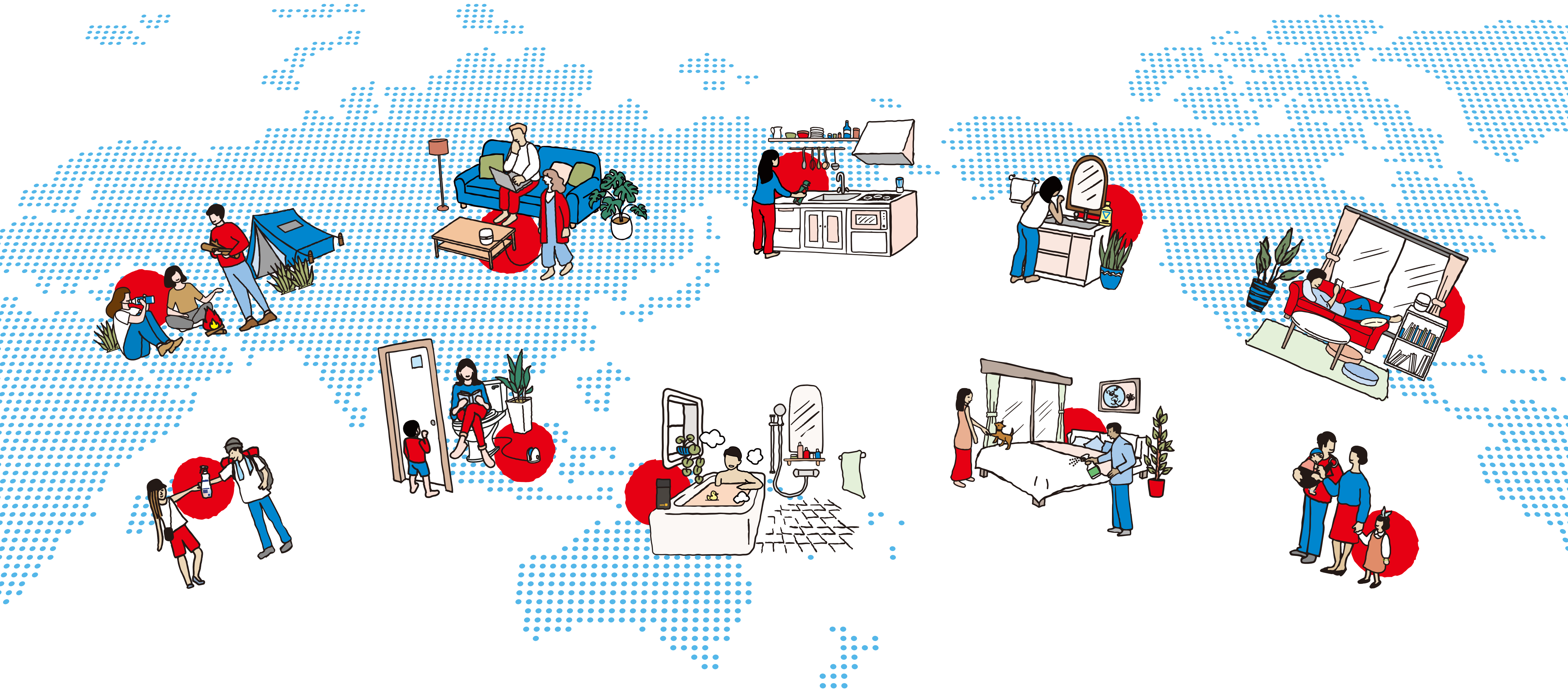
Integrated Report 2026



Earth Corporation

Key Highlights of Integrated Report 2026

What you'll find in this report

1. Earth Corporation's mission to deliver safety and comfort

Since its founding, Earth Corporation has addressed social issues that arise in everyday life. This section introduces our mission and the concept of "comfort" that Earth Corporation strives to achieve.

▶ P.2 Corporate Philosophy / Action Guidelines
▶ P.11 Message from the President
▶ P.15 Materiality

2. Value creation and business strategy

This section illustrates how Earth Corporation creates value through integrated initiatives from research and development to product delivery, and how our business strategy is linked to our value creation process.

▶ P.5 Earth Corporation's Value Creation
▶ P.22 Chapter 3 How Future Growth Will Be Realized

3. Strategies for sustainable growth and current progress

This section outlines the challenges we face in achieving sustainable growth, the initiatives we are pursuing to address them, and the progress of our medium-term business plan.

▶ P.16 Medium-Term Business Plan

4. Financial strategies and capital policy supporting growth

This section explains the balance of investment, earnings, and shareholder returns that supports our growth strategy, and how value creation driven by non-financial value is translated into our financial strategy.

▶ P.19 Financial Strategies

5. Creating financial value through environmental and social initiatives

This section explains how environmental and social considerations are integrated into management and the pathway through which they contribute to financial value creation and sustainable growth.

▶ P.19 Financial Strategies
▶ P.41 Chapter 4 Protecting "Comfort"

6. Effective governance supporting sustainable growth

This section explains how Earth Corporation's corporate governance functions in practice and highlights specific initiatives to strengthen its effectiveness.

▶ P.58 Corporate Governance

Earth Corporation's stakeholders

▶ P.65 Stakeholder Engagement

	Stakeholders' expectations, interests, and needs	Earth Corporation's main responsibilities
Customers (consumers, business partners)	Products and services that address diverse consumer needs while considering communities and the environment	• Provide products and services that contribute to safe and comfortable lives • Reflect customer feedback in management • Comply with laws and in-house rules • Respond swiftly to changes in the business environment • Provide information promptly and support audits and disclosure ▶ P.22 Chapter 3 How Future Growth Will Be Realized
Employees and their families	Human capital management through respect for diversity and a workplace where employees can work with confidence	• Promote communication based on the Earth Value of "Diversity" • Create a workplace where employees can thrive • Foster an environment where employees' families feel secure ▶ P.38 Human Capital Management
Suppliers	Building sustainable co-creation partnerships through fair business practices	• Ensure fair procurement and business practices based on procurement policies • Build relationships of trust with business partners • Promote innovative initiatives beyond industry boundaries ▶ P.48 Providing Products and Services That Contribute to Safe and Comfortable Living
Shareholders and investors	Sound financial management and dialogue with shareholders and investors to enhance corporate value and sustainable growth	• Ensure fair valuation through appropriate disclosure and accountability • Respond sincerely to ESG rating agencies • Actively disclose and quantify non-financial information ▶ P.62 Corporate Governance: Dialogue with Investors
Local communities	Social contribution through co-creation and participation with local communities to help build a better future	• Provide clear and accessible information • Remain open and accessible to local communities • Support and participate in like-minded organizations • Develop products and services that address diverse consumer needs • Contribute to society through support for public health, culture, and sports
The Earth	Proactive initiatives to build a sustainable society that protects the environment and biodiversity	• Prevent air, water, and soil pollution • Procure raw materials responsibly with respect for the environment and human rights • Development of products and services that address diverse consumer needs • Protect the global environment through environmentally conscious products and services • Promote harmony with the Earth through an understanding of nature ▶ P.41 Chapter 4 Protecting "Comfort"

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Editorial Policy

Earth Corporation published Integrated Report 2026 in order to provide shareholders, investors, and other stakeholders with a better understanding of the value created by the Group and its efforts to continue creating value. Integrated Report 2026 has been edited with a focus on reporting financial and non-financial information, including the value creation process, operations, Medium-Term Business Plan, and materiality initiatives in an integrated manner. We hope that this report will help further deepen dialogue with our stakeholders.

Period Covered FY2025 (January 1, 2025 - December 31, 2025)
* Includes certain activities after the period covered.

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

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

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

* The figures listed are rounded down to the nearest digit. As a result, totals may not equal the sum of individual figures.
* All product names mentioned in this report are registered trademarks of the Company or its affiliates.
* Comments and other information contained in this report have been properly obtained.

Information Disclosure Framework

Value creation process

Earth Corporation Integrated Report

Non-financials

Sustainability / ESG Data
- Sustainability Website https://corp.earth.jp/en/sustainability/index.html
- Basic Policy on Corporate Governance
- Corporate Governance Report
- ESG Data
- Content Index of the GRI Sustainability Reporting Standards
- Information Disclosure Based on TCFD Recommendations

Financials

Information for Shareholders / Investors
- Investment Relations Information Website https://corp.earth.jp/en/ir/index.html
- Securities Report, Semi-Annual Reports
- Consolidated Financial Results*
- Management Policies / Management Plans (Mid-term Business Plan)
- Consolidated Financial Results Briefing Material

* Statutory disclosure / timely disclosure documents

Comprehensiveness

Corporate Philosophy / Action Guidelines

Earth Group Corporate Philosophy

We act to live in harmony with the Earth.

With the mission to support people's healthy and comfortable lives,
Earth Corporation has worked diligently to expand its business since its founding in Namba, Osaka, Japan,
guided by the philosophy: "We act to live in harmony with the Earth."
From its very inception, the Company has placed the utmost importance on the "customer's perspective"
and on continuously taking on new challenges without the fear of change.
This stance has served as the driving force behind the development of numerous products and services.
As if to embody the "Earth" in our company name, we currently provide products and services that form an integral part
of people's daily lives in roughly 50 countries and regions worldwide, including Asia.
In concert with our stakeholders, we will continue to take on the challenge of living in harmony
with the Earth in our own unique way, while responding flexibly to changes in society.
In this manner, we will work to secure sustainable growth and enhance corporate value over the next 100 years.

地球を、キモチいい家に。

EARTH Act For Life

The meaning behind the message positioned below our corporate logo

"Act For Life," the message positioned below our corporate logo is a simple expression of our Corporate Philosophy, conveying the Earth Group's promise to customers that by providing products and services, it will "Act" in a manner that contributes to safety and comfort in the "lives" of people everywhere.

The Japanese version of the slogan is a familiar, easy-to-understand expression of this promise to customers that we will "Act For Life," and could be translated as "Making the Earth a home that feels good." "Feels good" refers to living in both safety and comfort.

Earth Policy

Earth Policy represents the behaviors and actions that are essential to achieving our Corporate Philosophy.

- Creating a Market with customers
- Passion・Innovation・Integrity
- Momentum・Achievement

Earth Value

Earth Value is shared by all employees in the context of the Company's business operations.

- One Earth
- Open communication
- Diversity

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.

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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.

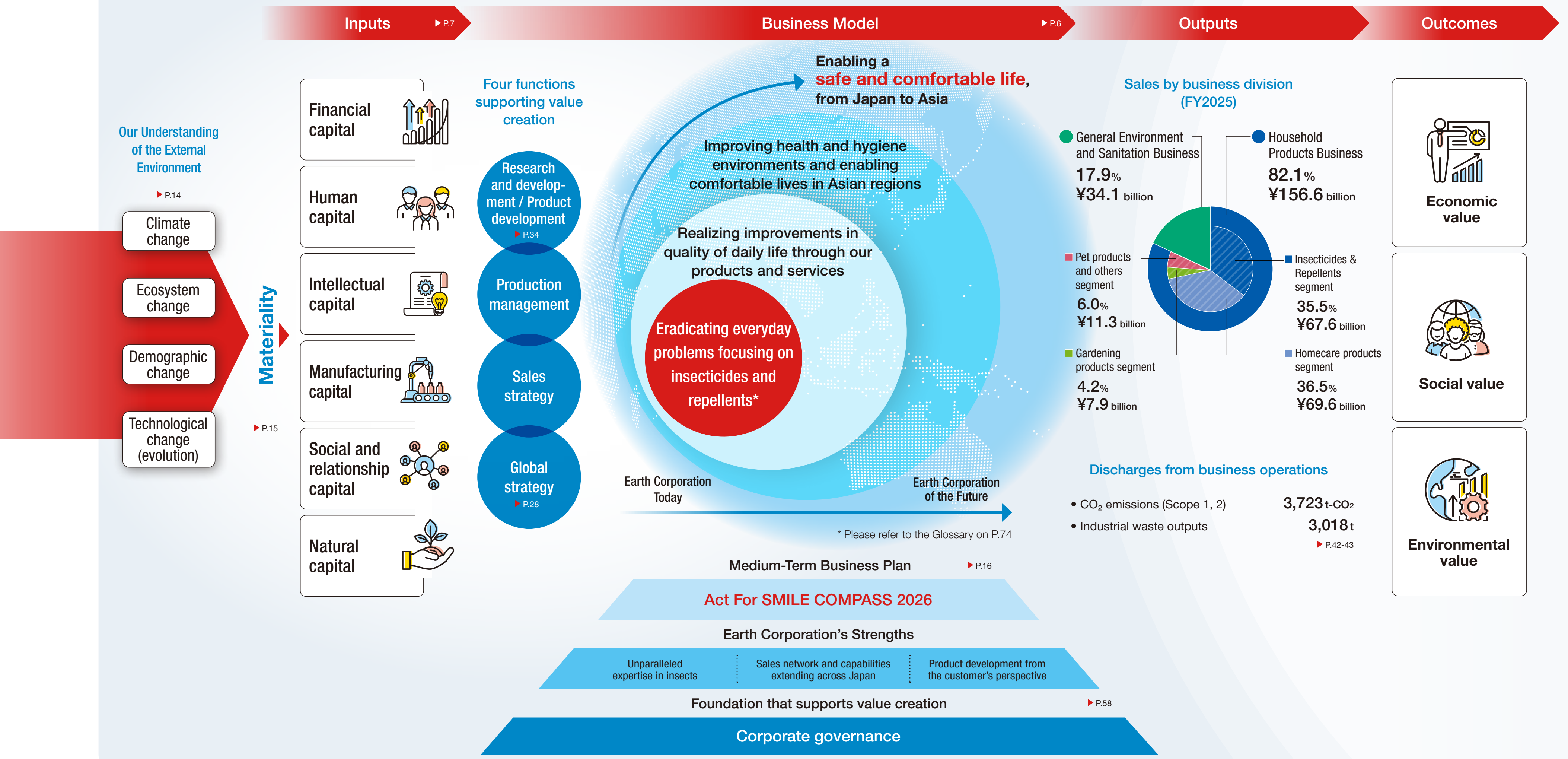
▶ P.42 Responding to Climate Change
▶ P.43 Concern for Issues Affecting the Global Environment

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.

Enabling a **safe and comfortable life,** from Japan to Asia

Improving health and hygiene environments and enabling comfortable lives in Asian regions

Realizing improvements in quality of daily life through our products and services

Eradicating everyday problems focusing on insecticides and repellents

Earth Corporation Today

Earth Corporation of the Future

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

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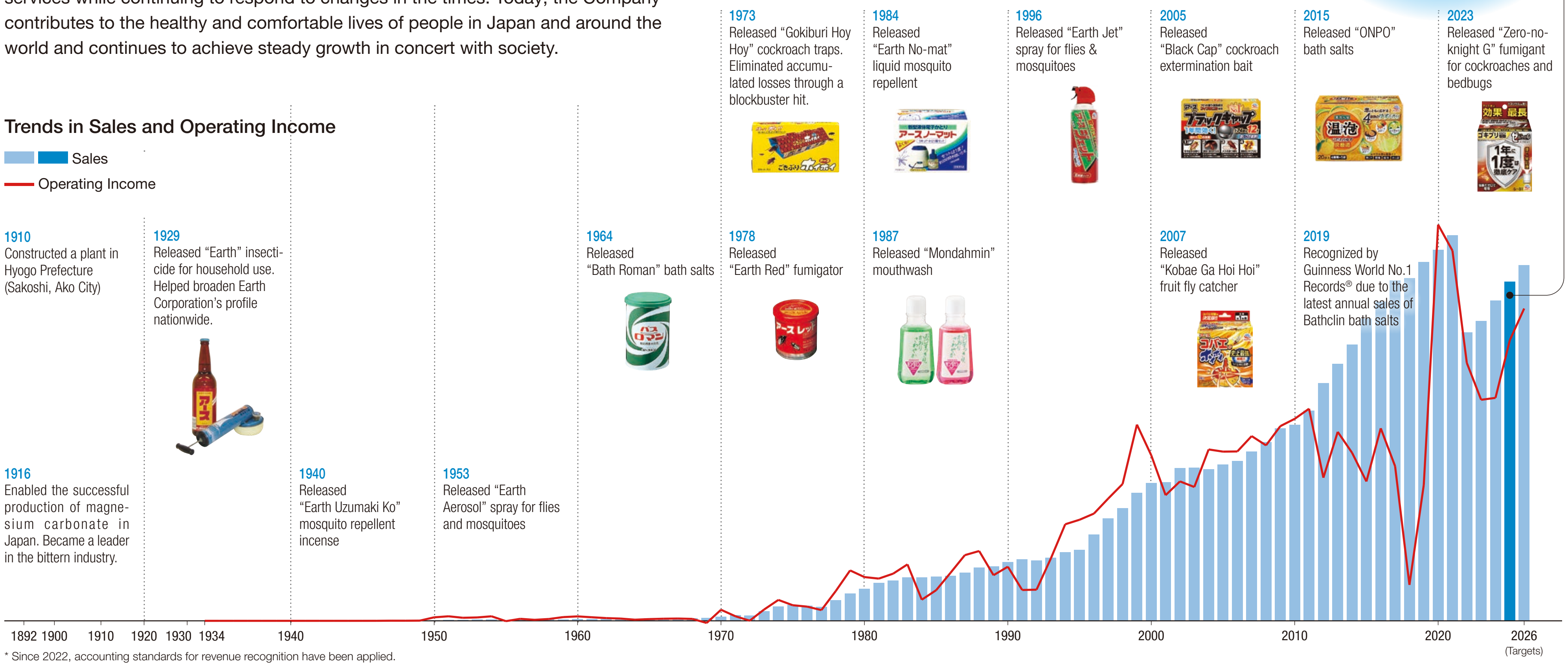
The History of Earth Corporation

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.

Trends in Sales and Operating Income



* 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.

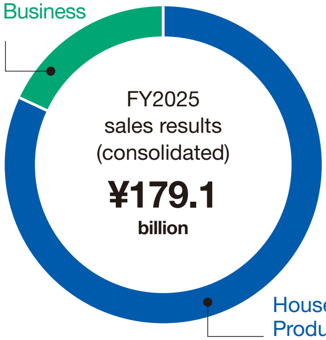
From "Insecticides" to "Insecticides & Repellents"

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

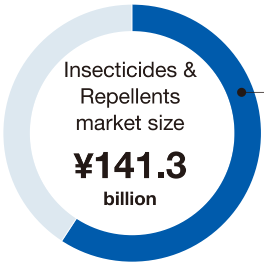
Earth Corporation engages in businesses that are closely aligned to everyday life in a bid to ensure safety, security,and comfort. The Company supports people's healthy and comfortable lives through its two businesses that include the Household Products Business and the General Environment and Sanitation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

Ratio of sales (FY2025)

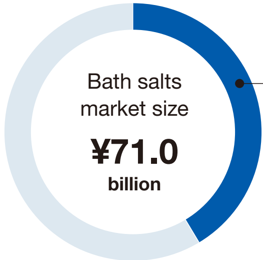


* The ratio of sales includes internal sales.

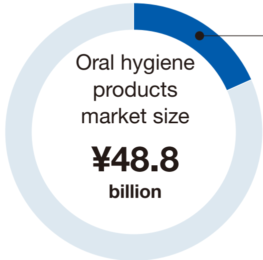
Market position (FY2025)



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		▶P.29	▶P.30	▶P.40

* On May 13, 2026, the Company announced the dissolution of Earth Corporation (Suzhou).

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

Chapter 2

How Value Is Created

Earth Corporation believes that value is created through responding to changes in the business environment and making strategic decisions.
In this chapter, we highlight the drivers of our growth through the perspectives of senior management, including how we identify risks and opportunities, as well as our materiality, Medium-Term Business Plan, and financial strategy.

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Message from the President

Toward the Next Stage of Growth Centered on "Comfort" To Remain a Company Needed by Customers, Employees, and Society

The Medium-Term Business Plan Serves as a Banner Showing "What We Intend to Do"

I believe that the most important role of a medium-term business plan is to indicate our direction and the actions we will take next. It is about raising a banner that says, "This is what we intend to do," and turning that commitment into action.

This time, we formulated a three-year plan. As we move through the first, second, and third years, if progress does not go according to plan, we examine whether the cause lies in external factors or internal factors.

In fiscal 2025, the second year of the plan, we achieved our target figures one year ahead of schedule. However, this does not mean that the action processes themselves have advanced ahead of schedule. External factors also played a role, and in some respects the numbers simply improved before the underlying actions yielded full results. Organizational restructuring, infrastructure development, the integration of BATHCLIN, and the establishment of holding company functions are all progressing as planned. In other words, the action processes set out in the medium-term business plan are progressing largely as expected.

In fiscal 2026, the final year of the plan, we will monitor the post-merger integration (PMI) of BATHCLIN while establishing a group structure that will lead into the next medium-term business plan. At the same time, we will ensure that the transition to a holding company structure takes firm shape. The core elements of the plan are neither ahead of schedule nor behind schedule.

Looking only at the numbers, it may appear that everything is ahead of schedule, but that is not actually the case. Overall, however, progress has been generally steady. While challenges remain, we have already begun work on almost everything that needed to be addressed during this three-year period. We will continue to make proactive growth investments. Although we have revised our quantitative targets upward for fiscal 2026, I believe profits will follow from the forward-looking work we are undertaking. Even if results take a little longer to appear, the expected outcome will materialize as long as we continue doing what needs to be done.

Representative Director,
President & CEO Earth Corporation

Message from the President

Building Confidence for the “Jump”

I view our medium-term business plans as a process of “Hop, Step, and Jump.” The current medium-term business plan is a period in which we advance structural reforms while building momentum toward the “Jump” stage. The results of those efforts have begun to appear in our performance earlier than expected. Those results are the outcome of repeated trial and error as we implemented price pass-through measures, reorganized our product lineup, and reduced SKUs*. In the current inflationary environment, where disposable income is not increasing, we have no choice but to pass on higher costs through pricing. We tested whether sales volumes would decline and whether pricing could compensate sufficiently to achieve our quantitative targets. As a result, we have been able to move forward with fewer setbacks than expected. In other words, we developed hypotheses, acted on them, and found that those hypotheses functioned largely as intended. That does not mean there were no setbacks at all. Sales volumes did not grow as much as anticipated, and pricing compensated for that shortfall. Accordingly, in the final year of the plan, we are also aiming to restore volume growth. We believe our products are priced in line with the value they provide. However, if customers perceive a price increase as nothing more than a manufacturer’s self-interest, they will not purchase our products. If customers feel that “a price increase is understandable for this product,” that is evidence that they recognize its value.

From a manufacturer’s perspective, the current medium-term business plan is progressing better than expected, and we have gained sufficient confidence in the initiatives we are pursuing. If we continue on this path, I believe we will be able to generate profits under the next medium-term business plan as well.

*Please refer to the Glossary on P.74

The Value of “Comfort”

“Comfort” is a very broad and somewhat ambiguous concept, but I believe it is extremely important. It is also closely related to the connectivity between financial and non-financial value, including human capital.

We are not simply selling products; we are helping to solve the challenges people face in their daily lives through our products. Helping to ease those concerns and inconveniences is what creates “comfort.” Our recent performance has reaffirmed our belief that addressing customers’ concerns through our products is the right approach.

“Comfort” is important not only for our customers but also for our employees. Comfort for employees ultimately contributes to financial results. That is why we have always placed a high priority on our people and have included “Diversity,” one of the Earth Values shared by all employees, as a core value. However, “comfort” is difficult to quantify, and it cannot be defined by a single standard shared by everyone. If there is one way to define it, I believe it is creating an environment in which employees can genuinely think, “I am glad I work for this company” and “This is a good company.” If we can incorporate this as part of our human capital, it should also lead to higher productivity.

Work and personal life are not separate; they are closely connected. Before they are employees, each of our people is a member of society and an ordinary citizen. Things that make us think, “Something feels off” or “This is inconvenient” in our daily lives can often provide insights that prove valuable in our work. The reverse is also true. I often discover the seeds of new businesses in this way myself, and it is one of the perspectives through which I view the world. That is why I believe it is important to value employees’ “comfort” as well and to continue making proactive investments in people, including a wide range of training and development programs.

To achieve this, my ideal is to create a “comprehensive personnel system, like a legal code,” that can flexibly address the concerns of each individual employee and accommodate a wide variety of circumstances. People are emotional beings, so it is only natural that every employee has his or her own concerns and challenges. For example, I would like to further promote ways of working that allow employees to value both their work and their personal lives, such as leaving early to care for family members or raise children. I would like to foster a culture in which employees support one another with the understanding that “we’re all in the same boat.” I also want to put into words—and build into our systems—a relationship in which, once those concerns have been resolved, employees feel ready to move forward and work hard together.

Growing companies are built on a foundation of employee unity and pride. By creating a workplace where employees can work comfortably, enhancing psychological safety, and increasing employee engagement and motivation, productivity will inevitably improve, which in turn should lead to stronger financial results.

What Matters Most Is Whether We Are Needed by Customers and Society

Creating Shared Value (CSV) lies at the foundation of Earth Corporation’s businesses. Our General Environment and Sanitation Business and MA-T® business are businesses that are directly connected to “comfort” for the Earth, and we therefore intend to expand both their scale and quality under the next medium-term business plan. When determining the direction of these businesses, we take into consideration whether they are aligned with sustainability and the SDGs. Ultimately, however, the most important question is whether they are needed by customers and society—in other words, whether they have social significance.

Our original business was built around products related to insects. We have continued this business

Message from the President

because society needs it, and if insects were no longer a threat in the future, I would not mind if insect-related businesses became a thing of the past. By that time, the General Environment and Sanitation Business may account for 90% of our sales. Conversely, if insect populations increase and the threat of infectious diseases grows, people may say, “This is where Earth Corporation has a role to play.” Because our businesses have trade-off relationships with one another, we do not assume that all of them will perform strongly at the same time. If that were to happen, we would need to question what changes had occurred in the external environment and examine them carefully. I believe that assessing these shifts over the medium to long term is one of the most important responsibilities of management.

At present, the domestic market is mature, so we see overseas markets as our primary growth driver. Looking ahead to a time when overseas markets may also mature, we have a vision of further strengthening the MA-T® business. As President of Earth Corporation, I look at our businesses from a variety of perspectives to ensure that we are considering every possibility. Even so, no approach is ever perfect. I manage the Company with the belief that, at the very least, these efforts will prevent our growth from coming to a halt and ensure that our employees are never left without a path forward.

Listening to Diverse Voices in Search of the Next Business Opportunity

What I am focused on now is creating the seeds of our next business opportunities. To ensure that this does not become an exercise in self-satisfaction, I continue to take the next step while engaging in my own process of trial and error. As President, I would of course be pleased if all of our businesses generated high profits, but management is not that simple in reality. That is why I am constantly searching for the seeds of new businesses. I communicate this way of thinking to employees through every available internal communication channel, including this Integrated Report. I feel that this message is gradually taking root and that our employees are responding with great effort.

I am also working to create mechanisms that allow the voices of our employees to reach me directly. Through those voices, I keep a close watch on whether there are any issues in internal communication and intend to proactively implement organizational changes whenever necessary.

I also engage in active discussions with fellow directors at meetings of the Board of Directors. In particular, I frequently ask our Outside Directors for their views, telling them, “I only know this company, so I would like you to offer opinions based on comparisons with other companies.” This is because all of our Outside Directors also serve as executives at other companies and possess extensive knowledge of practices and examples from elsewhere. By adopting what should be adopted and clearly explaining why other ideas are not suitable for us, I believe we can further strengthen our governance.

Building the Next 100 Years Through Continuity and Change

The year 2025 marked the 100th anniversary of our founding. Having the opportunity to serve as President at such a significant milestone was deeply meaningful and gave me an opportunity to reflect once again on the history of Earth Corporation.

I view 2026, our 101st year, as a year in which we share new challenges for the future. While remaining true to the principles that have guided Earth Corporation throughout its history, we will continue to take on new challenges with the belief that steady efforts lead to lasting success, paving the way for the next 100 years.

As part of ensuring the Company’s sustainability, I am also thinking about succession planning for the next President. Former President Otsuka expanded the Company beyond its insecticides & repellents business into daily necessities in response to the needs of his era, while I have expanded our business into overseas markets, the General Environment and Sanitation Business, and MA-T®. I hope that the next President will likewise add his or her own unique perspective and contributions to the Company’s future development.

In recent years, I have often used the phrase “fueki ryuko”—continuity and change. It means valuing what should remain unchanged while embracing new change and moving forward. Guided by this philosophy, we will continue striving to achieve sustainable growth and enhance corporate value while protecting comfort for our customers, employees, and the Earth. I sincerely ask for the continued support of all our stakeholders as we move forward together.

March 2026
Representative Director,
President & CEO Earth Corporation **Katsunori Kawabata**

External Factors, Risks and Opportunities

As a part of efforts to promote sustainability management, Earth Corporation works to identify the wide-ranging risks inherent in its activities and the business opportunities that can potentially emerge from those risks. In addressing these risks and opportunities, we aim to resolve materiality (key issues).

External factors with a significant impact on management: Climate change; Ecosystem change; Demographic change; Technological change (evolution)

External factors with a significant impact on management	Risks and opportunities		Initiatives
Climate Change / Ecosystem	Risks	Impact on ecosystems attributable to climate change	• Manage and report on CO_2 emissions, waste, and chemical substance use • Ramp up research endeavors to address the impact on ecosystems attributable to invasive species and climate change • Strengthen the development and marketing of products that address climate change • Strengthen the General Environment and Sanitation Business due to growing environment and sanitation management needs
Climate Change / Ecosystem	Risks	High business seasonality	• Strengthen business pillars and ensure stable earnings throughout the year
Climate Change / Ecosystem	Risks	Impact on business during a pandemic	• Strengthen BCPs / BCM
Climate Change / Ecosystem	Opportunities	Acclimation to a resource-circulating society	• Engage in development using recycled and environmentally friendly materials
Climate Change / Ecosystem	Opportunities	Research and product development in tune with changes in the external environment	• Formulate biodiversity policies and promote related initiatives • Undertake training to ensure proper expertise, including pest preventive measures • Expand product lines that match activity needs
Demographics	Risks	Securement of human resources on the back of a downturn in the working population	• Put in place a comfortable workplace environment • Support independent career development
Demographics	Opportunities	Diversity and inclusion	• Promote the active participation of diverse human resources
Demographics	Opportunities	Provision of a working environment	• Develop human rights and labor practice policies • Promote health management activities
Demographics	Opportunities	Global market expansion	• Broaden the trading zone to expand the profit foundation in Asia • Engage proactively in the recruitment and development of global human resources
Laws and Regulations	Risks	Compliance with various business-related laws and regulations in Japan and overseas	• Ensure compliance with the Pharmaceutical and Medical Devices Act, regulations on chemical substances and other relevant regulations • Gather information through participation in various consortiums
Laws and Regulations	Risks	Compliance with changes in information disclosure standards	• Engage in dialogue with investors, business partners, and other stakeholders
Supply Chain	Risks	Raw material availability	• Consider and develop multiple purchasing sources and promote the use of alternative materials
Supply Chain	Risks	Quality-related risks	• Conduct periodic audits of own and contracted manufacturer plants • Undertake quality-related training activities
Supply Chain	Risks	Sustainable procurement	• Promote awareness of and compliance with the Supplier Code of Conduct
Supply Chain	Risks	Response to raw material price hikes	• Create cost synergies by strengthening Group management
Supply Chain	Opportunities	Response to changes in the logistics environment	• Build efficient logistics networks
IT / Digitalization	Risks	Leakage of information and security threats	• Strengthen information security
IT / Digitalization	Opportunities	Creation of manufacturing innovation	• Promote collaboration between industry, academia and government, and between companies • Expansion of the use of the MA-T System® • Strengthen IP strategies
IT / Digitalization	Opportunities	Use of digital technology	• Engage in management through the standardization and visualization of operations • Develop and introduce a coordinated system to strengthen the production system • Introduce and utilize generative AI • Provide services that utilize IoT

● Risks ● Opportunities

1 Delivering "Comfort" to the World
2 How Value Is Created
3 How Future Growth Will Be Realized
4 Protecting "Comfort"
5 Governance
6 Data

Materiality

Materiality Identification Process

1	Identify issues	Identify issues, making reference to international frameworks and guidelines in the sustainability field
2	Identify materiality	The Sustainability Committee and heads of divisions evaluate the importance of issues in business based on the Company's directions, and create a draft of material issues
3	Prioritize materiality	Following interviews with top management and outside directors, approve material issues through reviews by the Board of Directors

Materiality (key issues)	Key topics and main measures	Targets and KPIs	2023	2026	2030	Progress of targets and KPIs (FY2025 results): Results	Special remarks
Responding to climate change ▶P.42	Reduce CO_2 emissions	Reduce CO_2 emissions (Scope 1, 2): Compared to 2020	14% reduction	28% reduction	46% reduction	31.7% reduction	–
	Promote a transition to renewable energy for electric power	Transition to renewable energy	Renewable energy at plants (renewable energy rate: 60%)	Renewable energy at R&D Center (renewable energy rate: 90%)	Renewable energy at offices* (renewable energy rate: 95%) * Excluding tenant offices	Renewable energy rate: 67.6%	–
Attention to global environmental problems ▶P.43	Increase the efficiency of water usage in relation to production (from R&D to production)	Increase water usage efficiency: Compared to 2020	3% increase	6% increase	10% increase	1.7% increase	–
	Use resources effectively, striving for a recycling-oriented society	Zero emission of industrial waste and other materials from plants and R&D Center (final disposal rate:1% or less)	Investigate and review status at waste treatment subcontractors	Zero emissions at plants and R&D Center	Continue zero emissions at plants and R&D Center	Final disposal rate: 0.7%	–
	Stipulate Earth ECO Standard* and expand the scope of environment-friendly products	Earth ECO Standard	Established	Expand the scope of compatible products and promote information disclosure	Expand the scope of compatible products and promote information disclosure	A system for managing environmentally conscious products is currently under development. Detailed information disclosure will be possible from 2026 onward.	–
Promoting sustainable procurement ▶P.50	Promote procurement of environment-friendly packaging materials	Forest certified paper usage rate (by weight)	Usage rate: 10% or more	Usage rate: 30% or more	Usage rate: 70% or more	38.2%	Forest certified paper 1,098 t / Container, paper products overall 2,871 t
Providing products and services that contribute to safe and comfortable living ▶P.48	Reduce the number of major quality incidents that negatively impact customer satisfaction and trust to zero by raising the periodic quality inspection implementation rate both at own plants and at contractors' factories	Periodic quality inspection implementation rate	Maintain at 100%	Maintain at 100%	Maintain at 100%	100%	36 locations / 36 locations
	Ensure compliance with relevant laws and reduce the incidence of major violations to zero by enhancing the implementation rate for the annual education and training plan	Education and training implementation rate	Maintain at 100%	Maintain at 100%	Maintain at 100%	100%	27 times / 27 times
Creating workplaces that support activities by diverse individuals ▶P.38	Encourage employees to take annual paid leave entitlements	Paid leave usage rate	Maintain at a level of at least 70%	Maintain at a level of at least 70%	Maintain at a level of at least 70%	82.2%	–
	Support female empowerment by raising the share of women in management-level positions	Female manager ratio	At least 10%	At least 18%	At least 30%	12.6%	38 / 301
Strengthening the management structure ▶P.58	–	–	–	–	–	–	–

