# **Relationships with Employees**

Customer satisfaction cannot be accomplished without employee satisfaction. The Kubota Group promotes the creation of comfortable and motivated workplaces where its employees can not only work safely and securely but also feel pride and joy in their work.

In accordance with the Kubota Group Charter for Action & Code of Conduct, which is our global standard for conduct, we carry out audits and interviews at overseas bases with a clear understanding of the circumstances of each country and region, in order to raise the level of employee-related policies across the entire Group.

# Creating a Safe Workplace for All Employees

# **Promoting a Safer Workplace**

Kubota formulated its Basic Policies on Safety and Health in April 2013 for the purpose of creating a safer and more secure workplace. Based on these policies, Kubota is enforcing the ethic whereby all people involved in the business, including contractor employees, behave based on the philosophy that "Safety is Our First Priority."

In addition, three specific instructions to ensure the "Safety is Our First Priority" philosophy were announced by the President.

The Kubota Group's Mid-term Plan (FY2018 to FY2022) has put forth a variety of strategies to achieve a goal of zero Class-A incidents,\* with initiatives promoting inherently safe equipment; promoting safe operations; enhancing personnel development to support safety; and maintaining and improving a safe and healthy working environment as its pillars.

\* Class-A incident is one that can lead to a serious incident, such as crushing or entanglement in machinery, due to one of the following causes:

1) contact with a high-heat object, etc., 2) contact with a heavy load, etc., 3) entrapment and entanglement by machines, 4) fall from heights, 5) contact and the like with forklift / vehicle, 6) falling from or contact with agricultural/construction machinery, 7) electric shock, 8) hit by a flying / falling object, 9) acute poisoning by harmful substances, or 10) fires or explosions.

#### The Kubota Group Basic Policies on Safety and Health

"In the Kubota Group, no work should be carried out without serious consideration of safety and health."

To achieve this, we established the fundamental principle that all the people involved in the business shall behave based on the philosophy that "Safety is Our First Priority."

#### Safety is Our First Priority

- 1. All the people involved in the business of the Kubota Group shall observe the determined rules and behave based on the philosophy "Safety is Our First Priority," to protect themselves from accidents.
- 2. Management executives shall operate the business keeping in mind the philosophy "Safety is Our First Priority," respect and listen to the voices of frontline worksites, and be reminded that "the worksite is a mirror that reflects yourself."
- 3. Management-level employees shall identify any risk that may lead to a serious incident and take faithful action to address such risk, while endeavoring to create a corporate culture that allows straightforward talk about safety and to develop human resources that support safety.



# Kubota Group's Mid-term Plan (FY2018 to FY2022) Target and Major Tasks

Kubota sets a target for the period up to FY2022 as the final year, and will mainly address the tasks below.

#### **Target: Zero Class-A incidents**

#### <Major tasks>

#### 1. Promoting inherently safe equipment

- (1) Apply the risk assessment for machine safety to all new equipment.
- (2) Complete measures for existing equipment to achieve the target levels determined in the Safety Control Guidelines for assessment and promotion of inherently safe equipment.
- (3) Work to prevent the recurrence of equipment abnormality.

#### 2. Promoting safe operations

(1) Based on the revised Risk Assessment Guidelines for Work Operations, examine actual operations with reference to the Class-A Incident Prevention Checklist accompanying the risk assessment to eliminate any areas of unidentified risk linked to such incidents.

#### 3. Enhancing personnel development to support safety (the Kubota Group Safety-Aware Employee Development)

(1) Promote activities to enable all employees to follow the "basic daily cycle" described in the Basic Guidelines for Safety-Aware Employees as a habit.

#### 4. Maintaining and improving a safe and healthy working environment

(1) Accumulate improvement examples at model dusty workplaces before deployment to other offices and workplaces.

#### Kubota Group Guidelines for Safety-Aware Employees/ Basic Guidelines for Safety-Aware Employees



# Initiatives Implemented for Priority Issues of FY2019

In FY2019, the initiatives below were implemented with regard to priority issues.

#### Achievement of Level II for existing equipment and Level III for new equipment (6 domestic Group companies and 16 overseas Group companies)

Based on a newly formulated 5-year implementation plan, we are progressing with activities to upgrade to Level II all existing equipment still below that level under the Safety Control Guidelines for assessment and promotion of inherently safe equipment, which categorizes equipment into degrees of safety from Level I to IV. For new equipment, our policy is to ensure safety Level III at the time of its introduction, based on the risk assessment for machine safety that was revised in FY2017.

#### 2. Initiative to prevent recurrence of equipment abnormalities (all domestic Group companies)

When an abnormality arises in a piece of equipment, we work to prevent its recurrence through a process of 'visualization.' We are also engaged in activities intended to eradicate incidents that result from not stopping equipment when abnormalities occur.

#### 3. Promotion of risk assessments of work operation activities (all domestic Group companies)

We have revised our risk assessment for work operations with the aims of enhancing the ability to identify risk at worksite and plant departments and promoting measures against residual risk. Through training using the risk assessment, we are working to eliminate any areas of unidentified risk linked to Class-A incidents.

We also hold guidance seminars where employees can receive instruction from external consultants who observe the actual work on our manufacturing floors so that we can improve our risk identification capabilities linked to Class-A incidents.

#### 4. Initiatives to instill the Basic Guidelines for Safety-Aware Employees (all domestic Group companies)

We undertake educational activities via the serial publication of messages from the management in our company newsletters, so that it will become a habit for all of our employees to always abide by the Basic Guidelines for Safety-Aware Employees, and that habituation will help achieve our organizational culture.

#### 5. Education on how to teach safe operations (all domestic Group companies)

As part of our rank-based education initiatives, we have established a defined way of how to teach safe operations that clearly describes specific approaches to work-related teaching and methods for confirming and assessing degrees of proficiency. With this, workers can receive easy-to-understand guidance regarding the work they are in charge of, allowing them to perform their work more safely once they learn methods to avoid risks and the rationale behind why they need to abide by those methods.

## 6. Maintaining and improving a safe and healthy working environment (all domestic Group companies)

We carry out measurements twice a year at all worksites to continuously monitor conditions at a detailed level. By actively promoting horizontal rollout of example of good practice, we work to maintain and improve standards Group-wide.

#### The Kubota Group Safety and Health Target for FY2020

Kubota has clearly set the target below for FY2020, and is promoting Company-wide efforts to create safe workplaces.

#### **Target: Zero Class-A incidents**

#### [Priority implementation issues]

#### Plant departments

- 1. Promoting inherently safe equipment
- 2. Promoting safe operations
- 3. Developing Safety-Aware Employees
- 4. Promoting sanitary management
- 5. Operating the Kubota Group health and safety management system
- 6. Taking action for Group manufacturing companies outside Japan

#### Construction departments

- 1. Developing Safety-Aware Employees
- 2. Promoting safe operations
- 3. Promoting inherently safe equipment
- 4. Promoting sanitary management
- 5. Promoting environmental management

# **Raising Awareness of Safety**

ENVIRONMENT

We provide safety education through messages issued by management and through a range of conferences.

#### 1. Education through management messages

Messages from management (executive officers) around the themes of the Kubota Group Approach to Safety and Safety-Aware Employees\* were distributed via the company newsletter and the company Intranet to promote safety awareness throughout the organization.

