Chapter 1

Delivering “Comfort” to the World

Earth Corporation is a company dedicated to delivering “comfort” to the world. In this chapter, we present our mission, our value creation framework, and the global business model that supports it.
Through the strengths we have cultivated since our founding and our current business structure, we provide an overview of how we create value.

Contents

Earth Corporation’s Mission (Three Values We Provide)

Making the Earth a Home That Feels Good.

Achieving sustainable growth in corporate value through value creation rooted in harmony between people and nature

Earth Corporation continues to provide value that addresses the discomforts and concerns people encounter in their daily lives while supporting their health and well-being. We also strive to create value that contributes to the sustainability of the global environment through biodiversity conservation and the promotion of resource circulation. By positioning these values as the starting point of our value creation process, we aim to achieve sustainable growth in corporate value.

Comfort for consumers

Earth Corporation helps realize safe and comfortable lives through products and services that stay close to consumers and address the discomforts and concerns they face in everyday life.

By responding to changes in society and living environments, we will continue creating the value needed for the next generation.

▸ P.22 Chapter 3 How Future Growth Will Be Realized

Comfort for people and organizations

Earth Corporation fosters an environment where every employee can work with confidence and perform at their full potential, supporting sustainable organizational growth.

Through human capital management and governance frameworks, we will continue creating value by unlocking the potential of both people and organizations.

▸ P.38 Human Capital Management
▸ P.50 Sustainable Procurement
▸ P.52 Chapter 5 Governance

Comfort for the global environment

We recognize the impact our business activities have on the natural environment and work to conserve biodiversity and promote resource circulation.

Preserving a healthy global environment for future generations lies at the foundation of Earth Corporation’s value creation.

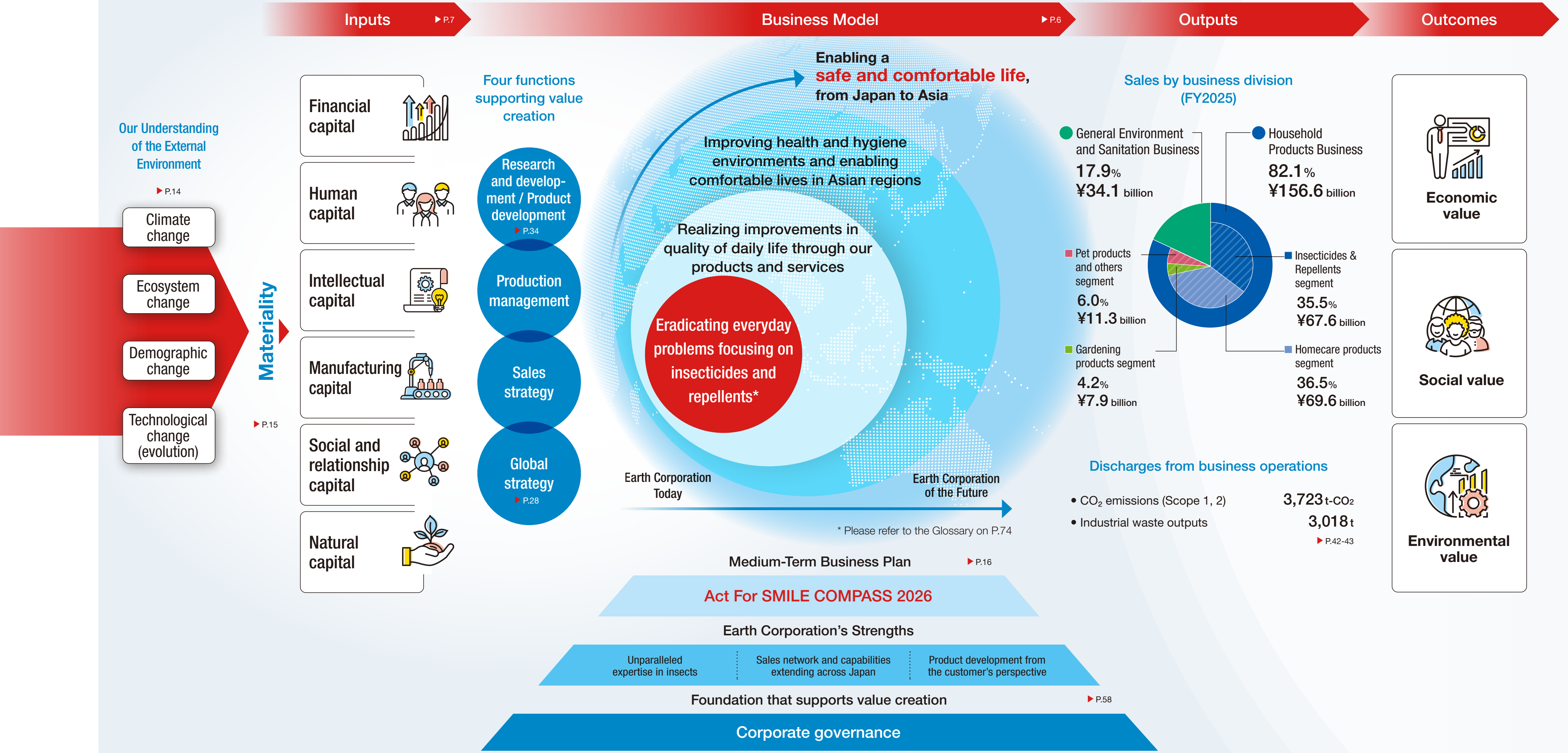
▸ P.42 Responding to Climate Change
▸ P.43 Concern for Issues Affecting the Global Environment

