Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 6326
February 25, 2022

To Shareholders

Yuichi Kitao
President and Representative Director

KUBOTA Corporation

2-47, Shikitsuhigashi 1-chome,
Naniwa-ku, Osaka, 556-8601 Japan

CONVOCATION NOTICE FOR THE 132ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

Kubota Corporation hereby notifies you that the 132nd Ordinary General Meeting of Shareholders will be held as follows.

In order to prevent the spread of the novel coronavirus disease (COVID-19), you are strongly encouraged to exercise your voting rights prior to the meeting in writing or by using the Internet, and to refrain from attending the meeting in person, regardless of your own state of health. Kubota Corporation cordially requests that you make sure to study the reference materials annexed hereto, and exercise your voting rights by 5:00 p.m. on Thursday, March 17, 2022 (JST).

Date and time	**Friday, March 18, 2022, at 10:00 a.m. (JST)** (Reception desk opens at 9:00 a.m.)
Place	**Convention Hall of Kubota Corporation** 2-47, Shikitsuhigashi 1-chome, Naniwa-ku, Osaka, Japan

Matters for which the meeting is held	**Matters to Be Reported** 1. Business report, the consolidated financial statements and the non-consolidated financial statements for the 132nd business term (from January 1, 2021 to December 31, 2021) 2. The results of the audits of the consolidated financial statements by the Independent Auditor and by the Audit & Supervisory Board **Matters Requiring Resolutions** Proposal 1: **Partial Amendments to the Articles of Incorporation** Proposal 2: **Election of Ten Directors** Proposal 3: **Election of Four Audit & Supervisory Board Members** Proposal 4: **Election of One Substitute Audit & Supervisory Board Member** Proposal 5: **Bonus Payments for Directors** Proposal 6: **Revision to the Amount of Monetary Remuneration for Directors** Proposal 7: **Revision to the Amount of Monetary Remuneration for Audit & Supervisory Board Members** Proposal 8: **Determination of the Amount and Details of Stock Compensation, etc. for Directors**

Exercising Voting Rights

Exercise of voting rights prior to the Ordinary General Meeting of Shareholders

- Exercise of voting rights by mail (in writing)

  Deadline for exercising voting rights:
  No later than Thursday, March 17, 2022, at 5:00 p.m. (JST)

  Please indicate your approval or disapproval on each of the proposals on the enclosed voting instruction card and return the said form to us so that it is received no later than the deadline for exercising your voting rights.

- Exercise of voting rights via the internet

  Deadline for exercising voting rights:
  No later than Thursday, March 17, 2022, at 5:00 p.m. (JST)

  Please access the designated website for exercising your voting rights and indicate your approval or disapproval on each of the proposals no later than the deadline.

* If you duplicate the vote by exercising the voting rights both in writing and via the internet, only the internet vote will be valid.

Designated site for exercising voting rights:
https://www.web54.net

Attending the Ordinary General Meeting of Shareholders in person

- Exercise of voting rights at the Ordinary General Meeting of Shareholders

  Date and time of the Ordinary General Meeting of Shareholders:
  Friday, March 18, 2022, at 10:00 a.m. (JST) (Reception desk opens at 9:00 a.m.)

  Please submit the enclosed voting instruction card at the reception desk at the venue. Please bring this document as well, as it contains the agenda for the meeting. Please note that anyone other than a shareholder who is entitled to exercise voting rights (e.g., non-shareholding proxy, person accompanying the shareholder) will not be allowed inside the venue.

- Of the business report, the financial position and the results of operations, consolidated statement of changes in equity, notes to consolidated financial statements, statement of changes in net assets (non-consolidated) and notes to financial statements (non-consolidated) are posted on our following internet website in accordance with laws and regulations, and the provision in Article 16 of the Articles of Incorporation.
- Of the business report, the financial position and the results of operations, consolidated statement of changes in equity, notes to consolidated financial statements, statement of changes in net assets (non-consolidated) and notes to financial statements (non-consolidated) are part of the consolidated financial statements and non-consolidated financial statements that were audited by the Independent Auditor and the Audit & Supervisory Board Members in preparing the audit reports.
- Any revision of the reference materials for the meeting, business report, or the consolidated financial statements and the non-consolidated financial statements will be posted on our following internet website.

Website for Convocation Notices for General Meeting of Shareholders:
https://www.kubota.com/ir/sh_info/meeting/convocation/index.html

For Institutional investors

For institutional investors, the electronic voting platform operated by ICJ, Inc., is available for exercising your voting rights for this meeting.

REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and Reference Information

Proposal 1: Amendment to the Articles of Incorporation

1. Reasons for the Amendments

(1) To ensure that the object of the Company is in line with the current state of the Company's business and prepare for future business expansion, the Company proposes to amend Article 2 (Object) of the Articles of Incorporation.

(2) Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing reference materials for the general meeting of shareholders in electronic format.

1) Because the Company is obligated to stipulate in the Articles of Incorporation that it will take measures for providing information that constitutes the content of reference materials for the general meeting of shareholders, etc. in electronic format, the Company proposes to newly establish paragraph 1 of the proposed revision of Article 16 (Measures for providing information in electronic format, etc.).
2) Among items for which the measures for providing information in electronic format will be taken regarding the information that constitutes the content of reference materials for the general meeting of shareholders, etc., because the Company may limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents to the scope designated by the Ministry of Justice Order, the Company proposes to newly establish paragraph 2 of the proposed revision of Article 16 (Measures for providing information in electronic format, etc.).
3) Upon the introduction of the system for providing reference materials for the general meeting of shareholders in electronic format, since the provisions for Article 16 (Disclosure via Internet and deemed furnishing of reference materials, etc. for General Meeting of Shareholders) of the current Articles of Incorporation will no longer be required, they will be deleted.
4) The Company will establish supplementary provisions regarding the effective dates of the aforementioned new establishment and deletion of the provisions. The supplementary provisions shall be deleted after the specified date.

(3) In order to further strengthen the management system, the Company proposes to increase by three the maximum number of Directors set forth in Article 20 (Number of Directors and Method of Election) of the current Articles of Incorporation, changing it from ten to thirteen.

2. Details of the amendments

Details of the amendments are as follows:

(Amended parts are underlined)

Current Articles of Incorporation	Proposed amendments
Article 2. (Object) The object of the Company shall be to engage in the following business: 1. to 14. (Text omitted) 15. Operation of facilities for <u>sports,</u> lodging, training, health and medical care, recuperation and recreation; 16. (Text omitted) 17. General leasing business;	Article 2. (Object) The object of the Company shall be to engage in the following business: 1. to 14. (Unchanged) 15. Operation of facilities for lodging, training, health and medical care, recuperation and recreation; 16. (Unchanged) 17. General leasing business<u>, general rental business, and intermediary business for leasing and renting</u>

Current Articles of Incorporation	Proposed amendments
18. Personnel dispatching agency business;	18. Personnel dispatching agency business and intermediary business for personnel dispatching
19. to 22. (Text omitted)	19. to 22. (Unchanged)
(Newly established)	23. Production, processing, and sale of agricultural products
(Newly established)	24. Agricultural services business, including information processing and information provision services business
(Newly established)	25. Power generation business using renewable energy, etc., and business related to provision, sale, etc. of electricity
(Newly established)	26. Carbon credit transaction business
(Newly established)	27. Advertising business
(Newly established)	28. Manufacture and sale of food products and pharmaceutical ingredients
(Newly established)	29. Manufacture and sale of processed food and health food products
(Newly established)	30. Manufacture, sale, and installation of food production equipment
(Newly established)	31. Sports-related entertainment, management of clubs and facilities, planning and sale of products, planning and implementation of outreach and advertising activities, and other sports businesses
(Newly established)	32. Investment in each business
23. (Text omitted)	33. (Unchanged)
24. (Text omitted)	34. (Unchanged)
Article 16. (Disclosure via Internet and deemed furnishing of reference materials, etc. for General Meeting of Shareholders) In convening a General Meeting of Shareholders, if the Company discloses information to be stated or indicated in reference materials, business reports, financial statements and consolidated financial statements for the General Meeting of Shareholders through the Internet in compliance with the Ministry of Justice Ordinance, the Company shall be deemed to have furnished such documents to the shareholders.	(Deleted)
(Newly established)	Article 16. (Measures for providing information in electronic format, etc.) 1) When the Company convenes a General Meeting of Shareholders, it shall take measures for providing information that constitutes the content of reference materials for the General Meeting of Shareholders, etc. in electronic format. 2) Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.
Article 20. (Number of Directors and Method of Election) 1) The Company shall have no more than ten (10) Directors, who shall be elected at a General Meeting of Shareholders. 2) (Text omitted)	Article 20. (Number of Directors and Method of Election) 1) The Company shall have no more than thirteen (13) Directors, who shall be elected at a General Meeting of Shareholders. 2) (Unchanged)

Current Articles of Incorporation	Proposed amendments
3) (Text omitted) (Newly established)	3) (Unchanged) (Supplementary Provisions) 1) The deletion of Article 16 (Disclosure via Internet and deemed furnishing of reference materials, etc. for General Meeting of Shareholders) of Articles of Incorporation prior to the amendments and the new establishment of Article 16 (Measures for providing information in electronic format, etc.) of the Articles of Incorporation after amendments shall be effective from September 1, 2022, the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the "Date of Enforcement"). 2) Notwithstanding the provision of the preceding paragraph, Article 16 (Disclosure via Internet and deemed furnishing of reference materials, etc. for General Meeting of Shareholders) of Articles of Incorporation prior to the amendments shall remain effective regarding any General Meeting of Shareholders held on a date within six months from the Date of Enforcement. 3) These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.

Proposal 2: Election of Ten Directors

The term of office of all nine Directors will expire at the conclusion of this meeting. At this juncture, Kubota Corporation proposes to elect ten Directors to maintain the number of Directors at an appropriate level for carrying on effective discussions at meetings of the Board of Directors, while strengthening the Group management base with an eye to the expansion of the overseas business activities, thereby realizing sustainable growth and increasing the trust that society places in the Kubota Group (hereinafter the "Group"), and also strengthening the corporate governance framework. If this proposal is approved and passed as proposed, four out of the ten Directors will be Outside Directors.

The candidates for Director are as described below. Among the candidates, Yuzuru Matsuda, Koichi Ina, Yutaro Shintaku and Kumi Arakane are candidates for Outside Director.

