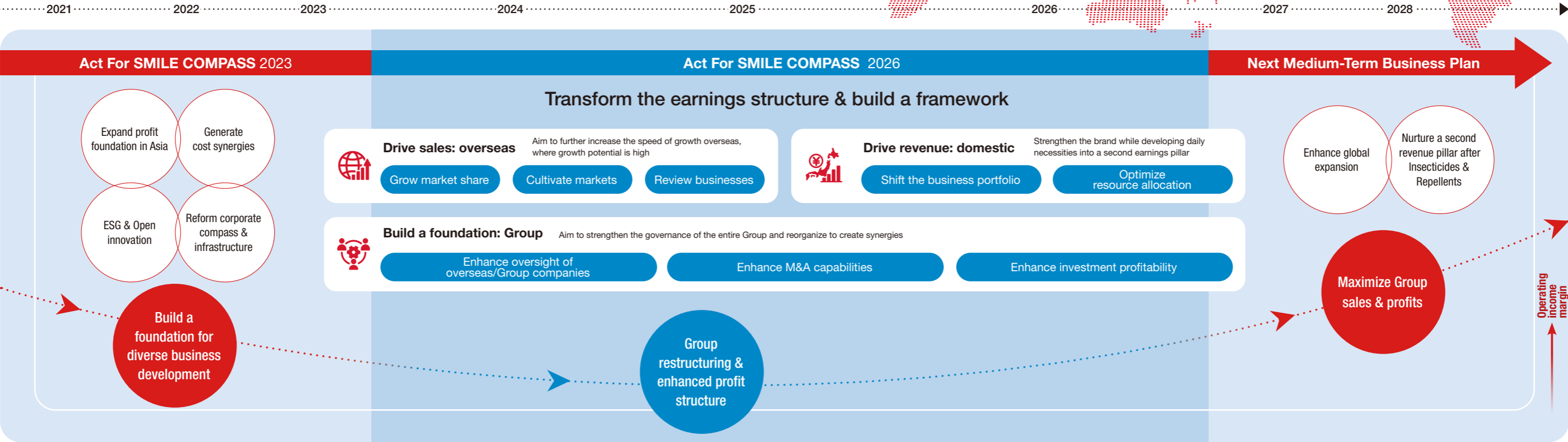


Medium-Term Business Plan

Earth Corporation is advancing its Medium-Term Business Plan under the slogan “Our Group Working Together Toward a Bright Tomorrow for EARTH.” In conjunction with efforts to secure profits through our businesses in Japan, we are seeking to achieve long-term growth for the Earth Group by exploring new sales channels through our international businesses. At the same time, we are also improving the Group’s management foundation, in part by restructuring organizational functions for generating synergies, with the aim of improving profit margins from 2027 onward.



Looking Back at the Medium-Term Business Plan “Act For SMILE COMPASS 2023” (2021-2023)

Results and Evaluation

	Consolidated sales	Operating income	Net income	ROE
Target*	¥157.0 billion	¥14.0 billion-¥16.0 billion	¥10.0 billion	13.0% or more
Fiscal 2023 Results	¥158.344 billion	¥6.370 billion	¥4.102 billion	6.3%

* At the time of formulation of the Medium-Term Business Plan

Focused Policies of the Medium-Term Business Plan and Evaluation

Focused policies of the Medium-Term Business Plan (2021-2023)		Evaluation	
Reform Corporate Compass & Infrastructure	Expand Profit Foundation in Asia	Acquire market share (consumer support) in each country where we operate Expand into new areas	Expand sales and share in Thailand and Vietnam ○ Explore new market areas (Malaysia and Philippines) △
	ESG & Open innovation	Take up the challenge of resolving issues that contribute to the achievement of the SDGs Realize open innovation through collaboration with outside parties	Address issues to contribute to the achievement of the SDGs / Real-world implementation of MA-T △ Reduce product disposals/returns ×
	Generate Cost Synergies	Carry out joint operations whenever logical to do so Generate synergies and added value throughout the value chain	Generate cost synergies throughout the whole Earth Group ×
			Improve the sophistication of strategic proposals through updates in management accounting ○ Revamp core systems ○
		○: Initiatives with results △: Initiatives in progress ×: Initiatives not fully executed	

* Please refer to the Glossary on P. 68

Outcomes and Issues Regarding Measures

Originally launched in 2021, the Medium-Term Business Plan, Act For SMILE COMPASS 2023, included and promoted four focused policies with the aim of building a foundation for achieving our corporate philosophy and strengthening profitability. During the period covered by this Plan, we were buffeted by the effects of the COVID-19 pandemic, and confronted changes in the external environment that exceeded our expectations, including a dramatic depreciation of the yen and soaring raw material prices. Despite this, we maintained our commitment to building a foundation for the sustainable expansion of corporate value.

Under the concept of “reforming the corporate compass & infrastructure,” we implemented fundamental reforms to our business infrastructure, including the introduction of management accounting and a complete update of our core systems. As far as efforts to “expand the profit foundation in Asia” are concerned, we achieved steady growth in ASEAN countries and the export business, despite facing strong headwinds in China due to impacts from the external environment. In particular, we captured the second leading share of the insecticide and repellent market in Thailand, and expanded sales of insecticides and repellents, among other products, in Vietnam in an effort that centered on our mainstay product of household detergents. Meanwhile, we sought to expand sales and enhance name recognition in Malaysia and the Philippines.

In the Household Products segment, we sought to secure profitability through high-value-added products and repricing efforts with a focus on insecticides and repellents. Bath salts and mouth-washes, however, were impacted by changes in the market environment and increasingly severe competition. Against this backdrop, we failed to make sufficient brand investments, which in turn was one reason behind the decline in our market share. Moreover, these factors also meant several issues remained with structural reforms, namely reductions in product disposals and returns, and the generation of cost synergies on a Group-wide basis. We therefore carried over some of these measures into the next Medium-Term Business Plan, Act for SMILE COMPASS 2026, which we will revise and execute on an ongoing basis with the aim of further enhancing corporate value.

Goals of the Next Medium-Term Business Plan

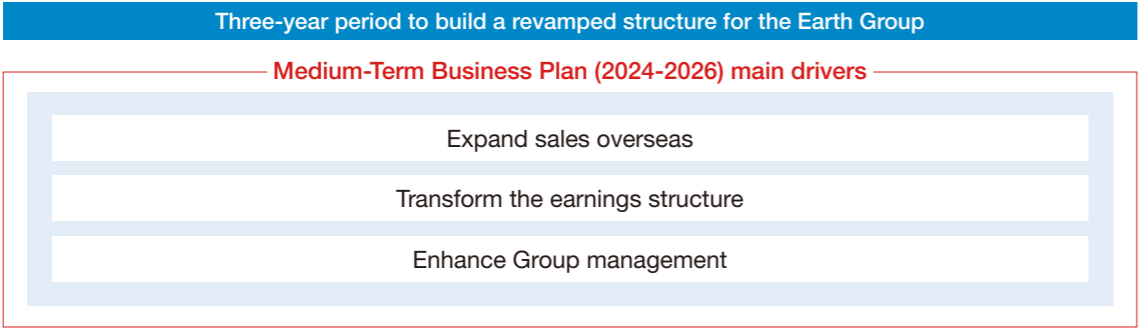
- Work to further accelerate growth in the overseas business, which has high growth potential
- Nurture household products as a second revenue pillar while enhancing brand recognition
- Enhance overall Group governance and aim to execute restructuring toward the generation of synergies

Medium-Term Business Plan

Medium-Term Business Plan: Act For SMILE COMPASS 2026 (2024-2026)

Earth Corporation celebrated the centennial anniversary of its establishment in 2025. Looking ahead to the coming 100 years, the new Medium-Term Business Plan, Act for SMILE COMPASS 2026, launched in 2024, covers a period of structural building for dramatic growth from 2027 onward, and serves as our commitment to building a new framework for the Earth Group that extends from individual optimization to overall Group optimization.

Positioning of the New Medium-Term Business Plan



Looking Back at 2024

Under the Medium-Term Business Plan, we will work to strengthen profitability through structural reforms and greater brand strength for household products in Japan, as well as expand overseas sales based on our positioning of international businesses as growth drivers.

From a business goal perspective, we achieved significant profit growth as a result of a better sales performance than planned as well as the scheduled progress in reducing both costs and selling, general, and administrative expenses.

We have also made steady progress in efforts to optimize management resources, including the reduction, selection, and concentration of SKUs as a strategy raised when the plan was first announced, and have sought to boost our overall ability to take action across the entire Group.

Although our approach to managing the Group until now has also looked to respect the uniqueness of each company, we made the decision to review this approach to Group management during this three-year period in order to address soaring raw material prices and other changes in the external environment. Under this policy, we are currently working to restructure the organization, including integration with BATHCLIN Corporation, and are now preparing a foundation to generate synergy.

* Please refer to the Glossary on P. 68

Expand Overseas Sales

Having positioned our international businesses as drivers of growth, we are working to bolster expansion with a focus on ASEAN countries. Although we currently hold the third position on the global market for Insecticides & Repellents, we are committed to further accelerating growth in this category as we aim to achieve the second position.

As part of the core ASEAN market, we are focused on the mainland countries of Thailand and Vietnam. Having already captured the second leading share in Thailand, we are now looking to achieve the top share. Meanwhile, with expectations for high growth given the size of its population, we are advancing strategies that better reflect the local characteristics in Vietnam. Likewise, given robust sales growth centered on new product launches, we are also working to reach positive territory in Malaysia and the Philippines.

In China, we have succeeded in introducing focused items to the offline market, indicating that our strategy shift here has produced positive outcomes. In terms of exports, Insecticides & Repellents are trending robustly in Saudi Arabia, Hong Kong, Taiwan, and North America. We are therefore also investigating the establishment of another local subsidiary.

Business Portfolio Targets

Domestic	Overseas	General Environment and Sanitation	MA-T®
Minimize seasonality effects to secure core profit for our business	Overseas business as a growth driver with a special focus on ASEAN	Secure steady profits	Develop a new business immune to seasonality factors
<div><div>● Maintain No.1 market share (Insecticides & Repellents, bath salts)</div><div>● Secure profits homeware products<ul style="list-style-type: none">● Mouthwash, air fresheners● Masks for household use</div><div>● New growth categories<ul style="list-style-type: none">● Gardening supplies● Pet products</div></div>	<div><div>● Achieve No.2 position in the global market for insecticides & repellents.</div><div>● Expand operations with a focus on 24 countries</div><div>● Nurture global brands:<ul style="list-style-type: none">● Insecticides and repellents● Oral hygiene● Deodorant and air fresheners</div></div>	<div><div>● Put in place 3 pillars of technical expertise, training, and specialization</div><div>● Improve quality control support service through environmental doctors</div><div>● Expand services to new domains and build a business foundation for sustained growth</div></div>	<div><div>● Secure stable profits in the liquid solutions business</div><div>● Build business model through license PF</div><div>● Real-world application of MA-T® as a technology capable of helping solve social issues</div></div>
<div><div>Main initiatives in FY2025</div><ul style="list-style-type: none">● Price revision for one of our core profitability lineups: Earth-No-mat● Increase advertising spend and proactively carry out marketing initiatives to improve WTP</div>	<div><div>Main initiatives in FY2025</div><ul style="list-style-type: none">● Strategy to capture the Top 15 accounts in each country● Expand shipments of Insecticides & Repellents brands (sprays, insect repellent)● Grow touchpoints with government agencies</div>	<div><div>Main initiatives in FY2025</div><ul style="list-style-type: none">● Aim for 70% of sales to come from annual contracts● Enhance technical R&D and human resources training with the Saito General Research Institute as a main base</div>	<div><div>Main initiatives in FY2025</div><ul style="list-style-type: none">● Brand awareness campaign at Expo 2025 Osaka, Kansai, Japan to promote real-world implementations of MA-T®</div>

Transform the Earnings Structure

In order to address the dramatic changes in consumer behavior following the COVID-19 pandemic, we have worked to expand the number of product categories, particularly in homeware products. Due to soaring raw material prices, instability in exchange rates, weakening consumption, and brand investment dispersion, however, bath salts, mouthwashes, and several other product categories have seen declining market share. In response to this issue, we have increasingly focused on selection and concentration, including achieving the initial 30% SKU reduction target ahead of schedule, and have revised the investment allocation for bath salts and mouthwashes. In addition, we engaged in repricing and product return reduction measures with respect to Insecticides & Repellents, as well as in efforts to centralize production and sales management, in an effort to help improve cash flow.