* Please refer to the Glossary on P.74

Medium-Term Business Plan

Medium-Term Business Plan: Act For SMILE COMPASS 2026

Focused Policies, Initiatives, Challenges, and Evaluation of the Previous Medium-Term Business Plan

	Focused policies	Initiatives	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®	△
			Insufficient progress in reducing product disposals/returns	×
	Generate Cost Synergies	• Carry out joint operations whenever logical to do so • Generate synergies and added value throughout the value chain	Insufficient progress in generating cost synergies throughout the Earth Group	×
			Improve the sophistication of strategic proposals through updates in management accounting	○
			Revamp core systems	○

Challenges remaining from the previous medium-term business plan	What we aim to achieve in 2026
Overseas business is expanding, but growth challenges remain at each stage of business development in different countries.	Work to further accelerate growth in the overseas business, which has high growth potential
Insecticides & Repellents continue to generate stable earnings, while profitability in homecare products has declined due to insufficient price pass-through, and challenges remain in strengthening brands to develop a second earnings pillar.	Nurture household products as a second revenue pillar while enhancing brand recognition
Promoted system investments and the introduction of management accounting, creating the foundation for future fundamental reforms.	Enhance overall Group governance and aim to execute restructuring toward the generation of synergies

Targets under the Medium-Term Business

Drive sales — Overseas
- Grow market share
- Cultivate markets
- Review businesses

Drive revenue — Japan
- Shift the business portfolio
- Optimize resource allocation

Build a foundation — Group
- Enhance oversight of overseas/Group companies
- Enhance M&A capabilities
- Enhance investment profitability

A three-year preparation period for shifting from individual optimization to group-wide optimization

- Implement structural reforms to strengthen profitability
- Japan: profit-driven Overseas: revenue-driven
- Creating synergies Group reorganization Strengthening governance

▶P.18

Business Portfolio Targets

Japan — Minimize seasonality effects to secure core profit for our business

- Maintain No.1 market share (Insecticides & Repellents, bath salts)
- Secure profits homecare products
  - • Oral hygiene • Air fresheners • Masks for household use
- New growth categories
  - • Gardening products • Pet products

Achievements and challenges as of 2025
- Achievements: Realized the benefits of price revisions and improved return rates for Insecticides & Repellents
- Challenges: Tackle risk of lost sales opportunities at stores and cost burdens associated with product returns

Overseas — Overseas business as a growth driver with a special focus on ASEAN

- Achieve No.2 position in the global market for Insecticides & Repellents
- Expand operations with a focus on 24 countries
- Nurture global brands
  - • Insecticides & Repellents • Air fresheners • Oral hygiene

Achievements and challenges as of 2025
- Achievements: Expanded market share in Thailand and Malaysia
- Challenges: Further expand market share in each country and reduce raw material costs and improve production efficiency

General Environment and Sanitation — Secure steady profits

- Put in place 3 pillars of technical expertise, training, and specialization
- Improve quality control support service through environmental doctors
- Expand services to new domains and build a business foundation for sustained growth

Achievements and challenges as of 2025
- Achievements: Increased number of contracts and revenue per contract
- Challenges: Strengthen audit services and hygiene management support services utilizing IoT, AI, and other technologies

MA-T® — Develop a new business immune to seasonality factors

- Secure stable profits in the liquid solutions business
- Build business model through license PF
- Real-world application of MA-T® as a technology capable of helping solve social issues

Achievements and challenges as of 2025
- Achievements: Execute awareness-building measures to promote social implementation
- Challenges: Develop and monetize new businesses unaffected by seasonality

* Please refer to the Glossary on P.74

Review of the Second Year of the Medium-Term Business Plan Act For SMILE COMPASS 2026

Achievements of the Current Medium-Term Business Plan —Earnings Targets Achieved One Year Ahead of Schedule—

In 2025, we achieved the targets of our medium-term management plan, Act For SMILE COMPASS 2026—net sales of ¥170 billion and operating profit of ¥7 billion—one year ahead of schedule. This achievement was supported by a diversified portfolio of earnings drivers—including Insecticides & Repellents, homecare products, gardening products, overseas operations, and the General Environment and Sanitation Business—which complement one another and have enabled us to build a resilient business foundation that is less susceptible to economic fluctuations and seasonality.

Meanwhile, in Japan, personal consumption remained sluggish due to slow growth in real wages amid rising prices, while overseas markets continued to face a challenging environment marked by geopolitical risks and uncertainty. Under these circumstances, the Earth Group, guided by the slogan "Our Group Working Together Toward a Bright Tomorrow for EARTH," has pursued structural reforms with the highest priority on strengthening earnings, enhanced the brand strength of homecare products, expanded operations in Asian markets, and increased exports to the Middle East.

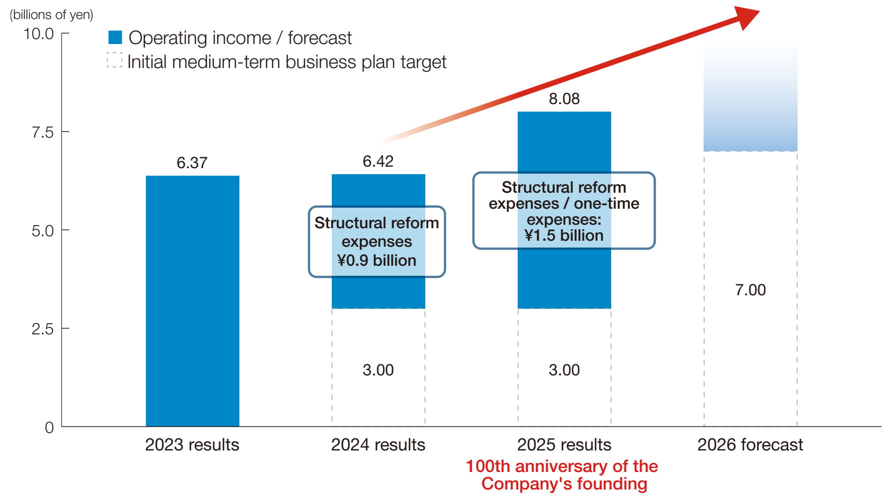
In the Household Products Business, sales remained strong following the renewal of the MONDAMIN oral hygiene product series. In the General Environment and Sanitation Business, the number of contracts increased against the backdrop of growing demand for hygiene management services. As a result, Group net sales increased 5.9% year on year to ¥179.18 billion, operating income rose 25.9% year on year to ¥8.08 billion supported by higher sales, and profit attributable to owners of parent increased 50.7% year on year to ¥5.23 billion.

Quantitative targets for 2026 and actual results for 2024 and 2025

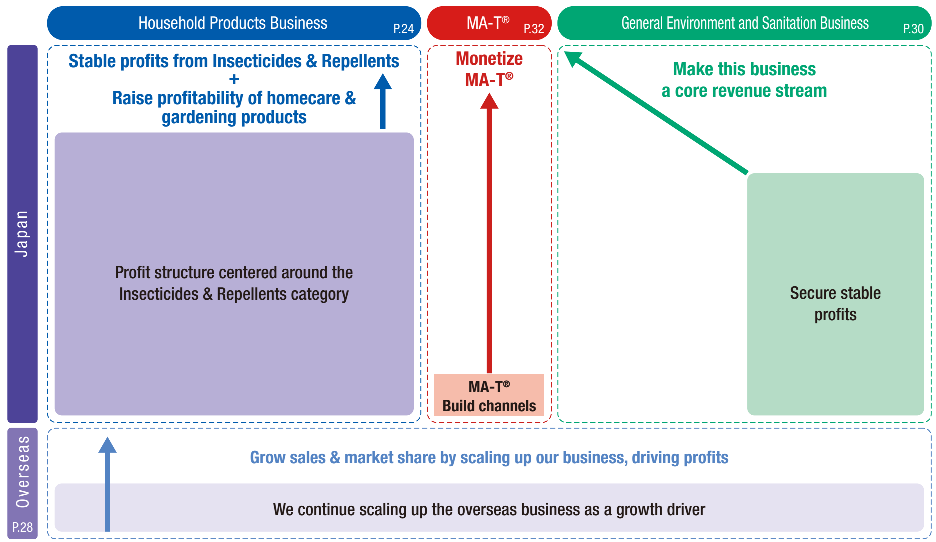
		2026 quantitative targets	2024 results	2025 results	
Profitability	Consolidated sales	¥170.0 billion	¥169.2 billion	¥179.1 billion	Achieved
	(Overseas sales*1) Sales ratio	¥25.0 billion 14.7%	¥21.8 billion 12.9%	¥23.0 billion 12.9%	
	Operating income	¥7.0 billion	¥6.42 billion	¥8.08 billion	Achieved
	Operating income margin	4.1%	3.8%	4.5%	Achieved
	Net income	¥4.30 billion	¥3.47 billion	¥5.23 billion	Achieved
Capital efficiency	ROE	7.2%	5.1%	7.3%	Achieved
	ROIC	5.4%	5.5%	6.8%	Achieved
	WACC*2	4.1%	4.7%	4.8%	
Financial health	D/E ratio	0.3-0.4x	0.07x	0.10x	Achieved
Shareholder returns	DOE	Maintain 4% level	3.9%	3.8%	

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

Earnings outlook under the current medium-term business plan



Building a robust management foundation with multiple revenue streams



Progress and Challenges for Each of the Three Key Themes of Act For SMILE COMPASS 2026

Expand Overseas Sales

Our overseas business is steadily expanding as a growth driver for the Company. In ASEAN, Thailand and Vietnam are increasing market share as core earnings contributors, while Malaysia and the Philippines are expanding sales channels. In China, we are shifting our strategy from an online-centered approach to expansion into physical retail stores. Exports are also expanding to approximately 50 countries and regions, including the Middle East, Taiwan, and North America, and we are accelerating sales growth by leveraging successful initiatives across markets.

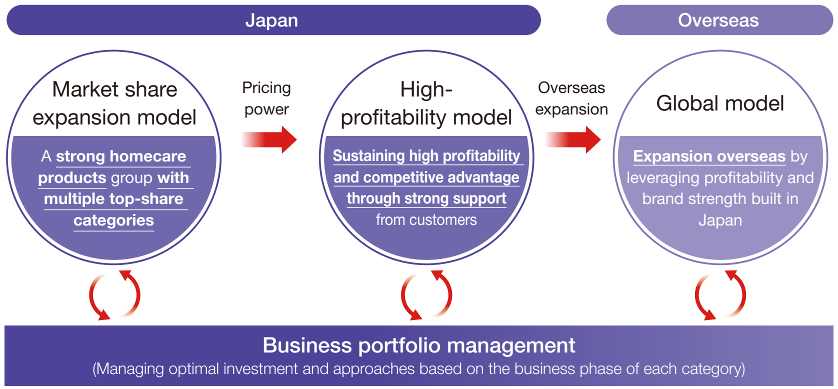
▶P.29 Household Products Business: Overseas

Transform the Earnings Structure

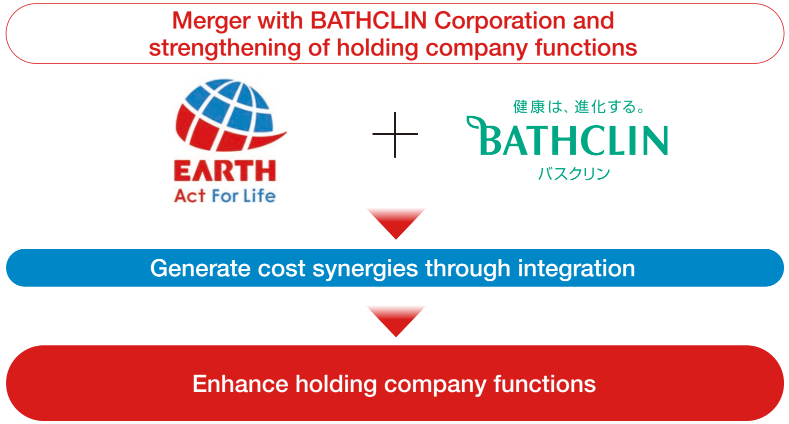
As a result of promoting the selection and concentration of brands and products based on profitability and future potential, as well as market expansion initiatives, gross profit margin has improved. In addition, growth in the bath salts and oral hygiene categories in the homecare products field, as well as an increase in contracts in the General Environment and Sanitation Business, contributed to higher operating income. Furthermore, to reduce product returns and disposals in Insecticides & Repellents, sales and supply chain functions worked together to strengthen demand and supply adjustment capabilities, improving inventory efficiency and cash flow.

▶P.19 Financial Strategies

Target state through structural reforms



Enhance Group Management



Organizational restructuring associated with the establishment of holding company functions
- Review functions and departments within the current Earth Group
- Reorganize into holding company functions and organizations and business functions and organizations to maximize Group management efficiency

Control of resource allocation across the Group
- Promote business portfolio management
- Establish category control functions across the Group
- Strengthen and promote the governance framework

We have expanded our business and product portfolio through proactive M&A activities; however, our efforts to achieve Group-wide cost reforms and fully realize synergies are still underway. In response to these challenges, we are focusing on organizational restructuring, strategic M&A, and improving investment profitability. In 2025, PROTOLEAF, Inc. was newly consolidated in the gardening products business, contributing to higher sales and improved profitability. Furthermore, on January 1, 2026, we merged with BATHCLIN Corporation and have since been advancing initiatives to strengthen our holding company functions. BATHCLIN possesses extensive expertise and strong brand recognition in bath salts and related products, particularly in product development and marketing for the bath salts category. Through these initiatives, we will strengthen Group management by enhancing oversight of resource allocation and optimizing management across the Group.

Financial Strategies

Approach to Financial Strategies

Recognition of the External Environment

Our financial strategy is based on maintaining financial soundness while achieving both capital efficiency and growth investment in order to realize sustainable growth amid an uncertain external environment. In addition to sluggish personal consumption and rising prices in Japan, the prolonged Russia–Ukraine situation and U.S.-China tensions have made the future more difficult to predict. Against this backdrop, the D/E ratio for the fiscal year ended December 2025 was low at 0.10 times, and the low dependence on borrowings demonstrates a financial structure that is resilient to external shocks. The increase in total assets was achieved not through an increase in interest-bearing debt but through the accumulation of retained earnings and operating cash flow, maintaining a stable financial base even under a risk environment.

Toward Strengthening Long-Term Earning Power

Improving profitability is also a key pillar of our financial strategy. In the fiscal year ended December 2025, operating income increased by 25.9% year on year, driven by price revisions for Insecticides & Repellents, lower product returns, and the renewal of MONDAMIN, among other factors. As a result, ROE improved from 5.1% to 7.3%, ROA increased from 5.5% to 6.2%, and ROIC rose from 5.5% to 6.8%. Furthermore, structural reforms implemented during the current medium-term business plan period, including a 30% reduction in SKUs and the selective concentration of brand investment, have improved capital efficiency and strengthened long-term earning power.

Financial Foundation Supporting Investments

We also place importance on cash generation to support continued growth investments. Operating cash flow for the fiscal year ended December 2025 remained solid at ¥10.7 billion. While EBITDA increased, interest-bearing debt remained low, resulting in a Debt/EBITDA ratio of 0.6 times, indicating a sufficient level of financial soundness. Under the medium-term business plan, in addition to actively promoting IT and capital investments and investments in human capital, we have established a financial structure capable of supporting funds reserved for M&A, which is positioned as an important growth initiative. Even in an uncertain business environment, the foundation of our financial strategy is to steadily advance growth investments by leveraging stable cash generation and a strong financial base.

Cash Allocation

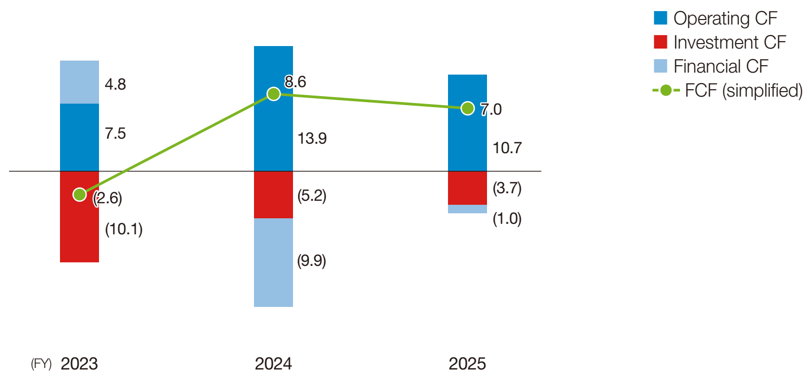
Basic Policy on Cash Allocation

Under the medium-term business plan, we are actively making investments for future growth. Operating cash flow generated over the three-year period beginning in 2024 has progressed steadily against the initial assumption of ¥27.5 billion, and is expected to exceed the initial assumption. In addition, we plan to utilize borrowings to achieve an optimal capital structure and reduce WACC, with the aim of executing investments totaling approximately ¥30.0 billion. Major uses of these investments include expanding production facilities, investing in IT and digital technologies, and pursuing M&A in a flexible manner to support structural reforms and the growth strategies set forth in the medium-term business plan.

Policy for the Final Year of the Medium-Term Business Plan

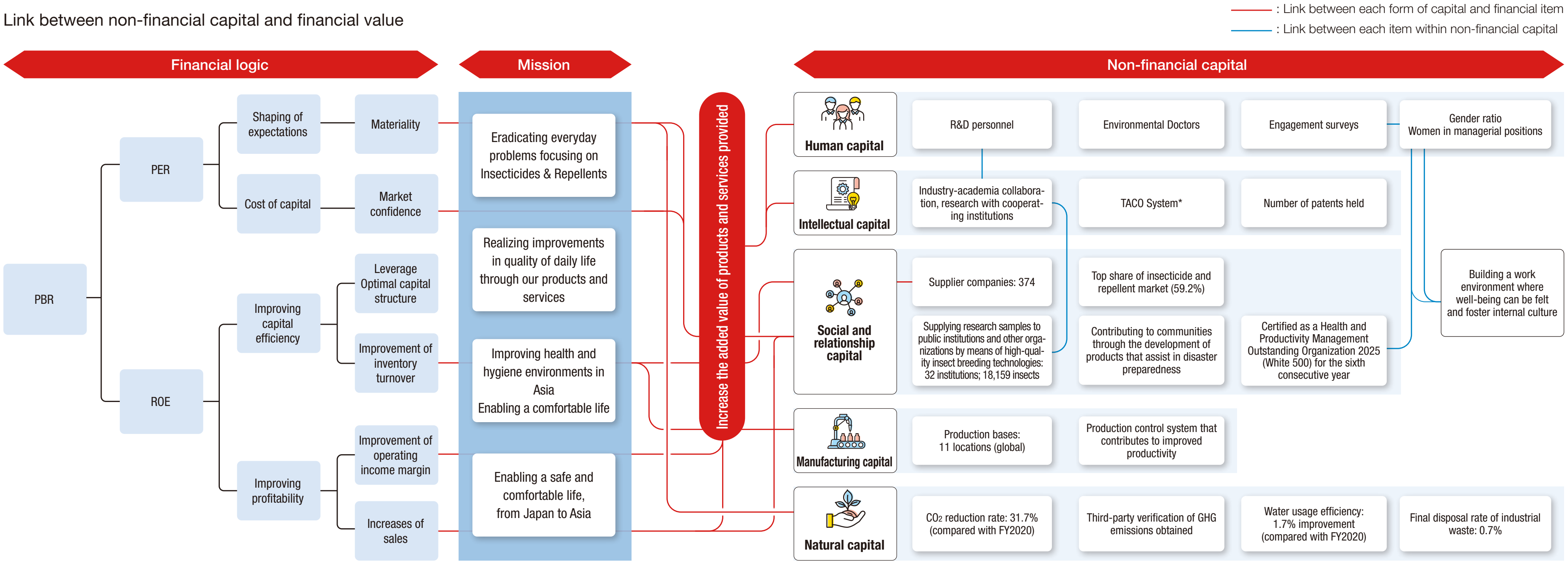
In 2025, we generated operating cash flow of ¥10.7 billion and secured both our financial base and investment capacity in line with the plan. For the first half of 2026, we expect a temporary decline in profit as we make proactive investments to improve productivity and drive growth. However, the effects of the strategic initiatives implemented in the first half are expected to materialize in the second half and beyond, and together with the streamlining of the cost structure, profits are expected to improve for the full year. Through these initiatives, we will achieve sustainable growth and enhance corporate value.

Trends in consolidated cash flows (billions of yen)



Financial Strategies

Link between non-financial capital and financial value



* Please refer to the Glossary on P.74

Non-Financial Capital Contributing to Corporate Value Enhancement

We believe that sustainable growth requires not only financial indicators but also investment in intangible assets that are less visible, such as human resources, knowledge, and relationships of trust. Accordingly, we have created a logic tree to organize and visualize how the five categories of non-financial capital defined by SASB—human capital, intellectual capital, social and relationship capital, manufacturing capital, and natural capital—lead to financial outcomes through our business activities. This clearly illustrates where intangible assets create value and how they contribute to corporate value. These forms of non-financial capital do not exist independently. Rather, they interact with one another to support the achievement of our mission and make a significant contribution to long-term value creation.

Going forward, in order to ensure that our non-financial capital initiatives lead to future corporate value, we will strengthen investment in four priority areas: human capital, research and development, overseas expansion, and MA-T®. We will also continue to communicate with our stakeholders from both financial and non-financial perspectives so that they can gain a deeper understanding of our value creation capabilities and future potential.

Priority Area: Human Capital

Under the corporate philosophy of “Diversity,” we place importance on investment in human capital. We recruit and develop highly specialized human resources, including research and development personnel and Environmental Doctors, thereby enhancing the value of our products and services. Going forward, we will also focus on developing human resources capable of promoting DX. We are also working to create a workplace where employees can experience well-being and to foster our corporate culture through initiatives such as increasing the ratio of female managers, enhancing employee benefits, and improving employee engagement.

▶ P.38 Human Capital Management

1 Delivering “Comfort” to the World
2 How Value Is Created
3 How Future Growth Will Be Realized
4 Protecting “Comfort”
5 Governance
6 Data

Financial Strategies

Priority Area: Research & Development

For our Company, intellectual capital is an important form of capital that supports the foundation of manufacturing and service provision. Highly specialized research and development personnel work with academic institutions and partner organizations, accumulating advanced knowledge and expertise that lead to the acquisition of numerous patents. These contribute significantly to the differentiation of our products. In addition, we organize approximately 80,000 customer comments each year through the TACO System and use them as "customer insights" in product development, enabling us to provide value that meets both latent and explicit needs.

▸P.34 Research and Development

Priority Area: Overseas Expansion

We position overseas expansion as an important area for growth investment and are investing in strategy execution centered on local subsidiaries, supply chain development, and the strengthening of human resources. In ASEAN, we are focusing on expanding market share in Thailand and Vietnam as core profit-generating markets, while promoting sales channel expansion and business foundation development in Malaysia and the Philippines. In Thailand, we are making proactive investments with the aim of achieving the No. 1 market share in insecticides and repellents. In China, we have shifted our investment policy toward expansion into physical retail stores in response to changes in the market environment. Along with expanding exports to 50 countries around the world, we continue to invest in strengthening production and supply capabilities and developing global human resources.

▸P. 28 Household Products Business: Overseas

Priority Area: MA-T®

We position MA-T® technology as a new business that is not affected by seasonal factors and are making investments in it. We are currently in the stage of promoting the real-world implementation of this technology and are also strengthening initiatives to raise awareness. To support future growth, we will continue to make proactive investments in the dissemination of MA-T® technology and the establishment of its business foundation.

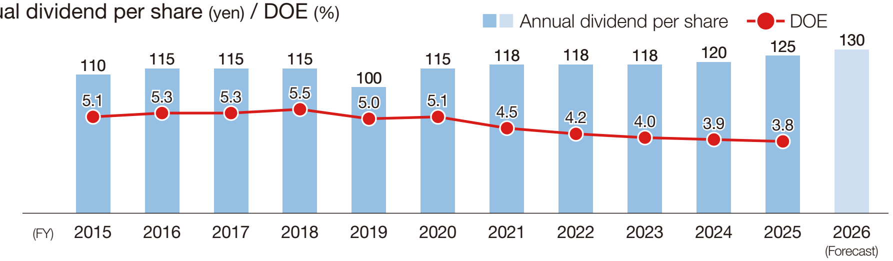
▸P. 32 MA-T®

Shareholder Returns Policy

We recognize the return of profits to shareholders as an important management issue and strive to maintain stable dividends while securing retained earnings to support sustainable growth and a sound financial base. Retained earnings will be utilized, based on the priority themes set forth in the medium-term business plan, for strategic investments and M&A to expand overseas operations, research and development and human capital investments to enhance non-financial value, system renewal to improve operational efficiency, capital investments to improve production efficiency, and structural reform expenses to support sustainable growth. In addition, we will consider flexible share repurchases in light of cash flow conditions and share price trends.

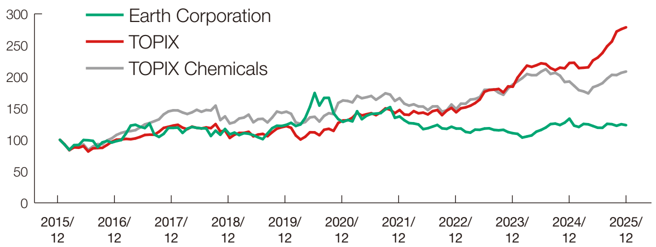
With respect to dividends from retained earnings, we place importance on stable and continuous payments and target shareholder returns at a dividend on equity (DOE) level in the 4% range. Under these policies, for fiscal 2025, taking into account business performance and funding needs for future growth, we set the annual dividend at ¥125 per share (DOE: 3.8%), consisting of an ordinary dividend of ¥120 and a special dividend of ¥5. The consolidated dividend payout ratio is 52.1%. Furthermore, for fiscal 2026, we plan to increase the annual dividend by ¥5 from the previous fiscal year to ¥130 per share.

Annual dividend per share (yen) / DOE (%)



Fiscal year		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Treasury shares	Amount acquired (millions of yen)	–	–	–	–	–	–	198	99	–	2,000	–
	Number of shares canceled (10,000 shares)	–	–	–	–	–	–	–	–	–	–	–

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, 2015, as 100 (holding period up to the end of December 2025).

Chapter 3

How Future Growth Will Be Realized

Strategies create value only when they are put into action. In this chapter, we show how we will achieve growth through our businesses in Japan and overseas, research and development, and investments in people.
By taking a closer look at initiatives on the ground, we reveal the sources of our competitiveness.

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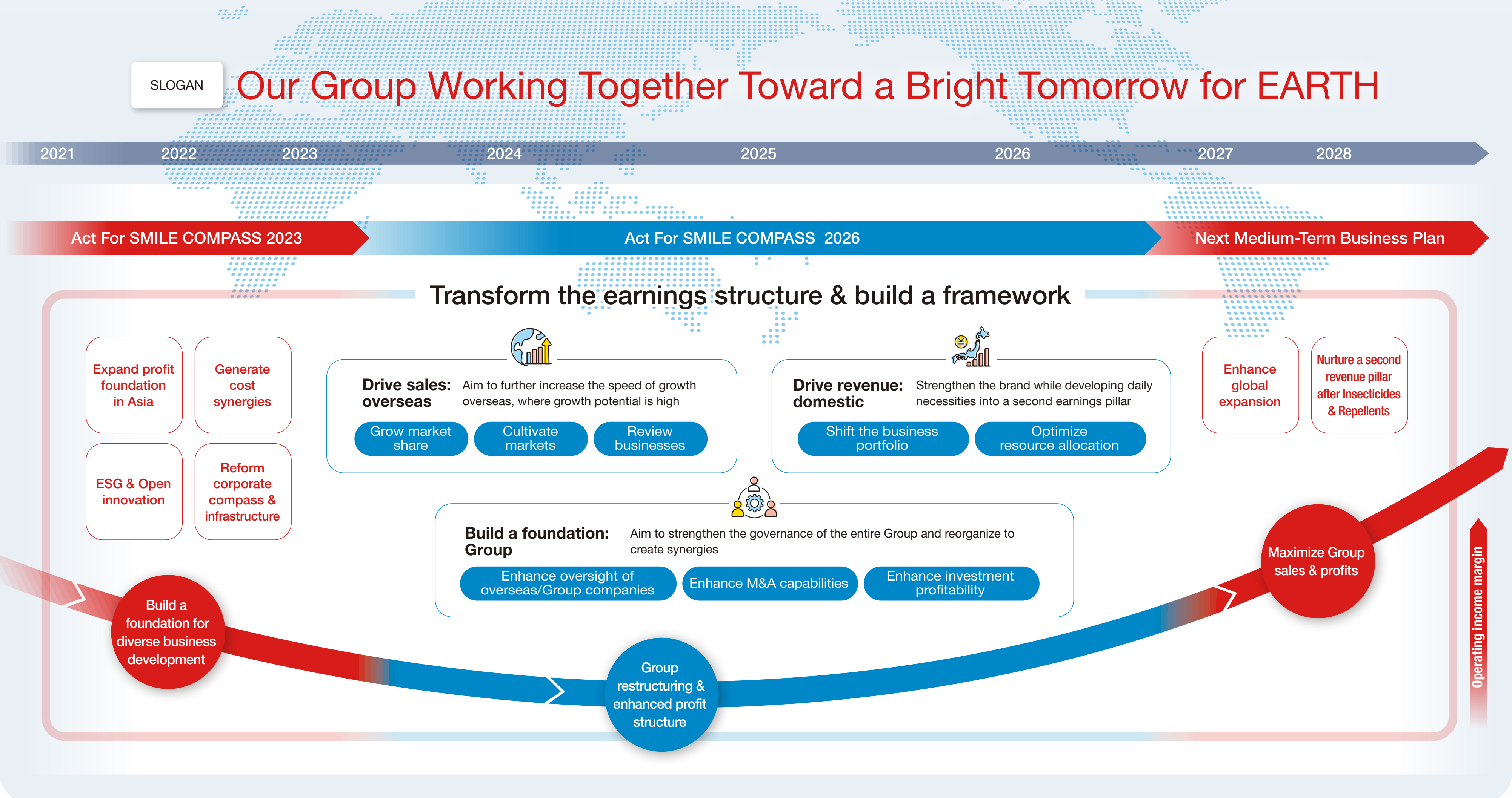
Medium- to Long-Term Roadmap

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.



1 Delivering “Comfort” to the World
2 How Value Is Created
3 How Future Growth Will Be Realized
4 Protecting “Comfort”
5 Governance
6 Data

Household Products Business Insecticides & Repellents

Insecticides & Repellents

The Insecticides & Repellents segment primarily offers products that exterminate or repel pests such as flies, mosquitoes, cockroaches, and mites. In 2025, sales reached ¥67,651 million, accounting for approximately 35.5%* of the Company's total sales, making it a highly profitable core business.

* The denominator is the total amount including intersegment sales.

Major Products

We offer a wide range of products designed to eliminate or repel pests such as flies, mosquitoes, cockroaches, and mites.

Business Overview

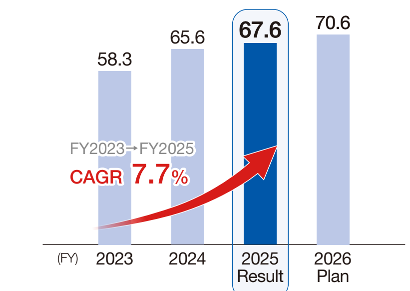
As the market continues to grow at a moderate pace, the Insecticides & Repellents segment has established a business model that generates stable earnings by leveraging its dominant market share, which we regard as a reflection of customer support. Rather than pursuing volume growth in the market, the business focuses on maximizing profitability by increasing unit prices through a combination of expanding high value-added products and implementing price revisions. In addition, to maintain brand value and secure appropriate pricing, we continue to invest in advertising and promotional activities, with improving profit margins and cash generation as key business objectives.

As climate change and changes in living environments create more opportunities for product use, we are working with retailers to cultivate demand during the winter off-season and promote year-round sales. Through these efforts, we are expanding sales volume while creating new usage occasions, thereby maintaining and strengthening our market presence and share. These initiatives have enabled us to establish a solid earnings base that contributes to improving capital efficiency across the Company.

External Environment

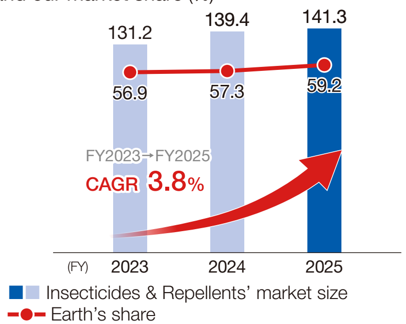
Market characteristics	❶ **Increased latent demand driven by global warming**…Product usage opportunities are expanding due to longer periods of high temperatures, prolonged late-summer heat, and the arrival of invasive species. ❷ **Expansion of the preventive market**…Growing awareness of infectious disease risks and other concerns is driving demand not only for pest elimination but also for preventive solutions. ❸ **Weather- and season-dependent sales structure**…Sales are influenced by annual weather conditions, including summer temperatures and the length of the rainy season.
Market position	With a market share of 59.2% (up 1.9 percentage points year on year), we are the No. 1 company in the domestic market and continue to drive market growth.

