



Sustainability Report 2022

Summary Report



Earth Corporation

For sustainable EARTH

We act to live in harmony with the Earth.

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Achieving safe and comfortable lives for people around the world as a total care company for infectious diseases

Heading into the future, based on existing business foundations

Since last year, the Earth Group has been moving forward with activities aimed at becoming a “total care company for infectious diseases.”

The world is still threatened by novel coronavirus infections. Amid rapid changes in business approaches and work styles, the Earth Group, whose core business centers on household insecticide products that prevent infections transmitted via insects, is returning to the approach of “standing up to infectious diseases,” which has been at the root of its business since the company’s foundation, and seeks to fulfill this mission in even broader fields.

Of course, this includes the continuation of steady fundamental research that has supported the Earth Group up to now. If we turn our attention to the surroundings, in the backdrop of the novel coronavirus infection,

we can see that there are needs in fields such as “sterilization” and “deodorization,” which are the Earth Group’s specialty fields.

The starting point is the “MA-T™ System” (Matching Transformation System), an innovative oxidization control technology developed in Japan. The Earth Group is expanding its business fields to increase value and promote the proliferation of the MA-T™ System, for example by expanding new applications through open innovations and collaborations among industry, government, and academia, and by resolving issues through unprecedented collaborations among different industries.

Applying experience from the pandemic in the coming era

At the same time, as we take on the issues of rebuilding the financial base, we have a strong awareness that we must change past approaches, and have opened up new

markets by leveraging the technologies and sales foundations that we have established up to now. Within the company as well, we have introduced remote work and online conferences as a result of the pandemic, but even after the pandemic has subsided, we will maintain a stance of verifying the effects of these initiatives and holding onto positive outcomes while eliminating less effective approaches, and select the best measures depending on the conditions.

Earth Corporation conducts insecticide education activities, establishing “insecticide stations” at sporting events and other events held amid pandemic countermeasures.

One aspect of these insecticide education activities held at sporting events is “CSV Management,” which aims to resolve social issues through business itself. In October 2022, we established the CSR and Sustainability Promotion Department directly under the jurisdiction of the president, to further strengthen these activities.

Making “contributions to society through business” easier to understand

I believe that approaches to society such as ESG and SDGs are not new approaches,

but something that we have always been doing. By clearly documenting these approaches, it has become possible to compare them to what we have been doing up to now, and undertake these activities with a stronger awareness.

In our company, preconceptions like “even if I don’t tell them, they will understand,” or “I’m sure they will do it” are often the cause of failures. By clearly expressing to outside parties the things that we are doing, we are making a promise to society, and I believe that we can fulfill that promise.

In May 2021, we signed the United Nations Global Compact, put forward by the United Nations, and were registered as a participating company. In addition to increasing the visibility of social contribution activities through business based on international standards, we will further promote the Earth Group’s ESG management on a global scale.

Placing top priority on “for society, and for the customers”

SDGs and other sustainability goals are often seen from a long-term perspective, and many of these goals are difficult to achieve. The Earth Group will separate the things that

we can and cannot do, and we will devote ourselves to doing what we can. There are very strict standards, including reductions in environmental impact, but ultimately, we will undertake these activities one at a time, placing priority on “for society, and for the customers.”

We will also need to ask our business partners to cooperate with the Earth Group’s approach. On a global scale, there are many issues, like differences in enthusiasm depending on the country or region, but we will make a special effort to present the Earth Group’s approach to new business partners, and work together with them. The most important thing is not immediate profits, but rather the value that our business can create for the world at large. This is why we are further promoting insecticides, and professing to be a “total care company for infectious diseases.” I would like to entrench this idea within the company as well, so that employees can feel the joy of working at a company where the business itself contributes to society.

When we think about infectious diseases, we must be aware of the global scale in the rollout of business, and talk about the world as a whole. To create a society where people throughout the world can live with peace of mind, we will continue to grow and

take on new challenges, with a sense of responsibility and self-awareness, knowing that the Earth Group is making a difference.

December 2022



Katsunori Kawabata
President & Representative Director
川端克宜

Earth Corporation's Sustainability

Basic Policy on Sustainability

We formulated our Basic Policy on Sustainability in 2021.

When drawing up this policy, we brought together representatives of every department involved in business promotion, and engaged in repeated discussions regarding the elements and phrases needed to effectively disseminate the concept of sustainability while respecting Earth Corporation's essential aspects. We are making it clear, both within and outside the company, that we will be promoting initiatives aimed at realizing sustainable business based on this policy.

Earth Corporation's Basic Policy on Sustainability

In line with our corporate philosophy—"We act to live in harmony with the Earth"—we will collaborate with our stakeholders to address issues relating to sustainability, and will contribute toward the sustainable enhancement of corporate value and toward the building of a sustainable society.

Sustainability promotion framework

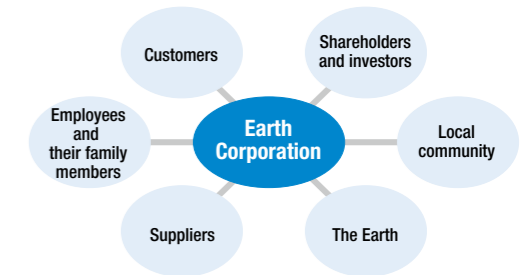
We have established a CSR and Sustainability Promotion Department under the Group Management Headquarters, to promote the smooth, effective implementation of sustainability activities in line with the company's Basic Policy on Sustainability, while maintaining a bird's-eye view of the three key areas of the environment (E), society (S) and corporate governance (G).

We have also established a CSR and Sustainability Committee, chaired by the company President, as a permanent body to promote frontline sustainability activities. This committee works together with the CSR and Sustainability Promotion Department to formulate activity plans, set targets and key performance indicators (KPIs), share targets and KPIs throughout the company, and promote initiatives aimed at target achievement.