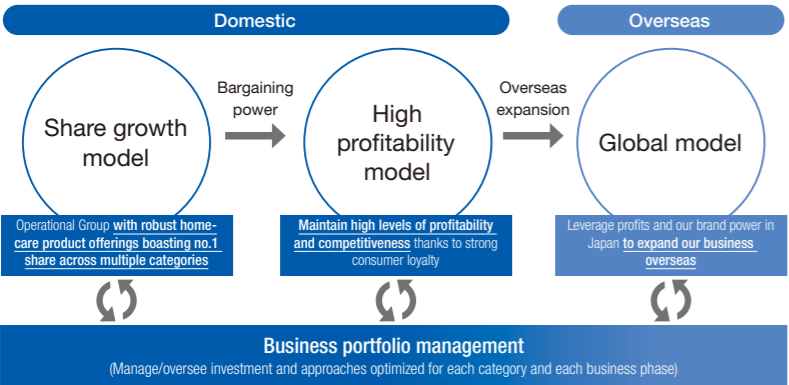
Going forward, we will advance business portfolio management on a Group-wide basis in order to strengthen the earnings structure. In this regard, we have established four pillars of business, namely “Domestic,” which serves as the foundation of earnings, “Overseas,” which acts as the driver for growth, the “General Environment and Sanitation Business,” a distinct business domain, and “MA-T®,” which is expected to become a future pillar

of earnings. Transforming the portfolio, however, will require us to achieve greater efficiency in our domestic businesses. For this reason, we are committed to transforming homeware products into a second pillar of earnings behind only that of the mainstay Insecticides & Repellents. We are therefore focused on optimizing resource allocation among the Group and on enhancing the Group-wide management control system.

Enhance Group Management

Earth Corporation has sought to expand its business and product domains through an aggressive level of M&A, yet has failed to achieve sufficient outcomes in terms of cost reforms and synergy generation across the Group. In light of this issue, we are committed to reorganization, strategic M&A, and improved investment profitability. In order to integrate the management of Earth Corporation and BATHCLIN Corporation in 2026, we are reviewing ways to interlink the two companies’ systems and the reallocation of management resources, and are advancing preparations with the aim of generating cost synergies. In addition to initiatives intended to improve profitability across the Group, we are also focused on capital efficiency and will advance management with an awareness of the cost of capital.

Goal of Structural Reform



	Policies
Organizational restructuring to enhance HD system	<ul style="list-style-type: none">● We will review the functions and departments currently at Earth Group, dividing each function and organization into HD functions and organizations and business functions and organizations, and reorganize the structure. Through this, we aim to maximize the management efficiency of the Group.
Control of resource allocation for the entire Group	<ul style="list-style-type: none">● Promotion of business portfolio management● Establishment of a Group-wide category control function● Enhancement and promotion of governance systems

Quantitative Targets for 2026 and Actual Results for 2024

		2024 Results	2026 Plan
Profitability	Consolidated sales	¥169.2 billion	¥170 billion
	(Overseas sales*1)	¥21.7 billion	¥25 billion
	Sales ratio	12.9%	14.7%
	Operating income	¥6.42 billion	¥7 billion
	Operating income margin	3.8%	4.1%
Capital efficiency	Net income	¥3.47 billion	¥4.3 billion
	ROE	5.1%	7.2%
	ROIC	5.5%	5.4%
	WACC*2	4.7%	4.1%
Financial health	D/E ratio	0.07x	0.3-0.4x
Shareholder returns	DOE	3.9%	Maintain 4% level

*1 On a management accounting basis. Consolidated adjustments, e.g., internal eliminations not included.
*2 Estimated by Earth Corporation.

Financial Strategies

Finance plays a major role in supporting corporate management against the backdrop of a business environment that continues to change. With this in mind, Earth Corporation is building a strategy that recognizes how non-financial capital is linked to financial value as a part of efforts to reform its earnings structure, a key theme under the Medium-Term Business Plan, Act for SMILE COMPASS 2026, and to then put in place a flexible yet robust financial base.

Review of the Company’s Financial Position in Fiscal 2024

In 2024, the first year of Act for SMILE COMPASS 2026, Earth Corporation took steps to reduce the number of SKUs handled and revise the prices in the Insecticides & Repellents segment as a part of efforts to transform its earnings structure, a key theme under its Medium-Term Business Plan. In addition, energies were directed toward strengthening supply and demand adjustment functions through a new core system, which took effect from the beginning of the year. These endeavors helped boost net sales and profits and provided the foundation for generating stable EBITDA, while contributing significantly to improving the Company’s financial position. In specific terms, improvements included shortening the period of inventory turnover (a 10.8 day improvement compared with the previous fiscal year-end) on the back of successful steps to optimize inventories, and a substantial increase in operating cash flows (up ¥6.44 billion year on year).

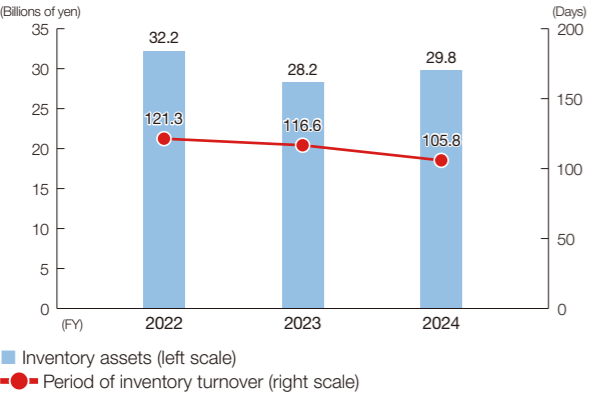
Meanwhile, we steadily undertook investments in line with initial plans, resulting free cash flow of ¥8.6 billion.

By increasing the efficiency of working capital through these means, we reduced borrowings by ¥5 billion compared with the end of the previous fiscal year. As a company that engages in businesses of a significant seasonal nature, including the manufacture and sale of Insecticides & Repellents, we apply borrowings to cover working capital depending on the time of year.

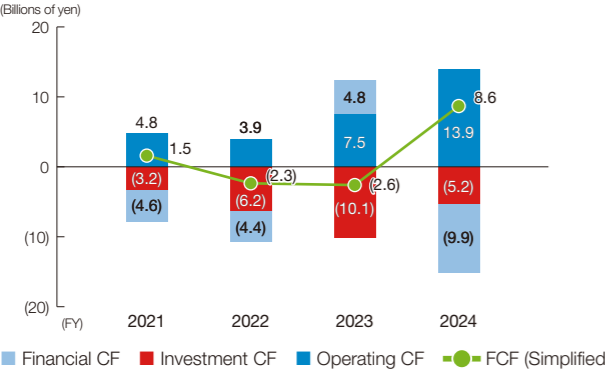
Having said this, the level of borrowings was 0.07 times the D/E ratio and 0.45 times the debt/EBITDA ratio as of the end of 2024, ensuring sufficient capacity for future strategic investments even after taking into account working capital.

Even after excluding the exceptional circumstances of the COVID-19 pandemic in 2020 and 2021, we recognize that capital efficiency has exhibited a downward trend in recent years. As such, this is clearly an issue that needs to be addressed on a priority basis. Under the Company’s Medium-Term Business Plan, we are looking to improve the EVA spread (ROIC-WACC) by 0.3 percentage points compared with 2023 while ensuring financial soundness. To this end, we are working to improve profitability and to effectively utilize borrowings. In 2024, we undertook such measures as the posting of impairment losses on goodwill and fixed assets with respect to a subsidiary located in the Philippines as well as impairment losses associated with the closure of our Kakegawa Plant as part of efforts to build a structure that optimizes the location of production. Despite the downturn in net income owing to the impact of these one-off initiatives attributable to the selection and concentration of management resources and subsequent year-on-year decline in ROE and ROIC, contribution to profits from core businesses were greater than expected.

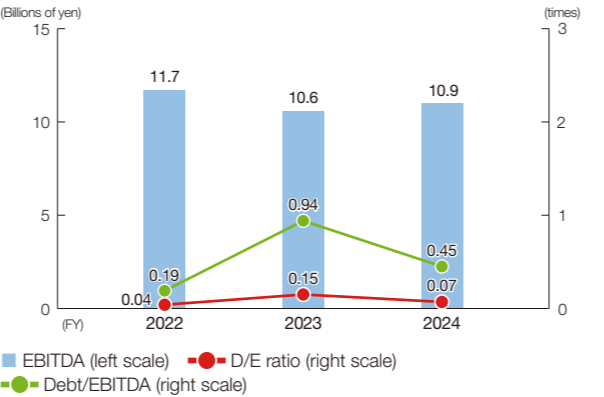
Inventory Assets / Period of Inventory Turnover



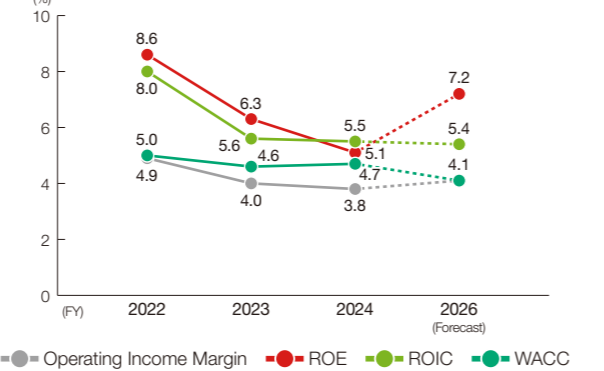
Trends in Consolidated Free Cash Flow (FCF)



EBITDA / D/E Ratio / Debt/EBITDA



Profitability / Capital Efficiency



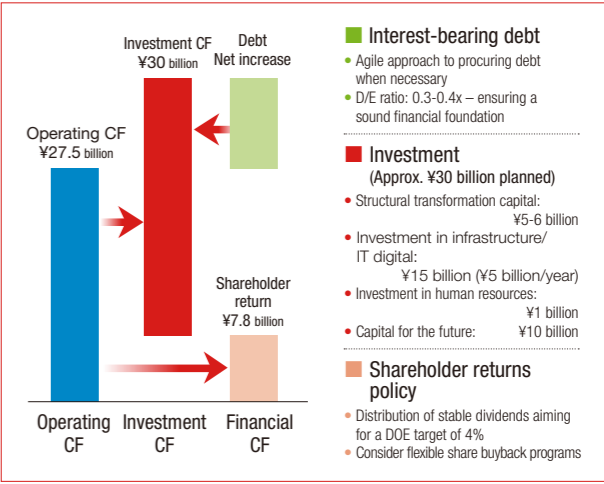
Cash Allocation

Earth Corporation is looking to actively invest in growth under its Medium-Term Business Plan. In addition to the approximately ¥27.5 billion in operating cash flow that the Company is projecting it will generate over the three-year period from 2024, the Company estimates it will invest a total of ¥30 billion by drawing on its optimal capital structure and effectively utilizing borrowings in a bid to reduce WACC. Over and above the expansion of production facilities and investments in IT and digitization, we are looking toward structural reforms as well as preparatory steps to flexibly address M&A opportunities geared toward further growth.

In 2024, we generated operating cash flows of ¥13.9 billion, which exceeded initial expectations, and steadily pushed forward investments in line with plans.

From a strategic investment perspective, we will work to determine investments based on set hurdle rates that take into consideration the cost of capital. At the same time, we will continue to properly monitor returns.

