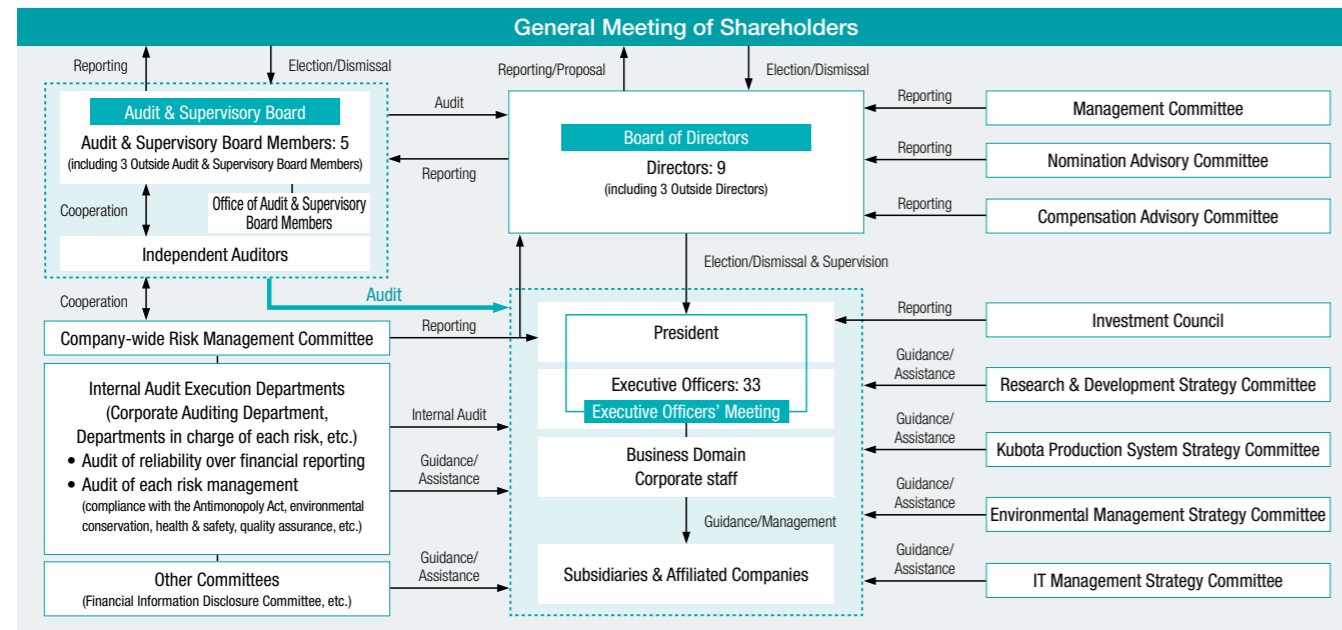


In order to speed up its response to management conditions and improve transparency in its management, Kubota has been committed to enhancing its corporate governance structure.



Yutaro Shintaku (Outside Director), Yuzuru Matsuda (Outside Director), Toshihiko Kurosawa (Director and Senior Managing Executive Officer), Masato Yoshikawa (Director and Senior Managing Executive Officer), Masatoshi Kimata (President and Representative Director), Yuichi Kitao (Representative Director and Executive Vice President), Shinji Sasaki (Director and Senior Managing Executive Officer), Dai Watanabe (Director and Senior Managing Executive Officer), Koichi Ina (Outside Director)

### Corporate Governance Structure (as of March 1, 2019)



	Board of Directors	Audit & Supervisory Board	Executive Officers' Meeting
<b>Objective</b>	To make strategic decisions and oversee the execution of duties by the Executive Officers	To oversee and audit the execution of duties by the Directors	To check the status of execution of duties by the Executive Officers and make prompt and proper management decisions
<b>Members</b>	9 Directors (including 3 Outside Directors) • Attendance rate of the Outside Directors (Mar. 2018–Feb. 2019) Yuzuru Matsuda (100%), Koichi Ina (100%), Yutaro Shintaku (100%)	5 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members) • Attendance rate of the Outside Audit & Supervisory Board Members (Mar. 2018–Feb. 2019) Akira Morita (100%), Teruo Suzuki (100%), Masaki Fujiwara (100%)	President and Representative Director and Executive Officers (33 members)
<b>Meeting frequency</b>	One regular meeting each month (and more as necessary)	One regular meeting each month (and more as necessary)	One regular meeting each month (and more as necessary)
<b>Contents</b>	Discuss and make decisions on important management issues (matters relating to management planning, financial planning, investment, business restructuring, etc.)	Discuss and make decisions with regard to auditing policy, audit reports, etc.	The President instructs the Executive officers on policies and decisions made by the Board of Directors. The Executive officers report to the President regarding the status of their execution of duties.

