

Corporate Philosophy of the Earth Group

We act to live in harmony with the Earth.

The use of the word “Earth” in our corporate name is based on the vision of our founders, who sought to provide the world with products that are beneficial to people.

For more than a century since our founding in 1892, we have been devoted to helping people live happy, healthy lives and have continued to provide high-quality products, thus growing steadily together alongside society in the process.

Moving forward, as an essential part of diverse lifestyles for even more people around the world, Earth Group will advance together with our customers, society, and shareholders as we contribute to even greater prosperity and enjoyment in daily living through harmony with the essence of life.

地球を、キモチいい家に。



Featuring a motif of the Earth, the blue part of our logo represents “life” that is both safe and enjoyable, while the red part of the design protruding to the right expresses the passionate, sincere and energetic corporate spirit of the Earth Group: “Act.”

To express the Earth Group’s stance of aiming for the best and continuously taking on new challenges, we adopted the design of having the letter “A” in “EARTH” shaped like an upward pointing arrow.

“Act For Life” expresses Earth Group’s promise to our customers; namely, that we will exist in harmony with the lives and lifestyles of all people (Life) and will contribute (Act) to ensure safe and enjoyable lifestyles.

The Japanese tagline “地球を、キモチいい家に。” is our way of expressing our “Act For Life” commitment to customers in a friendly and memorable way.

“キモチいい (*kimochi-ii*)” signifies safety and enjoyment in Japanese.

To Our Shareholders

I would like to express my deepest appreciation for your continued patronage.

Last year had no shortage of news topics throughout the year, including the start of the new Reiwa era in Japan and the consumption tax hike going into effect. Domestically we were able to achieve the targets in our plan as our initiatives thus far to cut costs and reduce product returns bore fruit, despite a drastically changing environment including weather extremes that we can no longer call abnormal. I wish to express my heartfelt gratitude to our shareholders, as we could not have accomplished this without your support.

We are also seeing clear positive results in our efforts to build business infrastructure for future growth, as called for in our mid-term management plan. We are expanding our business overseas with a focus on Asia, and our initiatives to generate synergies among group companies continue to progress. Meanwhile, we are also actively promoting awareness to help prevent the spread of infectious insect-borne diseases. These activities are aligned with the Earth Group Corporate Philosophy to contribute to society with our *Mushi Care* (home use pesticide) products. We will proudly continue engaging in these efforts.

The business climate may be getting harsher with each passing day, but please have faith in us. Everyone in the Earth Group, employees and officers alike, will be working together to keep our business growing.

I sincerely request all shareholders to provide us with your continued support and cooperation.

March 2020

Katsunori Kawabata
President & Representative Director
Earth Corporation
Earth Group CEO



(Notes)

1. This document has been translated from Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail.

Stock Code: 4985
March 5, 2020

To: Our Shareholders

Katsunori Kawabata
President & Representative Director
Earth Corporation
Earth Group CEO
12-1, Kanda-Tsukasamachi 2 chome,
Chiyoda-ku, Tokyo

Convocation Notice of the 96th Annual General Meeting of Shareholders

We would like to express our sincere gratitude for your extraordinary support.

Please be advised that the 96th Annual General Meeting of Shareholders will be held as set below. You are cordially invited to attend the Meeting.

If you are unable to attend the Meeting on that day, you can exercise your voting rights by any of the following methods. Please review the accompanying “Reference Documents for the Annual General Meeting of Shareholders” and exercise your voting rights by 5:20 p.m., March 25, 2020 (Wednesday) (JST).

Details of the Meeting

- 1. Date and time:** March 26, 2020, (Thursday) at 10 a.m. (JST)
Receptions opens at 9 a.m. As it is expected to be crowded right before the start of the Meeting, we suggest you arrive early.
- 2. Place:** 2F Hall, Belle Salle Kanda, Sumitomo Fudosan Kanda Building
7 Kanda Mitoshirocho, Chiyoda-ku, Tokyo, Japan
Please be aware that if the hall on the second floor is fully seated, you will be guided to the second hall on the third floor.
- 3. Agenda:**
Matters to be reported: (1) Report on the business reports, the consolidated financial statements, and the results of the audit of the consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board for the 96th fiscal year (January 1, 2019 to December 31, 2019)
(2) Report on the financial statements for the 96th fiscal year (January 1, 2019 to December 31, 2019)
Matter to be voted on:
Proposal: Election of eight (8) Board Directors

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Reference Documents for the General Meeting of Shareholders

[Proposals and Reference]

Proposal: Election of eight (8) Board Directors

Upon the close of this Annual General Meeting of Shareholders, the terms of office of all eight (8) Board Directors will expire. Accordingly, shareholders are requested to elect eight (8) Board Directors.

