

Apply it properly for maximum effectiveness!

Driven by the desire to help safeguard the health of people all over the world, Earth Corporation puts great effort into activities aimed at familiarizing people with the correct way to use insect repellent, so as to prevent the spread of insect-borne infectious diseases.

How to use Insect Repellent

1. Spray the insect repellent on to exposed areas such as arms and legs from a distance of around 15 cm.
2. After spraying, rub the insect repellent in over a wide area so that no exposed areas are left uncovered by it.
3. To apply insect repellent to your face and the back of your neck, spray some on the palm of your hand first, and then rub it in, making sure that you don't miss anywhere.

* Insect repellent may need re-applying if you are sweating heavily.

It is important to make sure that you do not miss any areas by rubbing it in carefully

DEET (active ingredient) Skin
Rubbed in evenly without any dry spots
As the A.I.* covers exposed skin, insects cannot detect the skin.

DEET (active ingredient) Skin
Places missed
Insects will target the gaps where the A.I. has not been rubbed in.

*A.I.: Active Ingredient

2019-2020

Corporate Social Responsibility Report

Act For Life

Our Earth, Our Home.

“Making the earth a pleasant home”

Aiming to make a positive contribution towards the realization of safe, comfortable lifestyles for people throughout the world



Katsunori Kawabata
President & Representative Director
Earth Corporation

川端克宜

Adopting a new mindset to face up to new changes

In 2020, the world has been faced with a series of challenges—first and foremost the COVID-19 epidemic—for which there is currently no end in sight. As our business areas include products such as anti-bacterial products, masks etc. that have an important role to play in infection prevention measures, the epidemic has not had a serious impact on the Earth Group's operational performance, and we have been able to continue doing business, while taking thorough measures to ensure the safety of our employees to the maximum possible extent. Having recognized the importance of business continuity planning (BCP), we have for some years now been working to diversify our sources of raw materials and our suppliers, and so we have been able to continue supplying our products to customers, but the COVID-19 epidemic has once again brought home to us just how important it is to have a supply chain that is able to respond flexibly to challenges.

Following the declaration of a state of emergency in Japan in response to the epidemic, there have been major changes, including changes in workstyles. In line with this new way of living, we need to make a serious effort to transform our own mindsets. To be able to respond effectively to new circumstances that could not have been predicted, there is a clear need for us to review our standard ways of doing things. For example, there has been an increase in the use of disinfectant. Given that our company excels at developing products that feature modified spray bottle designs that are intended to make the product as easy to use as possible in different usage scenarios, this is an area where there is a real opportunity which we cannot afford to miss.

For Earth Corporation, an emphasis on strategies to prevent infection by insect-borne diseases is a key part of our corporate mission, and as such our business activities have made a direct contribution towards helping to solve society's problems. With the goal of providing solutions to all infectious diseases, together with disease prevention, we will keep enhancing our existence and value, while expanding the scope of our contribution to the society. To realize this goal, it is important for every employee to strive to realize personal growth and fulfil their responsibilities while maintaining an awareness that "I am making a positive contribution to the world." Putting in place a corporate environment that supports this is an important management challenge, and an important issue in relation to our promotion of CSR activities.

Responding flexibly to change can be a source of growth

Since 2012, Earth Corporation has been proactively undertaking M&A activity with the aim of achieving synergy, and this activity has already generated meaningful results in terms of new product development and new market development. Each company within the Earth Group has its own unique strengths. I believe it is very important that all members should work toward the same goal, then we can send the Earth Group's disseminated message to society and make a positive contribution.

The integration of corporate cultures within the Group is proceeding steadily, and we have adopted a flexible approach that involves cross-Group meetings and personnel exchange, and the transfer of company officers between Group companies. By maximizing all individuals' potential in their department regardless of corporate framework, we can invigorate the whole Group, and overseas companies as well.

Strengthening our ESG measures and enhancing corporate value

Recently, it has become common to use environmental, social, and corporate governance (ESG) measures to evaluate a company. In point of fact, if one looks back over what the Earth Group has done in the past, it is clear that the Group already has significant achievements in terms of ESG. Going forward, we will continue to develop these achievements and strengthen them.

I have often pointed out that it is important for us to think about how what we do in our business can make a positive contribution to society, and how this in turn can enhance our corporate value; in other words, we need to be aware of the importance of creating shared value (CSV). When striving to ensure that total care is provided for infectious diseases, there are some things that it is difficult for a single company to achieve on its own. I believe that, by integrating the know-how possessed by other organizations in different fields—such as universities, research institutes, start-ups, and local government authorities—and implementing open innovation, it is possible to address some of the problems affecting society, including infectious disease.

At the same time, customers' views—which are directly linked to Earth Corporation's commitment to develop the market from a customer-focused perspective—are

also very important. With this in mind, Earth's Customer Service Office has been positioned as a unit reporting directly to the President. The information obtained through the Office is disseminated widely throughout the company, and we have put in place a framework that enables us to utilize this information effectively in new product development.

Working to eradicate infectious diseases from the world

Since around 2014, Japan has experienced abnormal weather conditions every year, which has had a negative impact on business operation. We are no longer in a position where we can ignore this trend. Motivated both by risk management needs and by a desire to contribute to the development of countries in the ASEAN region and elsewhere, Earth Corporation is in the process of expanding its overseas operations.

As a manufacturing enterprise, environmental protection is of direct relevant to Earth Corporation from several different perspectives. We are committed to doing everything we can to help protect the planet. At the same time, we are also working to address other social issues besides environmental protection, by incorporating the objectives embodied by the United Nations Sustainable Development Goals (SDGs) into our CSR activities, and implementing these activities in concert with our business activities.

The Earth Group has not allowed itself to become hidebound by focusing too much on past success. Instead, we respond flexibly to changing times, and we are constantly transforming ourselves. If we can continue to do so in the future, then we can make a positive contribution to society by providing prevention strategies to people all over the world who are struggling with infectious diseases, helping them to build a safe, comfortable living environment, while at the same time being able to achieve sustained growth for the Earth Group itself.



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Earth Corporation's Operational Management and CSR

Earth Corporation's corporate philosophy is "We act to live in harmony with the Earth."

We believe that, by pursuing this corporate vision, we can contribute towards the realization of the UN's SDGs, which represent common global objectives for all of humanity. In putting our corporate philosophy into practice, we are also fulfilling our CSR.



Earth Corporation's Advantages

Product development

We develop highly original products using open innovation and the latest research facilities.

