

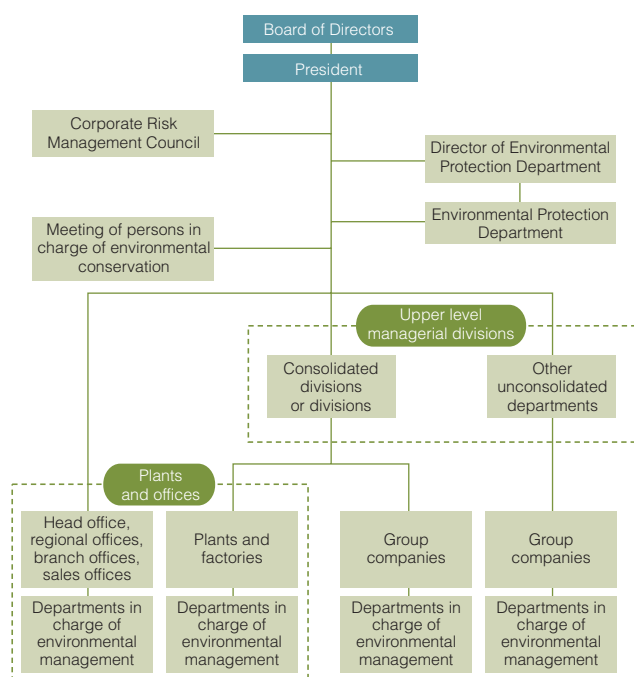
Environmental Corporate Management

In order to properly understand the environmental impact of our business activities and to promote the involvement of the entire KUBOTA group in eco-management, we have enhanced our system of management upon an “Environmental Corporate Management” framework.

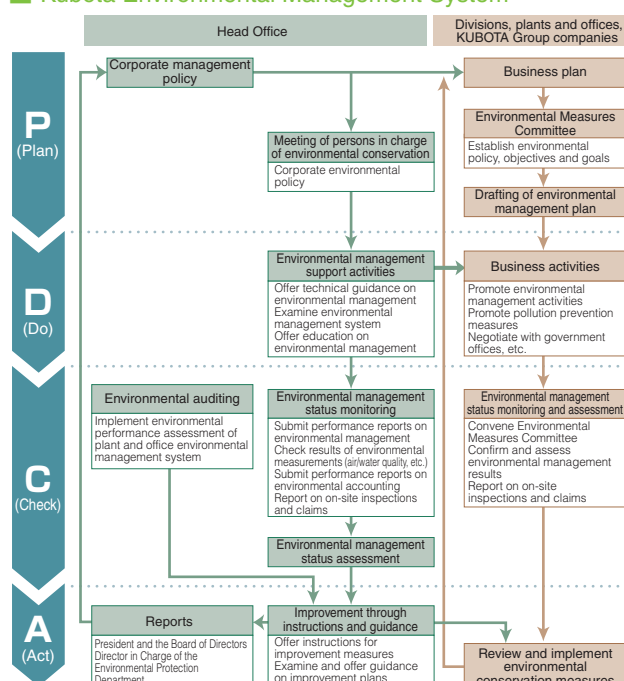
Environmental Management Promotion System

To respond to global and regional environmental issues, the Environmental Protection Department, which promotes environmental measures and environmental audits, etc., under the director in charge, has been established at KUBOTA Head Office, while Environmental Management Sections have been organized in plants and offices and group companies.

Promotional Structure



Kubota Environmental Management System



Environmental auditing

Environmental audits were conducted of all plants and offices in Japan and, as of this year, some group companies overseas, under the following themes.

- 1) Thorough observance of environmental laws and strengthening promotional structures
- 2) Raising the level of environmental management at business sites
- 3) Avoiding environmental risks by strengthening internal supervision
- 4) Assuredly promoting the Mid-Term Environmental Conservation Plan

Issues particular to business sites are being extracted and continually improved by examining the “process of our environmental Protection activities”, in order to raise the level of environmental management.

Audit items	Number of points evaluated
[A] Environmental conservation activities process	
Observance of environmental laws	264
Avoidance of environmental risks (If trouble occurs, emergency response, risk management)	17
General matters of environmental management (Organization, education, continuance, information disclosure, etc.)	18
Total	299
[B] Environmental action plan (Business site version of the Corporate Mid-Term Environmental Conservation Plan)	14



Overseas audit

Environment-Related Education

Results of Environment-Related Education in FY2007

(Only in-house education sponsored by the Environmental Protection Department or performed by contracted lecturers is included.)