\* Please refer to P115 Kubota Group Guidelines for Safety-Aware Employees/Basic Guidelines for Safety-Aware Employees

#### 2. Education through conferences

For plant departments in Japan, we organized a Staff Conference in September for staff assigned to safety and health duties and a Section Manager Conference in November for section managers with safety and health responsibilities.

The aim of the Staff Conference was to eliminate any areas of unidentified risk linked to Class-A incidents in the workplace, while the section manager conference was held to review initiatives for the fulfillment of the Mid-term Plan and to set policy for the next fiscal year. Meanwhile, a Construction Safety and Health Manager Conference was held in April and in November for managerial staff in construction departments. The aims were to set up a system for application to department-wide construction projects which will identify risks before works start and draft associated risk reduction proposals, and to enhance the abilities of project directors who form the operational frontline.

In overseas regions, Safety and Health/Environmental Manager Conferences were organized jointly with the Environmental Protection Department for Group companies in the Asia region in September and in the Europe region in December.

The conferences were held with the aim of cultivating the ability of participants to identify issues at their own business bases and worksites using on-site patrols and to draft related improvement measures.

In the North America region, an August conference has been held since 2019 under an initiative by local Group companies with the aim of adopting examples of good practice from the activities and management of other participating worksites.

#### 3. On-site guidance meetings with an outside consultant

In September and December, on-site guidance meetings to enhance the ability to identify risks linked to Class-A incidents were held with Noboru Furusawa, a leading safety expert and representative of the organization Supporting Safety and Developing Human Resources. The meetings were attended by section managers, assigned staff, supervisors and other relevant employees in the areas of safety, health and manufacturing, mainly from plant departments in Japan.

To learn how to look for danger and how to carry out inspections, the participants received on-site guidance in how to carry out risk assessment at the operational frontline. This included how to spot risks linked to Class-A incidents and how to motivate and educate through communication in the workplace.



Asia region Safety and Health/Environmental Manager Conference (September 3-4, 2019)



On-site guidance meetings with Noboru Furusawa (photograph far right) were held to enhance the ability to identify risks linked to Class-A incidents (September 25 and December 19, 2019)

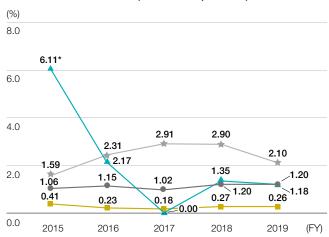


In 2015, tallied from April 1

to December 31.

# **Lost Time Incident Rate/Severity Injury Rate**

#### Lost Time Incident Rate (Kubota Corporation)

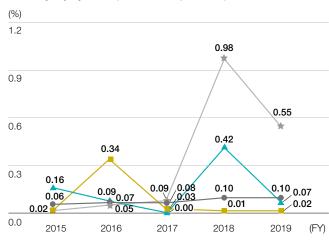


- -- Kubota (plants)
- ★ Kubota (construction)
- Average for manufacturing industry
- Construction industry (average for projects by occupation)
- \* Due to the occurrence of accidents accompanied with multiple absences from work at one time In 2015, tallied from April 1 to

December 31.

<Lost time incident rate> Work-related deaths and injuries requiring work absence  $\div$  total personnel hours × 1,000,000

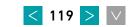
#### Severity Injury Rate (Kubota Corporation)



- Kubota (plants)
- Kubota (construction)
- Average for manufacturing industry
- Construction industry (average for projects by occupation)

<Severity injury rate>

Number of workdays lost  $\div$  total personnel hours  $\times$  1,000



## Safety and Health Education Implementation Status in FY2019

Safety and health education is provided for each rank, including for new employees (education at the time of employment).

#### **Manufacturing Departments**

Name of education program	No. of times held	Total participants
Education for new employees	5	355
Elementary (for young employees)	6	165
Semi-intermediate (for mid-career employees)	3	75
Intermediate (for workplace leaders)	2	50
Training for newly appointed lead persons	3	55
Training for newly appointed supervisors	4	70
Training for newly appointed foremen	1	10

#### Other than Manufacturing Departments

Name of education program	No. of times held	Total participants
Education for new employees	2	170
Safety and health education for mid- career entrants at the time of employment	12	110
Equipment safety education	11	95
Training for newly promoted managers	1	130
Training for newly appointed section managers	4	65
Training for newly appointed department managers	1	20
Education for officers (Safety, Environment, and Quality Forum)	1	30

<sup>\*</sup> Figures for the total number of participants are rounded to the nearest five, except in the case of "education for officers."

# Sites with Occupational Health and Safety Management System Certification

To ensure safety for employees and provide them with a workplace environment that allows them to feel safe concentrating on their duties, Kubota has acquired OHSAS 18001/ISO 45001 certifications for its business sites below, while establishing an occupational health and safety management system focusing mainly on risk assessment for other sites.

#### In Japan

Tsukuba Plant	OHSAS 18001 certification acquired in Dec. 2000
Keiyo Plant	ISO 45001 certification acquired in Nov. 2018 (OHSAS 18001 certification acquired in Dec. 2002)
Ichikawa Plant	ISO 45001 certification acquired in Nov. 2018 (OHSAS 18001 certification acquired in Dec. 2002)
Hanshin Plant (Mukogawa)	OHSAS 18001 certification acquired in Nov. 2003
Hanshin Plant (Amagasaki)	OHSAS 18001 certification acquired in Apr. 2005
Hirakata Plant	ISO 45001 certification acquired in Apr. 2019 (OHSAS 18001 certification acquired in Jun. 2007)

#### Overseas

Kubota Materials Canada Corporation	OHSAS 18001 certification acquired in Aug. 2012
SIAM KUBOTA Corporation Co., Ltd.	ISO 45001 certification acquired in Sep. 2019 (OHSAS 18001 certification acquired in JanFeb. 2014)
Kubota Baumaschinen GmbH	ISO 45001 certification acquired in Jun. 2019 (OHSAS 18001 certification acquired in Jul. 2014)
SIAM KUBOTA Metal Technology Co., Ltd.	ISO 45001 certification acquired in Nov. 2019 (OHSAS 18001 certification acquired in Dec. 2014)
KUBOTA Engine (Thailand) Co., Ltd.	ISO 45001 certification acquired in Jul. 2019 (OHSAS 18001 certification acquired in Jul. 2015)
Kubota Farm Machinery Europe S.A.S	OHSAS 18001 certification acquired in Feb. 2017
KUBOTA SANLIAN PUMP (ANHUI) CO., LTD.	ISO 45001 certification acquired in Jun. 2019
Kubota Construction Machinery (Wuxi) Co., Ltd.	ISO 45001 certification acquired in Nov. 2019
Kubota Engine (WUXI) Co., Ltd.	ISO 45001 certification acquired in Nov. 2019

# **Initiatives to Reduce Risk for Employees Working Overseas**

With the collaboration of specialist international medical treatment and security companies, the Kubota Group is working to reduce risk for employees posted overseas and their accompanying family members and for employees on business trips overseas.

By collecting and analyzing security information at the overseas location, we provide information to Group employees in Japan and overseas. To deal with medical needs, we have rolled out a system operating round the clock every day of the year that provides services including consultation with a doctor by telephone from overseas and arrangement of emergency medical transport.



