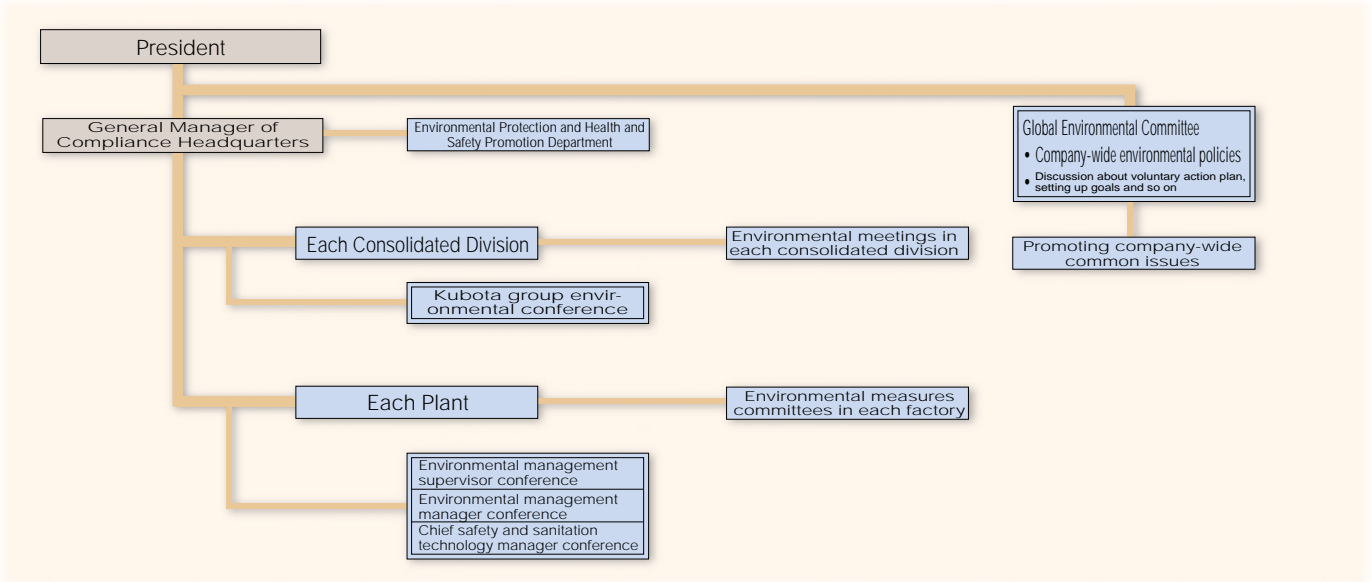


# Environmental Management

## Environmental Management Promotion Organization

At Kubota, we set up the Environmental Protection and Health and Safety Promotion Department which promotes environmental conservation, safety and sanitation under the director in charge, we also set up the environmental man-

agement sections in each factory and plant, in order to cope with global and local environmental issues. We discuss voluntary action plan, setting up goals and so on, at Global Environmental Committee.