Classification	Course title	Frequency	No. of participants	Course descriptions	
Management-level education	Report meetings with directors Internal supervisors' risk reports on environmental conservation	1	25	Risk reports on environmental conservation	
Education by employee-level	New employee orientation	1	105	Global environmental issues	
	General course <1> Environmental conservation	3	125	Global environmental issues and the response required of corporations	
	Compliance training for 9th year employees in create positions	3	164	Global environmental issues and KUBOTA's environmental corporate management	
	Training for personnel promoted to senior management	2	98	Global environmental issues and KUBOTA's environmental corporate management	
	Education for midlevel technical positions Global warming prevention	1	25	Global warming prevention and energy conservation	
	Training for newly appointed foremen	1	27	KUBOTA's environmental corporate management & on-site environmental management	
Professional education	Training for newly appointed supervisors	2	60	KUBOTA's environmental corporate management & on-site environmental management	
	Basic course on environmental corporate management	For office administration	1	10	Environment-related laws and regulations & Kubota's involvement
		For construction and service sections	1	6	Environmental corporate management according to the participant
		For designing and R&D sections	1	16	Environmental corporate management according to the participant
	Education of environmental management technology	1	29	Theory and application of environmental corporate management technology	
	Preparation course for workplace environment measurement expert examination	Class 1	1	3	Dust, organic solvents, chemical substances and metals
		Class 2	2	5	Laws and regulations relating to industrial health & chemical analysis, etc.
	Preparatory lecture for pollution prevention (air related) manager licensing	1	4	Pollution in general, atmospheric science, hazardous airborne substances, etc.	
	Follow-up education for internal environmental auditors (ISO 14001)	3	47	The ISO 14001 standard, environmental laws, and case studies	
	Waste management lecture	2	52	Waste Disposal and Public Cleansing Law, practical training in contracting and manifests, etc.	
Providing information over intranets	Explanation of EU hazardous substance regulations	3	—	Overview of ELV, WEEE and RoHS	
	Individual action against global warming	3	—	Energy conservation at home, waste and recycling	
	GHS	3	—	Overview of GHS and trends in Japanese laws and regulations	
Cooperation in the education of outside organizations	JICA (Japan International Cooperation Agency) "Environmental policy and environmental management systems"	1	9	A tour of environment-related facilities at the Sakai plant	
	"Strategic environmental management course for Vietnam"	1	10	An explanation of the state of KUBOTA's activities	
	Acceptance of internship Tochigi Prefecture Utsunomiya Hakuuyo High School, Utsunomiya Industrial High School	2	8	Education on environmental management at the Utsunomiya plant	



Providing environmental information over intranets (Ex.) Plastic Recycling in Waste and Recycling

Number of personnel with environmental qualification

Pollution Control Managers	Air	50
	Water quality	64
	Noise	93
	Vibration	66
	Dioxins	3
Energy Management Experts		51
Energy Management Members		14

Applicable scope: KUBOTA Group production plants and offices

Acquisition of ISO14001 certification

All of KUBOTA's domestic production plants and offices had received certified by the end of 2000. Currently, activities are being developed at group companies in order to acquire certification. In fiscal 2007, Kubota Precision Machinery, Co., Ltd. and Kubota Metal Corporation (Canada) were certified.

KUBOTA's domestic plants and offices and consolidated divisions

(As of March 31, 2007)