# **Respecting Human Rights**

# **Basic Policies Regarding Human Rights**

The Kubota Group supports the Universal Declaration of Human Rights, respects the human rights of all people, and does not discriminate or violate human rights on the basis of nationality, race, age, gender, sexual orientation, gender identity or disability, or for any other reason.

The Kubota Group does not permit forced labor or child labor, and also requests that its business partners comply in this regard. These policies are declared in the KUBOTA Group Charter for Action & Code of Conduct and put into practice.

## Code of Conduct (excerpts)

- We support the Universal Declaration of Human Rights, and respect the human rights of all people.
- We do not discriminate or violate human rights on the basis of nationality, race, age, gender, sexual orientation or gender identity,\* disability, or for any other reason.
- \* The concept of how one perceives one's own gender.
- We do not permit forced labor or child labor, and also request our business partners to comply in this regard.

# **Human Rights Advancement System**

In Japan, Kubota has a Human Rights Advancement Planning & Coordination Committee headed by the director in charge of CSR Planning & Coordination Headquarters. Its members at each Kubota site are promoting activities based on the human rights advancement activity policies. At the beginning of each fiscal year, a meeting is held gathering the committee members of all sites.

Besides the committee members, a human rights advancement leader is appointed at each site, who leads the human rights advancement activities of the site.



#### **Human Rights Education**

Aiming to create a harassment-free, conducive workplace environment, Kubota plans and provides human rights education programs for all employees, including President and Directors, every year, based on the human rights advancement activity policies. The human rights education program can also be accessed from overseas via a video conference system.

The education programs include rank-based training, such as training for new employees, and human rights education provided at each site. In 2019, we introduced training through e-learning for increased user convenience. In 2019, all Kubota employees (in terms of the total number of participants) in Japan received human rights education through internal training or training offered by external organizations.

#### [Results of Internal Training in 2019]

	Internal training	External training	Total
Kubota	17,898 people	338 people	18,236 people
Group companies in Japan	11,286 people	141 people	11,427 people

#### Major Internal Education Programs

Training for management executives	229 people (including presidents, etc. of Group companies in Japan)
Training for new employees	1,227 people (including those from Group companies in Japan, etc.)
Training for newly appointed foremen	12 people (including those from Group companies in Japan, etc.)
Training for newly appointed supervisors	43 people (including those from Group companies in Japan, etc.)
Seminar for harassment consultation office personnel	68 people (including those from Group companies in Japan, etc.)
e-learning courses on human rights advancement	10,549 people (including those from Group companies in Japan, etc.)

SOCIETY

- \* The figures include temporary and re-hired employees.
- \* For the hearing-impaired, DVD transcripts (or a DVD with subtitles) or lecture texts are provided in advance, so that they can receive training with other participants in the same room.

#### Major Education Themes

• Prevention of harassment

[Includes prevention of sexual harassment, maternity harassment,\*1 power harassment, and bullying or indirect disadvantaging of sexual minorities (LGBT,\*2 SOGI,\*3 etc.)].

- Training for superiors in responding to reports of harassment and promoting two-way communication
- Social discrimination (Dowa) (such as online discrimination towards minority groups (e.g. Buraku), etc.)
- Issues facing the disabled (Act to Advance the Elimination of Discrimination against the Disabled, the disabled employment ratio, etc.)
- Issues facing foreign residents in Japan (hate-based harassment, etc.)
- UK Modern Slavery Act
- The supply chain and human rights (SDGs)
- Various human rights issues (such as color vision variations and universal color design)
- Results of surveys on CSR awareness
- Revision of the employment regulations, etc. associated with the revision of the Equal Employment Opportunities Act and the Child Care and Family Care Leave Act
- \*1 Harassment relating to pregnancy, childbirth, childcare leave, etc.
- \*2 Acronym of lesbian, gay, bisexual, and transgender
- \*3 SO (sexual orientation), GI (gender identity).

#### Major External Training

Kubota also encourages its employees to proactively participate in seminars hosted by corporate organizations addressing human rights issues and government organs.

Examples: Dowa and Human Rights Issue Awareness-Raising Seminar (for management-level employees) hosted by the Corporate Federation for Dowa and Human Rights Issues: 12 participants

Dowa and Human Rights Issue Awareness-Raising Introductory Seminar hosted by the Sakai City Human Rights Education Promotion Council: 74 participants

The 39th Human Rights and Dowa Issue Corporate Awareness-Raising Seminar hosted by the Executive Committee\*4: 32 participants (including those from Group companies in Japan)

The 49th Buraku Liberation and Human Rights Summer Seminar hosted by the Executive Committee\*4: 19 participants (including those from Group companies in Japan), etc.

\*4 Hosted by Osaka Prefecture, Osaka City, Buraku Liberation and Human Rights Research Institute, etc.



Human Rights Training for Management Executives (Oct. 3, 2019) (Theme: Human rights in the workplace—Creating a harassment-free work environment)

(Lecturer: Satomi Kuwano, CEO, Business Partner Office)



e-learning materials on human rights advancement

ENVIRONMENT





As remedial action for victims of human rights violation, Kubota established the Kubota Hotline-a whistleblowing system that includes the use of outside lawyers-and consultation office systems at each of its bases, including those overseas, thereby enabling it to respond swiftly to any issues that may arise.

Click here for details on the whistleblowing system (Kubota Hotline).

Number of cases reported on human rights issues (including harassment) in 2019: 58 (20 of which were recognized)

#### [Whistleblowing System (Kubota Hotline)]

We distribute pocket cards with contact details and introduce such offices through the Company intranet, posters, email magazines, human rights seminars, and so on.



Harassment Consultation Office Personnel Seminar (July 3, 2019) (Lecturer: Keiko Miki, CEO, Atelier M)

#### [Consultation Office System in Japan]

Each year, Kubota holds a seminar for harassment consultation office personnel inviting external lecturers, with the aim of improving their counseling ability and preventing secondary victimization. A total of 68 employees, focusing on newly appointed supervisors and including those who participated via a video conference system, took part in this seminar in 2019.

The seminar focused on enabling the participants to take prompt and appropriate action against many types of harassment, such as sexual, power, or maternity harassment, or harassment against sexual minorities, without causing any disadvantage to the informant.

# **Activities to Raise Human Rights Awareness**

In order to enhance awareness of human rights, Kubota invites human rights-related slogans from all Japan-based employees, including those from Group companies in Japan, every year, and awards excellent slogans during Human Rights Week, which is celebrated every December.

In 2019, entries were received from a total of 17,702 applicants (an application rate of 83.1%) and the best slogan from each business site was posted on a long strip of paper. Starting from 2016, the awarded slogans have also been posted at distributors.

## Human Rights Week Activities at Each Base



Installation of banners (Tsukuba Plant)



Installation of banners (headquarters)



Installation of standing signboards (Sakai Plant)



Awarding the winner of the human rights slogan contest (Group company in Japan)



Implementation of human rights training (Group company in Japan)



Display of human rights slogans (Hanshin Plant)



## **Protection of Privacy**

From the perspective of respecting human rights and protecting privacy, Kubota conducts several inspections each year for each base to ensure there are no insufficiencies in investigation tasks such as credit surveys, and there are no problematic contents or descriptions from the perspective of human rights violation included in the investigation reports.