No.	Name		Position and Responsibility at Kubota Corporation and Important Concurrent Positions	Attendance of the Meetings of the Board of Directors
1	Masatoshi Kimata	Reappointment	Chairman and Representative Director of Kubota Corporation, Director of Nippon Telegraph and Telephone West Corporation	100% (13 of 13)
2	Yuichi Kitao	Reappointment	President and Representative Director of Kubota Corporation	100% (13 of 13)
3	Masato Yoshikawa	Reappointment	Executive Vice President and Representative Director of Kubota Corporation, General Manager of Planning and Control Headquarters, General Manager of Global ICT Headquarters	100% (13 of 13)
4	Toshihiko Kurosawa	Reappointment	Director of Kubota Corporation	100% (13 of 13)
5	Dai Watanabe	Reappointment	Director and Senior Managing Executive Officer of Kubota Corporation, General Manager of Farm and Industrial Machinery Consolidated Division, General Manager of Innovation Center	100% (13 of 13)
6	Hiroto Kimura	New Nomination	Managing Executive Officer of Kubota Corporation, General Manager of Research and Development Headquarters, Deputy General Manager of Innovation Center, General Manager of Carbon Neutral Promotion Dept.	-
7	Yuzuru Matsuda	Reappointment Independent Outside	Director of Kubota Corporation, Director of JSR Corporation, Director Emeritus of Kato Memorial Bioscience Foundation	100% (13 of 13)
8	Koichi Ina	Reappointment Independent Outside	Director of Kubota Corporation, Director of Sansha Electric Manufacturing Co., Ltd. Chairman of Central Japan Industries Association	100% (13 of 13)
9	Yutaro Shintaku	Reappointment Independent Outside	Director of Kubota Corporation, Director of Santen Pharmaceutical Co., Ltd., Director of J-Oil Mills, Inc., Executive Trustee of Tonen International Scholarship Foundation, Special Professor of Hitotsubashi University Business School, Director of KOZO KEIKAKU ENGINEERING Inc.	100% (13 of 13)
10	Kumi Arakane	Reappointment Independent Outside	Director of Kubota Corporation, Director of Kagome Co., Ltd., Director of TODA CORPORATION	100% (13 of 13)

(Notes) 1. In addition to the number shown above of times of attending the meeting of the Board of Directors, there was one written resolution that deemed a Board of Directors resolution to have been adopted pursuant to Article 370 of the Company's Act and Article 24, paragraph 2 of the Articles of Incorporation of the Company.

2. Ms. Kumi Arakane resigned from her position as Audit & Supervisory Board Member and assumed office as Director at the conclusion of the 131st Ordinary General Meeting of Shareholders held March 19, 2021. Regarding attendance of the meetings of the Board of Directors, she attended all 13 meetings of the Board of Directors held during the fiscal year as Director or Audit & Supervisory Board Member.

3. Kubota Corporation has purchased directors and officers liability insurance (D&O insurance) for all of the Directors (including Outside Directors) and Audit & Supervisory Board Members (including Outside Audit & Supervisory Board Members) as the insured persons.
The insurance policies cover liability of Directors and Audit & Supervisory Board Members arising in the performance of their duties and damage claims received pertaining to the pursuit of said liability. However, there are

certain exclusions, such as no coverage for liability arising from actions taken with the knowledge that they were in violation of laws and regulations. If this proposal is approved and passed as proposed, all candidates will be covered by the insurance policy. In addition, Kubota Corporation plans to renew the insurance policies with the above details at the time of renewal in November 2022.

No. 1	Reappointment **Masatoshi Kimata** (Date of Birth: June 22, 1951)	
Number of Kubota Corporation's Shares Owned: 153,048 shares		
Tenure as Director: 9 years and 9 months, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1977	Joined Kubota Corporation
June 2005	Director of Kubota Corporation
April 2007	Deputy General Manager of Sales Headquarters in Farm and Industrial Machinery Consolidated Division of Kubota Corporation
April 2008	Managing Director of Kubota Corporation
April 2009	Deputy General Manager of Farm and Industrial Machinery Consolidated Division, General Manager of Sales Headquarters in Farm and Industrial Machinery Consolidated Division of Kubota Corporation
July 2010	Senior Managing Executive Officer of Kubota Corporation
August 2010	President of SIAM KUBOTA Corporation Co., Ltd.
June 2012	Director and Senior Managing Executive Officer of Kubota Corporation
August 2012	Administrative Officer - Corporate Staff, General Manager of Water Engineering and Solution Division of Kubota Corporation
April 2013	General Manager of Procurement Headquarters of Kubota Corporation
April 2014	Executive Vice President and Representative Director of Kubota Corporation
July 2014	President and Representative Director of Kubota Corporation
January 2020	Chairman and Representative Director of Kubota Corporation (to present)
June 2021	Director of Nippon Telegraph and Telephone West Corporation (to present)

Reasons for Nomination as Candidate for Director

Masatoshi Kimata has broad-ranging knowledge on the overall workings of the Company's Farm and Industrial Machinery business and Water and Environment business, and he possesses an ability to provide comprehensive and sound judgment relating to the management of the Group as a whole based on his long-standing experience in carrying out business in both manufacturing and sales operations, in Japan and overseas. Since July 2014, as President and Representative Director, he has been spearheading the Group's growth while forging ahead with the enhancement of management structure and globalization of business. In addition, since assuming office as Chairman and Representative Director in January 2020, he continues to conduct management oversight of the Company as the Chairman of the Board of Directors, while striving to strengthen the functions of the Board of Directors by promoting constructive discussions among other efforts. He was nominated as a candidate for Director based on the judgment that he has the ability to continue to properly oversee the management of the Group as a whole and contribute to its sustainable growth and improvement of corporate value, drawing on his experience and record of accomplishments.

(Notes) 1. There is no special interest between Kubota Corporation and Mr. Kimata.
2. The tenure as Director of Mr. Kimata shows the most recent consecutive time period served as a Director.

No. 2	Reappointment **Yuichi Kitao** (Date of Birth: July 15, 1956)	
Number of Kubota Corporation's Shares Owned: 108,326 shares		
Tenure as Director: 7 years and 9 months, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1979	Joined Kubota Corporation
April 2009	Senior Executive Officer, General Manager of Tractor Division of Kubota Corporation
January 2011	President of Kubota Tractor Corporation
April 2013	Managing Executive Officer of Kubota Corporation
October 2013	General Manager of Farm and Utility Machinery Division, General Manager of Farm and Utility Machinery International Operations Headquarters of Kubota Corporation
June 2014	Director and Managing Executive Officer of Kubota Corporation
April 2015	Director and Senior Managing Executive Officer, General Manager of Farm and Industrial Machinery Domain of Kubota Corporation
January 2019	Executive Vice President and Representative Director, General Manager of Farm and Industrial Machinery Consolidated Division of Kubota Corporation
June 2019	General Manager of Innovation Center of Kubota Corporation
January 2020	President and Representative Director of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Director

Yuichi Kitao has extensive knowledge and experience that has accumulated while being in charge of the Farm and Industrial Machinery Domain over many years, in which role he has expanded this domain's business operations, which has included M&A, and grown the overseas business. And he has demonstrated his skills in the creation of new businesses such as by providing direction in the establishment of Innovation Center. Since assuming office as President and Representative Director in January 2020, he has promoted the further expansion of globalization and business operations by accelerating innovation, and has contributed to strengthening the functions of the Board of Directors, drawing on his experience and record of accomplishments. He was nominated as a candidate for Director based on the judgment that he has the ability to continue to properly oversee the management of the Group as a whole and contribute to its sustainable growth and improvement of corporate value.

(Note) There is no special interest between Kubota Corporation and Mr. Kitao.

No. 3	Reappointment **Masato Yoshikawa** (Date of Birth: January 27, 1959)	
Number of Kubota Corporation's Shares Owned: 59,984 shares		
Tenure as Director: 5 years, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1981	Joined Kubota Corporation
April 2012	Senior Executive Officer of Kubota Corporation
October 2013	President of Kubota Tractor Corporation
April 2015	Managing Executive Officer of Kubota Corporation
March 2017	Director and Managing Executive Officer of Kubota Corporation
January 2018	Director and Senior Managing Executive Officer of Kubota Corporation
January 2019	General Manager of Planning and Control Headquarters of Kubota Corporation (to present)
April 2019	General Manager of Global ICT Headquarters of Kubota Corporation (to present)
January 2020	Executive Vice President and Director of Kubota Corporation
January 2022	Executive Vice President and Representative Director of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Director

Masato Yoshikawa is highly proficient in corporate management from a global perspective based on his experience in the business planning operations and as a president of a sales company in North America, an important market. He has contributed from multiple perspectives to strengthening the functions of the Board of Directors, drawing on his knowledge and experience. He was nominated as a candidate for Director based on the judgment that he has the ability to continue to properly oversee the management of the Group as a whole and contribute to its sustainable growth and improvement of corporate value.

(Note) There is no special interest between Kubota Corporation and Mr. Yoshikawa.

No. 4	Reappointment **Toshihiko Kurosawa** (Date of Birth: August 14, 1955)	
Number of Kubota Corporation's Shares Owned: 73,534 shares		
Tenure as Director: 3 years, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1979	Joined Kubota Corporation
April 2010	Senior Executive Officer of Kubota Corporation
April 2012	Deputy General Manager of Business Development Headquarters, General Manager of International Business Promotion Dept. of Kubota Corporation
April 2013	General Manager of Strategic Business Promotion Dept. of Kubota Corporation
April 2014	Managing Executive Officer, General Manager of Water Engineering and Solution Division of Kubota Corporation
January 2018	Deputy General Manager of Water and Environmental Infrastructure Domain, General Manager of Environmental Solutions Division of Kubota Corporation
January 2019	Senior Managing Executive Officer, General Manager of Water and Environment Infrastructure Consolidated Division of Kubota Corporation
March 2019	Director and Senior Managing Executive Officer of Kubota Corporation
April 2020	Deputy General Manager of Innovation Center of Kubota Corporation
January 2022	Director of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Director

Toshihiko Kurosawa has high-level expertise and broad-ranging knowledge, which he has accumulated through his long-standing involvement in the pump business and his experience in promoting overseas business development and new business as the person in charge of the Water and Environment business. He has contributed to strengthening the functions of the Board of Directors, drawing on his knowledge and experience. He was nominated as a candidate for Director based on the judgment that he has the ability to continue to properly oversee the management of the Group as a whole and contribute to its sustainable growth and improvement of corporate value.

(Note) There is no special interest between Kubota Corporation and Mr. Kurosawa.

No. 5	Reappointment **Dai Watanabe** (Date of Birth: October 2, 1958)	
Number of Kubota Corporation's Shares Owned: 75,234 shares		
Tenure as Director: 3 years, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1984	Joined Kubota Corporation
April 2013	Senior Executive Officer of Kubota Corporation
February 2014	President of Kubota Farm Machinery Europe S.A.S.
December 2014	President of Kverneland AS
January 2017	Managing Executive Officer, General Manager of Agricultural Implement Division of Kubota Corporation
October 2017	President of Kubota Holdings Europe B.V.
January 2018	General Manager of Agricultural Implement Division of Kubota Corporation
January 2019	Senior Managing Executive Officer of Kubota Corporation
	General Manager of Farm and Industrial Machinery Strategy and Operations Headquarters of Kubota Corporation
March 2019	Director and Senior Managing Executive Officer of Kubota Corporation (to present)
January 2020	General Manager of Farm and Industrial Machinery Consolidated Division (to present), General Manager of Innovation Center of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Director

Dai Watanabe has extensive experience as a president at a regional headquarters company and sales companies in Europe, and he has established inroads for a full-scale entry into the dryland farming market by the Company's farming machinery business through orchestrating the market entry into the Agricultural Implement business. He has contributed to strengthening the functions of the Board of Directors, drawing on his experience and record of accomplishments. He was nominated as a candidate for Director based on the judgment that he has the ability to continue to properly oversee the management of the Group as a whole and contribute to its sustainable growth and improvement of corporate value.

(Note) There is no special interest between Kubota Corporation and Mr. Watanabe.

