Life,” a concise interpretation of the Japanese version that could be translated as “Making the Earth a home that feels good.” This slogan codifies the Group’s promise to customers to act in a manner that contributes to safety and comfort in the lives of people everywhere by providing products and services.

The “home” is a place where people feel most comfortable and at ease. Our goal is to help create an even better environment through our products and services to ensure that the entire planet feels much like a “home.” In addition, we believe that creating a comfortable workplace environment is critical in providing employees with the same sense of security they feel at home. Renewing our CI was therefore a vital step in clarifying and sharing these values both internally and externally.

Rather than treating them as simple words on a page, it is important that we apply our corporate philosophy, Earth Value, and Earth Policy to every facet of our daily management. A philosophy is much more than a formality. Its significance stems from concrete action. With this in mind, we are increasing opportunities to raise awareness toward our philosophy through various forums, including meetings. Every effort is being made to share the Earth Group corporate philosophy across the entire organization.

Our former president, Tatsuya Otsuka, placed considerable emphasis on “momentum.” Carrying this spirit forward, I would ask all employees that they focus be on responding immediately rather than leaving our philosophy and goals unspoken or unaddressed.

detailed compartments is detrimental to flexibility and runs the risk of impeding cooperation. That is why it is important to nurture an agile and robust corporate culture while balancing the twin need for growth and simplicity.

No organization, no matter how good it is, is perfect. While other companies may appear better than us, they all struggle with issues of their own. With this in mind, I believe it is vital that we place the utmost importance on continuously taking on challenges.

The Earth Group celebrates its 100th anniversary in 2025. Building on this milestone, I am committed to creating an environment in which freedom and growth coexist. It is management’s responsibility to put in place a workplace environment in which employees can freely take on challenges while maximizing their abilities. Freedom should never be construed as chaos. I believe it is important that a company and its employees continue to grow through a process of mutual support. Rather than place people within predetermined boxes, my goal is to provide opportunities through which our employees can grow while making the most of their individuality. Focusing on the development of an enjoyable environment in which employees can take pride, we will prioritize continuous improvement while minimizing the burden imposed by mental stress.

Targeting Further Growth over the Next 100 Years

Stringently pursuing the “customer’s perspective” while consistently addressing change is the driving force behind the Earth Group. As a company with a century-old history, we will draw on the collective strengths of the Group and continue to respond flexibly to the concerns of customers worldwide while cherishing the value we have built up over the years. Moreover, we will continue to work every day with the mission of protecting the safety and comfort of people’s lives.

Looking toward the next 100 years, the Earth Group will strive to realize a brighter future while creating new value in concert with stakeholders in a bid to secure sustainable growth and enhance corporate value. As we work toward achieving these goals, we ask for your continued support and understanding.

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Earth Group Corporate
Philosophy
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Research &
Development Strategy:
Message from the
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Stakeholder
Engagement

▶ P.1
Earth Group
Corporate
Philosophy

Katsunori Kawabata
Representative Director, President & CEO
Earth Corporation
(March 2025)

Management’s Role is to Uncover Human Resources Who Will Take the Initiative to Grow on Their Own While Developing Their Skills and Individuality

Focusing on creating an enjoyable workplace environment in which employees can take pride

The Earth Group is acutely aware of the important role that human resources play in the growth of a company. However, I believe that people are not to be “nurtured,” but rather people should “grow on their own.” With this in mind, I am convinced that management’s role is to uncover the means through which this can be achieved. An organization becomes stronger when diverse values and personalities come together. For this very reason, it is important to harness the skills and individuality of each employee and create an environment in which employees can take pride rather than develop a specific type of human resource.

Ideally, each employee should feel that its company is a good one. While this will depend on each individual’s criteria, a common thread is to ensure that each employee can work without the burden of mental stress and feel that both individual and company growth are linked. As far as organizational management is concerned, it is important to avoid rigidly fixed roles and to ensure flexibility. To use a baseball analogy, rather than drawing a line in the belief that “if the ball does not fall within my own designated field of play then it is not my responsibility,” I would hope that our organization encourages employees to go about their duties while helping each other.