The candidates for Board Directors are as follows:

Candidate No.		Name (Age)	Current title at the Company	Number of years served as a Director (at the close of this Meeting)	
1	Reappointment	Tatsuya Otsuka (61 years old)	Chairman of the Board	30 years	
2	Reappointment	Katsunori Kawabata (48 years old)	President & Representative Director	7 years	
3	Reappointment	Yoshinori Kawamura (68 years old)	Board Director & Managing Executive Officer	19 years	
4	Reappointment	Shuji Kimura (69 years old)	Board Director & Managing Executive Officer	15 years	
5	Reappointment	Yoshiyuki Furuya (57 years old)	Board Director & Managing Executive Officer	6 years	
6	Reappointment	Hisaaki Karataki (63 years old)	Board Director & Senior Executive Officer	9 years	
7	Reappointment	Hideyuki Tamura (69 years old)	Outside Independent	Outside Board Director	4 years
8	Reappointment	Harold George Meij (56 years old)	Outside Independent	Outside Board Director	1 year

Reappointment: Reappointed Director candidate


Outside: Outside Director candidate


Independent: Independent Director candidate who meets the criteria prescribed by the stock exchange

(NOTE) The age is as of the conclusion of this Meeting.

No.	Name (Date of birth)	Brief profile, title and significant positions concurrently held at other companies and organizations	Number of the Company's shares held
3	 Yoshinori Kawamura Date of birth: March 12, 1952 68 years old Number of years served as a Director: 19 years Reappointment	February 1976 Joined Otsuka Pharmaceuticals, Co., Ltd. January 1981 Joined the Company January 1993 President & CEO of ARS CHEMICAL (THAILAND) CO., LTD. October 1999 Board Director Status, General Manager of International Business Department of the Company March 2001 Board Director, General Manager of International Business Department of the Company March 2010 Managing Board Director, Director General of International Headquarters of the Company March 2018 Board Director & Managing Executive Officer, Director General of International Strategy Headquarters of the Company January 2020 Board Director & Managing Executive Officer, General Manager of Overseas Management Department of the Company (present)	32,300 shares
<p>[Reasons for nomination as a candidate for Board Director] Mr. Yoshinori Kawamura has served as president of overseas subsidiaries for a number of years, as well as directed the Earth Group's overseas sales activities, actively contributing to the expansion of our overseas business scale. He has contributed to the strengthening of the Board of Directors' decision-making and supervisory functions by capitalizing on his wide experience and achievements overseas. Accordingly, to aim for the continuous enhancement of the corporate value of the Earth Group, we have nominated him as a candidate for Board Director.</p>			
4	 Shuji Kimura Date of birth: January 20, 1951 69 years old Number of years served as a Director: 15 years Reappointment	February 1973 Joined the Company March 1995 Board Director Status, General Manager of Human Resources Department of the Company March 2005 Board Director, General Manager of Supply Chain Department of the Company March 2012 Managing Board Director, Ako Division Manager, General Manager of Supply Chain Department, Administration Headquarters of the Company September 2015 Director of Earth Chemical (Suzhou) Co., Ltd. (present) September 2015 Director of Earth Chemical (Tianjin) Co., Ltd. (present) March 2018 Board Director & Managing Executive Officer, Director General of Global Supply Headquarters of the Company	28,300 shares
<p>[Reasons for nomination as a candidate for Board Director] Mr. Shuji Kimura has engaged in a wide range of operations, including sales, logistics and manufacturing. Particularly, in recent years, he has been directing the Earth Group's supply chain from procurement to shipment in the Asian region, contributing to the creation of synergies through the cooperation of domestic and overseas group companies. He has contributed to the strengthening of the Board of Directors' decision-making and supervisory functions by capitalizing on his abundant experience and achievements. Accordingly, to aim for the continuous enhancement of the corporate value of the Earth Group, we have nominated him as a candidate for Board Director.</p>			