# Respecting Human Rights throughout the Supply Chain

Kubota declares in the Kubota Group Charter for Action, "we do not permit forced labor or child labor, and also request our business partners to comply in this regard."

Also, in its CSR Procurement Guidelines, Kubota declares that it does not permit forced labor or child labor, and also requests that its suppliers comply in this regard. The Guidelines also clearly prohibit the use of conflict minerals,\* which are a source of funds for armed insurgents.

In May 2017, the Kubota Group released its Group statement with regard to the UK Modern Slavery Act, and has updated its statement each year, which can be seen on our website.

For employees in Japan, explanation is provided during their human rights education programs. At overseas Group companies, the business site heads of each company provides explanation to the employees.



www.kubota.com/company/csr/stake\_h/procure/pdf/csrprocure.pdf

## **Awareness Survey on Harassment**

An awareness survey on harassment is conducted collaboratively by the labor union and the Human Rights Advancement Department, targeting Kubota employees. The results of the survey are released through the Company intranet and on the newsletter distributed to union members. Details are explained in human rights education programs, etc.

## **External Related Organizations**

Kubota participates in the external organizations below and is working to create a discrimination-free society.

- The Corporate Federation for Dowa and Human Rights Issues, Osaka (also participating in Shiga, Wakayama, Hyogo, Chiba and Hiroshima)
- · Osaka City Corporate Human Rights Promotion Council (with related organizations in each municipality)
- The Center for Fair Recruitment and Human Rights Advancement
- Multi-Ethnic Human Rights Education Center for Pro-existence
- Osaka Career Support & Talent Enhancement Plaza
- Buraku Liberation and Human Rights Research Institute, etc.

<sup>\*</sup> Tantalum, tin, tungsten and gold and their derivatives, produced in the Democratic Republic of the Congo and its neighboring countries, which constitute a source of funds for armed insurgents, who have repeatedly committed inhumane acts in these countries.



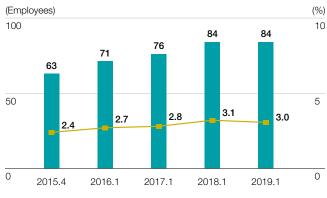


# **Empowering Women in the Workplace**

As a focal point of diversity management, Kubota supports women in the workplace through initiatives such as changing the human resources system and offering various training programs. Kubota steadily advances the promotion of women through expanding the occupational scope of women by implementing the consolidation of occupational roles and other means. The number of women who are promoted to managerial positions has been increasing year by year. The gap in the number of years of working experience between men and women has also been shrinking every year.

**ENVIRONMENT** 

# Trend in the Number of Women in Management Roles\* (Kubota Corp.)



- Number of women in management roles
- --- Ratio of women in management roles (scale on the right)

# Offering Various Training Programs to **Support Women**

To date, Kubota has established Group-wide activities aimed at women's participation in outside forums and networking for the purpose of supporting career advancement and fostering a corporate culture that empowers women in the workplace.

Kubota also held leader development training for female employees expected to undertake leadership roles. The aim of the training is to help the participants develop their careers and play more active roles by acquiring the mindset and skills necessary for a leader.

#### **Participating Forums**

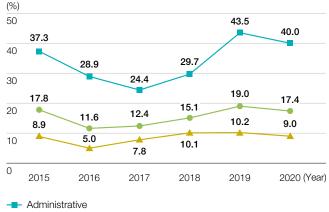
- 1. Women's Networking Forum in Osaka
- 2. U.S. Posting Program

# Signed Women's Empowerment Principles (WEPs)

The Women's Empowerment Principles (WEPs) is a set of principles jointly prepared by the UN Global Compact\*1 and UN Women\*2 in March 2010 to create work and social environments where women's strengths can be leveraged in corporate activities.

The Kubota Group supports these principles and endorsed the doctrine in July 2012, thus positioning gender equality and the empowerment of women as a focal point of its management and pledging to autonomously carry out initiatives.

## Ratio of Women Among Graduate Recruits for Regular Positions (Kubota Corp.)



- Technical
- Total

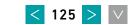


Leader development training for female employees in staff positions (joint session with supervisors and female managers)



Certification for Women's Empowerment Principles

<sup>\*1</sup> Global initiative to achieve sustainable growth in international society announced by the UN Secretary-General at the 1999 World Economic Forum. \*2 United Nations entity working for gender equality and the empowerment



# Support for Job Creation and Establishing a Work Environment for Disabled People

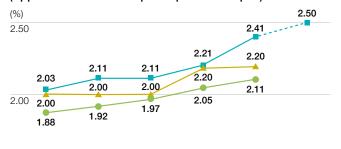
The Kubota Group is active in its initiatives towards the employment of disabled people that are aimed at supporting selfreliance, especially through its special subsidiary companies\* (Kubota Works Co., Ltd. and Kubota Sun-Vege Farm Co., Ltd.).

Kubota Works Co., Ltd. conducts cleaning work at various offices and work mainly involving business card and document printing. Kubota Sun-Vege Farm Co., Ltd., on the other hand, is involved in initiatives to use hydroponic culture to grow vegetables safely and securely with the goals of living in harmony with the community and the practical use of unused agricultural land. The vegetables grown there are used in our company cafeteria and are available for sale to our employees, and some are being sold at supermarkets in Osaka Prefecture.

In addition, Kubota Staff Corporation (one of our Group companies) is actively involved in the employment of disabled people by outsourcing computer data entry and office work, and is promoting job creation.

\*One of our subsidiary companies where organizers give special consideration to the employment of disabled people in order to promote employment of the disabled and to plan for their stability.

#### Trend in Percentage of Employees with Disabilities (Applicable Kubota Group Companies in Japan)



1.50 2015 2016 2017 2018 2019 2020 (FY)



Kubota Sun-Vege Farm Co., Ltd.



Kubota Staff Corporation

- Kubota
- Mandatory employment percentage
- National average





## **Communication through Rugby Events at Special Needs Schools**

Kubota Spears aims to make a broad variety of social contributions and its range of activity is expanding year by year. The rugby events, which were designed to contribute to popularizing rugby and to promoting children's education and healthy development, were the first of their kind at special needs schools in both East and West Japan.

Osaka Prefecture: Osaka Prefecture Tamagawa High School for Special Needs Education: ca. 60 participants Chiba Prefecture: Chiba Prefectural Ichihara School for Special Needs Education: ca. 90 participants

In Chiba, Kubota Spears players gave training sessions in passing and tackling. In Osaka, Kubota Works Co., Ltd., which has a record of employing people with disabilities, responded to a request from the school by arranging for ex-players from Kubota Spears to visit the school. Although nervous at first, the students soon relaxed and showed their enjoyment in broad smiles.



Practice in passing



Practice in tag rugby

# **Initiatives for Sexual Minorities Such as LGBT Groups**

#### Received Work with Pride Silver 2019

As part of how Kubota promotes diversity, we are promoting initiatives for sexual minorities. We strive to be a workplace where a diverse workforce can be active regardless of sexual orientation or gender identity, and we are making contributions towards establishing a diverse society where a broad range of values are accepted.