Insecticides & Repellents: sales* (billions of yen)



* Includes intersegment sales.
* Following the separate disclosure of sales for the gardening products business beginning in 2025, figures for prior years have also been calculated and presented using the same basis as that applied in 2025.

Insecticides & Repellents: market size (billions of yen) and our market share (%)



Sources: Intage SRI+ insecticide market (excluding horticultural agents) National total, all business categories.
Cumulative sales value for January–December of each year.

Category Strategy

To achieve the targets set forth in our Medium-Term Business Plan, we are working to expand sales and improve the profitability of our core Insecticides & Repellents segment. In recent years, the market has grown due to rising temperatures and prolonged late-summer heat, with products for cockroaches, nuisance pests, and insect repellents performing strongly. "Hadamamo," a mist-type insect repellent launched in February 2025, also contributed to sales, achieving 115% of its sales target.

Meanwhile, reducing product returns, which had been a key management issue, has been pursued as part of cross-functional initiatives to reduce waste since 2016. As a result of these efforts, the return rate decreased from 12.3% in 2015, before the initiative began, to 4.6% in 2025, the lowest level on record, while the value of returned products also fell to its lowest level ever.

Integrated management from production through sales has enhanced supply and demand coordination, leading to greater inventory efficiency and improved cash flow. Looking ahead, in response to the longer selling season associated with climate change, we will work with industry partners to promote year-round sales as a standard product category, thereby reducing waste and improving profit margins. Building on these initiatives, we will strengthen category portfolio management and further enhance our earnings structure.

Household Products Business

Homecare Products ▶ Bath Salts

Homecare Products

The homecare products segment offers a diverse range of products, including bath salts, oral hygiene products, and air fresheners. By leveraging its agility and organizational capabilities to create attractive retail displays, the business helps energize the market while providing products that enhance everyday comfort and seamlessly fit into people's lives.

Bath Salts Bath salts are one of the flagship categories within the homecare products segment, enjoying strong brand recognition and a solid market share. Supported by stable demand, this category is positioned as one of the Company's key businesses.

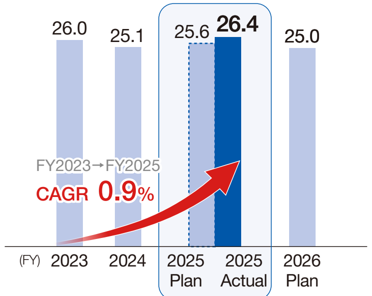
Major Products

We offer products in a variety of formulations and price ranges to meet diverse customer needs.

External Environment

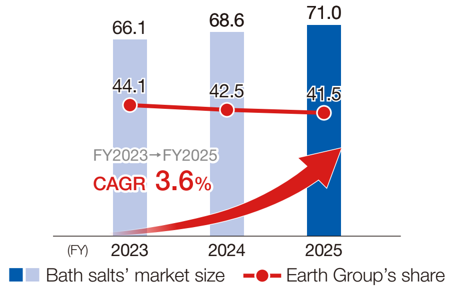
Market characteristics	❶ Gradual market expansion…The market is primarily domestic and continues to grow overall, supported by factors such as increasing consumer awareness of health and wellness. ❷ Shift toward high value-added products…In addition to products that offer enjoyable colors and fragrances, demand is increasing for high value-added bath additives with enhanced functionality, such as those that improve the warming effects of bathing. ❸ Limited impact from weather conditions…Although the market is relatively unaffected by weather fluctuations, demand is seasonally concentrated in the autumn and winter months.
Market position	With a market share of 41.5% (down 1.0 percentage point year on year), we are pursuing synergies from the absorption-type merger with BATHCLIN Corporation to further expand our market share and maintain our position as the No. 1 company in the domestic market.

Bath salts: sales* (billions of yen)



* Including intersegment sales.

Bath salts: market size (billions of yen) and our market share (%)



Sources: Intage SRI+ Bath salts market, national total, all retail channels combined

Cumulative sales value for January–December of each year

Business Overview

We have established a stable earnings model centered on brand strength and a high value-added strategy with the aim of maintaining the No. 1 market share in the bath salts market. By securing appropriate pricing, we improve profit margins while continuing to invest in advertising to sustain brand value. In addition, recognizing that demand is concentrated during the winter season, we are creating new usage occasions to encourage year-round demand.

Furthermore, following the absorption-type merger with BATHCLIN Corporation in January 2026, we have strengthened our structure to generate synergies in product development, marketing, and production, thereby driving the growth of high value-added products and expanding the market. Going forward, we aim to achieve a market share of more than 50% and establish this business as one of the Company's second major earnings pillars, following the Insecticides & Repellents segment.

Category Strategy

In the mature bath salts market, we have adopted a business model centered on a high value-added strategy and stronger brand equity to maintain and expand our market share. Although sales of powder-type products such as Bath Roman and BATHCLIN were lower than the previous year, premium, high value-added products such as Kikiyu and BARTH continued to grow, driving an increase in the average selling price through a shift toward higher value-added offerings.

In addition, following the absorption-type merger with BATHCLIN Corporation in January 2026, we are optimizing marketing investments and creating synergies in product development to strengthen our brands and regain market share. Through these initiatives, we aim to build a competitive portfolio even in a mature market and achieve sustainable growth.

Household Products Business

Homecare Products ▶ Oral Hygiene

Homecare Products

Oral Hygiene Oral hygiene is a key category within the homecare products segment and an important business area with stable sales. Even in a highly competitive market, we maintain a solid market share and view this category as a strategic area with significant growth potential.

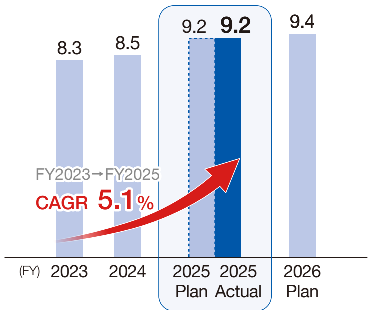
Major Products

We primarily offer mouthwash products, led by the MONDAMIN brand.

External Environment

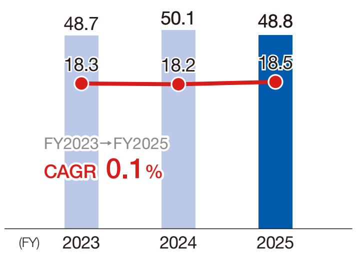
Market characteristics	❶ **Growing demand for oral care**…Consumer demand continues to expand steadily, driven by increasing interest in oral care among an aging population and rising awareness of preventive care among younger generations. ❷ **Intense competitive environment**…The market is highly competitive, with leading domestic and international manufacturers vying for share through product functionality and brand strength. ❸ **Stable year-round demand**…The category is relatively unaffected by weather conditions or seasonality, resulting in stable demand throughout the year.
Market position	With a market share of 18.5% (up 0.3 percentage points year on year), we aim to further expand our share through initiatives including the renewal of our flagship MONDAMIN series.

Oral hygiene: sales* (billions of yen)



* Including intersegment sales.

Oral hygiene: market size (billions of yen) and our market share (%)



Mouthwash's market size
Earth's market share

Sources: Intage SRI+ mouthwash market (mouthwash and liquid toothpaste) national total, all business categories.
Cumulative sales value for January–December of each year.

Business Overview

Our oral hygiene category features a two-tier business model that serves both general consumers and the professional dental market through products exclusively available to dental clinics. By gaining adoption in dental clinics and earning endorsements from dental professionals, we strengthen our competitive differentiation. Through seminars conducted by dentists and information sharing via social media and other channels, we have established a virtuous cycle that enhances both brand value and product credibility, generating stable earnings. Going forward, with the objective of achieving a 20% market share, we will continue to make proactive investments in advertising and promotion from 2026 onward to expand brand awareness and encourage repeat purchases.

Category Strategy

To strengthen our competitiveness in the mouthwash market, we carried out a major renewal of our flagship MONDAMIN series in August 2025. At the same time, we stepped up advertising and promotional activities targeting younger consumers, resulting in strong sales performance, with shipments of the MONDAMIN series increasing to 106% of the previous fiscal year's level. Following the renewal, our market share has also been trending upward, contributing to the wider adoption of oral care habits. Going forward, we will promote the routine use of mouthwash and further expand the market while strengthening our brand, with the aim of developing this category into one of the Company's second major earnings pillars alongside the Insecticides & Repellents segment.

Household Products Business Gardening Products / Pet Products and Others

Gardening Products

Centered on the Earth Garden series, our gardening products lineup includes a wide range of distinctive products, such as insecticides, fungicides, and environmentally friendly herbicides.

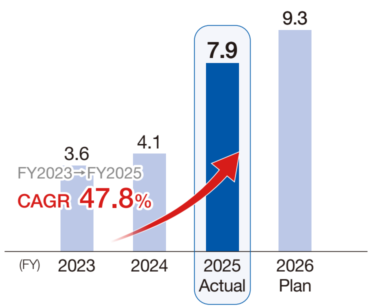
Major Products

We offer products for home gardening, including pest repellents and potting soil.

External Environment

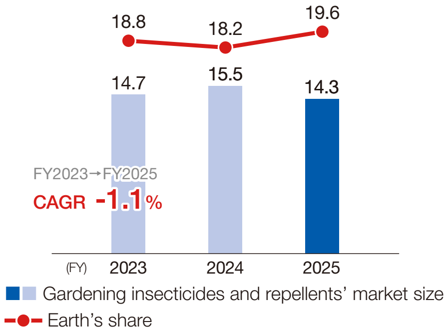
Market characteristics	After a temporary decline following the surge in home gardening demand during the COVID-19 pandemic, demand has been recovering, supported by urbanization, climate change, and growing environmental awareness.
Market position	In the pest repellent market, we hold an established position by leveraging our expertise as a manufacturer of insecticides and repellents.

Gardening products: sales* (billions of yen)



* Includes internal sales.

Gardening insecticides and repellents: market size (billions of yen) and our market share (%)



Sources: Intage SRI+ Gardening insecticide market, national total, all retail channels combined
Cumulative sales value for January–December of each year

Category Strategy

We view the gardening products business as a growth area and are strengthening its business foundation to support future expansion. In February 2025, we acquired PROTOLEAF, Inc., a company engaged in the sale of gardening materials and landscaping services with a strong market position in high-quality potting soil, thereby incorporating its product development capabilities into our operations. As a result, sales of gardening insecticides and repellents, herbicides, and potting soil have performed well, and profitability has been improving. Going forward, we expect continued growth in our existing product lineup and will leverage these synergies to enhance competitiveness and achieve sustainable business expansion.

Pet Products and Others

We offer a range of products including insecticides and repellents for pets, deodorants, and premium pet food, as well as bottled drinking water and other products.

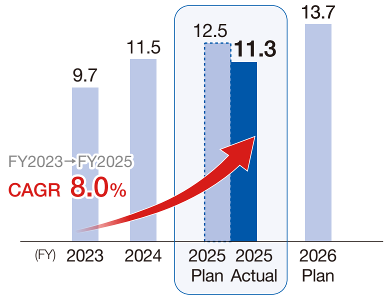
Major Products

Our main product offerings include insecticides and repellents for pets, deodorants, and premium pet food.

External Environment

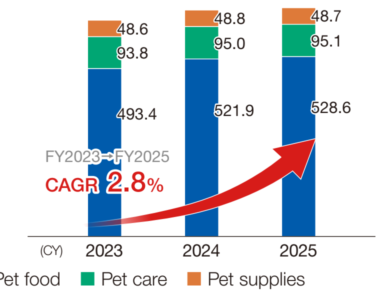
Market characteristics	The market remains solid, supported by rising spending per pet driven by growing awareness of pet health and wellness.
Market position	We have established a strong presence in categories such as insecticides and repellents for pets, deodorants, and body wipes.

Pet products and others: sales* (billions of yen)



* Includes internal sales

Pet products: market size (billions of yen)



Source: 2026 Comprehensive Marketing Survey of the Pet-Related Market (Fuji Keizai).
2025 figures are estimates.

Category Strategy

At Earth Pet, we provide products that support comfortable living with pets while promoting, both in Japan and overseas, the importance of maintaining pet health and improving quality of life (QOL) through our products. In the fiscal year ended December 2025, sales of pet care products increased, while sales of insecticides and repellents for pets and functional pet food fell below the previous year's level. In addition, an impairment loss on fixed assets related to the suspension of the Okinawa cat litter manufacturing business resulted in an extraordinary loss of ¥360 million. Going forward, we will focus on growth areas and review our earnings structure to achieve stable business operations.

Household Products Business Overseas

Interview

—Expanding Distribution Channels Further Across ASEAN

Accelerating the Growth of Our Overseas Business Evolving Our Brands and Business Foundation to Drive Expansion

Kentaro Sato

Managing Executive Officer, Director General of Global Management Headquarters

Overseas markets, particularly ASEAN, are an important growth area for Earth Corporation. As competition intensifies, we need to increase brand penetration while expanding distribution channels. Kentaro Sato, Director General of Global Management Headquarters, explains how the Company is addressing this environment, as well as its strategy and future outlook.

What are the characteristics of the ASEAN market and the current state of brand recognition?

ASEAN is an attractive market with strong growth potential, but market structures and consumer needs differ significantly by country. If we tailor products too closely to each local market, our brands become fragmented. If we standardize too much, we risk failing to meet local needs. Balancing these two priorities has been a major challenge. In the past, we developed products separately for individual countries, but this made it difficult to build brand recognition on a global scale.

Today, in the Insecticides & Repellents segment, we are shifting to an approach centered on the ARS brand, which is positioned for broad penetration across ASEAN, while adjusting product specifications to meet the needs of each country. The brand foundation is now taking shape, and we have entered the stage of accelerating brand recognition and market penetration.

What initiatives are you pursuing to expand sales and market share?

What matters in overseas expansion is not acting on an ad hoc basis. We first develop a clear "map and story" by defining which products to sell, in which markets, and through what approach. Based on this, we design products and develop brands while taking into account the market size and needs of each country.

At the same time, we must respond to differences in regulations, distribution environments, and consumer perceptions. In some markets, for example, there are concerns about the safety of aerosol products, so a uniform product strategy is not enough. For this reason, while keeping effectiveness as our core functional value, we optimize product specifications according to the characteristics of each market, including by offering insecticides and repellents made with natural ingredients.

No matter how good a product is, however, it has no value unless it reaches store shelves. We use both direct sales and distributors as appropriate, and manage the entire process from product introduction to in-store merchandising in an integrated manner. We also use indicators such as the number of customer visits to improve both the quantity and quality of our sales activities and strengthen execution.

These initiatives have enabled us to expand market share in some markets, but we have not yet been able to achieve the same level of progress in every region. Going forward, we will further advance the execution of our strategy and accelerate the growth of our overseas business.

How are you differentiating the business in global markets, and what is your future vision?

In global markets, competition with major overseas companies is unavoidable. Although Earth Corporation has strong recognition in Japan, we entered overseas markets later, where leading brands already occupied store shelves. In the global market, the top company holds a share of slightly over 20%, while we currently rank second despite having a single-digit share. Our first goal is to expand our global share in insecticides and repellents to around 10%, solidify that position, and then pursue further growth.

In this environment, what we emphasize is differentiation based on the needs of each market. For example, because the ARS brand is less likely to resonate in English-speaking markets, we use different brands depending on the region. Our strength in executing this differentiation lies in our ability to develop products in close response to consumer needs and our uncompromising commitment to functionality. We also place importance on elements that appeal to consumers at the moment of purchase, such as package designs that encourage them to pick up our products in stores.

At the same time, while our strategy is in place, we still face challenges in execution. We need to strengthen our organizational capabilities, including by enhancing local subsidiaries and determining the priority of market entry. Going forward, we will build a framework centered on four regions: ASEAN, North, Central and South America, Europe, and the Middle East and Africa. This will create a foundation that enables each region to execute its strategy independently. At the same time, we will promote appropriate talent placement and deepen understanding of our strategy across the organization. By enhancing our ability to think and act proactively, we will elevate the overseas business into a pillar that drives Earth Corporation's growth.

Household Products Business Overseas

Overseas

Since entering Thailand in 1980, Earth Corporation has steadily expanded its overseas business and has actively developed its operations through local subsidiaries, primarily in the ASEAN region. By strengthening its regional strategy, the Company is pursuing growth in sales, profitability, and market share in Thailand and Vietnam, while focusing on expanding distribution channels in Malaysia and the Philippines.

External Environment

ASEAN

A growing market driven by population growth and rising hygiene awareness

As living standards improve, awareness of infection prevention and comfortable living environments continues to increase, driving rapid growth in demand in the Insecticides & Repellents segment and the homecare products segment.

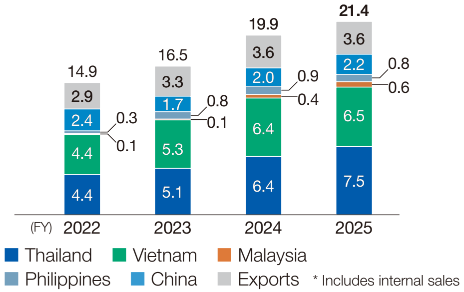
China

A vast market with intensifying price competition

Although competition from local companies and e-commerce channels has led to intense price competition, we continue to focus on securing profitability and strengthening our sales channels.

Countries where Earth has established local subsidiaries

Overseas: sales* (billions of yen)



* Includes internal sales

Category Strategy

At Earth Corporation, in line with expanding sales in the ASEAN region, we are optimizing our production and supply systems in coordination with the medium- to long-term plans of each country to ensure a stable supply and enhance profitability. On the human resources front, we are building an organization capable of supporting global expansion by providing opportunities for employees to gain overseas experience at an early stage and by strengthening local recruitment.

Our product strategy focuses on three domains—insecticides and repellents, air fresheners, and oral care. While advancing product certification and registration, we combine localization tailored to local market needs with Japanese quality standards in our product offerings. In particular, we maintain strong competitiveness in the mid-priced segment across the ASEAN region.

Strategy for Achieving the Medium-Term Business Plan

We view our overseas business as a key growth driver and, under our medium-term business plan, are pursuing a growth strategy led by our local subsidiaries while strengthening our supply chain and human resources. In the ASEAN region, Thailand and Vietnam serve as the core contributors to earnings, where we are pursuing both market share expansion and sales growth. In Malaysia and the Philippines, we are focused on expanding distribution channels and strengthening our business foundation. In Thailand in particular, we are making proactive investments with the goal of achieving the No. 1 market share with the Insecticides & Repellents segment. In China, we have shifted our strategy in response to changes in the business environment, placing greater emphasis on expanding product placement in retail stores. Our export business now extends to approximately 50 countries, and we are accelerating growth by leveraging successful initiatives across multiple markets. As our overseas operations continue to expand, we are also focusing on optimizing our production and supply systems and on developing and securing global talent.

Country Strategies

Country	Thailand	China	Vietnam	Malaysia	Philippines
Company Name	Earth (Thailand) Co., Ltd.	Earth Corporation (Shanghai)	Earth Corporation Vietnam	EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD.	EARTH HOMECARE PRODUCTS (PHILIPPINES), INC.
Established	1980	2015	Local subsidiary acquired in 2017	2019	Acquired the predecessor company and adopted its current name in 2022.
Main products	Insecticides and repellents, air fresheners, and oral care products	Insecticides and repellents	Household detergents, insecticides and repellents, and air fresheners	Insecticides and repellents, air fresheners	Insecticides and repellents
Strengths	A locally integrated business model encompassing product development, manufacturing, sales, and logistics.	In collaboration with manufacturing facilities and other partners in China, sales activities are focused on the four major cities of Beijing, Shanghai, Guangzhou, and Shenzhen.	An efficient distribution network supported by a nationwide sales force of approximately 700 personnel.	A market environment conducive to the adoption of high value-added products.	Close collaboration with manufacturing facilities in Thailand and Vietnam.
Market overview	• Strong growth among key accounts. • Maintains the No. 2 market share in the insecticides and repellents market in Thailand.	• The market is large, but price competition is intensifying. • The business is undergoing strategic realignment in response to the rise of local manufacturers.	• The country stretches over a long north-south axis, and approximately 70% of retail outlets are independently owned stores. • A growing market driven by increasing hygiene awareness.	• The warm climate creates strong demand for insecticides and repellents. • Hygiene awareness and consumer spending are increasing.	• A market with strong long-term growth potential, supported by rapid population growth and robust economic development.
Growth and expansion strategy	• Achieve the No. 1 market share in Thailand's insecticides and repellents market. • Improve profit margins by reducing raw material costs and enhancing production efficiency.	• Strengthen sales through retailers with physical store networks. • Acquire customers through e-commerce in collaboration with Japan and promote brand penetration in China.	• Strengthen in-store merchandising and expand the sales workforce to increase market share. • Implement cost reduction initiatives.	• Expand the retail network by developing new accounts in densely populated areas.	• Improve the efficiency of sales promotion and advertising expenditures.

General Environment and Sanitation Business

The General Environment and Sanitation Business provides integrated inspection, consulting, and implementation services to a wide range of industries, including food, pharmaceuticals, healthcare, and logistics, to help prevent microbial contamination and the intrusion of foreign matter such as insects. By supporting quality assurance activities throughout the supply chain, the business contributes to creating safe and secure living environments.

External Environment

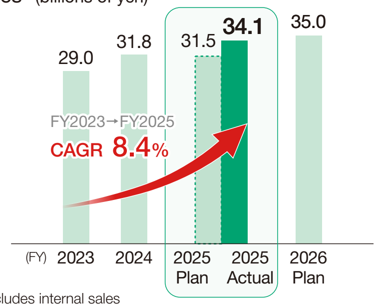
Market characteristics	Stable demand growth with limited sensitivity to economic cycles • Capital investment in the manufacturing sector remains active • Demand for, and opportunities to provide, high-quality sanitation management services are expanding, driven by concerns over foreign matter contamination and related issues. • Because its primary customers are facilities handling essential goods, such as food and pharmaceutical plants, demand is relatively resilient to economic fluctuations and remains stable throughout the year.
Market position	• Highly specialized professionals known as "Environmental Doctors" • An extensive network spanning Japan and overseas • High value-added services backed by proven technical expertise

Main Services

Environmental monitoring / Testing and identification of microorganisms and foreign matter / Pest control and microbial contamination prevention / Sanitation and specialized cleaning / Quality assurance system development / Support for certification acquisition and compliance audits / Human resource development through training services / Factory design, construction support, and facility engineering / Building maintenance / IoT system development / Product development and sales

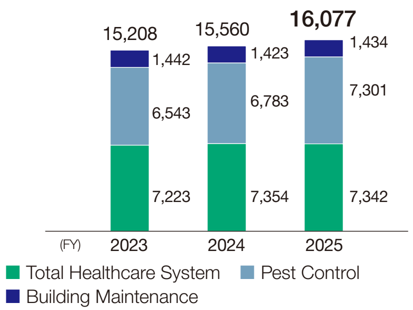
On-site inspection

General Environment and Sanitation Business: sales* (billions of yen)



* Includes internal sales

General Environment and Sanitation Business: annual number of contracts



* Total Healthcare System (Integrated Environmental Hygiene Management): integrated, systematic hygiene management support services consisting of tailor-made options
* Pest Control: pest and vermin control operations
* Building Maintenance: management of buildings including general cleaning operations

Business Model

The General Environment and Sanitation Business is primarily based on annual contracts with corporate customers. In addition to acquiring new contracts, its recurring business model enables revenue to accumulate steadily through continued service use. In the food, pharmaceutical, and healthcare sectors, demand for high-quality sanitation management services remains strong, driven by increasingly stringent international safety standards, revisions to domestic regulations, and growing awareness of contamination risks.

Against this backdrop, our distinguishing feature is a preventive approach to sanitation management that focuses on avoiding risks before problems arise rather than responding after they occur. We provide an integrated range of services, from inspections and analyses to prevent microbial contamination and foreign matter intrusion, to consulting on sanitation improvements and on-site implementation, thereby supporting quality assurance and risk reduction across our customers' entire supply chains. As our services become more sophisticated, contract values have increased, and the number of contracts has grown as more companies seek advanced expertise and technical capabilities.

To strengthen our competitive differentiation, we continue to invest in talent development and technology development utilizing AI and IoT, enhancing both the sophistication and value-added nature of our services. Through these efforts, we are building a sustainable and competitive business model that enables us to retain and expand existing customer relationships while securing appropriate profit levels.

Growth Strategy

As quality and safety requirements continue to rise, particularly in the food and pharmaceutical sectors, we are strengthening our competitiveness by advancing our business based on seven key themes: people, expertise, technological capabilities, education, occupational safety, business infrastructure, and business creation. Centered on the Saito Research and Training Institute, we continue to invest in talent development and research and technology development while enhancing preventive next-generation services utilizing AI and IoT, food safety audits, and sanitation management support for the life sciences sector, thereby providing more efficient and higher value-added services.

In addition, leveraging our technological capabilities, education, and expertise, we are enhancing quality assurance support provided by our Environmental Doctors and expanding into new business areas. By steadily increasing our base of annual contracts while continuing to invest in talent development and research and development, we aim to achieve sustainable growth.

General Environment and Sanitation Business

Four Strengths of the General Environment and Sanitation Business

The safety and reliability of food and pharmaceutical products are fundamental not only to corporate trust and brand value but also to protecting people's lives and health. Going beyond conventional pest control and cleaning and disinfection services, the General Environment and Sanitation Business delivers value as an “infrastructure for quality and safety” by helping prevent quality incidents and sanitation risks before they occur and by supporting quality assurance in the food, pharmaceutical, and healthcare sectors.

Strength 1:
A Specialized Talent Infrastructure That Develops “Environmental Doctors”

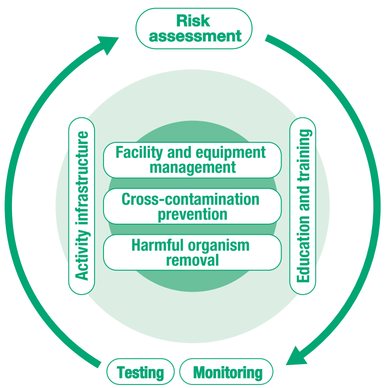
The competitiveness of our General Environment and Sanitation Business is built on two key pillars: people and technology. As the sanitation management industry is highly labor-intensive, securing and developing highly skilled personnel is essential for sustainable growth. To this end, we have established the Human Resource Development (HRD) Division, comprising the Human Resources Department and the Skill Development Center, which provides structured training programs covering sanitation and pest control expertise as well as auditor training in food safety and pharmaceutical quality systems. Through the development of specialized professionals known as Environmental Doctors, who diagnose on-site issues based on scientific evidence and provide recommendations for improvement, we continue to enhance the quality of our services.

Strength 2:
Comprehensive Solutions Supporting Quality and Safety

The greatest strength of our services lies not only in resolving visible issues but also in providing a one-stop PDCA cycle that covers the identification and analysis of potential risks through to the planning, implementation, and evaluation of countermeasures.

Specifically, based on the “Eight Approaches” shown in the figure on the right, we design customized solutions tailored to each customer's requirements and deliver the most appropriate services. This enables us to achieve meaningful risk reduction based on solid evidence efficiently, shifting the focus from reactive measures after problems occur to proactive prevention.

Eight Approaches



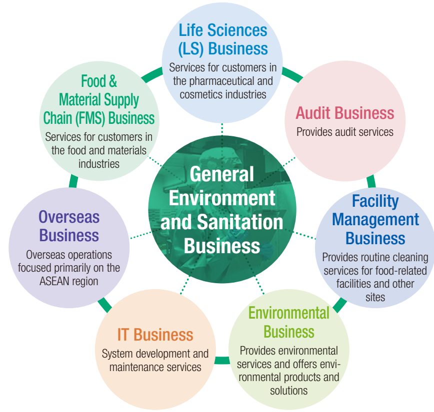
Strength 3:
Technology and Analytical Capabilities Based on Scientific Evidence

We leverage our research and development functions and analytical centers to provide advanced scientific capabilities, including microbiological testing, foreign matter analysis, and genetic analysis. In addition, our specialized organizations, including the Sanitation Division and Academic Affairs Division, work together to address a wide range of sanitation challenges, particularly in the food, pharmaceutical, and healthcare sectors. We are also advancing the introduction of IoT-enabled automated monitoring systems and enhancing our preventive services by analyzing accumulated data to detect pest activity and sanitation risks at an early stage before they develop into problems.

Strength 4:
A Business Foundation That Responds to Diverse Needs

Building on the expertise we have cultivated primarily in the food and pharmaceutical sectors, we continue to expand our business domains. Starting from sanitation management, we have broadened our scope to include auditing, environmental services, IT, and overseas operations, thereby enhancing our ability to respond to increasingly diverse customer needs. Going forward, we will further extend the value we provide into the broader field of environmental management, including the natural environment and workplace environments, and support the resolution of challenges across all aspects of the environment.

Seven strategic focus areas



Column

What Is an Environmental Doctor?

Environmental Doctors are specialized professionals developed by our Company who possess expertise in sanitation, pest management, food safety, and related fields, and who diagnose and resolve on-site issues based on scientific evidence. Just as a physician diagnoses a patient’s condition and recommends appropriate treatment and preventive measures, an Environmental Doctor investigates and analyzes conditions at manufacturing sites and facilities and develops the most appropriate countermeasures. They provide integrated support covering inspection and analysis, implementation, effectiveness verification, and ongoing maintenance, helping customers strengthen quality assurance and create safe and secure environments by preventing quality incidents and sanitation risks before they occur.

Interview

— New Possibilities Unlocked by MA-T®

New Value Created Through "Decomposition" Initiatives Toward Social Implementation and Commercialization

Yoshiaki Sakurai
Executive Officer, General Manager of MA-T Business Center

The MA-T® business addresses social challenges such as infectious diseases and environmental issues. Earth Corporation is developing this business as one of the foundations for its future growth. Katsuaki Sakurai, General Manager of the MA-T Business Center, explains the path forward and his vision for the future.

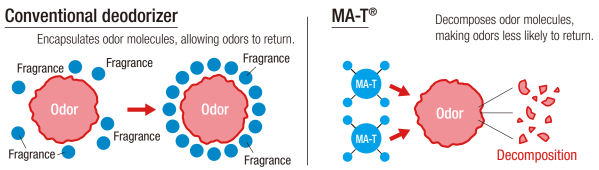
What kind of technology is MA-T®?

MA-T® is an innovative technology that controls oxidation reactions through the use of catalysts. It has the potential to bring innovation to a wide range of industries, from infection control through disinfection and deodorization, to pharmaceuticals, polymer surface modification, and methanol production.

In the fields of disinfection and deodorization, MA-T® does not simply mask or temporarily suppress the target in the way conventional methods do. Instead, it acts directly on target substances and decomposes them. Another major feature is its groundbreaking mechanism of reacting only when a target is present—in other words, it works only when needed. This enables MA-T® to deliver both safety and effectiveness.

Because of these characteristics, MA-T® has the potential to serve as an alternative to alcohol. Alcohol has long played a central role in disinfection, but if it can be replaced by MA-T®, a technology that combines safety and effectiveness, MA-T® could fundamentally change how we approach infection control and hygiene.

True deodorization by "decomposing" odors rather than "masking" them



How do you plan to expand this technology and grow it as a business?

At Earth Corporation, we position MA-T® not simply as a product, but as a foundational technology that can be integrated into a wide range of industries. For a technology of this nature, it is important to expand adoption through collaboration rather than developing it on our own. Accordingly, we have adopted a policy of accelerating social implementation through open innovation. As a key initiative, we established the Japan MA-T Industrial Association. Today, more than 115 companies and organizations participate in the association, and we are working with leading companies across various industries to explore applications and move them toward practical implementation.

The value of MA-T® increases not through competition among individual products, but as its range of applications expands. Rather than pursuing short-term sales growth, we place priority on first establishing its value as a technology and promoting its adoption throughout society. Based on that foundation, we intend to create revenue opportunities through licensing and product supply as applications continue to expand.

How could MA-T® transform society?

The value of MA-T® extends far beyond infection control. For example, in the tire industry, significant performance improvements are expected through polymer surface modification, including enhanced braking performance. This market is estimated to be worth approximately ¥20 trillion, and we are currently exploring opportunities in this market. In the energy sector, MA-T® technology also has the potential to enable the conversion of methane generated from cattle digestion and manure into methanol under ambient temperature and pressure, whereas conventional methods require high temperatures and pressures. As a technology that could contribute both to reducing greenhouse gas emissions and to making more effective use of energy, MA-T® is also being considered for practical implementation in small-scale plants.

MA-T® is a technology that has the potential to redefine conventional approaches through decomposition. As it becomes more widely adopted in society, it can contribute not only to safer and more comfortable living environments, but also to new solutions for challenges that have long been difficult to address. Moreover, by becoming integrated into a wide range of industries, MA-T® could evolve into a technology that supports social infrastructure in the future. Earth Corporation will continue to nurture MA-T® as a technology originating in Japan, establish it as one of the foundations for its future growth, and promote its wider adoption across society.

For more information on these initiatives, please visit our website (in Japanese).
https://corp.earth.jp/jp/company/business-product/ma-t/index.html

MA-T®

The MA-T System® (MA-T®) is a technology for which Earth Corporation holds the core patents and that has the potential to address a broad range of social challenges, from sterilization and deodorization to food hygiene, agriculture, healthcare, surface oxidation, and energy. In addition to strengthening preparedness for future pandemics, it is an innovative technology that can contribute to the realization of a sustainable and carbon-neutral society. It also has the potential to drive the transformation of our business portfolio and support our evolution into a company that delivers solutions to social challenges.

Strategic Positioning

We are advancing the commercialization and social implementation of the MA-T® business with the aim of creating new businesses that are less susceptible to seasonal fluctuations and securing stable earnings through our liquid-based products business.