Production management

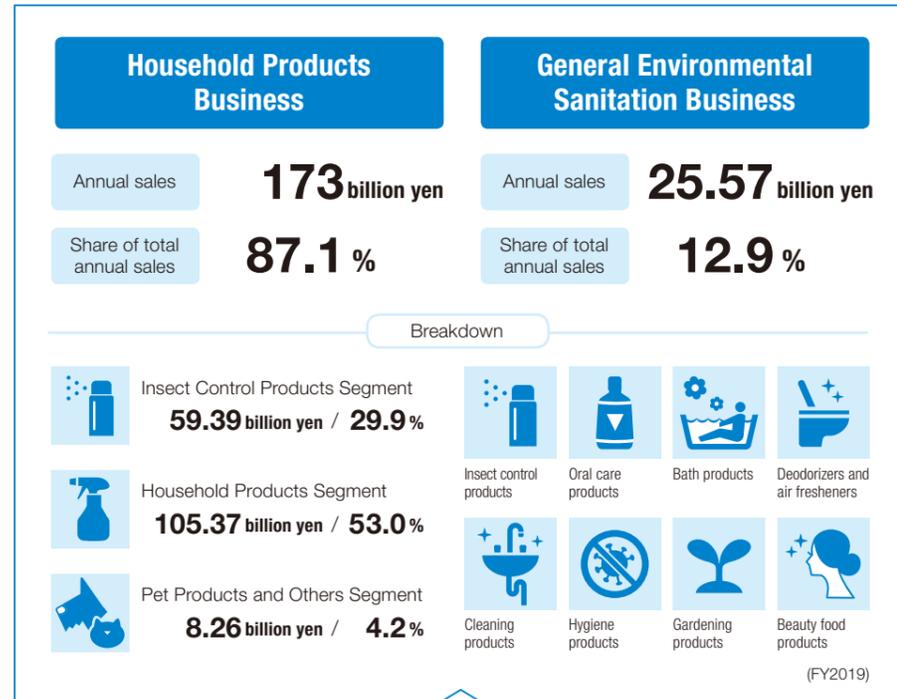
We deliver the best quality products to customers using an optimized production system and sophisticated production management system.

Sales strategy

Our highly experienced sales teams create unique and innovative sales floor displays with an eye on the customer.

Global strategy

We deliver Earth Corporation products around the world using a localized business model established based on exhaustive market research.



Medium-term Management Plan

Earth Corporation's new Medium-term Management Plan, which will be implemented starting from 2021, builds on the existing framework and establishes three key strategies for the company: Expansion of revenue (base) from Asia, ESG (environmental, social, and corporate governance) and open innovation, creation of cost synergies. We will also continue to develop the data visualization measures that are already underway, and will update the key indicators that we focus on.

Structural reform	Strategies
Overhauling indicators and infrastructure	Expansion of revenue (base) from Asia
	ESG (environmental, social, and corporate governance) and open innovation
	Creation of cost synergies

Earth Policy

Developing the market from a customer-focused perspective

Passion, Innovation, and Integrity

Momentum and Achievement

Earth Values

One Earth

Open communication

Diversity

Corporate Philosophy

We act to live in harmony with the Earth.

Key CSR Topics That We Are Focusing On

(Social issues that Earth Corporation needs to address)

Healthcare and hygiene (infectious diseases) 3 GOOD HEALTH AND WELL-BEING

We are contributing towards the eradication of insect-borne diseases through our insect control products (SDG Target 3.3)

Healthcare and hygiene (oral hygiene environment) 3 GOOD HEALTH AND WELL-BEING

We are contributing towards better oral hygiene through our oral care products (SDG 3)

Environment 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We are working to reduce waste by reducing returns of seasonal products (SDG Target 12.5)

We implement appropriate chemical substance management (from an environmental and health perspective) throughout the product lifecycle (SDG Target 12.4)

- Reduction of CO₂ emissions in factories, offices, and logistics (SDG Target 13.1)
- Strengthening the company's resilience to natural disasters etc. (SDG Target 13.1)

Working environment 8 DECENT WORK AND ECONOMIC GROWTH

We provide jobs and workplaces that enhance motivation (SDG Target 8.5)

We are promoting diversity (SDG Targets 5.1, 5.5, and 8.5)

We act to live in harmony with the Earth.



Editorial Note

We are honored to present to you the first English edition of Earth Corporation's Corporate Social Responsibility (CSR) Report. It has been 10 years since Earth Corporation published its first Environmental Report in 2010, and with the force of internationalization getting stronger within our company, now is the right time for us to start to publish our CSR report in English. The English version of this CSR Report marks a decade of Earth Corporation's efforts to be a global total-care company that aims to provide hygiene and protect people from infectious diseases.

In this report, readers can find out how we live up to Earth Corporation's philosophy: "We act to live in harmony with the Earth." From practicing

ESG (environment, social, and corporate governance), promoting 3R (reduce, reuse, and recycle), to adopting the United Nations' SDGs (Sustainable Development Goals), all of these actions are just the first of our "acts" for us to "live in harmony with the Earth."

We hope that, with this Earth Corporation CSR Report 2020-2021, our messages and spirit can be conveyed to all our stakeholders overseas, including Group companies' employees, our esteemed business partners, and most importantly, our valued consumers.

CSR/Sustainability Office

NPO/NGO Collaboration

The World Mosquito Program

Earth Corporation is supporting the World Mosquito Program's work to reduce dengue transmission and protect people in Vietnam.

The World Mosquito Program (www.worldmosquitoprogram.org) is a not-for-profit initiative led by Monash University, Australia. It uses safe and natural bacteria called *Wolbachia* to prevent transmission of mosquito-borne viral disease such as dengue, Zika, chikungunya and yellow fever. When *Aedes aegypti* mosquitoes carry *Wolbachia*, they have a reduced ability to transmit these viruses from person to person. WMP works in partnership with governments and communities, and releases *Wolbachia*-carrying mosquitoes into areas affected by mosquito-borne diseases.

The World Mosquito Program works in 12 countries in Asia, the Pacific and the Americas. A recent evaluation of the method in Indonesia showed a 77% reduction in dengue incidence in areas where *Wolbachia* mosquitoes were released.

Mosquito-borne diseases such as dengue are prevalent in Vietnam, with 321,000 dengue cases reported to the WHO in 2019.

WMP is developing its approach to reduce dengue in areas in Vietnam. WMP is working with the government and communities to introduce naturally occurring *Wolbachia* bacteria into mosquito populations in Vietnam. Once *Wolbachia*-carrying mosquitoes are released, they will breed with wild mosquitoes. Over time, the majority of mosquitoes will carry *Wolbachia*. These mosquitoes will have a reduced ability to transmit viruses to people, decreasing the risk of outbreaks of mosquito-borne diseases.

Earth Corporation is proud to be supporting the World Mosquito Program to develop and implement *Wolbachia* in Vietnam.



www.worldmosquitoprogram.org/en/work/collaboration/partners-supporters
Photo taken at WMP's Asia Headquarters



77% ↓

reduction* in dengue incidence in *Wolbachia*-treated communities.