The committee also undertakes monitoring of progress status, shares activity content within the company, compiles the Sustainability Report and ESG Data book, and undertakes appropriate disclosure of information in line with stakeholders' expectations. The content of the committee's discussions and the status of activities are reported on regularly to senior management, and important matters requiring examination and decision-making by senior management are reported to and discussed by the Board of Directors.

Earth Corporation's stakeholders

Earth Corporation's business activities are supported by various stakeholders, including customers, employees and their families, suppliers, shareholders and investors, and local communities. To embody our slogan—"Making the Earth a home that feels good"—we believe that it is important to communicate with those various stakeholders, and to create an environment that promotes dialogue rather than unilateral transmission of information.



Initiatives Aimed at Contributing toward the Realization of the SDGs

The SDGs* were announced at the United Nations Sustainable Development Summit in September 2015, as goals to be achieved by 2030 in relation to addressing issues such as poverty and hunger, energy, climate change and the building of peaceful societies.

Comprising 17 goals and 169 individual targets, the SDGs represent an international policy goal framework that 193 countries have signed up to. Earth Corporation has also set its own goals for the future, and we are working together with our stakeholders to actively promote business activities aimed toward the achievement of these goals.

*SDGs:Sustainable Development Goals



[Key topics that we are focusing on]

Infectious diseases

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

With the expansion of insect habitats and increase in invasive species that have accompanied global warming, the risk posed by insect-borne infectious diseases has grown. Through our insect control products, we are contributing toward the prevention of infectious diseases where there is a danger of transmission by insects.



Oral hygiene environment

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

We recognize that the risk posed by diseases which are caused by the oral hygiene environment constitutes a problem for society, and we are contributing toward the improvement of oral hygiene through our oral care products.



Environment

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

We are identifying the risk associated with returns generated from our business processes and with the resulting waste, both from a business perspective and from an environmental perspective, and we are working to reduce this waste through collaboration with our business partners.



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

Besides being aware of the environmental burden throughout the product lifecycle, we are also working to identify, in quantitative terms, the environmental burden resulting from the resources allocated to our business activities and the utilization of these resources, and to implement appropriate management.

We are reducing CO₂ emissions in plants, offices and logistics (SDG Target 13.1)

We are working to reduce CO₂ emissions in the value chain, including plants, offices and logistics. We are making a concerted effort to adjust our production lines and the energy



that we use in order to reduce the burden on the environment, and we are also proceeding with electric power generation initiatives using solar panels.

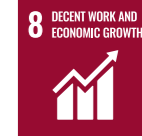
We are strengthening the company's resilience to natural disasters, etc. (SDG Target 13.1)

We recognize the need to minimize the risks associated with natural disasters and the damage caused by such disasters, and we are striving to strengthen resilience in our day-to-day operations. We have obtained Resilience Certification from the National Resilience Promotion Office, Cabinet Secretariat, and we are preparing countermeasures to respond to a natural disaster affecting our head office, research institutes or plants.

Working environment

We promote diversity, and we provide jobs and workplaces that enhance motivation (SDG Targets 5.1/5.5/8.5)

In line with our core value of "Diversity," we respect the diversity and human rights of all the colleagues who work with us, and we strive to treat them fairly and equitably. In this way, we aim to create workplaces where everyone can work with enthusiasm in a way that suits their own personality.



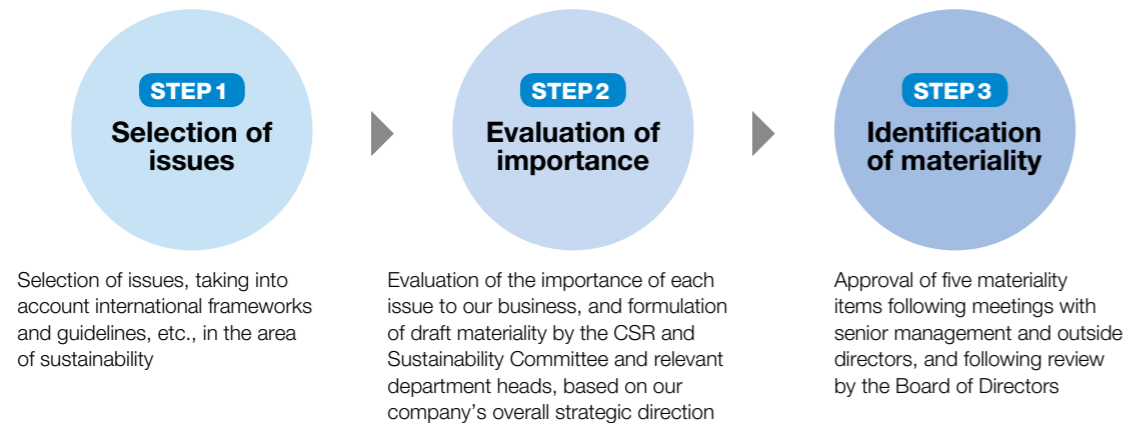
Identification of Materiality

To meet the expectations of stakeholders and continually develop the Earth Group over the long term, Earth Corporation believes that it is important to check and evaluate the impact of various social issues and corporate activities, and to clarify issues that are important to management. Based on this approach, in 2021, we identified key issues (materiality) that are important in relation to sustainability.

In order to undertake sustainability initiatives in the future that effectively utilize both the unique characteristics of the Earth Group's business and its management resources, we have decided on key topics and have formulated targets and KPIs that are connected to these topics.

[Materiality identification process]

We used the following process to identify our materiality.