Cash Allocation (Outline of total amounts from 2024 to 2026)



Shareholder Returns Policy

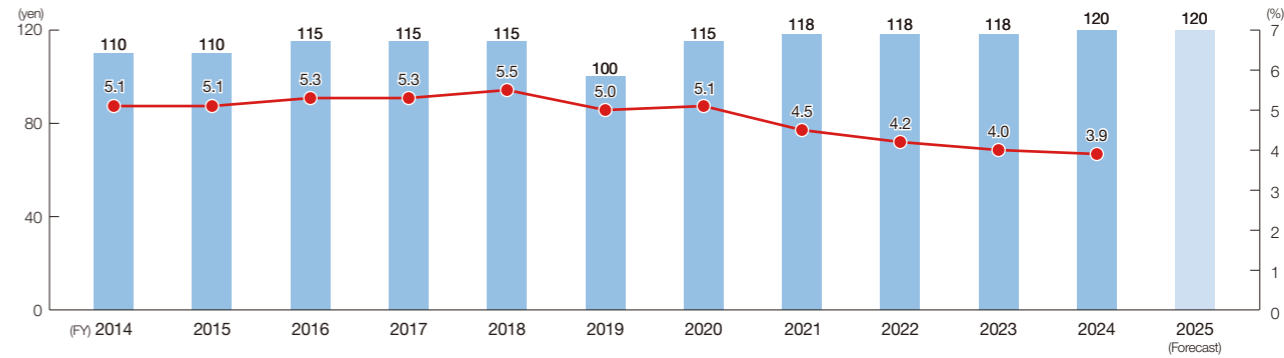
The return of benefits to shareholders is an important management issue. While securing internal reserves to ensure our sustainable growth and maintain a robust management structure, we endeavor to secure the continuous and stable payment of dividends as well as maintain a dividend on equity (DOE) target of around 4%. At the same time, our policy is to consider the flexible acquisition of own shares in line with cash flows conditions and share price trends.

As far as our dividend for the fiscal year ended December 31, 2024 is concerned, in addition to the regular full-year dividend of

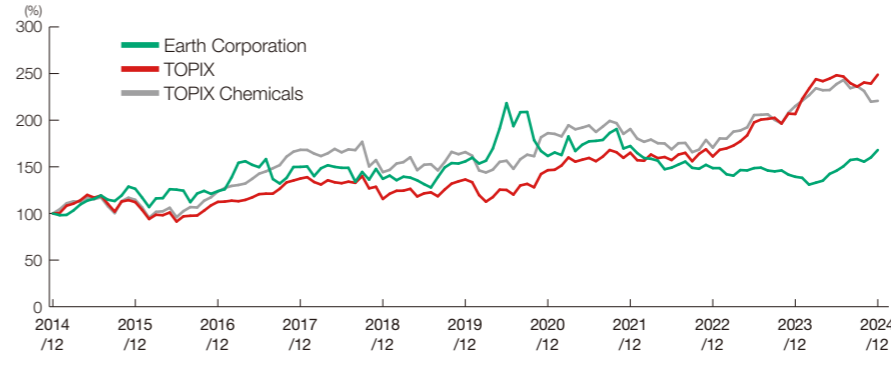
¥118 per share, we decided to pay a commemorative dividend of ¥2 per share to express our gratitude to all parties involved for their long-term support and cooperation as we mark our 100th anniversary in 2025 for a full-year dividend per share of ¥120. As a result, our DOE ratio came in at 3.9%.

In addition to the aforementioned, we repurchased a total of ¥2 billion of our own shares between March and July of 2024. Through these means, every effort was made to flexibly provide shareholder returns.

Annual Dividend per Share / DOE



TSR

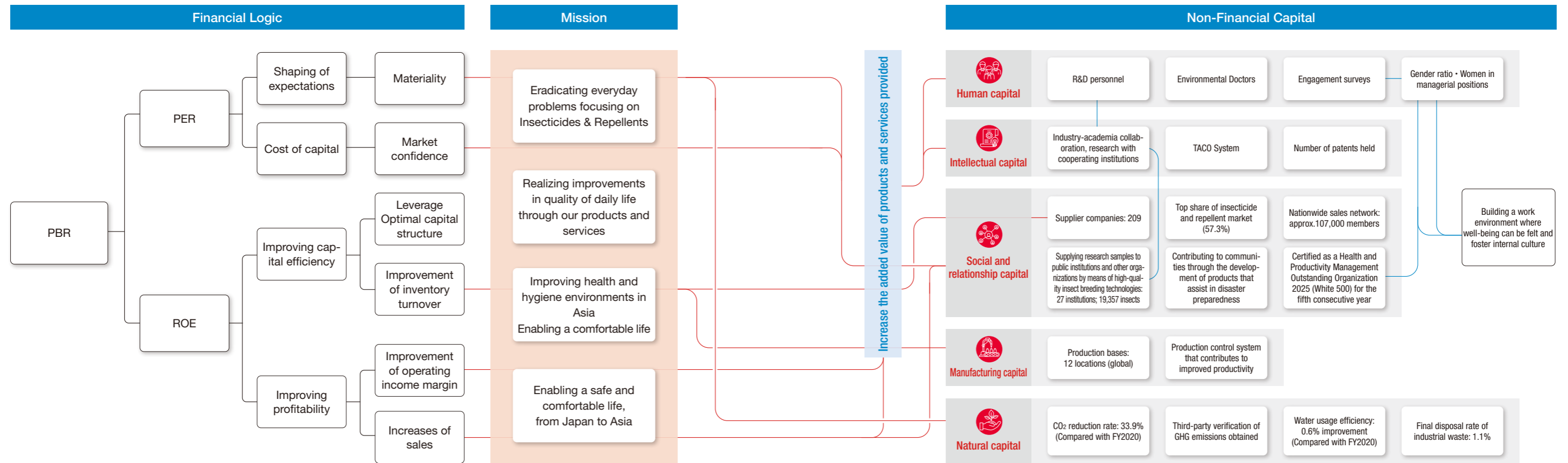


* Total Shareholder Return (TSR): Total shareholder yield. Total investment return combining capital gains and dividends.

* Earth Corporation calculates TSR based on cumulative dividends and share price fluctuations, while TOPIX calculations are based on a stock price index including dividends (Created by Earth Corporation using Bloomberg data, etc.).

* The graph values are calculated by indexing the TSR-based market value, the closing price data as of December 31, 2014, as 100 (holding period up to the end of December 2024).

Link between Non-Financial Capital and Financial Value



As the Company incorporates sustainability into its management and applies integrated principles to its operations, Earth Corporation is acutely aware of the value and importance of non-financial capital. Here, we developed a logic tree to visualize how the five types of non-financial capital (human capital, intellectual capital, social and relationship capital, manufacturing capital, and natural capital) defined by the IIRC are linked to financial capital.

As illustrated in the above diagram, non-financial capital is closely aligned with financial value through our mission. In this context, we believe that the more difficult it is to procure capital, the higher the value it generates. The issue at hand going forward is therefore to quantify the extent to which the results of these non-financial initiatives are linked to future corporate value. In order to ensure that stakeholders have a proper understanding of our value as a company and future prospects, we will work diligently work with the Sustainability Promotion Department and other related departments to disclose the necessary information from both the financial and non-financial perspectives.

Human capital

In line with the importance that we place on "Diversity" as a core Earth Value of our corporate philosophy, we pay particular attention to investing in human capital. In this regard, we are enhancing the value of the products and services that we provide

by hiring highly specialized human resources, including R&D personnel and environmental doctors, while upgrading and expanding training. In addition, we believe that the training and development of human resources who can promote DX will become increasingly essential in the years ahead.

Meanwhile, we are endeavoring to put in place a workplace environment and foster an internal culture that allow employees to feel a genuine sense of well-being. Among a host of such initiatives, we are working to increase the ratio of women in managerial positions, a key feature of our materiality measures, and to improve engagement with employees, including the promotion of a variety of Company benefit-related endeavors.

Intellectual capital

We recognize the importance of intellectual capital as the well-spring of our monozukuri (manufacturing) activities and efforts to provide services. We continue to cultivate the seeds that we harvest and store as advanced intellectual know-how through our highly specialized R&D personnel in collaboration with industry and academia as well as research with partner institutions. These activities have led to the acquisition of more than 300 patents and helped set our products apart from competitors.

Another critical aspect of our work is the emphasis that we place on the customer's perspective. Each year, we receive

around 90,000 inquiries from customers. Through our TACO (Tactical Antenna for Consumers' Opinions) system, we consolidate these feedbacks as "customer insights," which serve as the basis for developing products that address both latent and clearly expressed customer needs.

Social and relationship capital

Earth Corporation's relationships with various stakeholders also play a significant role in the creation of financial value.

Our collaboration with more than 200 suppliers ensures the timely and stable supply of high-quality raw and other materials, which in turn allows us to optimize product inventories. In addition, we deliver products to customers through our nationwide sales network and have secured a high market share, a measure of the support we enjoy from customers.

Meanwhile, we have garnered trust as a company through a variety of initiatives. This includes contributing to academic development as well as local communities by supplying research samples to public institutions using insect breeding technologies, developing products that help prevent disasters, and concluding comprehensive alliance agreements with municipalities.

Manufacturing capital

Earth Corporation maintains 12 manufacturing bases both in Japan and overseas. As such, we have put in place a structure that optimizes the location of production as a part of efforts to promote global expansion going forward. In particular, realizing "local production for local consumption" overseas is contributing to the reduction of transportation delays as well as local employment. Moreover, we updated our core system in 2024 and have built a production control system that contributes to improved productivity.

Natural capital

As embodied in our corporate philosophy, "We act to live in harmony with the Earth," our business activities are inextricably linked to the natural environment. We are especially aware that efforts to mitigate and adapt to climate change may impact our continuity as a business concern over the medium to long term.

Positioning efforts to address climate change as a key management issue, we are working to reduce CO₂ emissions in a bid to help the transition to a decarbonized society and enhancing water usage efficiency while cutting back the final disposal rate of industrial waste with an eye on global environmental issues. Reflecting the stance that we value as a company, we believe that these initiatives will help shape future expectations.

Earth Corporation’s Human Capital Management



Norio Horiyama Senior Executive Officer
Associate Director, Administration Headquarters and
General Manager, Human Resources Management
Department

Yukiko Sai Administration Headquarters
Manager, Well-Being Promotion Section,
Human Resources Management Department

The Background Behind and Purpose of Formulating Our Human Resources Materialities

Horiyama Around the same time we formulated the medium-term business plan in 2024, we developed a new set of Human Resources Materialities, which we are applying on a Group-wide basis. Behind this lies our motto, which is rooted in our core value of “Diversity.” As part of this effort, we also renamed the Human Resources Department the Human Resources Management Department in 2021, and formulated our Human Resources Philosophy and Human Resources Management Policy to more clearly convey our core tenet of growing together with our employees. In all honesty, these initiatives did not extend to include the concept of human capital management at the time. Taking into consideration society’s growing interest and the acknowledged way forward for the Company, however, we fully recognized the importance of human capital management thereafter.

Sai In specific terms, the Human Resources Management Department and Corporate Planning Headquarters worked in unison to coordinate their policies and codify the Group’s Human Resources Materialities to better reconcile with the medium-term business plan internally. At the same time, in coordination with the CSR & Sustainability Promotion Department and Legal Department,



we also formulated our Human Rights Policy; the Diversity, Equity, & Inclusion Policy; and other related policies as part of a united Group-wide effort to establish human resources-related systems and concepts. As the four pillars of our Human Resources Materialities, Strengthening Group Management, Well-Being, Fostering Talent,

and Supporting Career Development are each central themes that we established based on our Corporate Philosophy.

Horiyama I think that the outcomes of constantly questioning our vision for the Company as part of our initiatives has brought to light our medium- to long-term aspirations and short- to medium-term issues regarding human capital.

Vision for Human Resources and the Direction of the Portfolio

Sai We defined our vision for human resources both from a short- to medium-term perspective, and from a long-term standpoint. From a long-term perspective, our goal is to foster human resources who empathize with Earth Policy and Earth Value, and consistently produce value while respecting diversity. As far as our short- to medium-term aspirations are concerned, we envision human resources with the expertise and workplace skills necessary to flexibly overcome business hurdles in Japan and abroad based on the medium-term business plan.

Horiyama We are currently facing growing pressure on our ability to address overseas markets as we reinforce our global expansion endeavors. For this reason, we require global human resources with more than just language skills. We also need human resources who possess practical experience in sales and development, and who can address changes in the field. Throughout our past, our strength has been our nimble sales style in which sales representatives can take the initiative in visiting retail outlets to secure shelf space. This is without question our current approach in our Southeast Asian and other international businesses, where sales representatives travel from store to store. This also means we are home to many human resources who possess sales experience and embody Earth’s unique culture, which I feel will become a source of competitive advantage.