Matching Transformation System® (MA-T®) is an innovative oxidation-control technology originating in Japan. By regulating the activity of chlorite radicals, it provides a versatile platform with potential applications ranging from infection control to environmental impact reduction and the realization of carbon neutrality. As the market remains in an early stage of development and is transitioning from research to practical implementation, we regard this business as a strategic investment area that is not expected to generate short-term profits. To accelerate adoption, we are pursuing an open innovation strategy and promoting social implementation through collaboration among industry, government, and academia. Working closely with the Japan MA-T Industrial Association and a wide range of partner organizations, we aim to expand the applications of MA-T®, achieve long-term profitability, transform our business portfolio, and evolve into a company that delivers solutions to social challenges.

Development progress by field and profitability status for Earth Corporation

Weak ← Enabling a wide range of applications through the control of activation strength → Strong

	• Sterilizing bacteria / viruses • Decomposing odor compounds	• Disinfecting food / tableware • Hygiene management at factories	• Sterilizing spore-forming bacteria • Disinfecting seeds	• Treating infectious dermatitis / cancer	• Modifying polymer surfaces • Functionalizing (hydrophilization / adhesiveness)	• Producing formic acid and methanol from methane (carbon neutral)
	Disinfectants / Deodorants	Food hygiene	Agriculture / Forestry	Healthcare	Surface oxidation	Energy
Progress status	Sundries / Cosmetics Already available * Not licensed for medical use	Food additives Under development	Under development	Cancer treatment Under development	Eg-grid development (for cryo-electron microscopy)	Under development (Biomethane → Methanol and Formic acid)
Earth Corporation's earnings	Earth product sales OEM manufacturing	Earth product sales OEM manufacturing	–	License earnings	License earnings	License earnings

Main Products

Household and professional cleaning products utilizing MA-T® technology

Investment Strategy

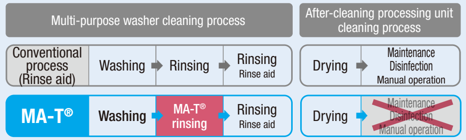
In line with our medium-term management plan, we are making focused investments in three key areas—research and development, human capital, and external partnerships—to develop the MA-T® business into a future source of earnings. In research and development, we continue to validate applications across a broad range of fields and are strengthening technological collaboration with industry partners through our licensing platform to accelerate the social implementation of the MA-T® oxidation control technology. We are also investing in the development of specialized talent and enhancing global awareness of MA-T®. Through initiatives such as participation in the Sedona Forum – Tokyo, an international policy forum hosted by the U.S.-based bipartisan think tank the McCain Institute, we are actively promoting the value of MA-T® to a global audience. In addition, we are expanding open innovation through collaboration among industry, government, and academia and, in cooperation with the Japan MA-T Industrial Association, advancing partnerships with a diverse range of companies. Rather than pursuing short-term profits, we continue to make strategic investments from a long-term perspective to evolve MA-T® into a business that delivers solutions to social challenges.

Column

Examples of the Social Implementation of the MA-T System®

Commercialization of the nursing care industry's first multi-purpose washer compatible with MA-T®
Reducing disinfection processes to significantly ease workloads in nursing care settings and reduce maintenance requirements.

Earth Corporation, in collaboration with ATAM Giken Co., Ltd., launched the nursing care industry's first multi-purpose washer that utilizes MA-T® technology in the rinsing process. Disinfecting welfare equipment by manually wiping it down has traditionally placed a significant burden on care staff. By using MA-T® in the rinse water, rinsing and disinfection can be performed simultaneously, substantially reducing manual labor. Thanks to its low corrosiveness, MA-T® has minimal impact on equipment and also helps suppress mold growth inside the washer while preserving the quality of the welfare equipment.



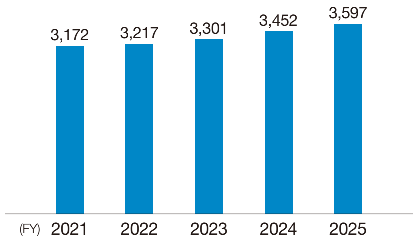
Comparison of Cleaning Processes

Research and Development

Earth Corporation is creating safe, high-quality, high value-added products with the aim of realizing healthy and comfortable lives for everyone. Always taking "the customer's perspective," we respond to changes in markets and consumers and move with speed in activities ranging from basic research to product development.

Earth Corporation R&D

Trends in R&D expenditures (millions of yen)



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.

Earth Corporation's Originality

Creating overwhelming performance

We pursue powerful performance that makes the difference from existing products clear the moment customers use them, and develop products they will want to keep using. Black Cap, which is effective for one year from the day it is placed, is a prime example.

Two moments of delight

We aim to create products that delight customers twice: once when they see them and again when they use them. Goki Jet and Earth Jet embody this value by combining the visual impact of pistol-shaped nozzles with strong spray power and ease of use.

Field-based ideas that generate 0-to-1 innovation

We emphasize the development of completely new products that are differentiated from existing products and create something from 0 to 1. By having researchers themselves conduct in-store market research and participate in business negotiations, we combine the customer's perspective with technological expertise to achieve innovation and differentiation.

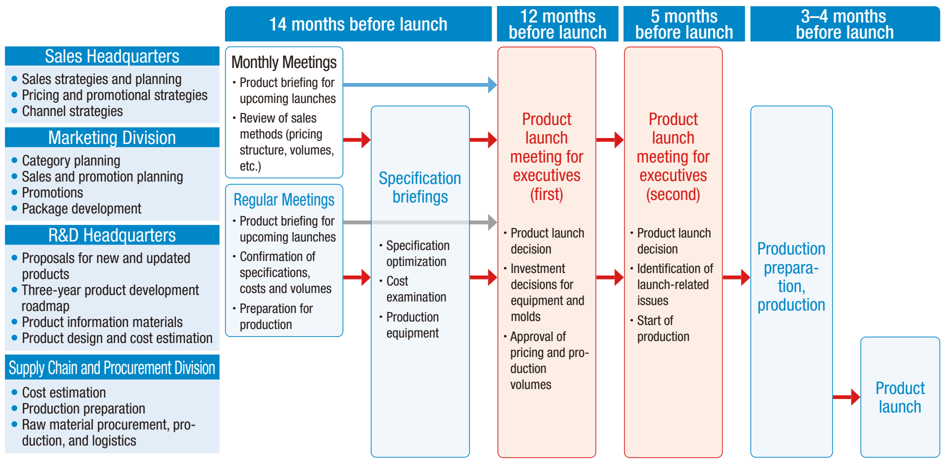
Processes and Technological Capabilities Supporting the Development of Diverse Products

At Earth Corporation, the sales, marketing, R&D, and procurement departments work closely together, taking an integrated approach from product planning through development. At monthly sales and marketing meetings, market trends and sales strategies are shared. Within the R&D department, many researchers, including younger members, give presentations at twice-yearly "new product idea" forums, where ideas are brought together across categories, and at "new product idea" meetings for each category. These opportunities help stimulate creativity and raise motivation. We also hold product category strategy meetings to deepen marketing strategies from a technological perspective and consider how to realize them, thereby improving the precision of product development through cross-departmental collaboration.

By clarifying differentiation points and solutions to customer issues in the initial stages of development, and by thoroughly setting targets, managing progress, and controlling schedules, we enable rapid development. In addition, our insect breeding room constantly maintains more than 90 species of pests, providing an environment where necessary tests can be conducted immediately. This is a key strength that powerfully supports technological development.

As a result of these initiatives, in fiscal 2025 we launched 412 new or updated products (274 in Japan and 138 overseas).

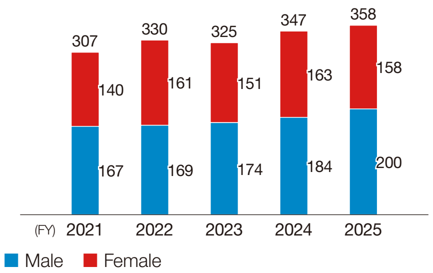
Product commercialization process



Research and Development

Developing R&D Human Resources

Trends in number of employees at R&D Headquarters (consolidated)



Our R&D human resources are a group of specialists based at the Ako Research Institute, Tsukuba Research Institute, and Saito Research and Training Institute (T-CUBE), who are responsible for a wide range of activities from basic research to product development. They have diverse backgrounds, including chemistry, biology (insects and plants), pharmacology, organic synthesis, nutritional chemistry, and genetics, and generate new product ideas by sharing research outcomes across organizational boundaries. Their fields range widely, from insecticides and repellents to home gardening and microbiology- and genetics-related research. Going forward, through the integration of BATHCLIN Corporation, we will also share new insights, including perfumer techniques and knowledge of crude drugs.

Cross-Departmental Collaboration

Based on our values of "everyone participates, communication, and people are everything," researchers at Earth Corporation actively consult and negotiate with other departments from early in their careers as they advance product development and launches. To foster a culture in which people can freely exchange opinions across generations and positions, we have created workplaces with fewer partitions through our Open-Door Policy.* This kind of cross-departmental collaboration enables us to emphasize the customer's perspective and create highly original products through close cooperation among departments.

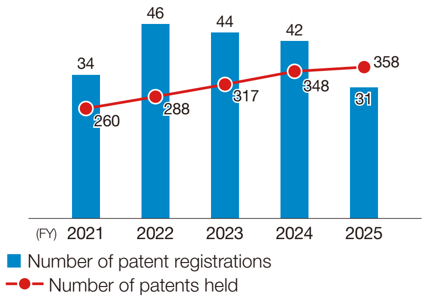
* Please refer to the Glossary on P.74

Extensive Research Facilities

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.

Policy Regarding Intellectual Property

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

Earth Corporation regards intellectual property (IP) as an important management resource and works to secure a competitive advantage and enhance earnings through an IP strategy aligned with its business and R&D strategies. By protecting innovative technologies through patents, designs, trademarks, and other IP rights, and bringing original products to market, we aim to help resolve social issues and contribute to a sustainable society. From the early stages of product development, our R&D, marketing, and IP departments work together to promote an "IP mix" that protects technologies, designs, and names at the appropriate time, thereby helping build brands that customers will continue to choose over the long term.

Promotion of Global IP Activities

To further accelerate overseas businesses with high growth potential, Earth Corporation has positioned the strengthening of global IP activities as an important theme. In particular, counterfeit products are a serious risk because they threaten customers' safe and comfortable lives and damage brand value. We therefore continuously monitor and remove such products from e-commerce sites. In addition, by working closely with local Group companies to advance anti-counterfeiting measures and brand value protection in an integrated manner, we are enhancing competitiveness in overseas markets.

People on Site

Frontline Voices Supporting Value Creation

Kazuya Onishi
Intellectual Property Office, Ako Research Laboratories
Research & Development Headquarters

The Role of IP in Supporting the Value of Original Products

I engage in IP activities while always keeping in mind how to enhance the Company's competitive advantage. By working closely with the R&D Headquarters to exchange ideas, we translate the technological and design strengths of products created from the customer's perspective into patent rights, design rights, and other IP rights, thereby helping increase product value. Each time I see customers choose our products at the store, I am reminded of the importance of these accumulated efforts. Going forward, I will continue to contribute to the sustainable growth of our businesses through IP activities that support original products.

Young Researchers' Roundtable Discussion

Delivering Comfort to the World The Next Generation Shares Perspectives on Earth Corporation's Value Creation

Ayaka Kanada
(Malaysia)
Research & Development Dept.
Global Management Headquarters

Ryo Takahashi
(United States and Saudi Arabia)
Research & Development Dept.
Global Management Headquarters

Takahiro Yatsuzuka
("Raku Hapi" Brand)
Ako Research Laboratories
Research & Development Headquarters

Chinatsu Ikeda
(Deodorizers and Air Fresheners)
Ako Research Laboratories
Research & Development Headquarters

Shusei Tanaka
(Bath Salts)
Ako Research Laboratories
Research & Development Headquarters

Earth Corporation is committed to creating more comfortable lives. How is that comfort defined, and how is it brought to life? Five early-career researchers share their perspectives on their experiences in research and development and the future expansion of these efforts.

What does comfort mean from a researcher's perspective?

Kanada: I am responsible for product development for the Malaysian market. When I think of comfort, I think of creating a pleasant living environment, such as a space free of insects or one filled with a favorite fragrance. I often begin by considering how people live in the local market.

Takahashi: Overseas, there are many countries where the basic living environment differs from that of Japan. In environments where insects enter homes, simply preventing that can have a significant impact. In those countries and regions, comfort is not so much about creating a positive experience as it is about removing a source of discomfort.

Yatsuzuka: I work on product development for the "Raku Hapi" brand in Japan. Customers are often motivated by a desire to resolve an uncomfortable situation, so our role is first to remove their discomfort. Beyond that, enabling people to live a little more easily and comfortably is what I believe allows them to experience comfort.

Tanaka: I work on bath salts, and it offers a somewhat different perspective. Their value lies in taking people from zero to a positive state by helping them change their mood and relax. They may not dramatically change everyday life, but I believe that repeatedly experiencing the ability to relax through their use ultimately leads to comfort.

Ikeda: I am responsible for the deodorizer and air freshener category. This category serves two purposes: removing unpleasant odors and creating a pleasant atmosphere through fragrance. Achieving both aspects is what I believe comfort means in this category.

How do you incorporate the customer perspective into research and development?

Ikeda: Recently, I often check social media and customer reviews. They provide very direct insights into how customers feel, and evaluations expressing dissatisfaction are often more informative. Customer comments about what concerns them often provide valuable hints for future improvements.

Yatsuzuka: I try to incorporate feedback from the field as much as possible. I sometimes visit stores to observe customers and hear their feedback directly. I also go talk with cleaning professionals. For example, the structure of air conditioners and bathrooms has changed over time, and the way they become dirty and are used has also changed. It is important not only to listen to customers' voices but also to understand the reasons behind how they feel.

Tanaka: I make a conscious effort to purchase and use products myself. Bath salts are often selected based on one's mood at the time, so I personally experience the selection process and how they feel when actually used.

Takahashi: In my work overseas, I sometimes participate in business meetings with sales representatives and present the products that I have developed. I receive direct feedback from local customers and hear comments that reflect local perspectives such as "Do you have a product like this?" and "This part should be improved." The responses are often different from what I expect, and each interaction provides important insights.

Kanada: I also place importance on communication with local team members. Preferences can differ greatly even for a single fragrance, so making adjustments while considering whether it fits actual lifestyles helps maintain a customer perspective.

From a researcher's perspective, where do you see Earth Corporation's strengths?

Tanaka: The greatest strength is our active communication. Our work is never completed within the research department alone. Because we develop products while closely exchanging information and opinions with colleagues in procurement, quality assurance, manufacturing, and other departments, we are able to develop higher-quality products, minimize gaps in understanding, and make decisions more quickly.

Yatsuzuka: I also believe that one of our strengths is having an environment where employees can take on a variety of challenges from an early stage in their careers. From my second year with the Company, I often had opportunities to speak with specialists and visit actual worksites. In some cases, I visited on my own, which allowed me to gain a wide range of experience.

Ikeda: The Company handles a wide range of categories, from insecticides and repellents to home care products and gardening products, and being able to gain ideas from researchers in other fields nearby is unique to the Company. Focusing only on one's own area can sometimes narrow one's perspective, but presentations by other groups and everyday interactions often provide new insights, which I believe is a strength.

Kanada: When working in overseas markets, not only a research perspective but also a market perspective is required. In addition to product performance, products must be designed while considering price and the balance with competitors, resulting in a role that extends beyond research alone. As brand recognition is still limited in many overseas markets, I constantly consider how to create products that customers will choose through daily communication.

Takahashi: I rarely feel that I work only in research. We are also involved in manufacturing and sales and sometimes explain products at exhibitions. Working with designers on package design is also part of a researcher's role. Being able to conduct research and development with an understanding of the entire process, from upstream to downstream, is a major strength of the Company's research activities.

How far can Earth Corporation broaden the concept of comfort going forward?

Tanaka: Customer needs will continue to diversify going forward. Even for bath salts, what people seek changes depending on their mood and the weather on a given day. Responding to each of these increasingly diverse needs will help bring comfort to more people.

Ikeda: Lifestyles have changed due to factors such as the increase in remote work and single-person households, and the way people spend time at home has also changed. As lifestyles become more diverse, what people seek is changing, while some needs remain unchanged. It is important to develop products while considering both changing and unchanging needs.

Takahashi: Looking overseas, there are still many regions where we have not yet expanded sufficiently, and there is significant potential to bring comfort to many more people. Globally, we are expanding not only across Asia but also into target markets around the world. However, because lifestyles and preferences differ from country to country, product development tailored to each market is required. At the same time, areas that can be standardized need to be standardized in order to maintain speed, so we need to expand while maintaining that balance.

Kanada: Because laws and regulations differ from country to country, products that can be launched quickly in Japan may require several years for registration overseas. Trends may change during that time, so development must proceed with careful consideration of timing. Even when needs are clearly identified, it is the role of research to translate them into actual products, requiring specific design work that includes formulations and containers.

Yatsuzuka: Earth Corporation is also a company that takes on challenges, so we can broaden our perspective beyond people to include the planet itself. With issues such as global warming and environmental impact, our job is to design everything from the selection of raw materials to how products are used. We aim to create a state that is comfortable for customers while taking the environment into consideration. I believe our work has the potential to extend that far.

Human Capital Management

Earth Corporation regards its employees as invaluable human capital and places great importance on creating an environment where they can grow and find fulfillment in their work. We strive to be not only a company that selects talent but also a workplace that is chosen by talent, providing systems that enable people with diverse backgrounds to shape their careers independently. Based on the belief that individual growth creates the future of the business and strengthens the Group as a whole, we support each employee's challenges and success. On the following pages, we respond to stakeholders' questions regarding our key human capital management challenges and the major initiatives we are undertaking to address them.

Basic Approach to Practicing Human Capital Management

To realize its management philosophy, Earth Corporation has established a comprehensive framework for its human capital initiatives, centered on the Earth Human Resources Philosophy and Human Resources Management Policy, together with its Human Rights Policy and Labor Practices Policy. Under the medium-term management plan "Act For SMILE COMPASS 2026," we have identified four human capital materialities from both long-term and short- to medium-term perspectives and are working toward the realization of well-being, where diverse talent can build fulfilling careers with a high level of engagement.

We also regard the creation of cost synergies through stronger Group management as a key priority and are pursuing the integration of functions and organizational optimization. In doing so, rather than applying a one-size-fits-all approach, we emphasize individual autonomy and assigning the right people to the right roles so that diverse capabilities can be fully utilized. In addition, we are shifting our focus from merely maintaining existing systems to creating mechanisms and environments that encourage challenge and innovation, fostering a culture that supports employees' initiative and willingness to take on new opportunities. Through these initiatives, we will cultivate global talent, strengthen the management foundation of the Group as a whole, and develop the human capital needed to support sustainable growth.

Earth HR Philosophy

Growing together with employees

=Challenge to Grow=

~WE VALUE ALL OF OUR COLLEAGUES, AND TAKE ON CHALLENGES TOGETHER~

Earth HR Policy

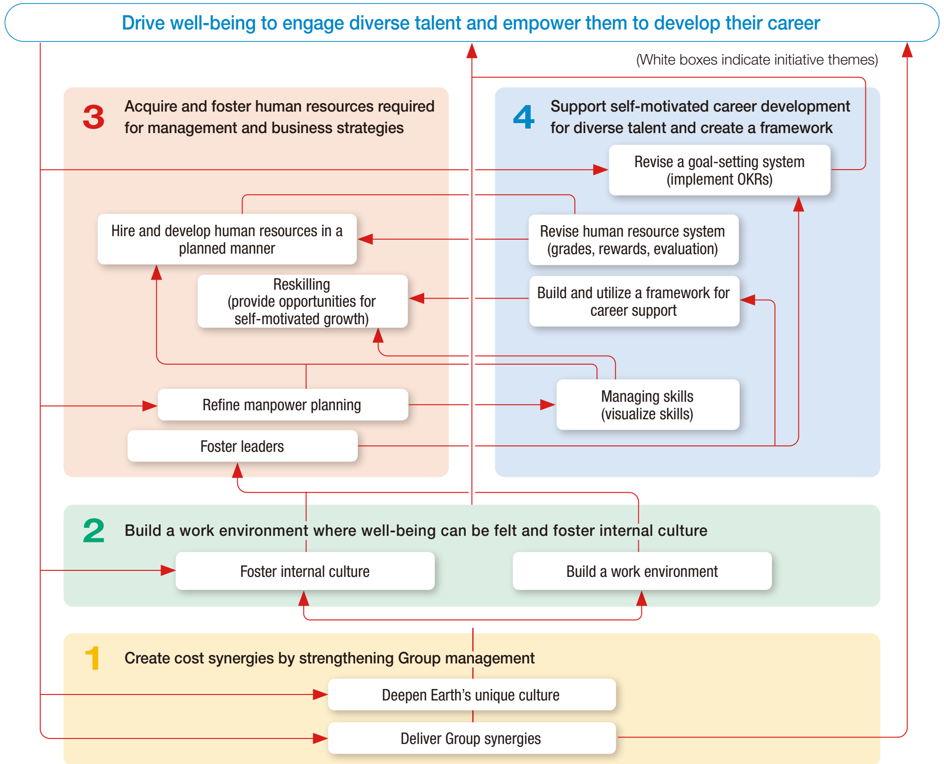
- Look for people who understand our corporate policy
- Foster people who can independently carry through on our Group policy
- Provide people who are willing to take on challenges with meaningful work and opportunities
- Richly reward people who achieve results
- Create workplaces where people can work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

Indicators, KPIs, targets, and results

Materiality (key issues)	Key topics and main measures	Targets and KPIs	FY2024 results	FY2025 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%	12.6%
	• Encourage employees to take annual paid leave entitlements	• Paid leave usage rate: Maintain a level of at least 70% (2030)	76.6%	82.2%



Human Capital Management

Developing Talent That Creates the Value of Comfort

Related Human Capital Materiality

3. Acquire and foster talent required for management and business strategies

Key Challenge Strategic recruitment and talent development, and refinement of workforce planning

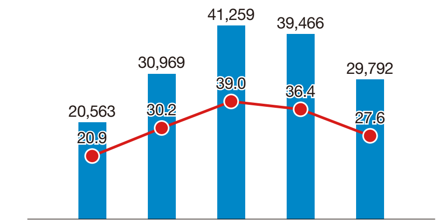
Q Why do you position human capital as the foundation of your strategy?

Human rights and safety are the foundation of all corporate activities, while building expertise and passing on corporate culture require sustained effort over many years. In addition, employee engagement is the driving force behind value creation and effective execution. Without an environment in which diverse talent can experience well-being and work with motivation, even the best strategies cannot be fully realized. Ultimately, strategy is executed by people, and because the growth of our talent shapes the future of our business, we position human capital as the foundation of our strategy.

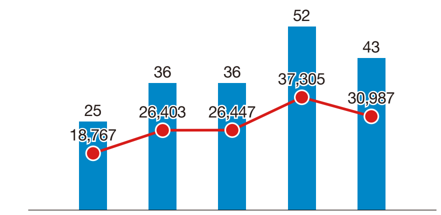
Q What is your strategy for investing in human capital?

We are accelerating investment in human capital to support growth and plan to invest ¥1 billion during the current medium-term management plan period (2024–2026). In addition, by leveraging our talent management system, we are shifting decisions on human capital investment from subjective judgment to objective and transparent evaluation. We are strategically investing in the capabilities our people need to develop, while simultaneously fostering individual growth and strengthening organizational capabilities.

Total training hours (hours) /
Training hours per employee (hours)



Total training expenditure (millions of yen) /
Training expenditure per employee (yen)



Q What were the results of the revision of level- and purpose-specific training?

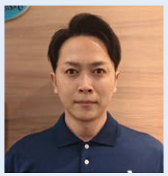
In 2024, we revised our training programs, placing greater emphasis on management and talent development for supervisors, communication and coaching for managers, and the development of junior employees for team leaders. By combining external instructors with in-house training programs, we enhanced the practical value of our training while expanding opportunities for self-directed learning through online learning support. As a result, total training hours reached 29,792 in 2025, demonstrating steady improvements in skills development across all organizational levels.

Revised training programs

Q Have you secured sufficient global talent in both quantity and quality to support your international expansion?

We are enhancing the skills required for international operations through language support in English and Chinese, business English training for overseas assignments, and team-based learning programs. In 2025, we launched an overseas trainee program, primarily for younger employees, to help them develop practical skills through on-the-job experience at our overseas operations. We have also expanded talent development initiatives, including cooperation with international internship programs, and the number of employees engaged in global operations continues to increase steadily. As of December 2025, we employed nine non-Japanese nationals. Going forward, we will strengthen the recruitment of diverse talent and expand local hiring to secure global talent in both quality and quantity.

People on Site Frontline Voices Supporting Value Creation



Kosuke Oba

Overseas Assignment to Earth (Thailand) Co., Ltd. through the trainee program

Building Practical Sales Expertise Through Hands-on Experience Overseas

Driven by a desire to deepen my understanding of local markets and create value in our overseas business, I joined an on-the-job sales training program at our subsidiary in Thailand. Through customer meetings and collaboration with local retailers, I have gained practical experience in sales activities tailored to the structure of the local market. I have come to appreciate that product quality alone is not enough; understanding distribution channels and purchasing behavior, as well as developing proposals that can be consistently replicated, are critical factors in winning business. It is particularly rewarding to see how my own ideas and initiatives translate directly into results. Going forward, I will continue refining sales approaches tailored to local markets while pursuing both strong results and a high degree of reproducibility.

Creating a Workplace Where Employees Can Work with Confidence and Experience Personal Growth

Related Human Capital Materiality
2. Build a work environment where well-being can be felt and foster internal culture

Key Challenge Fostering corporate culture and enhancing the work environment

Q How are the engagement survey's results used to strengthen the organization and improve performance?

We carefully analyze the results of our engagement surveys and translate the findings into targeted improvement measures to strengthen organizational capabilities. We are committed to creating a workplace where every employee feels glad to be part of the Company by fostering psychological safety and sustaining motivation. Our goal is not only to select talent but also to be a company that employees choose to work for.

Q How do flexible working arrangements strengthen the organization?

Flexible working arrangements enable employees to choose work styles that best suit their individual circumstances while maintaining a healthy work-life balance. In addition, health-conscious office environments help reduce physical and mental stress, contributing to higher productivity and stronger employee engagement. When employees can perform with confidence and peace of mind, retention improves, ultimately strengthening the organization as a whole.

Q How does health and productivity management contribute to enhancing corporate value?

Guided by the belief that "there is no future for the Company without the health of its employees," we promote health and productivity management under the framework of the Earth Health Declaration. By continuously improving key performance indicators such as the rate of abnormal findings in health checkups, we enhance employee vitality and productivity while strengthening the organization's capacity for sustainable growth. These initiatives have also been recognized externally, with the Company being selected as a Health & Productivity Management Outstanding Organization (White 500) and in the 2025 Health & Productivity Stock Selection.

Engagement Survey Results (FY2025)

- Target: all employees (non-consolidated)
- Survey items: measured from two perspectives (expectation and satisfaction) to identify priority issues and support organizational improvement.

FY	Number surveyed	Number of respondents	Response rate	Rating
2024	1,427	1,419	99.4%	B
2025	1,417	1,413	99.7%	BB

Further Strengthening Diversity as a Source of Competitive Advantage

Related Human Capital Materiality
4. Support self-motivated career development for diverse talent and create a framework

Key Challenge Leveraging diversity as a competitive strength / Self-directed career development / Confidence in performance evaluation and compensation / Ability to respond to business changes

Q How does the visualization of employee skills support your business strategy?

Through our talent management system, we visualize employees' skills and identify the talent required to execute our strategy, enabling us to optimize recruitment, development, and deployment in a systematic manner. In particular, this serves as the foundation for clarifying talent requirements and building a talent pipeline to support the expansion of overseas sales, a key priority of our medium-term management plan.

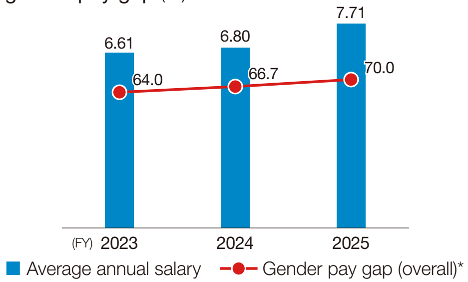
Q Are your performance evaluation and compensation systems fair, transparent, and conducive to employee growth?

We enhance fairness and transparency through multi-dimensional evaluations based on role-specific objectives, behaviors, and job performance, complemented by regular one-on-one meetings and feedback. In addition, initiatives such as our internal job posting system and employee recognition programs that encourage colleagues to express appreciation for one another foster motivation for growth and strengthen organizational unity.

Q How do you enable diverse talent to pursue self-directed career development?

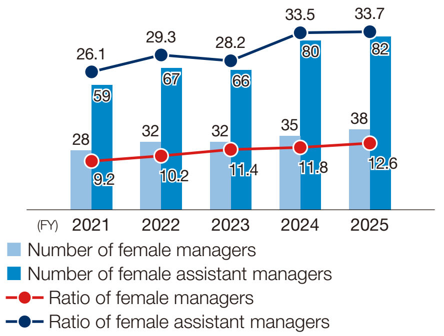
Under the Earth Group Global Code of Conduct, we promote respect for human rights and embrace diversity, creating an environment in which everyone can fully realize their potential. In addition to expanding opportunities for people with disabilities and creating employment opportunities in regional areas, we actively support women's career development, empowering diverse talent to pursue independent growth.

Average annual salary (millions of yen) and gender pay gap (%)



* Calculated based on the average compensation of employees who were employed as of the end of the applicable fiscal year. Employees hired or retired during the fiscal year, those on leave of absence, and those on overseas assignments are excluded. Employees whose employment status changed during the fiscal year are classified according to their status as of the fiscal year-end.

Number and ratio of female managers / Number and ratio of female assistant managers (non-consolidated)



Chapter 4

Protecting “Comfort”

Value creation is supported by balancing risk management with social responsibility.
In this chapter, we present the foundations that enable us to continue protecting “comfort” through our responses to climate change and environmental issues, product quality and safety, and sustainable procurement.

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Responding to Climate Change

Rising temperatures and extreme weather events caused by climate change may affect Earth Corporation's business environment. While the expansion of pest habitats associated with rising temperatures may lead to increased demand for Insecticides & Repellents, heavy rainfall and typhoons may affect supply chain disruptions, raw material procurement, and manufacturing costs. We recognize that addressing these issues is an important management issue that will affect the continuation and growth of our business over the medium to long term.

Responding to Climate Change and Medium- to Long-Term Challenges

Earth Corporation recognizes climate change as an important issue that represents a risk to its business while also creating opportunities for new demand. To respond to these environmental changes, we are strengthening our capabilities across the business and, under our philosophy "We act to live in harmony with the Earth," working with stakeholders to increase corporate value over the medium to long term. Specifically, we have identified CO_2 emissions reduction and the transition to renewable electricity as key priorities and are steadily advancing initiatives in these areas.

Materiality (key issues)	Key topics and main measures	Targets and KPI	FY2025 results
Responding to climate change	• Reduce CO_2 emissions	**Reduce CO_2 emissions:** Compared to 2020 (Scope 1, 2) • 14% reduction (2023) • 28% reduction (2026) • 46% reduction (2030)	31.7% reduction
	• Promote a transition to renewable energy for electric power	**Transition to renewable energy:** • Renewable energy at plants (renewable energy rate: 60%) (2023) • Renewable energy at R&D Center (renewable energy rate: 90%) (2026) • Renewable energy at offices* (renewable energy rate: 95%) (2030) * Excluding tenant offices	Renewable energy rate 67.6%

Climate Change Measures as Risk Management

As a company whose origins lie in businesses related to insects, we recognize climate change as an important risk that is closely related to our business. Global warming may change the habitats and emergence periods of pests, resulting in fluctuations in peak demand for our core Insecticides & Repellents products and instability in sales planning. In addition, the intensification of heavy rainfall and typhoons associated with global warming increases the risk of sediment inflows into manufacturing sites located adjacent to mountains, which could result in acute business impacts such as production stoppages and recovery costs. Furthermore, climate change-related disruptions in global supply may cause increases in the prices of palm oil and plastic raw materials, leading to higher costs and supply instability.

To address these complex risks, we are working to stabilize our business foundation through product development, supply chain management, and strengthening business continuity.

Basic Approach and Promotion Framework

Based on its philosophy, Earth Corporation conducts its business activities in harmony with the global environment. The Company has established the Sustainability Committee, which discusses the formulation of policies, development of strategies, and establishment of targets and indicators for responding to climate change. The content of these discussions and the status of the Committee's activities are reported regularly to management.

Working Toward Carbon Neutrality

Supplier Engagement

Reducing GHG emissions across the entire supply chain is recognized as an important issue, and collaboration with suppliers is being strengthened. Key suppliers are identified based on Scope 3 emissions and their impact on business continuity, and focused engagement is conducted. In addition to visualizing emissions and sharing reduction targets, issues are shared through dialogue and a resilient supply chain is being built.

Reducing CO_2 Emissions in Logistics

To reduce environmental impact and improve transportation efficiency in logistics, joint transportation in collaboration with multiple companies has been implemented since fiscal 2024, resulting in improved loading efficiency and a reduction in the number of vehicles. This initiative has also contributed to reducing CO_2 emissions and driver working hours.

Third-Party Verification

GHG emissions (Scope 1, 2, and 3) are calculated for the entire Earth Group, and third-party verification is obtained to ensure accuracy. Going forward, climate change responses will be further strengthened, and the Earth Group's GHG emissions will be disclosed while carbon footprint calculations and initiatives to reduce emissions will be implemented.

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3 How Future Growth Will Be Realized
4 Protecting "Comfort"
5 Governance
6 Data

Concern for Issues Affecting the Global Environment

Addressing global environmental issues is an essential medium- to long-term challenge for the continuity of our business. In particular, constraints on water resources and the strengthening of environmental regulations may affect production and raw material procurement, requiring responses that encompass our overseas operations and supply chain. In light of these environmental changes, we aim to achieve both the reduction of environmental impact and the realization of a sustainable society throughout our business activities.

Attention to Global Environmental Problems and Medium- to Long-Term Challenges

Addressing global environmental issues is an important challenge that is closely linked to our materiality. We are focusing on improving water-use efficiency in manufacturing through the effective use of water resources, optimizing resource utilization toward the realization of a circular society, and expanding environmentally friendly products based on the Earth ECO Standards. We will also contribute to the realization of a sustainable society by reducing our environmental impact while pursuing business growth, including consideration for biodiversity.

