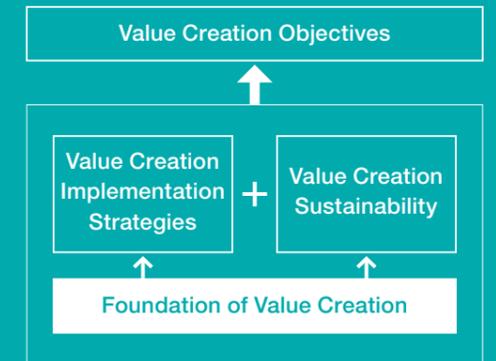


Chapter

# 05 Foundation of Value Creation

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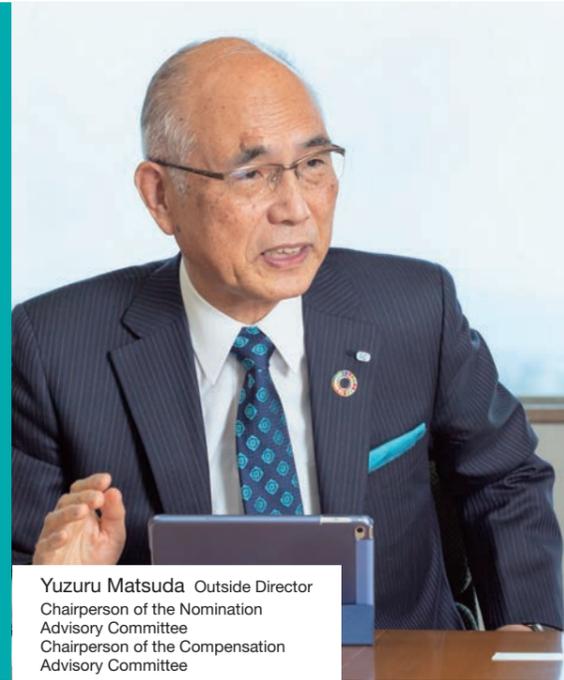
Overview

To raise our corporate value, it is imperative that we have effective corporate governance. We will place emphasis on external perspectives and engagement with stakeholders, and work each and every day to raise the quality of our corporate governance, compliance, and risk management as we strive to build sound business operations.



## Outside Directors Converse with an Institutional Investor

Special Feature  
3



**Yuzuru Matsuda** Outside Director  
Chairperson of the Nomination Advisory Committee  
Chairperson of the Compensation Advisory Committee



**Koichi Ina** Outside Director  
Member of the Nomination Advisory Committee  
Member of the Compensation Advisory Committee



**Yutaro Shintaku** Outside Director  
Member of the Nomination Advisory Committee  
Member of the Compensation Advisory Committee



**Kumi Arakane** Outside Director  
Member of the Nomination Advisory Committee  
Member of the Compensation Advisory Committee



**Mr. Masanaga Kono**  
Japan Research Representative  
Marathon Asset Management Limited, an asset management firm of the UK

## Our Long-Term Vision “GMB2030” and Toward Further Value Enhancement

The Kubota Group is constantly working on governance reform in pursuit of the best possible corporate governance. We believe the role of outside director is critical in enhancing corporate governance. With the aim of further increasing the effectiveness of governance with reference to the opinions of the capital market, our four outside directors held a dialogue with Mr. Masanaga Kono, from the Marathon London Tokyo Office. (Discussion held in February 2023)

### Evaluation and Expectations in the Long-Term Vision “GMB2030”

**Kono:** I understand that outside directors are in a position to represent the interests of a variety of stakeholders, not just shareholders, but also employees and other individuals, and to oversee corporate management. As the skills of directors are currently disclosed, we have gained a certain degree of understanding of their expertise and knowledge. I still feel, however, that opportunities are limited in terms of asking their views regarding stakeholder interests. Marathon Asset Management makes long-term investments based on the belief that they can provide excess returns to asset owners by entrusting capital to companies for which a superior business model can be created and profit growth is expected. I believe the most important

thing when entrusting capital over a long term is trust in governance.

Kubota is executing its business strategy to achieve its Long-Term Vision “GMB2030.” Please tell me your evaluation of this long-term vision and what you are watching closely in monitoring its progress.

**Matsuda:** We have been able to clearly present an ideal vision for Kubota, and I think the sense of unity we have achieved by sharing the vision with our employees and other stakeholders is very meaningful. Financial and non-financial indicators that are essential for monitoring progress are also being incorporated into the materiality indicators in the Mid-Term Business Plan 2025 and

K-ESG management. To keep pace with drastic changes anticipated over the next 10 years, the vision will need to be flexibly revised. At the same time, it is very important to remain tenaciously committed to achieving the vision. In corporate management, more challenges accompany when implementing plans and strategies than formulating them. As chairperson of the Compensation Advisory Committee, I want to continue to provide support, including reviewing performance assessment methods and the compensation system, to ensure that incentives are given appropriately toward attainment of the vision.

**Ina:** In “GMB2030,” we greatly appreciate clear positioning of providing solutions related to agricultural management as our new business model, not producing and selling hardware such as agricultural machinery. Amid unprecedented changes, it is undeniable that agriculture that will no longer require farm machinery may emerge. In the provision of solutions rather than hardware, the competitive environment will change dramatically and new entrants from other industries, such as IT-related companies, are likely to increase. With that being said, Kubota has a deep understanding of agriculture and the environment, including farmers in every part of the world and land characteristics, and is building databases with the latest information. Contributing to the development of agricultural management by making full use of the latest land-specific technology and data will guarantee Kubota’s prosperity.

**Kono:** What kind of discussions are going on about necessary and sufficient capital and the human resources needed to achieve your vision?



### Institutional Investor

**Masanaga Kono**  
Japan Research Representative, Marathon London Tokyo Office  
The Marathon London Tokyo Office was established in 2016 as the representative Japanese office of Marathon Asset Management Limited, a UK firm specializing in active equity management. Based on the concept of “Capital Cycle,” its investment philosophy, Marathon is dedicated to making long-term investments focused on supply-side factors such as cycles of investment capital and competitive environments. The Tokyo Office is responsible for research on Japanese investee companies and engagement activities, as well as internal recommendations on exercising voting rights.

**Shintaku:** Kubota began its history with the manufacture of cast iron pipes, and throughout the course of changing its line of business and products, Kubota has been committed to solving social issues unique to each era. I believe Kubota's greatest strength lies in its track record of opening up markets by flexibly allocating resources to areas where they are needed by society and where commercial opportunities can be found. With "GMB2030" clearly defining business domains of food, water, and the environment, where many social issues exist, we are taking on the challenge of transforming our business model into one centering around solutions for these issues. As to how much capital and human resources are needed in the process, we will think flexibly as we move forward. Personally, in the process of achieving our long-term goal, I think an appropriate level of ambiguity will be necessary to accommodate all possible scenarios.

**Ina:** In achieving "GMB2030," Kubota has core areas to nurture on our own, while other areas should be outsourced without adhering to the principle of self-sufficiency. With regard to outsourcing, we are actively implementing M&A. In the areas to address on our own, we are strengthening employee training and R&D, which requires new capital investment.

**Kono:** I feel that an ambiguous attitude toward stakeholders is one of the characteristics of many Japanese companies. Although shareholders are the owners of a company, a company exists for the benefit of diverse stakeholders. Employees entrust their lives to the company, and shareholders entrust their capital. If the capital size and human resource portfolio required for a business model transformation are concretely presented, and if employees and shareholders can better understand how the benefits of the transformation will be distributed, they will be more motivated to entrust their lives and capital over longer periods of time.

we are often asked to what percentage they should reduce the ratio to shareholders' equity. I would advise you to decide based on whether it is a strategic holding that is truly necessary for the continuity and development of the business, rather than a numerical standard maintained for formality. Numerical standards for gender diversity have also taken on a life of their own. Many companies think that they must increase the percentage of women in managerial positions, but substantial discussions do not seem to have progressed on what level of gender diversity is needed and for what purpose. What kind of human resource portfolio is needed to achieve "GMB2030"?



**Matsuda:** As Kubota accelerates its global operation, it's an undeniable fact that acquiring human resources at overseas sites is becoming increasingly difficult. I think one reason for this is that we have not been able to offer an attractive compensation package, but we also need to continue to make efforts to gain empathy with Kubota's position in society. By sharing our ideal role in "GMB2030" with employees around the world, which is becoming an "Essentials Innovator for Supporting Life," committed to a prosperous society and cycle of nature," we can expect to boost empathy and better retain human resources. And by instilling Kubota's philosophy in stakeholders, we can attract like-minded and talented people.

