Value Creation

Promoting K-ESG Management

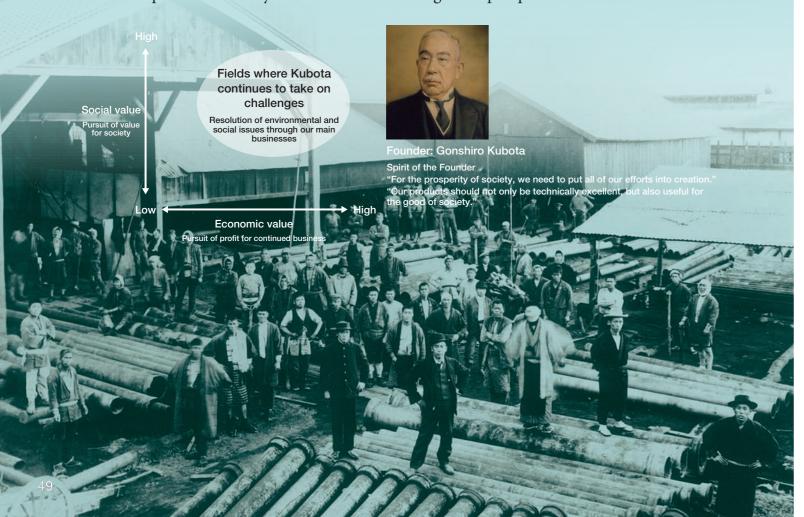
Current initiatives

While passing down the Kubota's heritage since our founding, we are vigorously promoting K-ESG management as the key to realizing our Long-Term Vision.

Resolving social issues is part of our corporate philosophy, and to continue and develop our efforts, we aim to further raise our corporate value by continuing to pursue both social and economic value.

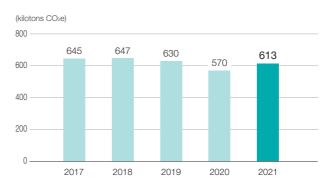
K-ESG management initiatives

- 1. We will continue to create corporate value (social value and economic value) by solving environmental and social problems through business.
- 2. We will resolve those problems through innovation.
- 3. We will forge ahead with initiatives by gaining the empathy and participation of stakeholders.
- 4. We will make our efforts sustainable through corporate governance that incorporates diversity and medium- and long-term perspectives.

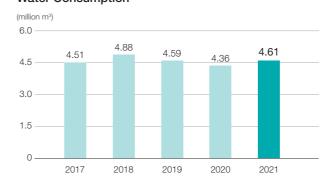


Non-financial Highlights

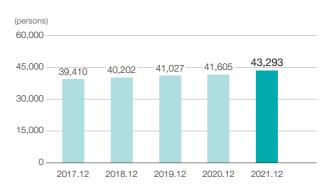
CO₂ Emissions*



Water Consumption'



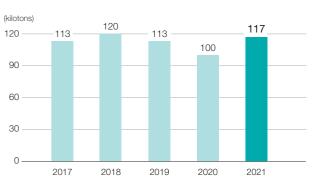
No. of Employees



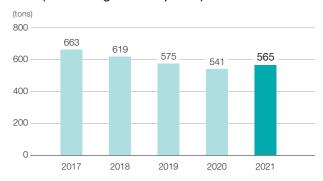
No. of Patents/New Utility Models Possessed (Kubota Corporation and Group Companies in Japan)



Waste Discharge*



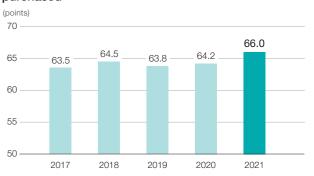
VOC (Volatile Organic Compound) Emissions*



No. of Women in Management Roles



Overall customer satisfaction with dealer where purchased



^{*} For the reporting period for environmental data, see the Calculation Standards of Environmental Performance Indicators (p. 86 of ESG REPORT 2022) URL: https://www.kubota.com/ir/financial/integrated

Environmental

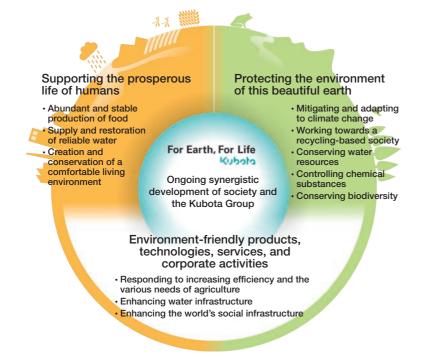
Under the brand statement "For Earth, For Life", the Kubota Group will contribute toward the development of a sustainable society through its environmental management.

Kubota Group environmental management

In order to protect the beautiful global environment and continue to support the prosperous life of humans, the Kubota Group is contributing to both its own business growth and environmental conservation through its environment-friendly products, technologies, services, and corporate activities. In this way, it aims to achieve ongoing, synergistic development in hand with society.

The Kubota Group will decrease the environmental impact, and reduce environmental risk, of its corporate activities as well as aiding the development of society and conserving the global environment.





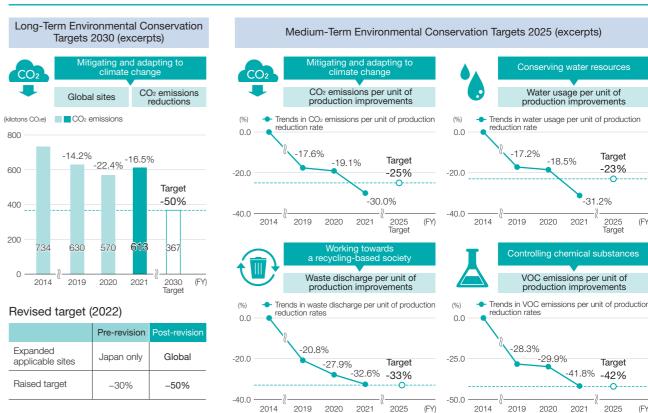
Activities past, present, and future

The social issues that we at the Kubota Group have faced have changed with the years, and during that time we have evolved our environmental management. As the years have gone by, the social responsibility asked of companies has become increasingly complex. In the future, we will continue to promote activities that aim to bring about our Environmental Vision, which we formulated in 2021.

Changes in society	Kubota initiatives	Policies and targets	Frameworks	Activities		
2020s Various countries made carbon neutrality declarations Expansion of ESG investment and lending	2020s and beyond Acceleration of efforts to realize our Environmental Vision	2022 Revised Long-Term Environmental Conservation Targets 2030 2021 Established our Environmental Vision Formulated Medium-Term Environmental Conservation Targets 2025	2021 Launched the ESG Management Strategy Meeting	2020 Expressed support for the TCFD		
2017 TCFD published its final report 2016 Paris Agreement came into effect	2010s Expanded environmental management	2016 Formulated Long-Term Environmental Conservation Targets 2030	2014 Launched the Environmental Management Strategy Committee 2014 Launched Environmental Manager Conferences (overseas)	2011 Established the International Certification System for Eco-Products 2010 Certified as an Eco-First Company		
2005 Kyoto Protocol came into effect 1996 International standard ISO 14001 was published	1990s/2000s Strengthened environmental controls	2006 Established the Kubota Group Environmental Charter 1993 Formulated the Environmental Voluntary Plan* 1992 Established the Kubota Global Environmental Charter	1997 Launched Environmental Manager Conferences (in Japan)	2001 Established the Green Procurement Guideline 2000 Received ISO 14001 certification for sites in Japan 1994 Created an environmental auditing system		
1970s Environmental damage (pollution) increased alongside economic growth	1970s/1980s Thorough efforts to prevent pollution		1972 Created the Pollution Control Dept. (now the Environmental Protection Dept.)	1973 Created a pollution patrol system		

* Since then, the plan has been periodically revised as medium- and long-term environmental conservation targets.