[Earth Corporation's sustainability materiality]

Materiality (key issues)	Key topics and main measures	Targets and KPIs
Responding to Climate Change	We are reducing our CO ₂ emissions.	CO ₂ emission reduction compared to 2020 (Scope 1 + 2) • 14% reduction (by 2023) • 28% reduction (by 2026) • 46% reduction (by 2030)
	We are proceeding with the adoption of electric power generated using renewable energy.	Switching to renewable energy: • Adoption of renewable energy at our plants (renewable energy rate: 60%) (by 2023) • Adoption of renewable energy at our research institutes (renewable energy rate: 90%) (by 2026) • Adoption of renewable energy at our offices* (renewable energy rate: 95%) (by 2030) * Excluding rented offices
Concern for the Issues Affecting the Global Environment	We are enhancing the efficiency of water usage relating to manufacturing (from R&D through to production).	Enhancement of water usage efficiency compared to 2020: • 3% enhancement (by 2023) • 6% enhancement (by 2026) • 10% enhancement (by 2030)
	We are making effective use of resources with the aim of helping to realize the resource-circulating society.	Reducing emission of industrial waste, etc. from plants and research institutes to zero: • Survey of the current status of waste processing contractors, and adjustments (by 2023) • Realize zero waste emissions from plants and research institutes (by 2026) • Maintain zero waste emissions from plants and research institutes (by 2030)
	Stipulate Earth ECO Standards, and expand the scope of environment-friendly products.	Overview of the Earth ECO Standards
Promoting Sustainable Procurement	Promote procurement of environment-friendly packaging materials	Forest Stewardship Council® (FSC®) certified paper usage rate: • Usage rate: 10% or more (by 2023) • Usage rate: 30% or more (by 2026) • Usage rate: 70% or more (by 2030)
Creating workplaces that support activities by diverse individuals	We are encouraging employees to take their annual paid leave entitlement.	Paid leave usage rate: Maintain at a level of at least 70% (2023, 2026 and 2030)
	To support female empowerment, we are raising the share of women in management-level positions.	Female manager ratio: • At least 10% (by 2023) • At least 18% (by 2026) • At least 30% (by 2030)
Provision of Products and Services That Contribute toward Safe and Comfortable Lifestyles	To reduce the number of major quality incidents that negatively impact customer satisfaction and trust to zero, we are raising the periodic quality inspection implementation rate both at our own plants and at contractors' factories.	Periodic quality inspection implementation rate: Maintain at 100% (2023, 2026 and 2030)
	To ensure compliance with relevant laws and reduce the incidence of major violations to zero, we are enhancing the implementation rate for the annual education and training plan.	Education and training implementation rate: Maintain at 100% (2023, 2026 and 2030)

Responding to Climate Change



Environmental awareness

The need to mitigate and respond to climate change, which is the most serious global environmental issue today, may have an impact on the expansion of our business over the medium to long term. There is also a possibility that abnormal weather conditions (such as rising average temperatures and changing rainfall patterns) resulting from climate change may affect our business's value chain as a whole. We recognize that the response to climate change is an important management issue that relates to medium- and long-term corporate value.

Basic approach

As an enterprise whose corporate philosophy is "We act to live in harmony with the Earth," we carry out our business activities in congruence with the global environment. We recognize that climate change and the response to it represents an important managerial issue that is related to corporate value, and we are working actively to address this issue in all of our businesses.

We are taking the following actions to contribute toward the transition to a post-carbon society.

For the related KPIs, see p.11

- We are reducing our CO₂ emissions.
- We are proceeding with the adoption of electric power generated using renewable energy.

Framework

President Kawabata serves as Chairman of the CSR and Sustainability Committee, bearing direct responsibility for the supervision and management of initiatives including the creation of policies and strategies for responding to climate change, putting in place risk management structures, establishing targets and indexes, and managing progress. We have put in place a structure for responding to climate change under the direction of the Board of Directors, by first conducting discussions at meetings of the Strategy Council*, and then deciding on and reviewing policies and strategies related to these responses, while also reporting to the Board of Directors on the achievement of targets.

* Strategy Council:
The Strategy Council is a body established to undertake preliminary deliberation regarding important matters such as matters put on the agenda for the Board of Directors, and matters requiring a decision by the President and Representative Director.

Chair: President and Representative Director
Members: Executive officers appointed by the President and Representative Director
Frequency of meetings: As necessary

Initiatives relating to the response to climate change

We are implementing measures to help keep climate change under control, and to adapt to climate change.

● Energy-saving initiatives

We have adopted electric power usage visualization systems at the plants and research institutes, which account for most of our electric power usage. We have also established an Energy-saving Promotion Committee and Earth Group Production Departments Meeting, which are linked to Group-wide energy-saving activities.



Electric power usage visualization system

● Shifting over to the use of renewable energy

Our Ako Plant has installed solar power generating equipment on one of the production buildings, and by switching over to using electric power derived from renewable energy through the Renewable Energy ECO Plan provided by Kansai Electric Power Co., Inc., the plant has succeeded in reducing net CO₂ emissions associated with electric power usage to zero. Going forward, we intend to expand the use of renewable energy in our plants, research institutes and offices, with the aim of realizing our CO₂ emissions reduction target of cutting emissions by at least 46% by 2030 compared to FY2020.



For more details about the Responding to Climate Change aspect of our materiality, please visit our corporate website.



Concern for the Issues Affecting the Global Environment



Environmental awareness

Global environmental pollution and the lack of resources are barriers to the formation of a sustainable, recycling-oriented society. For Earth Corporation, attention to environmental issues throughout the entire value chain is directly tied into the sustainability of the company's business. We are aware that our initiatives aimed at effectively using resources and reducing waste not only mitigate business risks by reducing environmental impact at every stage, from raw material procurement to product design and manufacture, use, and disposal; they also contribute to maintaining and improving the company's brand and corporate value.