Visualizing Skills Using the Talent Management System

Horiyama Since 2024, we have more effectively utilized our existing talent management system to establish a human resources database, and to record data in a way that allows us to centrally manage the skills, work histories, and aspirations of our employees.

In this way, visualizing information that we had been unable to identify in the past will help us to more strategically investigate training programs and assignments tailored to each employee.

Sai While initially adopting this approach for Earth Corporation on a stand-alone basis, I feel we must expand it to all Group companies in the future. We must also consider improving the skills matrix and conducting assessment system trials. The details of this approach should be expanded in a way that allows us to use this newly identified information in formulating the skills balance for the overall organization and in succession planning.

Horiyama Organizing this data will allow us to avoid relying on any one individual for human resources investment decision-making, and to see greater transparency and understanding as a company.

Building a Career Support and Reskilling System

Sai Going forward, we must define our vision for the global and other types of human resources that we will require today and into the future on a departmental basis, and develop a system that identifies the skills and aspirations of our human resources. I feel that we can build a sustainable organizational foundation by developing our human resources in a systematic manner based on the portfolio.

Horiyama Using the talent management system, we are already working to create a database of employee transfer as well as mid-career hire work histories. We also intend to improve our consultation systems in a way that allows us to use this data in support of independent career development by our human resources. Even just having a system that allows employees to consult with someone when they cannot decide on their career path will likely make it easier for them to take that first step. This might take the form of a so-called career support consultation office, which would identify the desires and strengths of our employees and coordinate with the heads of each department to facilitate transfers and new challenges. I think that doing so would go beyond just preventing resignations. It would also enhance our vitality as a company.

Sai Having initiated online video learning support in July 2024, we are now working to create an environment in which all our employees can continuously learn, and that can flexibly address reskilling needs. We must also consider the skill definitions for management positions, which is why we are at the same time revising the rank-based training system.

Practicing Well-Being and Diversity Promotion

Horiyama From the perspective of health management, we are strengthening support systems that also embrace our employees’ families. In addition to collaborative health efforts between the Group and health insurance societies, this effort also involves initiatives unique to Earth Corporation. Initiatives include expanding internal and external health consultation options and enhancing health literacy. In recognition of these initiatives, we were selected as a brand under the KENKO Investment for Health Stock Selection for the first time in 2025. Establishing an environment in which employees are healthy and can continue to work long-term with peace of mind can also be considered the foundation for supporting corporate sustainability.

Sai When I first joined the Company, there were only a few women

in management positions, and many women would resign after getting married or giving birth. Although more women now work in management positions than they did then, and despite feeling that the workplace environment has become much more comfortable, this effort is still a work in progress. We still require systems that support everyone who, regardless of gender, works while raising children or caring for family members, which is why we will also enhance our leave systems and expense assistance options. The fact that more male employees have also recently started taking childcare leave, while more employees are using flexible work programs, also shows me that the internal culture is gradually changing.

Horiyama In addition to making these kinds of system developments, we must also implement improvement measures that correspond to specific issues based on a careful analysis of the engagement survey results. We only just conducted our first engagement survey in fiscal 2024 after shifting away from the satisfaction surveys we used until recently. Although this means concrete efforts are still a future question, what we aim for are workplaces that allow all of our employees to truly feel glad to be a part of the Company.



Sai Even President Kawabata has said that he wants our employees to feel comfortable while at Earth Corporation and to enjoy themselves. For this reason, we must realize well-being along with workplaces that allow employees to be healthy and work with excitement. As the individual in charge of promoting well-being, I am therefore working to create an environment in which each of our human resources can play an active role in a healthy manner.

Instilling the Philosophy and Passing on Earth’s Unique Culture

Horiyama Ultimately, the key to our sustainable growth is ensuring our employees like the Company. For this reason, we place particular importance on instilling the Corporate Philosophy and Earth Value. If we are home to human resources who feel pride in working for the Company and who have inherited Earth’s unique culture of connecting our philosophy to action, I believe we will continue to exist as a company 50 years from now.

Sai As a mechanism for sharing our values as part of everyday tasks, we are increasing opportunities for employees to touch upon our philosophy through explanations at the start of meetings, entries in employee notebooks, and hashtag settings for the peer bonus system.

Horiyama I believe that we will have realized sustainable growth when a culture that applies the philosophy as a guideline for decision-making and conduct, not just as a slogan, has taken root. In order to realize human capital management that evolves in response to changes in the times, we will make every effort to improve the environment and foster human resources.

Human Asset Strategy

Earth Corporation views employees as highly valuable sources of corporate development, and as such we see them as being “assets” rather than “resources.” In the belief that workplaces where employees can grow and feel motivated are the very thing that leads to long-term value creation, based on our core Earth Value of “Diversity,” the Earth Group is committed to “Building a workplace that empowers diverse talent who share the Earth Policy and Earth Value.”

Materiality (Key Issues)	Key Topics and Main Measures	Targets and KPIs	FY2024 Results
Creating workplaces that support activities by diverse individuals	• Support female empowerment by raising the share of women in management-level positions	• Female manager ratio: At least 30% (2030)	11.8%
	• Encourage employees to take annual paid leave entitlements	• Paid leave usage rate: Maintain a level of at least 70% (2030)	76.6%

Basic Approach to Realizing Human Capital Management

In an effort to realize our corporate philosophy and business goals, we formulated Earth’s Human Resources Philosophy and Human Resources Management Policy, and codified our basic approach to human resource measures in alignment with our Human Rights Policy and Labor Practices Policy. Likewise, we are deploying strategies to support sustainable growth with our approach to human asset management centered on our four human resources materialities, which were identified from both long-term and short- to medium-term perspectives when

formulating the Medium-Term Business Plan, Act For SMILE COMPASS 2026. With the aim of achieving well-being that enables diverse human assets to develop their careers with a high level of engagement, we are employing various measures that contribute to the key topics of the Medium-Term Business Plan. These topics include reducing fixed costs by consolidating various functions, training and leveraging overseas human assets, and strengthening the Group’s management structure.

Earth HR Philosophy

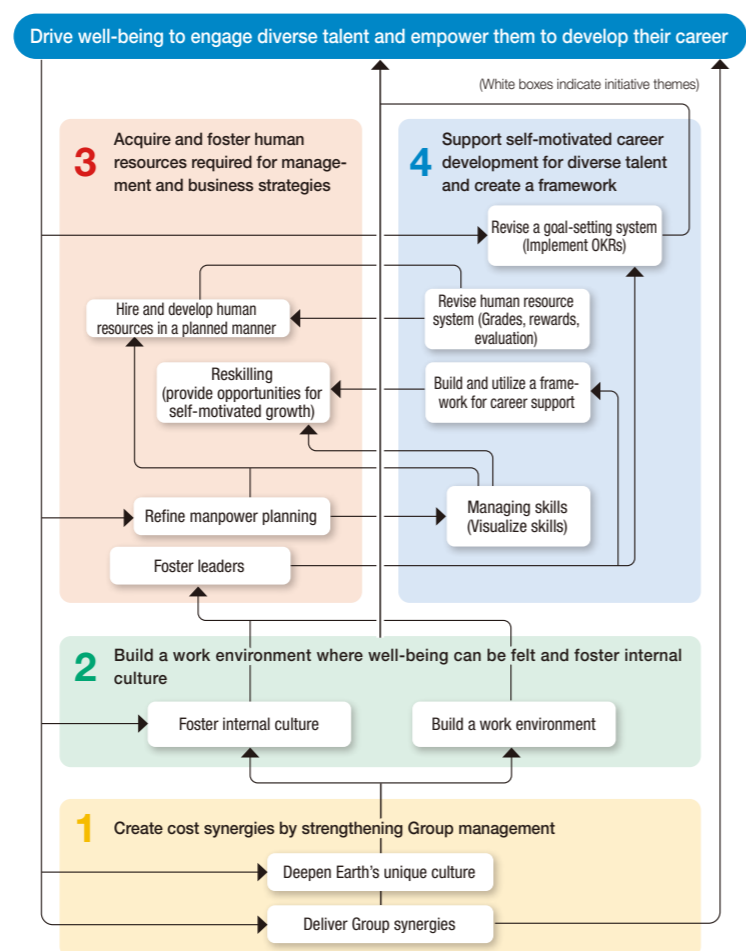
Growing together with employees
=Challenge to Grow=
~WE VALUE ALL OF OUR COLLEAGUES, AND TAKE ON CHALLENGES TOGETHER~

Earth HR Policy

- Look for people who understand our corporate policy
- Foster people who can independently carry through on our Group policy
- Provide people who are willing to take on challenges with meaningful work and opportunities
- Richly reward people who achieve results
- Create workplaces where people can work with peace of mind
- Achieve diverse workstyles

Human Resources Materiality

1. Create cost synergies by strengthening Group management
2. Build a work environment where well-being can be felt and foster internal culture
3. Acquire and foster talent required for management and business strategies
4. Support self-motivated career development for diverse talent and create a framework



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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- Human rights, diversity
- Human asset development, evaluations, hires (in Japanese)

https://corp.earth.jp/jp/sustainability/society/human_rights/index.html

<https://corp.earth.jp/jp/sustainability/society/nurturing/index.html>

Human Asset Development for Maximizing Human Capital

Human Asset Development Policy

In the belief that continuous individual growth is essential to achieving sustainable business growth, at Earth Corporation we expect all employees—regardless of their nationality, age or other personal details—to empathize with the Group’s Earth Policy and Earth Value. At the same time, we support employees in developing their careers independently and endeavor to provide development opportunities that will enable them to take on challenges in a changing business environment.

Enhancing Training Programs

With the aim of developing self-directed human assets, we systematically provide grade-specific training and training for specific purposes to motivate employees, help them develop their careers, and enhance their knowledge and capabilities. In 2024, we revised our training programs, and provided training that combined outside instructor-led programs with internally-developed training programs. Training program topics for the executive level included effective management and member training, those for the manager level included communication and coaching, and those for the leader level included follow-up for young employees and personnel training. We also initiated online video learning support programs, thereby providing self-led learning opportunities to many of our employees. The total number of employee training hours for the year ended December 31, 2024, came to 39,466 hours.

Building of Workplace Environments

Workplace Environment Improvement Policy

For each and every employee to fully utilize their unique strengths and be dynamically engaged/thrive, the Company recognizes that it is important for them to be healthy both physically and mentally. We are thus actively working to build workplace environments in which employees can thrive while feeling highly engaged and a sense of well-being.

Promotion of DEI and Health Management®

Based on the belief that a company has no future if its employees are not healthy, we have recognized employee health as an important management issue.

In 2019, we therefore established the Earth Health Declaration as a message from our President & Representative Director, and organized a Committee for Promoting the Health of Employees and Their Family Members, which is headed by a senior executive officer. Similarly, we set the abnormal finding rate for regular health examinations and the productivity loss rate due to presenteeism as KPIs for overall health management, and implement PDCA cycles for the target values we have stated our intention to achieve by 2030. Other initiatives in which we are also engaged include those for promoting the active participation of female employees, supporting a balance between childcare, nursing care, or illness and work, improving offices, introducing systems that allow for flexible work styles, enhancing company benefits, and invigorating different types of communication. In fiscal 2024,

Skill Management and Human Asset Pooling

Leveraging our talent management system, we manage the skills of our employees, as well as engage in systematic human asset recruitment and development efforts and more refined personnel planning. In particular, in order to achieve our goal of “Expanding Overseas Sales,” one of the main drivers in the Medium-Term Business Plan, we are preparing to define the requirements for those human assets suited to overseas business expansion, and to progress with human asset pooling. Although this initiative using the talent management system is currently limited to Earth Corporation on a stand-alone basis, we plan to construct a Group-wide system in order to successfully place the right people in the right positions within the Earth Group in the future.

