### **Activities of Affiliated Company**

### Kubota House Co.,Ltd

At Kubota House, we have been being active as a total producer of residential space, who creates real comfortable life, going over ready-made ideas and a sense of values, and watching the future globally. We have been constructing the independent houses, apartment houses, condominiums, and subdivided housing lots, developing some items regarding these houses, to create the rich residential environment, in both urban area and the suburbs. Our corporate attitude and technologies are highly estimated by people.

- . CHS housing certification by the Center for Better Living
- Environmental coexistence housing certification by Institute for Building Environment and Energy Conservation
- Awarded Good Design Prize in fiscal 1999
- ISO14001 Certification (Hirakata plant)
- ISO9002 Certification (Purchasing Department, Hirakata plant)

#### **ISO14001 Certificate acquisition**

We acquired ISO14001 Certificate at Hirakata plant in October 1999, after its project was organized in April 1999.

At Hirakata plant, we conduct the business activities including summing up of materials, its procurement, production and shipping, based on the plan ordered by our customers. For the certificate acquisition, we constructed the environmental management system regarding these business activities, then listed the environmental aspects (substances, facilities, equipments and processes which may possibly give impact to environment) in all the departments, and evaluated the size and emergency of their environmental impacts. We are now continuing the improvement of our activities along the PDCA circle of environmental management system.

#### Reduction of wastes

Regarding wastes, only specific department controlled them so far. Since April 1999, all the departments of the plant began to control wastes cooperatively and effectively, as we decided to challenge ISO14001 certification.

# Example 1. The development of automatic intelligent cutting system of wall cladding panels

We developed the computer system by ourselves, which can give the cutting machine the optimum cutting patterns of wall cladding panels, in order to minimize the amount of reminder materials (wastes).

Because we prepare external panel, house by house, by cutting standard size panels. These panels are selected by our customers in various kind of panels, adapting to their housing plans.

## Example 2. The development of packing-less distribution racks

In order to reduce the packing wastes at the construction sites, we developed the exclusive frequent distribution racks. As a result of this development, we reduces the amount of packing substantially, when we ship our materials.

## The prevention of liquid substances leak accident

In order to prevent the liquid substances leaking accident, we have established the system. In the system, we made the manuals for some operations in which leaking accident may occur, watched these operations, and measured some environmental items. We are training for the accident regarding all items, in order to minimize the damage if an accident occurs.

In drain system, we treat wastewater ordinarily, while we install the double lids on the connecting chambers near the storage place of oil and paint, to prevent its intrusion. We also install the emergency shutdown gate at the final outlet to prevent the discharge of toxic substances, in case of emergency.

#### **Education and training**

We make the annual environmental education and training plans at each department, and also study environmental management system.

We train internal auditors who audit the environmental management system, pollution control management engineers, and energy management engineers.

#### Social contribution activities

For the sake of consideration to local society, we use noiseless forklifts, and reduce the number of lights in the night operation. Our employees clean the pavements and side ditches around the plants every week, for local environmental conservation.



Hirakata plant

#### At Kubota House, we don't allow the discharge of hazardous substances from our plants.



Purification of wastewater discharged from our plants

• Wastewater treatment facilities

We treat and purify the wastewater discharged from the lines of our plants, as well as the domestic wastewater discharged from our plants, using four processes.







#### Internal strict check

Internal audit

Internal audit is conducted by the authorized auditors every 6 months, to reduce environmental impact, regarding operation process and its proper implementation.





### We don't discharge oil from our plants • Emergency shutdown gate

The qualified engineers check the public drainage canal including rain water in the plants periodically. If they find the leak of oil of colored water, the final outlet should be shut down by emergency gate to prevent the discharge of hazardous substances, and we search for its cause, and remove it.

High temperature incineration of cation waste liquid used for steel frame painting

Incineration facilities

High temperature incineration of waste liquid discharged from electric adhesion lines is harmless to environment.

Reduction of exhaust gas of trucks • Truck yard

We set up the waiting space for drivers in our plants, to stop the engine idling of the trucks, when they are waiting for the inspection of delivered goods.

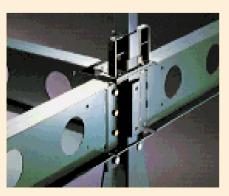
#### The development of environment-friendly proposal type housing

#### **CHS** housing

We always realize the comfortable and excellent living environment by the high durability skeleton and the continuous maintains of the housing, accepting the various changes of appearance and interior if necessary.

The concrete items to realize it are as follows: the high durability members and skeleton, the increasing of durability by the assurance of the

skeleton for 20 years, which is the top level in the industry, and by the check of housing for 60 years, which is the longest period in the industry, and the flexibility to change the plan of house, to meet the customers' lifestyles. In this way, we realized the environmental conservation as well as customers' satisfaction.







#### **Environmental coexistence housing**

At Kubota House, we acquired all four items of "proposal types" of "approved environmental co-existence housing", which is at the top in the industry. Moreover, we acquired the largest number of "approved items" in the industry.

# At Kubota House, we acquired the largest number of approved items in proposal types in the industry.

It is necessary to clear all the "indispensable items", and 2 or more items of "proposal types", in order to acquire the "Environmental coexistence housing" certification. We acquired the certifications in all of 4 fields. And we have the largest number of approved proposal type items such as saving energy performance

and durability, in the industry.

Our excellent technologies, clearing the environmental coexistence housing certification easily, prove our customers' trust as environment-friendly housing.

# What are the standards of the environmental coexistence housing certification?

The standards consist of 2 items, namely "indispensable items" which must be satisfied at least, and "proposal types" in which they propose ideas or new technologies regarding 4 fields such as "saving energy type", "high efficiency use of resources type", "fitting to local area and environment-friendly type", and "healthy, comfortable, safety, and peace of mind type".