

Summary of the Board Effectiveness Evaluation for Fiscal 2023

Kubota Corporation (hereinafter, “Kubota”) aims to “Strengthening corporate governance,” which is one of the material issues for accelerating the achievement of our Long-Term Vision “GMB2030,” and believes that it is important to continue pursuing corporate governance that supports fair, prompt, and decisive business management, in order to raise our corporate value. Accordingly, Kubota works to improve the effectiveness of its Board of Directors by conducting evaluations of the Board of Directors every year to verify how its roles and functions contribute to fulfilling its duties of overseeing management.

The Board effectiveness evaluation for fiscal 2023 was conducted and we report its evaluation method and results as below.

1. Evaluation method

An evaluation was conducted from December 2023 to March 2024.

The evaluation method is as outlined in (1) to (4) below.

(1) Discussions by the Board of Directors (December 2023)

After deliberations by the Board of Directors that took into account the evaluation method and processes that were reviewed when the evaluation was conducted by a third party in fiscal 2022, the evaluation method and processes for fiscal 2023 were determined as follows in (2) to (4).

(2) Questionnaire (December 2023 to January 2024)

All directors and Audit & Supervisory Board members (17 individuals) took part in a questionnaire overseen by a third-party organization.

Evaluation major items: Overall Evaluation of the Board of Directors/Composition of the Board of Directors/Operations of the Board of Directors/Role and Function of Members/Status of role, function, and discussion of the Board of Directors/Effectiveness of Committees on Nominations and Remuneration/Status of Utilization of Effectiveness Evaluation/Self-evaluation/Gap Analysis (evaluating the level of importance of proposals and the amount of discussion respectively on a scale of 10 and analyzing the gap)

(3) Discussions between outside directors and Audit & Supervisory Board members (January 2024)

Based on the results of the questionnaire mentioned above, five outside directors and six members of the Audit & Supervisory Board discussed the effectiveness of the Board of Directors.

(4) Discussions by the Board of Directors (February and March 2024)

At a meeting of the Board of Directors held in February 2024, the results of the evaluation were reported and the board discussed the issues that were identified and the direction of future initiatives. Taking its discussions in February into consideration, in March 2024 the Board of Directors determined action plans for fiscal 2024.

2. Evaluation results

Through this evaluation, it was determined that the Board of Directors demonstrated sufficient decision-making and supervisory functions, and that it was acting effectively. The findings are detailed below.

<Structure>

- The outside directors and outside Audit & Supervisory Board members possess a high degree of specialism and a wide range of knowledge, and their new perspectives or things they have noticed about business execution result in animated questions and observations.
- The active contributions by the Audit & Supervisory Board members, who have a deep understanding of the business, help to perform the board's supervisory functions.
- Everyone who attends meetings of the Board of Directors has mutual respect for one another and discussions are constructive and based on diverse perspectives.

<Operations>

- Through the Value Up Discussion Meeting (VUDM), the Board of Directors discusses its roles and functions and clarifies any issues.
- Facilitation by the chairman spurs lively discussion and this contributes to the quality of that discussion.
- A board culture of free and open discussions has been fostered.

➤ For main issues identified by the effectiveness evaluation conducted in fiscal 2022, various measures have further raised the board's effectiveness.

Main issues in FY2022	Initiatives in FY2023
Deepening discussions into medium- and long-term growth strategies	Repeated discussions at the VUDM identified themes related to medium- and long-term growth strategies requiring deeper discussion.
Strengthening the functions of the Nomination Advisory Committee	The Nomination Advisory Committee continued discussions on the president succession plan and the composition of the Board of Directors.
Formulating a system for board succession to support a high degree of effectiveness	At the VUDM, members discussed the state of Kubota and its future direction, and clarified the ideal vision for the Board of Directors.

* Value Up Discussion Meeting: An opportunity periodically held for the Board members and auditors to openly discuss topics designed to enhance corporate value.

3. Issues and action plans

The main issues identified during the fiscal 2023 effectiveness evaluation and action plans for fiscal 2024 are as follows. Kubota will steadily implement this action plans to further improve the effectiveness of the Board of Directors.

Main issues in FY2023	Action plans for FY2024
Coming up with and implementing discussion themes for the Board of Directors and VUDM	Based on the themes identified in 2023, formulate the annual agenda for the Board of Directors and VUDM and implement this.
Reviewing agenda criteria for the Board of Directors	To enhance the discussion of medium- and long-term strategies, discuss the agenda criteria for the Board of Directors.
Strengthening the functions of the Nomination Advisory Committee	Deepen further discussions related to the composition of the Board of Directors and the president succession plan.

[Reference: Process for improvement of the Board of Directors' effectiveness]

Kubota employs a continuous cycle for improvement, where it evaluates the Board of Directors' effectiveness at the end of each fiscal year, identifies issues in light of the evaluation findings, and develops action plans to address them. These plans are then implemented by the Board of Directors the following year, as shown in the diagram below.