System to Encourage Taking on Challenges and Support for Career Development

When evaluating employees, we place great importance on communication between managers and members. By ensuring transparency in evaluations and clarifying the accountability of managers, we are creating a satisfying working environment that leads to support for employee growth. We have also continuously implemented an in-house recruitment system since 2019 with the aim of providing motivated employees with opportunities to take on new challenges, placing the right people in the right positions, and revitalizing the Company.

we were certified as a Health & Productivity Management Outstanding Organization –White 500– for the fifth consecutive year since 2021, and were selected as a brand for the KENKO Investment for Health Stock Selection for the first time.



Identifying Employee Engagement

We have been conducting employee satisfaction surveys since 2020 to confirm the effectiveness of each measure and the status of our human assets and organization. Starting in 2024, we employed a motivation management tool to conduct employee engagement surveys. Our engagement rating based on the standard deviation for employee engagement was assessed as “B,” the sixth level out of a total of eleven. We are committed to solving organizational issues and to improving workplaces based on the survey results.

2024 Engagement Survey Response Results

FY	Number Surveyed	Number of Respondents	Response Rate	Rating
2024	1,427	1,419	99.4%	B

Research & Development Strategy [Message from the Director General]



We are committed to sincerely addressing those issues that are of concern to our customers and will continue to deliver safety, security, and comfort.

Takayuki Nagamatsu
 Managing Executive Officer
 Director General,
 Research & Development Headquarters

Earth Corporation’s Unique Approach to Product Development

At Earth Corporation, we place considerable importance on the customer’s perspective and conduct research and development on useful technologies and materials with a focus on for whom and on how they will be used. Uncovering problems and anxieties in daily life that our customers themselves may not even be aware of, we will continue to bring about changes in their lifestyles through our innovative products and create products that are of benefit to society.

There are three key elements to creating originality in our R&D initiatives. First, we develop products with clearly superior performance that customers recognize the moment they use them—products they will want to keep using. One example is Black Cap, which is effective for a year from the first day of initial use.

Second, we develop products that impress customers both when they first see them and when they use them. For instance,

products like Goki Jet and Earth Jet feature a pistol-shaped nozzle that delivers a visual impact. That same shape also strengthens spray power and ease of use, offering a second moment of delight.

Third, we develop innovative products that are different from other existing products. While most people can come up with ideas to refine an existing product concept and make it more complete (i.e., taking it from 1 to 100), creating something new from scratch (i.e., from 0 to 1) is more challenging. To overcome this challenge, our researchers themselves conduct in-store market research and participate in business negotiations, gaining the perspective of a customer in addition to that of a researcher, an approach that we believe is a key advantage.

Product Development Process and Technological Capabilities

Our product development is briefly as follows.

In addition to regular meetings within sales, marketing, R&D, and procurement departments, we hold cross-organizational meetings to share information. For example, the sales and marketing teams meet monthly to explain products and sales methods.

Within the R&D Headquarters, we meet twice a year in new product idea forums where younger researchers and employees in charge of research in other fields present and discuss ideas. New product idea meetings for each category also serve as places to present medium- to long-term research ideas to explore in depth. These forums are events designed to foster ideas and increase motivation by offering ample opportunities for presentations by researchers. Moreover, we have product category strategy meetings to refine and implement marketing strategies with input from the R&D Headquarters.

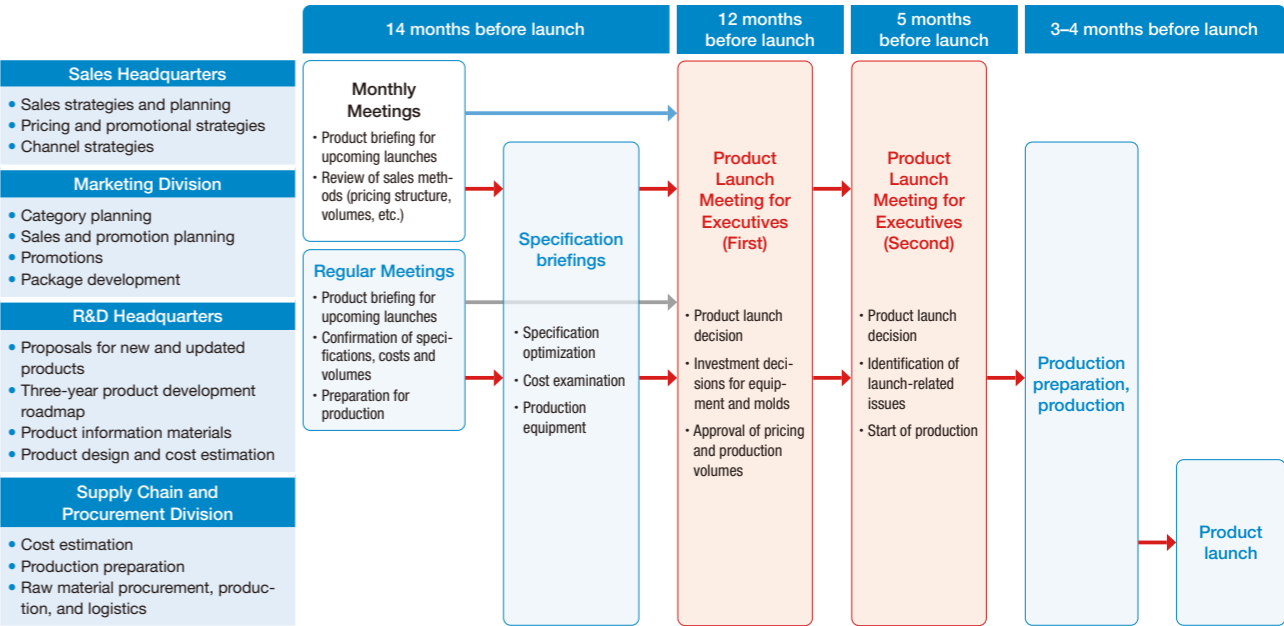
Through these various meetings, we have built a framework for continuously generating ideas for new products and product updates. What matters most is how quickly these ideas can take shape and lead to successful product launches. At the earliest

stages, we assess the ideas of all employees through the lens of differentiation from existing products and their potential to solve the problems of customers. Once these key points are identified, we can set clear goals from the outset. From there, we closely monitor progress by reviewing detailed reports and carefully manage development schedules to ensure speedy development.

Furthermore, staff from our “insect breeding room,” which is home to more than 90 species of pests, are constantly at the ready so our researchers can test and develop without restrictions. The support of this staff is instrumental to our successful research of Insecticides & Repellents, by helping researchers in the lab evaluate effectiveness against difficult-to-control pests with a high level of resistance to insecticides, as well as against pests not frequently encountered in our daily lives.

As a result of these efforts, we released 179 new or updated products in Japan and 148 overseas during fiscal 2024. Looking ahead, we will continue to refine our internal product launch processes in coordination with marketing and sales initiatives in order to achieve more efficient product launches with higher success rates.

Product Commercialization Process



Cross-Organization Collaboration and Corporate Culture

In a world where it is becoming increasingly difficult to create major hit products, we believe it is more important than ever to strengthen the cross-organizational collaboration that has long been one of our advantages. As companies grow in size, individual divisions tend to diverge in direction, each forming its own logic and way of thinking. To ensure employees maintain a whole-company perspective, we must enhance communication to bridge these gaps.

At Earth Corporation, we embrace “One Earth, Open communication, Diversity” as our internal value system. In line with these values, researchers begin engaging with other divisions early in their careers—consulting, coordinating, and preparing for product launches through proactive cross-organizational collaboration. We have built a system in which open communication, free thinking,

and new ideas contribute to the development of new products.

Even in reports and meetings about Insecticides & Repellents, we ensure that developers from other categories and employees from other divisions attend and actively exchange ideas. For example, a discussion on how surfactants easily spread across leaves in gardening situations may inspire innovative applications in other product categories. We want our employees to develop the natural ability to draw such connections and apply technical insights across different product lines.

Rather than working on product ideas in isolation, we encourage employees to share information and exchange ideas from their diverse perspectives. This is the primary objective of our internal meetings—to facilitate cross-organizational creativity that drives innovation.

Toward a Recycling-Oriented Society and the Future of Our Products

With the aim of realizing a recycling-oriented society, we believe it is not enough to pursue charitable or support-based initiatives alone. It is also essential to provide new value to customers while also considering how such efforts ultimately contribute to corporate profits.

For example, we offer highly original products for which only our Company was granted approval, such as our “Earth Cockroach Repellent for Kitchen Storage and Cupboards,” which contains mint oil and no synthetic insecticidal ingredient. Developing this product required carefully selecting ingredients from a range of natural substances, managing raw materials, obtaining regulatory approval as a pharmaceutical from Japan’s Ministry of Health, Labour and Welfare, and establishing a stable production and supply system. We expect our researchers to think deeply about

the kind of future they envision and what value their product will give to society once it is in the customer’s hands.

As far as gardening is concerned, there is growing demand for non-insecticide pest control solutions that are gentle on both people and plants. In response, Earth Corporation has developed “biostimulants,” or agrichemicals that enhance a plant’s natural defenses to repel insects, and is publishing this breakthrough in academic publications and conferences.

However, no matter how innovative a product may be, it much reach customers in order to be booked as sales. As the number of new products under development continues to increase, our next challenge is to establish a system that consistently delivers business results with a high probability of success.

Research & Development Strategy

At Earth Corporation, we create high-quality, safe, high-value-added products with the aim of realizing healthy and comfortable lives for everyone. In our R&D, we place particular value on “the customer’s perspective” and engage in wide-ranging activities, from basic research to product development, at a speed of development that responds to the rapidly changing domestic and international market environments as well as consumer trends.

Earth Corporation R&D

R&D Policy

At Earth Corporation, we place importance on the customer’s perspective and conduct research on and the development of useful technologies and materials with a focus on for whom and on how they will be used. Discovering problems and dissatisfactions in daily life that our customers themselves may not even be aware of, we will continue to bring about changes in their lifestyles through our innovative products and create products that are of benefit to society.

Customer insights sent from the Customer Service Department provide valuable clues for development and improvements. The relevant departments are promoting the widespread use of a text mining system so that they can research and utilize those insights from their own departmental perspectives.

▶P.45 Adhering strictly to the customer’s perspective utilizing customer feedback

Diverse R&D Human Resources

Centered on our R&D sites, including the Ako Research Institute and the Saito Research and Training Institute (T-CUBE), we employ R&D human resources working in a wide range of areas, from basic research to product development, who are researching and developing products that meet a variety of needs. The Group companies BATHCLIN Corporation, Hakugen Earth Co., Ltd. and Earth Pet Co., Ltd. also have research facilities in Thailand and Vietnam, where they conduct research day and night while sharing and consulting with each other on the findings of their research across organizational boundaries. Once a year, each company also reports on the results of its research, and an initiative called Inspire One Earth is carried out to generate new product ideas from those results.

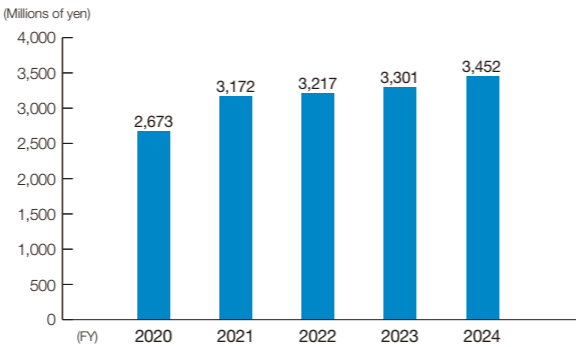
Our R&D human resources come from a wide range of backgrounds centered on chemistry and biology, including insect- and plant-related fields, pharmacology, organic synthesis, nutritional chemistry, and genetics. Many of them offer diverse perspectives and possess a high level of expertise.

Leveraging the technologies and know-how that we have cultivated over the years, our main fields of R&D cover insecticides & repellents and extend to a wide range of other fields, from home gardening products to homecare products. In our General Environment and Sanitation Business, we conduct research into microorganism testing, checking for foreign objects, and genetic identification. We also engage in the development of insect and rodent control-related products as well as sterilization and disinfection technologies, while researching and developing new technologies and services.