* A cluster randomised controlled trial of the WMP method showed a 77% reduction in the incidence of virologically-confirmed dengue in *Wolbachia*-treated areas of Yogyakarta, Indonesia, compared to untreated areas.

Child Sponsorship

Earth Corporation provides support for children in Southeast Asia, a region where the company is expanding its business activities, through the child sponsorship program of international NGO World Vision Japan.

This program involves improving water supply hygiene, healthcare and nutrition, expanding educational opportunities, and enhancing people's livelihoods, so that people living in the supported regions can put in place the environment needed for children to grow up healthily. Starting from 2016, Earth Corporation has been supporting hygiene improvement measures for the benefit of children living in Myanmar, Cambodia, Vietnam, and Thailand.



Working to put a smile on children's faces

Sponsorship for the activities of Harumeki Foundation*

Harumeki is a variety of cherry tree that flowers in March, producing lots of cherry blossom and a sweet fragrance; people can enjoy not only its visual appeal but also its scent.

Earth Corporation supports the vision of Harumeki Foundation, which aims to use the fragrance of the *harumeki* cherry tree to help people with visual impairments to experience the unique atmosphere of early spring. To this end, Earth Corporation has launched "Sukki-ri! SAKURA Harumeki scent," a special seasonal deodorizer and air freshener product, bringing the spring to people that little bit sooner. Part of the sales revenue from this product was donated to Harumeki Foundation on February 28, 2020.



Room Sukki-ri!
SAKURA Harumeki
scent



Toilet Sukki-ri!
SAKURA Harumeki
scent

Collaboration with Japan Platform (JPF)* on disaster response

Starting from 2019, Earth Corporation has been collaborating with Japan Platform (JPF), an NGO engaged in providing emergency humanitarian aid in response to conflict and disaster situations. Earth Corporation has been participating in the building of enterprise support systems for disaster-affected regions and other related activities.

Matching of support has been implemented in response to needs reported by JPF Member NGOs, NPOs, and local government authorities, to provide emergency support etc. for the regions affected by Typhoon No. 15 (Typhoon Faxai) and Typhoon No. 19 (Typhoon Hagibis) in 2019, and by the torrential rains that affected Kumamoto Prefecture in 2019, as well as for low-income households affected by the COVID-19 epidemic.

Naha City was simultaneously affected by typhoon damage and the spread of the COVID-19 epidemic. In response, Earth Corporation donated insect control products and oral care products, totaling 8,000 items, to Naha Council on Social Welfare, as emergency support for use by residential facilities for children from impoverished backgrounds, the Naha City Mother and Child Life Support Center, and other social welfare facilities.

Source: JPF official website, <https://www.japanplatform.org/E/about/>



World Vision

International NGO
World Vision Japan
<https://www.worldvision.jp/info/e-about-wvj.html>

* Harumeki Foundation undertakes activities to promote the widespread cultivation of the *harumeki* early-flowering cherry tree variety, which was developed in Minamiashigara City, Kanagawa Prefecture (and formally registered as a new variety in 2000), and to provide support for people with visual impairments, support for farmers, etc.

JAPAN PLATFORM

* Japan Platform (JPF) is an international emergency humanitarian aid organization which offers the most effective and prompt emergency aid in response to global developments, focusing on issues of refugees and natural disasters. JPF conducts such aid through a tripartite cooperation system where NGOs, business communities, and the government of Japan work in close cooperation, based on equal partnership, and making the most of the respective sectors' characteristics and resources.

Insect Control Activities in Japan

Mosquito Repellent Spots

Mosquito Repellent Spots are Earth Corporation's original design booths which introduce the risks posed by insect-borne infectious diseases, explain the correct way to use insect repellent (refer to back cover) using Saratekuto insect repellent spray, and encourage people to implement proper insect repellent measures when outdoors.

Recently, Japan has seen an increase in infectious diseases, including not only dengue fever and Zika fever, which are transmitted by mosquitoes, but also SFTS* and Japanese spotted fever, which are spread by ticks (like mosquitoes, ticks often live in close proximity to humans). In 2019, the number of cases of infection was the highest ever. Insect repellent has an important role to play in preventing these problems. However, how to use insect repellent properly is still an issue for some people, and we believe that setting up more Mosquito Repellent Spots can help to respond to such concerns.



Learning the correct way to protect against insect bites through experiential activities

Insect Control Seminar

The Insect Control Seminar 2019 was held as a new measure to foster awareness of the importance of taking appropriate measures to protect against insect bites.

The aim of the seminar was to help ordinary citizens to acquire accurate knowledge about potentially harmful insects, and to help them understand the measures that they can take to protect themselves. Dr. Masaru Natsuaki of the Department of Dermatology at Hyogo College of Medicine, who is famous for his unmatched passion for insects, gave a talk entitled "Insects are our friends! Even poisonous insects are nothing to be afraid of!" in which he discussed the skin conditions caused by insect bites, and the safety and effectiveness of insect repellent. This was followed by a talk by Dr. Satoshi Kutsuna of the National Center for Global Health and Medicine (NCGM), an expert on imported infectious diseases who is a member of the Japanese Association for Infectious Diseases Ad Hoc Committee on the 2020 Olympics and Paralympic Games, entitled "Watch out for mosquitoes! The risk of infection for spectators at the 2020 Tokyo Olympics and Paralympics," offering a warning with respect to the 2020 Tokyo Olympic Games and Paralympic Games, and urging people to take thorough preventive measures to protect themselves.

The number of people that attended the seminar was far higher than originally anticipated, indicating how much interest there is among the general public in insect bite prevention, and how strong a need there is for relevant information. In the future, Earth Corporation will continue to implement insect bite prevention awareness-raising activities that involve collaboration with experts to disseminate reliable information.



The seminar lecturers taking part in a discussion session.

* SFTS: Severe fever with thrombocytopenia syndrome

Earth Corporation's R&D



At Earth Corporation's R&D Headquarters, our researchers develop and improve our products by putting ourselves in customer's shoes: from visiting stores, to going where products are used, to see, hear, and learn. All of this is reflected in the relentless improvement of our manufacturing operations.

Our basic approach to R&D



The single most important aspect of Earth Corporation's manufacturing is that we seek to view things from the customer's perspective.

- Determining the customers of our technology and materials, and how our products can be used
- Identifying problems and causes of dissatisfaction in customers' daily lives that they may not be aware of themselves
- Using original, innovative products to bring about changes in customers' living habits
- Ensuring product safety, and ensuring that products are easy to use, easy to understand, and provide peace of mind to our customers
- Continuing to generate new products that are of genuine benefit to society

• Visiting product sales and product usage locations to hear customers' views

The point of contact for our customers and our products is the retail outlets where the products are sold, and the places where they are used. On a yearly basis, Earth Corporation researchers visit stores, retailers, care facilities and households to listen directly to our customer. This helps us to upgrade existing products and develop new products.