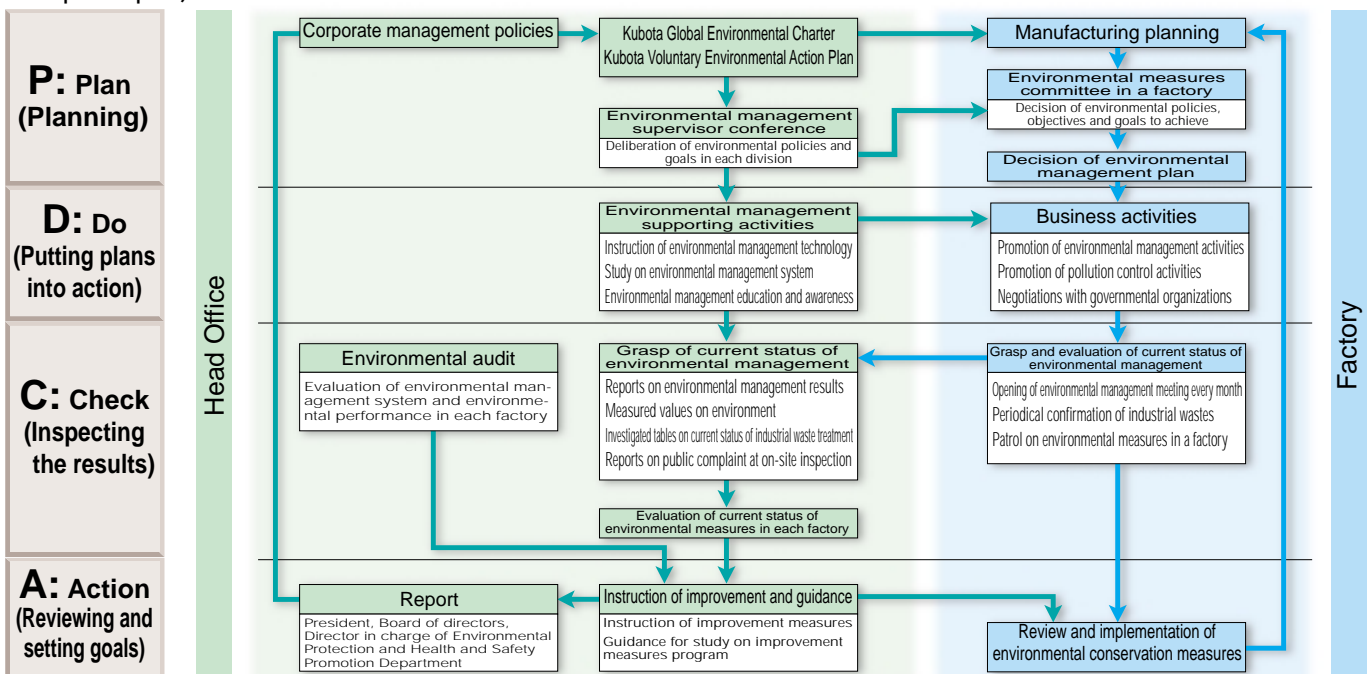


## Kubota Environmental Management System

Since 1972, all Kubota employees have participated in environmental management activities, based on the TPC (Total Pollution Control) concept. In 1995, we introduced the

Kubota Environmental Management System (KEMS), in conformance with ISO14001. All of our plants acquired ISO 14001 certificate by the end of fiscal 2000.

(An example of a plant)



## Environmental audit

Environmental audit is one of the indispensable functions in order to check voluntarily the environmental impact by corporate activities, and in order to improve the environmental management activities.

At Kubota, we started environmental audit, Central Pollution Patrol, in 1973. We changed our system into the system based on ISO 14001 standard, and enhanced the audit in 1994.

We have been suspending the audit by head office in order to promote ISO14001 activities at each plant.

All of our plants acquired ISO14001 certificate by the end of fiscal 2000. So we aim at improved audit to find environmental risk, and to solve the problems by the site-oriented activities. And we started environmental audit for our affiliates this year.

### Formation of environmental audit evaluation standards

Environmental audit area
Environmental management system
Legitimacy
Environmental performance
Education and training of action for emergency
Environment-friendly products
Contribution to society, accountability
Working environmental management

## Status of ISO14001 certificate acquisition

All of our twenty plants ( on an unconsolidated basis ) in Japan acquired the certificate as planned until the end of fiscal 2000. We are promoting expansion and maintenance of environmental management system at present.