Materiality (key issues)	Key topics and main measures	Targets and KPIs	FY2025 results
Attention to global environmental problems	• Increase the efficiency of water usage in relation to production (from R&D to production)	**Increase water usage efficiency:** Compared to 2020 • 3% increase (2023) • 6% increase (2026) • 10% increase (2030)	1.7% increase
	• Use resources effectively, striving for a recycling oriented society	**Zero emission of industrial waste and other materials from plants and R&D Center (final disposal rate less than 1%)** • Investigate and review status at waste treatment subcontractors (2023) • Zero emissions at plants and R&D Center (2026) • Continue zero emissions at plants and R&D Center (2030)	Final disposal rate: 0.7%
	• Stipulate Earth ECO Standards, and expand the scope of environmentally friendly products	• Establish Earth ECO Standards (2023) • Expand the scope of products compatible with Earth ECO standards and promote information disclosure (2026 and 2030)	A system for managing environmentally friendly products is currently under development. More details will be disclosed from 2026 onward.

Climate Change Measures as Risk Management

We view addressing global environmental issues not merely as a cost, but as an initiative that enhances the sustainability and competitiveness of our business. Constraints on water resources and stricter environmental regulations may lead to risks such as production disruptions, procurement instability, and higher costs. At the same time, appropriate responses contribute to improving supply stability and maintaining and enhancing brand value. In particular, initiatives to reduce water consumption, enhance wastewater management, and ensure the stable procurement of raw materials are directly linked to strengthening the foundation of our manufacturing operations. Furthermore, by reducing environmental impacts across the entire supply chain, we seek to minimize risks and improve efficiency in procurement, production, and logistics. We will continue to strengthen our business foundation through our environmental initiatives.

Strengthening the Environmental Management System

Our environmental management is implemented through collaboration among departments and integrated into day-to-day operations, while Group-wide environmental meetings are used to share and promote initiatives across the organization. In August 2025, the Sakoshi Plant, Ako Plant, and Research Institute transitioned their environmental management systems to the international standard ISO 14001. Going forward, we will continue to undergo annual audits by a certification body and enhance the system by operating the PDCA cycle.

Reduction and Recycling of Water Use

Effective use of water resources is an important issue in addressing global environmental challenges, and we have established improving water use efficiency as a materiality target. By switching certain products to air cleaning methods and reducing the frequency of production line cleaning through the optimization of production planning, we are working to reduce water consumption and improve production efficiency.

Risk Assessment of Water Stress (Water Resource Depletion)

Using the World Wide Fund for Nature (WWF)'s Water Risk Filter (WRF), we conducted a risk assessment of water stress (water resource depletion) at all of our sites. Using "water depletion risk" in the river basin where each site is located as an indicator, we evaluated the impact of water shortages on our business activities on a five-level scale and confirmed that the risk level at all sites was either "low" or "very low."

Participation in Initiatives for Water Resource Conservation and Effective Utilization

We collaborate with other member companies of the Ako City Environmental Conservation Council on initiatives related to environmental issues, including water conservation. We also participate in the Waterside Environment Platform, established as the successor to the Ministry of the Environment's Water Project to promote sustainable local communities through the use and conservation of healthy water environments by collaboration among industry, government, academia, and citizens, as well as the Clean Ocean Material Alliance (CLOMA), which works to address the issue of marine plastic pollution.

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Chemical Substance Management

Earth Corporation provides products and services that contribute to improved sanitary environments and comfortable living in order to achieve harmony with the Earth and all forms of life. We strive to improve quality and safety and provide appropriate information in order to earn the trust of our customers while balancing safe protection from harmful insects with consideration for ecosystems. Given the nature of our products, the proper management of chemical substances is an important responsibility. We ensure strict compliance with applicable laws and regulations and manage chemical substances based on the latest information regarding their impact on people and the environment. We also promote the substitution of substances of concern and the reduction of their use.

Response to Regulations

In some overseas markets, the use of VOC components with carcinogenic, mutagenic, or reproductive toxicity risks in household products is prohibited or restricted. In particular, the United States and Hong Kong strictly regulate VOC content to prevent air pollution and protect public health. To comply with these regulations, we are actively reducing the use of alcohol and propellant gases that serve as key formulation ingredients and switching to alternative substances. Specifically, we are developing aerosol sprays with reduced gas content and gas-free pump-type products, while also pursuing low-alcohol formulations with lower environmental impact, thereby developing products that comply with the standards of each country.

As of 2025, a total of 16 products have adopted low-VOC formulations. We have accumulated proprietary know-how that enables us to comply with VOC regulations while reliably maintaining product performance. Leveraging this expertise, we will expand environmentally and health-conscious products not only in specific countries but also in a wider range of markets around the world.

Chemical Substance Management (in Japanese)
https://corp.earth.jp/jp/sustainability/environment/chemical_substance/index.html

Promoting the Reduction of Environmental Impact Across the Value Chain

Earth Corporation recognizes the reduction of environmental impact through the effective use of resources and the reduction of waste as a key issue. As environmental impacts arise throughout the value chain—from raw material procurement and manufacturing to logistics and disposal—increasing resource constraints and stricter environmental regulations may affect business continuity and cost structures. Accordingly, we are promoting the optimization of resource use and circular manufacturing while advancing initiatives to incorporate environmental considerations from the product design stage.

Environmentally Friendly Products: Earth ECO Standards

To promote environmentally conscious manufacturing, Earth Corporation has established its own Earth ECO Standards. These standards organize and visualize initiatives to reduce environmental impact, such as reducing plastic use and utilizing recycled materials in products. Products that meet the standards are marked with the Act For ECO logo to clearly communicate this to customers.

The symbol mark represents the corporate slogan, “Making the Earth a home that feels good.”

Earth ECO Standards (in Japanese)
https://corp.earth.jp/jp/sustainability/environment/eco/index.html

Visualizing Environmental Considerations to Accelerate Sustainable Product Development

Beginning in 2026, we fully introduced Earth Eco-Pass, a product environmental information management system that visualizes the environmental impact of products and components. This system serves as a foundation for strengthening environmental standards and improving transparency across our supply chain, which encompasses an extensive product lineup. By centrally managing information such as resource consumption and the use of environmentally friendly materials on a product-by-product basis, the system enables prompt and accurate decisions regarding the assignment of environmental labels and the Act For ECO mark. Furthermore, by utilizing accumulated data, we are achieving environmental considerations from the upstream design stage, including replacing components with high environmental impacts with alternative materials. Going forward, we will also integrate chemical substance data to enable more advanced environmental and safety management.

Results of Environmentally Friendly Product Initiatives

In fiscal 2025, 275 SKUs met the Earth ECO Standards and carried the Act For ECO logo. Products bearing the Act For ECO logo accounted for 29% of total sales.

We will continue to review product designs and contribute to the effective use of resources and the realization of a circular society.

Other results for products using environmentally friendly packaging materials

- Products using recycled plastic: 81 SKUs
- Refill products: 65 SKUs
- Products bearing the FSC certification mark: 315 SKUs
- Products using recycled paper: 582 SKUs

Consideration for Biodiversity

To achieve a nature-positive future and promote initiatives for the conservation, restoration, and enhancement of biodiversity, we have established a Biodiversity Policy under our Environmental Policy. Based on international developments in biodiversity conservation, this policy sets forth our commitment to identifying biodiversity-related risks and opportunities, as well as dependencies and impacts across the supply chain, and to contributing to the avoidance and mitigation of biodiversity loss and to restoration and regeneration.

To prevent biodiversity loss, we will promote initiatives for the conservation and sustainable use of biodiversity throughout the Company and across the supply chain, in cooperation with stakeholders and in accordance with our corporate philosophy.

We also support the TNFD Forum, the 30by30 Alliance, and the Japan Business Initiative for Biodiversity (JBIB), and work with governments, regulatory authorities, and other stakeholders to advance biodiversity conservation.

Biodiversity Policy (in Japanese)
https://corp.earth.jp/jp/sustainability/environment/biodiversity/index.html

Our Commitment to Biodiversity Conservation

As a manufacturer of insect care products, we aim not to eliminate living creatures indiscriminately but to control insects that enter human living spaces using the minimum necessary amount of agents. Insects play an important role in supporting biodiversity, and because our business also benefits from them, we seek to contribute to creating an environment where living organisms can thrive. In addition, we place importance not only on protecting biodiversity but also on applying our knowledge of insects to solving social issues. As a company with specialized knowledge and technologies, we believe it is our responsibility to give back to society through these capabilities. Based on this philosophy, we are creating unique value through the integration of “biodiversity × research and development × social implementation.”

Earth Corporation’s Unique Approach to Biodiversity

Protecting the Natural Environment: Conservation of Earth Sakoshi Forest

Our Sakoshi Plant in Ako City, Hyogo Prefecture, one of our principal manufacturing sites, is adjacent to the Seto Inland Sea and Setonaikai National Park and includes 6.5 hectares of green space on its premises. We call this lush green area Earth Sakoshi Forest.

To demonstrate that factories, research facilities, and nature can coexist, we began administering surveys in 2023. As a result, we confirmed that a wide variety of living organisms inhabit the area and that its rich natural environment has been preserved. Consequently, it was certified as a Nature Coexistence Site in March 2024. Going forward, through initiatives such as Earth Sakoshi Forest, all of our employees will continue working together to promote biodiversity conservation and restoration.

Earth Sakoshi Forest (in Japanese)
https://corp.earth.jp/jp/sustainability/environment/biodiversity/sakoshi_mori/index.html

Establishment of the Invasive Insect Species Countermeasures Team

In recent years, awareness of biodiversity has increased, and corporate initiatives in this area have continued to expand. Biodiversity conservation encompasses both the protection of native species and measures to address invasive species, and the development of international frameworks and legal systems has made it easier for companies to engage in these efforts. To leverage our expertise as a manufacturer of insecticides and repellents, we established a team dedicated to addressing invasive insect species in April 2025.

Going forward, we will focus on research and surveys, public awareness and education, and eradication and prevention measures. By leveraging our expertise and research capabilities and collaborating with specialists and other stakeholders, we aim to help address challenges related to invasive species.

Measures to address invasive species (in Japanese)
https://corp.earth.jp/jp/sustainability/environment/biodiversity/index.html

Conserving Insect Species by Leveraging Our Breeding Expertise

Various species exist on Earth and form diverse ecosystems, but once a species becomes extinct, it can never be brought back. Rare species, including endangered species, often have small populations, limited habitats, and high vulnerability to environmental change. It is therefore essential to prevent further population decline and habitat degradation. Earth Corporation is also engaged in activities to conserve insect species at risk of extinction.


Kobanmushi, an insect species targeted by Earth Corporation’s conservation efforts

Conservation of rare species using Earth Corporation’s rearing technologies (in Japanese)
https://corp.earth.jp/jp/sustainability/environment/biodiversity/pdf/03-1.pdf

Information Disclosure Based on the TCFD and TNFD Recommendations

Information Disclosure Based on the TCFD and TNFD Recommendations (in Japanese) https://corp.earth.jp/jp/sustainability/environment/tcfd/index.html

Nature-related issues, including climate change and biodiversity loss, represent significant risks to business continuity while also constituting important management issues that create new value and growth opportunities. Through collaboration with stakeholders, Earth Corporation aims to achieve both a sustainable society and the enhancement of corporate value over the medium to long term. In July 2026, based on the recommendations of the TCFD and TNFD, we disclosed our initiatives and analyses regarding climate change and nature-related issues.

Governance

Policies, plans, and initiatives related to climate change and nature-related matters are reviewed, discussed, and approved by the Sustainability Committee, chaired by the Representative Director, President & CEO, and are subsequently reported to the Board of Directors. The Board of Directors receives reports from the Representative Director, President & CEO and the Sustainability Committee and exercises oversight and supervision.

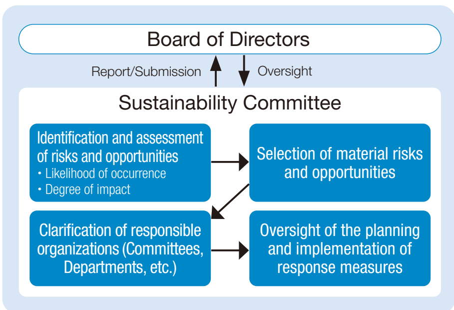
The Sustainability Committee deliberates on climate change and nature-related matters as sustainability issues and submits its recommendations to the Board of Directors. Under the Sustainability Committee, the Sustainability Promotion Subcommittee has been established to advance initiatives, discuss and share information on climate change and nature-related issues, and promote Company-wide efforts to address these challenges.

Governance structure

Risk Management

The Group recognizes climate change and natural capital-related issues as both “risks” and “opportunities” that could have a significant impact on its management strategy. To manage company-wide risks and opportunities, including these issues, in an integrated manner, we have established the Sustainability Committee. The Committee identifies and assesses risks and opportunities affecting the Group and selects material risks and opportunities based on the results of those assessments. It also clarifies the organization responsible for each risk and opportunity (such as committees and departments) and oversees the planning and implementation of response measures. Furthermore, the status of these risk management activities is regularly reported and submitted to the Board of Directors for review.

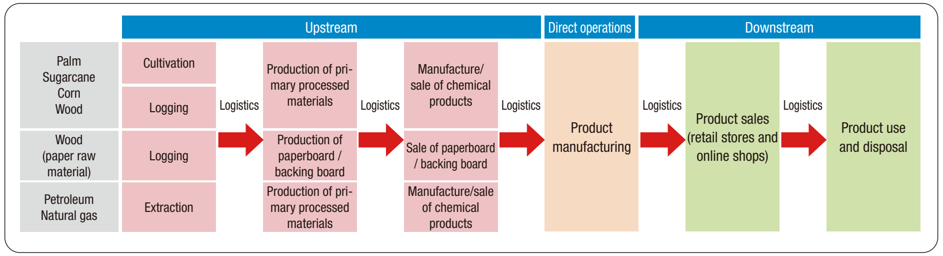
Risk management structure and process



Strategy

The Group applied the LEAP approach*1 recommended by the TNFD to its household products business, identifying key raw materials and business activities with significant relationships to nature and assessing its dependencies and impacts on nature. As shown below, we mapped our interactions with nature across the entire value chain, from raw material procurement through disposal, and identified the risks and opportunities associated with each stage.

*1 The LEAP approach is an integrated framework for assessing nature-related issues, including interactions with nature, dependencies, impacts, risks, and opportunities. It consists of four steps: Locate, Evaluate, Assess, and Prepare.



Application of the LEAP Approach

Locate: identifying interfaces with nature

We identified areas with strong interactions with nature by assessing the locations of our Group’s operations and the sourcing regions for key raw materials. We confirmed flood risks in East and Southeast Asia, water quality risks in China, and significant biodiversity impacts in certain regions, including Indonesia. At the same time, we recognize that changes in pest habitats due to rising temperatures and the proliferation of viruses and bacteria may increase demand for insecticides and repellents and products that help reduce infection risks.

Evaluate: assessing dependencies and impacts

Using ENCORE,*2 we assessed our dependencies on and impacts on nature. The assessment confirmed that agricultural cultivation and logging are highly dependent on nature’s regulating functions, such as climate, water, and soil, while resource extraction, manufacturing, and logistics have the potential to exert significant impacts on the natural environment. We will continue to enhance the accuracy of our analyses while advancing our response to nature-related issues.

*2 ENCORE is a tool used to visualize how business activities depend on and may impact nature, and how environmental changes may create business risks.

Information Disclosure Based on the TCFD and TNFD Recommendations

Assess: assessing risks and opportunities

We identified and assessed nature-related risks and opportunities and organized transition risks arising from factors such as tighter environmental regulations and market changes, physical risks resulting from climate change and environmental degradation, as well as potential business opportunities, as shown in the table below. In addition, each risk and opportunity has been evaluated from the perspectives of potential financial impact, likelihood of occurrence, and timing of manifestation, and we are analyzing their implications for future business activities.

Assessment of risks and opportunities

Risk category		Risk and opportunity names	Impact level	Likelihood of occurrence	Time horizon for manifestation	Key related processes
Transition risks	Policy and Regulation	Higher prices of agricultural products and timber due to environmental regulations	Low	High	Medium / Long term	[Upstream] Cultivation [Upstream] Timber harvesting
		Higher prices of oil and natural gas due to environmental regulations	Low	Low	Medium / Long term	[Upstream] Extraction
		Higher prices of purchased goods due to environmental regulations	Low	Low	Medium / Long term	[Upstream] Manufacturing of primary processed products [Upstream] Manufacturing of chemicals [Upstream] Manufacturing of paperboard / backing board
		Higher logistics costs due to environmental regulations	Medium	Medium	Medium / Long term	[Upstream] [Downstream] Logistics
		Higher product manufacturing costs due to environmental regulations	High	Medium	Medium / Long term	[Direct operations] Product manufacturing
	Market	Decrease in sales due to changes in customer preferences	Low	Low	Medium / Long term	[Downstream] Product sales
	Technology	Higher raw material prices due to increased demand for biomass fuel	Low	Low	Medium / Long term	[Upstream] Cultivation
	Reputation	Decline in ESG rating	Low	Low	Medium / Long term	Entire value chain
		Reputational damage due to environmental destruction upstream in the value chain	Medium	Medium	Short / Medium / Long term	[Upstream] Cultivation [Upstream] Timber harvesting [Upstream] Extraction
	Liability	Occurrence of environment-related litigation	Low	Low	Medium / Long term	—
Physical risks	Acute, chronic	Higher prices of agricultural products and timber due to degradation of ecosystem services	Low	High	Short / Medium / Long term	[Upstream] Cultivation [Upstream] Timber harvesting
		Water shortages in oil and natural gas extraction	Low	Medium	Short / Medium / Long term	[Upstream] Extraction
	Acute	Manufacturing disruptions at suppliers due to storms and floods	Low	Medium	Short / Medium / Long term	[Upstream] Manufacturing of primary processed products [Upstream] Manufacturing of chemicals
		Disruptions to logistics networks due to climate change	Low	High	Short / Medium / Long term	[Upstream] [Downstream] Logistics
		Manufacturing disruptions at the Company's own plants due to storms and floods	High	High	Short / Medium / Long term	[Direct operations] Product manufacturing
	Chronic	Increase in electricity costs due to rising temperatures	Low	High	Medium / Long term	[Direct operations] Product manufacturing
		Increase in labor costs due to rising temperatures	Low	Low	Medium / Long term	[Direct operations] Product manufacturing
Opportunities	Resource efficiency	Cost savings through improved resource efficiency	Medium	High	Medium / Long term	[Direct operations] Product manufacturing
	Products and services / Markets	Increase in sales of environmentally friendly products	Medium	Low	Medium / Long term	[Downstream] Product sales
		Increase in demand for certain products due to rising temperatures	High	Medium	Medium / Long term	[Downstream] Product sales
	Reputational capital	Improvement in ESG ratings	Low	High	Short / Medium / Long term	Entire value chain
	Capital flows / Financing	Diversification of financing methods	Low	Medium	Short / Medium / Long term	Entire value chain

Short: 2026 Medium: 2030 Long: 2050

Prepare: preparing to respond and report

We are implementing initiatives across our value chain to address the nature-related risks and opportunities identified through the Assess phase.

In the upstream portion of our value chain, we regard the promotion of sustainable raw material procurement as a key priority. We are expanding the use of certified paper and strengthening our approach to raw materials with environmental and human rights considerations, such as palm oil. In addition, through supplier questionnaires and dialogue based on our Sustainable Procurement Policy, we are working to enhance sustainability throughout the supply chain. Looking ahead, we plan to further strengthen engagement with key suppliers by considering on-site visits and audits.

▶ P.50 Sustainable Procurement

In our direct operations and logistics, we are working to reduce GHG emissions, water consumption, and waste while advancing the sophistication of chemical substance management. In addition, we are developing business continuity plans (BCPs) and conducting education and training programs to prepare for natural disasters associated with climate change, such as floods and storms. We are also promoting initiatives aimed at fostering harmony between people and nature, including the establishment of a Biodiversity Policy, registration of a Nature Coexistence Site, and measures to address invasive insect species.

▶ P.42 Responding to Climate Change ▶ P.43 Concern for Issues Affecting the Global Environment ▶ P.64 Risk Management

In the downstream portion of the value chain, we promote the development of environmentally friendly products based on the Earth ECO Standards. We are reducing environmental impacts throughout the product lifecycle by promoting initiatives such as refill products and the use of recycled materials. In response to social issues such as increased demand for Insecticide & Repellent products due to rising temperatures and heightened infection risks, we are strengthening stable supply systems and expanding products utilizing the MA-T System®.

▶ P.43 Concern for Issues Affecting the Global Environment ▶ P.48 Providing Products and Services That Contribute to Safe and Comfortable Living

Metrics and Targets

We have identified responses to climate change, attention to global environmental problems, and the promotion of sustainable procurement as material issues and have established targets for reducing GHG emissions, increasing the use of renewable energy, improving water use efficiency, achieving zero emissions, and increasing the use of certified paper products. We also monitor various metrics, including GHG emissions, to quantitatively measure and manage the progress of these initiatives. Furthermore, taking into account the global core disclosure metrics recommended by the TNFD, we are working to visualize both our impacts on and dependencies upon the natural environment arising from our business activities. Going forward, based on the results of our LEAP analysis, we will continue to enhance our metrics and targets and further improve our disclosures. ▶ P.15 Materiality

Providing Products and Services That Contribute to Safe and Comfortable Living

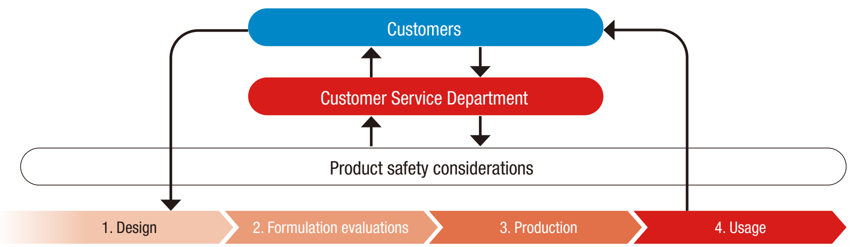
For Earth Corporation, our most important social responsibility is to continue providing high-quality, safe, and reliable products and services from the customer's perspective. We recognize that consistently fulfilling this social responsibility is an essential prerequisite for preserving and enhancing corporate value and serves as the foundation of our corporate value.

Materiality (key issues)	Key topics and main measures	Targets and KPIs	FY2025 results
Providing products and services that contribute to safe and comfortable living	• Reduce the number of major quality incidents that negatively impact customer satisfaction and trust to zero by raising the periodic quality inspection implementation rate both at own plants and at contractors' factories	**Periodic quality inspection implementation rate:** • Maintain at 100% (2023, 2026, and 2030)	100% (36 sites / 36 sites)
	• Ensure compliance with relevant laws and reduce the incidence of major violations to zero by enhancing the implementation rate for the annual education and training plan	**Education and training implementation rate:** • Maintain at 100% (2023, 2026, and 2030)	100% (27 sessions / 27 sessions)

Basic Approach and Promotion Framework

At Earth Corporation, we regard the continued provision of high-quality, safe, and reliable products and services from the customer's perspective as one of our most important social responsibilities. We recognize that consistently fulfilling this responsibility forms the foundation of our corporate value.

We also operate our unique Quality Management System, which incorporates quality control in compliance with applicable laws and regulations, and pursue quality thoroughly until the moment our products are used, thereby building a brand trusted by customers around the world.

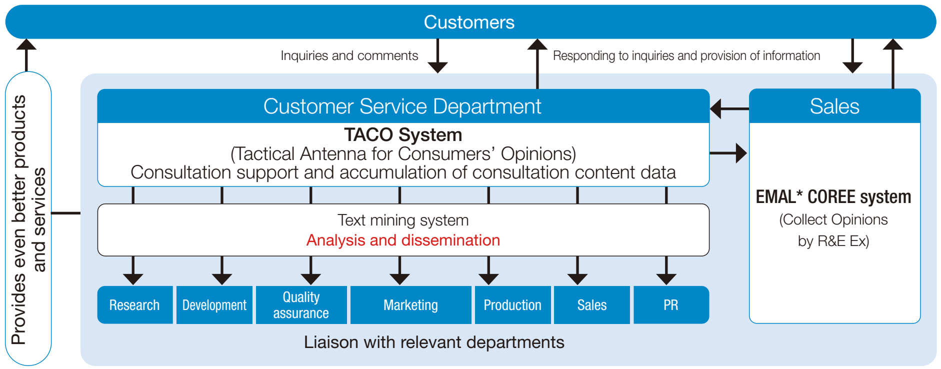


1. Design	2. Formulation evaluations	3. Production	4. Usage
By assuming the actual conditions under which our products will be used by our customers and independently measuring concentrations in the air, we are able to design products that use the right ingredients in exactly the right amounts to ensure efficacy and safety.	We conduct many types of toxicity tests to ensure safety. We also comply with various laws,* such as the Pharmaceutical and Medical Devices Act and the Poisonous and Deleterious Substances Control Law.	We set process standards based on design quality. Conducting tests against those standards, we guarantee safety and quality by shipping only products that have met those standards.	We pay special attention to safety by providing easily understandable product descriptions and features to prevent misuse. We also build in design features to prevent product misuse by children in the home.

* Pharmaceutical and Medical Devices Act (formerly the Pharmaceutical Affairs Act), Poisonous and Deleterious Substances Control Act, Chemical Substances Control Law, Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR Act), High Pressure Gas Safety Act, etc.

System for Leveraging Customer Feedback

Approximately 80,000 customer comments are received annually through the Customer Service Department. These comments are accumulated and analyzed as important pointers using the TACO System and are utilized for product development and quality improvement. We analyze customer feedback in detail and regularly hold meetings to raise issues and share information with relevant departments. In addition, once a year, we hold a meeting attended by the President and other members of senior management to discuss improvements to products and services with the customer's perspective as the top priority.



* Please refer to the Glossary on P.74

Enhancing Information Provision and Improving Reliability for Customers

To promptly address the inquiries and concerns most frequently raised by customers, we continue to enhance the Product Q&A section on our website. Through continuous improvements, such as making frequently searched information easier to find, the number of inquiries received by telephone has declined while the use of web-based information has increased, enhancing customer convenience. We also conduct ongoing customer satisfaction surveys of users of our customer service channels to monitor the quality of our customer support. In the fiscal 2025 survey, 87.9% of respondents indicated that they were "very satisfied" or "satisfied," reflecting a high level of customer satisfaction.* We will continue to value our relationships with customers and provide services that achieve a high level of customer satisfaction.

*Based on an in-house survey conducted from June to July 2025. Number of valid responses: 1,452.

Providing Products and Services That Contribute to Safe and Comfortable Living

Initiatives That Value the Customer Perspective

One of our policies includes the phrase “Creating a Market with customers.” We place great importance on maintaining a customer-focused perspective. To ensure that all employees remain constantly mindful of this perspective, we distribute a Monthly Report summarizing customer feedback to all employees. In addition, once a year, we issue an Annual Report that compiles feedback on new products, positive comments from customers, and other customer input by product category, and share it internally.

Quality Assurance and Improvement

Raw materials used in our products are evaluated based on appropriate test items and methods. Our products are also tested in accordance with legally required test items and tests tailored to their functions.

We use a variety of inspection and analytical equipment for testing and are working to automate processes involving the treatment of large numbers of test samples with organic solvents and reagents in order to ensure test reliability, improve operational efficiency, and enhance the safety of testing personnel. For example, for samples used to measure the active ingredient content of ONPO bath salts, we worked directly with an external equipment manufacturer to design, build, and operate a proprietary automated processing system, contributing to reductions in the use of organic solvents and waste generated during testing. For factory hygiene management, we implement insect and rodent control measures utilizing the expertise of Earth Environmental Service Co., Ltd. In addition to requiring hairnets and using adhesive sheets, we conduct foreign matter inspections on production lines through visual inspections and metal detectors. Furthermore, factories and the Quality Assurance Department work together through quality control study sessions and quality audit reporting meetings to strengthen initiatives for quality improvement.

Column

Activities to Combat Insect-Borne Infectious Diseases Overseas

Addressing the global challenge of the spread of infectious diseases

As global warming and the globalization of human movement continue, the risk of vector-borne infectious diseases such as dengue fever is increasing around the world. These infectious diseases are social issues that directly affect people’s health and living environments, and Earth Corporation contributes to their prevention through its Insecticides & Repellents products.

Promoting product development and awareness activities tailored to the needs of each country

We promote product development tailored to the laws, regulations, and living environments of each country, as well as awareness activities aimed at preventing infectious diseases. Based on the prevalence of infectious diseases and market needs, we work with regulatory authorities to share information on safety and efficacy in order to rapidly introduce products suited to each region and improve the efficiency of the approval process.

Thailand

In collaboration with the Department of Disease Control of the Ministry of Public Health, we promote dengue fever prevention measures. As part of awareness activities conducted in conjunction with World Dengue Day, we distribute mosquito coils and insect repellents free of charge (approximately 1,000 to 1,200 items per day) and promote preventive actions, raising awareness of the importance of measures against vector-borne infectious diseases.

Vietnam

We provide free product distribution and conduct awareness activities at hospitals, nursing care facilities, daycare centers, and other locations. Although awareness of dengue fever is high, preventive behavior remains a challenge. By communicating specific preventive measures, we aim to encourage the adoption of preventive practices in daily life.

Earth as a “total infectious disease care company”

Earth Corporation views pest control not only as a means of eliminating discomfort but also as a means of protecting lives. By leveraging the expertise and technologies related to insects that we have cultivated over many years, we contribute to the prevention of infectious diseases and the realization of healthy living environments through products and awareness activities optimized for each region.


Activities in Thailand

We also place importance on solving social issues through our business and promote product development rooted in the needs of each region. Products developed based on this approach can achieve market recognition and growth when their value is appropriately communicated. OASIS, marketed in Thailand, is one such example. Its design, tailored to local needs, has been well received and has also attracted interest from other countries.

Looking ahead, we will continue to strengthen our preparedness for emerging infectious disease risks and fulfill our mission as a “total infectious disease care company.”

Sustainable Procurement

Through its business activities, Earth Corporation is committed to initiatives across the entire supply chain aimed at coexistence with the global environment and the realization of a sustainable society. Centered on our Sustainable Procurement Policy, we promote responsible procurement that considers the environment, human rights, and other factors, thereby contributing to business sustainability and the enhancement of social value.

Materiality (key issues)	Key topics and main measures	Targets and KPIs	FY2025 results
Promoting sustainable procurement	• Promote procurement of environment-friendly packaging materials	**Forest certified paper usage rate (by weight):** • Usage rate: 10% or more (2023) • Usage rate: 30% or more (2026) • Usage rate: 70% or more (2030)	38.2%

Basic Approach and Policies

Based on its Sustainable Procurement Policy, Earth Corporation has established its Basic Purchasing Policy and Basic Logistics Policy and pursues sustainability in each process. For our business partners, we have established the Business Partner Code of Conduct, which sets out detailed behavioral guidelines, and request that they comply. As necessary, we ask our business partners to complete the CSR self-assessment questionnaire and conduct on-site inspections and audits. If significant deviations from the guidelines are identified or if there is no intent to make improvements, we will review the continuation of our business relationship.

Sustainable Procurement Code of Conduct, Basic Purchasing Policy, Basic Logistics Policy (in Japanese)
https://corp.earth.jp/jp/sustainability/society/supply_chain/index.html

Identification of Business Partners with Significant Impact

To continue providing safe and reliable products to our customers, cooperation with a wide range of business partners is essential. To build a sustainable supply chain, we identify business partners with particularly significant impact based on the criteria below.

We emphasize dialogue with these business partners. Going forward, we aim to have our personnel and members of the Sustainability Committee visit their sites directly and conduct audits based on international standards. We will continue discussions with them under close partnerships toward this goal.

- **Impact on business**
  We identify key business partners based on procurement volumes and transaction values for raw materials that have a significant impact on our business.
- **Sustainability risks**
  We identify business partners considered to be high risk by taking into account raw materials with significant environmental impacts, such as wood and palm oil, as well as potential risks related to human rights and labor practices.

Awareness Activities for Business Partners

As of December 2024, we have received responses to our CSR self-assessment questionnaire from 189 raw material suppliers and contract manufacturers out of our 209 business partners. Beginning in 2026, in addition to various forms of communication with our business partners, we have been conducting the Supplier Sustainability Questionnaire for suppliers that do business with the Earth Group and suppliers with significant impact. Through this questionnaire, we promote awareness of, endorsement of, and compliance with the Business Partner Code of Conduct and assess environmental, social, governance, and other sustainability-related matters to better understand the current situation. We provide feedback on the responses and conduct individual meetings with suppliers where issues are identified, working together toward improvement. We will continue striving to fulfill our social responsibilities throughout the supply chain and contribute to sustainable development.

Collated results of responses to the CSR self-assessment questionnaire (as of December 2024)

Item	Grading distribution				
	A (100-80 points)	B (79-60 points)	C (59-40 points)	D (39-20 points)	E (19-0 points)
Corporate governance	58%	24%	11%	7%	0%
Human rights	52%	25%	12%	11%	0%
Labor	72%	17%	8%	3%	0%
Environment	64%	17%	11%	8%	1%
Fair corporate activities	61%	22%	12%	5%	0%
Quality and safety	78%	16%	3%	3%	0%
Information security	70%	20%	7%	3%	0%
Supply chain	45%	31%	11%	13%	0%
Regional society	58%	24%	10%	8%	1%

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Building a Sustainable Value Chain

Close collaboration with the various business partners involved in our value chain is essential to continue delivering high-quality products and services to our customers. We build relationships of trust with our business partners and promote sustainable initiatives aimed at mutual growth.

Ensuring Stable Logistics

To address ongoing social challenges such as truck driver shortages caused by the declining working-age population and delivery delays resulting from reduced transportation capacity, we participate in the shared platform operated by Otsuka Warehouse Co., Ltd., a group company, to improve logistics efficiency. Collaboration with our business partners is essential to this initiative, and we are advancing it while fostering their understanding of our approach to sustainable procurement, including environmental matters.