A great opportunity for obtaining new insights

• Creating products that give due attention to safety

In order to deliver products that our customers can use with safety and peace of mind, we collect and verify information on usage track record and safety characteristics for all of the ingredients used in our products. We perform risk assessment that takes account of the potential users (i.e. customers), the method of use, the quantity used, which parts of the body the product may come into contact with and for how long, etc., and we review safety from multiple different perspectives. When necessary, we arrange for external safety testing. In this way, the products that we develop embody the highest possible level of concern for safety.

• Generating original ideas

One of the main sources of ideas for new products is the company's idea discussion meetings, which are held regularly. There is an unwritten rule that, rather than discounting colleagues' ideas, participants should encourage each other. This ensures a stress-free meeting environment in nobody is afraid to speak their mind, and in which a sudden flash of insight can take shape as a concrete idea almost of its own accord. In recent years, there has been an exchange of researchers between Earth Group companies, and new measures have been adopted to foster the interchange of different technologies and the generation of new ideas.



Working to broaden our perspective

• Developing products that are of benefit to society

—Facing up to the threat from infectious diseases—

Over the past few years, as a result of economic globalization, Japan has seen an increase in the incidence of mosquito-borne infectious diseases such as dengue fever. Yabuka Jet Pro Premium is the first striped mosquito (*Aedes* mosquito) repellent spray for household use that uses Etofenprox as a component. Etofenprox has relatively little impact on aquatic organisms, and so can be used to tackle wet areas where mosquito larvae breed; in this way, this single premium product can suppress both adult mosquitoes and their larvae.

Earth Corporation has also been responding to the spread of virus-type infectious diseases around the world by undertaking development of product that support infection prevention measures. Rakuhabi Alcohol-based Anti-bacterial Spray EX and Earth Corporation's other virus prevention products have all had their effectiveness verified by external testing organizations.

Helping People to Live in Harmony with the Earth

Earth Corporation's approach to CSR

Earth Corporation formulated its CSR policy in 2016.

In formulating the plan, representative members of each department that plays a key role in driving the growth of Earth Corporation's business met together and held discussions, taking into account the key elements, concepts, and unique aspects of the Earth Group that are necessary to spread CSR awareness. Based on this policy, we will demonstrate, both inside and outside the company, that we are committed to promoting efforts directed towards the realization of sustainable businesses operations.

CSR Strategy

With the aim of achieving sustainability—for both the company and society—through the provision of safe, comfortable lifestyles, Earth Corporation respects the differing viewpoints and perspectives of all our stakeholders, and makes a serious effort to implement CSR activities that all employees can participate in, while actively engaging in dialog.

Environmental activities

Environmental Declaration

In accordance with our corporate philosophy of “We act to live in harmony with the Earth,” we at Earth Corporation strive to take the protection of the global environment into account in all our business activities, and to make a positive contribution towards the lives of the people of the world.

Basic Environmental Strategy

Earth Corporation formulated a Basic Environmental Strategy in 2007, and we conduct our business activities in an environmentally-friendly manner.

1. We will comply with environmental laws and regulations, arrangements, and voluntary standards.
2. We will implement product development, materials procurement, production, logistics, and sales in an environmentally-friendly manner.
3. We will promote resource saving and energy saving.
4. We will promote waste reduction and waste recycling.
5. All of our employees will maintain a high level of environmental awareness, and will educate and enlighten themselves so that they can make a positive contribution to society.
6. We will act responsibly with respect to environmental protection in relation to local communities.
7. We will proactively implement environmental disclosure.

Environmental management system

In May 2007, Earth Corporation established a company-wide environmental management framework, and began implementing environmental protection measures.

In order to strengthen and continue these measures, in January 2009 Earth Corporation's headquarters and plants obtained EcoAction 21 certification (EcoAction 21 is an environmental management system formulated by Japan's Ministry of the Environment). By April 2010, the scope of certification had been expanded to include all Earth Corporation sites in Japan. The Tokushima Plant (the former Earth Biochemical Co., Ltd.), which became an Earth Corporation facility in July 2017, also completed certification registration in February 2019.

By putting environmental management systems in place throughout the company in this way, and by undergoing environmental management audits from external organizations, we aim to realize effective measures and ongoing activities in this area.



EcoAction 21 certificate and registration document

Environmental data collection at overseas production facilities

The environmental data compiled by the Earth Group's overseas production facilities—including those of Earth (Thailand) Co., Ltd., Earth Corporation (Suzhou), Earth Corporation (Tianjin), and Earth Corporation Vietnam—consist mainly of carbon dioxide emissions data calculated from energy usage (including electric power, mains gas, LPG, diesel, and gasoline). In addition, other environmental data such as data relating to water usage, waste generation, and copy paper usage, are collated and recorded on a monthly basis.

By switching over from using diesel-powered forklifts to using electric forklifts, Earth Group has succeeded in reducing diesel consumption to zero. Partly as a result of the COVID-19 epidemic, the Earth Group factories in Suzhou and Tianjin in China have seen a reduction in electric power consumption and water consumption compared to the previous year. In Thailand, industrial waste such as paper and plastics is now being recycled.

The environmental data from overseas production facilities is collated, and utilized in the sharing of environmental information at the Earth Group's annual Global Supplier Conference (GSC).

Measures in Relation to Procurement

Earth Corporation has adopted a corporate philosophy of “We act to live in harmony with the Earth,” and the implementation of this philosophy in and of itself can be thought of as constituting the realization of the company’s CSR. Within this framework, procurement activities cannot be carried out properly unless they are undertaken in harmony with the planet. We believe that, in order to achieve this goal, it is vitally important that we implement CSR-aware procurement measures that contribute towards the sustainable development of society as a whole in concert with our suppliers.

In 2017, Earth Corporation formulated our CSR-aware Procurement Guidelines and began implementing CSR-aware procurement. However, in light of recent trends in CSR and the needs of the international situation, in August 2020 the Guidelines were revised.

Procurement Code of Conduct

Earth Corporation will maintain a fair, equitable, ethical relationship with all suppliers, and will give due attention to human rights, health and safety, and the environment when undertaking purchasing.

Earth Corporation will build a partnership based on trust with suppliers, with the aim of working together to achieve sustainable growth in harmony with society.