Naturally, an organization will introduce additional roles and departments as it grows. Having said this, I would still argue that simplicity is the hallmark of a good organization. A complex organization made up of excessive minute and

▶ P.28
Earth
Corporation’s
Human Capital
Management
▶ P.30
Human Asset
Strategy



Earth Corporation's Value Creation Process



We act to live in harmony with the Earth



The joys of acting in harmony with the Earth and of enabling comfortable lifestyles

Our Understanding of the External Environment

P.18

Climate change

Ecosystem change

Demographic change

Technological change (evolution)

Inputs

P.14

Financial capital

- Equity capital ¥68.8 billion
- Interest-bearing debt ¥5.2 billion

Human capital

(Figures for the fiscal year ended December 31, 2024)

- Number of employees (consolidated): 4,878
- Employees assigned to R&D Headquarters (consolidated): 347
- Environmental Doctors* with high technical skills and expertise: 470
- Ratio of female employees: 40.6%
- Number of career hires: 38
- Number of new graduate hires: 61
- Total training hours: 39,466

Intellectual capital

- Development of high value-added products
- Highly specialized human assets involved in R&D
- Industry-academia collaboration, research with cooperating institutions
- Number of patents held: 348
- TACO system*

Manufacturing capital

- Capital investment: ¥16.7 billion (Three-year total 2022-2024)
- Production bases: 12 locations (global)
- Production control system that contributes to improved productivity

Social and relation ship capital

- Supplier companies: 209
- Top share of Insecticides & Repellents market (57.3%)*
- Establishment of Japan MA-T Industrial Association*
- Nationwide sales network approx. 107,000 partners
- Partner companies providing hygiene management support services: 700

Natural capital

- Water usage (water discharge) 123,200m³
- Energy usage 125,161GJ
- CO₂ emissions (Scope 1, 2) 3,605t-CO₂

*1 Intage SRI+ Insecticide market (excluding gardening products) Nationwide total/ All formats total January to December 2024 Cumulative sales amount
*2 Compared to 2020
* See the Glossary of Terms on P.68

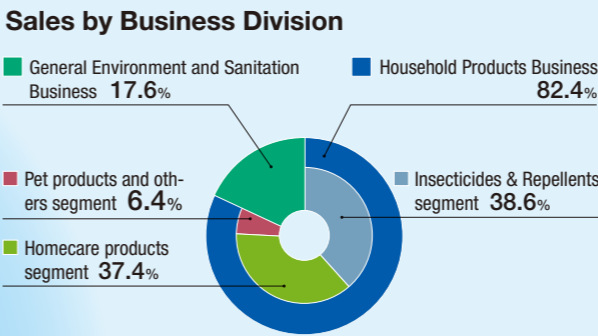
Business Model

P.14



Outputs

P.15



Discharges from business operations

CO ₂ emissions (Scope 1, 2)	3,605t-CO ₂
Industrial waste outputs	3,543t

Outcomes

P.15

Economic value

Dividends per share	¥120
Total return ratio	133.3%
TSR (10-year [cumulative])	168.0%

Social value

Human

Employee Engagement Survey B (11-point scale)	
Paid leave usage rate	76.6%
Female manager ratio	11.8%

Intellectual

Number of inquiries handled by the Customer Service Department: Approx. 90,000 cases/year	
Continuous product development leveraging unique intellectual property (TENE BENAL™, MA-T System®)	
Number of patent registrations:	42

Social and relationship

Preventing the spread of insect-borne infectious diseases through the provision of products and educational activities	
Supplying research samples to public institutions and other organizations by means of high-quality insect breeding technologies	27 institutions; 19,357 insects
Contributing to communities through the development of products that assist in disaster preparedness	
Certified as a Health and Productivity Management Outstanding Organization 2025 (White 500) for the fifth consecutive year	
Selected for the first time as a "KENKO Investment for Health Stock Selection 2025"	
Number of integrated environmental hygiene business contracts:	15,560

Environmental value

CO ₂ reduction rate:	33.9% ²
Third-party verification of GHG emissions obtained	
Water usage efficiency:	0.6% improvement ²
Final disposal rate of industrial waste	1.1%

Economic value

Stable and continuous shareholder returns	
Increase in corporate value through Group synergies	

Social value

Enable health environment improvements and comfortable lives for people in Asia	
Build a work environment where well-being can be felt and foster internal culture	
Acquire and foster talent required for management and business strategies	
Support self-motivated career development for diverse talent and create a framework	

Environmental value (Figures for 2030)

CO ₂ emissions reduction	
Renewable energy ratio: 95%	
Increase of water usage efficiency by 10% ²	
Reduction in the emission of industrial waste to zero	

Explanation of Earth Corporation's Value Creation Process

With the aim of realizing its Corporate Philosophy of “harmony with the Earth,” Earth Corporation is committed to developing, manufacturing, and selling products that support people’s healthy and comfortable lives. Amid growing awareness of sanitary environments as well as safety and security, we are continuing to provide value while responding to changes in society through both our household products as well as general environment and sanitation businesses. To extend these efforts across the world, we are taking on the challenge of broadening our business domains while enhancing our global expansion.