Medium- and Long-Term Environmental Conservation Targets and Results



Environmental impact reduction activities

We are systematically pushing initiatives around the world to reduce our environmental impact to zero.

Measures to Reduce CO₂ Emissions



Kubota Engine (Wuxi) Co., Ltd. (China) has fitted solar panels with 600 kW of output of the roof of its plant building, and in September 2021 started generating electricity. The power generated each year will equate to around 20% of total consumption.

Measures to Reduce Water Consumption



Kubota Agricultural Machinery (Suzhou)
Co., Ltd. (China) has installed recycling
treatment equipment to reuse wastewater
from processes throughout the whole plant,
to eliminate process wastewater entirely.

Awareness-raising activities

We conduct training to raise awareness of environmental considerations among employees so they can apply what they learn to future business activities, as well as activities in line with regional issues.

Environment Month poster from FY2021



Conserving Biodiversity



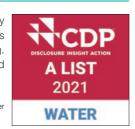
Kubota Baumaschinen GmbH (Germany) has created an "insect hotel" in an area of its car park, and is striving to protect biodiversity.

External evaluations

Gaining the highest praise for water security from the CDP*

In 2021, the CDP Water Security 2021 program designated Kubota as an A-list company, their highest rating. This is the fourth time we have received this rating, and the third year in a row.

 An international, not-for-profit organization that surveys and evaluates companies' strategic water policies



Renewal of our Eco-First Commitment

Under the certification system run by the Japanese Ministry of the Environment, Kubota renewed its Eco-First Commitment, and was recertified as an Eco-First Company by the Minister of the Environment in December 2021.



Foundation of Value Creation Starting Point for Determination behind Front Lines of Value Creation Value Creation Financial & Value Creation

Disclosure based on TCFD recommendations

Governance

In 2021, the Kubota Group's Environmental Management Strategy Committee—first established in 2014—became the ESG Management Strategy Meeting. The meeting's members deliberate on ESG-related issues from throughout the entire Kubota Group. They also discuss the medium- and long-term direction of environmental management, including global environmental issues, such as climate change, and the business environment. Then they determine plans and in which areas the Kubota Group should prioritize its efforts. The meeting's members also ascertain and analyze the progress of the Group's environmental conservation activities, and apply the findings to future plans. In doing so, we are ensuring management is based on the PDCA cycle

Strategy

Likelihood that production and sales activities will be affected by delays in procuring raw materials

Organizations such as the IPCC and IEA have published hypothetical scenarios for a 2°C or 4°C rise in global temperatures based on population increases and economic development. Using these, we have analyzed and evaluated the likely factors we will see in 2030-including predictions about market and business environment changes and how climate change will affect each of our business areas. Going forward, we will continue to use different hypothetical scenarios to analyze risks and opportunities presented by climate change. We will also investigate ways of evaluating forecast influences on business activities and economic impacts, and will work on further developing our information disclosure.

We have provided the finding of our analysis of the hypothetical scenarios and how they relate to our agricultural machinery and water-related businesses below.

Risk Management

We manage risks associated with climate change based on our corporate governance structure. We have identified materiality related to environmental conservation activities-including our response to climate change-throughout the entire value chain, including direct operation, upstream, and downstream. Potential risks and opportunities are considered from short-, medium-, and long-term perspectives, and we will review specific risks and opportunities annually. As part of the process of responding to such risks and opportunities, and evaluating them, we have established a set of medium- and long-term environmental conservation targets, and we will be managing our progress toward

Metrics and Targets

Our medium- and long-term environmental conservation targets aim to reduce the risks of climate change and maximize opportunities, and include reducing CO₂ emissions and improving our CO₂ emissions per unit of sales figures. In order to achieve these targets, we will be continuing energy-saving activities at our sites to reduce the amount of energy consumed. We are also switching out the fuels we use, such as by shifting from cupola furnaces to electric furnaces, and further expanding our use of renewable energy. In these ways, we are promoting efforts to achieve carbon neutrality.



business continuity plan (BCP)

Decentralize the purchasing of parts and materials by diversifying procurement routes
Construct a manufacturing system that is resilient to weather disasters based on a

For more details on our medium- and long-term environmental conservation targets, please follow the link below.

