

Message from the President

Toward the Realization of a Sustainable Society

### **About the Roles of Kubota with Three Business Fields**

The novel coronavirus (COVID-19) remains rampant across the globe; however, it is not the only issue that we are facing.

All kinds of social problems, starting with global warming and including food and water shortages due to a growing population, have come to the fore on a global scale. Carbon neutrality has become an essential goal to be met around the world in order to realize a sustainable society. Hence, as announced last year, the Company also holds up its environmental vision that it will strive to contribute to the “realization of a carbon-neutral and resilient society in the fields of ‘food, water, and the environment,’ while facing the challenge of achieving zero environmental impact” toward 2050, and will start reviewing specific measures to reduce greenhouse gas emissions while taking into consideration social problems in each community in order to realize it.

For example, agriculture has an inseparable relationship with the global environment. It will become possible to not merely reduce the CO<sub>2</sub> emitted from farm machinery and greenhouses but also control methane gas which has an adverse impact on global warming by applying ingenuity and wisdom to the way water is managed, etc. We intend to combine technologies that agriculture has with those related to water environment to contribute to controlling global warming through Kubota’s solutions. We will work hard to achieve carbon neutrality, a new future that society aims at, with awareness that “social issues will not be solved unless Kubota takes the lead.”

### **What Is the Recycling-Based Society that We Aspire to Realize?**

A smart city in which residents are connected through IT through the use of AI and information and communications technology (ICT) has been drawing more attention these days. However, it is a society with a natural recycling system in place that we aspire to realize.

We create energy through biomass power generation using agricultural residues, livestock waste and other sources of greenhouse gases, and the energy generated is used to run tractors and the like. Building a natural recycling system by integrating water environment technologies with farm machinery technologies will enable a single village to be self-sufficient. Also, by joining together the food value chain of food production, water infrastructure such as water supply and sewage, and a resource recycling system including waste treatment, we should be able to shift away from an urban-centric society with mass production and mass consumption, and realize a recycling-based distributed society with reduced loss. Going

forward I would like to call for cooperation from the national and local governments, private companies, universities and others to realize such future.

### **For the Earth in 100 Years' Time**

It is also important to develop human resources who can devise solutions to various issues of society and make them happen for the future earth.

With the hope that the young generation will think a lot about the earth in 100 years' time, we entered into an industry-academia co-creation agreement with the University of Tokyo last year. We plan to jointly do research to bring about a new circulation system of food production, distribution and consumption, a new water circulation structure that is conscious of the biosphere, and a recycling-based society that balances our comfortable future lives with the preservation of the environment. I also believe that such education of and investment in human resources will lead to the creation of potential new businesses.

### **In Conclusion**

Unless each business unit functions as part of the whole, we cannot hope to reach our goal for the long-term vision "GMB2030" to become an "Essentials Innovator for Supporting Life, Committed to a Prosperous Society and Cycle of Nature."

I am starting to see the promotion of themes where mutual synergies can be expected, such as between water and the environment, the environment and agriculture, and water and agriculture, as well as wider use of digital transformation (DX). Solutions that are needed for ever more complex and advanced social issues are starting to emerge. I also expect that each of the three elements of the global loop—food, water, and the environment—will grow bigger and overlap each other more and more to eventually become one.

I would like to continue thinking about what the Company can do for the earth in 50 or 100 years' time.