1 Business Model

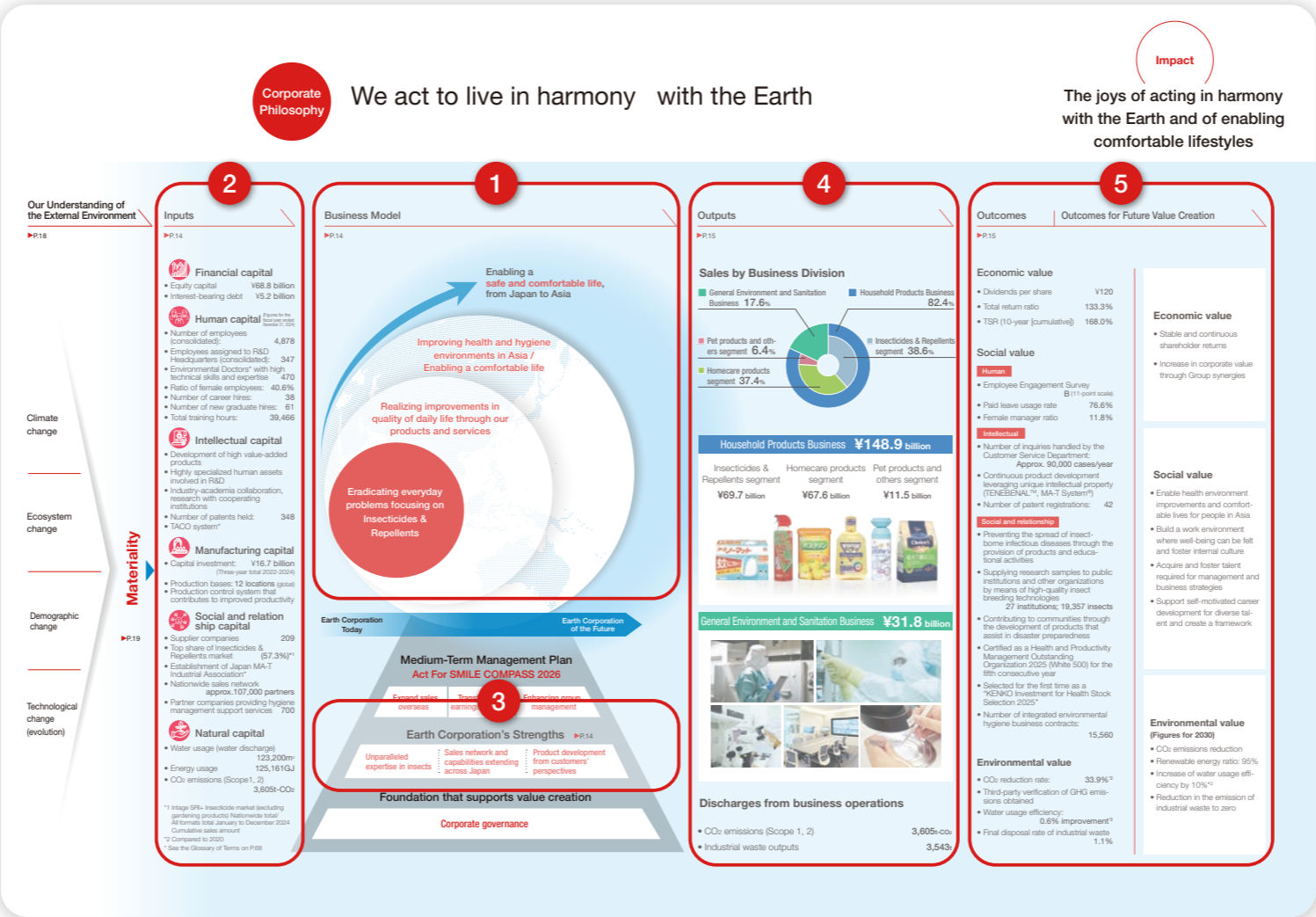
Earth Corporation's business model involves supporting safe and comfortable lives by providing products and services that eradicate customer problems relating to sanitary environments and living conditions through both its household products as well as general environment and sanitation businesses. Our business model consists of four functions: Research & development / Product development, Production control, Sales strategy, and Global strategy. Research & development / Product development is the key to producing highly unique products (Research & Development Strategy [Message from the Director General], P. 32). In production control, we installed a core system, which went into operation in 2024, for greater efficiency and sophistication in business processes toward the achievement of the earnings structure reforms adopted under our Medium-Term Business Plan. By building a system that displays throughput in a visual form and enhances these processes, we are working to further evolve our manufacturing in ways that contribute to improved earnings and cash flow in the years to come. Conducting detailed market research based on our sales and global strategies and leveraging the largest number of sales staff in the industry to create unique sales areas from the customer's perspective, we are also endeavoring to spread comfortable lives from Japan to the rest of Asia.