**Arakane:** Ensuring diversity is a means to achieve growth, not an end. For growth, ensuring diversity is important, not just in gender but also in skills and expertise. By bringing IT-related subsidiaries into the head office, we are reinforcing DX human resources and integrating water and environment-related subsidiaries, thereby raising the level of our human resource portfolio. Meanwhile, the improvement of interdivisional mobility is still in progress. When creating a diverse team indispensable for innovation, we must remove interdivisional barriers and promote personnel exchange and transfer within the Group. In order to realize the solutions set out in "GMB2030," it is essential to review the current divisional structure. We are examining how to connect human resources and technologies pooled in the Innovation Center and Research and Development Headquarters to achieve leaps in solution capabilities.

**Shintaku:** Mobilizing internal human resources is necessary to ensure diversity, but simply transferring personnel from a department with excess staff to another in need does not necessarily mean that all the transferred personnel will be able to demonstrate their abilities with a sense of happiness, does it? Innovation means the creation of economic value through new knowledge and wisdom, so I recommend Kubota to be more proactive in hiring people who can propel transformation both in Japan and overseas. At the same time, translating R&D results into innovation requires a scale of complementary assets such as manufacturing capacity and customer base. For scale expansion, we need to further accelerate our global business operations.

## Capital Utilization and Enhancement to Realize "GMB2030"

**Kono:** Going forward, the selection and concentration of businesses will advance toward the establishment of Kubota's total solutions, generating surplus capital in that process. Given that it is extremely rare for shareholders to be convinced of the benefit of using their entrusted capital in cross-shareholdings, I expect you to reduce cross-shareholdings to as great a degree as possible and divert funds to strategic investments and return to stakeholders.

**Shintaku:** When I was in the position of manager, I was strongly opposed to having excess cash and cross-shareholdings. When surplus funds were accumulated in overseas subsidiaries, they

the occurrence of a financial or economic crisis is also necessary, and we need a certain amount of capital buffer, in addition to normal working capital. Personally, however, I don't think it's necessary to haphazardly keep excess cash on hand for emergencies. I feel that this is well understood at Kubota.

**Arakane:** We are steadily reducing cross-shareholdings, and executive officers do not strongly insist on the need to continue holding these shares. I am sure that reductions will continue in order of priority and funds will be diverted to investment in the growth field.

**Kono:** When discussing cross-shareholdings with companies,

were collected by the head office and invested intensively in growth fields under consolidated management. This method, however, should not be implemented by the head office with an iron hand; the basic idea is that even when there isn't cash on hand, sufficient funds can be provided when necessary, creating a sense of security within the Group. Preparing for



## Expected Role in Value Enhancement

**Kono:** As the skills of directors are disclosed, how are you using your skills to enhance Kubota's corporate value? Are you focusing on any particular themes or areas?



**Ina:** Drawing on my years of experience overseeing production sites at an automobile manufacturer, I pay attention to whether people on the front lines of production are doing their jobs with hope for the future. Production sites can never be free from issues, and I want to contribute to revitalizing production sites, including the creation of good working environments. I inspect Kubota's plants while keeping in mind whether a training plan has been properly formulated to achieve Kubota's ideals, how the people at the production sites feel about support for skill development, and what they think about their senses of reward and accomplishment. During busy periods, being pressed by production day after day, we can easily lose sight of what needs to be done for the future. I also keep an eye on whether the plants have the capacity to create new value in Kubota's core technologies, the source of its competitive advantage.

**Matsuda:** I have a great deal of experience in corporate management and governance, and I see a robust relationship of trust between Kubota's executive officers and supervisory board members.

To achieve One Kubota and total solutions as indicated in "GMB2030," the entire board of directors needs to have in-depth discussions on how we will specifically complete the

transformation as well as on the capital policy and human resource strategy required for the transformation. They also have to share the output of these discussions. I believe it is my responsibility to back up and monitor this process.

**Arakane:** The "GMB2030" was the result of a series of discussions led by mid-career employees who will bear the future of Kubota, and the ideal roles of Kubota and its sense of mission were widely shared by employees. On the other hand, innovation is crucial in the process of business model transformation, but I also feel that it is difficult to create innovation in a highly homogeneous corporate culture with meticulous management and discipline. In the cosmetics industry, where I built my career, the market and customer needs change rapidly. This required us to replace conventional approaches with fresh ideas as needed in an agile manner.

President Kitao is creating an open corporate culture and moving forward with concrete measures, including a personnel system. From here on, it is essential to create innovation through changes in the behavior of each and every employee. This theme overlaps with tasks related to diversity, so I want to continue to facilitate changes in the corporate culture.



**Shintaku:** My experience in corporate management will help us to achieve sustainable growth leveraged by globalization and M&A. We cannot promote globalization or M&A without facing personnel or organizational issues. Increased employment of foreign nationals sometimes raises a concern that opportunities for Japanese employees to play an active role in the company may be reduced. But we can find a way out of such a difficulty if Japanese and non-Japanese employees work together to cope with it. Kubota is highly likely to face a situation like this in the near future, and I hope to contribute to solving issues like these. Kubota's ongoing bold acquisition of an Indian company strikes me as energetic and full of spirit, not flinching from difficulties, so I am watching the progress with a sense of security.

**Kono:** I fully understand your awareness of the issues, your pride, and roles you are expected to play. Today's dialogue was a quite valuable opportunity for me to learn about each of your perspectives.

The low PBR of listed Japanese companies is sometimes pointed out, and one of the reasons for this may be the lack of clear answers to the question of how much capital will be sufficient for business operations. Although sales and profit targets are presented in medium-term management plan and other documents, in many cases explanation is not given or not

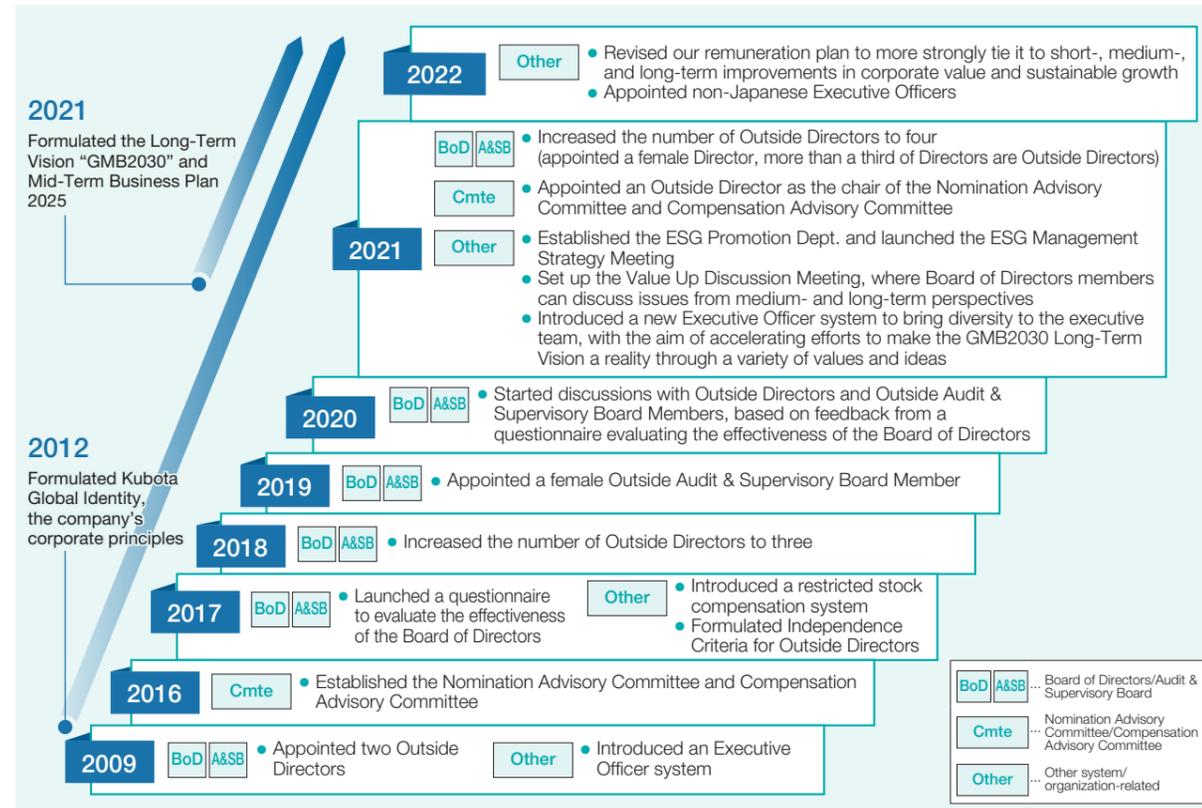
sufficient as to the degree of required capital or the logic for reinvestment and distribution of excess cash flow when it arises. I understand that it is difficult for even Kubota to provide concrete figures in a complex business environment with many uncertain factors. Even so, if its approach to distribution and return based on multiple assumptions and scenarios is presented in a way that investors can have better understanding, Kubota will be able to have deeper dialogues with its investors. I look forward to vibrant discussions at the board meeting.