No.	Name (Date of birth)	Brief profile, title and significant positions concurrently held at other companies and organizations	Number of the Company's shares held
5	 Yoshiyuki Furuya Date of birth: January 19, 1963 57 years old Number of years served as a Director: 6 years Reappointment	March 1985 Joined the Company March 2008 Board Director Status, General Manager of Sales Planning Department, Sales Headquarters of the Company February 2012 Board Director of Bathclin Corp. March 2014 Board Director, General Manager of Sales Planning Department, Sales Headquarters of the Company September 2014 Board Director of Hakugen Earth Co., Ltd. January 2015 Board Director of the Company, Director General of Sales Headquarters of the Company March 2016 Managing Board Director, Director General of Sales Headquarters of the Company March 2018 Board Director & Managing Executive Officer, Director General of Sales Headquarters of the Company (Present)	18,000 shares
		[Reasons for nomination as a candidate for Board Director] Mr. Yoshiyuki Furuya has consistently engaged in front-line sales activities and has been involved in the development and implementation of sales strategies in the sales planning department since joining the Company. Since January 2015, he has been leading overall activities of the Company's sales department. He has contributed to the strengthening of the Board of Directors' decision-making and supervisory functions by capitalizing on his wide experience and achievements in Japan. Accordingly, to aim for the continuous enhancement of the corporate value of the Earth Group, we have nominated him as a candidate for Board Director.	
6	 Hisaaki Karataki Date of birth: May 8, 1956 63 years old Number of years served as a Director: 9 years Reappointment	March 1979 Joined the Company March 2006 Board Director Status, President & General Manager of Earth Chemical (Suzhou) Co., Ltd. March 2011 Board Director of the Company & President of China Operations June 2015 Chairman of Earth Chemical (Shanghai) Management Co., Ltd. September 2015 Chairman of Earth Chemical (Suzhou) Co., Ltd. September 2015 Chairman of Earth Chemical (Tianjin) Co., Ltd. March 2016 Board Director, Director General of Administration Headquarters of the Company May 2017 Auditor & Supervisory Board Member of Earth Corporation Vietnam (present) July 2017 Auditor & Supervisory Board Member of Earth Pet Co., Ltd. March 2018 Board Director & Senior Executive Officer, Director General of Administration Headquarters of the Company (present)	12,400 shares
		[Reasons for nomination as a candidate for Board Director] Mr. Hisaaki Karataki has engaged in the operations of the production department of overseas subsidiaries and the management of Chinese subsidiaries for many years, and from 2016, he has directed the Administration Headquarters, to strengthen the Company's business foundation. He has contributed to the strengthening of the Board of Directors' decision-making and supervisory functions by capitalizing on his wide experience and achievements in Japan and overseas. Accordingly, to aim for the continuous enhancement of the corporate value of the Earth Group, we have nominated him as a candidate for Board Director.	

No.	Name (Date of birth)	Brief profile, title and significant positions concurrently held at other companies and organizations	Number of the Company's shares held
7	 <p>Hideyuki Tamura Date of birth: January 4, 1951 69 years old Number of years served as a Director: 4 years Reappointment Outside Independent</p>	<p>April 1975 Joined HOKKAICAN CO., LTD. (currently HOKKAN HOLDINGS LIMITED)</p> <p>November 1999 General Manager of technology development department of HOKKAICAN CO., LTD.</p> <p>March 2000 Director of HOKKAICAN CO., LTD.</p> <p>June 2004 President & Representative Director of Nitto Seiki Co., Ltd.</p> <p>October 2005 Director & Executive Operating Officer of HOKKAICAN CO., LTD.</p> <p>June 2007 Director of HOKKAN HOLDINGS LIMITED</p> <p>April 2008 President & CEO of HOKKAICAN CO., LTD.</p> <p>June 2010 Executive Managing Director of HOKKAN HOLDINGS LIMITED</p> <p>March 2016 Outside Board Director of the Company (present)</p> <p>July 2019 Special Advisor of MATSUNAGA KENSETSU Co., Ltd. (present)</p>	800 shares
<p>[Reasons for nomination as a candidate for Outside Board Director] Mr. Hideyuki Tamura has appropriately fulfilled his role, including making crucial management decisions and supervising business operations from an independent and fair standpoint as an Outside Board Director. In addition, as he has abundant experience and extensive knowledge in manufacturing and sales as a business manager, and has attended all Board of Directors meetings and provided his opinions, we deem him as an appropriate person to conduct the supervision of business execution as an Outside Board Director. Accordingly, we have nominated him as a candidate for Outside Board Director.</p> <p>[Matters regarding independence] Mr. Hideyuki Tamura fulfills the criteria for Independent Directors laid down in the regulations of the Tokyo Stock Exchange as well as the Company's Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members. Although he is from a company that has transactions with the Company concerning materials, his independence is secured as the Company's transactional amount with said company is less than 0.2% of the Company's consolidated net sales.</p>			