Earth Corporation’s Value Creation

With the aim of realizing its Corporate Philosophy, “We act to live in harmony with the Earth,” Earth Corporation is committed to developing, manufacturing, and selling products that support people’s healthy and comfortable lives. Amid growing awareness of sanitary environments as well as safety and security, we continue to provide value while responding to changes in society through both our Household Products Business and our General Environment and Sanitation Business.

Impact

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



Earth Corporation's Global Business Model

Earth Corporation provides products and services based on its mission of supporting people's health and comfortable lives under its corporate philosophy, "We act to live in harmony with the Earth." As awareness of hygiene and safety continues to grow worldwide, we are expanding our business from our foundation in insecticides and repellents, leveraging the quality and brand strength cultivated in Japan. With a focus on ASEAN as a key growth market, we are accelerating global expansion while striving to help solve social issues and achieve sustainable growth.

Strengthening our presence in ASEAN

Product development
A hybrid approach that combines the high quality of Japanese products with local market needs

Priority categories
Insecticides and repellents, air fresheners, and oral care
▶ P.24-26

Volume zone
Strengthening the high-growth mid-price segment

ASEAN is a key region with strong growth potential in hygiene and daily-life related markets, and we position it as a priority market in our global expansion strategy. Building on the high quality of products developed in Japan, we promote product development and brand expansion tailored to local climates and lifestyles. By increasing market penetration, particularly in insecticides and repellents, we aim to strengthen our competitiveness and expand our market presence.

Enhancing competitiveness and expanding market presence
▶ P.28

Thailand
Achieve the No.1 market share in Thailand

Vietnam
Strengthen in-store execution to expand market share

Malaysia
Pursue new GT channel development in densely populated areas

Philippines
Expand market share for insecticides and repellents

China
Identify target accounts in each region

Export
Strengthen business in Saudi Arabia and Hong Kong

Earth Corporation's Inputs and Three Values

As awareness of hygiene, security, and safety continues to evolve significantly amid climate change, ecosystem changes, and technological advances, the Earth Group remains committed to making products from the "customer's perspective." In doing so, we create value in the form of high-quality products and next-level comfort while giving consideration to the global environment and contributing to customers' health and better living.