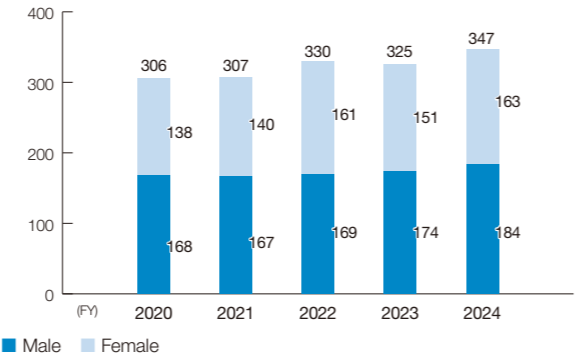
Ingenuity to Brainstorm Ideas and Extensive Research Facilities

To create a corporate culture in which anyone can freely express their opinion, regardless of age, position, or interdivisional barriers, we have removed the partitions between offices and

Trends in R&D Expenditures



Trends in Number of Employees at R&D Headquarters (consolidated)



hallways in accordance with our corporate spirit of an “open door policy.” By reducing the number of physical walls within the labs, communication is naturally stimulated, generating freer ideas and new opinions.

Our development capabilities, which allow us to bring more than 100 new products to market each year, are also supported by our extensive research facilities. Depending on their intended use, we check the effectiveness of products in a variety of test rooms that replicate ordinary households. We are also fully equipped with greenhouses and vegetable gardens to test the effectiveness of our horticultural products. Raising more than 90 species of insect pests in our animal breeding rooms, we conduct ecological research on a daily basis to meet all kinds of pest control-related needs.



Producing more than 100 new products a year, the research facility in our Sakoshi Plant is the driving force behind Earth Corporation.

Policy Regarding Intellectual Property

In the belief that intellectual property (IP) represents an important management resource, we are working to secure a competitive advantage, expand our business, and enhance earnings by promoting an IP strategy that is fully integrated with our business and R&D strategies. We believe that by protecting our innovative technologies by widely leveraging our IP and bringing to market original products backed by those technologies as well as innovative products that help resolve social issues, we will be able to contribute to a sustainable society.

From the early stages of product development, our R&D Headquarters as well as marketing and IP departments work closely together to promote and put into practice an “IP mix.” This leverages multiple IP assets at the appropriate time to protect, for example, the technologies, designs, names, and slogans that are created during the development process.

We believe that by utilizing the IP mix to safeguard the technologies and designs of original products brought to market with design patents and design rights—while advancing brand development protected by trademark rights—we can contribute to the creation of products that will be chosen by and popular with customers for a long time to come.

Promotion of Global IP Activities

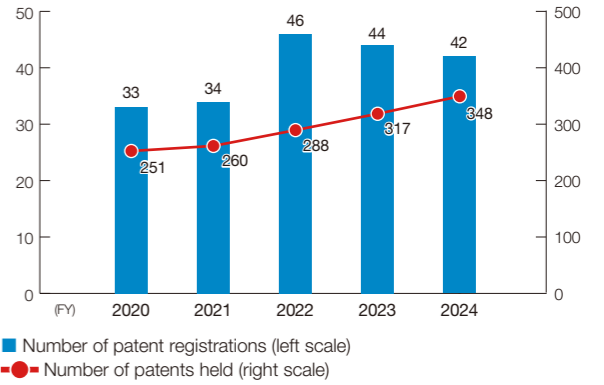
To accelerate the pace of growth and strengthen global expansion in our overseas businesses, which possess high growth potential, it is essential that we promote global IP activities that support the business development of the Earth Group as a whole.

In particular, we recognize that measures taken against counterfeit products are an important issue, as occurrences pose a threat to consumers’ safe and comfortable lives and could lead to Earth Corporation’s brand image being tarnished. To address this issue, we engage in the monitoring and elimination of counterfeit products from e-commerce sites. Earth Corporation and local Group companies also work closely together to combat counterfeit products and protect the brand value of our products.

Achievements from IP Activities

Contributing to efforts aimed at strengthening and advancing our business in the years to come, we will work diligently to further expand and enhance our IP activities.

Trends in Number of Patent Registrations / Patents Held



* Number of patents held: Of the total number of registered patent rights, the number of unexpired rights

Generating Innovation Though Our Cultivated Hygiene Management Technologies

In 2018, Earth Environmental Service Co., Ltd., the Earth Group company that operates the General Environment and Sanitation Business, joined Nakanoshima Cross (Osaka City, Osaka Prefecture) with the aim of contributing to people’s health by driving innovation creation in future and advanced medicine as well as promoting its early practical application and industrialization. Leveraging the knowledge and skills the company has been cultivating in the field of hygiene management—as well as Japan’s only hygiene management-specialized education and training CPC,* located within the Saito Research and Training Institute (T-CUBE), where hygiene management and environmental maintenance (including facility structure) are studied—the company will support the development of safer and more efficient medical technologies and production sites by optimizing the environment for future medical care.

* Cell Processing Center: A cell processing facility

Maintaining Overwhelming Market Share Through Tireless R&D and Technology Accumulation

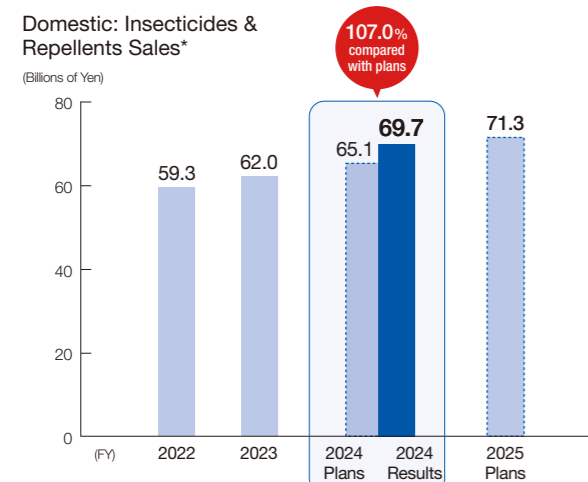
Gokiburi Hoy Hoy In the 1960s, Earth Corporation was in financial distress and facing bankruptcy, and Gokiburi Hoy Hoy became a driving force for growth.

In the 1970s, cockroach habitats began to move indoors due to changes in living conditions, which became a problem for many people. In response, taking our inspiration from birdlime, we commenced development. After the release in January 1973, orders flooded in to such an extent that they exceeded production capacity, and the Company turned a profit in that one summer. Since then, various improvements have been made to improve trapping power, such as the “foot mat” and “deco-boco (uneven) sheet,” leading to the product seen today. Although many similar products were released by competitors in the 1990s, we have maintained solid product appeal and market superiority on an ongoing basis by constantly improving and strengthening functions from the customer’s perspective. Since its launch, Gokiburi Hoy Hoy still accounts for approximately 90% of the domestic cockroach trap market and is sold under the name HOYHOY in 30 countries around the world, boasting overwhelming recognition as a synonym for cockroach traps.

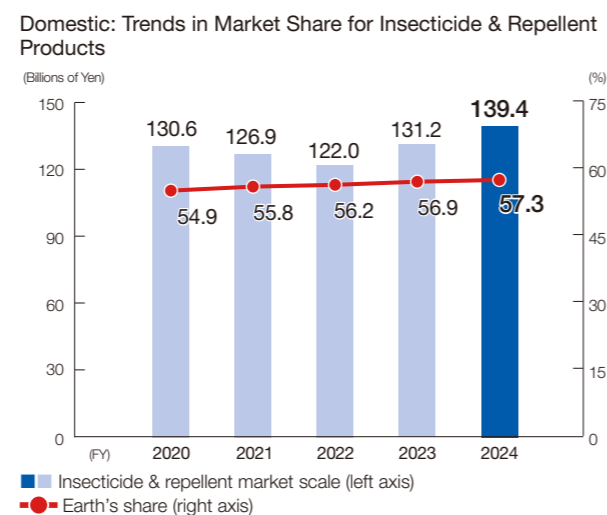


Household Products Business

Today’s lifestyles have changed significantly, including the ways in which people view environmental health, safety, and reliability, leading consumers to increasingly express their desire to live fuller, more enjoyable lives. Over the 100 years since its founding, Earth Corporation has been helping to support people’s lifestyles. We have kept apace of people in their efforts to realize enjoyable lives by providing insecticides & repellents, bath salts, oral hygiene products, and other homecare products.



*Includes internal sales



● Strategies for and Progress in Achieving the Medium-Term Business Plan

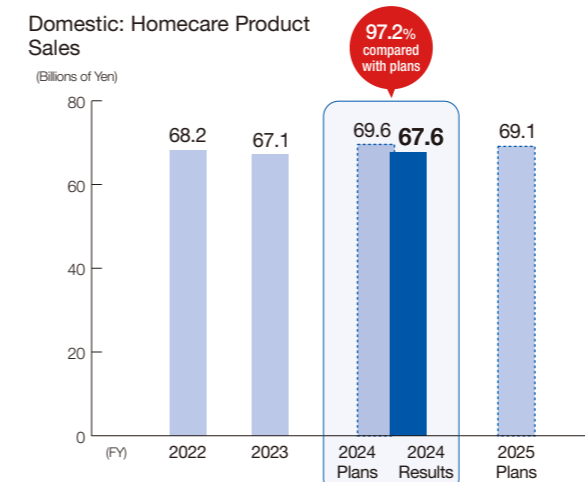
The market expanded due to such factors as high temperatures during the summer, when demand is highest, and the extended sales period due to the lingering summer heat. Sales in the main-stay cockroach, nuisance insect, and insect repellent product categories were strong. In addition, shipments of new products to be launched in 2024 exceeded plans, and the effects of price revisions also contributed to performance. Furthermore, as far as the management issue of reducing returns is concerned, the product return rate decreased from 6.2% in the fiscal year ended December 2023 to 4.8% in the fiscal year ended December 2024.

Going forward, we will work diligently to steadily expand sales by implementing price revisions, particularly for core revenue products such as the Earth No-mat liquid mosquito repellent, and by introducing new products as revenue pillars. Under our Medium-Term Business Plan, we will endeavor to reduce our environmental impact and have adopted a policy of eliminating returns of insecticides & repellents in the future. Utilizing the core system built under the previous Medium-Term Business Plan, we are working to reduce product waste and improve cash flow by strengthening supply and demand adjustment functions. Looking ahead, we will continue to promote improvements in profitability.

● Market Conditions

The size of the insecticide & repellent market had been on a downward trend since peaking in 2020 due to the stay-at-home demand triggered by the COVID-19 pandemic, but reversed itself to once again exhibit an upward trend in 2023. Amid the extended sales periods for insecticide & repellent products as a result of climate change, our market share has grown to 57.3%*1 with the support of our customers as a result of favorable shipments of new products and the effects of price revisions to meet the growing needs for prevention throughout the year.

*1 INTAGE SRI+ Insecticide Market Share for 2024 by Total Sales Value (excluding insecticides for home gardening)



*Includes internal sales

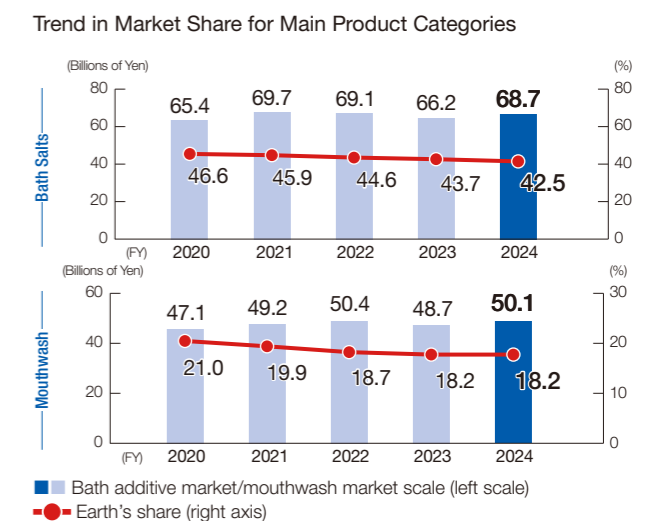
In the Homecare Products segment, we sell products that support people’s healthy and comfortable lives, such as bath salts, oral hygiene products, air fresheners and cleaning products. Utilizing the Company’s mobility and organizational strength, we are promoting the revitalization of the domestic market by developing sales floors and offering a wide variety of products to suit a diverse range of age groups and applications. We promote manufacturing that places a premium on products that blend into everyday life and provide one-step-ahead comfort.