# work with Pride



HIGHLIGHT 2020

FNVIRONMENT



# Maintenance and Enhancement of the Health of Employees

Kubota is working to promote health and productivity management by stepping up its Health Kubota and Genki Kubota initiatives to enable all employees to work vibrantly in good mental and physical health. Furthermore, Kubota, including all Group companies in Japan, has introduced the wellness projects Health Kubota 21 and the Health Mileage system to promote the maintenance and health of its employees, with the aim of encouraging employees to take spontaneous action to improve their health with interest.

#### Health Kubota 21

Slogan: For Tomorrow, For Smile

Objective: To raise the health literacy (self-management ability regarding health) of the insured, thereby increasing those who are able to

take voluntary action to develop their health

## Health Kubota 21 (2nd Phase) (2013-2022)

Priority Targets: 1) Nutrition and Diet 2) Physical Exercise 3) Quitting Smoking

Item	Nutrition and diet		Physical activit	Quitting smoking	
Contents	Increase the percentage of people who maintain a suitable weight (BMI 18.5–24.9)	Decrease the number of people who skip breakfast three times or more a week	Increase the participation rate in the Walking Campaign	Increase the number of people who exercise at least 30 minutes a day	Decrease the smoking rate
2022 targets	75%	18%	80%	45%	18%

#### Started Free Loans of Wearable Devices

In FY2018, the Kubota Group started free loans of wearable devices to those who want them, to help individual employees to increase their health awareness.

The devices enable the wearers to confirm the number of steps and the amount of exercise they have taken each day, and also visualize sleep time and quality. They are intended to increase the number of employees to take a spontaneous interest in health literacy.



#### Maintenance and Enhancement of Mental Health

Based on the Safety and Health Guidelines of the Kubota Group, the Kubota Mental Health Improvement Targets were formulated. These targets specify activity objectives and goals, and the tangible actions that need to be undertaken in order to realize them. Based on these targets, our aim is to prevent mental health issues from arising, and detecting those that do at the earliest possible stage, doing so from the perspectives of self-care and line-care.

In regard to self-care, stress check, training programs, consultation services with medical staff are available, giving individual employees opportunities to recognize their own stress levels and learn how to deal with stress. In FY2019, we conducted self-care training for managers and supervisors with a view to creating vibrant workplaces by having managers and supervisors



Mental health training session

conduct their own stress management. Personal training programs are also available for personnel in charge of promoting mental health to improve their individual skill levels.

A stress check system offers fine-tuned support for employees suffering from high stress, such as through meetings with medical doctors for those who want them, and support meetings with nurses for those who do not want to consult doctors. In addition, Kubota will conduct group analysis of the results of the stress checks for each workplace and, based thereon, start working on improving the working environment, with the aim of creating vibrant workplaces.



# Securing a Work-life Balance

In promoting the action plan for general business operators set out in the Act of Promotion of Women's Participation and Advancement in the Workplace, Kubota is eliminating consciousness of gender-based roles in responsibility allocation.

- The gap in the number of years of working experience between men and women is shrinkina.
- Over 90% of women are returning to work after taking childcare leave.

In light of the above two points, Kubota proactively encourages its male employees to take childcare leave based on the belief that they should contribute to housework and child-raising so that women may continue to pursue their careers.

For both male and female employees, Kubota promotes the creation of a working environment in which a good work-life balance is ensured.



"Kurumin Mark" for companies with nextgeneration childcare systems



# **Kubota Received the Excellence Prize in the Osaka City Mayor's Awards** for Leading Companies in Women's Empowerment

Osaka City certifies companies that actively promote initiatives to create organizations in which motivated women can continue to play active roles, support the securement of a good work-life balance, and support participation by men in child-raising, housework, and community activities, as Leading Companies in Women's Empowerment. Every fiscal year, companies that undertake excellent initiatives are selected from among certified leading companies and awarded. This year, prize winners were selected from among 95 organizations that had acquired the certification from January to December 2016.



Certification of the Excellence Prize

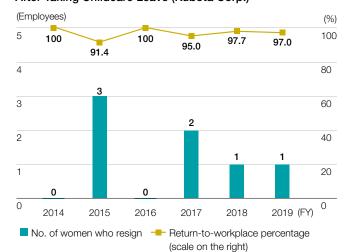
Kubota Corporation acquired the certificate on March 31, 2016. Kubota's efforts of "steadily advancing the promotion of women by consolidating job systems to expand women's job scopes and other means," and "establishing effective systems to support childbirth and childcare, while encouraging male employees to take childcare leave through enhancing training programs, launching campaigns, publishing awareness-raising leaflets, etc. with the aim of eliminating the perception of fixed gender roles" were highly appreciated.

#### Training for Employees Returning from Childcare Leave

To dispel concerns regarding returning to the workplace after childcare leave, Kubota provides training for employees who have taken childcare leave, which their supervisors and spouses can attend.

(Kubota emphasizes that taking leave to raise one's children does not mark the end of one's career. Accordingly, we refrain from using the term "holiday leave" and refer to this instead as "childcare leave.")

## Trend in the Percentage of Women Who Return to Work After Taking Childcare Leave (Kubota Corp.)



<sup>\*</sup> Tallied from April 1 to March 31 of the following year for each year



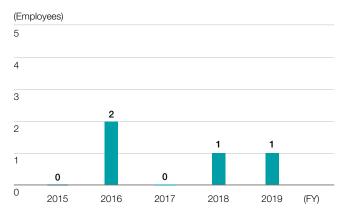
Training for employees returning from childcare leave

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## Re-entry

This program is targeted at employees who have left Kubota for childbirth, parenting, or nursing care, or due to the transfer of their spouse, giving them the opportunity to re-enter the workplace.

#### Participants in Re-entry Program (Kubota Corp.)



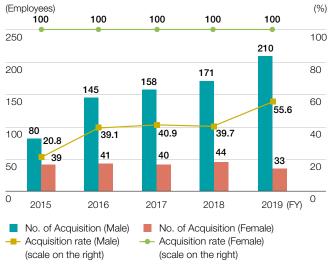
Commenced re-entry in Sep. 2012

- \* Nine months between April and December of FY2015 (settlement moved to December)
- \* From January through December, as of FY2016

# **Encouraging Employees to Take Childcare Leave**

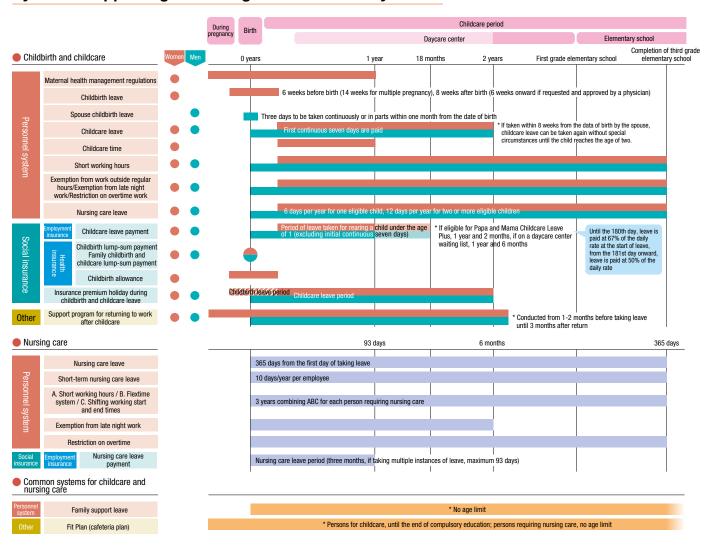
Kubota sets phased targets for the number of male employees taking childcare leave, and actively encourages its use.