Earth Corporation’s CSR-aware Procurement Guidelines

- Procurement: Legal and regulatory compliance**
 We will undertake procurement in compliance with domestic and overseas laws, international conventions, and social norms, and on the basis of good corporate ethics.
- Procurement: Product safety and quality**
 We will purchase only raw materials that meet the required quality standards in order to maintain product safety and quality.
- Procurement: Fair dealing**
 We will offer equitable trading opportunities to all suppliers, and will engage in fair procurement.
- Information security**
 We will implement rigorous management of confidential and personal information relating to procurement activities.
- CSR measures**
 We will work together with our suppliers to promote measures aimed at safeguarding human rights, protecting occupational health and safety, and safeguarding the environment.
- Relationship of trust with business partners**
 We will build a relationship of trust with our suppliers, and will implement sustainable measures aimed at realizing growth both for us and for our suppliers.

Awareness-raising activities for suppliers

We are implementing the following activities to help suppliers gain a better understanding of Earth Corporation’s Procurement Code of Conduct and CSR-aware Procurement Guidelines, so that suppliers can work together with Earth Corporation to implement them.

We ask suppliers to fill out a CSR Self-assessment Questionnaire so that they can clarify their own CSR status and undertake ongoing improvement. This activity has been implemented since 2017, and so far, 168 raw materials manufacturers and contract manufacturers have submitted completed questionnaires, out of total of 195 suppliers.

Based on the results obtained through collation of the CSR Self-assessment Questionnaire results, we hold meetings with individual suppliers at which we share the results with them, and encourage them to remedy areas where they are weak (this tends to be in areas relating to the supply chain) and realize further improvement in other areas. We will continue to implement this activity in the future, including applying it to new suppliers.

We have also undertaken our own internal assessment of suppliers. The results of this assessment are analyzed in concert with the results obtained from collation of the CSR Self-assessment Questionnaire results, and we discuss with those suppliers that we do business with how to achieve thorough implementation of the CSR-aware Procurement Guidelines in line with the Procurement Code of Conduct, and which areas need improvement.

CSR Self-assessment Questionnaire—Collation results

Item	Score distribution				
	A (100–80 points)	B (79–60 points)	C (59–40 points)	D (39–20 points)	E (19–0 points)
Corporate governance	53%	23%	11%	12%	1%
Human rights	40%	24%	15%	21%	0%
Labor	64%	21%	10%	5%	0%
Environment	60%	18%	9%	13%	0%
Fair business activity	56%	21%	13%	10%	0%
Quality and safety	77%	12%	7%	4%	0%
Information security	62%	25%	8%	5%	0%
Supply chain	38%	27%	15%	20%	0%
Local communities	55%	21%	12%	12%	0%

Collaboration with External Organizations

Support for the Re-Style* initiative

- Helping to ensure that the Earth’s limited resources will still be available in the future
Certification as a Re-Style partner enterprise

In 2019, Earth Corporation and BATHCLIN Corporation expressed their support for the Re-Style resource-circulating society initiative launched by the Ministry of the Environment, and began participating in Re-Style activities.

With the aim of helping to build and realize the resource-circulating society, we are implementing waste reduction, developing new refill-type products and promoting sales of these products, and promoting 3R (reduce, reuse, and recycle) measures throughout the value chain, for example in materials procurement.



* Re-Style is a concept advocated by Japan’s Ministry of the Environment, which embodies a resource-circulating society lifestyle that incorporates the 3Rs (reduce, reuse, and recycle). The name Re-Style is also used for a Ministry of the Environment website, the aim of which is to spread awareness of the initiative and related measures, encourage widespread adoption, and support the dissemination of relevant information.



Focusing on immediate actions, we need to ensure that our planet’s limited resources will still be available in the future; that is the key message of Re-Style. Re-Style encourages everyone to incorporate 3R measures into their own lifestyle. To realize the resource-circulating society, in which society uses resources efficiently through repeated reuse of the same resources, Re-Style partner enterprises—which are stakeholders in relation to this project—will be making steady forward progress together with the general public.

Yoshihide Hirao
 Director for Recycling Promotion and Office for Promotion of Sound Material-Cycle Society, Environment Regeneration and Resource Circulation Bureau
 Ministry of the Environment

- Participation in Re-Style Fes! 2019

Re-Style Fes! 2019, organized by the Ministry of the Environment, was held at the AEON STYLE store in the AEON MALL Makuhari New City shopping mall. Earth Corporation and BATHCLIN Corporation participated in this event as Re-Style partner enterprises, with stalls exhibiting their environmentally-friendly products.

Earth Corporation President Katsunori Kawabata attended the opening ceremony, and gave an address in which he outlined Earth Corporation’s initiatives aimed at reducing the burden on the environment, and explained how the company undertakes new product development from a 3R perspective.

Participation in the Association for Resilience Japan

- Association for Resilience Japan

Earth Corporation supports the aims of the Association for Resilience Japan, which seeks to ensure that, in the event of a large-scale natural disaster occurring in the future, it will be possible to safeguard human lives, protect the important functions of the state and of society from irreversible damage, minimize the damage and loss caused to citizens’ property and to public infrastructure, and facilitate rapid restoration and recovery, thereby creating a strong, resilient nation. Besides implementing business continuity management so that the company can continue to operate following a disaster, Earth Corporation is also ready to deliver emergency supplies of products that can be used to prevent insect-borne disease infection and safeguard oral hygiene in disaster-affected areas, and has signed agreements with Ako City, Hyogo Prefecture—where Earth Corporation has R&D and production facilities—regarding the use of Earth Corporation facilities as evacuation assembly areas in the event of a disaster, and regarding the provision of transport services in an emergency. In recognition of these initiatives, Earth Corporation has received certification as a contributor to national resilience (Resilience Certification).



- Participation in the STOP Infection 2020 Strategy Board Meeting

Earth Corporation has been supporting the “STOP Infection 2020 Strategy Board Meeting” by participating in the Working Group on Preventing Insect-borne Infectious Diseases. As there will be international mass gatherings and many visitors from all over Japan and overseas for the 2020 Tokyo Olympics and Paralympics, 2020 is an important year for infectious disease control actions.

Besides offering advice on strategies and solutions for infectious disease prevention to the central government, local government authorities, medical professionals, care facility staff, and insurance professionals, Earth Corporation has also been working to ensure that accurate information about infectious diseases prevention is disseminated as widely as possible among ordinary citizens. All of this is for the cause of achieving Earth Corporation’s goal of reducing the harm caused by infectious diseases both in daily life and in the event of natural disasters.