# Governance

## Basic Policy of Corporate Governance

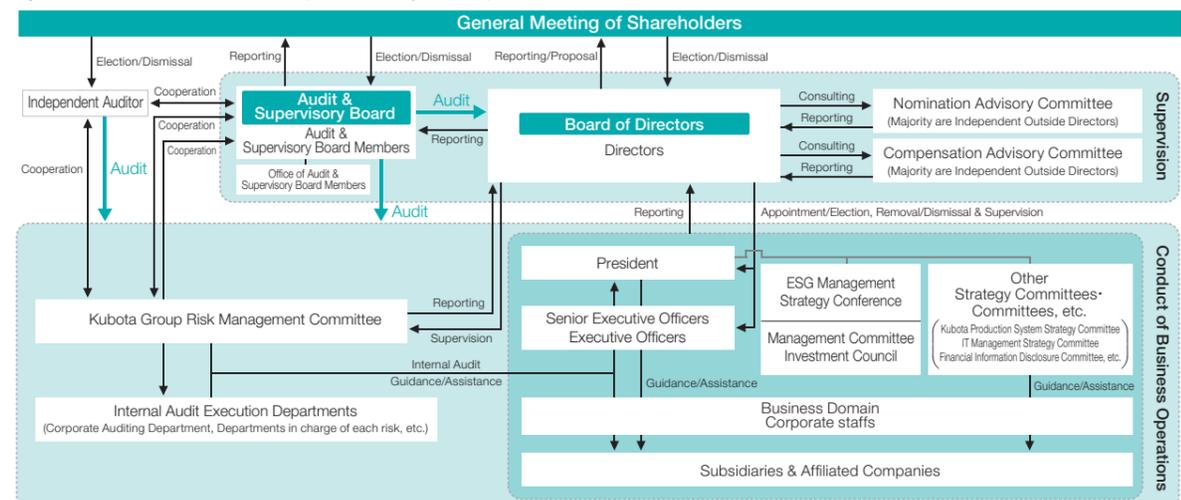
The Company has designated “long-term and stable growth of corporate value” as its highest management priority. To realize this aim, the Company considers enhancement of the satisfaction of all the Company’s stakeholders and improvement of overall corporate value, while balancing economic value and social value, to be important. Especially, in order to realize the long-term objectives of building “Global Major Brand Kubota” on the basis of its corporate philosophy “Kubota Global Identity,” the Company must be an enterprise that is trusted not just in Japan but also worldwide. In order to enhance the soundness, efficiency, and transparency of business management, which are essential to earn trust, the Company is striving to strengthen its corporate governance.

### How we strengthen corporate governance



## Corporate Governance System

Corporate Governance Structures (as of January 1, 2023)



## Board of Directors

The Board of Directors makes strategic decisions and oversees the execution of duties by the Executive Officers. In addition to its regular monthly board meetings, it also meets as and when required to discuss and make decisions relating to management planning, financial planning, investment, business restructuring, and other important management issues.

## Audit & Supervisory Board

Kubota has the Audit & Supervisory Board independently, which oversees and audits the execution of duties by the Directors. In addition to its regular monthly Audit & Supervisory Board Meetings, it also meets as and when required to discuss and make decisions on auditing policy, audit reports, and other matters.

## Nomination Advisory Committee and Compensation Advisory Committee

The Company has a voluntary Nomination Advisory Committee and Compensation Advisory Committee in place as the advisory bodies of the Board of Directors. To incorporate an independent and objective standpoint, Outside Directors account for more than half of constituent members of both committees, and an Independent Outside Director serves as chairperson of the committees.

### Nomination Advisory Committee

The Nomination Advisory Committee met three 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 added matters related to electing as well as dismissing a president along with succession planning to its agenda once again and actively discusses the qualities and abilities required of the Company’s top management in addition to training methods.

Activity Report of the Nomination Advisory Committee (Period: January 1, 2022 – December 31, 2022)

1	March 15, 2022	Discussion on efforts to build a fair and transparent governance system and deliberation on the evaluation sheet of the President at the time of setting the 2022 targets.
2	September 21, 2022	Deliberation on the succession plan of the President and requirements for presidential candidates, and progress report on the evaluation sheet of the President.
3	October 25, 2022	Deliberation on candidates for the Board of Directors and Advisors.

### Compensation Advisory Committee

The Compensation Advisory Committee met seven 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 compensation system.

Under the current compensation system, the committee set competitive remuneration levels appropriate for a GMB, and introduced an evaluation system that is strongly linked to growth over the short, medium and long term in order to realize the Company’s Long-Term Vision as set forth in “GMB2030.”

Activity Report of the Compensation Advisory Committee (Period: January 1, 2022 – December 31, 2022)

1	February 3, 2022	Deliberation on setting targets for each evaluation indicator for the year 2022.
2	February 24, 2022	Deliberation on setting targets for each evaluation indicator for the year 2022.
3	June 7, 2022	Reporting activities concerning K-ESG evaluation indicators for the first half of the year and deliberation on setting targets for the second half.
4	July 6, 2022	Reporting activities concerning K-ESG evaluation indicators for the first half of the year and deliberation on setting targets for the second half.
5	October 28, 2022	Reverification of the current remuneration plan and deliberation on setting remuneration levels for the year 2023.
6	November 30, 2022	Deliberation on the policy for determination of remuneration for the Directors and the remuneration amount for the year 2023.
7	December 14, 2022	Reporting activities concerning K-ESG evaluation indicators for the second half of the year and deliberation on its evaluation.

## ESG Management Strategy Meeting, Management Committee and Investment Council

The Company has established the ESG Management Strategy Meeting, the Management Committee and the Investment Council to make decisions and deliberate on specific important issues. The ESG Management Strategy Meeting formulates policies and evaluates major measures for the realization of the Long-Term Vision of the Company, GMB2030, and the creation of medium- to long-term corporate value. The Management Committee deliberates and make decisions on important management issues, such as investments and loans, in accordance with the Mid-Term Business Plan 2025. Of the management issues deliberated by the Management Committee, important issues are reported to the Board of Directors. The Investment Council serves as an advisory body to the President on issues that require authorization of the President and certain special issues, excluding items discussed by the Management Committee.

## Governance

### Composition of the Board of Directors and the Audit & Supervisory Board

The Company configures its Board of Directors from the perspectives of maintaining the number of members appropriate for ensuring effective discussions at the meetings of the Board of Directors, manifesting its function as a board of directors and ensuring its diversity and maintaining soundness and transparency in management. The Company also considers that the Board of Directors requires skills in areas such as Kubota Production System (KPS), global management, innovation, digital transformation (DX), and ESG management as the business foundations to be strengthened in order to realize Long-Term Vision “GMB2030.” It is important for members of the Board of Directors to complement each other by using their knowledge, experience, and skills, based on diverse values. Shown below is how skills required to realize the Company’s Long-Term Vision “GMB2030” correspond to their specialties and experience.

 Long-Term Vision “GMB2030”  
[www.kubota.com/corporate/vision/](http://www.kubota.com/corporate/vision/)

#### Skills Matrix

	Name	Position	Outside	Areas of expectation / Specialization										Experience in corporate management	Attendance at the Meetings of the Board of Directors	Attendance at the Meetings of the Audit & Supervisory Board	Tenure as Director or Audit & Supervisory Board Member
				Priority items related to Long-Term Vision “GMB2030”						Fundamental items for management							
				KPS (Manufacturing)/ Quality control	Global Management	Innovations/ R&D/DX	E Resolution of environmental issues	S Contributing to society/Empathy and participation of stakeholders	G Building Governance	Finance/ Accounting	Legal affairs/ Compliance						
Board of Directors	Yuichi Kitao	President and Representative Director			●	●		●						●	100% (12 of 12)	—	8 years and 9 months
	Masato Yoshikawa	Representative Director and Executive Vice President			●					●	●				100% (12 of 12)	—	6 years
	Dai Watanabe	Director and Executive Vice President			●	●	●								100% (12 of 12)	—	4 years
	Hiroto Kimura	Director and Senior Managing Executive Officer		●		●	●								100% (10 of 10)	—	1 year
	Eiji Yoshioka	Director and Senior Managing Executive Officer		●	●		●								—	—	—
	Shingo Hanada	Director and Managing Executive Officer			●		●	●							—	—	—
	Yuzuru Matsuda	Director	●		●	●				●				●	100% (12 of 12)	—	8 years and 9 months
	Koichi Ina	Director	●	●	●		●							●	100% (12 of 12)	—	7 years and 9 months
	Yutaro Shintaku	Director	●		●			●			●			●	100% (12 of 12)	—	5 years
	Kumi Arakane	Director	●	●		●		●							100% (12 of 12)	—	2 years
Audit & Supervisory Board	Koichi Kawana	Director	●		●		●	●						●	—	—	—
	Toshikazu Fukuyama	Audit & Supervisory Board Member (Full-time)								●	●	●			100% (12 of 12)	100% (17 of 17)	8 years and 9 months
	Yasuhiko Hiyama	Audit & Supervisory Board Member (Full-time)			●						●	●			92% (11 of 12)	100% (17 of 17)	5 years
	Masashi Tsunematsu	Audit & Supervisory Board Member (Full-time)				●					●	●			100% (10 of 10)	100% (14 of 14)	1 year
	Yuichi Yamada	Audit & Supervisory Board Member	●							●	●	●			100% (12 of 12)	100% (17 of 17)	3 years
	Yuri Furusawa	Audit & Supervisory Board Member	●				●	●			●	●			92% (11 of 12)	100% (17 of 17)	2 years
	Keijiro Kimura	Audit & Supervisory Board Member	●		●					●		●			100% (10 of 10)	100% (14 of 14)	1 year

Notes) 1. Experience in corporate management among the items of the list above refers to experience as president at listed companies.  
 2. In the list above, up to three of the major skills expected of each member of the Board of Directors based on their experience are marked ●. These skills do not represent the entirety of the knowledge possessed by each member.  
 3. The attendance of the Meetings of the Board of Directors and the Audit & Supervisory Board held during fiscal 2022.  
 4. 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.