	Economic value	Social value			Environmental value
	Financial capital	**Human capital** (as of the fiscal year ended December 2025)	**Intellectual capital**	**Social and relationship capital**	**Natural capital**
Inputs	• Equity capital ¥74.9 billion • Interest-bearing debt ¥7.9 billion	• Number of employees (consolidated) 4,963 • Employees assigned to R&D Headquarters (consolidated) 358	• Development of high value-added products • Highly specialized human assets involved in R&D • Industry-academia collaboration, research with partner institutions	• Supplier companies 374 • Top share of insecticides and repellents market 59.2%*1 • Establishment of Japan MA-T Industrial Association* • Nationwide sales network approx.120,000 partners	• Energy usage 131,498 GJ • CO_2 emissions (Scope 1, 2) 3,723 t-CO_2 • Water usage (water intake quantity) 137.7 thousand m^3
FY2025 results	• Dividend per share ¥125 • Total return ratio 49.9% • TSR (10-year cumulative) 123.3%	• Employee engagement survey BB (11-point scale) • Paid leave usage rate 82.2% • Female manager ratio 12.6%	• Number of inquiries handled by the Customer Service Department* 79,157 cases/year	• Prevention of the spread of insectborne infectious diseases through the provision of products and educational activities • Supply of research samples to public institutions and other organizations by means of high-quality insect breeding technologies 32 institutions, 18,159 specimens • Contribution to communities through the development of products that assist in disaster preparedness • Certified as a Health and Productivity Management Outstanding Organization 2026 (White 500) for the sixth consecutive year	• CO_2 emissions (Scope 1, 2): 31.7% reduction*2 • Third-party verification of GHG emissions obtained • Water usage efficiency 1.7% improvement*2 • Final disposal rate of industrial waste 0.7%
Challenges	• Establishment of a financial foundation capable of adapting to changes in the external environment • Further improvement of capital efficiency (including ROE) by maximizing Group synergies • Balance sheet management with a focus on maintaining financial soundness ▶P.19	• Further increase of the ratio of women in management positions and promote diversity ▶P.38	• The need for disruptive innovation in response to the maturation of the domestic market • Speed of expansion into new business domains through the use of proprietary technologies, including MA-T®* technology ▶P.32, 34	• Development of a more resilient supply chain capable of responding to infectious disease risks and other challenges • Further enhancement of public awareness of MA-T® technology ▶P.32, 34, 50	• Increases in energy consumption and water use associated with higher production volumes • Establishment of water recycling methods and technologies • Increase in returned products and discontinued items ▶P.42, 43
Outcomes for future value creation	• Stable and continuous shareholder returns • Increase in corporate value through Group synergies	• Achievement of health environment improvements and comfortable lives for people in Asia • Development of a work environment where well-being can be felt and foster internal culture • Acquisition and fostering of talent required for management and business strategies • Support of self-motivated career development for diverse talent and create a framework			2030 Targets • CO_2 emissions: 46% reduction*2 • Renewable energy ratio (electricity): 95.0% • Increase of water usage efficiency by 10%*2 • Reduction in the emission of industrial waste to zero
Future initiatives	• Group-wide cost structure reform and an increased proportion of high value-added products • Improvement of profitability and capital efficiency • Stable shareholder returns	• Further enhancement of systems and frameworks that support the self-directed career development of diverse human resources	• Acceleration of research through industry-academia collaboration and cooperation with partner institutions, and continuous launch of high value-added products • Further utilization of digital technologies to promptly reflect customer insights in product development	• Contribution to local communities and strengthening of partnerships through disaster preparedness and infectious disease control initiatives • Acceleration of real-world implementation through industry-government-academia collaboration and cross-industry partnerships centered on the Japan MA-T Industrial Association	• Promotion of energy conservation and expansion of renewable energy use • Review and optimization of water cleaning methods and water recycling • Development of products designed with recycling and waste separation in mind

* Please refer to the Glossary on P.74

*1 Intage SRI+ Insecticide market (excluding gardening products), nationwide total and all formats total, cumulative sales amount for January to December 2025

*2 Compared to 2020

The History of Earth Corporation

For more than 100 years, Earth Corporation has valued the “customer’s perspective,” sincerely pursuing the development of new products and the improvement of existing services while continuing to respond to changes in the times. Today, the Company contributes to the healthy and comfortable lives of people in Japan and around the world and continues to achieve steady growth in concert with society.