● Market Conditions

Having seen a temporary increase in demand due to the COVID-19 pandemic subsequently wind down, the market for bath salts and mouthwash is now showing signs of recovery. This is due to Group companies responding to changes in consumer needs by working to improve the added value of their products. In this environment, our share of the domestic bath salts market in fiscal 2024 was 42.5%,*2 and our share of the mouthwash market 18.2%.*3

*2 INTAGE SRI+ Bath Salts Market Share for 2024 by Total Sales Value

*3 INTAGE SRI+ Mouthwash Market Share for 2024 by Total Sales Value



● Strategies for and Progress in Achieving the Medium-Term Business Plan

The external environment underwent significant change with cost increases due to soaring raw material prices and a dampening of consumer confidence brought about by rising prices. In contrast, the Company has been actively expanding its categories in response to the sudden changes in consumer behavior caused by the COVID-19 pandemic. However, as brand investments were dispersed, resource allocation was insufficient, and market share declined in bath salts and mouthwash, which are the major categories in the Homecare Products segment. To respond to this situation, we are working on measures such as the selection and concentration of brands and stock keeping units (SKUs) and improving brand value.

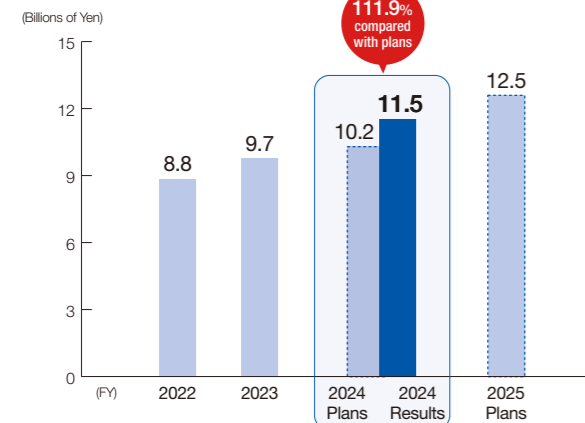
For bath salts, increased advertising spending and a campaign utilizing social media led to increased sales in stores. We are also working on improving profitability by changing the formulations of existing products. In terms of mouthwashes, we have launched Damon as part of the Mondahmin series, which is targeted at younger consumers and has been well received. Going forward, we will work on SKU reductions, including planned products, thereby improving profitability.

Household Products Business

Pet Products and Others



Pet Products and Others Sales*



* Includes internal sales

Centered on pet products, the other products we sell include the Matching Transformation (MA-T) System® and soft drinks. Earth Pet sells insecticides & repellents, deodorants, premium foods, and other products for pets, with the aim of ensuring enjoyable lifestyles with pets as valuable members of the household. Earth Pet communicates the importance of keeping pets healthy and ways of improving their quality of life while publicizing its products. Furthermore, we have been working to increase awareness of the MA-T System® through such measures as receiving an award from the Minister in Charge of Building National Resilience, exhibiting at the Expo 2025 Osaka, Kansai as the Japan MA-T Industrial Association, and expanding business with partner companies (Special Feature, ▶ p. 42).

● Market Conditions

In the pet supplies sector, the cost per pet is on a rising trend due to owners becoming more aware of pet health and improving their living environments. As a result, the pet-related market remains strong.

● Strategies for and Progress in Achieving the Medium-Term Business Plan

We have positioned overseas markets with high growth potential as our main growth drivers. To achieve this plan, we are taking steps such as "implementing a growth strategy at each local organization," "building supply chains in line with the medium- to long-term plans of each area," and "expanding talent that supports growth." In Thailand in particular, we have the second largest market share in insecticides & repellents and are aiming to become No. 1 in the near future. To spread the Earth brand throughout the world, we are strengthening our marketing efforts in an effort to establish a unified global brand.

● Thailand: Earth (Thailand) Co., Ltd.

Earth (Thailand) Co., Ltd. was established in 1980 as the first local office outside of Japan in the Earth Group. It has built a solid foundation with a community-based business model, broadly covering product development, manufacturing, sales, and logistics. The company has focused on developing the local insecticide & repellent brand OASIS and other products from the "customer's perspective." This local office is working as a unified team in an effort to capture the top share of an insecticide & repellent market outside of Japan for the first time. As it applies the knowledge acquired in Thailand to other countries, this office will play a role as a hub for our global strategy covering countries in Asia and the Middle East.

● China: Earth Corporation (Shanghai)

With the aim of expanding sales in China, where the market is exhibiting remarkable growth, Earth Corporation established this local office in 2015. Working with two factory operators in Tianjin and Suzhou, the company conducts sales activities mainly in four large cities: Beijing, Shanghai, Guangzhou, and Shenzhen. Through its major offerings including the ARS brand of insecticides & repellents, it is strengthening sales through physical retailers and working in cooperation with the team in Japan to reach potential customers via e-commerce channels. Similarly, it is engaged in activities with a view to promoting the brand in China.

● Vietnam: Earth Corporation Vietnam

Earth Corporation Vietnam was converted to a subsidiary in 2017 from a local office that manufactured and sold household supplies in Vietnam. Leveraging its sales network of 700 members across the country, it has established a seamless delivery system crisscrossing Vietnam, extending over the long distance from north to south, and succeeding where family businesses account

Countries with established local offices of Earth Corporation



for 70% of all retailers. With the mainstay detergent brand Gift as a foundation, the company is working to revitalize the insecticide & repellent market by promoting broad adoption of ARS. Earth Corporation Vietnam is actively investing into the company, potentially making it a manufacturing site for ASEAN and Japan.

● Malaysia: EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD.

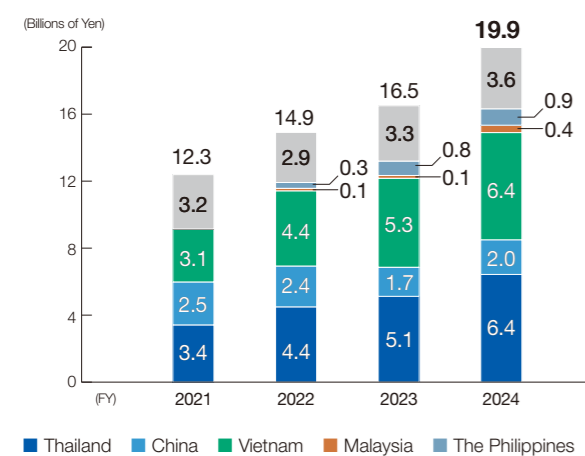
This local office was established in 2019. Due to its warm climate, Malaysia has a strong need for insecticides & repellents to handle the risk of mosquito-borne infectious diseases. And thanks to growing awareness around hygiene and increasing consumer demand coinciding with economic development, EARTH HOME PRODUCTS anticipates the country's growth as a market in which high-value-added products, the forte of Earth Corporation, will make headway.

● The Philippines: EARTH HOMECARE PRODUCTS (PHILIPPINES), INC.

This local office began operations in 2022 under its current name following our acquisition of its predecessor company. As with other countries in Asia, the Philippines is a market that is expected to grow into the future as evidenced by annual increases in the need for insecticides & repellents, and household products, and its remarkable population and high economic growth. The company creates synergies by collaborating with factories in Thailand and Vietnam established earlier.

Overseas Business

Overseas Sales*



■ Thailand ■ China ■ Vietnam ■ Malaysia ■ The Philippines
■ Exports and cross-border EC

* Includes internal sales

Since entering the Thai market in 1980, Earth Corporation has been expanding its overseas business and is currently actively developing its operations through local subsidiaries in Thailand, China, Vietnam, Malaysia, and the Philippines. We are strengthening our area strategies, promoting sales, profit, and market share expansion in Thailand and Vietnam, while aiming to expand sales channels in Malaysia and the Philippines. In China, we are revising our business strategies, and introducing products in a focused manner to retailers that operate physical stores. Moreover, we export products to roughly 40 countries and regions throughout the world, have built close partnerships with local distributors, and identified needs based on the different living habits and preferences of each country in an effort to enhance the presence of the Earth brand.

As the scale of overseas sales expands, we are establishing a production and supply network from the perspective of overall optimization in conjunction with the Medium-Term Business Plan for each area. This move will serve to establish seamless product supply chains and greater profits.

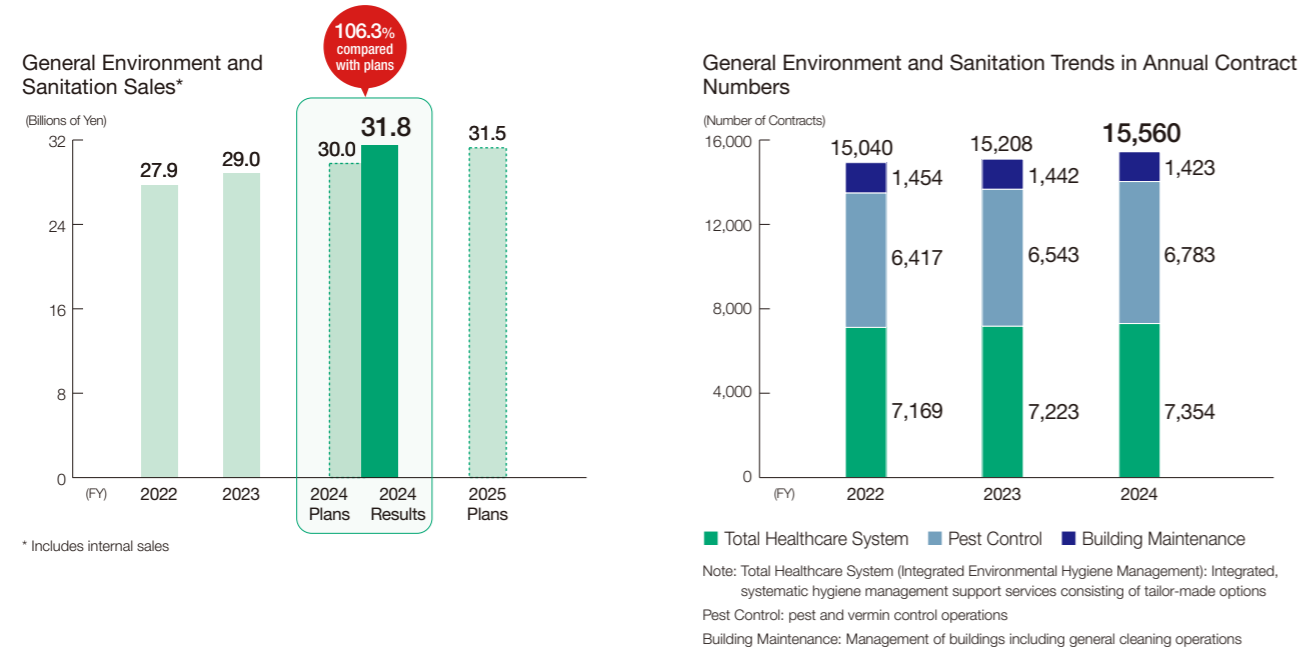
We must also strengthen human assets for the shift to global expansion. We will therefore emphasize efforts to construct a system that allows employees to acquire experience in overseas markets at an early stage, and to secure human assets in a way that also includes local hiring.



A portion of the insecticides and repellents, and household products sold overseas

General Environment and Sanitation Business

As part of our General Environment and Sanitation Business, we provide the food, pharmaceuticals, healthcare, containers, packaging, logistics, warehousing, and other industries with services ranging from consulting to on-site implementation. These services are based on science-based investigations and specialized knowledge, and seek to prevent contamination involving microbes, insects, and other foreign substances, as well as to maintain and improve the optimal hygienic environment. In this way, we contribute to the health of people as well as safe and secure lifestyles by supporting quality assurance activities at worksites throughout the supply chain.