www.kubota.com/sustainability/environment/active/

_		the PDCA cycle.	Revenue Expenses Expenses					
Scenario		Summary of scenario analysis results (changes in market and operating environment)	Evaluation results and financial im	pacts (2030)	Countermeasure strategies			
		Changes in product design and conditions of use owing mainly to tougher climate change-related regulations Likelihood that controls on fuel-efficiency improvements in internal combustion engines will be further tightened	We need to aggressively pursue R&D of products that offer improved fuel efficiency and can run on various power sources	R&D costs	We intend to contribute to the reduction in CO₂ emissions with the use of innovative agricultural machinery. • Continue to bolster R&D aimed at improving fuel efficiency of engines most likely			
2°C	Risks 【Technologies】	 Japan, the US, and European countries have announced carbon neutrality roadmaps for around 2050 and the transition to electrification and BEVs in the passenger car market in particular is gaining momentum Likelihood that new regulations will be applied to products that use internal combustion engines, like agricultural and construction machinery and utility vehicles, and that the need to reduce CO₂ emissions will grow stronger and demand for electrification, fuel cells, hydrogen engines, e-fuel, and other power sources will grow increasingly diversified 	The impact on revenue will be limited because the adoption of carbon-free energy will be partially limited to mainly developed countries and the switch to electric-powered machinery will be confined to applications only for which it is possible	Revenue	Subject to bloster restrictions up ahead Bring to market electric-powered agricultural machinery and expand product line Accelerate R&D towards the practical application of various power sources, suc synthetic fuels, hybrid motors, total electrification, fuel cells, or hydrogen engines according to the usage environment in each region			
2 0	Opportunities 【Markets】	Changes in mode of agriculture owing to promotion of decarbonization in the industry Crop yields will increase as farming technology advances and the effective use of farming land is further encouraged to mitigate the impacts of climate change	We expect higher revenue from products and services that contribute to low- or zero-carbon farming		We will look to help lower greenhouse gas emissions from farming an support sustainable food production activity. Propel R&D in products and services that can be adapted to low- or zero-car farming practices and changing weather conditions; for example, recycling of biomass resources and carbon storage Expand and popularize agricultural machinery and services that make smart f (automated machinery, precision agriculture, etc.) possible so as to contribute the efficient farming that requires less manpower Give tangible shape to farming solutions in regions affected by changing weat			
4°C	Opportunities 【Resilience】	Changes in suitable farming land (changes in demand for agricultural machinery and farming methods) Climate change will affect the relocation of suitable farming land and crop production	We expect higher revenue from products and services that can be adapted to changing weather conditions	Revenue	 expand applications for the following systems that integrate cutting-edge techn with ICT to contribute to greater farming efficiency: Kubota Smart Agri System (KSAS), a system that supports farm operations; Kubota Smart Infrastructure Sy (KSIS), an IoT solutions system; and WATARAS, Kubota's farm water managem system 			
	Risks	Changes in society's awareness of decarbonization • Likelihood of stronger calls for decarbonization across a product's life cycle worldwide, including the introduction of	Investment in carbon-free and energy-saving equipment will increase	Capital expenditures	We hope to alleviate higher manufacturing costs with energy-saving ar CO₂ emission reduction measures.			
2°C	【Regulations & Technology】	carbon pricing schemes and carbon border adjustment mechanisms Likelihood of customers demanding low- or zero-carbon manufacturing processes Likelihood of higher energy prices owing mainly to a society-wide push for the deployment of renewable energy	Manufacturing costs will rise, driven by higher energy and raw material prices	Cost of sales	 Facilitate energy saving and the reduction of CO₂ emissions in manufacturing processes 			
20	Opportunities [Markets]	Changes in social trends regarding the securing and conserving of water resources Ongoing population increase and economic development is expected to further drive up demand for water Likelihood that restrictions will be enforced on the intake and discharge of water for household and industrial use in developed countries and Asia as a preventive measure against stretched water resources and deteriorating water quality owing to the impacts of climate change Likelihood of increased demand for solutions that resolve water shortages and poor water quality	We expect higher revenue from the provision of products and solutions in connection with the development of water and sewage infrastructure	Revenue	We intend to contribute to the effective use of water resources. Contribute to the development of water and sewage infrastructure to meet incrwater demand Expand offerings of purification and sewerage treatment products and solution help improve water quality			
4°C	Opportunities 【Markets】	Changes in society's awareness of weather disasters Climate change is expected to negatively affect people's living environment chiefly because of the more frequent occurrence of typhoons, torrential rain, and other natural disasters, alongside drought and deterioration in water quality Likelihood of heightened demand for stronger resilience of existing water and sewage infrastructure, upgrades to aging facilities, and improvements in water quality in order to combat increasingly intense natural disasters Likelihood of growing demand in Japan for water-related products aimed at bolstering national resilience in response to increasingly intense natural disasters as a consequence of climate change	We expect higher revenue from the provision of products and solutions in connection with the development of more resilient water infrastructure, disaster response measures, and water quality improvements	Revenue	We intend to contribute to the building of water infrastructure that is resilient to weather disasters. • Expand provision of disaster prevention and disaster response products; for exa ductile iron pipes that can withstand disasters and drainage pump trucks that c meaningfully contribute when disasters occur • Expand applications for the Kubota Smart Infrastructure System (KSIS) to support w treatment plant operations and the remote monitoring, diagnosis, and control of equipments.			
2°C	Risks 【Regulations】	Changes in decarbonization approach of companies sought after by society Likelihood that regulations and measures geared towards decarbonization will gather momentum and that the rollout of a carbon tax scheme and impetus for the use of renewable energy will accelerate Likelihood of higher taxes on fossil fuels and CO ₂ emissions owing to the introduction of a carbon tax Energy costs and expenses associated with energy-saving measures are expected to rise when governments worldwide enforce stricter energy-saving restrictions	Investment in carbon-free and energy-saving equipment will increase	Capital expenditures	We intend to contribute to the reduction in CO ₂ emissions generated b business activities. Promote initiatives aimed at conserving energy use, installing energy-efficient equipment, switching fuels, installing LED lighting, and expanding the use of renewable energy at production sites			
2/4°C	Risks 【Physical】	Impacts on the Group and suppliers as a result of more abnormal weather events • Likelihood of increasingly intense and more frequent meteorological disasters like torrential downpours and floods • Negative effects on business activities are expected to be felt at the Group's sites and at suppliers	We expect that sales will be dented by the negative impacts of weather disasters like torrential rain, flooding, and high winds on and production and production and production and production and production and production	Revenue	We will aim to beef up climate change risk countermeasures at the Gro sites and at suppliers. Use hazard maps to identify sites that are at high risk of suffering damage from torrential rain, flooding, and strong winds and systematically push ahead with the reinforcement of buildings and measures to prevent electrical equipment from beinundated by water.			

53 54

production and procurement

Strengthening Partnerships with Society

Through innovations that resolve society's issues, we will purse value creation. To that end, we are strengthening measures to accelerate efforts to create such innovations, including collaboration between industry, government, and academia, and co-creation with external partners such as start-ups and partners outside Kubota.

Main FY2021 Results

- We participated in demonstration testing of the application of a localized 5G network in the agricultural field in Iwamizawa, Hokkaido
- We signed a strategic partnership with Accenture with the goal of promoting DX
- We signed a three-way collaborative agreement to open an agricultural studies facility in 2023 at Hokkaido Ballpark F Village
- We signed an industrial-academic collaboration agreement with the University of Tokyo
- We signed collaborative agreements in the agricultural field with several local authorities Miyagi Prefecture, Tsukubamirai City in Ibaraki Prefecture, and Kishiwada City in Osaka Prefecture

Industrial-academic collaboration agreement with the University of Tokyo

We signed a collaborative agreement with the University of Tokyo that takes as its theme "What can we do for the Earth in 100 years?" Under the agreement, both parties aim to create a "bioloop," the integration of coexistence with nature (bio) and a recycling-based society (loop), for food, water, and the environment globally, i.e., expanding local efforts to a global scale.



Teruo Fujii, President of the University of Tokyo, and Yuichi Kitao, President of Kubota (right)



Strategic partnership with Accenture

To accelerate our three types of total solution in our Long-Term Vision "GMB2030," we are partnering with Accenture, with its strengths in AI, IoT, and other cutting-edge digital technologies, to construct a platform capable of creating forms of unprecedented value worldwide.



Relationships with Our Customers

We always ask ourselves how we can bring our customers the maximum amount of satisfaction, and for that reason we stick close to our customers around the world, visit the places they work, and listen to real feedback as part of a thorough policy that puts on-site needs first. We wish to deliver products, technologies, and services that exceed customer expectations speedily, and aim to earn the trust of the greatest number of customers as a company that makes the greatest contribution to society.

Online Event, GROUNDBREAKERS:

Considering the Future of Japanese Agriculture with our Stakeholders

As an opportunity for us to consider the current state of Japanese agriculture and its future together with farm managers and other agricultural workers, we held a large-scale online event, GROUNDBREAKERS. Despite ongoing pandemic restrictions, using digital technologies, we were able to facilitate excellent twoway communication, connecting directly with our customers while also providing a venue for considering the future of agriculture.



Basic Concept behind Our Social Initiatives

K-ESG Management and Relationships with Stakeholders

Since our founding, we have taken the resolution of social issues as our mission, continuing to create the products and services needed in every age and region. Even as the world and society become increasingly complex and advanced, we believe we must not only keep contributing through our business activities in the future, we must also continue to meet the expectations of various stakeholders in every aspect of our corporate activities that support that goal.

In both our Long-Term Vision "GMB2030" and Mid-Term Business Plan 2025, we promote business operations that position ESG at the core of management. As a company engaged in the reduction of environmental impact and the resolution of social issues in its business activities in the fields of food, water, and the environment, we have defined the Kubota Group's unique FSG measures as K-FSG-measures that are rooted in the Group's corporate principles (the Kubota Global Identity). The "S" in K-ESG stands for "society," which we take to also mean our stakeholders. Taking an open and transparent approach, we will enhance and strengthen communication with stakeholders beyond what we have done before, and will build relationships that allow us to gain their empathy and participation.