### Reasons for Appointment of Outside Directors and Outside Audit & Supervisory Board Members and Expected Roles

#### Outside Directors

Name	Reasons for appointment and expected roles
Yuzuru Matsuda	As the person responsible for medical research at Kyowa Hakko Kogyo Co., Ltd., Mr. Matsuda worked on organizational reforms to a research system, and after becoming president there he oversaw a management merger with Kirin Pharma Company. Even after the merger, as president of the new company, Kyowa Hakko Kirin, he demonstrated firm leadership in directing employees from both of the merged companies. He has extensive experience in management and a wide range of expertise. Moreover, he actively offers advice of Kubota’s overall management from a broader perspective. He has also contributed to the improvement of effectiveness in his role as chair of both the Nomination Advisory Committee and Compensation Advisory Committee. As such, he is judged to be a continuing benefit to Kubota’s sustainable growth and to enhancing its corporate value.
Koichi Ina	With a career that has involved various positions in charge of factories or manufacturing for Toyota Motor Corporation, Mr. Ina has striven toward the development of production technologies as well as manufacturing site processes and personnel training. After his time at Toyota, he was appointed president at Daihatsu Motor Co., Ltd. He has extensive experience as a leader in the light vehicle industry, in areas such as constructing global development and production systems, and a wide range of expertise. Moreover, he actively offers advice, particularly from a manufacturing perspective. As such, he is judged to be a continuing benefit to Kubota’s sustainable growth and to enhancing its corporate value.
Yutaro Shintaku	During his time as president of Terumo Corporation, Mr. Shintaku took a number of measures to ensure the Company could overcome intense international competition, including global expansion, M&As, and restructuring of the Company’s business portfolio. He has a high degree of skill and an impressive track record as a manager able to read trends. Moreover, he actively offers advice, particularly from his knowledge of capital policies. As such, he is judged to be a continuing benefit to Kubota’s sustainable growth and to enhancing its corporate value.
Kumi Arakane	After being appointed as a researcher to work on fundamental cosmetics research at KOSÉ Corporation, Ms. Arakane’s career has covered assignments in charge of a wide range of fields, including product development, R&D, quality assurance, and purchasing. She has experience in being involved in management as a director and also possesses knowledge relating to auditing the execution of duties as a full-time auditor. Moreover, she actively offers advice from varied perspectives. As such, she is judged to be a continuing benefit to Kubota’s sustainable growth and to enhancing its corporate value.
Koichi Kawana	Mr. Kawana’s career has involved responsibility for a business site outside Japan for JGC Holdings Corporation, and he is well-versed in international business. In 2011, he was appointed as president there, and led megaprojects inside and outside Japan and business investment in infrastructure fields. He possesses extensive expertise and experience in management. In view of his deep insight, he is judged to be contributing to Kubota’s sustainable growth and to enhancing its corporate value, as well as to the strengthening of the supervisory function of the Board of Directors.

#### Outside Audit & Supervisory Board Members

Name	Reasons for appointment and expected roles
Yuichi Yamada	Mr. Yamada has considerable knowledge relating to accounting and financial matters as a certified public accountant. He has gained extensive experience and a record of accomplishments in corporate auditing while serving at a major audit firm, and possesses extensive expertise on auditing in general, such as through working as an outside audit & supervisory board member for other companies. Therefore, despite not having been directly involved in corporate management, the Company judged that he can contribute to further enhancing its auditing processes through his expert viewpoints and from an independent standpoint.
Yuri Furusawa	Ms. Furusawa has experience in Japan and overseas in various roles working for central governmental agencies and possesses a broad perspective and extensive knowledge. Furthermore, she gained global experience through being involved in overseas business development at a company, and she was involved in reforming work styles and promoting the empowerment of women and diversity at the center of the government. Therefore, despite not having been directly involved in corporate management, the Company judged that she can contribute to further enhancing its auditing processes with her wide range of experience, through her expert viewpoints and from an independent standpoint.
Keijiro Kimura	Mr. Kimura possesses a wealth of knowledge in legal affairs. He also has an extensive record of practice in corporate legal affairs at law offices and considerable experience and knowledge acquired by assuming office as an outside auditor for several companies. Therefore, despite not having been directly involved in corporate management, the Company judged that he can contribute to further enhancing its auditing processes with his wide range of experience, through his expert viewpoints and from an independent standpoint.

## Governance

### Evaluation of the Board of Directors' Effectiveness

In fiscal 2022, with the aim of making the Board of Directors fairer and more transparent, Kubota had a third party conduct the evaluation.

#### 1. Evaluation method (November 2022 to March 2023)

##### (1) Effectiveness evaluation questionnaire

The questionnaire, based on questions compiled by the third-party organization, was given to all Directors and Audit & Supervisory Board Members (16 people).

##### (2) Interviews

Based on the results of the questionnaire, the third-party organization conducted individual interviews with directors and a group interview with the six Audit & Supervisory Board Members.

##### (3) Reporting to, and discussion at, Board of Directors meetings ①

The third-party organization reported their evaluation findings from steps (1) and (2) to the Board of Directors, and discussions were held about any issues identified and future initiatives.

##### (4) Reporting to, and discussion at, Board of Directors meetings ②

The chairman of the Board of Directors reported on action plans for fiscal 2023, and discussions were held.

#### 2. Results of the evaluation

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

▶ We find that the Board of Directors has been successful in its continuous efforts to demonstrate supervisory functions uniquely suited to Kubota and that it adequately supports business execution.

Structure:

- The direction of raising corporate value with a focus on K-ESG management is clearly shared among the directors.
- The outside directors have 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 are well-versed in business and organizational cultures, are helping to improve the board's supervisory functions.
- The Board of Directors has the foundations it needs for constructive dialogue, namely knowledge, experience, and a mutual respect among its members for their individual contributions of those who attend.

Operations:

- The workplace-focused agenda of the Board of Directors that benefits Kubota.
- Facilitation by the chairman spurs lively discussion and this contributes to the quality of that discussion.

▶ Measures in fiscal 2022 to address issues identified by the effectiveness evaluation conducted in fiscal 2021 have further raised the board's effectiveness.

Main issues in FY2021	Initiatives in FY2022
Enhancing discussions from medium- and long-term perspectives	The Value Up Discussion Meeting (VUDM) provided opportunities to discuss management issues at a company-wide level from medium- and long-term perspectives.
Strengthening monitoring of important agenda items	Every six months, a list of items that require a follow-up was shared with the Board of Directors, and efforts were made to convey progress visually.
Constructing a risk management system to cover the entire Kubota Group	In January 2023, after repeated discussions at the VUDM and by the Board of Directors about the Kubota Group's risk management, it was decided to launch the Kubota Group Risk Management Committee. The committee's role is to carry out periodic evaluations of the risk environment surrounding the Company, and to promote countermeasures to address risks that have the potential of seriously impacting business.

#### 3. FY2022 issues and future action plans

Main issues	Action plans
Deepening discussions into medium- and long-term growth strategies	Identify themes related to medium- and long-term growth strategies that require a priority response, investigate optimum timings for monitoring those themes from a supervisory perspective, and review the agendas at the Board of Directors and VUDM.
Strengthening the functions of the Nomination Advisory Committee	Have the Nomination Advisory Committee investigate potential directions for creating an arrangement for a succession plan to bring in the next generation of executives.
Formulating a system for board succession to support a high degree of effectiveness	Create a system to continuously investigate the state of the Board of Directors, and establish a forum to discuss an ideal form tailored to Kubota's needs, with a focus on the roles and functions of the Board of Directors required to accelerate efforts to realize Long-Term Vision "GMB2030."

### Value Up Discussion Meetings

The Company regularly holds 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.