No. 6	New Nomination **Hiroto Kimura** (Date of Birth: May 6, 1961)	
Number of Kubota Corporation's Shares Owned: 24,288 shares		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1984	Joined Kubota Corporation
January 2017	Senior Executive Officer of Kubota Corporation, President of SIAM KUBOTA Corporation Co., Ltd.
September 2019	President of Kubota Research and Development Asia Co., Ltd.
January 2020	Managing Executive Officer (to present), Deputy General Manager of Innovation Center (to present), Deputy General Manager of Research and Development Headquarters, Deputy General Manager of ASEAN Farm and Industrial Machinery Strategy and Operations Headquarters of Kubota Corporation
January 2021	General Manager of Research and Development Headquarters (to present), General Manager of Carbon Neutral Promotion Dept. of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Director

Hiroto Kimura engaged in research and development in the Farm and Industrial Machinery Business over many years, and also has broad-ranging experience relating to global manufacturing and sales, primarily in Asia, gained as the head of a farm machinery manufacturing and sales company in Thailand. He was nominated as a candidate for Director based on the judgment that he has the ability to appropriately oversee the management of the entire Group and contribute to the sustainable growth and increased corporate value of the Company while capitalizing on such expertise and experience and promoting new initiatives for the next generation in the research and development area.

(Note) There is no special interest between Kubota Corporation and Mr. Kimura.

No. 7	Reappointment / Independent / Outside **Yuzuru Matsuda** (Date of Birth: June 25, 1948)	
Number of Kubota Corporation's Shares Owned: 24,100 shares		
Tenure as Outside Director: 7 years and 9 months, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1977	Joined Kyowa Hakko Kogyo Co., Ltd. (currently, Kyowa Kirin Co., Ltd.)
June 2002	Executive Director, Director of Corporate Planning Department of Kyowa Hakko Kogyo Co., Ltd.
June 2003	President and Chief Operating Officer of Kyowa Hakko Kogyo Co., Ltd.
October 2008	President and Chief Executive Officer of Kyowa Hakko Kirin Co., Ltd. (currently, Kyowa Kirin Co., Ltd.)
June 2014	Director of Kubota Corporation (to present)
June 2014	Director of BANDAI NAMCO Holdings Inc.
June 2015	Director of JSR Corporation (to present)
June 2019	Director Emeritus of Kato Memorial Bioscience Foundation (to present)

Reasons for Nomination as Candidate for Outside Director and Overview of Expected Roles

Yuzuru Matsuda has extensive experience in managing a comprehensive manufacturer of biotechnology and offers a wide perspective on matters. Since his assumption of office as Outside Director of Kubota Corporation in June 2014, he has been actively voicing his views from a managerial perspective at meetings of the Board of Directors, while also playing a proper role with respect to management oversight. He was nominated as a candidate for Outside Director based on the judgment that he has the ability to continue to contribute to strengthening supervisory functions of Kubota Corporation's Board of Directors.

Independence of the Nominee

There is no special interest between Kubota Corporation and Mr. Matsuda. Moreover, Kubota Corporation has no special relationship with Kato Memorial Bioscience Foundation and JSR Corporation, of which Mr. Matsuda currently holds important posts.

(Notes) 1. Pursuant to Article 427, paragraph 1 of the Companies Act, Kubota Corporation has entered into an agreement with Mr. Matsuda to limit his liability for damages. The maximum amount of his liability under this agreement is the amount provided for in laws and regulations. Upon the approval of his election pursuant to this proposal and his assumption of office, Kubota Corporation will continue the agreement with him.

2. Kubota Corporation has reported to the Tokyo Stock Exchange (hereinafter the "TSE") that Mr. Matsuda has been appointed as an Independent Director as defined by the TSE.

No. 8	Reappointment / Independent / Outside **Koichi Ina** (Date of Birth: May 6, 1948)	
Number of Kubota Corporation's Shares Owned: 21,400 shares		
Tenure as Outside Director: 6 years and 9 months, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1973	Joined Toyota Motor Corporation
June 2002	Board of Director, Plant Manager, Honsha Plant, Plant Manager, Motomachi Plant of Toyota Motor Corporation
June 2003	Managing Officer, General Manager of Global Production Center of Toyota Motor Corporation
June 2004	Plant Manager, Myochi Plant of Toyota Motor Corporation
June 2005	Plant Manager, Takaoka Plant, Plant Manager, Tsutsumi Plant of Toyota Motor Corporation
June 2006	Plant Manager, Miyoshi Plant of Toyota Motor Corporation
June 2007	Senior Managing Director, Chief Officer, Production Planning Group, Chief Officer, Manufacturing Group of Toyota Motor Corporation
June 2009	Executive Vice President of Daihatsu Motor Co., Ltd.
June 2010	President of Daihatsu Motor Co., Ltd.
June 2013	Chairman of Daihatsu Motor Co., Ltd.
June 2015	Director of Kubota Corporation (to present)
June 2019	Director of Sansha Electric Manufacturing Co., Ltd. (to present)
July 2020	Chairman of Central Japan Industries Association (to present)

Reasons for Nomination as Candidate for Outside Director and Overview of Expected Roles

Koichi Ina has extensive experience in managing an automotive manufacturer and offers a wide perspective on matters. He also has deep knowledge in the field of manufacturing as an engineer and from having been engaged in various management positions in plant operations. Since his assumption of office as Outside Director of Kubota Corporation in June 2015, he has been actively voicing his views mainly from a manufacturing perspective at meetings of the Board of Directors, while also playing a proper role with respect to management oversight. He was nominated as a candidate for Outside Director based on the judgment that he has the ability to continue to contribute to strengthening supervisory functions of Kubota Corporation's Board of Directors.

Independence of the Nominee

There is no special interest between Kubota Corporation and Mr. Ina. Moreover, Kubota Corporation has no special relationship with Sansha Electric Manufacturing Co., Ltd., and Central Japan Industries Association, of which Mr. Ina currently holds important posts.

(Notes) 1. Pursuant to Article 427, paragraph 1 of the Companies Act, Kubota Corporation has entered into an agreement with Mr. Ina to limit his liability for damages. The maximum amount of his liability under this agreement is the amount provided for in laws and regulations. Upon the approval of his election pursuant to this proposal and his assumption of office, Kubota Corporation will continue the agreement with him.

2. Kubota Corporation has reported to the TSE that Mr. Ina has been appointed as an Independent Director as defined by the TSE.

No. 9	Reappointment / Independent / Outside **Yutaro Shintaku** (Date of Birth: September 19, 1955)	
Number of Kubota Corporation's Shares Owned: 6,700 shares		
Tenure as Outside Director: 4 years, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1979	Joined Toa Nenryo Kogyo K.K. (currently, JXTG Nippon Oil & Energy Corporation)
January 1999	Joined Terumo Corporation
June 2006	Director and Executive Officer of Terumo Corporation
June 2007	In charge of R&D Center, Intellectual Property Dept. and Legal Dept. of Terumo Corporation
June 2009	Director and Managing Executive Officer, General Manager of Strategy Planning Dept., In charge of Human Resources Dept. and Accounting & Finance Dept. of Terumo Corporation
June 2010	President and Representative Director of Terumo Corporation
June 2017	Director of Santen Pharmaceutical Co., Ltd. (to present)
June 2017	Director of J-Oil Mills, Inc. (to present)
June 2017	Executive Trustee of Tonen International Scholarship Foundation (to present)
March 2018	Director of Kubota Corporation (to present)
April 2018	Visiting Professor of Hitotsubashi University Business School
April 2019	Special Professor of Hitotsubashi University Business School (to present)
September 2019	Director of KOZO KEIKAKU ENGINEERING Inc. (to present)

Reasons for Nomination as Candidate for Outside Director and Overview of Expected Roles

Yutaro Shintaku has experience and a record of accomplishments at having actively promoted global strategy acting as management of a medical device manufacturer. He also offers a wide perspective as outside director of other companies. Since his assumption of office as Outside Director of Kubota Corporation in March 2018, he has been actively voicing his views from a managerial perspective at meetings of the Board of Directors, while also playing a proper role with respect to management oversight. He was nominated as a candidate for Outside Director based on the judgment that he has the ability to continue to contribute to strengthening supervisory functions of Kubota Corporation's Board of Directors.

Independence of the Nominee

There is no special interest between Kubota Corporation and Mr. Shintaku. Moreover, Kubota Corporation has no special relationship with Santen Pharmaceutical Co., Ltd., J-Oil Mills, Inc., Tonen International Scholarship Foundation and Hitotsubashi University Business School, of which Mr. Shintaku currently holds important posts. Although Kubota Corporation has business transactions with KOZO KEIKAKU ENGINEERING Inc., of which Mr. Shintaku currently holds an important post, the transactions are less than 0.01% of consolidated revenue of Kubota Corporation as well as of KOZO KEIKAKU ENGINEERING Inc.

(Notes) 1. Pursuant to Article 427, paragraph 1 of the Companies Act, Kubota Corporation has entered into an agreement with Mr. Shintaku to limit his liability for damages. The maximum amount of his liability under this agreement is the

amount provided for in laws and regulations. Upon the approval of his election pursuant to this proposal and his assumption of office, Kubota Corporation will continue the agreement with him.

2. Kubota Corporation has reported to the TSE that Mr. Shintaku has been appointed as an Independent Director as defined by the TSE.

No. 10	Reappointment / Independent / Outside **Kumi Arakane** (Date of Birth: July 4, 1956)	
Number of Kubota Corporation's Shares Owned: 6,000 shares		
Tenure as Outside Director: 1 years, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		

Career Summary, Position and Responsibility at Kubota Corporation, and Important Concurrent Positions

April 1981	Joined KOBAYASHI KOSÉ COMPANY LIMITED (currently, KOSÉ Corporation)
June 2011	Director, in charge of Quality Assurance Dept., Customer Service Center, Purchasing Dept., Product Designing Dept. of KOSÉ Corporation
June 2017	Audit & Supervisory Board Member of KOSÉ Corporation
March 2019	Audit & Supervisory Board Member of Kubota Corporation
March 2020	Director of Kagome Co., Ltd. (to present)
June 2020	Director of TODA CORPORATION (to present)
March 2021	Director of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Outside Director and Overview of Expected Roles

Kumi Arakane's career at a cosmetics company provided her with the experience of being involved in corporate management as a Director, as well as being in charge of various areas of business including product development, research, quality control and purchasing. Since her assumption of office as Outside Audit & Supervisory Board Member of Kubota Corporation in March 2019 and as Outside Director in March 2021, she has made significant contributions to the effectiveness of the Board of Directors by voicing her views from various perspectives at meetings of the Board of Directors. She was nominated as a candidate for Outside Director based on the judgment that she will continue to provide suggestions on overall management and has the ability to contribute to strengthening the corporate governance structure of Kubota Corporation.

Independence of the Nominee

There is no special interest between Kubota Corporation and Ms. Arakane. Moreover, Kubota Corporation has no special relationship with Kagome Co., Ltd., and TODA CORPORATION, of which Ms. Arakane currently holds important posts.

(Notes)
1. Pursuant to Article 427, paragraph 1 of the Companies Act, Kubota Corporation has entered into an agreement with Ms. Arakane to limit her liability for damages. The maximum amount of her liability under this agreement is the amount provided for in laws and regulations. Upon the approval of her election pursuant to this proposal and her assumption of office, Kubota Corporation will continue the agreement with her.
2. Kubota Corporation has reported to the TSE that Ms. Arakane has been appointed as an Independent Director as defined by the TSE.
3. The name of Kumi Arakane in the family register is Kumi Kameyama.
4. Ms. Arakane resigned from her position as Audit & Supervisory Board Member and assumed office as Director at the conclusion of the 131st Ordinary General Meeting of Shareholders held March 19, 2021. Regarding attendance of the meetings of the Board of Directors, she attended all 13 meetings of the Board of Directors held during the fiscal year as Director or Audit & Supervisory Board Member.