By providing opportunities for a variety of stakeholders to feel

empathy for, and participate in, our businesses, the Kubota

Group promotes activities to raise its corporate value.

VOICE » Message from the person responsible for promoting K-ESG management

Kubota's many activities are made possible only by the understanding and cooperation of a number of stakeholders—customers, business partners, investors, local communities, employees, and others besides. The global environment is also an important stakeholder in the sense that we run our business using a lot of energy and resources from the earth. The "S" in the K-ESG management styles that lies at the heart of our operations is usually used as an abbreviation for "Society" or "Social," but it can also be taken to represent "Stakeholder." For Kubota to be a part of a more sustainable global and regional society, we will value our relationships with those stakeholders, and gain their understanding and empathy toward our business as we contribute toward the development of a sustainable society and the preservation of the beautiful earth.

Kazuhiro Kimura

General Manager of Corporate Compliance and Risk Management Headquarters General Manager of Human Resources and General Affairs Headquarters, In charge of ESG Promotion, General Manager of Head Office, General Manager of Kubota Technical Training Cente



Relationships with Business Partners

We work seriously to manage the supply chain that creates our products and services. From the viewpoint of contributing to the sustainability of society, we established the Kubota Group CSR Procurement Guidelines, based on the belief that it is necessary to have a common understanding of CSR with our major business partners in order to engage in collaborative efforts. By requesting business partners to submit a consent form indicating their intention to observe the terms of these guidelines, we encourage business partners' initiatives that target safe work practices, respect for human rights, and other important areas.

The Kubota Group CSR Procurement Guidelines

- 1. Winning Customer Satisfaction
- Conducting Corporate Activities Based on Compliance with Legal Regulations and Ethical Principles
- 3. Respecting Human Rights
- 4. Building up a Safe and Vibrant Work Environment
- 5. Conserving the Global and Local Environment
- 6. Achieving Symbiosis with International and Local Societies
- 7. Fulfilling Responsibilities for Improving Management Transparency and Accountability

Relationships with Shareholders and Investors

With the aim of sustainable growth and improving our medium- to long-term corporate value, we proactively publicize our IR activities and corporate information to all shareholders and investors. We also have results briefings for domestic and foreign institutional investors, company information sessions for individual investors, and factory tours. Going forward, we will engage in dialogue with all stakeholders.

Main FY2021 Results

- We had around 310 individual and group meetings with institutional investors and analysts during fiscal 2021
- We held an online briefing session for institutional investors and analysts about our ASEAN Farm & Industrial Machinery business
- We invited individual shareholders to an interactive and experiential event with athletes of Kubota Spears Funabashi TOKYO-BAY.



Shareholders and their families met the athletes

Relationships with Employees

Under the K-ESG management that we aspire to, employees should put the corporate principles in practice, and we should gain the empathy and participation of stakeholders inside and outside Kubota. Our employees are the main driving force in the K-ESG management, and as such are an important stakeholder. Furthermore, customer satisfaction cannot be accomplished without employee satisfaction. We promote the creation of comfortable and motivated workplaces where our employees can not only work safely and securely but also feel pride and joy in their work.

Main FY2021 Results

- We revised parts of our HR system to further strengthen human resource management
- We carried out an engagement survey
- We held a town hall meeting (direct dialogue between the President and workers)
- We introduced Kubota Smart Work (promoting reforms to ways of working)
- We held one-on-one seminars (periodic interviews between bosses and their subordinates on a one-to-one basis)
- We carried out the Employee K-ESG Awareness Survey (previously CSR Awareness Survey)

Case Study

Results from our engagement survey

We saw a trend among respondents of positive answers toward themes such as our company businesses, policies, and strategies. Half of all respondents gave us a positive score for employee engagement, and few did for topics related to communication, personal growth, and work tasks. To instill greater loyalty going forward, we will set KPIs and develop measures focused on the areas that correlate with employee engagement: opportunities for growth, work processes, responses to change, and communication.



Case Study

Introduction of Kubota Smart Work

We introduced Kubota Smart Work, an initiative that sets out measures to promote ways of working that are not dictated by location (via remote working, satellite offices, etc.) or working hours (via a super flextime system, etc.). Kubota Smart Work enables diverse workstyles and the efficient allocation of time, and leads to improvements in productivity and employee performance and motivation.



Case Study

Town hall meetings

To foster a sense of unity within the Group, and to achieve One Kubota, we are strengthening internal communication. We held town hall meetings where the executive team, newly appointed section managers, and mid-career hires were able to meet together online. Attendees were able to discuss topics such as questions about elements of Kubota's vision, its future direction, and any ideas they had as leaders.



Involvement with Local Communities

In expanding our business globally, we at Kubota make sure to respect the cultures and customs of different countries and regions and value the relationships we have with stakeholders. At the same time, we are working on social contribution activities (the Kubota e-Project) with the aim of preserving our beautiful global environment and bringing about a more sustainable society.



Visiting lectures

As part of our Kubota e-Project initiative started in 2008 to educate the next generation, we continue to deliver visiting lectures at schools and events around the country, on topics such as the

links between the Kubota Group and the SDGs or the future of global and Japanese agriculture. Six junior high and senior high schools were visited in 2021 (total of 254 attendees)



Case Study

Donation of rice to children's cafeterias

To bring about a sustainable and better society in which "No one will be left behind" and to support the next generation tasked with building a future world, we donated roughly 54 metric tons of

new rice harvested in 2021 to the NPO that runs about 560 children's cafeteria locations nationwide.



In order to speed up its response to business environment and increase transparency in its management, Kubota has been committed to enhancing its corporate governance structure.

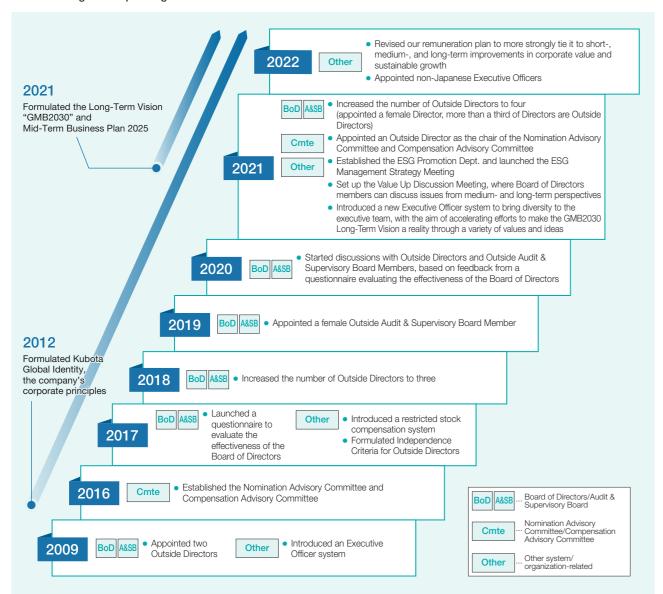
Basic Policy of Corporate Governance

Kubota has designated "long-term and stable growth of corporate value" as its highest management priority. To realize this aim, we believe it is important to satisfy the stakeholders surrounding the company and to enhance the overall corporate value while maintaining a balance between economic value and social value. Especially, in order to achieve the long-term objectives of building

"Global Major Brand Kubota" on the basis of its corporate principles "Kubota Global Identity," we must be an enterprise that is trusted not just in Japan but also worldwide.

