



## Katsunori Kawabata

President & Representative Director

A century of tackling social challenges  
as a team: working together to take  
steps toward the next generation

### “Responding to change” is key

Since taking on the role of company president, I have always stressed the importance of “responding to change.” This is something that I believe applies to all companies. In today’s world especially, adaptation is no longer optional... it is essential. We may not know immediately whether our response will succeed or fail, but we must first take action based on well-formed hypotheses with a reasonable chance of success. The biggest issue lies in choosing to do nothing due to being paralyzed by the fear of failure or uncertainty over outcomes. While I believe it is truly important to pause and think critically, the rapid pace of change in today’s world makes that increasingly difficult.

Guided by our commitment to responding to change, we successfully increased revenue and profit in the 2024 fiscal year, and made steady progress in the overseas market, which is the central focus of our mid-term business plan. We continue to monitor global developments closely, evaluating the potential impact of tariffs, exchange rates, and other external factors on our business performance. Often, these factors end up causing trade-offs of both favorable and unfavorable circumstances. There is no such thing as a utopian company that is perfect in every aspect; therefore, if the overall outcome is even slightly positive, we consider that a meaningful achievement.

### Corporate activities are sustainability activities

Guided by the sustainability policy we introduced in 2021, we are moving forward with initiatives across the three key pillars of environment (E), society (S), and governance (G) to help realize a sustainable society.

On the environmental front, we have committed to reducing our (Scope 1 and 2) CO2 emissions by 46% by 2030, compared to 2020 levels. We are also preparing to set targets for Scope 3 emissions, which encompass indirect emissions across the supply chain. While this target is ambitious, it represents a valuable opportunity to strengthen our existing efforts. We also aim to work together with other companies facing similar sustainability challenges to achieve their targets. In terms of society, we are actively contributing to the prevention of insect-borne infectious diseases.

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With the globalization of logistics and the movement of people, combined with the expanding habitats of insects due to global warming, the risk of diseases such as malaria and dengue fever has greatly increased. Our technologies and products are being deployed as effective countermeasures against these growing threats.

CSV management means balancing economic and social value.

Addressing social issues through our business has been an integral part of our operations since our founding. In that sense, our corporate activities are, by their very nature, sustainability activities.



## Providing insect care tailored to local needs

From the perspective of biodiversity, we promote the concept of “insect care” rather than simply “insect extermination.” We are working to grow the market for insect repellent products that are both environmentally friendly and non-injurious to humans, such as “Hadamamo,” which shares the same weak acidity as human skin, and “Cockroach Repellent Total Guard,” which utilizes natural peppermint oil.

However, regulations governing active ingredients differ significantly across countries, meaning there is no universal solution. For example, even within Southeast Asia, what is effective in Thailand may not be suitable for Vietnam. Product development must take into account each country's legal framework (including safety standards), housing conditions, and cultural context. For this reason, we actively encourage our product managers to visit each local market directly. While market research conducted by our marketing department is a valuable resource, it is essential to validate these insights through firsthand observation and engagement.

Pursuing health management for further growth

If we were to rank our stakeholders by priority, our employees would unquestionably come first. We consider employee health management to be a core management issue and, in 2019, we formalized this commitment through the launch of the “Earth Health Declaration.” This year, we were honored to be selected for the first time for the KENKO Investment for Health, and we have been certified as an Outstanding Organization of KENKO Investment for Health (“White 500”) for five consecutive years. However, the important thing is not to be selected every year, but to delve deeper into the spirit of the initiative and strengthen our efforts. That said, it is certainly gratifying when our efforts are acknowledged through such recognition.

2025 marks the 100th anniversary of the company's founding. We would like to take this opportunity to extend our heartfelt appreciation not only to our employees, but to all of our stakeholders. We remain committed to achieving sustainable growth and further enhancing our corporate value together.