Proposal 3: Election of Four Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Members Toshikazu Fukuyama, Yasuhiko Hiyama, and Masaki Fujiwara will expire at the conclusion of this meeting. This proposal is intended for to propose to elect four Audit & Supervisory Board Members including one to be added in order to reinforce its audit system. This proposal has been agreed by the Audit & Supervisory Board. If this proposal is approved and passed as proposed, three out of the six Audit & Supervisory Board Members will be Outside Audit & Supervisory Board Members.

The candidate for Audit & Supervisory Board Member is as described below. Keijiro Kimura is a candidate for Outside Audit & Supervisory Board Member.

(Note) Kubota Corporation has purchased directors and officers liability insurance (D&O insurance) for all of the Directors (including Outside Directors) and Audit & Supervisory Board Members (including Outside Audit & Supervisory Board Members) as the insured persons.

The insurance policies cover liability of Directors and Audit & Supervisory Board Members arising in the performance of their duties and damage claims received pertaining to the pursuit of said liability. However, there are certain exclusions, such as no coverage for liability arising from actions taken with the knowledge that they were in violation of laws and regulations. If this proposal is approved and passed as proposed, all the candidates will be covered by the insurance policy.

In addition, Kubota Corporation plans to renew the insurance policies with the above details at the time of renewal in November 2022.

No. 1	Reappointment **Toshikazu Fukuyama** (Date of Birth: June 11, 1955)	
Number of Kubota Corporation's Shares Owned: 16,900 shares		
Tenure as Audit & Supervisory Board Member: 7 years and 9 months, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		
Attendance of the Audit & Supervisory Board Meetings 100% (14 of 14)		

Career Summary and Position at Kubota Corporation, and Important Concurrent Positions

April 1979	Joined Kubota Corporation
October 2005	General Manager of Corporate Planning and Control Dept. of Kubota Corporation
October 2009	Vice President of The Siam Kubota Industry Co., Ltd., (currently, SIAM KUBOTA Corporation Co., Ltd.), Director of Siam Kubota Leasing Co., Ltd.
August 2010	Vice President of Siam Kubota Corporation Co., Ltd., Director of Siam Kubota Leasing Co., Ltd.
June 2014	Audit & Supervisory Board Member of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Audit & Supervisory Board Member

Having served as the manager of the Corporate Planning Department and the top executive of overseas bases of the Company, Toshikazu Fukuyama possesses a global sense and considerable knowledge in management and finance and accounting. He also has been acting as full-time Audit & Supervisory Board Member of the Company since 2014. He is nominated as a candidate for Audit & Supervisory Board Member in expectation of further contribution to the audit activities of the Company by drawing on his extensive experience.

(Note) There is no special interest between Kubota Corporation and Mr. Fukuyama.

No. 2	Reappointment **Yasuhiko Hiyama** (Date of Birth: December 25, 1957)	
Number of Kubota Corporation's Shares Owned: 22,300 shares		
Tenure as Audit & Supervisory Board Member: 4 years, at the conclusion of this meeting		
Attendance of the Meetings of the Board of Directors: 100% (13 of 13)		
Attendance of the Audit & Supervisory Board Meetings 100% (14 of 14)		

Career Summary and Position at Kubota Corporation, and Important Concurrent Positions

April 1981	Joined Kubota Corporation
April 2008	President of Kubota Industrial Equipment Corporation
April 2010	General Manager of Tractor Planning and Sales Promotion Dept. of Kubota Corporation
April 2012	General Manager of Farm and Utility Machinery Planning and Sales Promotion Dept. of Kubota Corporation
April 2014	General Manager of Farm and Utility Machinery Business Unit I, General Manager of Farm and Utility Machinery Planning and Sales Promotion Dept. I, General Manager of Farm and Utility Machinery Planning and Sales Promotion Dept. II of Kubota Corporation
April 2015	General Manager of Tractor and Utility Machinery Business Unit of Kubota Corporation
January 2016	Senior Executive Officer of Kubota Corporation
January 2017	General Manager of Compact Tractor, Turf and Utility Vehicle Business Unit of Kubota Corporation
January 2018	Deputy General Manager of Tractor Division of Kubota Corporation
March 2018	Audit & Supervisory Board Member of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Audit & Supervisory Board Member

Having served as the manager of the agricultural machinery business, which is the core business of the Company, and as the top executive of overseas bases, Yasuhiko Hiyama possesses a global perspective and extensive knowledge in administration and business management. He also has been acting as full-time Audit & Supervisory Board Member of the Company since 2018. He is nominated as a candidate for Audit & Supervisory Board Member in expectation of further contribution to the audit activities of the Company by drawing on his experience.

(Note) There is no special interest between Kubota Corporation and Mr. Hiyama.

No. 3	New Nomination **Masashi Tsunematsu** (Date of Birth: March 10, 1964)	
Number of Kubota Corporation's Shares Owned: 5,873 shares		

Career Summary and Position at Kubota Corporation, and Important Concurrent Positions

April 1986	Joined Kubota Corporation
June 2010	General Manager of Water Engineering & Solution Planning Dept. of Kubota Corporation
January 2018	General Manager of Environmental Business Planning and Sale Dept. of Kubota Corporation
February 2019	General Manager of Water and Environment Infrastructure Management Dept., General Manager of Environmental Business Planning and Sale Dept. of Kubota Corporation
January 2020	General Manager of Water and Environment Infrastructure Management Dept. of Kubota Corporation
January 2022	Water and Environment Infrastructure Consolidated Division of Kubota Corporation (to present)

Reasons for Nomination as Candidate for Audit & Supervisory Board Member

Having served as the manager of the planning and administration departments in the environmental facilities and water environment businesses of the Company, Masashi Tsunematsu possesses considerable knowledge in business operations, administration, and finance and accounting. He is nominated as a candidate for Audit & Supervisory Board Member in expectation of contribution to the audit activities of the Company by drawing on his experience and knowledge.

(Note) There is no special interest between Kubota Corporation and Mr. Tsunematsu.

No. 4	New Nomination / Independent / Outside **Keijiro Kimura** (Date of Birth: April 14, 1961)	
Number of Kubota Corporation's Shares Owned: 0 shares		

Career Summary and Position at Kubota Corporation, and Important Concurrent Positions

April 1987	Registered as an attorney at law of Japan (to present) Joined Showa Law Office
January 1994	Registered as an attorney at law of New York State (to present)
May 1998	Established Kyoei Law Office (to present)
June 2000	Audit & Supervisory Board Member of Okada Aiyon Corporation
September 2007	Audit & Supervisory Board Member of NAGAOKA INTERNATIONAL CORPORATION
June 2009	Audit & Supervisory Board Member of CHARLE CO., LTD.
January 2011	Representative Partner of Kyoei Law Office (to present)
March 2015	Audit & Supervisory Board Member of Nippon Electric Glass Co., Ltd.

Reasons for Nomination as Candidate for Outside Audit & Supervisory Board Member

As an attorney, Keijiro Kimura possesses a wealth of knowledge in legal affairs. He also has an extensive record of practice in corporate legal affairs at attorney offices and considerable experience and knowledge acquired by assuming office as an outside auditor for several companies. Although he has never directly engaged in corporate management, he is nominated as a candidate for Outside Audit & Supervisory Board Member based on the judgment that he can contribute to further enhancement of the Company's audit activities by providing an expert point of view from his wide experience as well as independent standpoint.

Independence of the Nominee

There is no special interest between Kubota Corporation and Mr. Kimura. Moreover, Kubota Corporation has no special relationship with Kyoei Law Office, of which Mr. Kimura currently holds important posts.

(Notes) 1. Upon the approval of Mr. Kimura's election pursuant to this proposal and his assumption of office, Kubota Corporation intends to enter into an agreement with him to limit his liability for damages, pursuant to Article 427, paragraph 1 of the Companies Act. The maximum amount of his liability under this agreement is to be the amount provided for in laws and regulations.

2. Upon the approval of Mr. Kimura's election pursuant to this proposal and his assumption of office, Kubota Corporation intends to report to the TSE that he has been appointed as an Independent Audit & Supervisory Board Member as defined by the TSE.

Proposal 4: Election of One Substitute Audit & Supervisory Board Member

Kubota Corporation proposes to elect one substitute Outside Audit & Supervisory Board Member in case of the number of Outside Audit & Supervisory Members falling below the number required by laws and regulations.

This proposal has been agreed by the Audit & Supervisory Board.

Masaki Fujiwara is a candidate for substitute Outside Audit & Supervisory Board Member.

Substitute Audit & Supervisory Board Member / Outside **Masaki Fujiwara** (Date of Birth: December 23, 1953)	
Number of Kubota Corporation's Shares Owned: 9,500 shares	
Tenure as Audit & Supervisory Board Member: 4 years, at the conclusion of this meeting	
Attendance of the Meetings of the Board of Directors: 92% (12 of 13)	
Attendance of the Audit & Supervisory Board Meetings 100% (14 of 14)	

Career Summary and Position at Kubota Corporation, and Important Concurrent Positions

April 1977	Joined Matsushita Electric Industrial Co., Ltd. (currently, Panasonic Corporation)
January 2000	Director of Malaysia Matsushita Television Co., Ltd.
November 2004	General Manager of Technical Accounting Center of Matsushita Electric Industrial Co., Ltd.
December 2006	General Manager of Accounting Center of Panasonic AVC Networks Company
May 2010	President and Representative Director of Panasonic Insurance Services Japan Co., Ltd.
March 2014	Joined Sansha Electric Manufacturing Co., Ltd., Adviser of Sansha Electric Manufacturing Co., Ltd.
June 2014	Director and Senior Managing Executive Officer of Sansha Electric Manufacturing Co., Ltd. (to present), General Manager of Administrative Division of Sansha Electric Manufacturing Co., Ltd.
March 2018	Audit & Supervisory Board Member of Kubota Corporation (to present)
April 2018	General Manager of Corporate Planning Division of Sansha Electric Manufacturing Co., Ltd. (to present)

Reasons for Nomination as Candidate for Substitute Outside Audit & Supervisory Board Member

Having served as the manager of administration and finance and accounting of Panasonic Corporation and its affiliates, Masaki Fujiwara possesses a global sense acquired through his long years of business experience stationed overseas in addition to considerable knowledge in administration and finance. He also has been acting as Outside Audit & Supervisory Board Member of the Company for four years. Based on the judgment that he can further enhance the Company's audit activities, he is nominated as a candidate for substitute Outside Audit & Supervisory Board Member.

Independence of the Nominee

There is no special interest between Kubota Corporation and Mr. Fujiwara. Moreover, Kubota Corporation has no special relationship with Sansha Electric Manufacturing Co., Ltd., of which Mr. Kimura currently holds important posts.

(Notes)
1. Pursuant to Article 427, paragraph 1 of the Companies Act, Kubota Corporation has entered into an agreement with Mr. Fujiwara to limit his liability for damages. However, the maximum amount of his liability under this agreement shall be the amount stipulated in laws and regulations. If he is elected and assumes the office of Outside Audit & Supervisory Board Member based on this proposal, the Company will enter into an agreement to the same effect with him.
2. Kubota Corporation has purchased directors and D&O liability insurance (D&O insurance) for all of the Directors (including Outside Directors) and Audit & Supervisory Board Members (including Outside Audit & Supervisory Board Members) as the insured persons.
   The insurance policies cover liability of Directors and Audit & Supervisory Board Members arising in the performance of their duties and damage claims received pertaining to the pursuit of said liability. However, there are certain exclusions, such as no coverage for liability arising from actions taken with the knowledge that they were in violation of laws and regulations. If Mr. Fujiwara assumes the office of Outside Audit & Supervisory Board Member, he will be covered by the insurance policy. In addition, Kubota Corporation plans to renew the insurance policies with the above details at the time of renewal in November 2022.
3. Kubota Corporation will report to the TSE that Mr. Fujiwara is an independent officer as stipulated by the TSE, if he assumes the office of Outside Audit & Supervisory Board Member.