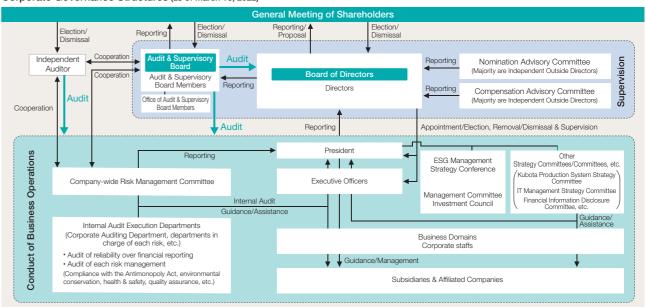
In order to enhance the soundness, efficiency, and transparency of management, which are essential to earn trust, we are striving to strengthen its corporate governance.

How we strengthen corporate governance to achieve GMB2030



Corporate Governance System

Corporate Governance Structures (as of March 18, 2022)



Value Creation

	Board of Directors	Audit & Supervisory Board				
Aim	To make strategic decisions and oversee the execution of duties by Executive Officers	To audit and supervise the execution of duties by Directors				
Members	10 Directors (of whom 4 are Outside Directors)	6 Audit & Supervisory Board Members (of whom 3 are Outside Audit & Supervisory Board Members)				
Frequency	Once a month in principle (extra where required)	Once a month in principle (extra where required)				
Role	To deliberate and decide on important management issues (matters related to management planning, financial planning, investment, business restructuring, etc.)	To collaborate and decide on areas such as auditing policy and reporting				

Nomination Advisory Committee and Compensation Advisory Committee activities

Kubota has a voluntary Nomination Advisory Committee and Compensation Advisory Committee in place as the advisory body of the Board of Directors. To incorporate the independent and objective standpoint, Outside Directors account for more than half of constituent members of both committees, and an Independent Outside Director has served as chairperson of the committees since March 2021.

The Nomination Advisory Committee met four times during the fiscal year for the purpose of deliberating the nomination of candidates for Director and the nomination of Advisors. The committee is also looking at the composition and diversity of the Board of Directors using the skills matrix. Starting in fiscal 2022, the committee will add matters related to electing as well as dismissing a president along with succession planning to its agenda and actively discuss the qualities and abilities required of the Kubota top management in addition to training methods.

The Compensation Advisory Committee met eight times during the fiscal year for the purpose of discussing both the consistency of levels of compensation paid to the Directors, Executive Officers, and Advisors, and the adequacy of the stock compensation system. The committee decided to establish a new remuneration plan to be applied from fiscal 2022 in order to realize the Kubota Long-Term Vision as set forth in "GMB2030," set competitive remuneration levels appropriate for GMB, and introduce an evaluation system that is strongly linked to growth over the short, medium and long term.

	Activity Report of the Nomination Advisory Committee (Period: January 1, 2021 - December 31, 2021)									
1 March 19 Deliberation on the operation of the Nomination Advisory Committee for fiscal 2021										
2	October 21	Deliberation on the candidates for Director and Advisor								
3 December 1 Deliberation (in writing) on the candidates for Advisor, etc.										
4	December 15	Deliberation on revising the roles of the Nomination Advisory Committee Discussion on the qualifications of candidates for President and his/her training policy								

	Activity Report of the Compensation Advisory Committee (Period: January 1, 2021 - December 31, 2021)							
1	1 February 9 Deliberation (in writing) on the annual bonus and stock compensation for the Directors and Executive Officers							
2 March 19 Deliberation on the pros and cons of revising the remuneration plan								
3 April 20 Deliberation on the remuneration plan for fiscal 2022 and onward								
4	4 June 16 Deliberation on the concept of the new remuneration plan							
5	5 August 5 Deliberation on the remuneration levels							
6	September 16	Deliberation on the design of the new remuneration plan						
7	November 5	Deliberation on the design of the new remuneration plan						
8	December 8	Deliberation on the design of the new remuneration plan						

Officers (as of March 18, 2022)

Directors and Audit & Supervisory Board Members



Skills Matrix

SKII	s Matrix														
	Name				Areas of expectation / Specialization						8			S T	
				Priority it	Priority items related to medium- to long-term strategies Fundamental items for management						Exp	Attendance		Tenure as D or Audit Supervisory Membo	
				Manufacturing /Quality control	Global Management	Innovations/ R&D/DX	(Resolution of environmental issues)	(Contributing to society/ Empathy and participation of	G (Building Governance)	Finance/ Accounting	Legal affairs/ Compliance	Experience in corporate management	Meetings of	Meetings of the Audit & Supervisory Board	re as Director or Audit & rvisory Board Member
	Masatoshi	Chairman and					issuesj	stakeholders)				크	100%		
	Kimata	Representative Director		•								•	(13 of 13)	-	9 years and 9 months
	Yuichi Kitao	President and Representative Director		•	•	•	•	•	•		•	•	100% (13 of 13)	-	7 years and 9 months
	Masato Yoshikawa	Executive Vice President and Representative Director			•	•	•	•	•	•			100% (13 of 13)	-	5 years
Board	Toshihiko Kurosawa	Director			•	•	•						100% (13 of 13)	-	3 years
으	Dai Watanabe	Director and Senior Managing Executive Officer		•	•	•	•			•			100% (13 of 13)	-	3 years
Directors	Hiroto Kimura	Director and Managing Executive Officer		•	•	•	•						-	-	-
tors	Yuzuru Matsuda	Director	•		•	•		•	•			•	100% (13 of 13)	-	7 years and 9 months
	Koichi Ina	Director	•	•	•		•	•	•			•	100% (13 of 13)	-	6 years and 9 months
	Yutaro Shintaku	Director	•		•			•	•	•		•	100% (13 of 13)	-	4 years
	Kumi Arakane	Director	•	•		•		•			•		100% (13 of 13)	100% (3 of 3)	1 year
⊳	Toshikazu Fukuyama	Audit & Supervisory Board Member (Full-time)			•				•	•	•		100% (13 of 13)	100% (14 of 14)	7 years and 9 months
Audit &		Audit & Supervisory Board Member (Full-time)		•	•					•	•		100% (13 of 13)	100% (14 of 14)	4 years
Supe	Tsunematsu	Audit & Supervisory Board Member (Full-time)					•			•			_	_	_
ervisory	Yuichi Yamada	Audit & Supervisory Board Member	•							•	•		100% (13 of 13)	100% (14 of 14)	2 years
y Board	Yuri Furusawa	Audit & Supervisory Board Member	•					•			•		100% (11 of 11)	100% (11 of 11)	1 year
9	Keijiro	Audit & Supervisory	•					<u> </u>	•		•		_	_	_

- Kimura
- (Notes)
 1. Experience in corporate management among the items of the list above refers to experience as president at a company listed on the first section of a stock market.
 2. The attendance of the Meetings of the Board of Directors and the Audit & Supervisory Board held during fiscal 2021.
 3. Ms. Kumi Arakane resigned from her position as Audit & Supervisory Board Member and assumed office as Director on March 19, 2021. She attended all 13 meetings of the Board of Directors as Director or Audit & Supervisory Board Member and all three Audit & Supervisory Board Meetings held during fiscal 2021 until her resignation as Audit &
 - Supervisory Board Member.