Basic approach

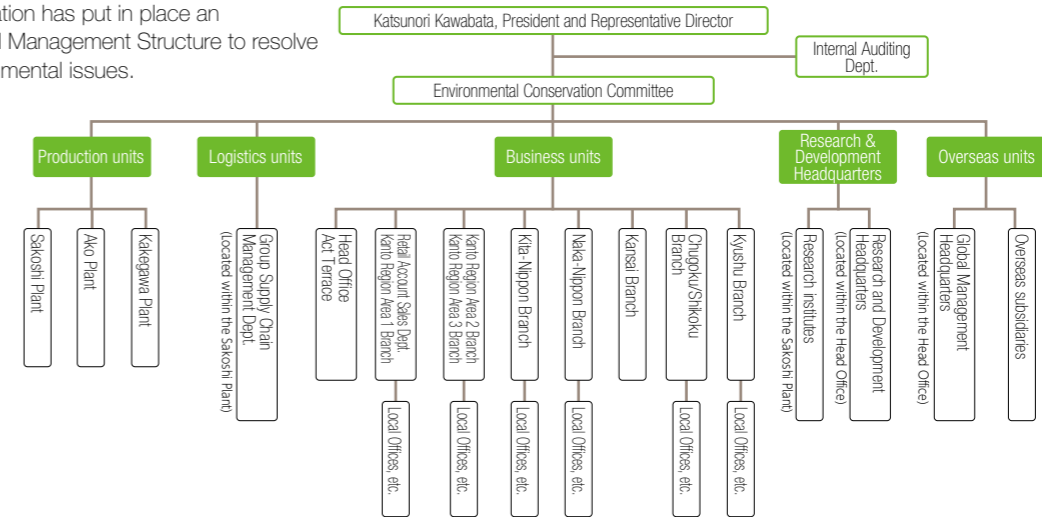
Earth Corporation has declared that in accordance with our corporate philosophy of "We act to live in harmony with the Earth," we will strive to take the protection of the global environment into account in all our business activities, and to actively contribute to the lives of the people of the world. Current issues include global environmental pollution and the lack of resources. Given that environmental problems throughout the value chain impact not only the company's business but the world's sustainability, our basic stance is to continually promote initiatives aimed at reducing environmental impact.

In order to demonstrate concern for global environmental issues and contribute toward reducing the burden on the environment, we are implementing the following initiatives. **For the related KPIs, see p.11**

- We are enhancing the efficiency of water usage relating to manufacturing (from R&D through to production).
- We are making effective use of resources with the aim of helping to realize the resource-circulating society.
- We have drawn up the Earth ECO Standards, and we are promoting expansion of environmentally-friendly products.

Framework

Earth Corporation has put in place an Environmental Management Structure to resolve global environmental issues.



Initiatives relating to global environmental issues

We are implementing various initiatives that embody concern for global environmental issues.

Environmentally-friendly product development

● Sustainable product development

By making liquid-type products more concentrated, we can not only reduce the amount of plastic used, but also reduce the CO₂ emissions deriving from manufacturing and transport, by reducing the absolute quantity of the liquid agents. We are working to develop products that are both easy to use for the customer—in terms of being lightweight and easy to carry around, not taking up too much storage space, etc.—and environmentally friendly.

● Product life extension

Giving products a longer lifespan not only enhances convenience for the customer, it also contributes toward resource conservation and reduction in the amount of household waste generated. We are also making repeated improvements to our existing products so that they can be used for longer.

● Kaizen activities

Our Kaizen Project was launched in 2019, with team members that included younger employees from each department. We have proceeded with new activities, such as the Convenient Products Contest, and the number of proposals submitted has risen to 5,290 (representing 114% of the total in the previous year), generating around 27.2 million yen in revenue. Going forward, we will continue with workplace reforms along these lines.

● Extending shelf life

In our Beauty and Health Department, we recognize the need to contribute toward reducing food loss, which is a global problem, and we are implementing initiatives in this area. By adjusting raw materials and production processes, we have extended the shelf life of six product items—including the Placenta C Jelly—from 18 months to 25 months.

● Adopting a “3R” perspective in product creation

1. The “Reduce” perspective

Example product: Sukki-ri! Air Freshener



▶ Plastic usage is being reduced by around 251 tons in relation to 88 product items.

2. The “Reuse” perspective

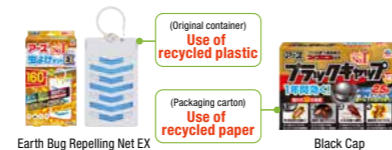
Example product: Raku Hapi Alcohol Jyokin EX Disinfectant Spray 420 mL Original container



▶ We have 17 product items where the original bottle can be reused through refilling. The refill packs are made from plastic film, which uses less plastic material than the original bottles, enabling a reduction in plastic usage of around 252 tons.

3. The “Recycle” perspective

Example product:



▶ Recycled plastic is used for 68 product items, with total annual usage of around 1,084 tons (around 1.5 times as much as the previous year).

▶ Of the 154 product items for which paper containers are used, recycled paper is used in 87% of items.

● Mondahmin (concentrated type)

While maintaining Mondahmin's high effectiveness and user-friendly taste, we have succeeded in developing technology that allows us to make this product more concentrated. Analysis of the number of times that the concentrated type can be used compared to the regular type shows that it can reduce the amount of waste plastic generated by around 72%.



This single bottle can be used approximately the same number of times as two extra-large (1080 mL) bottles (assuming that 2 mL is used each time)

● Redefining of zero residual liquid content and overhauling of environmentally-friendly type products

With Sukki-ri!, by positioning the bottle that contains the fragrance-generating liquid on the top, it is possible to use up the product right to the last drop, making this a design that helps to realize a sustainable society. The amount of plastic used per container has also been reduced by around 14–17% (which is expected to reduce plastic consumption by around 180 tons per year).



● Environmentally-friendly promotional materials

The Sales Relations Division plays an important role in integrating sales-related information such as customers' views, store information and sales trends. Particularly in regard to the production of sales promotion materials, it aims to ensure that these are both user-friendly and environmentally-friendly, taking into account the need to consider weight and ease of use, waste reduction, plastic usage reduction, use of FSC[®] certified paper, and reducing the burden on the environment deriving from transportation.



Sales promotion materials that do not require an outer packing case. By printing advertising content, etc. on the interior surface of the box used for packaging, we are contributing toward a reduction in the quantity of outer packing cases (made of cardboard) that need to be disposed of as waste after delivery.



For more details about the Concern for the Issues Affecting the Global Environment aspect of our materiality, please visit our corporate website.



Earth ECO Standards

With the aim of realizing measures that help to create a sustainable environment, we have formulated the Earth ECO Standards, our own unique environmental standards to promote the creation of environmentally-friendly products. The Earth ECO Standards are voluntary standards designed to help achieve the six goals out of 17 SDGs that relate to the environment or manufacturing.