#### No./Percentage using Childcare Leave (Kubota Corp.)



<sup>\*</sup> Tallied from April 1 to March 31 of the following year for each year

# **Systems Supporting Balancing Work with Family Needs**



# **Promoting the Use of Annual Paid Leave**

Kubota encourages employees to use their paid leave days from the standpoint of maintaining their mental and physical health, preventing excessively long working hours, and securing a good work-life balance.

With the promotion policy and specific measures of encouragement shared by labor and management, Kubota encourages the use of paid leave in cooperation with the labor union.

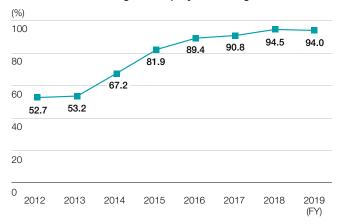
# **Promotion Policy**

- 1. Recommend that employees take paid leave during labor management negotiations.
- 2. Create an environment where it is easy to use paid leave.
- 3. Foster opportunities to rethink the way one works.

# **Specific Measures of Encouragement**

- 1. Set achievable targets company-wide.
- 2. Continue and strengthen initiatives unique to each business site, and spread awareness and disseminate information about using annual paid leave.
- 3. Discuss and implement efficient ways to work, visualize work, and create work manuals to promote communication at each workplace about using paid leave.

#### Trend in the Percentage of Employees Taking Annual Paid Leave (Kubota Corp.)



- \*Tallied from March 16 to March 15 of the following year for each year up to 2015
- \* Tallied from December 16 to December 15 of the following year for each year from 2016

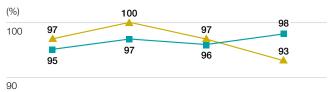
# Initiatives to Improve the Retention Rate of New Employees

Every year, many new graduates (from universities and high schools) and mid-career entrants join Kubota.

Kubota endeavors to create an environment that allows new employees to retain and play active roles in early stages, by offering training programs before assignment and follow-up support after assignment.

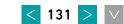
#### Trend in the Retention Rate of New Employees\*1 (Kubota Corp.)

\*1 Rate of employees staying for more than three years after joining the Company





- --- Retention rate of new employees (university graduates)
- Retention rate of new employees (high school graduates)



# **Promoting Workstyle Reforms**

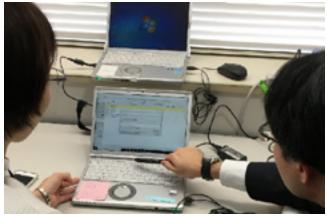
In 2017, Kubota launched the "Workstyle Reform Project Team (HK-PT)," and started introducing the Kubota Production System (KPS) approach used by the production divisions to the back-office divisions also. This involves standardizing back-office operations then reducing waste, and leading on to workstyle reforms. The activity enables employees to secure their work-life balance, upskill, and reskill, while enabling the company to control long working hours and promote productivity improvements.

In this activity, the people in charge receive instruction from consulting company counselors who already have considerable experience in giving guidance in the field of business process streamlining, and then they visualize business processes and proposing improvements. They shared these with other divisions at multiple output discussion meetings for exchanging information before finally creating manuals for all of their own duties. So far, around 430 employees in all 24 divisions have worked on the project.

#### [Improvement Examples]

- (1) Transition to paperless operations and time-saving through use of IT
  - i. Robot process automation (RPA) used to automate data entry operations
  - ii. Automation of material preparation using Microsoft Excel macros
  - iii. Enabling work to proceed outside of the office and streamlining work during business trips by using mobile devices (laptop PCs, smartphones, etc.)
- (2) Adopt "best practices" (apply the most efficient processes uniformly)
  - i. Adopt audit process best practices
  - ii. Adopt voucher check process best practices
  - iii. Adopt daily work best practices (attendance management, travel fee claims, etc.)

In other areas, we adopted telework and a system for selecting work start times to create a work environment where each individual can work in the way that suits them. By fully introducing this system from April it has been used as a countermeasure to prevent the spread of COVID-19.



Guidance from counselors



Output discussion meetings

SOCIETY



# **Personnel Measures in Tune with Globalization**

## **Expanding the Overseas Trainee System**

#### From the World to Japan

As overseas businesses are expanding rapidly, it is urgently necessary to develop human resources who are capable of playing a core role in promoting the autonomy of overseas sites.

Under these circumstances, Kubota started an overseas trainee system in 2015 with a view to developing candidates for managers and supervisors, and engineers at overseas sites.

Kubota has accepted a total of 32 trainees so far. While continuing to receive trainees from China, Thailand and Indonesia, the Company will also invite trainees from other areas, thereby promoting human resources development to help foster the autonomy of overseas sites.



# I Worked at the Tsukuba Plant as a Trainee from KUBOTA Engine (Thailand) Co., Ltd. (KET) for About a Year.

I worked at the Tsukuba Plant, the mother plant of KET in Thailand, as a trainee for about a year. At KET, it takes more time than at the Tsukuba Plant to solve the same problem in terms of quality, cost, or productivity. During this training, I learned various problem-solving approaches, such as 4M analysis and the 3-Gen Principle. After returning, I will form a promotion committee concerning quality, cost, and productivity and make KET a strong plant with SEQCD equivalent to the Tsukuba Plant.



Wanthida Taraket KUBOTA Engine (Thailand) Co., Ltd.

#### From Japan to the World

Since 1997, Kubota has dispatched a number of employees to its overseas subsidiaries and affiliated companies each year for training purposes. Since 2016, Kubota has dispatched trainees to agricultural universities in Europe to learn the latest precision farming for two years. Kubota will continue to dispatch employees overseas as one of its most effective initiatives to foster global human resources.



## Study at Harvard Business School

As the pace of globalization accelerates, we aim to quickly develop human resources who can compete with the world's leading companies by increasing the global standards and advanced business skills of our personnel, and cultivating a global mindset. To achieve this goal, each year we select two Kubota employees to study at Harvard Business School.



# The Fourth Next-generation Management Training in North America Held

Kubota held the fourth-year session of the North America management training program to develop local management executives, which was launched in 2016 jointly by five companies in the North America area of the Kubota Group Machinery business, and Kubota's Machinery Overseas Administrative Division and Human Resources Department. The aim of the North America management training is to develop local management executives who are capable of contributing to the global management of Kubota, as well as to raise the motivation of local staff and foster a sense of unity among the training participants from each company. The six selected trainees received programs necessary for prospective leaders at the business school of Emory University in the United States.

ENVIRONMENT

Kubota will endeavor to activate exchanges between overseas and domestic operation sites, and also among overseas sites, thereby strengthening its global management system.