Past Contents of Deliberation

Timing and Theme of Meeting	Key Topics of Deliberation
July 2021 "Carbon Neutrality"	Response toward promoting carbon neutrality, initiatives for greenhouse gas emissions reductions and negative emission
October 2021 "K-ESG Management"	K-ESG management approach, Materiality of K-ESG management
January 2022 "Constructive Dialogue with Stakeholders"	Realization of growth strategy and views on accountability, approach to pursuing IR and SR activities for institutional investors and individual investors
April 2022 "Looking Back on VUDM and its Future"	Purpose and vision of VUDM, operation method, and selection of themes to address
October 2022 "Group Risk Management"	Risk identification process and company-wide risk control system

### President Evaluation and Training a Successor

#### Evaluating the president

Evaluation of the president is carried out by the Compensation Advisory Committee under advice from the Board of Directors. The evaluation process is not just document-based, the president also meets the Compensation Advisory Committee, more than half of whose members are outside directors. As well as reporting on his achievements over the year, the president is evaluated based on two-way dialogue.

The financial indicators used to evaluate the president are consolidated net sales, consolidated operating margin, and ROIC. Non-financial indicators are progress of the Long-Term Vision and Mid-Term Business Plan, training situation for the president successor candidates, and K-ESG promotion-related efforts.

The content and results of deliberations by the Compensation Advisory Committee about the president's evaluation are reported to the Board of Directors for their determination.

#### Training a successor (succession planning)

In fiscal 2022, president succession planning was once again added to the discussion agenda of the Nomination Advisory Committee, more than half of whose members are outside directors, and this subject is being actively deliberated.

For Kubota to be a Global Major Brand (GMB), candidates to take over as the next president require certain traits (capabilities, attributes, etc.). As well as clarifying these, we are working to identify president successor candidates.

#### Training potential successor candidates

Executive Officers are potential president successor candidates. For individuals in these positions, the Executive Officers' Meeting is held once a month, where the Board of Directors' policies and resolutions are instructed or communicated. Furthermore, as part of the training of Executive Officers, we provide opportunities to study areas outside company-wide topics and entrusted domains. To do so, Executive Officers take part in subcommittees that are separate to the Executive Officers' Meeting, where they split into smaller groups to hold lively discussions about priority management issues.

Moreover, Kubota holds multiple annual executive forums related to ESG, human rights, health and safety, the environment, quality, public relations, legal affairs, DX, compliance, etc. With the aim of acquiring and updating knowledge about our rapidly changing external environment, we invite external lecturers and we are continuing to hold these lectures, including using online streaming.

#### Evaluation of potential president successor candidates

Evaluation of the Executive Officers that are potential president successor candidates is decided by the Board of Directors, after discussion by the Compensation Advisory Committee about evaluation content, including the results of individual interviews with the president. These candidates are evaluated based on the same financial indicators as are used to evaluate the president. Non-financial indicators are progress toward the Long-Term Vision and Mid-Term Business Plan, training situation for the president successor candidates, and K-ESG promotion-related efforts.

### Remuneration for the Directors and Audit & Supervisory Board Members

Currently, Kubota is committed to shifting to business operations with ESG positioned at the core of management in line with the Long-Term Vision "GMB2030," with the aim of further strengthening the supervisory function of the Board of Directors. Following is the policy for determination of remuneration, etc. and its calculation method for the Directors and Executive Officers.

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

- The purpose of the 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.
- To achieve the purpose of the remuneration, transparency and objectivity must be ensured in the administration of the remuneration plan.
  - 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.

## Governance

### Remuneration plan overview

#### (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 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

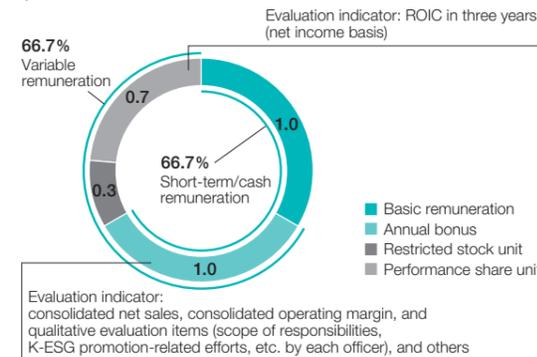
In order to properly secure competitiveness in terms of compensation suitable for a GMB company, Kubota appropriately sets the level of remuneration for the Directors, excluding Outside Directors, based on their corporate ranks and duties, by using data on objective executive remuneration surveys conducted 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.

#### (3) Shareholding guideline

To deepen the level of shared value with its shareholders, Kubota encourages the Directors, excluding Outside Directors, to hold Kubota Corporation stock for five years, in principle, from taking office as follows:

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

Remuneration Composition Ratios for the President and Representative Director



#### (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 all or part of the issued stock and shares. The decision on claims for return, etc., and their details shall be reviewed by the Compensation Advisory Committee before being determined by a 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 Committee.
- The review by the Compensation Advisory Committee shall be attended or observed by a compensation advisor from 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.

Total FY2022 remuneration by position

Position	Number of persons	Total amount of compensation (millions of yen)			
		Basic remuneration	Bonus	Restricted stock unit	Performance share unit
Directors (excluding Outside Directors)	6	362	238	120	55
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	3	120	—	—	—
Outside Directors	4	77	—	—	—
Outside Audit & Supervisory Board Members	4	49	—	—	—

\*1 The figures above include one Director who stood down at the end of his term of office and one Outside Audit & Supervisory Board Member who stood down from his position at the conclusion of the 132nd General Meeting of Shareholders held on March 18, 2022.

\*2 Bonuses for the Directors, excluding Outside Directors, take the form of cash remuneration. The aims behind these bonuses are to encourage the attainment of fiscal year performance targets related to business scale and profitability, and to accelerate K-ESG management initiatives. These indicators comprise a portion linked to company-wide performance (consolidated revenue and consolidated operating margin), a portion of individual evaluation, and a portion of K-ESG evaluation. For FY2022, consolidated revenue reached ¥2,678.8 billion and the operating margin was 8.2%.

## Fundamental Compliance Promotion Policy

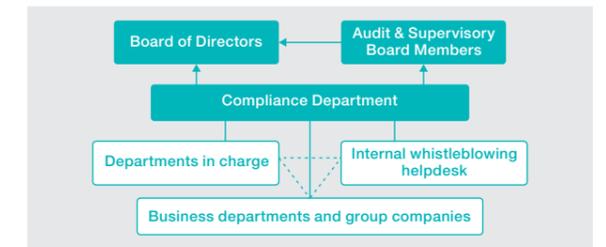
To realize K-ESG management, we share a common set of values codified in our Corporate Principles and Code of Conduct, and our fundamental policy is that we faithfully adhere to laws and internal rules, but also to ethical and moral standards. Compliance forms the foundation for a company to achieve continuous growth, and so to promote it, we have come up with a three-pronged approach: fostering awareness, gaining knowledge, and constructing systems. In line with this approach, we are ensuring thorough compliance through such measures as training and education, rules, and an internal control system.

Moreover, to warrant the trust and confidence placed in us by customers and other stakeholders, and to give back to society, it is important that we perform our work honestly and sincerely, without lies or falsehoods. On this point, we are striving to transform some words that Kubota's founder valued—“One must hold integrity and morality in high esteem”—into our corporate culture. It goes without saying that we must adhere to laws and regulations, but integrity and morality are equally vital in this age of compliance, and we believe them to be the basis of our corporate activities.

Basic approach  
“No sales or profits are worth pursuing at the expense of the Kubota Group's corporate dignity and trust.”

Ref: “The Way of Business,” a radio segment by Gonshiro Kubota that was broadcast on March 8, 1937. In it he stated: “First, one must encourage, and patiently exert, oneself. Second, **one must hold integrity and morality in high esteem.** Third, one must temper one's body and mind.”

Promotion framework



## Internal Control System

The internal control system serves as the mechanism for clearly providing the rules, for conducting business based on those rules, and for checking whether or not business has been conducted correctly in accordance with those rules. This system consists of business operation on one hand, which entails the performance of business based on rules, and risk management on the other, which entails the management of major business risks.

The **business operation** side of internal control involves setting out basic action items necessary for operating businesses in the form of business rules. It also requires that each department, or relevant manager or supervisor, conducts day-to-day checks in accordance with these rules.

**Risk management** involves setting out proposals for necessary ways for each of the departments primarily responsible for managing risk to do so, the effectiveness of these is verified by auditing each department.