2025
Sales ¥179.1 billion
Operating income ¥8.08 billion

Trends in Sales and Operating Income

Sales
Operating Income

1910 Constructed a plant in Hyogo Prefecture (Sakoshi, Ako City)

1916 Enabled the successful production of magnesium carbonate in Japan. Became a leader in the bittern industry.

1929 Released “Earth” insecticide for household use. Helped broaden Earth Corporation’s profile nationwide.

1940 Released “Earth Uzumaki Ko” mosquito repellent incense

1953 Released “Earth Aerosol” spray for flies and mosquitoes

1964 Released “Bath Roman” bath salts

1973 Released “Gokiburi Hoy Hoy” cockroach traps. Eliminated accumulated losses through a blockbuster hit.

1978 Released “Earth Red” fumigator

1984 Released “Earth No-mat” liquid mosquito repellent

1987 Released “Mondahmin” mouthwash

1996 Released “Earth Jet” spray for flies & mosquitoes

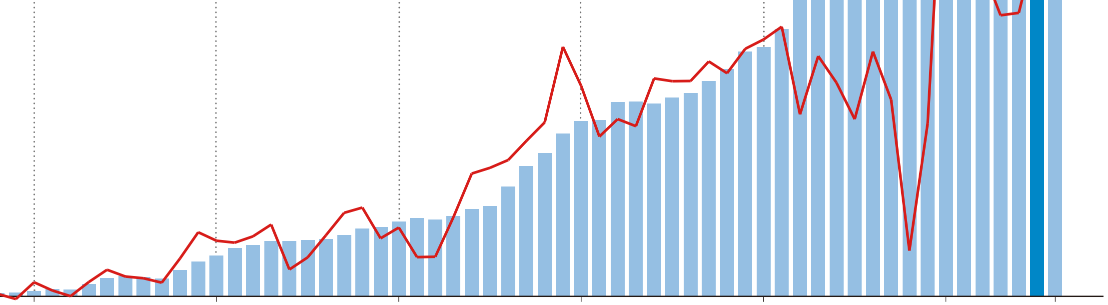
2005 Released “Black Cap” cockroach extermination bait

2007 Released “Kobae Ga Hoi Hoi” fruit fly catcher

2015 Released “ONPO” bath salts

2019 Recognized by Guinness World No.1 Records® due to the latest annual sales of Bathclin bath salts

2023 Released “Zero-no-knight G” fumigant for cockroaches and bedbugs



* Since 2022, accounting standards for revenue recognition have been applied.

Domestic expansion

- **1892** Founded in Osaka (Namba) by Hidezo Kimura
- **1925** Established Kimura Pharmaceuticals Co., Ltd.
- **1964** Changed the Company’s name to Earth Chemical Co., Ltd.*
  * The Company’s English name was changed to Earth Corporation in 2018.
- **1970** Sought financial assistance from Otsuka Pharmaceutical Factory, Inc. to rebuild the business. Invited the late Masatomi Otsuka to serve as president.
- **1978** Established Earth Environmental Service Co., Ltd.
- **1980** Expanded into Thailand
- **2012** Included BATHCLIN Corporation in the Company’s scope of consolidation as a subsidiary
- **2014** Established and included Hakugen Earth Co., Ltd. in the Company’s scope of consolidation as a subsidiary
- **2017** Revamped the Company’s corporate logo and slogan
- **2025** Celebrated the Company’s 100th anniversary. Included PROTOLEAF, Inc. in the Company’s scope of consolidation as a subsidiary.
- **2026** Completed the merger with BATHCLIN Corporation.