Starting from 2023, products that conform to the Earth ECO Standards bear the Act For ECO Mark.



Promoting Sustainable Procurement



Environmental awareness

We are promoting sustainable procurement, based on our corporate philosophy of “We act to live in harmony with the Earth.” We recognize that building partnerships with all of our business partners, maintaining ethical relationships that are fair and equitable, and promoting procurement that takes into account human rights, health and safety, and the environment, will not only lead to corporate value creation for our company but also contribute toward the development of a sustainable society.

Basic approach

Our company has adopted a corporate philosophy of “We act to live in harmony with the Earth,” and we believe that the realization of this philosophy constitutes, in and of itself, the realization of corporate social responsibility (CSR). In this regard, procurement activities cannot be undertaken successfully without seeking to maintain harmony with the planet, and we believe that, in order to realize this, it is vitally important to promote CSR-aware procurement activities together with our business partners, with the aim of contributing toward the sustainable development of society.

In 2017, we announced the Earth Corporation’s CSR-aware Procurement Guidelines, and began undertaking CSR-aware procurement. These guidelines were revised in August 2020 in light of recent CSR-related trends and the expectations of the international community, and we continue to familiarize our business partners with the guidelines on a regular basis.

To contribute toward the realization of a sustainable society and a sustainable environment, we take environmental considerations into account when purchasing packaging materials. **For the related KPIs, see p.11**

Procurement Code of Conduct

Earth Corporation’s CSR-aware Procurement Guidelines

Initiatives relating to sustainable procurement

We implement various activities aimed at the realization of sustainable procurement.

● Awareness-raising activities for business partners

We carry out the following activities to familiarize business partners with our Procurement Code of Conduct and with the Earth Corporation’s CSR-aware Procurement Guidelines, and to enable them to implement the content of the policy and guidelines together with us. So as to enhance business partners’ awareness of their own CSR initiatives and encourage them to continue to strengthen these initiatives, we ask them to fill out a CSR Self-assessment Questionnaire. This activity has been implemented since 2017, and as of June 2022, we had received completed questionnaires from 198 out of 224 raw materials producers and contracted manufacturers.

Based on the collated results of the responses to the CSR Self-assessment Questionnaire obtained thanks to business partners’ collaboration, we share the results with business partners through individual meetings, etc., in line with our belief that we need to contribute toward the sustainable development of society as a whole. Going forward, we will continue to implement this activity with respect to new business partners, and with regard to indirect transactions also, we will carry out raw materials procurement in accordance with the key points of our guidelines.

● FSC® certification

In 2020, we switched over to using FSC® certified paper (paper made from wood produced in forests that are deemed to be appropriately managed, or from other materials linked to appropriate use of forest resources) for the paper tubes used in our Bath Roman products. Going forward, we will continue to undertake product development and raw materials procurement in such a way as to be able to provide customers with products that are made responsibly and with due consideration for the environment.



Bath Roman Warm Yuzu fragrance



責任ある森林管理のマーク
FSC® N003327



For more details about the Promoting Sustainable Procurement aspect of our materiality, please visit our corporate website.



Creating workplaces that support activities by diverse individuals



Environmental awareness

In line with our core Earth Value of “Diversity,” we aim to realize a workplace environment that supports effective utilization of diverse human assets. We recognize that building an environment in which every employee can achieve personal growth and feel motivated, by putting in place a workplace environment that gives due consideration to employees’ health and safety and by ensuring that employees are treated fairly with respect for human rights and the safeguarding of diversity, will lead to long-term value creation for our company.

Basic approach

Based on our core Earth Value of “Diversity,” the Earth Group aims to realize a workplace environment that supports effective utilization of diverse human assets. To clarify the measures that we are implementing with respect to human assets in order to realize our corporate philosophy and management goals, we have formulated the Earth Human Assets Philosophy and the Earth Human Assets Management Policy .

Earth Human Assets Philosophy

Earth Human Assets Management Policy

The Earth Group implements the following measures in order to realize a workplace environment that supports effective utilization of diverse human assets. **For the related KPIs, see p.11**

- We are encouraging employees to take their annual paid leave entitlement.
- To support female empowerment, we are raising the share of women in management-level positions.

Aiming to realize a workplace environment that supports the effective utilization of diverse human talent

Promotion of Diversity & Inclusion

The Earth Group Global Code of Conduct specifies the need to prevent violation of human rights, accept diversity (individualities) and exert autonomy. These are rules that all Earth Group corporate officers and employees are expected to abide by when conducting business activities in countries with different lifestyles, habits, culture, laws and rules.

Earth Diversity Declaration

Building a workplace environment that gives due consideration to employees’ health and safety

Health Management

We view employee health management as an important management issue, and in 2019 we formulated the Earth Health Declaration to promote health management in concrete form. We are working to enhance the physical and mental health of employees and their family members. In 2020, we were selected for the first time for inclusion in the “White 500” (top 500) Certified Health & Productivity Management Outstanding Organizations, a certification program jointly organized by the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi. We were also included in the “White 500” in 2021 and 2022.

Earth Health Declaration



Framework

[Health and safety initiatives]

In order to realize a healthy, safe workplace environment, we have established the following committees and subcommittees, and implemented related activities.

- Safety and Hygiene Committee and Hygiene Committee
- Health and Safety Subcommittee
- Safe Driving Management Activities
- Compliance Committee (including the internal reporting [whistleblower] contact windows)

[Organizational framework for health management]

We have established the Committee for Promoting the Health of Employees and Their Family Members, a cross-company organization which is chaired by the Senior Executive Officer. In line with the company’s annual health management plan, the committee meets once a month, and it undertakes the dissemination of information both within and outside the company, the holding of health seminars, and the implementing of preventive vaccinations in the office, etc.

Initiatives relating to the realization of workplace environment that supports effective utilization of diverse human assets

We are implementing various initiatives to realize workplace environment that supports effective utilization of diverse human assets.