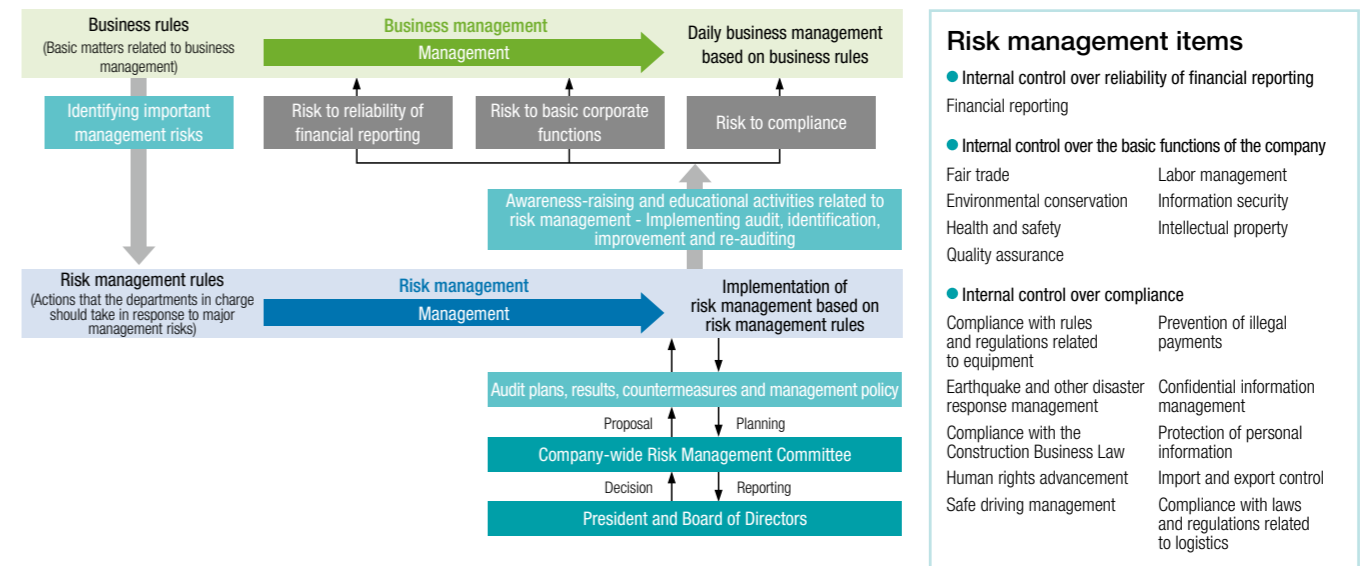
\* The terms of office of Outside Audit & Supervisory Board Members Akira Morita and Teruo Suzuki expired at the end of the General Meeting of Shareholders held on March 22, 2019.

## Internal Control System

The internal control system of the Kubota Group is a mechanism for clearly providing the rules that should be followed during the performance of business, and for checking whether or not business has been managed according to those rules.

This system consists of the segments of “business management,” which entails the performance of business operations based on rules, and “risk management,” which entails the management of major risks in management.

### Internal Control System Overview



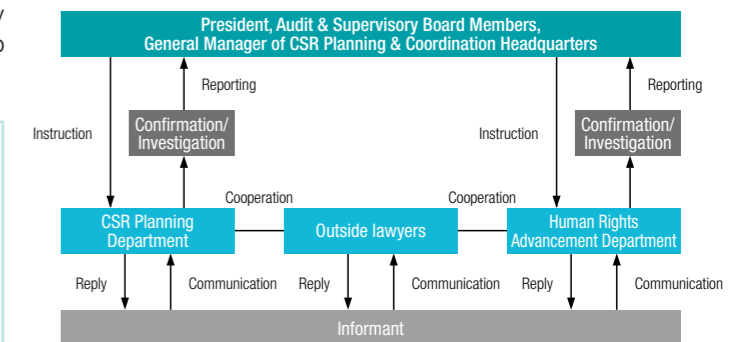
## Whistleblowing System (Kubota Hotline)

As a framework to support risk management, Kubota operates a whistleblowing system. This system aims to prevent, or quickly detect and correct, any illegal or unethical acts as well as to develop an open corporate culture.

<b>Types of contact points and matters handled</b>	CSR Planning Department (issues other than human rights), Human Rights Advancement Department (issues of human rights), consultation by outside lawyers
<b>Available to</b>	Full-time, part-time and temporary employees of Kubota and its group companies in Japan
<b>Number of cases reported</b>	January to December 2017: 52 cases; January to December 2018: 71 cases

\* Each overseas site handles reporting individually and notifies the head office of any significant issues. (Starting from 2017, all whistleblowing cases in China are reported to the Kubota head office.)

### Kubota Hotline Flowchart



## Dialogue with Outside Management and Expert –Kubota’s CSR Management

We invited CSR expert Professor Katsuhiko Kokubu of Kobe University Graduate School of Business Administration to serve as a facilitator in a dialogue about Kubota’s CSR management. Held on January 29, 2019



Attendees (in order from the left): <CSR expert and facilitator> Professor Katsuhiko Kokubu, Kobe University Graduate School of Business Administration <From Kubota> Teruo Suzuki, Outside Audit & Supervisory Board Member; Koichi Ina, Outside Director; Yuzuru Matsuda, Outside Director; Akira Morita, Outside Audit & Supervisory Board Member; Masaki Fujiwara, Outside Audit & Supervisory Board Member; Kunio Suwa, Managing Executive Officer

\* Official positions are as of the time of the dialogue.

For more details, please see the Full Report version on our website. [www.kubota.com/report/](http://www.kubota.com/report/)