(Reference) Management Structure After Approval of Proposals 2, 3 (Planned)

(Skills Matrix)

The Company configures its Board of Directors from the perspectives of maintaining a number of members appropriate for ensuring effective discussions at the meetings of the Board of Directors, manifesting its function as a board of directors and ensuring its diversity and maintaining soundness and transparency in management. It is important for members of the Board of Directors to complement each other by using their knowledge, experience, and skills, based of diverse values. Shown below is how skills required to pursue the Company's medium- to long-term strategies correspond to their specialties and experience.

Name	Position	Out-side	Areas of expectation / Specialization								Experience in corporate management	Nomination Advisory Committee	Compensation Advisory Committee
			Priority items related to medium- to long-term strategies						Fundamental items for management				
			Manufac-turing /Quality control	Global Management	Innovations/ R&D/DX	E (Resolu-tion of envi-ronmen-tal issues)	S (Con-tributing to society/ Empathy and par-ticipation of stake-holders)	G (Building Governance)	Finance/ Accounting	Legal affairs/ Com-pliance			
Masatoshi Kimata	Chairman and Representative Director		●	●		●	●	●		●	●	●	
Yuichi Kitao	President and Representative Director		●	●	●	●	●	●		●	●	●	
Masato Yoshikawa	Executive Vice President and Representative Director			●	●	●	●	●	●			●	●
Toshihiko Kurosawa	Director			●	●	●							
Dai Watanabe	Director and Senior Managing Executive Officer		●	●	●	●			●				
Hiroto Kimura	Director and Managing Executive Officer		●	●	●	●							

Name	Position	Out-side	Areas of expectation / Specialization								Experience in corporate management	Nomination Advisory Committee	Compensation Advisory Committee
			Priority items related to medium- to long-term strategies						Fundamental items for management				
			Manufac-turing /Quality control	Global Management	Innovations/ R&D/DX	E (Resolu-tion of envi-ronmen-tal issues)	S (Con-tributing to society/ Empathy and par-ticipation of stake-holders)	G (Building Governance)	Finance/ Accounting	Legal affairs/ Com-pliance			
Yuzuru Matsuda	Director	●		●	●		●	●			●	● (chairman)	● (chairman)
Koichi Ina	Director	●	●	●		●	●	●			●	●	●
Yutaro Shintaku	Director	●		●			●	●	●		●	●	●
Kumi Arakane	Director	●	●		●		●			●		●	●
Toshikazu Fukuyama	Audit & Supervisory Board Member (Full-time)			●				●	●	●			
Yasuhiko Hiyama	Audit & Supervisory Board Member (Full-time)		●	●					●	●			
Masashi Tsunematsu	Audit & Supervisory Board Member (Full-time)					●			●				
Yuichi Yamada	Audit & Supervisory Board Member	●							●	●			▲ (observer)
Yuri Furusawa	Audit & Supervisory Board Member	●					●			●			

Name	Position	Out-side	Areas of expectation / Specialization								Experience in corporate management	Nomination Advisory Committee	Compensation Advisory Committee
			Priority items related to medium- to long-term strategies						Fundamental items for management				
			Manufac-turing /Quality control	Global Management	Innovations/ R&D/DX	E (Resolu-tion of envi-ronmen-tal issues)	S (Con-tributing to society/ Empathy and par-ticipation of stake-holders)	G (Building Governance)	Finance/ Accounting	Legal affairs/ Com-pliance			
Keijiro Kimura	Audit & Supervisory Board Member	●						●		●			

(Notes) 1. Full-time Audit & Supervisory Board Members will be determined at the Audit & Supervisory Board meeting held after this General Meeting of Shareholders, and Directors with special titles will be determined at the meeting of the Board of Directors held after that.

2. Experience in corporate management among the items of the list above refers to experience as president at a company listed on the first section of a stock market.

3. Other than members of the Compensation Advisory Committee in the above table, Mr. Kazuhiro Kimura, a Senior Managing Executive Officer, also serves as a member of that committee.

4. Executive Officers in charge of the relevant fields attend the meetings of the Board of Directors, depending on the agenda, to provide explanations on those agenda in order to improve the effectiveness of the Board.

(Reference) Policy for Nomination of Candidates for Director and Audit & Supervisory Board Member

Policy for Nomination of Candidates for Director

In its wide-ranging business domains encompassing the areas of food, water, and the environment, Kubota Corporation aims to bring about sustainable growth and increase corporate value on a Group-wide basis, thereby engaging in appropriate decision-making and supervising operations. To such ends and in accordance with its rules governing the Board of Directors (requirements for nominating candidates for Directors), the Company appoints persons from inside the Company who have a wide perspective and extensive experience relating to the Company's business management, and appoints persons from outside the Company who have a practical and objective perspective along with deep knowledge, having satisfied requirements for an independent officer as stipulated by the Tokyo Stock Exchange (hereinafter the "TSE") and requirements of the independence criteria set forth by the Company. Four of the current four Independent Outside Directors have experience in corporate management at other companies.

Regarding the composition of the Board of Directors, Kubota Corporation works to ensure diversity in terms of business area, knowledge, experience, field of specialization and transparency in management and soundness, and so forth while maintaining an appropriate number of members to enable effective discussions.

Further, the Company holds up its long-term vision "GMB2030" and "Mid-Term Business Plan 2025" for the period to establish a foundation for its realization and, in order to accomplish them, believes that it is important that the members of its Board of Directors have a diverse set of values and make use of their respective knowledge, experience and skills to supplement each other. Accordingly, the Nomination Committee, a majority of whose members are Outside Directors, deliberates on the necessary skills for the Board of Directors to fulfill its responsibilities appropriately and flexibly in light of the management strategies and discusses the composition of the Board of Directors to ensure that it is highly effective. (The "Skills Matrix" is shown on pages 26 through 28)

Policy for Nomination of Candidates for Audit & Supervisory Board Member

In order to ensure Audit & Supervisory Board Members' role of auditing and supervising is carried out appropriately, the individuals nominated to serve as Audit & Supervisory Board Members have diverse experience, knowledge, specialization and insight. When considering the composition of the Audit & Supervisory Board, Kubota Corporation nominates a group of individuals with one who has a suitable degree of knowledge and experience pertaining to accounting and finance, and whose majority of members fulfill the requirements of an independent officer stipulated by the TSE.

In accordance with above policy and the Regulations of the Audit & Supervisory Board, candidates for Audit & Supervisory Board Member shall be decided with the agreement of the Audit & Supervisory Board.

Independence Criteria for Outside Directors

Kubota Corporation has established the Independence Criteria for Outside Directors, considering laws and regulations, and provisions of the TSE, among other regulations, to ensure transparency and objectivity in the governance of the Company. Kubota Corporation shall deem that an Outside Director does not satisfy independence from the Company if any of the following items applies to that person.

1. A person who is an executive* of the Company, or who was such an executive within the 10-year period prior to the appointment as Outside Director.

* The term "executive" herein refers to an executive defined as a person who executes business in Article 2, paragraph 3, item 6 of the Ordinance for Enforcement of the

Companies Act. It includes executive director, executive officer (*shikkoyakuin*) and employee who executes business, but it does not include audit & supervisory board member.

2. A person who is an Audit & Supervisory Board Member of the Company (excluding Outside Audit & Supervisory Board Member) or who was such an Audit & Supervisory Board Member (excluding Outside Audit & Supervisory Board Member) for the past ten years before his/her appointment.

3. A major business partner of the Company*, or an executive of such an organization.
   * The term “major business partner of the Company” herein refers to a business partner such as a major purchaser of the Company’s goods and services in the recent three fiscal years, whose amount of trade with the Company in that fiscal year exceeded 2% of the consolidated revenue of the Company for the same fiscal year.

4. An organization whose major business partner is the Company*, or an executive of such an organization.

   * The term “organization whose major business partner is the Company” herein refers to an organization of which the Company is a business partner such as a major purchaser of its goods and services (e.g. a supplier to the Company) in the recent three fiscal years, and the amount of trade with the Company in that fiscal year exceeded 2% of the consolidated revenue of the organization for the same fiscal year.

5. A major lender to the Company*, or an executive of such an organization.

   * The term “major lender to the Company” herein refers to a financial institution from whom the Company has obtained loans in the recent three fiscal years, and the outstanding amount of the loans from the lender at the end of that fiscal year exceeded 2% of the consolidated total assets of the Company thereat.

6. A consultant, accounting professional or legal professional who has received economic benefits for services exceeding ¥10 million annually other than remuneration as an officer from the Company in the recent three fiscal years (or, in the case where the receiver of such benefits was an organization such as a corporation or partnership, a person affiliated with such an organization).

7. A major shareholder of Kubota Corporation*, or if the major shareholder is a corporation, an executive of such a corporation.

* The term “major shareholder of Kubota Corporation” herein refers to a shareholder who holds more than 10% of Kubota Corporation’s shares on a voting-right ownership basis at the end of the relevant fiscal year, regardless of whether the shares are held in the shareholder’s own name or in another name.

8. A director, audit & supervisory board member, accounting advisor, executive officer (*shikkoyaku*) or executive officer (*shikkoyakuin*) of a corporation with a relationship with the Company concerning mutual outside director appointments.

9. A receiver of endowments of economic benefits exceeding ¥10 million annually from the Company in the recent three fiscal years (or, in the case where the receiver of such endowments was an organization such as a corporation or partnership, an executive of such an organization).

10. A spouse or a relative within two degrees of kinship of a person (limited to persons of important position*) set forth in above items 1 to 9.

* The term “person of important position” herein refers to a director, executive officer (*shikkoyaku*), executive officer (*shikkoyakuin*) or any person holding a position equivalent thereto.

Proposal 5: Bonus Payments for Directors

Kubota Corporation proposes to pay Directors' bonuses (¥306.6 million) for five Directors (excluding Outside Directors) in office, in consideration of results of operations for the fiscal year ended December 31, 2021. This is an amount that took the number of Directors and the results of operations for the fiscal year ended December 31, 2021 into account and is judged to be reasonable.

The amount payable for each Director shall be decided by the Board of Directors after the matter has undergone deliberation by the Compensation Advisory Committee.

(The policy, etc. for determining remuneration for Directors for fiscal 2021 are described on pages 73 through 75 in "(8) Policy for Determination of Remuneration, etc. and its Calculation Method for Directors and Audit & Supervisory Board Members.")

Proposal 6: Revision to the Amount of Monetary Remuneration for Directors

At the 131st Ordinary General Meeting of Shareholders held on March 19, 2021, approval was obtained to set the maximum amount of remuneration for the Directors of Kubota Corporation to ¥510 million per year (including ¥80 million per year for the Outside Directors; however, in the case of persons concurrently serving as employees and Directors, the amount of remuneration for the Directors will not include the employee salary portion), and the basic remuneration has been paid within the relevant maximum amount through a resolution of the Board of Directors. Also, separately from the above-mentioned maximum amount, bonus payments for Directors in charge of business execution other than the Outside Directors have been made each year through a resolution of the General Meetings of Shareholders.

The Company set out a long-term vision, “GMB2030,” and has been making a major transformation toward business management with Kubota-like ESG management at its core and increased corporate value from a global perspective. Accordingly, Kubota Corporation decided to review the remuneration system for its Directors with a view to providing a strong incentive for them to accomplish the operating performance goals for each year and increase corporate value over the medium to long term through those initiatives and accelerate progress.

