

Environmental Report

Conservation of both global and local environments

Basic Policy

Kubota Group Environment Charter (revised on June 1, 2006)

Along with the enactment of new corporate principles and a Charter for Action, we have also revised our Global Environment Charter. Global environmental conservation is being actively promoted throughout the KUBOTA Group and positioned as the most important issue of business management.

Kubota Group Environment Charter

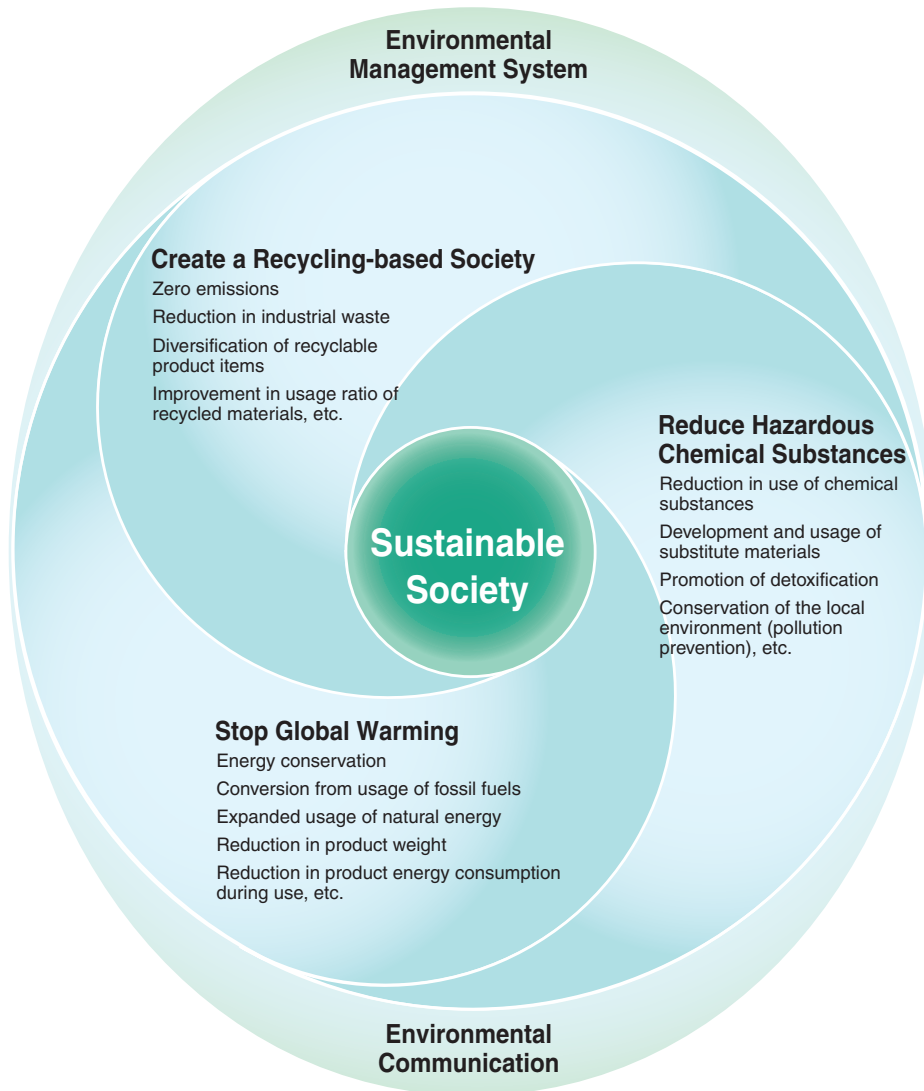
The Kubota Group aims to create a society where sustainable development is possible on a global scale and conducts its operations with concern for preserving the natural environment.

Kubota Group Environmental Action Guidelines

- 1. The Kubota Group takes initiatives for the protection of the natural environment in all its activities.**
 - (1) By setting specific goals on its own initiative while remaining in compliance with all laws and regulations
 - (2) By promoting initiatives at all levels of its operations, from product development to production, sales, distribution, and services
 - (3) By taking a proactive stance toward securing the understanding of the importance of protecting the environment among its suppliers and actively obtaining their cooperation
- 2. The Kubota Group works to protect the environment and create a symbiotic relationship with the community.**
 - (1) By participating in community beautification and environmental enlightenment activities in its role as a good corporate citizen
 - (2) By engaging in business activities that take full account of environment protection in the community, including pollution prevention
- 3. The Kubota Group undertakes systematic initiatives to protect the environment.**
 - (1) By conducting environmental impact assessments, working to reduce environmental risk, and preventing environmental pollution
 - (2) By working to solve environmental issues, including prevention of global warming, creation of a recycling society, and reduction of the release of harmful substances
- 4. The Kubota Group implements a thorough program of environmental management.**
 - (1) By introducing environmental management systems and promoting initiatives in everyday operations
 - (2) By proactively monitoring whether the “Plan, Do, Check, Action (PDCA)” cycle is functioning in environmental management activities
 - (3) By promoting enlightenment and educational activities related to the environment and working to heighten awareness of the environment
- 5. The Kubota Group is proactive in communicating its environmental perspective.**
 - (1) By issuing timely and easily understandable environmental information
 - (2) By gathering environmental information from a broad range of stakeholders and reviewing as well as upgrading its environmental protection activities

Basic direction of environmental corporate management

KUBOTA has established the basic direction of its environmental corporate management for harmonizing the environment with economics and building a sustainable society as follows. We have also drafted and are zealously promoting a concrete Mid-term Environment Promotion Plan (pages 43 and 44) in order to execute that basic direction.



● The relationship between business activities and the environment