From “resources” to “assets”

Earth Corporation views employees as being highly valuable sources of corporate development, and as such we see them as being “assets” rather than “resources.” We believe that it is important to focus on our human assets in order to realize the

three Earth Values of “One Earth, Open communication, Diversity.” By improving the measures adopted in our personnel system (including recruitment, education and training, personnel reassignments, salaries, appraisal system, workstyle reform, diversity, etc.), we are working to enhance employee motivation and strengthen employee capabilities.

Initiatives relating to human asset cultivation

With the aim of cultivating self-directed human assets, we implement grade-



Training for new employees (lecture introducing our products) in progress



Training for managers

specific training and training for specific purposes, so as to stimulate employee motivation, help them develop their careers, and enhance their knowledge and capabilities.

Harassment prevention initiatives

Earth Corporation’s employment rules contain stipulations prohibiting workplace bullying, sexual harassment, or harassment of employees based on gender or in relation to pregnancy, childbirth, taking time off work for childcare or to look after elderly relatives, etc. In addition, for the purpose of correctly understanding and preventing harassment, we are continuously conducting online and face-to-face harassment prevention training for

Initiatives relating to evaluation and treatment of employees

Evaluation is implemented in accordance with employees’ employment management category. With regard to human asset management, we make effective use of evaluation results when deciding on

all employees. Furthermore in order for employees to be able to seek consultations with peace of mind, we have established a new Harassment and Human Relations Hotline and Occupational Health Nurse Internal Consultation Window, and we are aiming to realize an employee-friendly workplace environment where people can work enthusiastically without harassment.

the treatment of employees in terms of roles, salaries, etc., and in the cultivation of self-directed human assets capable of taking on challenges. By ensuring that evaluations are transparent and clarifying the accountability of supervisors, we strive to create an environment in which employees can work with satisfaction, and to provide support for employees’ personal growth.

Initiatives relating to diversity & inclusion

● Promotion of initiatives aimed at furthering the dynamic engagement of female employees

Around 40% of Earth Corporation employees are women. We are implementing measures to create an employee-friendly working environment so that employees can continue to work with enthusiasm regardless of which life stage they have reached. Earth Corporation has set itself the target of increasing the share of managers who are female to at least 30% by 2030, and we continue to implement measures to help achieve this, including the provision of training to help female employees plan their careers.

● Promoting the employment of persons with disabilities

2.45% of our employees are persons with disabilities, which is in compliance with the statutory requirement.

● LGBT-related measures

We view LGBT related issues as constituting one of the most important

topics that we need to address in our efforts to promote diversity. In 2021, we implemented e-learning to help employees learn the basics of LGBT and sexual orientation & gender identity matters. In 2022 we made improvements to our internal rules, held seminars with external lecturers, and established a consultation window for LGBT matters.

● Promoting work-life balance

We have put in place the systems needed for living support, so that employees can balance their work and their other responsibilities when dealing with childcare, senior care, or personal injury or illness.



Workstyle and Workplace Environment reform initiatives

Besides the normalization of working hours and encouraging employees to take their paid leave entitlement, we have also adopted a home-working system and staggered working hours system, and put new working methods into practice, in order to realize flexible workstyles. In addition, by putting in place the IT



Poster encouraging the adoption of improved meeting formats

Employees can make free use of the Act Café



infrastructure needed to promote hot-desking—including having application documents in electronic form (going paperless), adopting digital seals, and reducing the amount of space needed for document storage—we are proceeding with the building of a working environment that supports flexible workstyles, enabling employees to work effectively regardless of location.



For more details about the Creating workplaces that support activities by diverse individuals aspect of our materiality, please visit our corporate website.



Provision of Products and Services That Contribute toward Safe and Comfortable Lifestyles



Environmental awareness

In our company’s manufacturing operations, our most important responsibility to society is to continue providing safe, reliable products and services that customers view as being of high quality. We recognize that the steady fulfilment of this social responsibility is a precondition for safeguarding and enhancing corporate value, and constitutes the foundation for our creation of corporate value.

Basic approach

In line with our corporate philosophy, we at the Earth Group strive, in every stage of the value chain—including product development, materials procurement, production, logistics, sales and customer communication—to provide customers with safe, reliable products and services.

1. By listening attentively to customers’ insights, and providing safe, reliable products and services, we create new value.
2. By striving to ensure high quality right up to the point at which the product is used, we will build a brand that customers can trust.
3. Besides maintaining compliance with all legal requirements, in line with our unique Quality Management System we obtain quality-related information from countries and regions around the world, and strive to enhance the quality of the safe, reliable products that we provide.

Earth Corporation’s R&D—Basic Policy

Earth Corporation’s Quality Assurance—Basic Policy

Earth Corporation’s Customer Consultation—Basic Policy

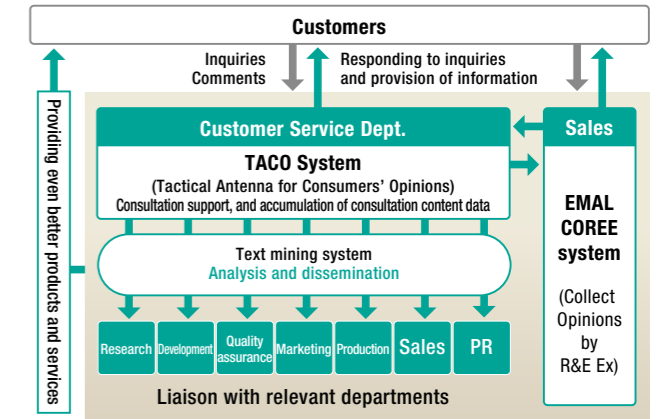
The Earth Group implements the following initiatives in order to provide products and services that contribute toward safe and comfortable lifestyles. **For the related KPIs, see p.11**

- In order to reduce to zero the incidence of major quality incidents that could impact customer satisfaction and lose customers’ trust, we are enhancing the periodic quality audit implementation rate at both our own plants and those of our contracted manufacturers.
- To ensure compliance with relevant laws and regulations, and reduce the incidence of major incidents that involve compliance violations to zero, we are enhancing the annual education and training plan implementation rate.