No.	Name Date of birth	Brief profile, title and significant positions concurrently held at other companies and organizations	Number of the Company's shares held
8	 Harold George Meij Date of birth: December 4, 1963 56 years old Number of years served as a Director: 1 year Reappointment Outside Independent	January 1987 Joined Heineken Japan K.K. (currently Heineken Kirin K.K.) Assistant General Manager of Heineken Japan K.K. April 1990 Joined Nippon Lever K.K. (currently Unilever Japan K.K.) Assistant Brand Manager of Nippon Lever K.K. April 2000 Joined Sunstar Inc. Executive Officer of Oral Care Division of Sunstar Inc. September 2006 Joined COCA-COLA (JAPAN) COMPANY, LIMITED Executive Vice President & General Manager of Marketing Headquarters of COCA-COLA (JAPAN) COMPANY, LIMITED November 2008 Executive Vice President & Chief Customer Officer of COCA-COLA (JAPAN) COMPANY, LIMITED March 2014 Joined TOMY COMPANY, LTD. Management Advisor of TOMY COMPANY, LTD. June 2015 Representative Director, President & CEO of TOMY COMPANY, LTD. June 2018 Representative Director, President & CEO of New Japan Pro-Wrestling Co., Ltd. (present) March 2019 Outside Board Director of the Company (present)	0 shares
<p>[Reasons for nomination as a candidate for Outside Board Director] Mr. Harold George Meij is expected to provide various advice and opinions regarding management for the Company to achieve medium- to long-term growth based on his wide experience and profound knowledge in domestic and overseas business management. Accordingly, we have nominated him as a candidate for Outside Board Director.</p> <p>[Matters regarding independence] Mr. Harold George Meij fulfills the criteria for Independent Directors laid down in the regulations of the Tokyo Stock Exchange as well as the Company's Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members.</p>			

[Special Notable Matters Concerning Candidates for Director]

(Notes)

1. There are no special interests between the candidates for Board Directors and the Company.
2. Outline of liability limitation agreement
 The Company has entered into a liability limitation agreement with Mr. Hideyuki Tamura and Mr. Harold George Meij. The maximum amount of liability for damages based on the agreement is the minimum amount of liability stipulated by laws.

(Reference) Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members

As part of efforts to strengthen corporate governance, the Company has stipulated the following criteria for assessing the independence of Outside Board Directors and Outside Audit & Supervisory Board Members.

1. A person who has never been a Board Director (excluding Outside Board Director, the same applies hereinafter), an Audit & Supervisory Board Member (excluding Outside Audit & Supervisory Board Members, the same applies hereinafter), an Executive Officer, or a Key Employee (hereinafter collectively “Board Director, etc.”) of the Company and its subsidiaries (hereinafter the “Earth Group”).
2. A person who is not a relative within the second degree of kinship of the Earth Group’s Board Director, etc.
3. A person who is not among existing Major Shareholders of the Company or a Board Director, etc. thereof, or a Board Director, etc. of a company where the Earth Group is a Major Shareholder, in the past year.
4. A person who is not a Board Director, etc. of any Major Transactional Partner of the Earth Group in the past three years.
5. A person who is not currently a Board Director, etc. of a company that has accepted a Board Director or Audit & Supervisory Board Member from the Earth Group, or a Board Director, etc. of its parent company or subsidiary.
6. A person who is not a certified public accountant as the Earth Group’s Accounting Auditor or a partner or employee of an auditing firm as the Earth Group’s Accounting Auditor.
7. A person who is not a provider of specialized services, including certified public accountants, certified public tax accountants, lawyers, and various consultants, who has accepted monetary and other property benefits, excluding officer remuneration, of more than 10 million yen per year from the Earth Group (If the recipient of the benefits is an organization (e.g., a legal entity), a person who does not belong to an organization whereby the total property benefits received from the Earth Group exceeds 2% of the organization’s total annual income).
8. In addition to the previous items, a person who is deemed to have no special circumstances that may cause a conflict of interest with the Company, or a person who does not belong to an organization (e.g., a legal entity) deemed as having such a risk.

[Explanatory notes]

1. “Key Employee” refers to an employee who holds the position of General Manager or a higher position.
2. “Major Shareholder” refers to one who directly or indirectly holds a number of voting rights that account for at least 10% of the total voting rights.
3. “Major Transactional Partner of the Earth Group” refers to a company whereby the amount paid to or received from the Earth Group in the past fiscal year account for at least 2% of either the Earth Group’s or the transactional partner’s consolidated net sales.