# **Manager Training for Executives in Europe**

Since October 2018, we have been conducting manager training for executives at our bases in Europe. At our manager training in Europe, executives from all our European-based companies come together to set new business targets for future business development and share them. Then they acquire the knowledge necessary for creating strong organizations and strengthening cooperation frameworks to achieve their goals.

Furthermore, participants also talked about what is needed to form Kubota's corporate culture through respect for diversity with our teams and strengthening their spirit. As of the end of 2019, 212 employees have participated in the training.



#### **Ongoing Foreign Language Training Abroad for New Employees**

In an effort to foster global human resources with the necessary language skills and the ability to adapt to different cultures, since 2008, Kubota has been offering new employees the opportunity to participate in a foreign language education program abroad.

Employees are classified into different courses depending on their language ability at the time of employment and the needs of the department to which they are assigned, and sent to a language school in North America or the Philippines for about one month.

Employees who have acquired high language skills are provided with more practical learning opportunities, such as an internship program at an overseas company.





# **Personnel Policies and HR System (Kubota)**

# **Basic Personnel Policies**

Foster a corporate culture full of vigor with emphasis on taking on challenges and creativity. Find the right person for the right job based on their abilities and ambitions.

# Basic idea of personnel system operations

- 1. Equal opportunity Each employee can strive to attain any role or position.
- 2. Right person for the right job Aim to place the right person in the right job based on their abilities and ambitions

# Overview of Personnel Training, Performance-based Promotion and Compensation

There are three career paths comprising expert positions, staff positions and technical positions for different roles and responsibilities. The personnel system offers personnel training, and performance-based promotion and compensation for each of these career paths. Employees can change career paths based on their abilities and ambitions.

Career	Expert positions	Staff positions	Technical positions
Definition of personnel (main roles)	(management class)  People who drive the business, solve problems that arise in operations, and exhibit a high level of performance based on their willingness to take on challenges, advanced expertise, abundant knowledge and extensive experience and know-how	People who contribute to the business, take on challenges for their own growth, and take on broad responsibilities, especially work that requires expertise, creativity and experience, while aiming to establish a field of expertise	technical class)  ■ People who are in charge of work responsibilities, supervise and nurture subordinates, and achieve work objectives ■ People who improve work processes based on advanced skills, knowledge and experience, and can perform complicated work
Training and education	■ Department and section head class: management training ■ Upcoming management assistants: selective training	Specialized training for specific objectives that employees can choose on their own from a curriculum of about 140 courses of varying difficulty and subject matter	Rank-based training to improve technical skills and quickly foster supervisors with a particular focus on training in the "5-Gen" principles
Evaluations	<ul> <li>Employees set targets with their bosses at the start of the year. Meetings are held during the year to evaluate progress towards these targets, followed by a self-evaluation and a review meeting on the achievement status at the end of the year.</li> <li>Bosses evaluate their subordinates, including their performance of processes and work behavior.</li> </ul>		<ul> <li>Executives set targets with their bosses at the start of the year. Meetings are held during the year to evaluate progress towards these targets, followed by a self-evaluation and a review meeting on the achievement status at the end of the year.</li> <li>Non-executives endeavor to achieve the targets set with their bosses.</li> <li>Both executives and nonexecutives are evaluated comprehensively based not only on the achievements and results, but also on their attitudes, behavior and roles.</li> </ul>
Rotation	The work responsibilities of each employee are reviewed periodically, taking into consideration workplace needs and the employee's preferences, to avoid having employees perform the same work for long periods.		
Ranking (Basis upon which compensation is determined)	■ Five rankings ■ Moves up in the rankings based on contribution to performance	■ Seven rankings ■ Moves up in the rankings based on contribution to performance (Some require testing)	■11 rankings ■ Moves up in the rankings based on contribution to performance (Some require testing and technical qualifications)
Salaries	Each ranking has upper and lower limits to its monthly salary.		
Bonuses	Bonuses are designed to reflect consolidated performance, affiliated business performance, and individual performance and bonus amounts set as standards in annual labor-management negotiations.		
Retirement benefits	Retirement benefits are based on a point system that reflects rank, years of service, and evaluation.		

# Fostering a CSR-based Mindset

## Activities for Instilling the Corporate Principles

ENVIRONMENT

# -Instilling a Mindset Capable of Resolving Social Issues

As globalization of the economy and advancement of diversity have enabled the employment of a wide variety of personnel, there is a growing need for all Kubota Group employees around the world to understand and share, across national borders, generations and job ranks, the basic philosophy and concepts that serve as the basis of the Kubota Group's global management. All employees of the Kubota Group are expected to understand and recognize the Group's founding spirit and common values, thereby further enhancing loyalty and advancing the Group-wide promotion of business activities. To this end, the Kubota Global Identity, global common corporate principles of the Kubota Group, were established on October 1, 2012. In order to instill these corporate principles throughout the entire Group, including at overseas bases, Kubota has systematically promoted activities since FY2013.



Attendees at the corporate principles symposium held on February 21, 2019 (from our company newsletter)



These activities were conducted annually worldwide under a five-year plan between 2013 and 2017. Since 2018, we have shifted the focus of activities to new employees and we continue to work on instilling the corporate principles among employees so that each person can regularly review their understanding of them mainly by holding conversations about the principles and highlighting the thoughts of employees in company newsletters. Moreover, given that FY2020 will mark 130 years since Kubota's establishment, there will be opportunities for employees to once again study the thoughts and words of the company's founder, look back on the history of the Kubota Group, and reconfirm the growing expectations placed on us by the international community to make contributions in the areas of food, water, and the environment.

#### Participation Statistics for Our Corporate Principle Activities (Including Temporary Employees)

Fiscal year	Activity step (five-year plan)	Number of participants	Degree of satisfaction*
FY2013	(1) Acknowledgement	28,969	71%
FY2014	(2) Understanding	35,470	73%
FY2015	(3) Practice and application	35,089	78%
FY2016	(4) Concrete practice	40,855	83%
FY2017	(5) Concrete practice (continued)	41,400	79%

<sup>\*</sup> Numbers in parentheses are the percentage of people responding at least "somewhat satisfied" for degree of satisfaction at lectures held in Japan

#### Attendee Impressions (new employees)

- Over the course of its long history, Kubota has contributed to society in the areas of food, water, and the environment, so I think the company's very business is actually CSR. Hook forward to becoming a part of it. [new mid-career hire]
- After watching the video about the founder, company history, and the people who work for Kubota around the world, I thought to myself why I am working for this company and how I should approach my work. I realized that our job is to carry on the spirit of embracing the challenge of solving social challenges-the very spirit that has been handed down since the company's founding. [new-graduate hire]



# Internal and External SDGs Awareness & Publicity Activities

In FY2019, the Kubota Group implemented the following activities.