No.	Name	Other included organization	Main business	Inspecting/Certifying organ	Date of certification
1	Hanshin plant	Marushima factory, Nagasu factory	Manufacture of cast iron pipes, milling rolls, and potassium titanate	LRQA	March 5, 1999
2	Hanshin plant (Shin-yodogawa factory)		Manufacture of reinforced plastic composite pipe	JCQA	January 11, 2000
3	Keiyo plant	Distribution center Gyotoku processing center	Manufacture of cast iron pipes, spiral welded steel pipes, and thermal transfer pipes	LRQA	July 16, 1998
4	Hirakata plant	Kubota Valve Maintenance Corporation	Manufacture of cast iron products, pumps, valves, construction machinery, and new materials	LRQA	September 17, 1999
5	Okajima plant	Ohtake ShellCo Corp.	Manufacture of industrial cast iron products, ductile segments, sewage pipes, and other cast iron products	JICQA	December 22, 1999
6	Sakai plant	Sakai Rinkai plant	Manufacture of engines, tractors, etc.	LRQA	March 10, 2000
7	Utsunomiya plant		Manufacture of rice transplanters and combine harvesters	LRQA	December 8, 2000
8	Tsukuba plant		Manufacture of engines, tractors, etc.	LRQA	November 28, 1997
9	Kyuhoji business center	Kubota Membrane Corp. Kubota Keiso Corp.	Manufacture of measuring instruments, CAD systems, waste crushing and sorting systems, and submerged membranes	DNV	March 19, 1999
10	Ryugasaki plant	Kubota Vending Service Co., Ltd.	Manufacture of vending machines	DNV	November 13, 1998
11	Shiga plant		Manufacture of FRP products	JUSE	May 18, 2000
12	Environmental Engineering Consolidated Division	Shin-yodogawa environmental plant center Kubota Machinery and Construction Corporation Kubota System Control Co., Ltd.	Design, development, installation, test-runs and incidental services for environmental plants and pumps	LRQA	July 14, 2000

Group company plants and offices in Japan

No.	Name	Other included organization	Main business	Inspecting/Certifying organ	Date of certification
1	Kubota-C.I. Co., Ltd.	Tochigi plant	Manufacture of composite pipe	KHK	April 20, 1999
2	Kubota-C.I. Co., Ltd.	Sakai plant, Ishizu-nishi factory	Manufacture of composite pipe and couplings	JUSE	July 23, 1999
3	Kubota-C.I. Co., Ltd.	Odawara plant	Manufacture of composite pipe and couplings	JUSE	January 19, 2000
4	Nippon Plastic Industry Co., Ltd.	Head office and plant, Mino plant	Manufacture of plastic pipe and sheets	JSA	October 27, 2000
5	Kubota Construction Co., Ltd.		Construction of civil engineering structures and buildings	JQA	December 22, 2000
6	Kanto Kubota Precision Machinery Co., Ltd.		Manufacture of hydraulic parts	LRQA	November 14, 2001
7	Kubota Environmental Service Co., Ltd.		Installation, maintenance and management of environmental systems for drinking water, sewage, landfill disposal, raw waste and waste plants, etc.	MSA	November 20, 2002
8	Kyusyu Kubota Chemical Co., Ltd.		Manufacture of composite pipe	JUSE	March 27, 2003
9	Kubota Air Conditioner Co., Ltd.	Tochigi plant	Design, development and manufacture of central air conditioning systems	JQA	August 27, 2004
10	Kubota Pipe Tech Co.		Design, construction, installation and management of pipelines	JCQA	January 24, 2005
11	Kubota Precision Machinery Co., Ltd.		Design, development and manufacture of hydraulic valves and cylinders, manufacture of off-road vehicles, transmissions and hydraulic pumps and motors	LRQA	March 17, 2007

Group company plants and offices overseas

No.	Name	Other included organization	Main business	Inspecting/Certifying organ	Date of certification
1	The Siam Kubota Industry Co., Ltd. (Thailand)		Manufacture, sales and service of small diesel engines and tractors	MASCI	February 28, 2003
2	PT. Kubota Indonesia		Manufacture of diesel engines	LRQA	February 10, 2006
3	Kubota Metal Corporation (Canada)		Design, development and manufacture of cast iron products	SGS	June 15, 2006

- ◆ LRQA: Lloyd's Register Quality Assurance Limited
- ◆ JCQA: Japan Chemical Quality Assurance Ltd.
- ◆ JICQA: JIC Quality Assurance Ltd.
- ◆ DNV: Det Norske Veritas AS
- ◆ JUSE: Union of Japanese Scientists and Engineers
- ◆ KHK: The High Pressure Gas Safety Institute of Japan
- ◆ JSA: Japanese Standard Association
- ◆ JQA: Japan Quality Assurance Organization
- ◆ MSA: Management System Assessment Center Co., Ltd.
- ◆ MASCI: Management System Certification Institute (Thailand)
- ◆ SGS: SGS Systems & Services Certification Canada Inc.