Reducing Environmental Impact in Procurement

In procurement, we are changing raw material packaging specifications to reduce packaging waste generated at production sites. For example, large quantities of cardboard had previously been used in the procurement of Black Cap products. However, by reviewing the packaging configuration and using single-face corrugated sheets for the bottom and outer perimeter, styrene sheets, and stretch film on pallets, we have achieved a significant reduction in waste.

FSC® Certification

Under the materiality "Promoting sustainable procurement," we have set a target for the use rate of FSC®-certified paper. Since 2020, we have switched all paper containers for Bath Roman products to FSC®-certified paper (paper made from wood sourced from responsibly managed forests or other materials that support the appropriate use of forest resources) and have been gradually expanding its use to other paper packaging materials. We will continue to engage in product development and raw material procurement so that we can provide environmentally responsible products to our customers.

Switching paper packaging materials to FSC®-certified paper

Human Rights Initiatives

We recognize child labor, forced labor, human trafficking, and similar practices in the supply chain as internationally unacceptable human rights violations. We have established our Sustainable Procurement Policy and Business Partner Code of Conduct, which incorporate respect for human rights, including consideration for fundamental human rights, prohibition of discrimination in employment and recruitment, respect for employees' human rights, and the exclusion of conflict minerals and raw materials that may cause social issues related to human rights or the environment. We communicate the Business Partner Code of Conduct to all of our business partners. In May 2021, we signed the United Nations Global Compact (UNGC) and were registered as a participating company.

WE SUPPORT UN GLOBAL COMPACT

Business Partner Code of Conduct (in Japanese)
https://corp.earth.jp/jp/sustainability/society/supply_chain/pdf/code-2025.pdf

Human Rights Policy

To respect fundamental human rights and promote related initiatives, we established the Earth Group Human Rights Policy in December 2023. All officers and employees recognize respect for human rights as an important social responsibility and strive to ensure it. We also promote initiatives based on the UN Guiding Principles on Business and Human Rights and the Children's Rights and Business Principles to reduce human rights risks for all people involved in our business activities, including those in our supply chain.

Furthermore, based on the Earth Group Global Code of Conduct, we fulfill our responsibility to respect human rights not only by refraining from human rights violations ourselves, but also by preventing stakeholders from facilitating such violations.

Earth Group Human Rights Policy (in Japanese)
https://corp.earth.jp/jp/sustainability/society/human_rights/pdf/human_rights_policy.pdf

Implementation of Human Rights Due Diligence

Based on the UN Guiding Principles on Business and Human Rights and the Children's Rights and Business Principles, we launched full-scale human rights due diligence in 2026 to identify and assess adverse human rights impacts within our Company, Group companies, and business partners. During fiscal 2026, we will implement measures to prevent and mitigate adverse impacts. Beginning in 2027, we will track and evaluate the effectiveness of these initiatives and promote information disclosure.

Chapter 5

Governance

Effective governance is the foundation of sustainable growth.
In this chapter, we highlight the governance practices that support the enhancement of corporate value through the supervisory function of the Board of Directors, our governance framework, risk management, and dialogue with stakeholders.

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Executives (as of March 25, 2026)

Please refer to the Company's website for the brief profiles of Directors and Audit & Supervisory Board Members.
https://corp.earth.jp/en/company/officer/index.html

Directors

● Attendance at meetings of the Board of Directors ● Attendance at meetings of the Nomination and Compensation Committee ● Number of shares held

Tatsuya Otsuka
Chairman

● 9/12 (75%)
● 157,400 shares

- Apr. 1986 Joined Otsuka Pharmaceutical Co., Ltd.
- Jan. 1990 Joined the Company
- Mar. 1990 Board Director of the Company
- Mar. 1992 Managing Board Director of the Company
- Mar. 1994 Representative Director & Senior Managing Director of the Company
- Mar. 1998 President & Representative Director of the Company
- Mar. 2014 Chairman of Board of Directors of the Company (present)

Katsunori Kawabata
Representative Director, President & CEO, Chairman of Board of Directors of each company

● 12/12 (100%)
● 1/2 (50%)
● 93,400 shares

- Mar. 1994 Joined the Company
- Mar. 2013 Board Director, Director General of Gardening Strategy Headquarters of the Company
- Mar. 2014 President & Representative Director, Director General of Gardening Strategy Headquarters of the Company
- Aug. 2015 President & Representative Director, Director General of Marketing General Strategy Headquarters of the Company
- Mar. 2019 Chairman of the Board of Directors of BATHCLIN Corp.
  President & Representative Director of Earth Pet Co., Ltd.
- Mar. 2021 Representative Director, President & CEO of the Company, and Chairman of the Boards of Directors of each company (present)
  Chairman of the Board of Directors of Hakugen Earth Co., Ltd. (present)
  Chairman of the Board of Directors of Earth Pet Co., Ltd. (present)
  Chairman of the Board of Directors of Earth Environmental Service Co., Ltd. (present)
- Feb. 2025 Chairman of the Board of Directors of PROTOLEAF, Inc. (present)

Yoshiyuki Furuya
Board Director, Senior Executive Vice President & COO

● 12/12 (100%)
● 53,300 shares

- Mar. 1985 Joined the Company
- Mar. 2014 Board Director, General Manager of Sales Planning Department, Sales Headquarters of the Company
- Jan. 2015 Board Director of the Company, Director General of Sales Headquarters of the Company
- Mar. 2016 Managing Board Director, Director General of Sales Headquarters of the Company
- Mar. 2018 Board Director & Managing Executive Officer, Director General of Sales Headquarters of the Company
- Mar. 2021 Board Director & Senior Managing Executive Officer, Assistant President of the Company
- Mar. 2023 Board Director, Executive Officer, and Assistant to the President, in Charge of Overall Management
- Mar. 2024 Board Director, Senior Executive Vice President of the Company
- Mar. 2026 Board Director, Senior Executive Vice President & COO of the Company (present)

Takeshi Shakata
Board Director, Executive Vice President in Charge of General Management and Special Sales Assignments from the President

● 12/12 (100%)
● 16,400 shares

- Apr. 1988 Joined Kyushu Sangyo Kotsu Co., Ltd. (currently KYUSHU INDUSTRIAL TRANSPORTATION HOLDINGS CO., LTD.)
- Aug. 1996 Joined Hisamitsu Pharmaceutical Co., Inc.
- May 2019 Managing Executive Officer, General Manager of Phamaceutical and Cosmetics Business Division of Hisamitsu of Pharmaceutical Co., Inc.
- Jan. 2021 Joined the Company
- Mar. 2021 Board Director & Managing Executive Officer, Director General of Sales Headquarters of the Company
- Mar. 2023 Board Director & Executive Vice President, in charge of Sales and Marketing Division, Director General of Sales Headquarters of the Company
- Mar. 2024 Board Director & Executive Vice President, in charge of Sales and Marketing Division, Director General of Sales Headquarters of the Company
- Oct. 2024 Board Director & Executive Vice President, Director General of Sales Headquarters of the Company
- Mar. 2026 Board Director, Executive Vice President in Charge of General Management and Special Sales Assignments from the President (present)

Shogo Sanmaido
Board Director, Executive Vice President in Charge of General Management

● –*
● 18,100 shares

- Apr. 1991 Joined the Company
- Feb. 2015 Board Director of Bathclin Corp.
- Mar. 2015 Board Director, General Manager of Corporate Planning Dept. of the Company
- Mar. 2019 Board Director, General Manager of Corporate Management Dept. of Bathclin Corp.
- Feb. 2020 Representative Director, President & CEO of Bathclin Corp.
- Jan. 2026 Corporate Advisor of the Company
- Mar. 2026 Board Director, Executive Vice President in Charge of General Management (present)

*Appointed as a Director of the Company effective March 25, 2026.

Harold George Meij
Outside Director

● 12/12 (100%)
● 1/2 (50%)
● 0 shares

- Jan. 1987 Joined Heineken Japan K.K. Assistant General Manager of Heineken Japan K.K.
- Apr. 1990 Joined Nippon Lever K.K. (currently Unilever Japan K.K.) Assistant Brand Manager of Nippon Lever K.K.
- Apr. 2000 Joined Sunstar Inc. Executive Officer of Oral Care Division of Sunstar Inc.
- Sep. 2006 Joined COCA-COLA (JAPAN) COMPANY, LIMITED Executive Vice President & General Manager of Marketing Headquarters of COCA-COLA (JAPAN) COMPANY, LIMITED
- Mar. 2014 Joined TOMY COMPANY, LTD. Management Advisor of TOMY COMPANY, LTD.
- Jun. 2015 Representative Director, President & CEO of TOMY COMPANY, LTD.
- May 2018 Representative Director, President & CEO of New Japan Pro-Wrestling Co., Ltd.
- Mar. 2019 Outside Director of the Company (present)
- Apr. 2021 Outside Director of Alinamin Pharmaceutical Co., Ltd.
- Dec. 2021 Outside Director of COLOPL, Inc.
- Apr. 2022 Outside Director of Panasonic Corporation
- Feb. 2024 Outside Director of Kewpie Corporation (present)

Major concurrent posts
Outside Director of Kewpie Corporation

Naoko Mikami
Outside Director

● 11/12 (92%)
● 2/2 (100%)
● 700 shares

- Apr. 1983 Joined Ajinomoto Co., Inc.
- Apr. 2007 Visiting Professor, Musashino University
- Jan. 2010 Joined C'BON COSMETICS Co., Ltd.
- Jun. 2019 Representative Director & Vice President, Executive Officer of C'BON COSMETICS Co., Ltd.
  Product Development Division of C'BON COSMETICS Co., Ltd.
- Jun. 2021 Outside Director of Showa Sangyo Co., Ltd. (present)
- Mar. 2022 Outside Director of the Company (present)
- Mar. 2024 Outside Director of Kuraray Co., Ltd. (present)
- Mar. 2025 Outside Director of Kirin Holdings Co., Ltd. (present)

Major concurrent posts
Outside Director of Showa Sangyo Co., Ltd., Outside Director of Kuraray Co., Ltd., Outside Director of Kirin Holdings Co., Ltd.

Ruth Marie Jarman
Outside Director

● 12/12 (100%)
● 2/2 (100%)
● 200 shares

- Dec. 1988 Joined Recruit Co., Ltd.
- Dec. 2000 Joined Space Design Inc.
- Apr. 2012 CEO of Jarman International KK (present)
- Jun. 2012 Director of HRM Association (present)
- Jun. 2019 Outside Director of Fujibo Holdings, Inc. (present)
- Jun. 2020 Outside Director of KADOKAWA Corp. (present)
- Jun. 2023 Director of Japan Association for Women's Education (present)
- Mar. 2024 Outside Director of the Company (present)

Major concurrent posts
CEO of Jarman International KK, Director of HRM Association, Outside Director of Fujibo Holdings, Inc., Outside Director of KADOKAWA Corp., Director of Japan Association for Women's Education

Toshiko Oka
Outside Director

● 12/12 (100%)
● 2/2 (100%)
● 100 shares

- Apr. 1986 Joined Tohmatsu Touche Ross Consulting Limited
- Jul. 2000 Joined Asahi Arthur Anderson Limited
- Apr. 2005 President and Representative Director of Abeam M&A Consulting Ltd. (currently PwC Advisory LLC)
- Apr. 2016 Partner of PwC Advisory LLC
- Jun. 2016 Outside Director of Hitachi Metals, Ltd. (currently Proterial, Ltd.)
- Jun. 2018 Outside Director of Sony Corporation (currently Sony Group Corporation)
- Jun. 2019 Outside Director of Happinet CORPORATION (present)
- Jun. 2020 Outside Director of ENEOS Holdings, Inc. (present)
- Apr. 2021 Professor of Meiji University Graduate School of Global Business (present)
- Jun. 2021 Outside Director of Hitachi Construction Machinery Co., Ltd. (present)
- Mar. 2024 Outside Director of the Company (present)

Major concurrent posts
Outside Director of Happinet CORPORATION, Outside Director of ENEOS Holdings, Inc., Professor of Meiji University Graduate School of Global Business, Outside Director of Hitachi Construction Machinery Co., Ltd.

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https://corp.earth.jp/en/company/officer/index.html

Audit & Supervisory Board Members

● Attendance at meetings of the Audit & Supervisory Board ● Number of shares held

Yasuhiko Murayama
Full-time Audit & Supervisory Board Member

● 11/11(100%)
● 6,700 shares

Mar. 1979 Joined the Company
Apr. 2005 General Manager of Audit Office
Mar. 2012 General Manager of the Administration Headquarters Human Resources Management Department
Mar. 2018 Executive Officer, General Manager of the Administration Headquarters Human Resources Management Department
Mar. 2019 Full-time Audit & Supervisory Board Member of the Company (present)

Yukako Ikukawa
Outside Audit & Supervisory Board Member

● 11/11 (100%)
● 700 shares

Apr. 1997 Joined ORIX Corporation
Jun. 1998 Joined Saito Accounting Office
Sep. 2001 Joined Tadashi Furumoto Certified Public Accounting & Tax Office (currently Deloitte Tohmatsu Tax Co.)
Mar. 2003 Registered as Certified Public Tax Accountant
Jul. 2012 Director of Tohmatsu Tax Co. (currently Deloitte Tohmatsu Tax Co.)
Oct. 2015 Head of Yukako Ikukawa Certified Public Tax Accountant Office (present)
Dec. 2015 Outside Audit & Supervisory Board Member of Toa Valve Engineering Inc. (currently TVE Co., Ltd.)
Dec. 2016 Outside Director (Audit & Supervisory Committee Member) of Toa Valve Engineering Inc. (currently TVE Co., Ltd.)
Mar. 2019 Outside Audit & Supervisory Board Member of the Company (present)
Jun. 2023 Outside Director (Audit & Supervisory Committee Member) of GLORY LTD. (present)

Major concurrent posts
Head of Yukako Ikukawa Certified Public Tax Accountant Office, Outside Director (Audit & Supervisory Committee Member) of GLORY LTD.

Tatsuro Hayashi
Outside Audit & Supervisory Board Member

● 8/8* (100%)
● 0 shares

Sep. 1986 Joined Audit Corporation Chuo Accounting Office
Mar. 1989 Registered as a Certified Public Accountant
May 1992 Seconded to Coopers & Lybrand (currently PwC) Frankfurt, Germany office
Sep. 1995 Chuo Audit Corporation Tokyo Office
Jul. 2005 Registered as a member of Chuo Aoyama Audit Corporation
Aug. 2007 Partner at ShinNihon Audit Corporation (currently Ernst & Young ShinNihon LLC)
Jul. 2016 Seconded to the Japanese Institute of Certified Public Accountants, Quality Control Reviewer
Jul. 2018 Ernst & Young ShinNihon LLC, Sapporo office
Jul. 2024 Established Tatsuro Hayashi Certified Public Accountant Office (present)
Mar. 2025 Outside Audit & Supervisory Board Member of the Company (present)

Major concurrent posts
Head of Tatsuro Hayashi Certified Public Accountant Office

*Appointed as an Audit & Supervisory Board Member of the Company effective March 27, 2025.

Executive Officers

Senior Executive Vice President	Yoshiyuki Furuya
Executive Vice Presidents	Takeshi Shakata
	Shogo Sanmaido
Senior Managing Executive Officers	Takayuki Nagamatsu
	Hiroshi Kijima
	Toshitaka Ochi
Managing Executive Officers	Kentaro Sato
	Hiroyuki Taniguchi
Senior Executive Officers	Tsuyoshi Mitsuzuka
	Hiroyuki Matsushita
	Norio Horiyama
	Takumi Adachi
	Hiroyuki Kubo
	Kengo Yamashita
	Isao Goji
	Mikako Kawaguchi
	Akimasa Hirata
	Tomokazu Nohso
Executive Officers	Yasunori Sakamoto
	Yoshiaki Sakurai
	Akira Kaji
	Jun Hiramatsu
	Masaharu Wada
	Akira Yamauchi
	Shotaro Okada
	Morihiro Wada
	Hideo Koori
	Hiroyuki Ono
	Satoshi Ozawa
	Kouichi Kubo
	Keishi Matsumoto
	Yoichi Iwata
	Tomihiro Kobori
	Satomi Imada

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Skill Matrix of the Board Directors and Audit & Supervisory Board Members

With the premise of achieving continuous growth for the Company and increasing corporate value in the medium and long term, we have identified the skills required of Earth Corporation's Board of Directors, and have created a skill matrix to give a visual representation of the knowledge and skills demonstrated by the various directors and Audit & Supervisory Board members. Essential skills will be reviewed regularly.

Skill matrix of the Board Directors and Audit & Supervisory Board members

	Name	Management Experience	Product Development	Sales & Marketing	Production & Procurement	Global	ESG & Sustainability	Human Resources & Human Resource Development	Legal & Risk Management	Finance & Accounting
Chairman	Tatsuya Otsuka	○	○	○						
Representative Director, President & CEO	Katsunori Kawabata	○	○	○			○			
Board Director	Yoshiyuki Furuya			○	○					
Board Director	Takeshi Shakata			○		○				
Board Director	Shogo Sanmaido	○						○		
Outside Director	Harold George Meij	○	○	○		○	○			
Outside Director	Naoko Mikami	○	○		○					
Outside Director	Ruth Marie Jarman			○		○	○			
Outside Director	Toshiko Oka	○				○		○	○	○
Full-time Audit & Supervisory Board Member	Yasuhiko Murayama							○	○	
Outside Audit & Supervisory Board Members	Yukako Ikukawa									○
Outside Audit & Supervisory Board Members	Tatsuro Hayashi									○

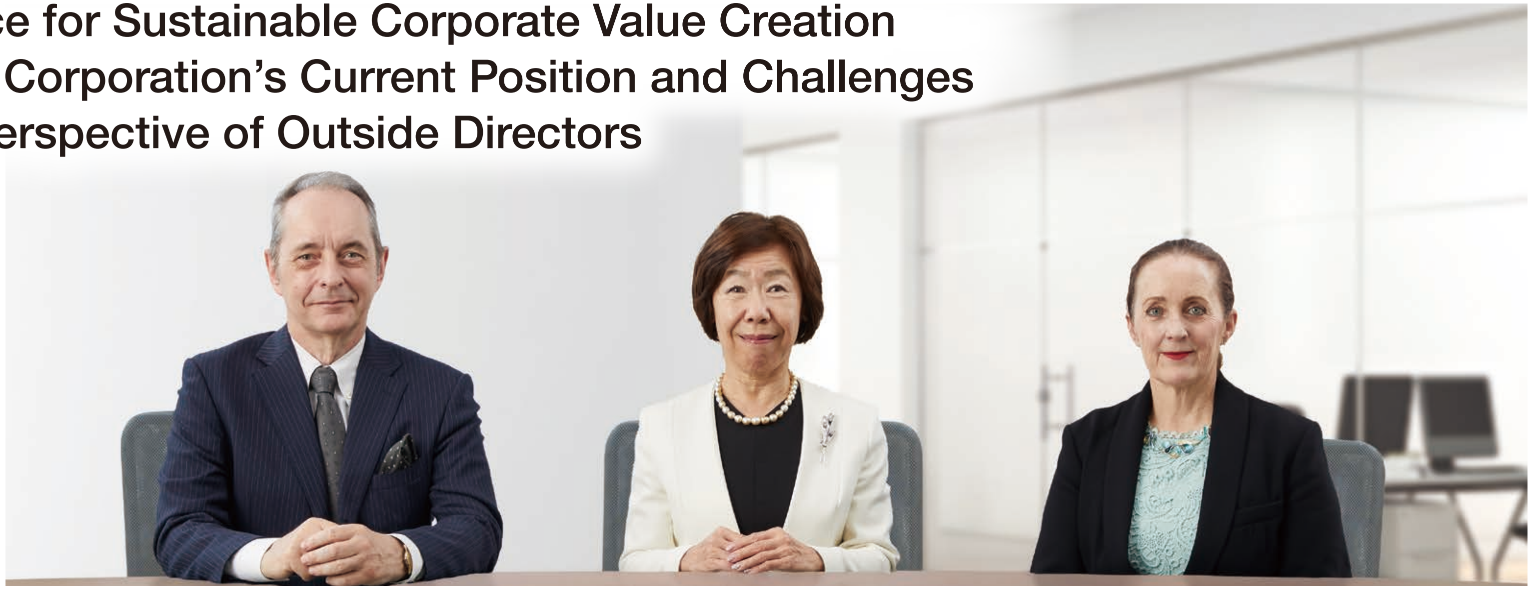
Reason for skill selection

The skills required of the Company's directors and Audit & Supervisory Board members, as well as the reasons for selecting these skills, are as follows.

		Skill category
1.	Skills that are the basis for making decisions on important issues such as management strategy	Management Experience
		Human Resources & Human Resource Development
		Legal & Risk Management
		Finance & Accounting
2.	Deep understanding of and expertise in the Group's business operations for supervising the execution of duties	Product Development
		Sales & Marketing
		Production & Procurement
3.	Skills and knowledge to respond to market demands and changes in the business and management environment	Global
		ESG & Sustainability

Outside Directors' Roundtable Discussion

Governance for Sustainable Corporate Value Creation —— Earth Corporation's Current Position and Challenges from the Perspective of Outside Directors



Harold George Meij — Outside Director

Biography After completing a master's program at New York University, Mr. Meij engaged in brand strategy and marketing at companies including Heineken Japan K.K. and Nippon Lever K.K. (currently Unilever Japan K.K.). He subsequently served as Executive Officer of the Oral Care Division of Sunstar Inc., Executive Vice President of COCA-COLA (JAPAN) COMPANY, LIMITED, and Representative Director, President & CEO of TOMY COMPANY, LTD., contributing to management reform, business recovery, and enhancement of brand value. He possesses extensive knowledge of management, global brand strategy, and organizational reform.

Toshiko Oka — Outside Director

Biography Ms. Oka holds an MBA from the Wharton School of the University of Pennsylvania and currently serves as a professor at the Graduate School of Global Business, Meiji University. She has served as President and Representative Director & CEO of Abeam M&A Consulting Ltd. (currently PwC Advisory LLC), Outside Director of Hitachi Metals, Ltd. (currently Proterial, Ltd.), and Outside Director of ENEOS Holdings, Inc. Through these roles, she has gained extensive experience in a broad range of fields, including corporate management in Japan and international finance, accounting, and M&A.

Ruth Marie Jarman — Outside Director

Biography Ms. Jarman joined Recruit Co., Ltd. after graduating from the Department of International Relations at Tufts University in Boston. She currently serves as CEO of Jarman International KK. Through the company's consulting business, she has been involved in a broad range of areas, including management and sales strategies for globally operating companies and local governments, as well as support for the advancement of diverse talent. She also serves as an Outside Director of Fujibo Holdings, Inc. and KADOKAWA Corp., and as a Director of the Japan Association for Women's Education. In these capacities, she serves as a bridge between Japan and the rest of the world.

What role does the Board of Directors play in creating corporate value?

Meij: During the formulation of the medium-term business plan, I, as an Outside Director, placed particular emphasis on ensuring that the targets were clear and specific. Clear, measurable targets make it easier to track progress and enhance the effectiveness of the Plan. I encouraged the Company to establish indicators with defined numerical targets and timeframes, while keeping the key messages focused so they could be clearly communicated to investors and employees. I also appreciate the way the plan has been organized around three clear pillars: expanding overseas sales, improving profitability, and strengthening Group management.

Oka: Going forward, we need to take a more systematic approach to assessing the medium-term business plan and its progress. Currently, the Board actively discusses individual agenda items from the perspective of how each initiative contributes to achieving the plan. It is important to ensure that these separate discussions feed into the plan's overall implementation and periodic review, thereby strengthening the effectiveness of the Board's monitoring.

Jarman: The role of Outside Directors is to provide an objective, broad-based perspective on individual matters, confirm that the Company is moving in the right direction, and, where necessary, encourage course corrections to help achieve the medium-term business plan. In particular, on key issues such as overseas expansion, improving profitability, and creating Group synergies to enhance corporate value, advice from a broader perspective helps improve the quality of management decision-making.

Meij: The corporate value of a listed company is ultimately reflected in its share price. The targets set out in the medium-term business plan should therefore be evaluated in terms of how they contribute to enhancing corporate value. Outside Directors naturally take a longer-term perspective that is closely aligned with the interests of shareholders, while those within the Company may understandably be more focused on shorter-term priorities. That is precisely why it is important for leaders across different areas of the business to challenge one another's thinking and engage in deeper discussion.

Outside Directors' Roundtable Discussion

Oka: We look at the Company as a whole with the medium-term business plan as our point of reference. If the role and significance of each initiative within the plan are clearly articulated and understood by the Outside Directors, they can in turn be communicated effectively to investors. That is why clearly explaining those connections is so important.

How do you think the capital market views Earth Corporation's corporate value?

Meij: We have not yet had sufficient discussions about how the Company intends to enhance corporate value or what level it should aim to achieve. Explanations to date have focused largely on past performance, with insufficient attention paid to how the Company intends to create value in the future. Earth Corporation has many strengths that can drive future growth, including its long-established brands, proprietary technologies, and diverse human resources. Given the current share price, we also need to consider whether the value of these intangible assets is being properly recognized by the market.

Jarman: The Company provides detailed explanations of its performance through investor briefings and its website, and I appreciate the thoroughness of these efforts. However, these explanations tend to focus on individual matters and near-term initiatives, and the broader picture of where the Company is heading has not yet been communicated clearly enough to investors.

Oka: In considering capital policy and the Company's relationship with the stock market, it is important to take factors such as its shareholder composition into account. What matters most is clearly demonstrating how the Company will deploy its management resources and make decisions that enhance corporate value. Capital markets value a clear and consistent path to value creation. To support this, the Company must enhance transparency, including around its decision-making processes, so that investors can gain an accurate understanding of its business and management.

Jarman: For that reason, it is important for employees and others throughout the Company to understand how each of its initiatives contributes to corporate value and to be able to explain those connections in the context of its future vision.

How do you view the Company's growth prospects as it expands globally?

Meij: The Company has a high market share and strong brand recognition in Japan, supported by competitive products and sales capacities. However, as the Japanese market continues to mature, expanding our business globally will be essential to achieving sustainable growth. It will therefore become increasingly important to benchmark the Company against its competitors in global markets.

Jarman: To advance overseas expansion, we need to build an organization capable of succeeding in global markets by developing people with cross-cultural understanding and by recruiting and promoting talent with a global mindset. Data-driven approaches are already being adopted in product development and marketing, and it is also important to extend these practices across the Company.

Meij: We also need to develop global talent by recruiting people overseas, giving them opportunities to gain experience in Japan and deepen their understanding of Earth Corporation's philosophy, and then enabling them to return to their home countries and take on key roles. To create this kind of talent pipeline, the Company must first become an employer of choice. Few companies anywhere in the world have remained in business for more than 100 years, and this is a major strength of Earth Corporation. Communicating this history and raising awareness of the Earth Corporation brand will also help overseas investors gain a better understanding of the Company.

Oka: Over the medium to long term, the very structure of the industry is likely to change. In that environment, what matters is not simply competing for market share, but identifying the markets in which we can establish a distinctive position and ultimately take a leading role in the industry. Initiatives such as MA-T®, which take a broader, industry-wide perspective, demonstrate the direction we should pursue.

What role should the Board of Directors play going forward, and what are your expectations for enhancing corporate value?

Jarman: The Company's Board of Directors includes Outside Directors from diverse backgrounds, who contribute perspectives grounded in their respective areas of expertise. Their views are increasingly reflected in discussions on individual matters, gradually improving the quality of decision-making.

Oka: At the same time, there is still considerable room to improve the effectiveness of governance. Although the necessary framework is now largely in place, further efforts are needed to ensure that decision-making processes and committee discussions function as intended.

Meij: As Outside Directors, it is important to look beyond the numbers when considering individual matters and offer views that also take account of the underlying strategy and the intentions of the parties involved. Such perspectives have improved the quality of the discussion, and I intend to continue bringing them to the table.

Jarman: Looking back over the past year, I have seen management become even more receptive to the views of the Outside Directors. One example that particularly stood out to me was the way Ms. Oka's advice was carefully considered during discussions on investment projects, and I believe it had a real influence on the final decision.

Oka: Earth Corporation already has a strong foundation. As the Company broadens its perspective to include a wider range of stakeholders, including overseas investors, it will naturally begin to change. I believe there is ample scope for that change to translate into greater corporate value.

Corporate Governance

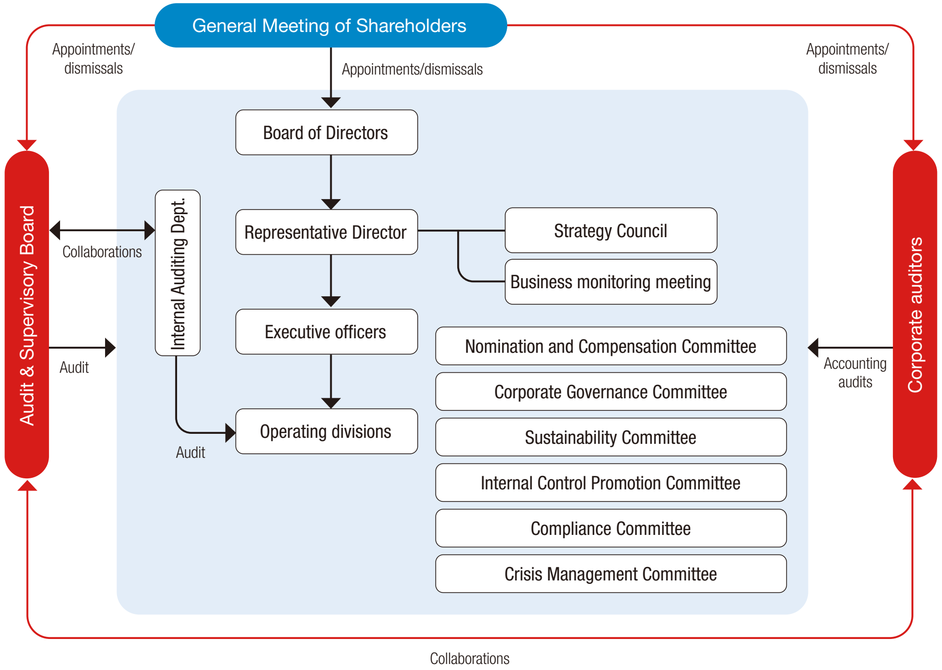
Corporate Governance Structure

Basic Approach

Based on its corporate philosophy, "We act to live in harmony with the Earth," Earth Corporation is committed to providing valuable products and services from the customer's perspective. Recognizing the enhancement of corporate governance as one of its key management priorities, the Company strives to earn the trust of society by promoting prompt decision-making, appropriate oversight, and proactive information disclosure.

To achieve this, Earth Corporation has established a decision-making framework centered on the Board of Directors and the Strategy Council, while enhancing transparency through monitoring by outside directors and Audit & Supervisory Board members. In addition, the Audit & Supervisory Board, the Internal Auditing Department, and independent accounting auditors work closely together to maintain a highly effective corporate governance system.

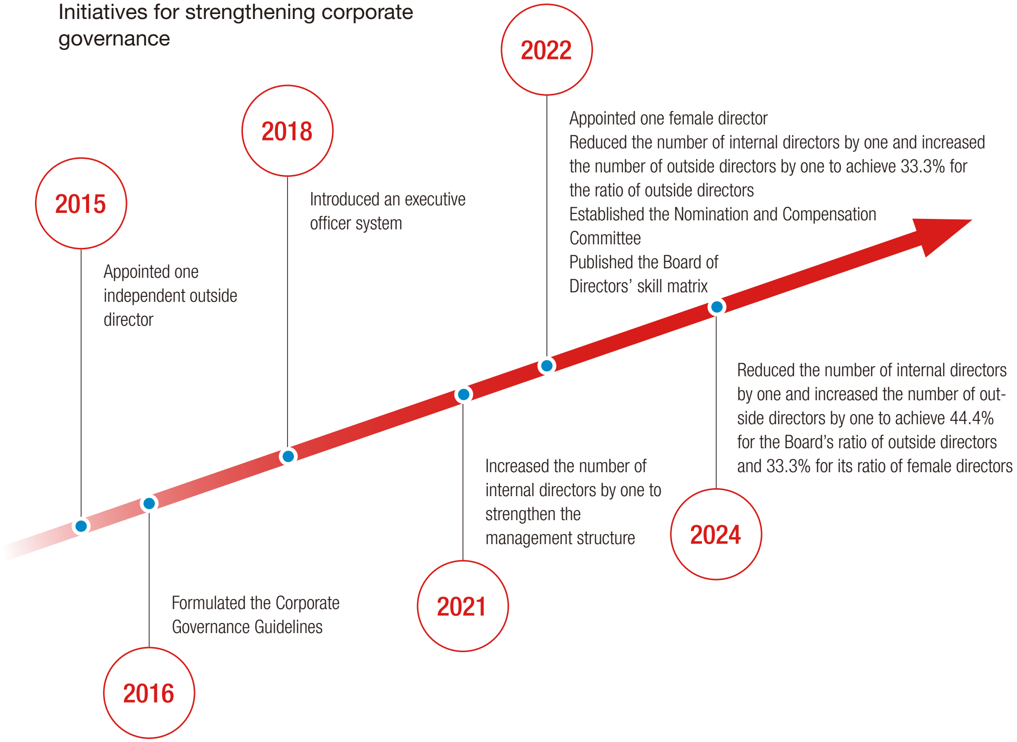
Corporate Governance Structure



Initiatives for Strengthening Corporate Governance

Earth Corporation has continuously strengthened its corporate governance system with the aim of revitalizing the market through the provision of valuable products and services and becoming a company trusted by its stakeholders. Emphasizing prompt and transparent decision-making, the Company has implemented a wide range of initiatives, including the appointment of independent outside directors, the establishment of governance guidelines, the introduction of the executive officer system, revisions to the composition of the Board of Directors, the expansion of female and outside directors, and the establishment of the Nomination and Compensation Committee. Through these initiatives, Earth Corporation has enhanced the transparency and objectivity of management and established an effective corporate governance system.