As a result of a review of the remuneration plan, Kubota Corporation intends to set the maximum amount of monetary remuneration payable for its Directors as approved at the General Meeting of Shareholders, for each of total basic remuneration and total bonus payment for Directors amount, and is submitting this Proposal to seek approval for setting the amount of basic remuneration to ¥900 million or less per year (including ¥160 million or less per year for the Outside Directors) and that of bonus payment for Directors to ¥1,060 million or less per year, amounts deemed to be appropriate based on the aforementioned view. As before, in the case of persons concurrently serving as employees and Directors, the amount of remuneration for the Directors will not include the employee salary portion.

In reviewing the remuneration plan, the policy for determining individual remuneration, etc. for the Directors of Kubota Corporation for the 133rd Period (FY2022) (shown on pages 40 through 44 as reference information) was decided by the meeting of the Board of Directors held on February 14, 2022 in light of the recommendation by the Compensation Advisory Committee, a majority of whose members are Outside Directors, after its deliberation, and on the condition that this Proposal and Proposal 8 “Determination of the Amount and Details of Stock Compensation, etc. for Directors” are approved and passed by this General Meeting of Shareholders as proposed. The Proposal contains necessary and reasonable details to pay remuneration for Directors in line with the said policy. Accordingly, the details of the Proposal are deemed to be appropriate.

Basic remuneration applies to all Directors including Outside Directors and bonus for Directors applies to Directors other than Outside Directors, and if Proposal 2 “Election of Ten Directors” is approved and passed by the General Meeting of Shareholders as proposed, there will be ten Directors (including four Outside Directors) covered by the plan.

Proposal 7: Revision to the Amount of Monetary Remuneration for Audit & Supervisory Board Members

The maximum aggregate amount of remuneration for Audit & Supervisory Board Members of the Company was approved at ¥144 million annually at the 119th Ordinary General Meeting of Shareholders held on June 19, 2009 and has since remained unchanged to the present.

These days, the Company's global business operations have increasingly advanced, centered on the machinery business. Increasing the number of subsidiaries and newly created subsidiaries in the wake of overseas M&A deals further helps to strengthen the Group's governance structure and globalize the function of its oversight played by Audit & Supervisory Board Members. In response to these expanding roles and duties of Audit & Supervisory Board Members, Kubota Corporation requests approval for setting the maximum aggregate amount of remuneration to ¥250 million annually to strengthen the Audit & Supervisory Board Member structure, given the levels of other comparable peer companies, etc.

The remuneration for Audit & Supervisory Board Members consists solely of basic remuneration due to the roles they play and the need to secure their independence.

If Proposal 3 (Election of Four Audit & Supervisory Board Members) is approved as proposed at this meeting, the number of eligible Audit & Supervisory Board Members will become six (including three Outside Audit & Supervisory Board Members).

Proposal 8: Determination of the Amount and Details of Stock Compensation, etc. for Directors

1. Reason for proposal and reason for deeming the compensation system to be reasonable

The remuneration for the Company's Directors is composed of basic remuneration, annual bonus, and restricted stock compensation. The Company proposes to newly introduce the stock compensation plan (hereinafter, the "Plan") this time for its Directors (excluding Outside Directors; hereinafter the same applies) and to leave the details to the discretion of the Board of Directors within the scope shown below.

We think the Plan is reasonable as it is aimed at further clarifying the linkage between the remuneration for Directors and both the Company's results of operations and its stock value. It also aims to motivate Directors to improve the results of its operations and help raise its corporate value in the medium to long term by having Directors share with shareholders profit and risk from stock price fluctuations. Further, it aims to incentivize Directors to keep enhancing its corporate value even after a share grant by subjecting the shares to be granted to Directors to a transfer restriction to be in force until they leave office.

This proposal is intended to set the maximum remuneration amount under the Plan as remuneration, etc. for Directors for a reason identical to the reason for revising the maximum amount of monetary remuneration for Directors as stated in Proposal 6, separately from the maximum amount of monetary compensation for Directors (basic remuneration of ¥900 million or less a year [¥160 million or less a year for Outside Directors] and Director bonus of ¥1,060 million or less a year; however, in the case of persons concurrently serving as employees and Directors, the amount of remuneration for the Directors will not include the employee salary portion).

In reviewing the stock compensation plan, the policy for determining individual remuneration, etc. for the Directors of Kubota Corporation for the 133rd Period (FY2022) (shown on pages 40 through 44 as reference information) was decided by the meeting of the Board of Directors held on February 14, 2022 in light of the recommendation by the Compensation Advisory Committee, a majority of whose members are Outside Directors, after its deliberation, and on the condition that Proposal 6 "Revision to the Amount of Monetary Remuneration for Directors" is approved and passed by this General Meeting of Shareholders as proposed. The Proposal contains necessary and reasonable details to pay remuneration for Directors in line with the said policy. Accordingly, the details of the Proposal are deemed to be appropriate.

The Company obtained approval at the 127th Ordinary General Meeting of Shareholders for introducing the stock compensation plan with a transfer restriction for the Directors of the Company. On the condition that this proposal is approved and adopted as originally proposed, the Company will abolish the remuneration limits relating to the stock compensation plan with a transfer restriction and will not grant new shares with a transfer restriction based on the said plan in the future.

If Proposal 2 "Election of Ten Directors" is approved and passed by the General Meeting of Shareholders as proposed, the number of Directors (including Outside Directors) will be ten (including four Outside Directors), and thus there will be six Directors (excluding Outside Directors) covered by the plan.

* If the Proposal is approved and passed as proposed, a plan similar to the Plan will be introduced to Executive Officers (hereinafter, the "Mandated Executive Officers"), etc. who have entered into a mandate contract with the Company.

2. Amount of compensation, details, etc. under the Plan

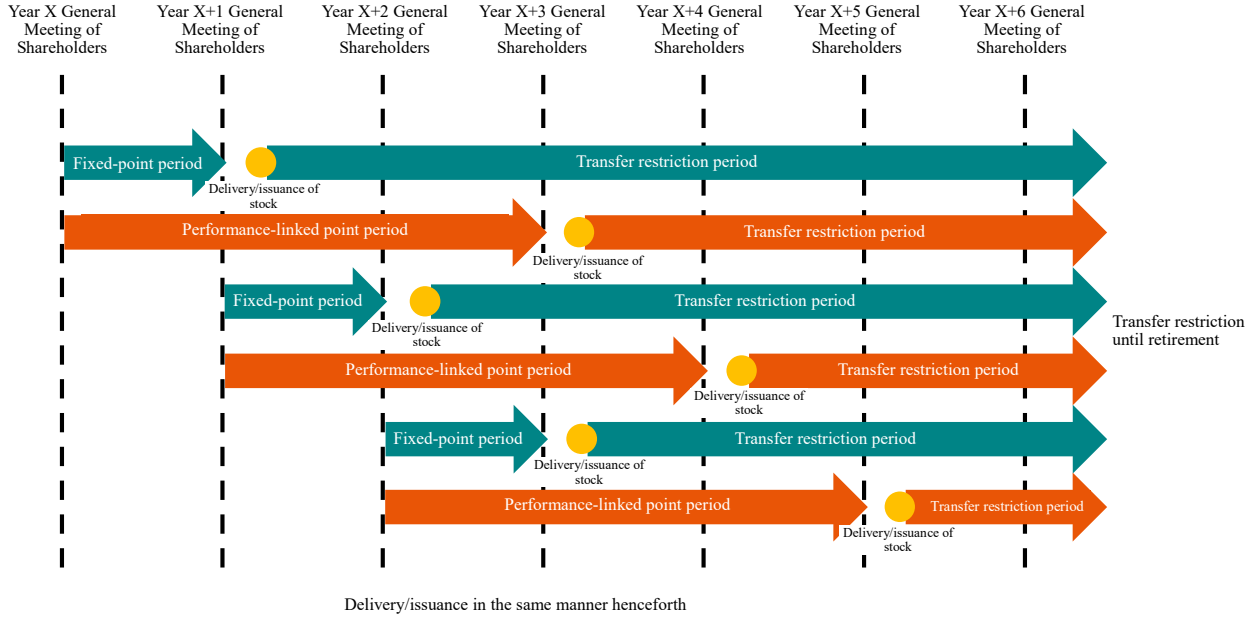
(1) Outline of the Plan

The Plan is a stock compensation plan by which a trust to be established through the contribution of monies by Kubota Corporation (hereinafter, the "Trust") acquires the common shares of Kubota Corporation (hereinafter, the "Company's shares") and the number of the Company's shares corresponding to the number of points to be granted by the Company to each Director is delivered to each Director through the Trust (however, those shares shall have a transfer restriction in place until their retirement through the conclusion of a transfer restriction agreement

between the Company and each Director as per 3. below). In this proposal, “retirement” means they are no longer in a position of Director nor Executive Officer of the Company.

There are two types of points granted based on the Plan: fixed points (equivalent to the restricted stock unit described on page 43) and performance-linked points (equivalent to the performance share unit described on page 43).
Fixed points are granted for each period of one year whose start date is the day after the date of a Kubota Corporation’s Ordinary General Meeting of Shareholders in and after 2022 and end date is the date of the Kubota Corporation’s Ordinary General Meeting of Shareholders in the following year (however, the first period shall be from March 19, 2022 to the date of the Kubota Corporation’s Ordinary General Meeting of Shareholders in 2023) (hereinafter called “fixed-point period”) based on the corporate ranks, the tenure, etc. in the corresponding period. In principle, fixed points are granted each time the fixed-point period ends, and the Company’s shares equivalent to the granted fixed points are issued to each Director from the Trust.
Performance-linked points are granted for each period of three years whose start date is the day after the date of a Kubota Corporation’s Ordinary General Meeting of Shareholders in and after 2022 and end date is the date of the Kubota Corporation’s Ordinary General Meeting of Shareholders three years later (however, the first period shall be from March 19, 2022 to the date of the Kubota Corporation’s Ordinary General Meeting of Shareholders in 2025) (hereinafter called “performance-linked point period”) based on the corporate ranks, tenure, performance of the three consecutive fiscal years from the fiscal year which starts immediately before the start date of the corresponding period to the fiscal year which ends immediately before the end date of the corresponding period, etc. in the corresponding period. In principle, performance-linked points are granted each time the performance-linked point period ends, and the Company’s shares equivalent to the granted performance-linked points are issued to each Director from the Trust.

Conceptual image of point periods and transfer restriction period



However, for Directors who are expected to (i) retire or (ii) stop being residents in Japan during any fixed-point period or performance-linked point period, the points may be granted based on the corporate ranks, tenure, etc. in each period before the end of the corresponding fixed-point period or performance-linked point period.