### Status of ISO14001 certificate acquisition (as of March 2002)

#### Domestic sites

Plant	Main line of business	Certifying organization / Registration number	Date of Certification
Tsukuba plant	Manufacturing of farm machinery	LRQA 771757	November 1997
Shinyodogawa environmental plant center	Design and development of environmental facilities	JICQA E 018	December 1997
Funabashi plant	Manufacturing of ductile iron pipes	LRQA 771890	July 1998
Ryugasaki plant	Manufacturing of vending machines	DNV EMSC-1273	November 1998
Mukogawa plant	Manufacturing of ductile iron pipes	LRQA 772498	March 1999
Kyuhoji plant	Manufacturing of precision machinery products	DNV EMSC-1379	March 1999
Sakai PVC pipe plant	Manufacturing of plastic pipes and fittings	JUSE JUSE-EG-019	July 1999
Hirakata plant	Manufacturing of cast steel products, pumps, valves, construction machinery, new material products	LRQA 772527	September 1999
Ichikawa plant	Manufacturing of spiral steel pipes, heat transfer pipes	JICQA E097	November 1999
Okajima plant	Manufacturing of ductile segment, drainage pipes and cast iron products	JICQA E105	December 1999
Shinyodogawa factory in Mukogawa plant	Manufacturing of FW pipes	JCOA JCOA-E-0114	January 2000
Odawara plant	Manufacturing of plastic pipes and fittings, and roofing materials	JUSE JUSE-EG-028	January 2000
Sakai plant (including Sakai coastal factory and Naniwa factory)	Manufacturing of engines, farm machinery	LRQA 772673	March 2000
Shiga plant	Manufacturing of roofing materials, FRP products	JUSE JUSE-EG-031	May 2000
Environmental engineering consolidated division	Sales, development, design, procurement, manufacturing, construction, service of environmental control plant	LRQA 772707	July 2000
Utsunomiya plant	Manufacturing of rice transplanters and combines	LRQA 772846	December 2000
Amagasaki plant	Manufacturing of rollers for rolling steel, reducing pipes and inorganic synthesized mineral ( potassium titanate )	JACO EC00J0224	January 2001
Kashima plant	Manufacturing of ceramic siding, its related parts and its construction materials	JTCCM RE0183	March 2001
Ohama plant	Manufacturing of ceramic siding, its related parts and its construction materials	JTCCM RE0187	March 2001

LRQA: Lloyd's Register Quality Assurance Limited / JICQA: JIC Quality Assurance / DNV: Dedt Noriske Veritas AS / JUSE: Union of Japanese Scientists and Engineers ISO  
JCOA: Japan Chemical Quality Assurance Ltd. / JACO: Japan Audit and Certification Organization for Environment and Quality / JTCCM: Japan Testing Center for Construction Materials

#### Foreign site

Plant	Main line of business	Certifying organization/Registration number	Date of Certification
The Siam Kubota Industry Co., Ltd.	Manufacturing of engines and farm machinery	Management System Certification Institute (Thailand) EMS99001/001	August 1999

#### Affiliates Company

Plant	Main line of business	Certifying organization/Registration number	Date of Certification
Nihon Plastic Co., Ltd.	Manufacturing and sale of vinyl pipes and various kind of tarpaulin	JSA E276	October 2000
Kubota Construction Co., Ltd.	Contracting business regarding drinking water, sewage water, civil engineering, and buildings	JQA-EM1205	December 2000

JSA: Japan Standards Association / JQA: Japan Quality Assurance Organization

## Environment-related education

It is indispensable that each and every employee recognize the environmental awareness, and brush up his knowledge and technologies, for environment-friendly corporate activities. In 1981, we started an environmental management education program at Kubota, and we now conduct environmental education programs in detail on an annual basis, targeting the employees who are in charge of actual work, and management-level staff, based on in-house textbooks. We added LCA education from this year.

We also encourage our employees to acquire qualifications in environment-related area such as the environment judges including pollution control managers.

### Environment-related education for fiscal 2001

- Education by rank
  - New employee education
  - Education for technology staff at the second year from the enrollment
  - Education for middle-level monitors
- General education of environmental management
  - Education of environmental management technology
  - LCA education
  - Education of saving energy technology
  - Education for new staff in charge of materials
  - Environmental course for marketing employees
- Education for qualification acquisition
  - Education for pollution control manager examination
  - Education for class 1 working environment measurement engineer examination
  - Education for class 2 working environment measurement engineer examination
- ISO 14001-related education
  - Education for in-house environmental auditors

### No of employees acquiring environment-related qualifications (as of end of March 2002)

• Pollution control managers	Air	72
	Water	102
	Noise	94
	Vibration	71
	Dioxins	5
• Environment measurement engineer	Chief environment monitor	1
	Environment monitor	3
	Assistant environment monitor	5
• ISO14001	Electricity	44
	Heat	41
• Energy management engineer	Class 1	106
	Class 2	99
• Working environment measurement engineer	Class 1	106
	Class 2	99
• Environment counselor		1