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

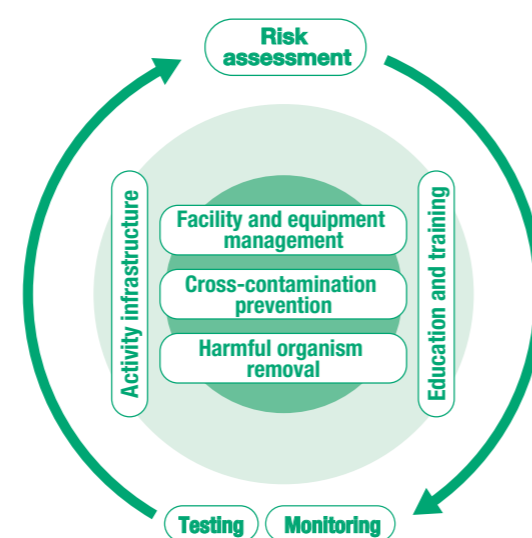
● What Is Integrated Environmental Hygiene Management?

The Integrated Environmental Hygiene Management Service: Total Health Care System is a support service for hygiene management offered by Earth Environmental Service Co., Ltd. In combination with QMS, FSMS, PQS,* and various other management systems, this service consists of Eight Approaches based on technologies and expertise uniquely acquired by the Company. This service includes the three elements of a "field-oriented policy, scientific basis, reproducibility" as the foundation for continuously engaging in hygiene management in an effective manner, and provides support for integrated, systematic hygiene management that consists of a tailored-made combination of the Eight Approaches in a way that suits the demands and goals of the customer.

Moreover, the ESCOEVO centralized information management system developed by the company rapidly analyzes, visualizes, and shares the massive amount of data required for hygiene management, including on-site diagnostic results and improvement status, to enhance the outcomes of improvement activities.

*1 QMS, FSMS, PQS: Quality Management System, Food Safety Management System, Pharmaceutical Quality System

Eight Approaches



Site survey

● Support by Environmental Doctors

Our staff who have acquired knowledge and skills through a proprietary education and training program, and who have built up extensive experience at various worksites, serve as Environmental Doctors who provide services based on the latest knowledge regarding hygiene management and high-level technical capabilities. Staff diagnose the quality of hygiene management at customer worksites, identify problematic areas, prescribe improvement measures, and offer support for maintaining and improving the safety and security of environments while providing treatment and implementing preventative measures.

● Market Conditions

Demand for the Company's quality hygiene management services remained high driven by the trend toward the international harmonization of safety standards for food, pharmaceuticals and healthcare, revisions of relevant laws and regulations in Japan, and incidents of contamination by foreign substances. While increased capital investment in the manufacturing sector and a recovery in costs related to hygiene provided a tailwind, labor costs and material and equipment prices surged at an accelerated pace due to the deterioration of global conditions.

● Strategies for and Progress in Achieving the Medium-Term Business Plan

In order to deliver differentiated hygiene management services, efforts are being made to enhance employee training programs at the Skill Development Center, and working to improve basic management skills. Moreover, in fiscal 2024, we ramped up our investment activities in a bid to strengthen our expertise and technological development capabilities, and worked to maintain and expand contracts while securing an appropriate level of profit. In particular, in the cleaning operations of production lines at food plants, we have ensured appropriate profits while giving full consideration to safety. Under the JFS conformity certification, the number of audit items has increased, and the Company has been registered as the first designated audit entity under the new JFS-B Plus standard.

In the R&D domain, we relocated and consolidated the Analysis Center East Japan Laboratory in Chiba, Chiba Prefecture, and expanded our testing facilities for the life science field. For new products, we have launched "Pescle Insects"^{**2}—an AI-powered monitoring system for insects—as part of the "Pescle"^{**3} series.

^{**2} Pescle Insects: The second product from the Pescle series. This system automatically counts the number of flying insects captured and visualizes trends on an hourly basis.

^{**3} Pescle: A cloud-based, real-time small animal remote monitoring system that utilizes AI and IoT technologies.



View of a Microbe Inspection

Voice

Environmental Doctors Go Beyond Protecting the Hygienic Environment of Worksites to Ensure Comfortable Lifestyles for Consumers

Environmental Doctors of Earth Environmental Service Co., Ltd. engage in activities that maintain and improve upon ideal hygienic environments in order to prevent contamination by foreign substances, for example, in various industries and businesses. Based on the latest information regarding hygiene management and on their high-level of technical expertise, our Environmental Doctors unerringly comprehend the problems faced by customers, and support them in finding fundamental solutions to these.

In specific terms, they regularly visit the worksites of customers, monitor the hygienic environment, identify problematic areas, propose improvement and preventative measures, and verify that these are implemented along with the degree of improvement. These improvement and preventative measures range broadly, from creating the necessary infrastructure to managing facilities and equipment, eliminating pests, and running training programs and drills.

As a countermeasure for the chironomid midge infestation that occurred during Expo 2025 Osaka, Kansai, our Environmental Doctors investigated the site along with Earth Corporation, and offered advice on countermeasure planning. This cooperative effort between Earth Corporation as a manufacturer and our Environmental Doctors as on-site professionals showed me the significant potential of the Earth Group, particularly regarding its ability to rapidly provide solutions in a wide range of fields.

As Environmental Doctors, our staff will continue to ensure comfortable lifestyles for consumers, and aim to contribute to solutions for the environmental problems faced by society and communities, and in turn the globe.



Hiromi Isoyama

Senior Executive Officer and Associate Director of the Sales Headquarters, Earth Environmental Service

The MA-T System® (MA-T®) is a technology for which Earth Corporation holds the basic patents, and functions to solve the issues society faces in a broad range of fields, from disinfectants and deodorants to food hygiene, agriculture, healthcare, surface oxidation, energy, and beyond. In addition to helping prepare for the next potential pandemic, this technology can also contribute significantly to realizing a sustainable society and carbon neutrality. Earth Corporation believes this technology holds the potential to achieve our evolution into a company that solves the issues faced by society as we work to transform our social significance and portfolio, which is why we are committed to joint research with Osaka University.

Overview of the MA-T System® and Its Fields of Application

The MA-T System®, an acronym for Matching Transformation System®, is an oxidation control system based on an innovative technology developed in Japan. Given its ability to control the strength of hypochlorite radical activation, this technology can be used in a wide range of fields, including infectious disease countermeasures, environmental impact reduction, and carbon neutrality measures.

MA-T® can potentially be deployed in the following six fields. In the disinfectants and deodorants field, for example, using MA-T® can balance the degree of sterilization strength and safety, allowing for its increasing use in disinfection applications and in oral

care for pets. In the field of surface oxidation, it is seeing increasing real-world application as a technology that enables plastics and metals to be tightly bonded without the use of adhesives, yet cleanly peeled apart again. In the energy field, MA-T® is being used to develop a technology that can produce methanol under normal pressure and temperature conditions without using a significant amount of energy, contrasting greatly with the high energy inputs of several hundred degrees in temperature and several hundred atmospheres in pressure currently required to convert the methane gas generated from cow manure into methanol.

Earth Corporation Initiatives Leveraging a License Platform

Although Earth Corporation owns the patents for MA-T®, what we can do with this technology on our own is limited. We are therefore working to spread the use of MA-T® through open innovation, and established the Japan MA-T Industrial Association in 2020 for the purpose of building a MA-T® application platform. Currently, a total of 112 leading companies and supporting organizations in each field (as of April 30, 2025) have joined the Japan MA-T Industrial Association. Through industry-government-academia collaboration, its members are working together with the aim of expanding the MA-T® framework into the automotive industry, healthcare, agricultural, and a host of other business fields.

The Industrial Association has built a license platform in order to

promote the real-world implementation of MA-T®, and has begun administering this platform as a mechanism for supporting the business activities of its member corporations. Already employed by many of the member corporations, this platform is helping to spread and advance the use of MA-T®, which we expect will lead to greater technological innovation.

Through these efforts by the Industrial Association, Earth Corporation is expanding the real-world implementation of MA-T®, and is collaborating with companies in various fields in an effort to grow businesses that leverage it. Although progress varies by field, we are simultaneously advancing initiatives in parallel toward accelerating real-world implementation.

Development Progress by Field and Profitability Status for Earth Corporation

Enabling a wide range of applications through the control of activation strength						
Weak → Strong						
	Disinfectants / Deodorants	Food hygiene	Agriculture/Forestry	Healthcare	Surface oxidation	Energy
Progress Status	<ul style="list-style-type: none"> Sterilizing bacteria / viruses Decomposing odor compounds 	<ul style="list-style-type: none"> Disinfecting food / tableware Hygiene management at factories 	<ul style="list-style-type: none"> Sterilizing spore-forming bacteria Disinfecting seeds 	<ul style="list-style-type: none"> Treating infectious dermatitis / cancer 	<ul style="list-style-type: none"> Modifying polymer surfaces Functionalizing (hydrophilization / adhesiveness) 	<ul style="list-style-type: none"> Producing formic acid and methanol from methane (carbon neutral)
Earth Corporation Earnings	Earth product sales OEM manufacturing	Earth product sales OEM manufacturing	—	License earnings	License earnings	License earnings

Real-world MA-T System® Implementation Examples

● Anicom Group × Earth Corporation



This effort seeks to prevent disease using MA-T®. Through the use of “MA-T® Oral Care Gel for Pets,” this example aims to achieve preventative care, and bring further health benefits to all life by deploying this knowledge to human healthcare.

Business Concept

- OEM product sales to Anicom Group (MA-T® Oral Care Gel for Pets)



Anicom Group Features

- Holds the No. 1 share of the pet insurance market
- Possesses the world's most extensive data and knowledge on pets
- Employs approximately 100 veterinarians

● YAMASHITA, LTD. × ATAM Giken Co., Ltd. × Earth Corporation



Using MA-T® for rinsing eliminates the hydroperoxide-based disinfectant and drain steps. This shortens washing times and improves the washing performance when using a single machine. This approach can also help reduce product waste by employing a very safe liquid solution that prevents mattress deterioration.

Business Concept

- MA-T® liquid solution sales to YAMASHITA, LTD.



YAMASHITA, LTD., Features

- All sales representatives are nursing care equipment specialists with a high level of expertise
- Offers one of the industry's most extensive lineups with more than 1,000 items

ATAM Giken Co., Ltd., Features

- Holds the top share of the mattress washing equipment market in Japan (approx. 60%)
- Successfully automates washing processes for the nursing care industry, which faces labor shortages

Example of an Award Won for the MA-T System® (Award from the Minister in Charge of Building National Resilience at the 2025 Japan Resilience Award)

The collaborative initiative between MA-T®, for which Earth Corporation is promoting real-world implementation, and the “switle BODY” body washing system, developed by SIRIUS Co., Ltd., received the Award from Japan's Minister in Charge of Building National Resilience at the 2025 Japan Resilience Award.* This award was in recognition of its contribution to building a resilient society, and for charting collaboration between a research institute, social welfare corporation, and private company for the purpose of preventing infectious diseases and secondary infections at welfare emergency shelters. By combining use of “switle BODY” and MA-T®, this initiative is expected to go beyond simply maintaining skin hygiene through its high disinfectant and deodorization

effect, and improve the hygiene management of the inside of the equipment itself. Combined use enables the body to be washed without getting any bedding wet even in emergency shelters, and serves to lessen the burden of nursing care and protect privacy.



The “switle BODY” body washing system utilizing the MA-T System®

* Japan Resilience Award: Organization sponsored by the Association for Resilience Japan aiming to celebrate corporations and associations which contribute to the strength and agility of Japan, its regions and its people

About the Award from Japan's Minister in Charge of Building National Resilience (Cabinet Secretariat website) (in Japanese)

https://www.cas.go.jp/jp/seisaku/kokudo_kyoujinka/award/index.html

Exhibit at the Osaka Healthcare Pavilion's Healthcare in the Future Zone at Expo 2025 Osaka, Kansai, Japan

Established and led by Earth Corporation, the Japan MA-T Industrial Association exhibited at the Osaka Healthcare Pavilion's Healthcare in the Future zone at Expo 2025 Osaka, Kansai, Japan. The MA-T® booth offered exhibits that allowed visitors to experience a glimpse of the oral care of the future along with the “MA-T® SHOWER GATE” system, which also uses MA-T®. The concept of this exhibit was to enable visitors to experience how oral care and environmental care will change in the future as MA-T® comes into real-world use. The Industrial Association will continue its efforts to introduce MA-T® technology to the world on the occasion of the Expo.



The MA-T® booth