1)	Eligible persons of the Plan		Directors of the Company (excluding Outside Directors)
2)	Covered period	Fixed-point period	Each period of one year whose start date is the day after the date of a Kubota Corporation's Ordinary General Meeting of Shareholders in and after 2022 and end date is the date of the Kubota Corporation's Ordinary General Meeting of Shareholders in the following year (however, the first period shall be from March 19, 2022 to the date of the Kubota Corporation's Ordinary General Meeting of Shareholders in 2023)
		Performance-linked point period	Each period of three years whose start date is the day after the date of a Kubota Corporation's Ordinary General Meeting of Shareholders in and after 2022 and end date is the date of the Kubota Corporation's Ordinary General Meeting of Shareholders three years later (however, the first period shall be from March 19, 2022 to the date of the Kubota Corporation's Ordinary General Meeting of Shareholders in 2025)
3)	Upper limit of cash contributed by Kubota Corporation as the fund to acquire the Company's shares necessary for issuance to the eligible persons of 1)	Funds for acquisition of the Company's shares equivalent to fixed points	¥160 million as the fund to acquire the Company's shares equivalent to the fixed points granted to the fixed-point period of <1>
		Funds for acquisition of the Company's shares equivalent to performance-linked points	¥740 million as the fund to acquire the Company's shares equivalent to the performance-linked points granted to the performance-linked point period of <1>
4)	Method of acquiring the Company's shares		Dispose of treasury shares or acquire shares from the exchange market (including off-floor trading) (acquire shares for both fixed points and performance-linked points)
5)	Maximum total number of points to be granted to the eligible persons of 1)	Fixed points	140,000 points for the fixed-point period of <1>(*)
		Performance-linked points	630,000 points for the performance-linked point period of <1>(*)

6)	Criteria for granting points	Fixed points	Points to be granted in accordance with corporate ranks and tenure
		Performance-linked points	Grant points based on the corporate ranks, tenure and achievement level of the performance target in the three consecutive fiscal years from the fiscal year which starts immediately before the start date of the performance-linked point period to the fiscal year which ends immediately before the end date of the performance-linked point period, etc.
7)	When to grant points to and when to issue the Company's shares equivalent to the points to the eligible persons of 1)	Fixed points	Grant fixed points for the corresponding period each time the fixed-point period ends, and issue the Company's shares in a number equivalent to the number of points
		Performance-linked points	Grant performance-linked points for the corresponding period each time the performance-linked point period ends, and issue the Company's shares in a number equivalent to the number of points
8)	Transfer restriction period in the transfer restriction agreement as stipulated in 3 below.		In principle, from the date of the delivery of the Company's shares to the date of retirement (which means they are no longer in a position of Director nor Executive Officer of the Company)

(*) The maximum total number of points in real terms per year

Taking into consideration one year of fixed-point period, three years of performance-linked point period and the maximum three periods of overlapped performance-linked point periods, the maximum total number of points per year (total number of fixed points and performance-linked points) shall be deemed to be equivalent to 770,000 points in real terms.

(2) Upper limit of cash contributed by Kubota Corporation

The initial trust period of the Trust shall be about five years. Kubota Corporation shall contribute cash within the range of the upper limit amount specified in (1) 3) above as the fund to acquire the Company's shares necessary for issuance to Directors based on the Plan. The Trust shall be set with Directors who meet certain requirements as beneficiaries. Kubota Corporation plans to set the fixed-point and performance-linked point periods of <3> and entrust the fund to acquire the Company's shares equivalent to the total points of each type to be granted for these periods. the Trust shall acquire the Company's shares by disposition of Company's treasury shares or acquisition from the exchange market (including off-floor trading) using the cash entrusted by Kubota Corporation.

(Note) The actual amount of monies entrusted by the Company to the Trust will be a sum of the estimated amounts for necessary costs including trust fees and trust administrator fees, in addition to the funds to acquire the Company's shares as above. In addition, when a stock compensation plan similar to the Plan is also introduced for Mandated Executive Officers, etc. as described above, the funds to acquire the Company's shares necessary to deliver to the Mandated Executive Officers, etc. pursuant to the relevant plan will also be entrusted.

With a decision by Kubota Corporation's Board of Directors, the trust period of the Trust may be extended (including virtual extension of the trust period by transferring the trust assets of the

Trust to a trust whose purpose is the same as that of the Trust set by Kubota Corporation; hereinafter the same applies) or the Plan may be continued. In this case, Kubota Corporation shall contribute extra cash within the range of the upper limit amount of (1) 3) above to the Trust as the fund to additionally acquire the Company's shares for issuance to Directors based on the Plan, and continue to grant points and issue the Company's shares as described in (3) below.

(3) Method for determining the Company's shares to be delivered to the Directors and the upper limit

1) Method, etc. of granting points to the Directors

The Company shall grant fixed points based on the corporate ranks and tenure and performance-linked points based on the corporate ranks, tenure, and the degree of achievement of the performance targets set for the three consecutive business years from the business year starting immediately before the start date of the performance-linked point period to the business year ending immediately before the end date of the performance-linked point period, etc. to each Director on the point granting day specified in the share issuance rules during the trust period based on the share issuance rules set up at the meeting of the Company's Board of Directors.

However, the upper limit of the total points that the Company grants to each Director shall be 140,000 points for the fixed-point period of <1> and 630,000 points for the performance-linked point period of <1>.

2) Delivery of the Company's shares corresponding to the number of points granted

A Director shall be given the Company's shares based on the number of points granted in 1) above in accordance with the procedure in 3) below. One point shall be equal to one share of the Company's shares.

However, in the case where it is considered reasonable to adjust the number of the Company's shares per point such as a share split or share consolidation, an adjustment will be made to the relevant split or consolidation ratio, etc.

3) Delivery of the Company's shares to the Directors

In principle, each Director shall acquire the beneficiary right of the Trust and receive the Company's shares in a number as described 2) above subject to conclusion of the transfer restriction agreement of 3. below with the Company and compliance to the other specified procedures each time the points are granted following the end of each fixed-point period and each performance-linked point period during the trust period.

However, in the case that the Company's shares in the Trust have been liquidated for cash, including where the Company's shares in the Trust have been applied for a tender offer and settled, cash (the relevant liquidation amount) may be delivered in lieu of the Company's shares.

(4) Exercise of voting rights

None of the voting rights with respect to the Company's shares in the Trust shall be exercised based on an instruction of the trust administrator who is independent of the Company and its officers. This is intended to ensure neutrality to the Company's corporate management with respect to the exercise of voting rights regarding the Company's shares in the Trust.

(5) Treatment of dividends

Dividends with respect to the Company's shares in the Trust shall be received by the Trust and used to acquire the Company's shares and pay trust fees for the trustee of the Trust.

3. Transfer Restriction Agreement with respect to the Company's shares to be delivered to the Directors

To deliver the Company's shares to the Directors described in 2. (3) 3) above, Kubota Corporation shall enter into a transfer restriction agreement whose details are summarized in the below (hereinafter, "Transfer Restriction Agreement") with a Director in delivering the Company's shares (the delivery of the Company's shares by each Director is conditional on the conclusion of the Transfer Restriction Agreement).

However, Kubota Corporation may issue the Company's unrestricted stocks without concluding the Transfer Restriction Agreement when the Director is expected to retire or stop being a resident in Japan before issuance of shares. Moreover, in this case, Kubota Corporation may sell a certain proportion of the Company's shares of 2. (3) 2) above for the purpose of withholding of the fund for payment of taxes such as withholding income tax, and issue cash instead of the Company's shares.

1) The Director must not transfer, create a security interest on, or otherwise dispose of the delivered Company's shares for a period from the date of such delivery to the date of retirement.

2) If the Director retires due to a certain illegal activity or any reason other than (i) or (ii) of 3) below, the Company shall acquire the shares free of charge

3) The transfer restriction shall be lifted when the Director retires if the retirement is based on (i) a valid reason or for a reason judged by the Company to be unavoidable or (ii) death

4) Notwithstanding 1) and 3) above, (i) when the Director is expected to stop being a resident in Japan prior to retirement, or (ii) when a merger agreement whereby the Company becomes an absorbed entity or any other matters relating to reorganization, etc. approved by the General Meeting of Shareholders of the Company come into effect, the transfer restriction may be lifted at the time in accordance with the Transfer Restriction Agreement.

The Company's shares subject to transfer restriction by the Transfer Restriction Agreement plan to be managed in the dedicated accounts that eligible Directors open with Daiwa Securities Co. Ltd. during the transfer restriction period to transfer, attachment, and other dispositions during the transfer restriction period.

The contents of the Transfer Restriction Agreement shall include how to indicate intention and make a notification under the Transfer Restriction Agreement, how to revise the Transfer Restriction Agreement, and other matters to be set up at the meeting of the Board of Directors.

(Reference Information)
Policy for Determination of Remuneration, etc. for the Directors of the Company for the 133rd Period (FY2022)
An overview of the policy for determination of remuneration, etc. for individual Directors of the Company for the 133rd Period (FY2022) is as follows (1) to 6)):

1) Policy for Determination of Remuneration, etc. for the Directors
The remunerations for Directors other than Outside Directors has consisted of three remunerations, namely, basic remuneration, which is a fixed remuneration, annual bonus as short-term incentive remuneration, which is a variable remuneration, and restricted stock compensation as long-term incentive remuneration, for the purpose of maximizing the corporate value considering that they are engaged in management from short- and long-term viewpoints. The only remuneration for Outside Directors has been basic remuneration to maintain the effectiveness of their supervision functions for management. Currently, the Company is committed to a shift to business operations with ESG positioned at the core of management under the long-term vision "GMB2030," with the aim of further strengthening the supervisory function of the Board of Directors (i.e., enhancing corporate governance). Under these circumstances, Kubota Corporation reviewed the remuneration plan for Directors and set up the basic principles regarding remunerations for Directors, etc. subject to the proposal regarding remunerations for Directors, etc. being approved and passed as proposed at the 132nd Ordinary General Meeting of Shareholders, considering the expectation that the responsibilities and expected roles of Directors will increase more and more, etc.:
(Basic principles)
1. The purpose of the remuneration for the Company's Directors (excluding Outside Directors) is to encourage the Company's Directors (excluding Outside Directors) to take the lead for sustainable growth while fulfilling social responsibilities as a company aiming to become a global major brand (hereinafter, the "GMB") company.

- Motivate the Directors to achieve performance targets by reflecting in their remuneration quantitative and objective evaluation results based on financial performance indicators.
- By reflecting evaluation results of the progress of the Kubota Group's original ESG initiatives (hereinafter, the “K-ESG”) in remuneration of Directors to accelerate K-ESG management initiatives.
- Encourage the Directors to hold shares of the Company’s stock during their tenure and make them strongly aware of the need to sustainably improve corporate value through a remuneration system that is closely linked to shareholder value.
-Along with achievement of the Company’s performance targets, K-ESG and improvement of corporate value, set the levels of remuneration and performance linkage that allow the Directors to receive remuneration that is equivalent to or greater than the standard remuneration at other GMB companies that are defined by the Company.

2. To achieve the purpose of the remuneration, transparency and objectivity must be ensured in the administration of the remuneration plan.
   - Decisions on the development and administration of remuneration policies shall be reviewed by the Compensation Advisory Committee, a majority of whose members are Outside Directors, before being determined by the Board of Directors’ resolution.
   - In order to fulfill accountability for shareholders precisely, disclosure shall be made not limited to the scope required by laws and regulations, but also to facilitate shareholders’ understanding and dialogue with them.