In the internal control system, major risks facing Kubota's business are classified into the following three categories:

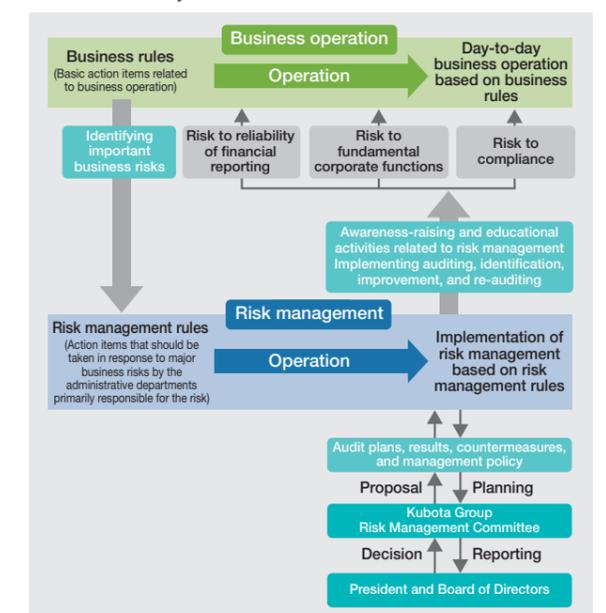
1. Internal control over reliability of financial reporting
2. Internal control over the fundamental functions of the Company, such as fair trade, environmental conservation, and health and safety
3. Internal control over compliance, such as adherence with laws and regulations related to equipment, and import and export controls

## Internal Control System Risk Management Activities

Based on a recognition that risk management activities are at the heart of business activities, we identify risks that are common to the entire Kubota Group—such as risks related to the reliability of financial reporting—and make steady, continuous improvements by fixing those activities immediately if they are not enough. In this way, we strive toward appropriate risk management.

At the same time, while accelerating the global development of our businesses, we firmly recognize that risk management activities are the foundation for the continuity of those businesses, and we endeavor to improve such activities both in Japan and overseas.

Internal control system overview



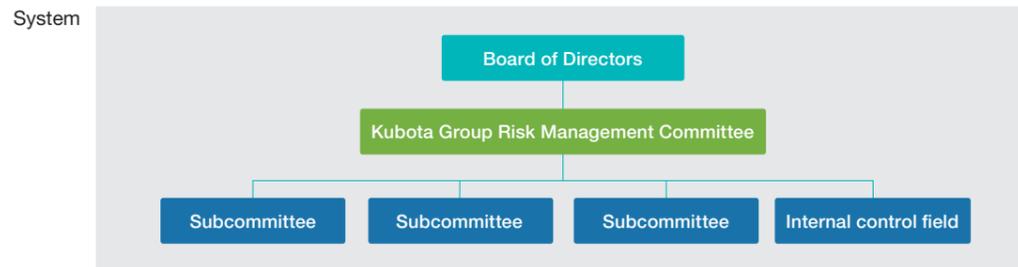
## Governance

### Kubota Group Risk Management Committee

Given that the social demands on corporate risk management are changing, we require a system that can adapt to those changes and flexibly respond to other changes in the future. To that end, in January 2023, we established the Kubota Group Risk Management Committee. In order to raise corporate value, the committee takes over the existing risk management tasks connected to internal control risks, while also aiming to construct a management system for new risks that threaten to have a major impact on our business operations.

Therefore, in addition to periodic risk assessments for the Kubota Group, the committee carries out risk evaluations, and decides on which risks should be prioritized. Underneath the committee, there are subcommittees to implement risk countermeasures, and these report on the progress of countermeasures to the Kubota Group Risk Management Committee. The committee will monitor this, and offer instructions where necessary.

The director in charge of risk management reports regularly to the Board of Directors about risk evaluations, and the policy and progress on countermeasures.



### Information Management

As cyberattacks grow more sophisticated and more complex with each year, we recognize that the appropriate protection and management of the personal information of our customers and other stakeholders is an important social responsibility. We are also devoted to preventing leaks of confidential information such as technological information. Under a Group-wide framework directed by an information security supervisor who oversees the entire Group, we assign expert staff who have specialist qualifications from bodies in Japan or overseas (Registered Information Security Specialist (RISS), Certified Information Systems Security Professional (CISSP), etc.) to administrative departments primarily responsible for Group-wide information security. We also deploy IT managers to each worksite, and we are developing security countermeasures that cover the entire Kubota Group, based on policies determined by the departments primarily responsible.

### Protecting Personal Information

Around the world, as regulations related to the protection of personal information are being tightened, we are working to keep up to date with revisions to laws in different countries.

### Kubota Hotline (Whistleblowing System)

As a framework to supplement our risk management, we operate 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 FY2022, the system received 100 reports from Kubota and group companies in Japan. Separate to the whistleblowing system above, we also operate an auditor hotline for matters related to our executives, and a supplier hotline for our outside business partners.

### Compliance with the Anti-Monopoly Act/Competition Law

We continuously conduct audits related to the Anti-Monopoly Act/Competition Law, including on-site inspections, for the Kubota Corporation and group companies in Japan. For overseas group companies as well, we gauge the status of risk management through document audits and communication via email, online meetings, and other formats.

By implementing continuous training on the Anti-Monopoly Act/Competition Law at Kubota Corporation's own business divisions and at group companies, we carry out enlightenment and awareness-raising efforts to ensure thorough compliance. Each time workers are stationed as managers at overseas group companies, they undergo wide-ranging legal training, including on competition laws.

### 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 FY2022, we carried out web-based training and e-learning programs, and our top management made a clear commitment by declaring that the Kubota Group never allows business based on unfair practices such as bribery. In addition, document surveys and interviews were conducted at 11 companies in Japan and 45 overseas sites. We are working to enhance our internal control systems globally by preparing to introduce a global hotline, with the aim of preventing illegal or immoral activities—including bribery—or quickly discovering them if they do occur.

The Committee on Prevention of Illegal Payments investigates whether preventive frameworks are in place and functioning adequately.

## Management (as of March 24, 2023)

### Directors and Senior Executive Officers



**Yuichi Kitao**  
President and Representative Director  
Shares owned: 112,819  
Time in office: 8 years and 9 months  
Committee activity: Chair of the Board of Directors and member of the Nomination Advisory Committee  
Apr. 1979: Joined Kubota Corporation  
Apr. 2005: GM of Tractor Engineering Dept.  
Apr. 2009: Senior Executive Officer and GM of Tractor Div.  
Jan. 2011: President of Kubota Tractor Corp.  
Apr. 2013: Managing Executive Officer of Kubota Corporation  
Oct. 2013: GM of Farm and Utility Machinery Div. and Farm and Utility Machinery International Operations HQ  
Jun. 2014: Director and Managing Executive Officer  
Apr. 2015: Director and Senior Managing Executive Officer in charge of Farm and Industrial Machinery Domain  
Jan. 2019: Representative Director and Executive Vice President, GM of Farm and Industrial Machinery Consolidated Div.  
Jan. 2019: GM of Innovation Center  
Jan. 2020: President and Representative Director (to present)



**Masato Yoshikawa**  
Representative Director and Executive Vice President  
GM of Planning and Control HQ, GM of Global ICT HQ  
Shares owned: 64,046  
Time in office: 6 years  
Committee activity: Member of the Nomination Advisory Committee and Compensation Advisory Committee  
Apr. 1981: Joined Kubota Corporation  
Feb. 2008: GM of Ductile Iron Pipe Planning Dept.  
Oct. 2009: GM of Pipe Systems Planning Dept.  
Oct. 2010: GM of Corporate Planning & Control Dept.  
Apr. 2012: Senior Executive Officer  
Oct. 2013: President of Kubota Tractor Corp.  
Apr. 2015: Managing Executive Officer of Kubota Corporation  
Mar. 2017: Director and Managing Executive Officer  
Jan. 2018: Director and Senior Managing Executive Officer  
Jan. 2019: GM of Planning and Control HQ (to present) and GM of Global IT Management Dept.  
Apr. 2019: GM of Global ICT HQ (to present)  
Jan. 2020: Director and Executive Vice President  
Jan. 2022: Representative Director and Executive Vice President (to present)



**Dai Watanabe**  
Director and Executive Vice President  
GM of Farm and Industrial Machinery Consolidated Div., GM of Innovation Center  
Shares owned: 80,593  
Time in office: 4 years  
Apr. 1984: Joined Kubota Corporation  
Jun. 2008: GM of Farm and Industrial Machinery International Planning and Control Dept.  
Jan. 2012: President of Kubota Europe S.A.S.  
Apr. 2013: Senior Executive Officer of Kubota Corporation  
Feb. 2014: President of Kubota Farm Machinery Europe S.A.S.  
Dec. 2014: President of Kverneland AS  
Sep. 2016: GM of Agricultural Implement Business Unit of Kubota Corporation  
Jan. 2017: Managing Executive Officer and GM of Agricultural Implement Div.  
Oct. 2017: President of Kubota Holdings Europe B.V.  
Jan. 2018: GM of Agricultural Implement Div. of Kubota Corporation  
Jan. 2019: Senior Managing Executive Officer and GM of Farm and Industrial Machinery Strategy and Operations HQ  
Mar. 2019: Director and Senior Managing Executive Officer  
Jun. 2019: Deputy GM of Innovation Center  
Jan. 2020: GM of Farm and Industrial Machinery Consolidated Div. and GM of Innovation Center (to present)  
Jan. 2023: Director and Executive Vice President (to present)