Involvement in putting forward suggestions for preventing the spread of infectious diseases, from a business enterprise perspective

CSR Activities

Japan

Japan Mosquito Festival: Let's Understand More About the World of Mosquitoes

In June 2019, Japan's first ever Introduction to Mosquitology event was held at Japan's National Museum of Emerging Science and Innovation (Miraikan). Rather than focusing solely on mosquitoes' role as vectors for infectious disease, this exhibition covered the many different aspects of "mosquitology," with the aim of arousing interest and awareness in this topic not only among experts in government, industry, and academia, but also among the general public. Globally speaking, there are still many infectious diseases that are spread by mosquitoes, so it is very important to understand the relationship between mosquitoes and human beings. Earth Corporation provided sponsorship for the exhibition in relation to the theme of innovation applicable to mosquito management strategies and infection prevention strategies, and collaborated on the exhibition's "playing with mosquitoes," "learning about mosquitoes," "fighting mosquitoes," and "exploring mosquitoes" zones to help foster an understanding of "mosquitology" and contribute to its development.



A large-sized mosquito-themed art work

Observing young and adult Asian tiger mosquitoes

Signing a collaboration agreement with Chiyoda Ward, Tokyo to help ensure healthy lives for the ward's residents

Earth Corporation has been working with Tokyo's Chiyoda Ward (Chiyoda City), providing visiting classes (on insect bite prevention) at elementary schools within Chiyoda Ward, participating in joint street clean-up activities, and organizing volunteering activities at local care facilities. In March 2020, Earth Corporation signed a collaboration agreement with Chiyoda Ward to promote cooperative efforts to build a healthy local community where residents enjoy safety and peace of mind. By combining the strengths of Earth Corporation and Chiyoda Ward to disseminate accurate knowledge through initiatives that include oral care awareness-raising for senior citizens and children, measures to combat insect-borne infectious diseases and sunstroke in the summer, collaboration in the event of natural disasters, and measures relating to the 2020 Tokyo Olympics and Paralympics, Earth Corporation will, as a local enterprise, be contributing towards promoting the health of local residents.



The Mayor of Chiyoda at center-left, and Earth Corporation President and Representative Director Katsunori Kawabata at center-right

Exchange activities with local elementary school students

Earth Corporation implements the Cleaning Up Together Activity at Chiyoda Ward street clean-up activity twice a year in collaboration with Chiyoda Elementary School. Second-year students from the school who have participated in this type of clean-up activity or have had visiting classes taught by Earth Corporation staff have been invited to visit Earth Corporation's head office. The students, who visited the office as part of their Life Studies class, were able to engage in dialog with employees at the Earth Corporation factory in Ako City, Hyogo Prefecture using a large videoconferencing screen; while walking around the Earth Corporation head office, they asked the accompanying Earth Corporation employees a number of questions such as "Why is the company called Earth Corporation?" with serious looks on their faces, and enthusiastically noted down the answers that they were given. Subsequently, participating students gave presentations in class on what they had seen during the tour.



Joint clean-up activity

Visiting the company

Asia

Overseas infection prevention projects

Working in collaboration with government agencies and local NGOs, Earth (Thailand) Co., Ltd. has been donating insect control products to the Thai Red Cross Society, local clinics, university hospitals, animal hospitals, animal care facilities, etc.

To protect people in the Isan region of Northeast Thailand from the spread of infectious disease in areas affected by severe flooding, Earth (Thailand) has delivered Earth products to local government agencies and to the army. The company has also provided donations and launched activities to help protect against mosquito-borne diseases in communities in Northern Thailand when dengue fever spreads during the rainy season. A total of 18 related activities were implemented in 2019, through which donations and products worth a total of 9 million yen were provided.

In the future, Earth will continue to implement measures aimed at safeguarding human life through the prevention of insect-borne diseases such as dengue fever and malaria, which constitute a problem for society that is global in scale.

WHO dengue fever and severe dengue fever factsheet: <https://www.who.int/news-room/fact-sheets/detail/dengue-and-severe-dengue>



A mosquito that can act as a vector for dengue fever
Photo courtesy of USDA

According to a WHO report presenting dengue fever infection statistics, a large number of cases of dengue fever infection were reported in Southeast Asia, including 131,000 cases in Malaysia, 420,000 cases in the Philippines, and 320,000 cases in Vietnam. In the same year, over 3.13 million people contracted dengue fever in the Americas, many of whom died from hemorrhagic shock as a result of severe dengue fever. Also, dengue fever is now the second most common cause of fever among people returning to Europe from other countries, after malaria.

Earth Corporation (Tianjin)

Adoption of new boilers and new forklifts

With the promulgation of China's Integrated Emission Standard of Air Pollutants, which regulates gases emitted from boilers and which came into effect on July 1, 2019, starting from November 1, 2019, if inspection shows that an enterprise's boilers exceed the statutory emissions levels, then that enterprise is liable to be ordered to suspend operations.

In October 2019, Earth Corporation (Tianjin) replaced its existing boilers with new models, and confirmed that the nitrogen oxide levels in the emission gases from the new boilers were below the statutory maximum level. The company also took advantage of the opportunity provided by the boiler replacement to replace the burner-type drying machines used in the rodenticide drying process with steamer-type drying machines, a change which has substantially reduced the amount of mains gas used by the company.

In addition, in November 2019, Earth Corporation (Tianjin) replaced the diesel-powered forklifts that the company had been using with electric forklifts. This has improved the working environment within the company's plant by reducing the unpleasantness associated with having diesel engine exhaust gases emitted within an indoor environment.



Earth (Thailand) Co. (ETC)

In August 2020, Thailand was hit by tropical storms and typhoons, resulting in heavy rainfall that affected more than 30 provinces. In Loei district, more than 1,000 households were affected by flash floods in the wake of Tropical Storm Sinlaku. In Sukhothai district, Yom River eroded three parts of an incomplete 1,300-meter dike leading to torrents of water flooding homes and farmland. As flooding can potentially increase the spread of infectious diseases, Earth Corporation Thailand as a part of Thai society, donated our products to Loei and Sukhothai district to prevent infectious disease outbreak. Beside disaster support, Earth Corporation Thailand for years has also actively fulfilled our social responsibility by supporting local hospitals, local children's activities, and dengue preventive actions.



Earth Corporation Vietnam (ECV)

Environmentally-friendly 3R measures

As part of the company's 3R (reduce, reuse, and recycle) measures, Earth Corporation Vietnam (ECV) has distributed specially-designed water bottles that are branded with the Earth corporate identity logo to all employees, with the aim of reducing plastic bottle usage. In addition, whereas in the past visitors arriving at ECV would be given beverages packaged in plastic bottles to drink, ECV has now switched over to offering visitors drinks served in ceramic cups. The implementation of these kinds of initiatives reflects ECV's belief that, as a business enterprise aiming to realize sustainable business activities, it is important for every single employee to have a 3R mindset.



Measures aimed at safeguarding employees' health

In April 2020, due to the spread of the COVID-19 epidemic, it became difficult for people in Vietnam to obtain face-masks. In response to this situation, ECV made a bulk purchase of masks that could be washed and reused several times, and distributed them to all ECV employees. Furthermore, ECV also supplied vitamin supplements to the Sales team to supply nutrition and improve their immune system throughout the day.