 4. Ms. Yuri Furusawa attended all 11 meetings of the Board of Directors and all 11 Audit & Supervisory Board Meetings held after her appointment on March 19, 2021.
 - 5. Executive Officers in charge of the relevant fields attend the meetings of the Board of Directors, depending on the agenda, to provide explanations on those agendas in order to improve the effectiveness of the Board.

Efforts for Making the Board of Directors More Effective

Evaluation of the Board of Directors' Effectiveness

In order to maintain and improve the function of the Board of Directors, Kubota employs a continuous cycle for improvement, wherein it evaluates the Board of Directors' effectiveness at the end of each fiscal year, identifies issues in light of the evaluation findings, and develops an action plan to address them, and this plan is then implemented by the Board of Directors the following year.

Value Creation

The evaluation of the Board of Directors' effectiveness for fiscal 2021 was conducted, and the report is as follows.

Evaluation method

- (1) Effectiveness evaluation questionnaire (November 2021) The questionnaire based on questions compiled by a thirdparty organization was given to all Directors and Audit & Supervisory Board Members (total of 14 persons).
- (2) Discussion between Outside Directors and Audit & Supervisory Board Members (December 2021) Four Outside Directors and five Audit & Supervisory Board Members (including three Outside Audit & Supervisory Board Members) analyzed the results of the questionnaire and discussed issues.
- (3) Discussion at Board of Directors Meeting (January 2022) The issues identified in (1) and (2) were shared, and all the Directors and Audit & Supervisory Board Members discussed the future action plans.

Progress of FY2021 initiatives to address major issues selected during effectiveness evaluation in FY2020

Issue 1: Creating more opportunities to have discussions from a medium- to long-term perspective

- Starting quarterly Value Up Discussion Meetings to provide members of the Board with opportunities to discuss topics related to increasing corporate value.
- Reviewing and identifying requirements to be resolved by the Board of Directors to establish an environment where mediumand long-term issues can be reported on and discussed in a preferential manner.
- Briefing Outside Directors on matters to be discussed by the Board of Directors prior to board meetings in order to stimulate discussions.

Issue 2: Strengthening the monitoring function for the progress of important projects

• Building a management system in which matters discussed at the Board of Directors meetings that require follow-up are listed and shared with the secretariat of the Board of Directors and the members of the Board to ensure timely reporting on their progress.

Issue **3**: Ensure diversity

• Elect a female Director and promote discussions from various perspectives.

FY2022 action plans to enhance effectiveness

- Identify points of discussion and materials that clarify the correlation between each issue and the Kubota's business strategy in order to further enhance discussions from a mediumto long-term perspective.
- Develop a system for ensuring timely reporting on the progress of important matters related to improving corporate value.
- Establish a Group-wide management system from a risk-based perspective.
- Create opportunities to discuss the creation of further synergies in Kubota's business areas of food, water, and the environment.

Value Up Discussion Meetings

Kubota started quarterly Value Up Discussion Meetings to provide members of the Board with opportunities to discuss topics bringing about sustainable growth and increasing corporate value.

The purpose of the meeting is to exchange opinions and share information, and the contents of discussions are communicated to the executive as necessary.

Contents of Discussion

- July 2021 "Carbon Neutrality"
- [Main Contents of Discussion]
- Attitude toward carbon neutrality
- Efforts to reduce GHG emissions and develop negative emissions technologies
- October 2021 "K-ESG management" [Main Contents of Discussion]
- Definition of K-ESG management
- Materiality for K-ESG management

- January 2021 "Constructive Dialogue with Shareholders" [Main Contents of Discussion]
- Approach to realizing growth strategies and accountability
- IR and SR activities for institutional and individual investors

Remuneration

1. FY2021 remuneration plan and amounts

For its internal directors, who manage the company from a Director and Audit & Supervisory Board Member compensation (2021) short- and long-term perspective, Kubota provides remuneration in three ways with the goal of maximizing corporate profit: basic remuneration, which is a fixed amount; variable remuneration, an annual short-term incentive; and, restricted stock compensation, a long-term incentive. Outside Directors, whose role is mainly to ensure appropriate supervision of management, receive only a basic remuneration. The table on the right shows the number of executives and total remuneration by position.

Position	No.	Total compensation	Total compensation amounts by type (million yen)					
FOSILIOIT		Basic	Bonus	Restricted stock				
Internal Directors	6	738	328	306	103			
Internal Audit & Supervisory Board Members	2	78	78	_	_			
Outside Directors	4	63	63	_	_			
Outside Audit & Supervisory Board Members	4	43	43	_	_			

* The figures above include one Director and one Outside Audit & Supervisory Board Member who stood down from their positions at the conclusion of the 131st General Meeting of Shareholders held on March 19, 2021

2. Review of the remuneration plan (as of 2022)

Currently, Kubota is committed to shift to business operations with ESG positioned at the core of management under the Long-Term Vision "GMB2030." Under these circumstances, with the aim of further strengthening the supervisory function of the Board of Directors. Kubota formulated the policy for determination of remuneration, etc. and its calculation method for the Directors as detailed below.

Basic policy for determination of remuneration, etc. for the Directors

- (1) The purpose of remuneration is to encourage the Directors, excluding Outside Directors, to take the lead for sustainable growth while fulfilling social responsibilities as a company aiming to become a GMB.
- . Motivate the Directors to achieve performance targets by reflecting in their remuneration quantitative and objective evaluation results based on financial performance indicators.
- Accelerate K-ESG management initiatives by reflecting evaluation results of the progress of the K-ESG in remuneration of the Directors.
- Encourage the Directors to hold shares of Kubota Corporation during their tenure and make them strongly aware of the need to sustainably improve corporate value through a remuneration system that is closely linked to shareholder value
- Set the levels of remuneration and performance linkage so that the Directors may receive remuneration that is equivalent to or greater than the

standard remuneration at other GMB companies defined by Kubota Corporation, in line with the achievement of the performance targets and K-ESG, and improvement of corporate value

- (2) To achieve the purpose of the remuneration, transparency and objectivity must be ensured in the administration of the remuneration
- Decisions on the development and administration of remuneration policies. shall be reviewed by the Compensation Advisory Committee, where a majority of members are Outside Directors, before being determined by the Board of Directors' resolution.
- In order to fulfill accountability for shareholders precisely, disclosure shall be made not limited to the scope required by laws and regulations, but also to facilitate shareholders' understanding and dialogue with them.

(1) Remuneration structure

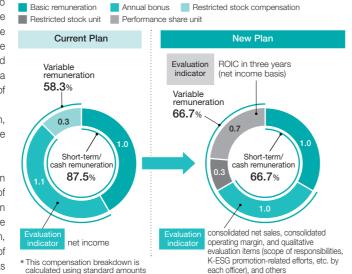
The remuneration for the Directors, excluding Outside Directors. consists of basic remuneration, which is fixed, and performance-linked remuneration. The composition ratio of basic remuneration to performance-linked remuneration for the President and Representative Restricted stock unit Performance share unit Director is generally set at 1:2, to secure a high level of performance linkage suitable for a competitive remuneration level. As for the remuneration structure for the Directors other than the President and Representative Director, the Directors at a higher corporate rank earn a greater portion of performance-linked remuneration, given the size of their duties, etc. of each corporate rank.