Framework

The Customer Service Department undertakes the internal dissemination of customer insights in reports such as annual and monthly reports, and in the “Voice of Customers” internal website, and also works to expand usage of a text mining system that enables relevant departments to research and utilize customer insights from their own perspective. In addition, it liaises directly with relevant departments regarding the proposal and implementation of suggestions for improvement raised based on customer insights at meetings such as the Customer Insights Discussion Meeting*, the Meeting to Discuss Points of Interest, and the Voice of Customer Meeting.

* This is a meeting attended by senior managers, the holding of which is recommended by the Association of Consumer Affairs Professionals.



Initiatives relating to the provision of products and services

With the aim of reducing the burden on the environment and helping to create the resource-circulating society, we are implementing measures that include global warming prevention, resource saving, waste reduction, chemical substance usage reduction and appropriate management of chemical substances throughout the value chain, from product development and materials procurement through production and logistics to sales.

Initiatives adopted from a customer-focused perspective

R&D

● Product development that benefits society Iyana Mushi ZEROdeKNIGHT

Launched in February 2022, Iyana Mushi ZEROdeKNIGHT is an insecticide for eliminating harmful insect pests which uses TenebenaTM, a new

active ingredient. TenebenaTM is an insecticide ingredient with a new mode of action. Not only is it very effective at eliminating a wide range of insect pests, the effects of a single application last for a year, an amazingly long time to have continuous effectiveness. Iyana Mushi ZEROdeKNIGHT is the first insecticide for household use in the world to include TenebenaTM as an ingredient.

Going forward, we will contribute toward enhancing the quality of life of people throughout the world by developing more products that use TenebenaTM.



[Quality assurance]

1. Safety considerations for testing personnel when performing product testing

We perform evaluation of raw materials based on appropriate test items and methods; for products, we implement the statutorily required test items, and also other test items based on product functions.

We are proceeding with the automation of testing that uses organic solvents or reagents with large quantities of specimens at the same time, with the aim of both enhancing test reliability and operational efficiency and ensuring the safety of testing personnel.

2. Implementation of final product usage testing from a customer-focused perspective

To enable customers to use our products with peace of mind, we perform testing based on the scenarios in which customers will actually be using the product.

3. Ensuring the continued reliability and safety of our products

Our products are manufactured in accordance with the requirements of the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices and other relevant laws.

To maintain our quality standards, the Products Quality Assurance Department and the production units implement regular study sessions and quality audits, and we also implement quality audits with respect to our contracted manufacturers, both within and outside Japan. In addition, we aim to further enhance the quality of our products by providing feedback to the design and production units regarding the views and requests received from customers.

To prevent the falsification of test data, we use the quality management system for management of test devices and compilation of test result reports to set login controls, set passwords, and ensure the reliability of data.



Automated specimen processing device for measuring the quantity of the active ingredient in our ONPO product

Initiatives to provide protection from danger

● Mosquito Repellent Spots

With growing awareness throughout Japan of the need to be alert for insect-borne infectious diseases—for example, in 2021 the number of people affected by Severe Fever with Thrombocytopenia Syndrome, an infectious disease which is spread by ticks, was the highest on record—as part of our insect bite prevention awareness-raising activities, we organize Mosquito Repellent Spots at the venues for sports competitions and other special events. We consider spreading awareness of how to tackle insect-borne infectious diseases to be an important mission for us, and, going forward, we will be using Mosquito Repellent Spots to expand the scope of our awareness-raising activities, so that we can make a contribution, to the best of our ability, toward reducing the harm that these diseases cause.



● Insect Control Seminar

As an initiative aimed at fostering wider understanding of insect-borne infectious diseases and more widespread adoption of the correct methods of using insect control products, we held the Earth Insect Control Seminar 2022. This seminar, which was being held for the third time in 2022, had as its topic "Other Infectious Diseases Besides COVID-19 That We Need to Pay Attention to." In the future, we will continue to implement insect bite prevention awareness-raising activities to disseminate highly reliable information, through collaboration with experts.



● Initiatives to combat dengue fever in Vietnam

Starting from 2021, Earth Corporation has been supporting the World Mosquito Program (WMP)* campaign to bring dengue fever under control in Thu Dau Mot City, Binh Duong Province, Vietnam. Earth Corporation shares the same objectives as the WMP, and will be working together with the WMP to help realize the SDGs.

* WMP is a non-profit initiative established by researchers at Monash University in Australia to protect people throughout the world from mosquito-borne infectious diseases.



For more details about the Provision of Products and Services That Contribute toward Safe and Comfortable Lifestyles aspect of our materiality, please visit our corporate website.



Strengthening the Management Infrastructure

Environmental awareness

Earth Corporation is working to strengthen corporate governance, and all corporate officers and employees implement compliance thoroughly in line with statutory requirements and with high corporate ethics standards. In addition, we undertake appropriate management of various risks that may affect our business activities, we realize fair transactions through thorough corruption prevention, and we recognize the importance of carrying out management in a manner that wins the trust of all stakeholders.

Corporate governance

Risk management

Compliance

Earth Group Global Code of Conduct



For more details about Strengthening the Management Infrastructure, please visit our corporate website.



[ESG data]

Our data relating to sustainability initiatives is broken down into three categories: E (Environmental), S (Social) and G (Governance).

In principle, these data relate to initiatives implemented during the period from January 1, 2022 to December 31, 2022.



For more details about ESG data, please visit our corporate website.



Helping to Address Society's Problems through Our Business

With increasing importance being attached to CSR activities by corporations and other organizations, and with growing interest in education-related CSR, we are implementing various activities that include dispatching employees to give lectures in schools (visiting classes), holding special events, developing teaching materials, providing samples, arranging visits to our facilities, and implementing workplace experience programs, etc.