Risk Management

Crisis management measures

Earth Corporation holds Crisis Management Committee meetings, in which Earth Group companies in Japan participate, three times a year, and implements management of risks that could lead to an operational crisis on a Group-wide basis that is aimed at preventing such risks from developing in advance.

In addition, the company has formulated a Crisis Management Manual and BCP¹ Manual, and is working to foster risk awareness among all employees.

Currently, we are focusing on the BCM² needed to ensure that the BCP that we have formulated can fulfill its function properly. In 2018, Earth Corporation was awarded Resilience Certification in accordance with the Guidelines for Certification of Organizations Contributing to National Resilience which were formulated by the National Resilience Promotion Office, Cabinet Secretariat in 2018, and this certification was renewed in 2020. Based on this Resilience Certification, measures are being taken to ensure that our headquarters, R&D facilities, production facilities etc. can respond effectively in the event of a natural disaster occurring.

In response to the COVID-19 epidemic, besides the adoption of teleworking for all employees, we have also been implementing temperature checks and health management for employees, and all employees are required to wear masks at work. In addition, we have been implementing disinfecting of the indoor environment as part of our BCP measures. Members of the company's Health and Safety Committee, and other employees who need to go into the office or other facility to work, have been disinfecting door-knobs, copier machines, and shared spaces within the office, using BACT-O disinfectant/deodorizer.

Information security measures

Earth Corporation implements integrated information security management system (ISMS) operation through the Information System Department; the company has formulated an Information Security Basic Strategy, and aims to ensure that all employees are aware of the importance of information security. Information security training is implemented regularly for employees to prevent risks such as data leaking. Every year, approximately 100 information security managers and other relevant personnel implement training in each department, and conduct assessment using individual questionnaire surveys and an information assets ledger. Furthermore, Earth Corporation has continued to maintain ISO/IEC 27001 information security management system certification by passing third-party auditing. The ISMS Committee formulates the annual information security plan, revises related manuals as necessary, undertakes discussion of improvement strategies on the basis of post-auditing evaluation by third-party auditing bodies, and, with respect to initial training for new employees, continues to provide education on key points relating to information security on the basis of the ISMS and smart device usage manuals.



Compliance

Compliance system

In order to ensure the maintenance of high ethical standards and compliance with legal and regulatory requirements, Earth Corporation distributes the Earth Corporation Code of Conduct and Code of Conduct Guidance Manual, which explain the company's code of conduct in booklet form, to all company officers and employees (including contract staff, temporary staff, and part-time staff), and also presents this information on the company intranet, to ensure that everyone realizes how much importance the company attaches to this.

We have also established a cross-organization Compliance Committee, chaired by the Director responsible for legal affairs, which shares compliance-related issues and information, and promotes company-wide compliance activities. In FY2019, four meetings of the Compliance Committee were held. Twice a month, the Compliance Committee posts material from "Compl-support Mail," a compliance information journal published by the Dai-ichi Hoki publishing company, on the company intranet, and the Compliance Committee also issues Compliance Memos compiled by the Committee in relation to compliance incidents at other companies that have been publicized, examining the reasons for the compliance violation and the strategies adopted in response. In this way, the Compliance Committee is working to enhance compliance awareness within the company. Compliance Memos are issued around five times a year.

Through measures such as the implementation of the Compliance Awareness Questionnaire Survey, the Compliance Committee strives to ensure the timely, appropriate collation of compliance-related information within the company. This information is utilized when selecting the departments to undergo internal training and deciding on the training content and timing of implementation, which helps to enhance the effectiveness of the training provided.

Earth Corporation Code of Conduct and Code of Conduct Guidance Manual

The Earth Corporation Code of Conduct serves as a yardstick based on which each individual Earth Corporation company officer and employee can make fair decisions in line with appropriate corporate ethics, and then implement these decisions. The Code of Conduct covers five key themes: customers, society, the market, shareholders, and colleagues. In regard to customers, it emphasizes the need to provide customers with high-quality, useful products and services, and the need for the company to continue to be a trusted brand. With regard to society as a whole, the Code stresses the obligation to follow society's rules, and to always act with fairness and integrity. In respect to the market, the requirement is to provide high-quality products in a manner that does not impede on freedom of competition. In relation to shareholders, the Code emphasizes the need to undertake accurate disclosure of information in a timely manner, and to ensure that the company's assets are not used for improper purposes. With respect to colleagues, the focus is on the importance of communication, and on developing and growing alongside society through participation by all employees. The Code of Conduct Guidance Manual specifies the laws that need to be complied with in order to put the Code of Conduct into practice, and presents useful case studies. On receiving the Code of Conduct, company officers and employees are required to sign a pledge, which is submitted to the Compliance Committee. Any changes to the Code of Conduct require the approval of the Board of Directors.

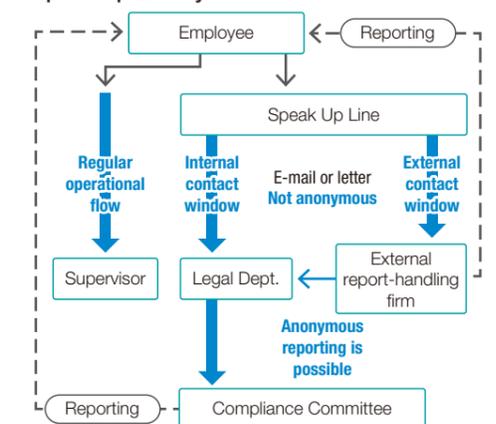
With regard to Earth Corporation's overseas subsidiaries, the Earth Group Global Code of Conduct, which has been formulated on the basis of the Earth Corporation Code of Conduct while taking into account the autonomy of local subsidiaries and the need to comply with local laws and regulations, is intended to foster the dissemination of the Group-wide management philosophy and code of conduct.

Overview of the internal reporting system

Earth Corporation has established two Speak Up Line internal reporting (whistleblower) contact windows, one within the company and one externally. Through this system, employees who have queries about the company's operations or concerns about possible rule violations can report them to the Compliance Committee. Reports to the external contact window can be made anonymously; the system can also be used by former employees who have left the company within the past year. Safeguarding measures are taken to ensure that employees who submit queries or reports do not suffer any adverse consequences in terms of how they are treated within the company. This protection is implemented on an ongoing basis, and is monitored by the Compliance Committee. In FY2019, one report was made through the internal reporting system.

In addition, a dedicated hotline has been established for contract employees, grievance officers have been appointed at the company's headquarters, branch offices, and plants, and a system has been put in place for providing consultations in relation to childcare, harassment, etc.