Initiatives for strengthening corporate governance



1 Delivering "Comfort" to the World
2 How Value Is Created
3 How Future Growth Will Be Realized
4 Protecting "Comfort"
5 Governance
6 Data

Corporate Governance

Roles of related bodies

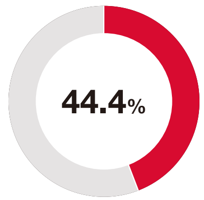
	Composition	Roles	Major matters discussed
Board of Directors	9 directors, including 4 outside directors	• Deliberates and resolves important management matters. • Ensures independence and objectivity by maintaining that at least one-third of the Board consists of independent outside directors. • Provides expert advice on management strategies through independent outside directors. • Supervises overall management and contributes to enhancing corporate value. • Provides objective oversight in situations involving conflicts of interest.	• Important matters concerning management direction (including M&A, capital and business alliances, and capital investment) • Matters related to the General Meeting of Shareholders • Organizational changes and important personnel matters • Financial and capital policies
Audit & Supervisory Board	3 Audit & Supervisory Board members, including 2 outside Audit & Supervisory Board members	• Conducts operational audits through on-site inspections of major business sites and subsidiaries. • Monitors organizational management by attending meetings of the Board of Directors and other important meetings. • Shares audit issues and exchanges opinions through meetings with directors. • Enhances audit effectiveness through collaboration with the Internal Auditing Department (internal audit). • Regularly exchanges information and collaborates with the independent accounting auditor.	• Matters concerning the execution of duties by the Board of Directors • Matters concerning the appropriateness of accounting audits • Matters concerning the establishment of the corporate governance system
Strategy Council	Executive officers appointed by the President	• Conducts preliminary reviews of matters to be submitted to the Board of Directors. • Discusses important matters concerning the strategies of each division and business unit.	• Important matters concerning management direction (including M&A, organizational restructuring, and structural reforms) • Matters concerning the medium-term business plan • Matters concerning financial and capital policies • Matters concerning large-scale capital investment
Nomination and Compensation Committee	Outside directors, the Representative Director, President & CEO, and internal directors	• Deliberates on the appointment and dismissal of directors. • Deliberates on directors' remuneration. • Deliberates on succession planning. • Ensures transparency and objectivity in important matters.	• Appointment of director candidates • Matters concerning directors' remuneration
Sustainability Committee	Chair: Representative Director, President & CEO General Managers of relevant divisions and other members	• Deliberates on and determines important policies related to sustainability management across the Earth Group. • Identifies and assesses changes in the external environment, including risks and opportunities. • Reflects such changes in the Group's medium- to long-term management strategies and promotes them throughout the Group. • Directs the incorporation of sustainability initiatives into the business strategies of each division and monitors their progress.	• Materiality • TCFD/TNFD • Human rights due diligence

Meetings held by the Board of Directors and advisory bodies in 2025

	Number of meetings held	Number of agenda items	Number of reports	Attendance rate (internal directors)	Attendance rate (outside directors)
Board of Directors	12	29	58	95.0%	97.9%
Audit & Supervisory Board	11	7	17	100%	100%
Nomination and Compensation Committee	2	2	0	75.0%	87.5%

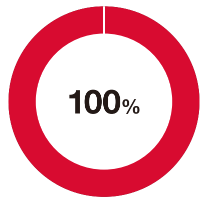
Outside directors

Ratio of outside directors on the Board of Directors



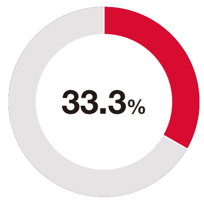
Outside directors currently account for 44.4% of the Board of Directors.

Ratio of independent directors among outside directors



The Company has established independence criteria for outside directors, who provide oversight and advice on management from an independent standpoint. Currently, all four outside directors satisfy these criteria.

Ratio of female directors on the Board of Directors



Female directors currently account for 33.3% of the Board of Directors.

Effectiveness Evaluation for the Board of Directors

The effectiveness of the Board of Directors is evaluated once each year by directors and auditors, and as part of these evaluations, efforts are made to identify and resolve issues in order to further improve effectiveness.

In fiscal 2025, the Company distributed a questionnaire to all directors and Audit & Supervisory Board members serving as of December 2025 to evaluate the effectiveness of the Board of Directors, and to identify future issues and matters to be handled.

Analysis and evaluation process

- Distributed a questionnaire to all directors and Audit & Supervisory Board members (serving as of December 2025) based on the advice of an external attorney
- Aggregated and analyzed the questionnaire responses
- Confirmed the issues at the Board of Directors and discussed future initiatives
- Undertook improvement initiatives

Issues for fiscal 2025	Preparation of material formats and schedule management for more extensive discussions
Fiscal 2025 initiatives and evaluation	**Actions taken to address issues** Schedule Management: The annual schedule of Board of Directors meetings is shared in advance, and the planned agenda is distributed to all expected participants, including observers, one week prior to each meeting. Documentation: The format of the notice convening Board of Directors meetings has been revised to enable directors to prepare in advance for agenda items. **Evaluation** Analysis of the questionnaire results confirmed that the Company's Board of Directors is generally operating effectively in the following respects: • The size and composition (including diversity) of the Board are appropriate, ensuring its effectiveness. • Agenda items are shared in advance, allowing sufficient time for preparation. • The volume and content of meeting materials, particularly risk-related information, are appropriate. • Meeting duration and time allocation are appropriate, ensuring sufficient discussion of important matters. • Support systems for outside directors, including advance briefings and opportunities to exchange opinions with Audit & Supervisory Board members, are well established.
Issues for fiscal 2026	Summary of opinions expressed during advance briefings Establish a mechanism to share the summary during presentations at Board of Directors meetings Introduce online advance briefings to improve the efficiency of meeting participants

Specific Deliberations by the Board of Directors

Having positioned the medium-term business plan as an important commitment, the Board of Directors is responsible for analyzing the factors involved in areas of the Plan that are yet to be achieved, and for reflecting these in future plans. Moreover, the Board ensures the effectiveness of internal controls, and conducts objective investigations regarding proposals presented by the directors and executive officers, sets agenda items according to their importance, and deliberates upon these while working to ensure sufficient time for debate.

Excerpts from discussions at Board of Directors meetings in 2025

Theme	Summary of discussion	Response
Theme 1: M&A transaction	Synergies from the acquisition and the appropriateness of the acquisition price	The Board conducted a multifaceted review that went beyond examining the target company's business plan, including the feasibility of realizing expected synergies, potential lost profits, and the appropriateness of the acquisition consideration. In addition, the Board held in-depth discussions on the consistency between the investment recovery period and the cost of capital, carefully confirming the economic rationale for this investment.
Theme 2: Major capital investment	Investment effectiveness and prospects for recovery	The Board examined the investment effectiveness based on market analysis and production plans, with particular focus on the validity of assumptions regarding the capacity utilization rate. In addition, the Board conducted scenario analyses incorporating the risk of demand fluctuations and reconsidered the optimization of the investment scale from the perspective of enhancing risk resilience, thereby working to maximize investment efficiency.
Theme 3: Status of overseas business development	Overseas strategy and human resource development	The Board shared business plans and issues faced in each area, and recommendations were made regarding the reconstruction of strategies that reflect the current situation in each region. In addition, the Board held in-depth discussions on the development of global human resources to accelerate global management from the perspectives of business strategy and organization.
Theme 4: Employee compensation and benefits	Review of salary systems and various allowances	The Board examined the design of new systems that would help maintain and improve the motivation of younger employees, and held multifaceted discussions on whether increases in personnel expenses would directly lead to improved productivity. In particular, recognizing human resources as capital, the Board carefully examined the ideal form of compensation and benefits systems that contribute to the sustainable enhancement of corporate value.

Appointment of Directors and Audit & Supervisory Board Members

The Company appoints internal directors with extensive experience and a detailed knowledge of the Company's operations and market environment, and independent outside directors with management experience at other companies and a broad range of knowledge. Furthermore, the Company appoints both non-Japanese and female outside directors in order to ensure diversity in the supervision and direction structure used by the Board of Directors.

Regarding the nomination of director candidates, the Representative Director, President & CEO presents candidate proposals prepared in consideration of past performance, experience, and capabilities; receives advice on these proposals from the Nomination and Compensation Committee, a majority of which is comprised of independent outside directors; and submits them to the Board of Directors for a final decision following sufficient time for consideration. Please see the Convocation Notice of the Annual General Meeting of Shareholders regarding the reasons for director and auditor appointments.

Reasons for director and Audit & Supervisory Board member appointments
https://corp.earth.jp/en/ir/stock/meeting/pdf/AGM-102-001-en.pdf

Officer Compensation System

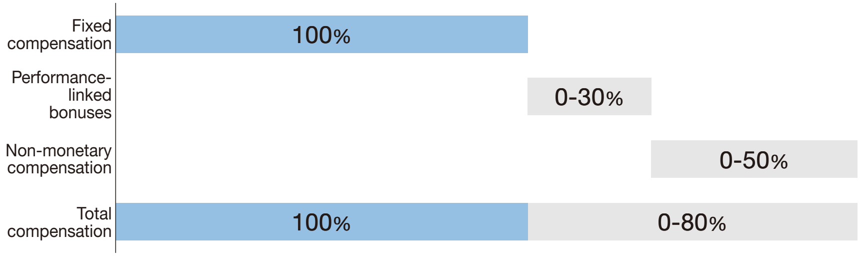
The Company has established an executive compensation system that ensures transparency and fairness with the aim of enhancing corporate value over the medium to long term and securing outstanding human resources. Executive compensation consists of three components: fixed compensation, a short-term incentive (performance-linked bonuses) that encourages the achievement of business performance targets, and a long-term incentive (restricted stock compensation) linked to shareholder value. Fixed compensation is determined annually based on position, responsibilities, business performance, and employee salary levels, and is paid monthly. Outside directors receive fixed compensation only in order to maintain their independence.

Performance-linked bonuses are calculated according to the achievement level of consolidated operating income targets and are paid after the relevant performance indicators have been finalized. However, no bonus is paid if consolidated operating income and net income attributable to owners of parent are both 50% or less of their respective targets. The amount of the bonus for each director is determined within a range of 0% to 30% of fixed compensation, taking into account both Company performance and individual performance.

To further enhance corporate value over the medium to long term, restricted stock is granted to directors, excluding outside directors, in an amount equivalent to up to 50% of their fixed compensation. The number of shares to be granted is determined by resolution of the Board of Directors based on the deliberations of the Nomination and Compensation Committee.

Authority to determine individual compensation is delegated to the Representative Director, President & CEO. The appropriateness of such decisions is ensured by reporting the deliberations of the Nomination and Compensation Committee to the Board of Directors.

Compensation structure



Total amount of director and Audit & Supervisory Board member compensation (2025)

Officer classification	Total amount of compensation by type (millions of yen)	Total amount of compensation by type (millions of yen)				Number of eligible officers (persons)
		Fixed compensation	Performance-linked compensation	Non-monetary compensation	Retirement benefits	
Directors (excluding outside directors)	802	563	96	143	—	5
Auditors (excluding outside auditors)	18	16	2	—	—	1
Outside officers	61	58	2	—	—	7

Notes: 1.The total amount of compensation for the five directors (excluding outside directors) includes executive compensation paid by consolidated subsidiaries.
2.The above includes compensation paid to one director who retired upon the conclusion of the 101st Annual General Meeting of Shareholders held on March 27, 2025.

Total amount of consolidated compensation for each officer (2025)

Name	Total amount of consolidated compensation (millions of yen)	Officer classification	Company classification	Amount of consolidated compensation by type (millions of yen)			
				Basic compensation	Restricted stock compensation	Bonuses	Retirement benefits
Tatsuya Otsuka	177	Director	Submitting company	138	15	24	—
Katsunori Kawabata	368	Director	Submitting company	251	50	45	—
		Director	Consolidated subsidiary, BATHCLIN Corporation	4	—	—	—
		Director	Consolidated subsidiary, Hakugen Earth Co., Ltd.	4	—	—	—
		Director	Consolidated subsidiary, Earth Pet Co., Ltd.	4	—	—	—
		Director	Consolidated subsidiary, Earth Environmental Service Co., Ltd.	4	—	—	—
		Director	Consolidated subsidiary, PROTOLEAF, Inc.	2	—	—	—

Note: The table only lists consolidated compensations whose total amounts to 100 million yen or more.

Officer Training

Basic Policy on Training

Officers shall undergo training conducted by an outside instructor at least once each year, and shall participate in outside training as deemed necessary. The Company shall bear the cost of participation in training and related activities. Moreover, the Company shall provide candidates for future upper management positions with opportunities for management training by outside agencies.

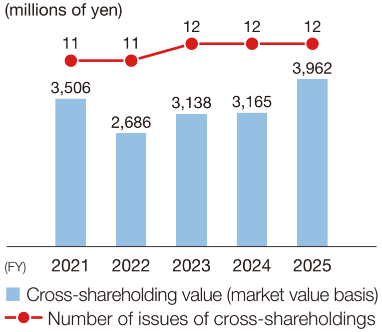
External training programs and site visits conducted in FY2025

Date	Training program / Site visit	Description
March 11, 2025	Briefing on the Evaluation of Board Effectiveness	Report on and explanation of the results of the Board effectiveness evaluation questionnaire
June 12, 2025	Risk Management: Theory and Practice	Key points for strengthening corporate governance
October 23, 2025	BCP Tabletop Exercise	Confirmation of initial response procedures in the event of a major earthquake directly beneath the Tokyo metropolitan area

Cross-Shareholdings

From the perspective of medium- to long-term corporate value, Earth Corporation holds cross-shareholdings for the purpose of maintaining and strengthening stable, medium- to long-term relationships with suppliers. However, the Company maintains a policy of minimizing the ownership of issues deemed to have insufficient rationale for such ownership, and of managing cross-shareholdings so that the appraised value of individual issues does not exceed 5% of total consolidated assets. The Board of Directors verifies the economic rationality of cross-shareholdings from both quantitative and qualitative perspectives on an annual basis, and makes a judgement on the continuation, expansion, reduction, or elimination of such. At the Board of Directors meeting in December 2025, the Company made an appropriate judgement regarding the validity of the purpose of held issues based in part on the rate of change in the assessed value of listed shares and the average annual rate of change over the past five years.

Changes in the number of cross-shareholdings
(listed shares, market value basis)
(millions of yen)



Dialogue with Investors

Under the commitment of its top management, led by the President & CEO, Earth Corporation places great importance on constructive dialogue with stakeholders, including investors. Through transparent information disclosure and accountability, the Company seeks to enhance understanding and trust and thereby contribute to the sustainable enhancement of corporate value over the medium to long term.

Dialogue with shareholders and investors is led by the Executive Officer responsible for IR together with the Corporate Management Department of the Group Corporate Management Headquarters, which is responsible for IR activities. They communicate the Company's management policies and strategies through individual meetings and financial results briefings. The IR department works closely with relevant divisions to collect necessary information and continuously monitors the shareholder structure and conducts beneficial shareholder surveys. Feedback obtained through dialogue is shared with management and reflected in initiatives to enhance corporate value. In addition, the Company appropriately manages insider information in accordance with its internal regulations and strives to ensure fair and reliable information disclosure.

Primary topics and matters of interest among shareholders and investors

- Overview and progress of the medium-term business plan
- Progress of structural reforms to improve profitability
- Group reorganization and synergies
- Current business environment and outlook
- Capital policy and financial policy
- Corporate governance initiatives

FY2025 dialogue results

Implementation details	Frequency	Representative
Financial results briefings	2 times (February, August)	Representative Director, President & CEO Board Director, Senior Executive Vice President Senior Executive Officer
Financial results follow-up meetings	2 times (May, November)	Senior Executive Officer Corporate Management Department (IR Representative)
Small meetings for sell-side analysts	2 times	Representative Director, President & CEO Board Director, Senior Executive Vice President Senior Executive Officer Corporate Management Department (IR Representative)
One-on-one meetings with the President	7 times	Representative Director, President & CEO Senior Executive Officer Corporate Management Department (IR Representative)
Individual meetings	125 times (including ad hoc meetings)	Corporate Management Department (IR Representative)

Compliance

Basic Approach

Earth Corporation has established a cross-sectoral Compliance Committee to ensure a high level of ethics and thorough legal compliance across the organization. Chaired by the officer in charge of legal affairs, the committee shares information regarding compliance issues and related matters, and considers and implements necessary measures. To ensure that all officers and employees, including contract, temporary, and part-time employees, maintain a strong sense of ethics and comply with laws and regulations, the Company distributes the Earth Corporation Conduct Guidelines and Explanation of Guidelines.

As a general rule, the Company distributes Compliance Support News, a compliance-related newsletter, to all employees twice a month in an effort to enhance awareness. It also seeks to improve the effectiveness of training by conducting compliance awareness surveys to identify employees' understanding and issues, and by reflecting the results in training content and implementation plans. In addition to these activities, the Company continuously conducts awareness-raising activities through various meeting bodies and training programs, working to foster a corporate culture that encourages sound judgment and responsible conduct.

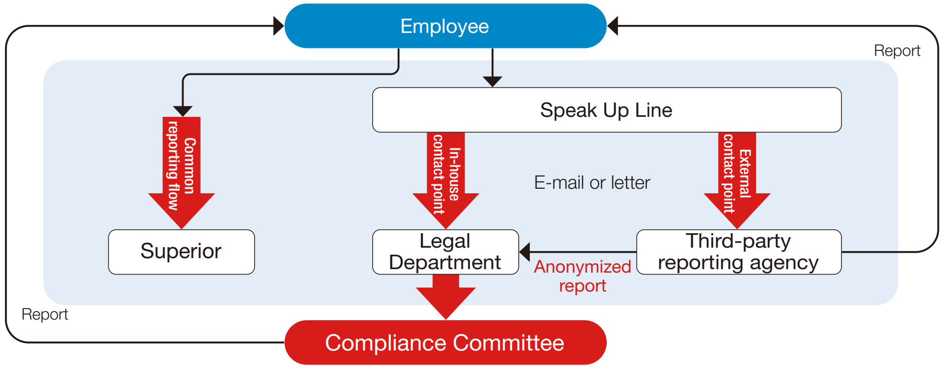
Internal Reporting System

To ensure that Earth Corporation earns a greater level of trust and stands as a company of true value, we recognize the importance of being open to receiving and providing solutions for issues that exist within and beyond the bounds of the Company. We therefore established the Speak Up Line as an internal reporting contact point in two locations, one internally under the jurisdiction of the Legal Department, and the other externally at a third-party organization. Speak Up Line enables inquiries about operations and reporting of rule violations, while the external contact point can be used anonymously. It is also available to former employees up to one year after leaving the Company.

Moreover, persons submitting inquiries or reports are protected to ensure that they are not subject to any disadvantageous treatment. This helps create an environment in which employees can share concerns with confidence.

In fiscal 2025, we received seven reports and consultations. There were no compliance violations.

Speak Up Line system



Putting in Place an External Reporting Contact Point

To further strengthen its governance functions, the Company has established a contact point to receive inquiries and reports from business partners regarding compliance with the Company's laws and corporate ethics standards, including the Earth Corporation Conduct Guidelines and Global Code of Conduct (hereinafter referred to as "reports, etc."). The contact point is outsourced to IntegreX Inc., a third-party organization with which the Company has entered into an outsourcing agreement and a confidentiality agreement. Privacy is strictly protected, and neither the person submitting the report nor the relevant business partner will be subject to any disadvantageous treatment for having submitted such a report, etc. However, this does not apply to reports made for improper purposes, such as false reports or defamation.

Reporting contact point usage record (non-consolidated; total of internal and external reports)

Nature of report	FY2021	FY2022	FY2023	FY2024	FY2025
Number of compliance training attendees	125	124	145	142	125
Number of reports and consultations* (cases)	5	4	7	5	7
Number of compliance violations (causes leading to resignations) (cases)	0	0	0	0	0

* Include number of cases handled by the Harassment and Human Relations Hotline

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Risk Management

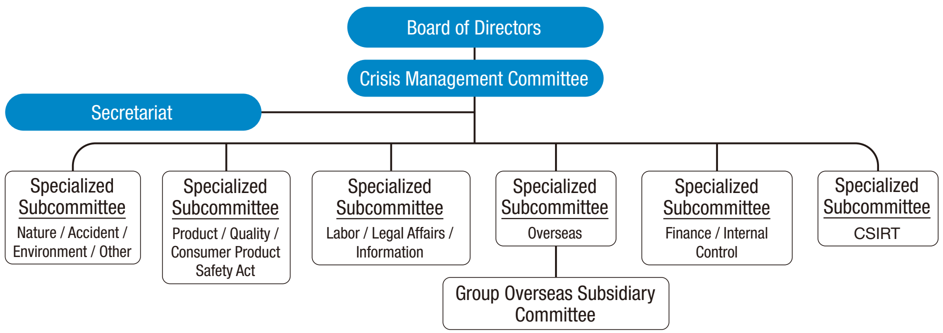
Basic Approach

In its sustainability management, Earth Corporation recognizes the various risks surrounding its business from an ESG perspective. Also recognizing the importance of risk management from the perspectives of risk prevention, responding appropriately to crises, and creating business opportunities from risks, we work to further strengthen our management infrastructure.

Crisis Management

The Company is advancing business continuity management (BCM) that promotes the functioning of its business continuity plan (BCP). Additionally, we have created a Crisis Management Manual and a BCP Manual to encourage the instilling of crisis awareness among our employees. For our efforts in providing support to affected areas during large-scale disasters, designating evacuation sites, and concluding transportation capacity agreements, we obtained the Resilience Certification from the National Resilience Promotion Office of the Cabinet Secretariat. Based on this certification, the Company undertakes measures in the event of disasters.

Crisis management structure



Securities Report (in Japanese) **https://corp.earth.jp/jp/ir/library/securities-report/pdf/25_4Q_houkokusyo.pdf**

Formulation of BCP and BCM

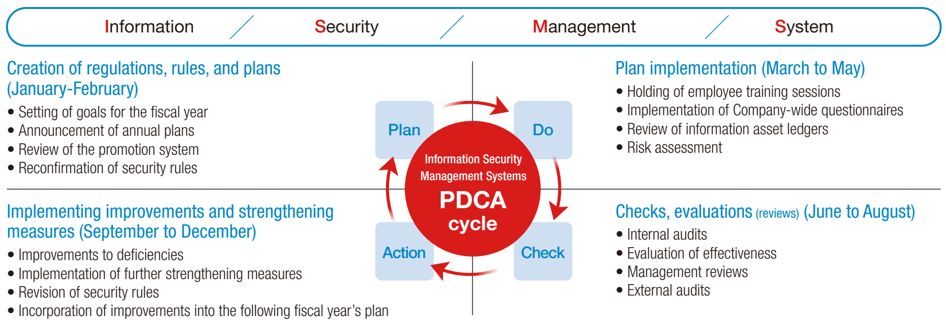
Fully aware of the possible serious damage associated with various management crises, such as risks to employee safety, the loss of society's trust, and economic losses, we organized and put in place systematic measures to prevent such management crises from occurring. In the unlikely event that a crisis materializes, we have also shared basic crisis management regulations to serve as a code of conduct, so that the parties involved can quickly make judgments and take action to minimize damage. Having formulated the BCP, the Crisis Management Committee conducts tabletop drills to review the countermeasures. Providing our employees with regular education and training sessions, we work to instill in them what to do in the event of a crisis situation.

Information Security Initiatives

Earth Corporation has adopted an Information Security Management System (ISMS) and strives to enhance and continuously improve information security. Such initiatives aim to protect all our information assets from accidents, disasters, cyberattacks and other unfortunate events. By eliminating risks stemming from major security incidents, we work to ensure business continuity and gain social trust. The Company also receives ongoing certification for ISO/IEC 27001 and maintains a management structure based on international standards for its information security-related operations.

Security Policy (in Japanese) **https://corp.earth.jp/jp/security/index.html**

ISMS PDCA cycle



Stakeholder Engagement

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

Stakeholders		Engagement method	Shared value with stakeholders: Examples of shared value	Shared value with stakeholders: Related capital
Customers (Consumers, business partners)	As the Company is engaged in B2B and B2C businesses, the users of Earth Corporation products are both general consumers and other companies. For this reason, our valued customers include the wholesalers that serve as our sales channels, and business partners like retail outlets and e-commerce sites.	• Product development that ascertains customer and business environments, and considers humanity and the environment • Communication through sales activities • Operational structure for appropriate inventory management • Establishment of contact points that apply customer insights and the creation of inquiry forms • Advertising and PR • Provision of information through websites and other media • Disclosure of action on and initiatives for objective indicators through questionnaires and assessment agency response • Customer satisfaction surveys etc.	• Development of products suited to customer needs and changes in the business environment • Development and provision of products that consider humanity and the environment • Products based on customer feedback and employee proposals • Stable supply of products • Number of cases addressed by contact points for receiving comments and suggestions from customers • Disclosure of risk management information • External evaluations	Social and relationship capital ▶ P.24-29, 44, 64, 74
Employees and their families	The active participation of diverse human resources is the driving force behind Earth Corporation's growth. In addition to our employees, the families that support them are also stakeholders who create value for the Company.	• In-house newsletters and intranet • Various training programs • Peer bonus system • Individual target management • Individual meetings • Provision of learning opportunities and assistance for learning-related costs • Engagement surveys etc.	• Increase in the paid leave usage rate • Increase in the female manager ratio • Improvements in the level of employee satisfaction and organizational capabilities • Improvements in sales and operating income margin per employee/unit time • Increase in wages • Provision of training opportunities (reskilling) • Health management and improvements in health literacy	Human and Intellectual capital ▶ P.38
Suppliers	Earth Corporation's valued suppliers include the business partners we ask to handle procurement, manufacturing outsourcing, overall logistics, and disposal, to provide infrastructure, and to offer design and consulting support. Our businesses are therefore supported by the cooperation and endorsement of countless business partners.	• Communication through purchasing activities • CO_2 reduction in collaboration with business partners • CSR self-assessments • Improved logistics efficiency and solutions for social issues • Cost reductions • Reduced use and efficient use of raw materials and resources • Cooperative interaction and creation of synergy among the Group and with external parties • Business Partner Code of Conduct etc.	• Multi-stakeholder Pledge & Partnership Building Declaration • CO_2 emissions reductions: engagement with business partners • Status of self-assessment implementation • Disclosure of packing material and FSC-certified paper volumes • Reduction of environmental impact in procurement	Social and relationship and Natural capital ▶ P.41, 50, 51
Shareholders and investors	Earth Corporation sees shareholders and investors as important stakeholders that support the Company's management foundation by providing capital and executing voting rights. The Company also builds long-term relationships of trust through proactive information disclosure and repeated dialogue.	• General meetings of shareholders • Financial results briefings for institutional investors and analysts • Individual meetings • Provision of information through websites and other media • Facility tours etc.	• Dividends • Total return ratio • TSR (10 years) • Interest • Repayment of principal • Issuance of reports	Financial capital ▶ P.19
Local community	Earth Corporation strives to contribute to local communities and to resolve the social issues faced by communities, municipalities, non-profit organizations, and others in each of its business domains. We also engage in training and educational activities, as well as in social contribution activities intended to enhance corporate and product value.	• Implementation of on-site classes and reception of students • Participation in and organization of various events • Comprehensive collaboration agreements with each municipality • Donations and support • Community support and clean-up activities etc.	• Educational events and training activities related to insect-borne infectious disease countermeasures • Activities that help mitigate infectious and other diseases • Acceptance of interns and visitors, provision of social learning opportunities for students • Comprehensive collaboration agreements with each municipality • Contributions to the community through the development of products that help prevent disasters • Participation in efforts, including disaster support and donations to developing countries • Community clean-up activities • Disclosure of sustainability reports and ESG data	Social and relationship capital ▶ P.49
The Earth	Climate change, population shifts, and globalization alter the habitats of plants and animals, and threaten biodiversity, which will in turn have an impact on people's lives. As the habitat in which countless plants and animals coexist, the Earth is therefore one of Earth Corporation's valued stakeholders.	• Decarbonization initiatives • Improved usage efficiency and reduced use of materials and resources • Environmental policies • Chemical substance control policies • Protecting biodiversity etc.	• Switch to renewable energy • Third-party assurance regarding GHG emissions • Disclosure of progress in improving water use efficiency • Zero emissions of industrial waste • Reports to government authorities • Provision of information, including information on chemical substance management • Nature conservation, invasive species countermeasures, and preservation of insect species	Natural capital ▶ P.42-46

Chapter 6

Data

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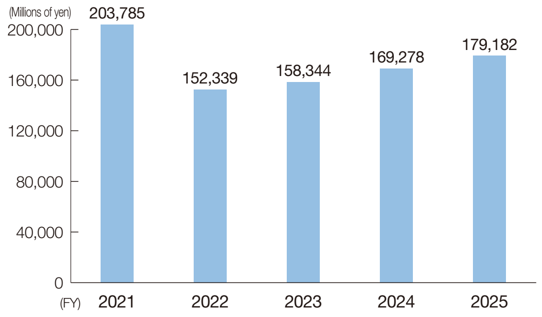
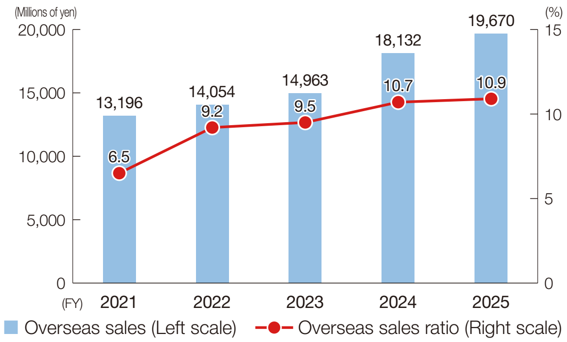
Financial Highlights

Consolidated Sales



In addition to steady growth in each business, factors such as the consolidation of PROTOLEAF, Inc. contributed to sales of ¥179,182 million (+5.9% year on year).

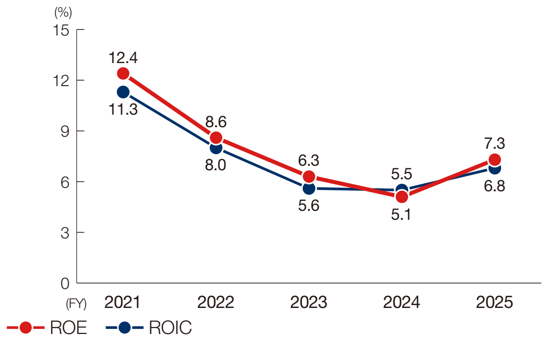
Overseas Sales* / Overseas Sales Ratio



Overseas sales exceeded the previous year's level, centered on Thailand and Vietnam, our mainstay markets, and amounted to ¥19,670 million (+8.5% year on year). The ratio to sales was 10.9% (+0.2 percentage points year on year). We will continue to work to expand both scale and profit.

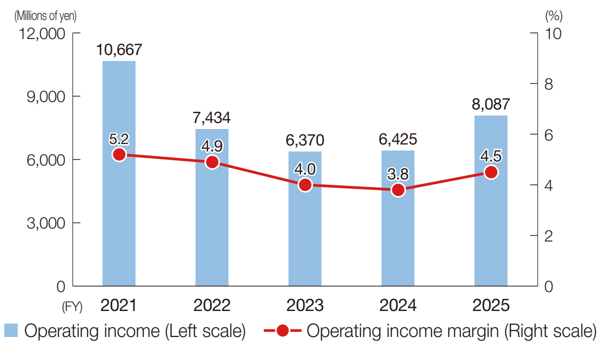
*Sales to outside customers only.

ROE / ROIC



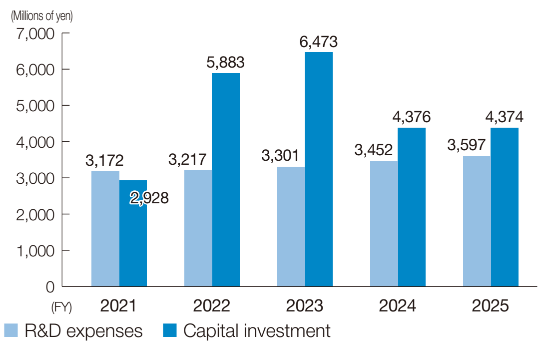
ROE and ROIC are also improving steadily in line with improvements in profitability. ROE was 7.3% (+2.2 percentage points year on year), and ROIC was 6.8% (+1.3 percentage points year on year).

Operating Income / Operating Income Margin



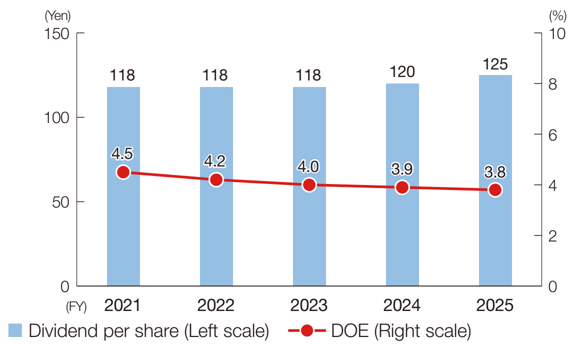
Although selling, general and administrative expenses increased due to factors such as higher personnel and advertising expenses, an increase in gross profit driven by sales growth resulted in operating income of ¥8,087 million (+25.9% year on year).

R&D Expenses / Capital Investment



With development speed that fits the optimal timing for product launches in mind, we are investing in safe, high-value-added product development. R&D expenses amounted to ¥3,597 million. In addition, capital investment totaled ¥4,374 million, including system development re-lated to the integration with BATHCLIN Corporation and the acquisition of mask manufacturing equipment at Hakugen Earth Co., Ltd.

Dividend per Share / Dividend on Equity (DOE)



With stable dividends as our basic policy, we paid a special dividend of ¥5 per share, bringing the dividend per share for the fiscal year ended December 31, 2025 to ¥125, and a DOE ratio was 3.8%.