2 Inputs

As of the end of fiscal 2024, equity capital amounted to ¥68.8 billion, the equity ratio was 50.8%, and interest-bearing debt ¥5.2 billion. We are therefore maintaining a healthy financial capital position that is capable of responding to any risks and opportunities associated with future changes in the environment. For Earth Corporation, which adopted Diversity as its core Earth Value, its human capital of 4,878 employees on a consolidated basis represents an indispensable management resource. The 347 personnel involved in advancing research and development are working on the development of, for example, high value-added products and supporting our competitive advantage (Research & Development Strategy, P. 34). As intellectual capital, we held 348 patents as of 2024.










Also owning 12 manufacturing bases both in Japan and overseas, we have put in place a system that allows us to provide customers with high-quality products in a timely manner. Our strong relationships with 209 supplier companies and a nationwide sales network of approximately 107,000* partners represent important social capital for co-creating a variety of value. Furthermore, having taken into consideration the global environment as materiality, Earth Corporation is working to improve its corporate value through the effective use of resources and waste reduction.

*Based on Company research.



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.

Stakeholders		Stakeholders' expectations, interests, and needs	Earth Corporation's main responsibilities	Engagement method	Shared value with stakeholders	
					Examples of shared value	Related capital
<div>  </div> <div>Customers</div> <div>(Consumers, business partners)</div>	<p>As the Company is engaged in B2B and B2C businesses, the users of Earth Corporation products are both general consumers and other companies. For this reason, our valued customers include the wholesalers that serve as our sales channels, and business partners like retail outlets and e-commerce sites.</p>	<ul style="list-style-type: none"> Development and provision of products suited to changes in communities, cultures, and the external environment Development of the ideal services and products for diversifying consumer needs Swift provision of accurate information in response to questions and concerns about public health and products as a part of daily life Provision of products and services that consider humanity and the environment 	<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. Build systems that rapidly address changes in the business environment. Cooperate with requests to swiftly provide information, as well as for audit and information disclosure. 	<ul style="list-style-type: none"> Product development that ascertains customer and business environments, and considers humanity and the environment Communication through sales activities Operational structure for appropriate inventory management Establishment of contact points that apply customer insights and the creation of inquiry forms Advertising and PR Provision of information through websites and other media Disclosure of action on and initiatives for objective indicators through questionnaires and assessment agency response etc. 	<ul style="list-style-type: none"> Number of cases addressed by contact points for receiving comments and suggestions from customers Products based on customer feedback and employee proposals Provision of information, including that for chemical substance control Development of products suited to customer needs and changes in the business environment Development and provision of products that consider humanity and the environment Disclosure of risk management information Stable supply of products 	<div>  </div> <div>Social capital</div>
		<ul style="list-style-type: none"> Safe workplace environments, ensured emotional safety Workstyle reform to realize flexible workstyles Diversity Improvements in engagement Increased motivation, expanded career training Work-life balance Acceptable evaluation and wages 	<ul style="list-style-type: none"> Based on Earth’s corporate value “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. Endeavor to create environments in which the families who support our employees have peace of mind. 	<ul style="list-style-type: none"> In-house newsletters and intranet Various training programs Peer bonus system Individual target management Individual meetings Provision of learning opportunities and assistance for learning-related costs Engagement surveys etc. 	<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 	<div>  </div> <div>Human and Intellectual capital</div>