#### Activities to Instill and Improve Awareness of Our Corporate Principles in Kubota Group Employees

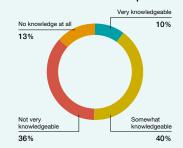
- Declaration of Kubota's commitment to implementing SDGs activities in earnest as a key point of instruction in Kubota's management policy for the fiscal year (January)
- Start of a series of special feature articles about the SDGs in company newsletters (from March)
- Production and display of original posters designed to instill further awareness among Group employees (from September)
- Explanations via rank-based training sessions (throughout the year)
- Education via CSR-awareness surveys and checking levels of awareness (August to October)

#### ■ Introduction of Our Corporate Initiatives to Our Stakeholders

- Responding to requests to give talks to junior high school, high school, and university students
- Presentation of our initiatives at symposiums, lectures, exhibitions, investment expos. and other events
- Engagement with institutional investors
- Engaging in dialogue with CSR experts and external management



# SDGs Awareness in the Kubota Group



From a FY2019 CSR awareness survey conducted on Kubota Group employees in Japan

In FY2020 we will continue to implement SDGs training for all Kubota Group employees around the world. We will step up global initiatives aimed at achieving the SDGs through our primary business activities in an effort to contribute to the realization of a sustainable society.



Kubota's booth at TICAD7 (August 2019)



Giving a talk about the SDGs (Osaka Prefectural Yamada High School)

# **Rank-based CSR Training**

Since the scope of CSR covers a lot of ground, when employees enter the company or are promoted, our CSR Planning Department conducts rank-based training to explain and educate employees about general CSR issues and compliance, in addition to more detailed information about such issues as product quality, the environment, safety, and human rights. The CSR Planning Department employs tools such as PowerPoint presentations and various pamphlets, and also weaves in case studies, to teach employees about Kubota's approach to CSR management and provide an overview of plans and initiatives for undertaking philanthropic activities and promoting compliance.

#### FY2019 Statistics (Lecturers from the CSR Planning Department)

	Participants	Timing	Length (per session)	Total participants	Notes
	Newly appointed section managers	May and October 2019	50 minutes	70	Split up into 4 sessions for participants
	Employees promoted to expert positions	February and March 2019	50 minutes	153	Split up into 2 sessions for participants
	New staff hires	April and May 2019	45 minutes	346	Two sessions on separate topics
Kubota	New mid-career hires	January to December 2019 (monthly)	60 minutes	113	Held in the month the employee was hired
	Newly appointed foremen	March 2019	60 minutes	12	
	Newly appointed supervisors	March and September 2019	90 minutes	42	Split up into 2 sessions for participants
	Hanshin Plant (Amagasaki) employees	February 26, 2019	60 minutes	113	
	Affiliated companies (newly appointed section managers)	July and August 2019	65 minutes	50	Split up into 2 sessions for participants
Affiliated companies	Affiliated companies (new employees)	April 4, 2019	60 minutes	55	
,	Affiliated companies upon request (promoted employees and new hires)	November and December 2019	135 minutes/ 120 minutes	15	Separate sessions for each group
Agricultural machinery	Senior managers from agricultural machinery distributors	February 2019	60 minutes	17	
distributors	Candidates for branch directors of agricultural machinery distributors	November 2019	60 minutes	59	Split up into 2 sessions for participants
Overseas	Overseas supervisors (when leaving for their post in India or the Philippines)	February and June 2019	15 minutes	2	Held in the month when leaving for their post
TOTAL				1,047	

# **CSR Forum for Management-level Employees**

In July 2019, 220 management-level employees attended a CSR Forum at the Kubota Head Office. The forum was also relayed via video conference to 15 offices.

The forum focused on the topic of manufacturing so that Kubota may make a fresh start as a vibrant manufacturing company by going back to its roots as a manufacturer in light of the 2018 issue of misconduct concerning inspection results records.

The keynote presentation was delivered by Professor Takahiro Fujimoto, an expert in manufacturing business administration at the University of Tokyo's Graduate School of Economics.

Professor Fujimoto incorporated plenty of case studies into a passionate lecture about manufacturing, which centered on the subject of a manufacturing strategy in the age of digitalization; namely, one that balances strong plant operations and a strong head office with good design processes.

For the participants, it was a meaningful opportunity to once again reflect on what it means to be engaged in "manufacturing."





CSR Forum for management-level employees

#### CSR Forums Held (in the Last Six Years)

Timing	Lecturer	Lecture topic	Participants (including participants via the video conference system)
Dec. 2014	Lawyer	Adapting to environmental changes and compliance	147
Sep. 2015	Lawyer	Global compliance management	163
Sep. 2016	University professor	Considering sustainable management for the Kubota Group	195
Sep. 2017	Lawyer	The roles of management executives in preventing/ responding to corporate scandals	268
May 2018	University professor	Water, food, the environment, and SDGs	233
Jul. 2019	University professor	A manufacturing strategy in the age of digitalization	276



# **Employee CSR Awareness Survey**

In August through October 2019, Kubota Group employees in Japan were surveyed regarding their awareness of CSR. With the addition of employees from some manufacturing plants, a total of 13,007 (up 167 from last year) people responded. The survey gauged the understanding and awareness of employees regarding Kubota's corporate principles, Code of Conduct, and CSR management and compliance, and also sought to confirm their thoughts about the workplace environment. In the section where employees can freely voice their opinions, many respondents provided honest points of view on how the Kubota Group could be improved. The Company's responses to these opinions and other feedback are communicated to employees through the Company intranet. Feedback on the results of the survey at each Group company are also provided separately.

The CSR survey is a valuable form of communication between employees and the Company, and we plan to continue conducting it every year as a means of increasing employee awareness and identifying areas for continual improvement as a company.

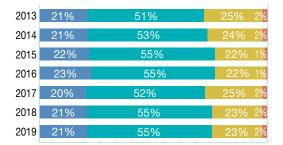
#### Respondents

Fiscal year	Number of respondents	Percentage of free opinions*
FY2013	6,366	10%
FY2014	7,316	8%
FY2015	7,696	9%
FY2016	8,427	10%
FY2017	11,659	9%
FY2018	12,840	12%
FY2019	13,007	14%

<sup>\*</sup> The percentage of respondents that also provided an opinion

# Answers to Key Questions in the Employee CSR Awareness Survey

Are you aware of the Kubota Group's mission of helping to solve issues surrounding food, water, and the environment-the elements essential to human survival—as well as our brand statement "For Earth, For Life," and have you considered what you can do in your position?



I am aware of them and put them into practice.

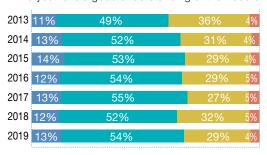
I am aware of them, but do not put them into practice.

I am not really aware of them. I am not aware of them at all.

\* Decimals rounded to the nearest whole number

Since the start of activities to instill awareness of the corporate principles in FY2013, ongoing efforts to communicate information to employees (whether it be activities implemented annually or from time to time) is leading to an entrenched sense of awareness.

Do you have a good understanding of the Kubota Hotline system?



I fully understand it.

I mostly understand it.

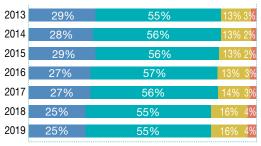
I don't understand it well.

I don't understand it at all / I don't know about it

\* Decimals rounded to the nearest whole number

Having carried out activities in FY2019 to once again inform employees about the Kubota Hotline (internal whistleblowing system), awareness has improved.

Does your superior listen to you and support you when you are troubled with something?



Yes, I think so very much.

Yes, I think so to some extent.

No, I do not really think so.

No. I do not think so at all

Communication is very important for good work performance. But some workplaces are too busy to allow for sufficient communication. We will advance workstyle reforms and promote initiatives to create more comfortable workplace environments.