Overseas expansion

- **1980** Established ARS CHEMICAL (THAILAND) CO., LTD. (currently Earth (Thailand) Co., Ltd.)
- **1990** Established Earth Corporation (Tianjin)
- **2005** Established Earth Corporation (Suzhou)
- **2015** Established Earth Chemical (Shanghai) Management Co., Ltd. (currently Earth Corporation (Shanghai))
- **2017** Included A My Gia Joint Stock Company (currently Earth Corporation Vietnam) in the Company’s scope of consolidation as a subsidiary
- **2019** Established EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD.
- **2022** Established EARTH HOMECARE PRODUCTS (PHILIPPINES), INC.

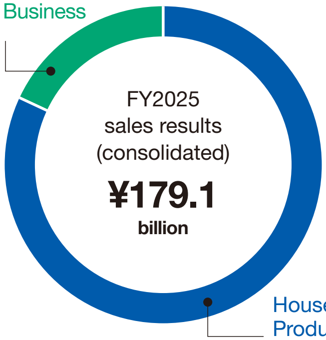
From “Insecticides” to “Insecticides & Repellents”

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

At a Glance

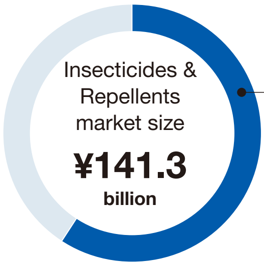
Earth Corporation engages in businesses that are closely aligned to everyday life in a bid to ensure safety, security,and comfort. The Company supports people's healthy and comfortable lives through its two businesses that include the Household Products Business and the General Environment and Sanitation Business.

Ratio of sales (FY2025)

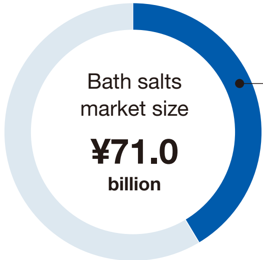


* The ratio of sales includes internal sales.

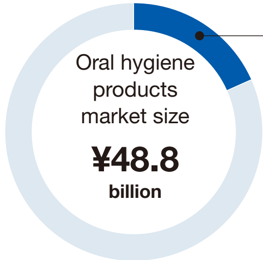
Market position (FY2025)



Sources: Intage SRI+ insecticide market (excluding horticultural agents)
National total, all business categories from January to December 2025, cumulative sales amount



Sources: Intage SRI+ bath salt market
National total, all business categories from January to December 2025, cumulative sales amount
* Earth Group (Earth Corporation, BATHCLIN, Hakugen Earth)



Sources: Intage SRI+ mouthwash market (rinses and liquid toothpastes)
National total, all business categories from January to December 2025, cumulative sales amount

Earth Corporation by the Numbers (FY2025)

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

Finance (consolidated)

Sales	Operating income	ROE	Annual dividend per share	DOE
¥179,182 million	¥8,087 million	7.3%	¥125	3.8%
Up 5.9% YoY ⬆	Up 25.9% YoY ⬆	Up 2.2 pt YoY ⬆	Up +¥5 YoY ⬆	Down 0.1 pt ⬇

Strengths supporting the Earth brand

Number of inquiries handled by the Customer Service Department	Employees assigned to R&D Headquarters	Production bases	Number of countries in which the Group operates	Annual number of General Environment and Sanitation Business contracts	Employee engagement survey
79,157 responses	358 (consolidated)	11 (globally)	Export sales to approximately 50 countries and regions worldwide	16,077 contracts	BB
▶P.48	▶P.35	* On May 13, 2026, the Company announced the dissolution of Earth Corporation (Suzhou).	▶P.29	▶P.30	▶P.40 * Engagement rating rated on a scale of AAA to DD, with 11 levels in total.