<div>  </div> <div>Suppliers</div>	<p>Earth Corporation’s valued suppliers include the business partners we ask to handle procurement, manufacturing outsourcing, overall logistics, and disposal, to provide infrastructure, and to offer design and consulting support. Our businesses are therefore supported by the cooperation and endorsement of countless business partners.</p>	<ul style="list-style-type: none"> Appropriate, fair, and ethical transactions (costs, delivery, quality, instructions, conditions, compliance, etc.) Consideration of human rights, society, and the environment Information disclosure (SDS, chemical substance related) Increased productivity Risk management (BCP, opportunity, level of impact, etc.) Relationships in which all parties grow through transactions 	<ul style="list-style-type: none"> Consider society and the environment based on procurement policies, and engage in fair transactions and procurement that realize a sustainable society. Build relationships that enable the Company to grow together with business partners, and work to ensure support and observance of such among partners. Actively engage in innovative initiatives that go beyond the boundaries of the industry. 	<ul style="list-style-type: none"> Communication through purchasing activities Information sharing with business partners CSR self-assessments Improved logistics efficiency and solutions for social issues Cost reductions Reduced use and efficient use of raw materials and resources Reduced waste Cooperative interaction and creation of synergy among the Group and with external parties Information disclosure Supplier action guidelines etc. 	<ul style="list-style-type: none"> Self-assessment achievement rate CO2 and resource reduction volumes Disclosure of packing material and FSC-certified paper volumes: Performance of social responsibility through cooperation with business partners and stakeholders Multi-stakeholder Pledge & Partnership Building Declaration 	<div>  </div> <div>Social and relationship and Natural capital</div>
		<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 Information disclosure, communication, and dialogue Commitment to plans and declarations 	<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. Make a sincere effort to address external ESG assessment agencies. Strive to actively disclose, index, and quantify non-financial information. 	<ul style="list-style-type: none"> General meetings of shareholders Financial results briefings for institutional investors and analysts Individual meetings Provision of information through websites and other media Facility tours etc. 	<ul style="list-style-type: none"> Dividends Total return ratio TSR (10 years) Interest Repayment of principal Issuance of reports 	<div>  </div> <div>Financial capital</div>
<div>  </div> <div>Local community</div>	<p>Earth Corporation strives to contribute to local communities and to resolve the social issues faced by communities, municipalities, non-profit organizations, and others in each of its business domains. We also engage in training and educational activities, as well as in social contribution activities intended to enhance corporate and product value.</p>	<ul style="list-style-type: none"> Involvement and dialogue with communities Contribution to communities and employment creation Proactive participation in organizations Release of public comments Proactive interaction that is not limited to the industry and implementation of innovative initiatives The formation of a resource-circulating society 	<ul style="list-style-type: none"> Strive for easy-to-understand information disclosure. Aspire to a company that is open to all in the community. Endorse and proactively join organizations with the same motives. Develop services and products ideally suited to diversifying consumer needs. 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"> Implementation of on-site classes and reception of students Participation in and organization of various events Comprehensive collaboration agreements with each municipality Donations and support Community support and clean-up activities etc. 	<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 Educational events, training activities, and provision of products related to insect-borne infectious disease countermeasures 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 Disclosure of sustainability reports and ESG data Community clean-up activities Comprehensive collaboration agreements with each municipality 	<div>  </div> <div>Social and relationship capital</div>
		<ul style="list-style-type: none"> Reduction of environmental impact Awareness and action that goes beyond laws and regulations Participation in consortiums Proactive formulation of guidelines, awareness, and action Biodiversity conservation The formation of a resource-circulating society Animal welfare 	<ul style="list-style-type: none"> Prevent contamination of the atmosphere, water quality, and soil caused by chemical substance use. Ensure thorough compliance with action guidelines to verify whether substances procured as raw materials infringe upon the environment or human rights. Develop the ideal services and products for diversifying consumer needs. Engage in global environmental conservation by providing products and services that are friendly to the global environment. 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 initiatives Improved usage efficiency and reduced use of packaging materials and resources Environmental policies Chemical substance control policies Protecting biodiversity etc. 	<ul style="list-style-type: none"> Product development based in the Earth ECO Standard* Realization of carbon neutrality 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 Environmental protection (Earth Sakoshi Forest conservation, etc.), invasive species countermeasures, preservation of insect species using breeding know-how Third-party assurance Reports to governments 	<div>  </div> <div>Natural capital</div>

* Please refer to the Glossary on P. 68