**Hiroto Kimura**  
Director and Senior Managing Executive Officer  
GM of Research and Development HQ, GM of Kubota Global Institute of Technology, Deputy GM of Innovation Center, GM of Carbon Neutral Promotion Dept.  
Shares owned: 26,407  
Time in office: 1 year  
Apr. 1984: Joined Kubota Corporation  
Apr. 2007: GM of Rice Transplanter Engineering Dept.  
Apr. 2010: GM of Thai Technical Information Center, Farm and Industrial Machinery Research Dept.  
Aug. 2010: Vice President of Siam Kubota Corporation  
Jan. 2017: Senior Executive Officer of Kubota Corporation and President of Siam Kubota Corporation Co., Ltd.  
Sep. 2019: President of Kubota Research and Development Asia Co., Ltd.  
Jan. 2020: Managing Executive Officer and Deputy GM of Innovation Center (to present), Deputy GM of Research and Development HQ, Deputy GM of ASEAN Farm and Industrial Machinery Strategy and Operations HQ of Kubota Corporation  
Jan. 2021: GM of Research and Development HQ and Carbon Neutral Promotion Dept. (to present)  
Mar. 2022: Director and Managing Executive Officer  
Sep. 2022: GM of Kubota Global Institute of Technology (to present)  
Jan. 2023: Director and Senior Managing Executive Officer (to present)



**Eiji Yoshioka**  
Director and Senior Managing Executive Officer  
GM of Water and Environment Infrastructure Consolidated Div., Deputy GM of Innovation Center, GM of Tokyo Head Office  
Shares owned: 25,640  
Time in office: --  
Apr. 1981: Joined Kubota Corporation  
Apr. 2005: GM of Quality Assurance & Manufacturing Promotion Dept.  
Apr. 2010: GM of Tsukuba Plant  
Apr. 2013: GM of Air Conditioning Equipment Business Unit of Kubota Corporation and President of Kubota Air Conditioner, Ltd.  
Jan. 2016: Senior Executive Officer and GM of Materials Div. of Kubota Corporation  
Jan. 2019: Responsible for Special Tasks Assigned by President  
Jan. 2020: Managing Executive Officer and GM of Pipe Systems and Infrastructure Div.  
Jan. 2022: Senior Managing Executive Officer, GM of Water and Environment Infrastructure Consolidated Div. (to present), Deputy GM of Innovation Center (to present), and GM of Tokyo Head Office (to present)  
Mar. 2023: Director and Senior Managing Executive Officer (to present)



**Shingo Hanada**  
Director and Managing Executive Officer  
President of Kubota North America Corp., President of Kubota Tractor Corp.  
Shares owned: 5,843  
Time in office: --  
Apr. 1989: Joined Kubota Corporation  
Apr. 2015: GM of Rice Transplanter Planning and Sales Promotion Dept.  
Jan. 2017: GM of Agricultural Tractor Planning and Sales Promotion Dept.  
Jan. 2018: GM of Outdoor Power Equipment Business Unit and Outdoor Power Equipment Business Planning and Development Dept.  
Jan. 2019: Senior Executive Officer and GM of Outdoor Power Equipment Div.  
Feb. 2020: GM of Outdoor Power Equipment Business Planning and Development Dept.  
Jan. 2021: President of Kubota Holdings Europe B.V. and Kverneland AS  
Jan. 2022: Managing Executive Officer of Kubota Corporation, President of Kubota North America Corp. (to present) and President of Kubota Tractor Corp. (to present)  
Mar. 2023: Director and Managing Executive Officer of Kubota Corporation (to present)

### Outside Directors



**Yuzuru Matsuda**  
Outside Director  
Shares owned: 28,499  
Time in office: 8 years and 9 months  
Committee activity: Chair of the Nomination Advisory Committee and Compensation Advisory Committee  
Apr. 1977: Joined Kyowa Hakkō Kogyō Co., Ltd. (currently, Kyowa Kirin Co., Ltd.)  
Jun. 1999: Director of Drug Discovery Research Laboratories, Pharmaceutical Research Institute of Fuji Plant  
Jun. 2000: Executive Officer and Executive Director of Pharmaceutical Research Institute  
Jun. 2002: Executive Director and Director of Corporate Planning Department  
Jun. 2003: President and Chief Operating Officer  
Oct. 2008: President and Chief Executive Officer of Kyowa Hakkō Kirin Co., Ltd. (currently, Kyowa Kirin Co., Ltd.)  
Jun. 2012: President of Kato Memorial Bioscience Foundation  
Jun. 2014: Outside Director of Kubota Corporation (to present) and Outside Director of Bandai Namco Holdings Inc.  
Jun. 2015: Outside Director of JSR Corporation  
Jun. 2019: Director Emeritus of Kato Memorial Bioscience Foundation (to present)



**Koichi Ina**  
Outside Director  
Shares owned: 24,175  
Time in office: 7 years and 9 months  
Committee activity: Member of the Nomination Advisory Committee and Compensation Advisory Committee  
Significant concurrent roles: Outside Director of Sansha Electric Manufacturing Co., Ltd.  
Apr. 1973: Joined Toyota Motor Co., Ltd. (currently, Toyota Motor Corporation)  
Jan. 1998: GM of the Motomachi Plant Machining Div.  
Jun. 2000: Division GM of the Motomachi Plant Administration Div.  
Jun. 2002: Board of Director, Plant Manager of Honsha Plant and Motomachi Plant  
Jun. 2003: Managing Officer and GM of Global Production Promotion Center  
Jun. 2004: Plant Manager of Miyoshi Plant  
Jun. 2005: Plant Manager of Takasaki Plant and Tsutsumi Plant  
Jun. 2006: Plant Manager of Miyoshi Plant  
Jun. 2007: Senior Managing Director, Chief Officer of Production Planning Group and Manufacturing Group  
Jun. 2009: Executive Vice President of Daihatsu Motor Co., Ltd.  
Jun. 2010: President  
Jun. 2013: Chairman  
Jun. 2015: Outside Director of Kubota Corporation (to present)  
Jun. 2019: Outside Director of Sansha Electric Manufacturing Co., Ltd. (to present)

\*Shares owned is correct as of December 2022, time in office is correct as of March 2023.

## Governance



### Yutaro Shintaku

Outside Director

Shares owned: 8,825  
Time in office: 5 years

Committee activity: Member of the Nomination Advisory Committee and Compensation Advisory Committee  
 Significant concurrent roles: Director of the Board (Outside Director) of Santen Pharmaceutical Co., Ltd.  
 Outside Director of Kozo Keikaku Engineering Inc.  
 Apr. 1979: Joined Toa Nenryo Kogyo K.K. (currently, ENEOS Corporation)  
 Jan. 1999: Joined Terumo Corporation  
 Jun. 2005: Executive Officer  
 Jun. 2006: Director and Executive Officer  
 Jun. 2007: Director and Senior Executive Officer, In charge of R&D Center, Intellectual Property Dept. and Legal Dept.  
 Jun. 2009: Director and Managing Executive Officer, GM of Strategy Planning Dept., In charge of Human Resources Dept. and Accounting & Finance Dept.  
 Jun. 2010: President and Representative Director  
 Apr. 2017: Director and Adviser  
 Jun. 2017: Outside Director of Santen Pharmaceutical Co., Ltd. (to present) and Outside Director of J-Oil Mills, Inc.  
 Mar. 2018: Outside Director of Kubota Corporation (to present)  
 Apr. 2018: Visiting Professor of Hitotsubashi University Business School  
 Apr. 2019: Special Professor (to present)  
 Sep. 2019: Outside Director of Kozo Keikaku Engineering Inc. (to present)



### Kumi Arakane

Outside Director

Shares owned: 7,720  
Time in office: 2 years

Committee activity: Member of the Nomination Advisory Committee and Compensation Advisory Committee  
 Significant concurrent roles: External Director of Kagome Co., Ltd.  
 Outside Director of Toda Corporation  
 Apr. 1981: Joined Kobayashi Kosé Company Limited (currently, Kosé Corporation)  
 Mar. 2002: Senior Chief Researcher of R&D Headquarters Advanced Cosmetic Research Laboratories of Kosé Corporation  
 Mar. 2004: GM of Product Development Dept., Marketing HQ  
 Mar. 2006: Executive Officer and Deputy Director-General of Marketing HQ  
 Mar. 2010: GM of R&D Laboratories  
 Mar. 2011: GM of Quality Assurance Dept. and Marketing Supervisor-General  
 Jun. 2011: Director, In charge of Quality Assurance Dept., Customer Service Center, Purchasing Dept., and Product Designing Dept.  
 Jun. 2017: Audit & Supervisory Board Member  
 Mar. 2019: Audit & Supervisory Board Member of Kubota Corporation  
 Mar. 2020: External Director of Kagome Co., Ltd. (to present)  
 Jun. 2020: Outside Director of Toda Corporation (to present)  
 Mar. 2021: Outside Director of Kubota Corporation (to present)