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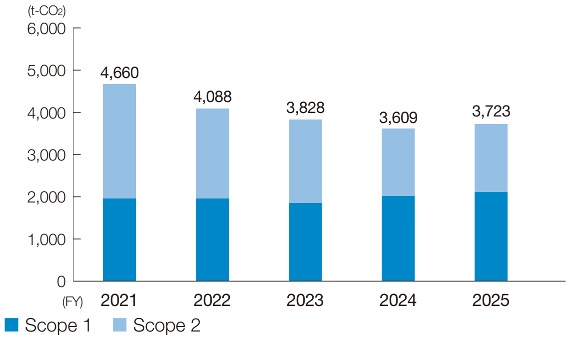
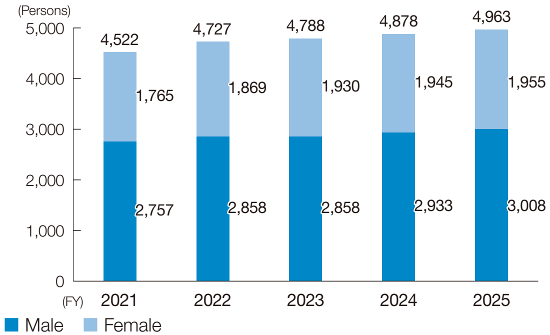
Non-Financial Highlights

Greenhouse Gas Emissions (Scope 1 + 2) (non-consolidated)



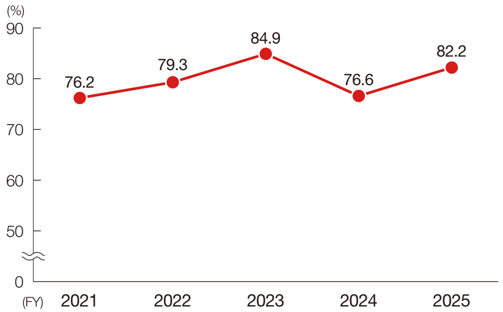
We aim to reduce greenhouse gas emissions through daily energy-saving activities and by switching the electricity used at the Sakoshi plant to electricity derived from renewable energy sources.

Number of Employees (consolidated)



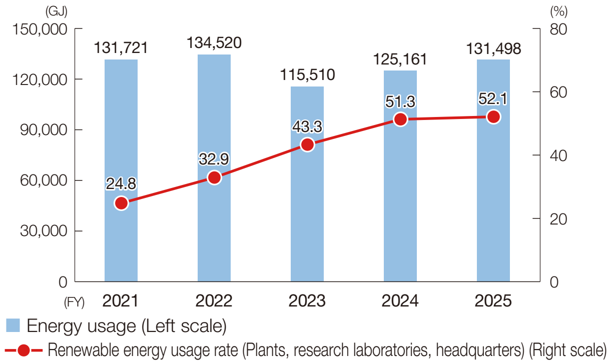
We are promoting the acceptance of diverse talent, implementing systematic recruitment and development, and refining personnel planning. By securing talent with expertise and frontline capabilities, we aim to build a pool of talent to support business expansion.

Paid Holiday Usage Rate (non-consolidated)



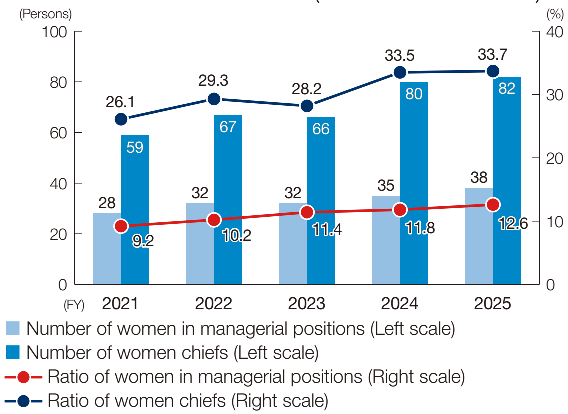
To realize workplaces that support the active participation of diverse talent, we are introducing systems that enable flexible work styles and promoting leave usage. In fiscal 2025, we implemented measures to encourage paid leave usage, including the promotion of consecutive leave, resulting in a usage rate that exceeded the previous fiscal year.

Energy Usage / Renewable Energy Usage Rate



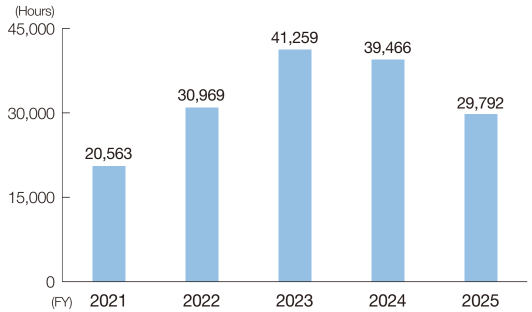
Regarding the use of energy, we are advancing climate change initiatives from both energy-saving and renewable energy perspectives. Following the Ako Plant, we are working to transition the entire Sakoshi Plant to renewable energy in 2026.

Number/Ratio of Women in Managerial Positions / Number/Ratio of Women Chiefs (both non-consolidated)



With the goal of achieving a 30% ratio of women in managerial positions in 2030, we hold career training sessions for management candidates and encourage employees to actively participate in their career development through career plan sheets. In fiscal 2025, the ratio of women in managerial positions stood at 12.6%, and the ratio of women chiefs reached 33.7%.

Total Training Hours (non-consolidated)



With the aim of developing self-motivated talent, in fiscal 2025 we reviewed the position-specific training programs conducted in the previous fiscal year and continued to provide online learning opportunities, thereby accelerating the development of the foundation for human resources development. Although total training hours decreased, we recognize this as the result of considering the balance between improving the quality of learning and putting that learning into practice.

MD&A

Performance Overview

(Billions of yen)

	FY2024 Results	FY2025 Initial Plan	FY2025 Revised Plan	FY2025 Results	Comparison					
	Amount	Amount	Amount	Amount	YoY Change	YoY	Vs. Plan	Vs. Plan	Vs. Revised Plan	Vs. Revised Plan
Sales	169.27	175.00	178.00	179.18	9.90	105.9%	4.18	102.4%	1.18	100.7%
Cost of sales	100.30	102.70	104.20	104.44	4.13	104.1%	1.74	101.7%	0.24	100.2%
Gross profit	68.96	72.30	73.80	74.73	5.76	108.4%	2.43	103.4%	0.93	101.3%
SG&A expenses	62.54	65.80	65.80	66.64	4.10	106.6%	0.84	101.3%	0.84	101.3%
Operating income	6.42	6.50	8.00	8.08	1.66	125.9%	1.58	124.4%	0.08	101.1%
Ordinary income	7.36	7.10	8.60	8.89	1.52	120.8%	1.79	125.3%	0.29	103.4%
Net income attributable to owners of parent	3.47	4.30	5.30	5.23	1.76	150.7%	0.93	121.8%	-0.06	98.8%
Gross profit margin	40.7%	41.3%	41.5%	41.7%	1.0pt		0.4pt		0.2pt	
SG&A ratio	36.9%	37.6%	37.0%	37.2%	0.2pt		-0.4pt		0.2pt	
Operating income margin	3.8%	3.7%	4.5%	4.5%	0.7pt		0.8pt		0.0pt	

In fiscal 2025, sales were ¥179.1 billion (+5.9% year on year), operating income was ¥8.0 billion (+25.9% year on year), ordinary income was ¥8.8 billion (+20.8% year on year), and net income attributable to owners of parent was ¥5.2 billion (+50.7% year on year), achieving substantial increases in both sales and profit.

In the Household Products Business, shipments and sell-through in the Insecticides & Repellents segment remained steady, while the renewal of the MONDAMIN brand in the oral hygiene category proved effective, resulting in strong sales performance. Overseas sales also expanded steadily, mainly in Thailand and Malaysia.

In the General Environment and Sanitation Business, demand for hygiene management continued to increase, particularly at food and pharmaceutical plants, and the business maintained stable growth through increases in the number of contracts and unit value per contract.

As a result, we achieved many of the targets set out in the medium-term business plan ahead of schedule.

Segment Performance Overview

In Insecticides & Repellents, the domestic market expanded due to higher temperatures, and insect repellents, including the new product Hadamamo, as well as products for nuisance insects, performed well. The benefits of price revisions also contributed, and sales amounted to ¥67.6 billion (+3.1% year on year). Overseas, market share expansion in Thailand continued, and we gained a strong sense of growth momentum, including a clearer path toward capturing the No. 1 market share in Thailand in the future.

In the oral hygiene category, strengthened advertising associated with the major renewal of the mainstay MONDAMIN brand contributed to strong growth, with sales of ¥9.2 billion (+8.4% year on year).

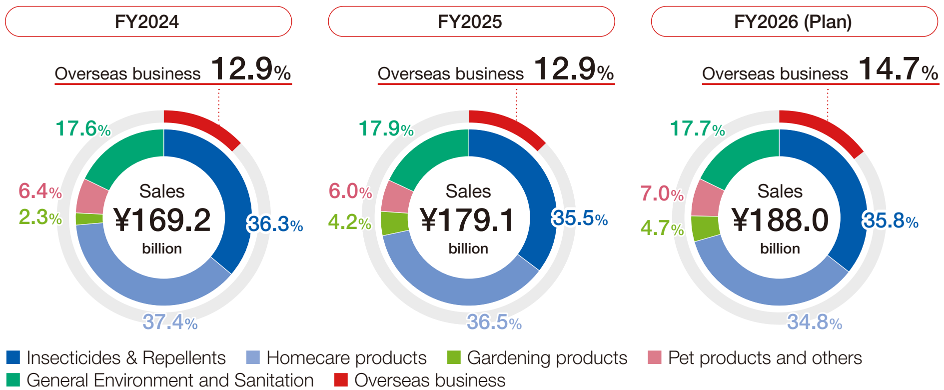
In bath salts, sell-through of powder-type products such as Bath Roman declined year on year, but high-value-added products such as Kikiyu and BARTH performed well. As a result, sales amounted to ¥26.4 billion (+5.5% year on year).

In gardening products, the contribution from the newly consolidated PROTOLEAF, Inc. and growth in existing products resulted in a significant increase in sales to ¥7.9 billion (+93.5% year on year).

In pet products and others, pet care products remained firm, but insecticides and repellents for pets and functional foods declined. As a result, sales were ¥11.3 billion (-1.1% year on year).

In the General Environment and Sanitation Business, demand for hygiene management increased, particularly at food and pharmaceutical plants, resulting in higher contract numbers and unit value per contract. Sales amounted to ¥34.1 billion (+7.1% year on year), and the business continued to deliver stable growth.

Change in the Composition of the Business Portfolio



* Sales composition ratios include internal sales.

Financial Position Analysis

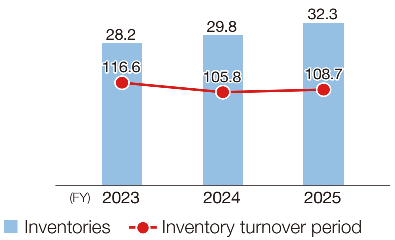
Changes in total assets, equity capital and interest-bearing debt, and main factors behind changes

In fiscal 2025, total assets increased ¥13.7 billion from the previous fiscal year to ¥149.3 billion. Major factors behind the increase included increases in cash and deposits accompanying sales growth, investment securities, and retirement benefit assets. Meanwhile, property, plant and equipment decreased slightly due to depreciation and sales. Net assets amounted to ¥81.2 billion, and the equity ratio remained at a high level of 50.2%, supported by an increase in retained earnings. Interest-bearing debt increased from the previous fiscal year, as short-term borrowings rose from ¥5.0 billion to ¥7.4 billion and long-term borrowings were newly recorded. This reflected funding needs associated with capital investment and Group reorganization, including making PROTOLEAF, Inc. a subsidiary. However, the substantial increase in cash and deposits helped curb net interest-bearing debt, and the financial structure remained stable.

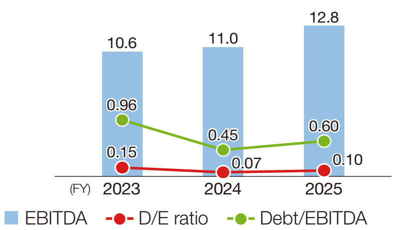
Changes in market conditions and impact on business performance

For Insecticides & Repellents, many days of high temperatures during the summer provided a tailwind for the market. Shipments and sell-through remained steady, and market share rose to 59.2%. Although the impact of higher raw material prices remained, the benefits of price revisions improved profitability. In homecare products, competition remained intense in the bath salts and oral hygiene categories, but sales increased year on year due to the impact of the MONDAMIN brand renewal and growth in high-value-added products such as ONPO and BARTH. In overseas markets, stronger direct sales activities targeting retailers in the ASEAN region proved effective, and sales continued to grow, mainly in Thailand and Malaysia. In China, in response to rapid changes in the market environment, we are shifting our strategy to focus on introducing products into retailers with physical stores.

Inventories (Billions of yen) / Inventory turnover period (Days)



EBITDA (Billions of yen) / D/E ratio (Times) / Debt/EBITDA (Times)



Cash Flow Position

In fiscal 2025, cash and cash equivalents at end of period amounted to ¥22.9 billion, an increase of ¥6.1 billion from the end of the previous fiscal year. Free cash flow, calculated as the sum of cash flows from operating activities and cash flows from investing activities, was positive at ¥7.0 billion.

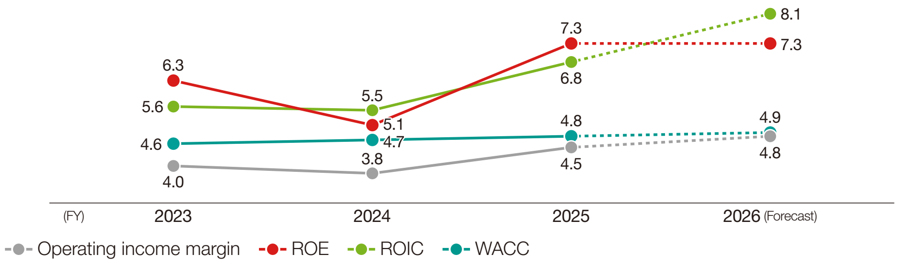
Future Outlook

Fiscal 2026 will be the final year of the current medium-term business plan. We will seek further growth by leveraging the ability to generate earnings that we have developed through initiatives such as price revisions, SKU reductions, and the expansion of overseas operations.

In the Household Products Business, following the absorption-type merger of Bathclin Corporation in January 2026, we will move into full-scale efforts to reallocate marketing investment in the bath salts category and create synergies at the product development stage, aiming to regain market share and strengthen brands. We will also work to rebuild the mouthwash category through the major renewal of the oral hygiene product MONDAMIN brand, while promoting the recovery of market share in key categories where share has been declining. In overseas expansion, we will continue proactive growth initiatives centered on Insecticides & Repellents in Thailand with the aim of capturing the No. 1 market share, and we expect overseas sales to contribute further through the expansion of sales channels in ASEAN countries. In the General Environment and Sanitation Business, demand for hygiene management remains firm, and we expect stable earnings growth through the accumulation of annual service contracts.

The full-year consolidated earnings forecast for fiscal 2026 calls for sales of ¥188.0 billion (+4.9% year on year), operating income of ¥9.0 billion (+11.3% year on year), and net income attributable to owners of parent of ¥6.2 billion (+18.4% year on year), indicating increases in both sales and profit.

Profitability (%) / Capital efficiency (%)



11-Year Summary of Major Financial Data

* The "Accounting Standard for Revenue Recognition" is applied from 2022.

Financial indicators	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12
Fiscal year-end (unit: million yen)											
Sales	159,739	168,505	179,738	181,104	189,527	196,045	203,785	152,339	158,344	169,278	179,182
Household Products Business	145,010	154,404	164,616	165,572	173,022	179,374	188,493	136,486	139,007	148,913	156,652
General Environment and Sanitation Business	20,914	21,935	23,519	24,421	25,571	26,420	27,234	27,973	29,073	31,888	34,148
Overseas sales*	5,791	6,734	9,198	9,986	11,309	11,960	13,196	14,054	14,963	18,132	19,670
Overseas sales ratio (%)	3.6	4.0	5.1	5.5	6.0	6.1	6.5	9.2	9.5	10.7	10.9
Total cost of sales	101,241	104,870	111,636	113,727	119,109	117,094	121,451	89,870	94,719	100,309	104,448
Total selling, general and administrative expenses	54,481	58,085	63,645	66,340	66,501	67,535	71,666	55,034	57,254	62,543	66,645
Advertising expenses	8,997	8,960	9,898	10,579	8,007	7,937	8,100	7,112	6,982	8,559	9,437
Personnel expenses	15,074	16,295	16,838	17,707	18,478	20,253	20,882	20,685	21,607	23,588	24,758
Depreciation	531	713	929	1,096	1,096	1,123	1,277	1,475	1,728	1,987	1,988
Amortization of goodwill	1,908	1,908	2,295	2,559	2,596	2,440	1,836	429	119	146	176
Research and development expenses	2,328	2,682	2,695	2,900	2,663	2,673	3,172	3,217	3,301	3,452	3,597
Operating income	4,016	5,549	4,456	1,036	3,916	11,416	10,667	7,434	6,370	6,425	8,087
Operating income margin (%)	2.5	3.3	2.5	0.6	2.1	5.8	5.2	4.9	4.0	3.8	4.5
Net income before income taxes	4,306	6,437	5,059	1,960	3,372	7,278	10,963	8,057	6,563	5,946	8,075
Net income attributable to owners of parent	1,165	3,364	2,205	-142	1,250	3,547	7,142	5,303	4,102	3,475	5,238
Cash flows from operating activities	3,791	8,089	9,175	369	10,022	24,590	4,814	3,901	7,524	13,964	10,795
Cash flows from investing activities	-5,969	-5,501	-13,995	-1,515	-3,990	-3,168	-3,220	-6,266	-10,135	-5,280	-3,759
Cash flows from financing activities	1,180	-2,216	3,262	-3,203	-4,768	-4,938	-4,610	-4,464	4,893	-9,901	-1,016
Free cash flow	-2,178	2,587	-4,819	-1,146	6,031	21,421	1,594	-2,364	-2,611	8,683	7,036

* Sales to outside customers only.

11-Year Summary of Major Financial Data

* The "Accounting Standard for Revenue Recognition" is applied from 2022.

Financial indicators	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12
Fiscal year-end (unit: million yen)											
Total property, plant and equipment	26,761	28,431	29,643	29,215	28,220	28,030	27,551	29,483	31,383	31,443	29,375
Inventory assets	23,216	23,159	22,629	23,782	22,507	22,179	27,502	32,253	28,266	29,885	32,305
Total intangible assets	12,703	12,132	19,256	16,180	13,143	6,268	4,276	5,355	8,774	7,428	7,543
Total assets	104,448	107,366	118,167	109,309	107,425	119,870	120,715	124,489	132,407	135,636	149,382
Total liabilities	55,457	58,174	67,638	64,936	63,102	60,046	56,118	56,470	60,406	60,983	68,092
Total borrowings	15,148	15,503	22,254	22,764	20,717	5,290	3,698	2,200	10,000	5,000	7,719
Short-term borrowings	4,051	4,997	7,859	12,072	13,882	1,756	1,480	1,000	10,000	5,000	7,420
Current portion of long-term borrowings	3,066	2,667	4,041	3,882	3,284	1,314	1,018	1,200	0	0	134
Long-term borrowings	8,030	7,838	10,354	6,809	3,550	2,218	1,200	0	0	0	165
Total net assets	48,991	49,192	50,529	44,372	44,322	59,823	64,596	68,018	72,000	74,652	81,290
Year-end share price (yen)	4,965	4,750	5,680	5,050	5,700	5,820	6,130	5,060	4,570	5,600	4,965
Total shareholder returns (dividends + share buy-backs)	2,221	2,222	2,323	2,322	2,324	2,024	2,734	2,600	2,603	4,610	2,613
Information per share (unit: yen)											
Net income per share	57.69	166.60	109.20	-7.06	61.80	170.65	323.76	240.47	185.57	158.26	240.00
Net assets per share	2,151.82	2,154.95	2,225.30	1,989.93	1,978.86	2,507.62	2,720.37	2,846.07	3,007.52	3,162.24	3,429.20
Dividend per share	110.0	115.0	115.0	115.0	100.0	115.0	118.0	118.0	118.0	120.0	125.0
Profitability and valuation reporting											
Equity ratio (%)	41.6	40.5	38.0	36.8	37.3	46.1	49.7	50.4	50.3	50.8	50.2
ROE (%)	2.7	7.7	5.0	-0.3	3.1	7.4	12.4	8.6	6.3	5.1	7.3
ROIC (%)	2.6	5.6	3.6	0.3	3.0	10.0	11.3	8.0	5.6	5.5	6.8
D/E ratio (times)	0.36	0.36	0.50	0.57	0.52	0.10	0.06	0.04	0.15	0.07	0.10
DOE (%)	5.1	5.3	5.3	5.5	5.0	5.1	4.5	4.2	4.0	3.9	3.8
PBR (times)	2.31	2.20	2.55	2.54	2.88	2.32	2.25	1.78	1.52	1.77	1.45
Dividend payout ratio (%)	190.7	69.0	105.3	-	161.9	67.4	36.4	49.1	63.6	75.8	52.1
Total number of issued shares	20,200,000	20,200,000	20,200,000	20,220,000	20,237,500	22,057,500	22,077,500	22,077,500	22,141,100	22,209,900	22,209,900
Total asset turnover (times)	1.5	1.6	1.5	1.7	1.8	1.6	1.7	1.2	1.2	1.2	1.2
EBITDA (billions of yen)	-	-	-	-	-	17.6	14.9	11.7	10.6	11.0	12.8
Debt/EBITDA (times)	-	-	-	-	-	0.31	0.26	0.21	0.96	0.45	0.60

11-Year Summary of Major Non-Financial Data

* The "Accounting Standard for Revenue Recognition" is applied from 2022.

Non-financial indicators	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12
(Non-consolidated)											
Number of consolidated employees (persons)	3,396	3,479	4,788	5,047	4,180	4,255	4,522	4,727	4,788	4,878	4,963
Number of women in management positions*1 (persons) (Ratio of women in management positions*2 (%))	13 4.9	14 5.0	15 4.9	16 5.3	19 6.4	21 7.1	28 9.2	32 10.2	32 11.4	35 11.8	38 12.6
Average annual salary (yen)*3	-	-	-	-	-	-	7,412,204	7,194,496	6,618,912	6,803,017	7,714,374
Gender wage gap (%)*4	-	-	-	-	-	-	-	-	64.0	66.7	70.0
Annual work hours per person (hours)	-	-	-	-	-	-	1,756	1,766	1,814	1,848	1,840
Paid holiday usage rate*5 (%)	-	-	63.3	74.3	73.0	70.4	76.2	79.3	84.9	76.6	82.2
Greenhouse gas emissions (Scope 1, 2, 3)*6 (t-CO_2)	5,785	5,583	7,341	6,297	5,448	5,453	1,035,794	978,119	1,079,697	1,243,868	1,252,742
Energy usage volumes (GJ)	102,512	108,435	134,040	127,678	124,919	130,522	131,721	134,520	115,510	125,161	131,498
Water usage volumes (water intake quantity)*7 (1,000 m^3)	42.6	48.3	77.6	81.2	93.2	103.4	97.5	101.6	98.0	123.2	137.7
Industrial waste emission volumes (t)	2,709	3,196	2,647	2,285	1,993	2,260	3,202	4,329	3,883	3,545	3,018
Patents registered (cases)	-	-	-	-	-	33	34	46	44	42	31
Designs registered (cases)	-	-	-	-	-	18	6	21	14	16	18
Occupational accidents (cases)	-	-	-	-	-	9	7	6	12	10	10
Employees who received occupational health and safety training/education (persons)	-	-	-	-	-	1,420	1,400	1,420	1,450	1,480	1,401

*1 Data up to 2022 refers to the number of females in manager-equivalent positions among executive officers (excluding directors, treated as executives up to 2017), full-time employees, and continuous employment contract employees as of December 31 of the relevant fiscal year. Data from 2023 onward refers to the number of female employees in manager-equivalent positions among full-time employees as of December 31 of each year.

*2 Data up to 2022 is calculated as the number of females in manager-equivalent positions among executive officers (excluding directors, treated as executives up to 2017), full-time employees, and continuous employment contract employees as of December 31 of the relevant fiscal year divided by the total number and multiplied by 100%. Data from 2023 onward is calculated as the number of females in manager-equivalent positions among full-time employees as of December 31 of each year, divided by the total number and multiplied by 100%.

*3 Average annual salary includes bonuses and non-standard wages.

*4 Calculated based on the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).

*5 Calculated as the total number of paid holiday days taken during the relevant fiscal year by all eligible employees, where eligible employees refers to those that have been granted paid holidays during the relevant fiscal year and were employed as of December 31 of the relevant fiscal year (excluding those on leave and seconded employees), divided by the total number of paid holiday days granted during the relevant fiscal year and multiplied by 100%.

*6 Data prior to 2020 does not include Scope 3, and data for Scope 1 prior to 2018 does not include CFCs from the headquarters. Actual data for Scope 1 and 2 for the period ended December 31, 2023, is calculated using the coefficients following the legal revisions in April 2023.

*7 Calculated including non-energy-related greenhouse gas emissions from 2021 onward.

*8 Only plants, research facilities, the headquarters, and ActTerrace (not including tenant offices)

Glossary

Term	Explanation
Customer Service Department	On April 1, 2021, we renamed the Customer Service Office the Customer Service Department. This department receives direct feedback from customers regarding products and the issues they face on a day-to-day basis, and plays the important role of accurately conveying this feedback to the responsible department. In order to further instill within the Company Earth Corporation's policy of creating a market with customers, this department was transferred to the direct control of the President in 2018.
Earth ECO Standard	Earth Corporation's unique environmental standards for promoting the development of environmentally friendly products. Under the concepts of reducing CO_2 emissions, valuing limited resources, and factoring in every stage through to disposal, we formulated these standards with the explicit goal of achieving six of the 17 SDGs related to the environment and manufacturing.
EMAL	Standing for Earth Merchandising Action Lady, this acronym refers to employees who create attractive sales floors and engage in in-store sales promotions from a customer perspective. Locally hired in regions throughout Japan, EMAL support the creation of sales floors and sales promotions in consideration of seasonal, weather, and other trends from a customer perspective, and from the standpoint of a consumer from their region of hire.
Environmental Doctors	Staff possessing the latest knowledge on hygiene management and the related high-level technical capabilities. Having acquired knowledge and skills through a proprietary education and training program, and having built up extensive experience at various worksites, these 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.
Insecticides & Repellents	Refers to products intended to exterminate or repel flies, mosquitoes, cockroaches, ticks, and other harmful insects. Despite their extremely high level of safety, however, consumers have tended to believe that insecticides are highly toxic. Moreover, in Japanese, "insecticide" is written using characters meaning "kill," "insect" and "substance." Therefore, in 2017, we began using the term "Mushi-Care" ("insecticides and repellents" in English) to insist on the protection from insects that our products offer to humans. The English name of the segment was also changed from "Insecticides" to "Insecticides & Repellents segment."
Japan MA-T Industrial Association	An open innovation platform that aims to explore the economic benefits of creating an industry from MA-T®, as well as its potential for solving the challenges faced by society.
MA-T®	Standing for Matching Transformation System®, this oxidation control system is based on an innovative technology developed in Japan. The MA-T System® can be used across a wide range of applications, including neutralizing viruses and sterilizing various types of bacteria by generating the necessary amount of aqueous radicals from chlorite ions at the required time and controlling the strength of activation.
Open-Door Policy	An element of Earth Corporation's corporate spirit that encourages free and open communication across generations, positions, and departments. By reducing physical barriers in its offices and laboratories, the Company facilitates active communication, bringing together diverse knowledge to create new value.
SKU	The acronym for Stock Keeping Unit, SKUs are used to classify products into the minimum unit for management purposes. SKUs are used to classify the same product by different sizes and package types, thereby easing ordering and inventory management.
TACO System	An acronym for Tactical Antenna for Consumers' Opinions, this name was chosen given our desire to accumulate feedback from customers with a level of sensitivity equal to that of insect antenna, and to apply this feedback in product strategies. This unique customer service system was designed by Earth Corporation to swiftly and painstakingly respond to consultations and inquiries from customers. It also maintains data on inquiry details collected from customers and retail stores, which we then use to provide better products and services.

Statement of Authenticity

On Issuing the Earth Corporation 2026 Integrated Report

Isao Goji
Senior Executive Officer and Director General of the Corporate Planning Headquarters

Earth Corporation publishes an integrated report in order to present to investors and other stakeholders the Company's value creation, initiatives toward sustainable growth, and the challenges it recognizes.

The Integrated Report 2026 provides detailed information, with specific examples, on progress under the Medium-Term Business Plan, Act For SMILE COMPASS 2026, including product development and sales strategies in Japan and overseas, the deepening of global business development, and human capital initiatives that support these efforts. In addition, regarding the MA-T® business which we have positioned as the next pillar of growth, we have sought to deepen readers' understanding by providing an overview of its concept and social significance, as well as progress toward commercialization through collaboration with partners, as a new business domain that uses technology as its starting point to advance real-world application and value creation. We hope this report will provide readers with a better understanding of the initiatives through which the Company seeks to realize its corporate philosophy, "We act to live in harmony with the Earth," and the path toward that realization.

While leveraging the business foundation we have cultivated over the past 100 years, Earth Corporation will respond flexibly to changes in the social environment and work to achieve sustainable growth and enhance corporate value. We will continue to place great importance on dialogue with stakeholders and strive to further enhance information disclosure. We would ask for your candid comments on this report.

Finally, this report was prepared primarily by the Corporate Management Department and Sustainability Promotion Department under the Corporate Planning Headquarters. As the senior executive officer responsible for editing this report, I hereby declare that the production process was fair and that the content is accurate.

External Evaluations

FTSE Blossom Japan Index

FTSE Blossom Japan Index status

Earth Corporation is selected as a constituent of an ESG investment index designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) initiatives and comprising companies that meet various ESG-related criteria.

FTSE Blossom Japan Sector Relative Index

FTSE Blossom Japan Sector Relative Index status

Earth Corporation is included in the FTSE Blossom Japan Sector Relative Index, which is used as a benchmark for passive management in ESG investment by the Government Pension Investment Fund (GPIF).

S&P/JPX Carbon Efficient Index

S&P/JPX Carbon Efficient Index

Since 2018, Earth Corporation has been continuously selected as a constituent of the S&P/JPX Carbon Efficient Index, whose constituents' weight is determined based on the status of environmental information disclosure and levels of carbon efficiency.

2026 Sompo Sustainability Index

SOMPO Sustainability Index

Earth Corporation is included in the SOMPO Sustainability Index, a proprietary index created by Sompo Asset Management Co., Ltd.

CDP DISCLOSURE INSIGHT ACTION

CDP

Earth Corporation received an "A-" rating for "water security," the second-highest rating on CDP's eight-point scale, and "B" ratings for "climate change" and "forests" in a survey conducted by CDP, an international non-profit organization that evaluates climate change initiatives and transparency.

CSR TOYOKEIZAI

Toyo Keizai CSR Ranking

Earth Corporation received a AAA ranking in Workforce and HR Utilization, Environment, Governance, and Corporate Citizenship in the CSR evaluation of the "2025 CSR Company Ranking" by Toyo Keizai Inc. and received high evaluations in each item.

2026 健康経営優良法人 KENKO Investment for Health ホワイト500

Health & Productivity Management Outstanding Organization 2026–White 500–

Earth Corporation was recognized for the sixth consecutive year as a "Health & Productivity Management Outstanding Organization 2026–White 500–," jointly selected by Japan's Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.

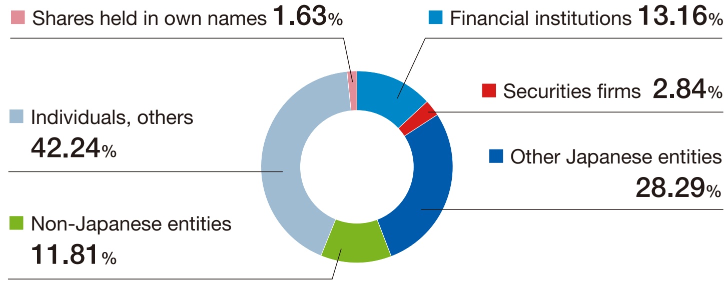
Company Overview

Name	Earth Corporation
Head office location	12-1, Kanda-Tsukasamachi 2 chome, Chiyoda-ku, Tokyo 101-0048, Japan
TEL	03-5207-7451 (switchboard number)
Founded	April 1, 1892
Established	August 26, 1925
Capital	10,192.74 million yen
Representative	Katsunori Kawabata, Representative Director, President & CEO
Business	Manufacturing, marketing, and import/export of pharmaceutical products, quasi-drugs, medical tools, household products, etc.
Employees (as of December 31, 2025)	Consolidated: 4,963 Non-consolidated: 1,401
URL	https://corp.earth.jp/en/
Audit firm	Ernst & Young ShinNihon LLC
Consolidated subsidiaries — Domestic	• Hakugen Earth Co., Ltd. • Earth Pet Co., Ltd. • PETFOOD KITCHEN CO., LTD. • Earth Environmental Service Co., Ltd. • PROTOLEAF, Inc.
Overseas	• Earth (Thailand) Co., Ltd. • Earth Corporation (Shanghai) • Earth Corporation (Tianjin) • Earth Corporation (Suzhou) • Earth Corporation Vietnam • EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD. • EARTH HOMECARE PRODUCTS (PHILIPPINES), INC.

Stock Information (As of December 31, 2025)

Listed stock exchange	Prime Market of the Tokyo Stock Exchange
Stock code	4985
Total number of shares authorized to be issued	64,000,000 shares
Total number of shares issued	22,209,900 shares
Number of shareholders	33,740

Distribution of Shares per Shareholder Type



Major Shareholders (Top 10 shareholders)

Shareholder Name	Number of Shares (Thousands)	Shareholding Ratio (%)
Otsuka Pharmaceutical Co., Ltd.	2,200	10.06
Otsuka Pharmaceutical Factory, Inc.	1,948	8.91
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,898	8.69
Earth Corporation Employee Shareholding Association	1,062	4.86
Taiho Pharmaceutical Co., Ltd.	600	2.74
Custody Bank of Japan, Ltd. (Trust Account)	450	2.06
Otsuka Chemical Co., Ltd.	400	1.83
The Chugoku Bank, Ltd.	340	1.55
Otsuka Estate Co., Ltd.	239	1.09
JP MORGAN CHASE BANK 385781	213	0.97

* Ratio of shares held compared with the total number of shares issued, excluding treasury shares (362,395 shares)

Earth Corporation

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