Educational and awareness-raising activities

● Education-related CSR

Participation in educational activities by business enterprises in their role as corporate citizens is referred to as "education-related CSR." We implement initiatives across various fields in our social contribution activities, and we believe that, by using education-related CSR to provide children and local residents with accurate knowledge about insect pests that cause direct harm to humans, we can help them to protect themselves from insect-borne infectious diseases, and help to prevent the spread of such diseases. In addition, by making available more than 100 species of insects that are bred by our Research Laboratories for use in research and teaching programs by research institutes and high schools, we play a useful role in supporting the development of science and the cultivation of human assets.

As part of our education-related CSR activities, we have provided insects

bred by Earth Corporation for use in universities and high schools, and we have also implemented 15 visiting classes at elementary schools, junior high schools and senior high schools.



Collaboration with the local community

● Comprehensive alliance agreements with local government authorities

On March 24, 2020, Earth Corporation signed its first comprehensive alliance agreement relating to "Enabling local communities to enjoy healthy lifestyles with safety and peace of mind" with Tokyo's Chiyoda Ward, and the company is proceeding with the signing of similar agreements with local government authorities throughout Japan. By providing

local government authorities with our knowhow and the latest technologies, we are helping to address a wide range of societal problems, including public health and hygiene, education and disaster preparedness, and we are also contributing toward the sustainable, healthy development of local residents and the local community.



Signing an alliance with Osaka Prefecture

Sponsorship for sporting and cultural events

● The Earth Mondahmin Cup

The Earth Mondahmin Cup is a women's professional golf tour that was first held in 2012, and which was held for the 11th time

in 2022. We strive to ensure that every Earth Mondahmin Cup is an memorable event, which remains in heart and retains a place in history, so as to make a positive contribution to the development of golf and the sports sector, and to society as a whole.

Mr. Tatsuya Otsuka, the chair of the Earth Mondahmin Cup organizing committee, with the competition winner, Ms. Ayako Kimura



● **Signing of a sponsorship agreement with the INAC Kobe Leonessa women's professional soccer team**

In February 2021, we signed a sponsorship agreement to provide support for INAC Kobe Leonessa, a women's professional soccer team. By implementing collaboration plans with the team's players and implementing promotional activities, we are making a positive contribution to society, in terms of supporting the cultivation of healthy young people and promoting sporting competition.



● **Special sponsorship for the performance of a family-oriented musical by the Shiki Theatre Company**

We are providing special sponsorship for Shiki Theatre Company's family-oriented musical *The Cat Who Wished to Be a Man* and for the Kokoro-no-Gekijo (Theater of the Heart) organized by Shiki Theatre Company and the Butaigeijutsu Center. Going forward, we will continue to

actively undertake activities that contribute toward the healthy growth of children.



Supports for regions affected by natural disasters

● **Collaboration with Japan Platform on disaster response**

Starting from 2019, we have been providing funding assistance for the emergency support activities in regions affected by disasters, etc. conducted by Japan Platform, an NGO which provides emergency humanitarian aid in times of conflict or natural disaster, and we are contributing toward the building of effective support systems.



Physical support

● **Effective utilization of surplus inventory**

Starting from 2022, we have been using our surplus inventory to participate in the COSME BANK PROJECT, which provides daily necessities and cosmetics products to people who cannot afford them for financial reasons. Rather than discarding surplus inventory as waste, by making our products available in this way, we can provide opportunities for people to experience them (which constitutes useful

PR), and also provide support for women who are seeking to gain autonomy, and address societal problems relating to poverty, health, welfare, gender equality and motivation to work.



COSME BANK PROJECT Representative Director Meyumi Yamada and Earth Corporation President and Representative Director Katsunori Kawabata

External evaluation

● **Certified Health & Productivity Management Outstanding Organization 2022 ("White 500")**

In 2019, we formulated the Earth Health Declaration, implemented preventive vaccination on company premises, and helped to subsidize the cost of preventive vaccinations against measles and rubella, as well as holding health-related seminars, etc. In 2020, we were selected for the first time for inclusion in the "White 500" (top 500) Certified Health & Productivity Management Outstanding Organizations, a certification program jointly organized

by the METI and the Nippon Kenko Kaigi. We were also included in the "White 500" in 2021 and 2022. Going forward, we will continue to improve the workplace environment by promoting employee health management and working to rectify excessively long working hours.



● **STOP Infections Awards—Grand Prix**

Earth Corporation's MA-T™ won the Grand Prix in the 1st STOP Infections Awards, which recognizes advanced measures to combat infectious disease, and which was one of the awards making up the 7th Japan Resilience Award (2021), organized by the Association for Resilience Japan.

We see ourselves as having a mission to encourage widespread adoption of MA-T™, so that we can strengthen society's trust in it, expand its economic benefits through the creation of new industries, and explore its potential for addressing society's problems, and so we are undertaking related activities.



President and Representative Director Katsunori Kawabata and Executive Officer Sakurai Yoshiaki at the award ceremony

Participation in related initiatives

● **United Nations Global Compact (UNGC)**

The UNGC is an initiative whereby business enterprises and other organizations can voluntarily participate in the building of global frameworks for realizing sustainable growth, by acting as good corporate citizens in terms of exercising responsible, productive leadership.

Earth Corporation has signed up to the UNGC, and in the future we will be implementing business activities aimed at addressing various societal problems, working to promote ESG-aware management, CSV business and sustainability activities on a global scale in the environmental (E), social (S) and governance (G) fields.



● **Supporting the TCFD Recommendations**

In October 2022, Earth Corporation announced its agreement with the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations.

The Earth Group is promoting sustainability-focused management in order to contribute toward the realization of a sustainable society and achieve sustainable growth as a business



● **CLOMA**

Earth Corporation has joined the Japan Clean Ocean Material Alliance, which was established with the aim of helping to solve the problem of marine plastic waste. Going forward, we will be working to strengthen environmentally-focused initiatives that address the problem of plastic waste in the oceans and also other problems affecting the global environment.



For more details about Helping to Address Society's Problems through Our Business, please visit our corporate website.