### Yuichi Yamada

Outside Audit & Supervisory Board Member

Shares owned: 3,800  
Time in office: 3 years

Committee activity: Observer of the Compensation Advisory Committee  
 Significant concurrent roles: External Audit & Supervisory Board Member of Japan Finance Corporation  
 Representative of Yuichi Yamada Certified Public Accountant Firm  
 Oct. 1984: Joined Asahi & Co. (currently, KPMG AZSA LLC)  
 Mar. 1988: Registered as a certified public accountant  
 Aug. 1997: Partner of Asahi & Co. (currently, KPMG AZSA LLC)  
 Aug. 2003: Senior Partner  
 Jun. 2008: Board member of AZSA & Co. (currently, also KPMG AZSA LLC)  
 Sep. 2011: Deputy Managing Partner of Tokyo Office  
 Jul. 2015: Chairman of Tokyo Partners Meeting  
 Jun. 2016: External Audit & Supervisory Board Member of Japan Finance Corporation (to present)  
 Jul. 2016: Representative of Yuichi Yamada Certified Public Accountant Firm (to present)  
 Jun. 2017: Outside Audit & Supervisory Board Member of Sumitomo Metal Mining Co., Ltd.  
 Mar. 2020: Outside Audit & Supervisory Board Member of Kubota Corporation (to present)



### Yuri Furusawa

Outside Audit & Supervisory Board Member

Shares owned: 2,600  
Time in office: 2 years

Significant concurrent roles: Audit & Supervisory Board Member of Subaru Corporation  
 Apr. 1986: Joined Ministry of Transport (Civil Aviation Bureau)  
 Dec. 2000: Administrator of Organisation for Economic Co-operation and Development (OECD)  
 Jul. 2004: Director for International Policy Planning, Ministry of Land, Infrastructure and Transport Planning Unit at the Ministry of Land, Infrastructure and Transport  
 Jul. 2006: Director for International Affairs & Crisis Management Division, Japan Coast Guard  
 Jul. 2008: Counsellor of Cabinet Secretariat (Office of Assistant Chief Cabinet Secretary)  
 Aug. 2011: Deputy General Manager of International Sales Department, Shiseido Co., Ltd.  
 Jul. 2014: Assistant Vice-Minister for International Affairs of Ministry of Land, Infrastructure, Transport and Tourism  
 Sep. 2015: Vice-Commissioner of Japan Tourism Agency  
 Jun. 2016: Councillor of Cabinet Secretariat, Cabinet Bureau of Personnel Affairs  
 Jul. 2019: Minister's Secretariat of Ministry of Land, Infrastructure, Transport and Tourism  
 Mar. 2021: Audit & Supervisory Board Member of Kubota Corporation (to present)  
 Jun. 2022: Audit & Supervisory Board Member of Subaru Corporation (to present)



### Koichi Kawana

Outside Director

Shares owned: 0  
Time in office: -

Committee activity: Member of the Nomination Advisory Committee and Compensation Advisory Committee  
 Significant concurrent roles: Outside Director of Tokyo Electron Device Limited  
 Outside Director of Bandai Namco Holdings Inc.  
 Outside Director (Audit and Supervisory Committee Member) of COMSYS Holdings Corporation  
 External Director of RENOVA, Inc.  
 Apr. 1982: Joined JGC Corporation (currently, JGC Holdings Corporation)  
 Jul. 1997: GM of Abu Dhabi Office and Kuwait Office  
 Jul. 2001: GM of London Office  
 May 2004: GM of Project Business Investment Promotion Dept.  
 Jul. 2007: Executive Officer and GM of New Business Promotion Div.  
 Aug. 2007: Senior GM of New Business Promotion Div.  
 Jul. 2009: Managing Director and Senior GM of Global Marketing Div.  
 Jun. 2010: Representative Director and Senior Executive Vice President  
 Jul. 2011: Representative Director and President (COO)  
 Jun. 2012: Representative Director and President  
 Jun. 2017: Director and Vice Chairman  
 Jun. 2019: Outside Director of Tokyo Electron Device Limited, Outside Director of Bandai Namco Holdings Inc., and Outside Director (Audit and Supervisory Committee Member) of COMSYS Holdings Corporation (to present)  
 Jun. 2020: External Director of RENOVA, Inc. (to present)  
 Dec. 2020: External Director of ispace, Inc. (to present)  
 Apr. 2021: Representative Director and President of Lublyst Inc. (to present)  
 Jul. 2021: Industry Advisor of KKR Japan Inc. (to present)  
 Mar. 2023: Outside Director of Kubota Corporation (to present)



### Keiji Kimura

Outside Audit & Supervisory Board Member

Shares owned: 1,100  
Time in office: 1 year

Significant concurrent roles: Senior Partner of Kyoel Law Office  
 Apr. 1987: Registered as an attorney, joined Showa Law Office  
 Jan. 1994: Registered as an attorney in New York State, US  
 May 1998: Established Kyoel Law Office  
 Jun. 2000: Outside Auditor of Okada Ajyon Corporation  
 Sep. 2007: Outside Auditor of Nagasaki International Corporation  
 Jun. 2009: Outside Auditor of Charlie Co., Ltd.  
 Jan. 2011: Senior Partner of Kyoel Law Office (to present)  
 Mar. 2015: Corporate Auditor (Outside) of Nippon Electric Glass Co., Ltd.  
 Mar. 2022: Outside Audit & Supervisory Board Member of Kubota Corporation (to present)

## Audit & Supervisory Board Members



### Toshikazu Fukuyama

Audit & Supervisory Board Member

Shares owned: 18,300  
Time in office: 8 years and 9 months

Committee activity: Chair of the Audit & Supervisory Committee  
 Apr. 1979: Joined Kubota Corporation  
 Oct. 2005: GM of Corporate Planning & Control Dept.  
 Oct. 2009: Vice President of Siam Kubota Industries Co., Ltd. (currently, Siam Kubota Corporation Co., Ltd.) and Director of Siam Kubota Leasing Co., Ltd.  
 Aug. 2010: Vice President of Siam Kubota Corporation Co., Ltd.  
 Jun. 2014: Audit & Supervisory Board Member of Kubota Corporation (to present)



### Yasuhiko Hiyama

Audit & Supervisory Board Member

Shares owned: 23,400  
Time in office: 5 years

Apr. 1981: Joined Kubota Corporation  
 Apr. 2008: President of Kubota Industrial Equipment Corp.  
 Apr. 2010: GM of Farm and Utility Machinery Planning and Sales Promotion Dept.  
 Apr. 2012: GM of Farm and Utility Machinery Planning and Sales Promotion Dept.  
 Apr. 2014: GM of Farm and Utility Machinery Business Unit I, Farm and Utility Machinery Planning and Sales Promotion Dept. I, and Farm and Utility Machinery Planning and Sales Promotion Dept. II  
 Apr. 2015: GM of Tractor and Utility Machinery Business Unit  
 Jan. 2016: Senior Executive Officer  
 Jan. 2017: GM of Compact Tractor, Turf and Utility Vehicle Business Unit  
 Jan. 2018: Deputy GM of Tractor Div.  
 Mar. 2018: Audit & Supervisory Board Member (to present)



### Masashi Tsunematsu

Audit & Supervisory Board Member

Shares owned: 6,401  
Time in office: 1 year

Apr. 1986: Joined Kubota Corporation  
 Jun. 2010: GM of Water Engineering & Solution Planning Dept.  
 Jan. 2018: GM of Environmental Business Planning and Sale Dept.  
 Feb. 2019: GM of Water and Environment Infrastructure Management Dept.  
 Jan. 2022: Water and Environment Infrastructure Consolidated Div.  
 Mar. 2022: Audit & Supervisory Board Member (to present)

## Senior Executive Officers

### Senior Managing Executive Officers

Yuji Tomiyama  
 Kazuhiro Kimura  
 Nikhil Nanda  
 Nobuyuki Ishii

### Managing Executive Officers

Kazunari Shimokawa  
 Ryuichi Minami  
 Yoshimitsu Ishibashi  
 Yasukazu Kamada  
 Katsuhiko Yukawa  
 Muneji Okamoto  
 Koichi Yamamoto  
 Hirohiko Arai

### Senior Executive Officers

Koichiro Kan  
 Tomohiro Iitsuka  
 Kazushi Ito  
 Mampei Yamamoto  
 Nobushige Ichikawa  
 Shinichi Fukuhara  
 Hideki Mori  
 Junji Ota  
 Takanobu Azuma

### Executive Officers

Hideo Takigawa  
 Takashi Ichikawa  
 Wataru Kondo  
 Hiroyuki Tanihara  
 Toshiyuki Taneda  
 Shiro Watanabe  
 Todd Stucke  
 Hiroyuki Araki  
 Yoshifumi Makino  
 Tadahito Suzui  
 Koichi Nakagawa  
 Kazunori Tani  
 Yuji Kambara  
 Shinya Tsuruda  
 Patrick Verheecke  
 Sumio Morioka  
 Shinichi Yamada  
 Hitoshi Sasaki  
 Satoshi Suzuki

\*Shares owned is correct as of December 2022, time in office is correct as of March 2023.

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