The only remuneration for the Outside Directors is basic remuneration, which is a fixed remuneration, since the Outside Directors are independent from the conduct of business.

(2) Remuneration level

In order to properly secure competitiveness in terms of compensation suitable for a GMB company, Kubota appropriately sets the level of remuneration for the Directors, excluding Outside Directors, based on their corporate ranks and duties, by using data on objective executive remuneration surveys conducted by an external specialized institution, etc. to identify a group of companies whose size, profitability, type of business, overseas networks, etc. are comparable to those of Kubota as a benchmark for comparison.

Image of Remuneration Composition Ratios for the President and Representative Director (Comparison: current plan vs. new plan)



(3) Shareholding guideline

For the purpose of deepening the level of shared value with its shareholders, Kubota encourages the Directors, excluding Outside Directors, to hold Kubota Corporation's stock basically by five years from taking office as follows:

- President and Representative Director: stock worth three times the basic remuneration
- Other Directors: stock worth 2.4 to 2.7 times the basic remuneration

(4) Clawback / recovery of remuneration, etc. (malus and clawback clauses

Kubota has compensation clawback clauses for the restricted stock unit and the performance share unit to be granted to the Directors. If an incident of misconduct, etc. arises, Kubota may claim the return, etc. of pre-issue points to receive shares, and all or part of the issued restricted stock and shares after the transfer

restriction is lifted. The decision on claims for return, etc. and their details shall be reviewed by the Compensation Advisory Committee before being determined by the Board of Directors' resolution.

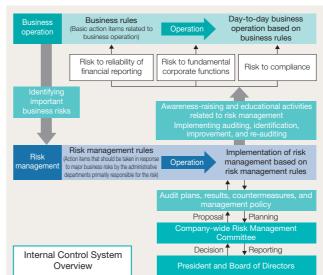
(5) Remuneration determination process

- Kubota's policy on the decision of the details of remuneration for the Directors and the details of individual remuneration, etc. shall be decided by resolution of the Board of Directors based on the result of objective deliberation by the Compensation Advisory
- The review by the Compensation Advisory Committee shall be attended or observed by a compensation advisor, an external specialized institution, where necessary, for the purpose of providing an objective point of view as well as expert knowledge and information concerning compensation plans.

Internal Control

Internal Control System

To realize K-ESG management, Kubota has constructed, and runs, an internal control system, which also includes the development of rules that serve as the basis for "appropriate business execution" based on its "Corporate Principles" and "Code of Conduct." Our internal control system serves as the mechanism for clearly providing the rules that should be abided by as to the performance of business, and for checking whether or not business has been managed according to those rules. This system consists of the "business operation" on one hand, which entails the performance of business based on rules, and "risk management" on the other hand, which entails the management of major business risks. These two, operation and checks, function alongside one another with the aim of raising the level of the company's compliance.



Internal Control System Risk Management Activities

Kubota considers its risk management activities as part of its business activities. Based on its understanding that risk management is the foundation of business activities, Kubota is willing to exert its efforts to manage risks appropriately through

continuous steady improvement via "immediate corrective actions upon any perception of inadequacies," by identifying risks common to the entire Kubota Group, such as those relating to the reliability of financial reporting. At the same time, while accelerating the global development of its businesses, Kubota strongly recognizes that risk management activities are the foundation for the continuity of its businesses, and strives to improve such activities both in Japan and overseas.



ESG REPORT > Governance > Internal Control: Number of Audits and Contents of Risk Management

https://www.kubota.com/ir/financial/integrated/esgreport2022-en-05.pdf

Kubota Hotline (Whistleblowing system)

As a framework to supplement its risk management, Kubota operates a whistleblowing system (with a helpdesk at an outside legal office). This system aims to prevent, or quickly detect and correct, any illegal or unethical acts as well as to develop an open corporate culture. We also conduct activities to raise awareness of the system, such as introducing the whistleblowing process and other details via in-house newsletters and websites. In FY2021, the system received 122 reports from Kubota and group companies in Japan. Kubota also operates a supplier hotline for our outside business partners.

Prevention of Illegal Payments

The Kubota Group has placed particular focus on preventing bribery among risk management activities on the preventing of illegal payment, and will work to achieve SDGs Target 16.5: Substantially reduce corruption and bribery in all their forms. In FY2021, we carried out web-based training and e-learning programs, and our top management made a clear commitment by declaring that "KUBOTA Group never allows business based on unfair practices such as bribery." In addition, document surveys were conducted at 12 companies in Japan and 47 overseas bases. The Committee on Prevention of Illegal Payments investigates whether preventive frameworks are in place and sufficiently functionina.



Kubota has expanded its business with a sense of mission to confront social issues in the fields of food, water, and the environment—what do you think of its business approach and business fields?

Matsuda: In recent years, ESG and the SDGs are actively called for in every company and line of business. In this day and age, the keywords of food, water, and the environment fit into this trend and looking around the world there are very few companies that have developed their businesses in all three. I have been an outside director since June 2014, and right from the start I could get a sense of Kubota's potential—I believe it has the potentiality to enhance its corporate value even further in the future. On the other hand, Kubota's current business portfolio and profitability relies heavily on, and is biased toward, its Farm & Industrial Machinery business. While

I sympathize with President Kitao's stated direction of creating synergies between food, water, and the environment, bringing this about is no easy task. That is precisely why I want the company to set about working toward K-ESG management in earnest. It's no exaggeration to say that this is a turning point.

Ina: I am exceptionally pleased with Kubota's approach of addressing social issues since the company's founding. Kubota has also dedicated itself to manufacturing that helps to resolve such issues, and has produced products and services from its start in developing water pipes to creating agricultural machinery after World War II, and coming up with water treatment technologies in the period of rapid economic growth that came after. That it managed to do this while maintaining an operating margin of higher than 10% is a track record that is hard to find in any other Japanese company. With regard to manufacturing, I am paying close attention to the Kubota Production System (KPS). In the automotive

industry, in which I have long been involved, there is mass production of a limited number of items. For Kubota, though, their manufacturing must produce a huge number of items in small batches, which requires a difficult production management. I have often visited factories, and what sets Kubota's apart is how earnest and honest they are. I believe that if they can continue this approach going forward, and have it really take root, Kubota's production sites will be truly competitive.

Shintaku: I have been an outside director since March 2018, and at first I was not all that confident in the fields of food, water, and the environment. If some investors asked whether Kubota suffered from a conglomerate discount and should shift to highly profitable Farm & Industrial Machinery business, I couldn't think how best to answer as an outside director. However, Kubota is now focusing on smart agriculture, which requires those three elements and I have come to believe that this is an area in which the company can demonstrate its leadership. Data gained can be poured back into crop yields, adapted to the growing conditions, while water management for paddy fields can be automated; in such ways, Kubota can link its technologies and expertise to provide total solutions. Doing so will lead to smart agriculture that can resolve issues in agriculture.

Arakane: Kubota is known primarily for its Farm & Industrial Machinery business, including agricultural machinery, construction machinery, and engines. When we consider how the company should look in 130 years since its founding, as it moves toward 2030, we can see that the focus on water and the environment—where the company had its beginnings—is something unique to Kubota. There is an intention among Kubota's executives to always create new products and services, but not forget the company's roots as they push its evolution forward.

Last year, Kubota announced its Long-Term Vision "GMB2030" for the year 2030. To realize that vision, we are promoting K-ESG management—what are your thoughts on this?