Speak Up Line system

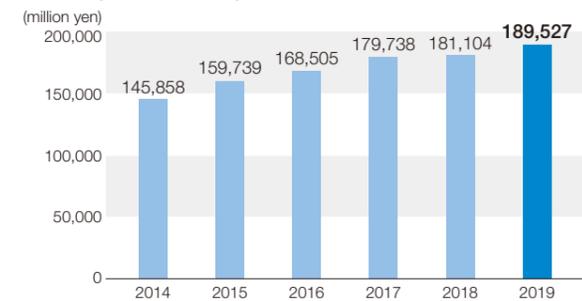


Company Overview and Key Data

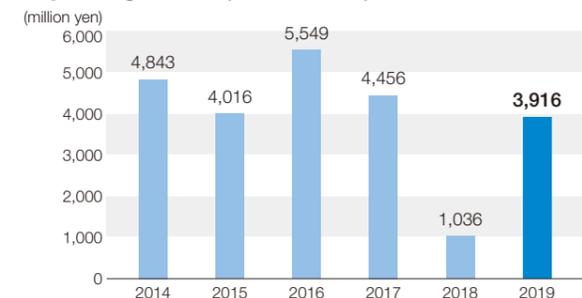
Company overview

Name	Earth Corporation Listed on the First Section of the Tokyo Stock Exchange
Established	August 26, 1925
Capitalization	8,451,600,000 yen (as of September 30, 2020)
Head office location	2-12-1, Kandatsukasa-machi, Chiyoda-ku, Tokyo, 101-0048, Japan
Representative	Katsunori Kawabata, President & Representative Director
Business areas	Manufacture, sales, and import/export of pharmaceuticals, quasi-pharmaceuticals, medical devices, household products, etc.

• Sales (consolidated)

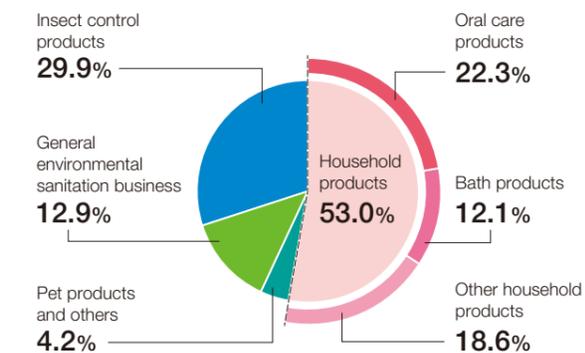


• Operating income (consolidated)

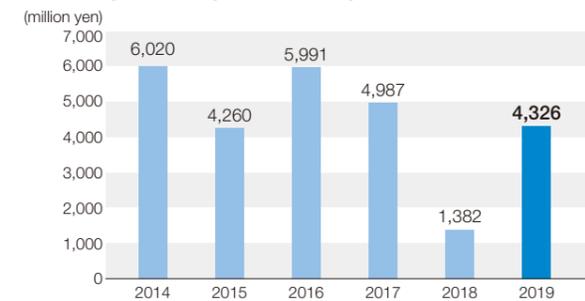


Financial data

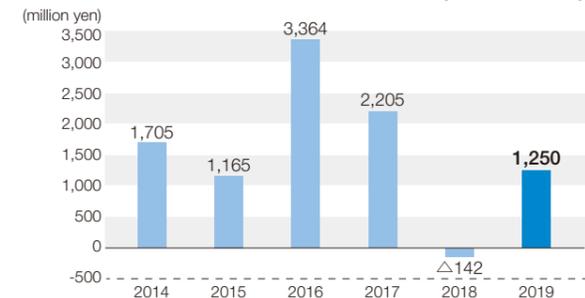
• Sales by business segment (2019)



• Ordinary income (consolidated)



• Net income attributable to shareholders (consolidated)



History

- **1892** Founded in the Namba district of Osaka by Hidezo Kimura
- **1916** Successfully enabled magnesium carbonate production in Japan
- **1925** Kimura Pharmaceuticals Co., Ltd. established
- **1953** Released "Earth Aerosol" spray
- **1964** Changed company name to Earth Chemical Co., Ltd. / Released "Bath Roman" bath solution
- **1970** Ownership stake acquisition by Otsuka Group

- **1973** Released "Gokiburi Hoi-Hoi" cockroach traps
- **1986** Acquired stake in Otsuka Zoekon K.K. (current Earth Pet Co., Ltd.)
- **1989** Established Tokyo Office and International Office
- **2001** Started production/sales with the handover of VAPONA brand by Shell Japan Co., Ltd. Established Earth Chemical (Suzhou) Co., Ltd. Listed on Second Section of Tokyo Stock Exchange
- **2006** Assigned to First Section of Tokyo Stock Exchange

Group Companies Japan

- **BATHCLIN Corporation**
Business areas Manufacture, sales and import/export of bath products, hair growth formulas, household products, etc.
Website <https://www.bathclin.co.jp/>
- **Hakugen Earth Co., Ltd.**
Business areas Manufacture, sales and import/export of household insecticides and repellents, surgical face masks, ice packs, dehumidifying agents, bath products, etc.
Website <http://www.hakugen-earth.co.jp/>
- **Earth Pet Co., Ltd.**
Business areas Manufacture, sales and import/export of pet care products, pet lifestyle products, pet food, etc.
Website <https://earth-pet.co.jp/>
- **Petfood Kitchen Co., Ltd.**
Business areas Manufacture, sales and import/export of pet food, etc.
Website <http://web-site.petfood-kitchen.co.jp>
- **Earth Environmental Service Co., Ltd.**
Business areas Comprehensive environmental hygiene and pest management services for factories and hospitals
Website <http://www.earth-kankyo.co.jp/>

Group Companies Asia

- **Earth (Thailand) Co., Ltd.**
Business areas Manufacture, sales, and import/export of household insecticides and repellents, household products, etc.
Website <https://www.earth-th.com/>
- **Earth Corporation (Tianjin)**
Business areas Manufacture, sales, and import/export of household insecticides and repellents, household products, etc.
- **Earth Corporation Vietnam**
Business areas Manufacture, sales, and import/export of household cleaners, fragrances, household insecticides and repellents, etc.
Website <https://earth-vn.com/>
- **Earth Corporation (Shanghai)**
Business areas Sales and import/export of household insecticides and repellents, household products, etc.
Website <http://www.earth-china.com/>
- **Earth Corporation (Suzhou)**
Business areas Manufacture, sales, and import/export of household products, etc.
- **Earth Home Products (Malaysia) Sdn. Bhd.**
Business areas Sales and import/export of household insecticides and repellents, bath products, oral care products, deodorizers and air fresheners, cleaning products, hygiene products, gardening products, etc.
Website <http://www.earth-my.com/>