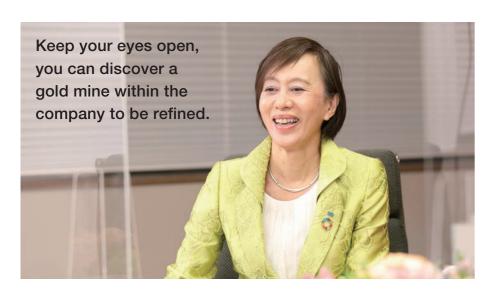
Matsuda: I don't imagine that Kubota is the only company to be working toward a long-term vision and a mid-term business plan—I'm sure there are many others. In a business environment that is



undergoing dramatic change, though, realizing those goals is challenging. Creating new businesses is also difficult—even a talented executive could succeed in only two or three businesses out of a thousand. What, then, underlines successful cases? The key is a company's core competence. Only an area peripheral to where we are most competitive, which can act as a stepping stone, will help to open up new businesses. Kubota's current aims of a circular economy and recycling waste are challenges in this stepping stone of strengthening its core competence, but also opportunities. In addition, the attitude of striving to balance social issues and business, as Mr. Ina mentioned, can be said to be a spirit that will live on no matter how the business environment changes.

Ina: K-ESG management is about asking what our planet, society and customers need from Kubota. Put another way, it is a way of getting closer to Kubota's raison d'être. Both time and resources are limited and therefore core competence should form the basis for concentrating resources and implementing initiatives. Any result is beneficial, and therefore I would like Kubota to show this is a symbol of Kubota's ESG management.

Arakane: "No growth without innovation." That is the thinking behind the energy being put into collaborating with start-ups and a number of other organizations and companies, and toward innovation. I think this is highly important to discover the seeds of new business and to pursue new possibilities. On the other hand, you could equally argue that the seeds of innovation can be found within the company. At the same time as exploring collaboration outside the company, Kubota can look for a gold mine within and refine it internally. This is something the company cannot forget. Kubota is conscious of this and is expanding its business through open innovation and M&A, but if it wants that to lead to success, it should definitely not neglect seeds of innovation or innovative perspectives within the company.



Shintaku: I believe that Kubota's core competence is its seriousness and diligence, but also its vitality. There are plenty of companies that are serious and diligent, but very few that have Kubota's vitality and energy. Whether it be meetings or in the company's factories, I can feel Kubota employees' great enthusiasm and I have seen how they set themselves high targets or challenges. President Kitao has spoken of how Kubota will resolve problems above and below ground, expressed in the desire to be an "Essentials Innovator for Supporting Life." That is the core competence that Kubota should treasure as something unique to the company.

What expectations do you think stakeholders have for Kubota's ESG management?

Ina: The "E" in ESG stands for "environment," a theme in which you cannot get away from the challenge of realizing carbon neutrality. Developing products while aiming to be carbon neutral is the very meaning of the company's entire social mission. For a company like Kubota that develops and manufactures agricultural and construction machinery these are significant issues, but it needs to contribute to the environment by doing all it can through electric vehicles, fuel cells, hydrogen engines, and other technologies.

Arakane: I think the biggest expectations are also related to the environment. Of course, the "S" and "G" are also important, but Kubota promoting carbon neutrality through its main businesses is what society has the most hope for. One quarter of the world's greenhouse gas emissions come from the food sector, including agriculture. President Kitao has said that he wants to make a contribution by not only reducing emissions through Kubota's agricultural and construction machinery, but by changing

agriculture itself. That vision is expressed through the positioning of a climate change response as a necessary part of the three solutions to the company's materiality. Developing smart agriculture and resource recycling, and putting it into practice, is surely what society expects from Kubota.

Shintaku: Entering 2022, I think the way we look at carbon neutrality is changing. Many people have started to realize that simply reducing CO₂ emissions is not the only way to

gauge progress. Considering a whole range of factors, including inflationary pressures resulting from the uncertainty of the global economy and limited energy supplies, how else should Kubota continue to support people's lives? Personally, I think we must tackle carbon neutrality from a number of angles.



For the "Society" part of ESG, Kubota has put particular emphasis on strengthening efforts to help employees grow and feel motivated. What do you expect from these initiatives?

Matsuda: What concerns me is the question of how much young employees know about the spirit that Kubota has always had of resolving social issues while promoting business growth, the unique innovation customers call for, and other aspects of the corporate climate and culture. During the engagement survey held recently, there was a high proportion of positive answers about

Kubota's strategy and direction, but only half of respondents answered positively about the employee engagement. I want young employees to be motivated and grow based on Kubota's corporate climate and sense of values, and as such Kubota must continue to work to create an environment that supports this.

Ina: At the moment, Kubota is wrestling with many topics

and issues, and every department—most notably its R&D departments—is very busy. What happens when they are busy? Rather than "working," they get in a rut of just "moving." Therefore, to achieve our Long-Term Vision "GMB2030," Kubota must "find activities to stop doing." By working out which tasks are unnecessary, and stopping doing them, the company will be able to focus its energies on ensuring its employees, the company's front line, focus on value-added tasks. Creating that environment is the job of the managers and the executive team, they have to grasp worksite conditions and develop the environment.

For "Governance," Kubota has undertaken a review to improve the Board of Directors' functionality and transparency, by looking at improving the board's effectiveness and introducing a new remuneration plan.

What are your opinions on this point?

Matsuda: For the last several years Kubota has steadily reviewed its governance. It has also improved the composition of the Nomination Advisory Committee and Compensation Advisory Committee. In the future, Kubota will adapt to societal trends and the expectations of its customers, while constructing a highly transparent corporate structure that fits the company.

Shintaku: The essence of corporate governance is creating an

unending cycle of raising the soundness of management to improve business performance, to provide shareholders with an appropriate level of return, to give back to society, and so on. Kubota needs to continue responding to society's needs without being self-purposed.

Arakane: For governance, information disclosure is also vital. Kubota has to communicate with stakeholders about the company's policies and way of thinking. As an outside director, I want to play my part and engaging in dialogue with stakeholders to convey Kubota's value.

Lastly, as Outside Directors, what role do you hope to fulfill from a medium- to long-term perspective?

Arakane: I wish to objectively evaluate Kubota from the same viewpoint as the stakeholders and to offer suggestions. Just looking from within the company, it can sometimes be hard to see where improvements should be made. By taking the perspective of a stakeholder, I will contribute to Kubota's further growth on a medium- and long-term basis.

Shintaku: I want to raise even one or two issues that may not have been discussed or considered within the company. In management, we may often fall into our own perspectives and judgment standards. Founded on a relationship of trust with inside directors, I hope to perform my role and contribute to highly transparent management. Ina: Based on my experience with automotive manufacturers, I want to give earnest advice on what demands are placed on Kubota. Many of the company's employees are kept busy every day with issues and tasks and, under such circumstances, it can be very difficult to have the attitude and mindset to keep creating new things. There are two concepts that are key for workplaces, visualization and verbalization. I want to continue to help bring about an organization where Kubota can continue to always create new things and have that mindset.

Matsuda: Summed up, the role of an outside director is to work to discover how best to raise corporate value from the perspective of the shareholder. I want to contribute to sustainable management in which all the members of the executive team come together to continue to meet stakeholders' expectations, while passing down the company's more than 130 years of history and achivements.