2) Remuneration structure

(a) Directors excluding Outside Directors

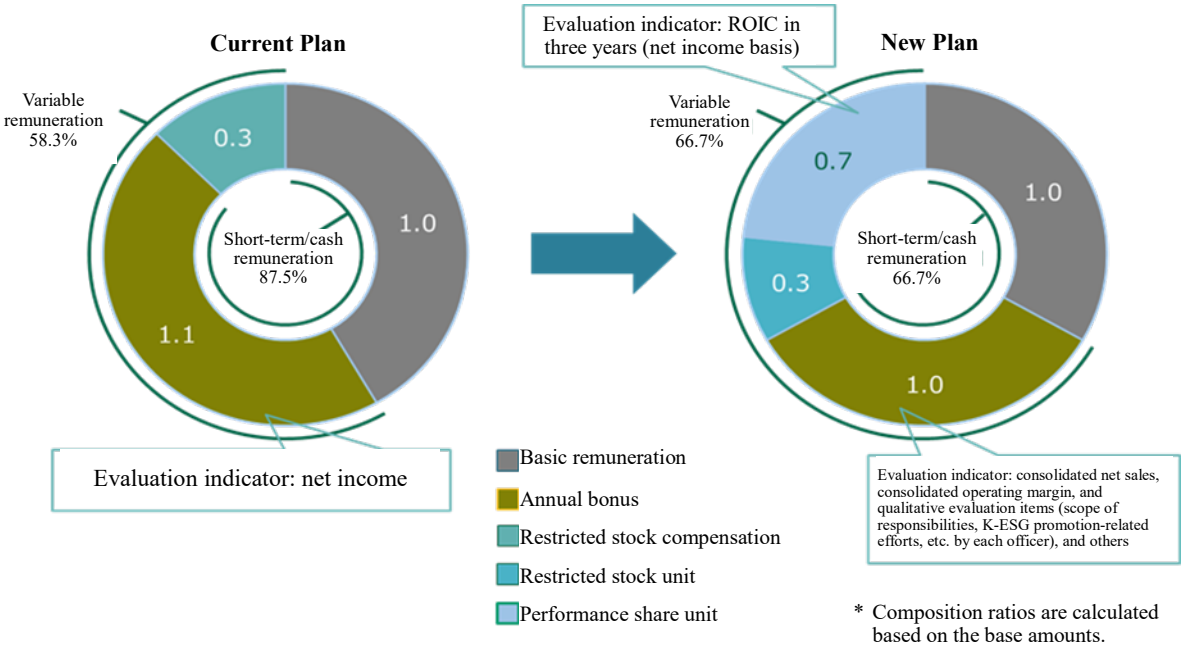
The remuneration for the Directors excluding Outside Directors consists of basic remuneration, which is fixed, and performance-linked remuneration.

The composition ratio of basic remuneration to performance-linked remuneration for the President and Representative Director is generally set at 1:2, to secure a high level of performance linkage suitable for a competitive remuneration level. As for the remuneration structure for Directors other than the President and Representative Director, Directors at a higher corporate rank earn a greater portion of performance-linked remuneration, given the size of their duties, etc. at their corporate rank. The performance-linked remuneration consists of annual bonuses intended to encourage Directors to achieve the business size and profitability targets set for each fiscal year, and stock compensation (restricted stock unit and performance share unit) intended to share shareholder value and promote the maximization of medium- to long-term corporate value. The ratio of annual bonuses to stock compensation is generally set at 1:1.

- Shown below is an overview of the composition and elements of remuneration:

(Remuneration Composition)

Image of Remuneration Composition Ratios for the President and Representative Director (Comparison: current plan vs. new plan)



* Composition ratios are calculated based on the base amounts.

(Overview of the elements of remuneration)

Type of remuneration	Overview
Basic remuneration	[Fixed remuneration set in proportion to the size of duties by corporate rank, etc.] -The individual amount of basic remuneration shall be decided at the meeting of the Board of Directors based on the details of confirmation and deliberation by the Compensation Advisory Committee: the amount of (total) basic remuneration divided by 12 is paid on the same pay day as employees' salary, on a monthly basis.
Annual bonus	[Cash remuneration intended to encourage the achievement of business size and profitability-related performance targets set for each fiscal year and accelerate the K-ESG management efforts] • Consists of a portion linked to company-wide performance (50–70% of the bonus based on corporate rank), a portion of individual evaluation (10–30%), and a portion of K-ESG evaluation (20%) • The portion linked to company-wide performance changes between 0% and 200% of the base amount in proportion to the degree of achievement in the targeted consolidated revenue and operating profit margin, which are key indicators under the Mid-Term Business Plan 2025. • The portion of individual evaluation changes between 0% and 200% of the base amount in proportion to the degree of achievement in strategic company-wide targets, specific targets in the efforts under the Mid-Term Business Plan, financial targets for the area(s) the person is in charge of, etc. which are set at the beginning of the fiscal year based on individual responsibilities/jurisdiction. • The portion of K-ESG evaluation changes between 0% and 200% of the base amount in proportion to the degree of achievement in K-ESG promotion targets set at the beginning of the fiscal year. The target setting in and the evaluation result of each evaluation category shall be decided at the meeting of the Board of Directors based on the details of confirmation and deliberation by the Compensation Advisory Committee: paid annually in March, in principle.
Restricted stock unit (RS Trust)	[Stock compensation intended to encourage continued shareholding while in service/office, through which the sharing of and improvements in shareholder value are promoted] The number of restricted stocks specified for each corporate rank shall be issued generally after the closing of each period, from the trust that sets the Company as the entruster in every period. In principle, the transfer restriction of issued shares shall be lifted at the time of (their) retirement (which means the point of time when they are no longer Directors or Executive Officers of the Company; the same applies hereinafter).
Performance share unit (RS Trust)	[Stock compensation for the purpose of improving the shareholder value by achieving the medium- to long-term performance target] • Restricted stocks shall be issued generally after each performance evaluation period ends, from the trust that sets the Company as the entruster according to the result of the financial evaluation of the performance evaluation period of three years, which starts in every period. In principle, the transfer restriction of issued shares shall be lifted when Directors, etc. retire. The indicator of the financial evaluation is ROIC on a net income basis for the purpose of promoting the maximization of corporate value in the medium to long term by effectively creating profit relative to invested capital, and the number of the shares to be issued in proportion to the degree of achievement changes between 0% and 200%.

* Basic views, etc. on the evaluation indicators and targets for annual bonuses and performance share units shall be re-examined on an ongoing basis in response to changes in the management environment and others, through a review by the Compensation Advisory Committee. Kubota

Corporation is considering using the performance share unit as an indicator for the K-ESG evaluation from now on.

(b) Outside Directors
The only remuneration for Outside Directors is basic remuneration, which is a fixed remuneration, because Outside Directors are expected to supervise the Board of Directors and give objective advice on management from positions independent from the conduct of business.

3) Remuneration level

- In order to properly secure competitiveness in terms of compensation suitable for a GMB company, the Company appropriately sets the level of remuneration for the Directors excluding Outside Directors based on their corporate ranks and duties, by using data on objective executive remuneration surveys conducted by an external specialized institution (“Executive Compensation Database” by Willis Towers Watson), etc. to identify a group of companies whose size, profitability, type of business, overseas networks, etc. are comparable to the Company’s as a benchmark for comparison.

4) Shareholding guideline

- For the purpose of deepening the level of shared value with its shareholders, the Company encourages the Directors excluding Outside Directors to hold the Company stock basically as follows:
  President and Representative Director: stock worth three times the basic remuneration by five years from taking office
  Other Directors: stock worth 2.4 to 2.7 times the basic remuneration by five years from taking office

5) Clawback/recovery of remuneration, etc. (malus and clawback clauses)

- The Company has compensation clawback clauses (i.e., malus and clawback clauses) for the restricted stock unit and the performance share unit to be granted to Directors. If an incident of misconduct, etc. involving the Directors (including those retired) of the Company arises or such a fact comes to light, the Company may claim the return, etc. of a pre-issue points to receive shares, and all or part of the issued restricted stock and shares after the transfer restriction is lifted. The decisions on claims for return, etc. and their details shall be reviewed by the Compensation Advisory Committee before being determined by the Board of Directors’ resolution.

6) Remuneration determination process

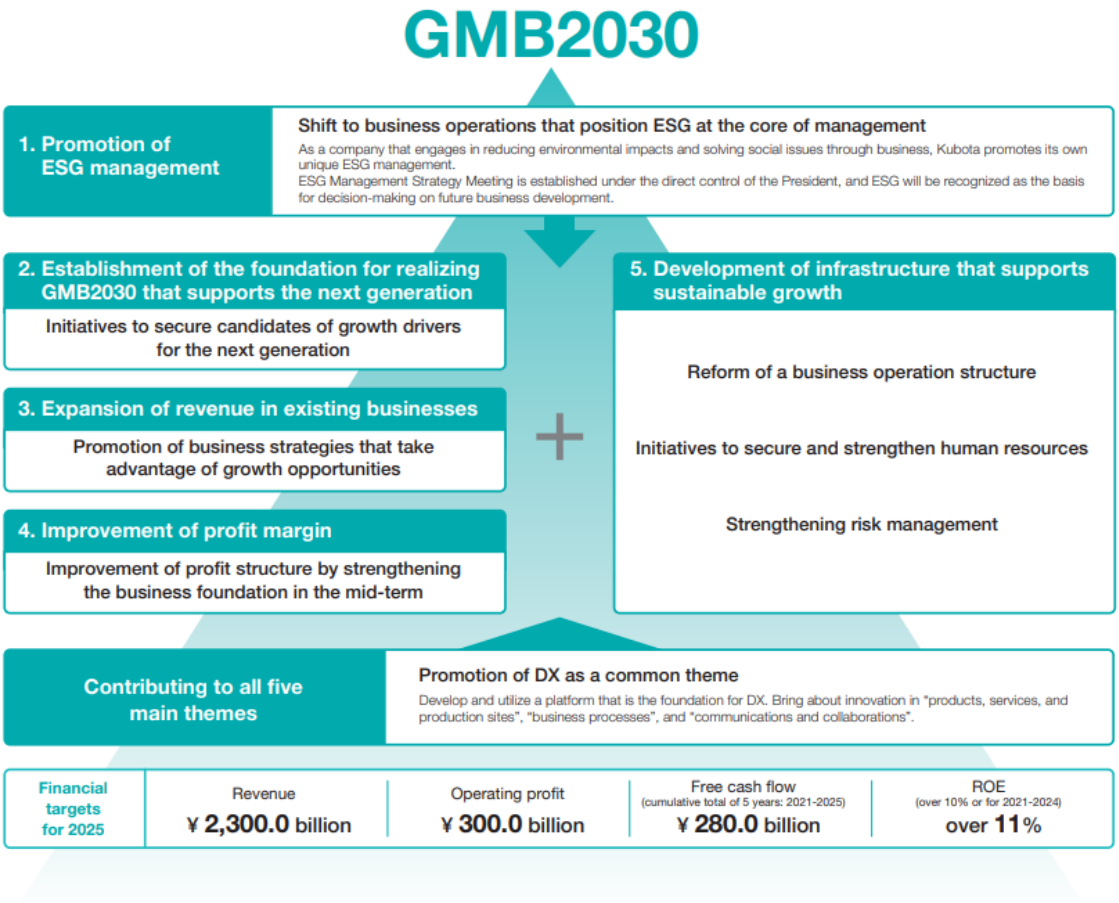
- The Kubota Corporation’s policy on the decision of the details of remunerations for Directors and the details of individual remuneration, etc. shall be decided by the resolution of the Board of Directors based on the result of objective deliberation by the Compensation Advisory Committee, a majority of whose members are Outside Directors.

- The review by the Compensation Advisory Committee shall be attended/observed by a compensation advisor from Willis Towers Watson, an external specialized institution, where necessary, for the purpose of providing an objective point of view as well as expert knowledge and information concerning compensation plans.

GMB2030—Our long-term vision focused on the next 10 years



■ Outline of Mid-term Business Plan 2025



For more details, please refer to "(2) Initiatives of the Company Going Forward" on pages 48 through 51 and see the results briefings materials and see the results briefings materials.

https://www.kubota.com/ir/financial/presentation/data/mp133e.pdf

ATTACHMENT TO THE CONVOCATION NOTICE FOR THE 132ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

BUSINESS REPORT FOR THE 132ND PERIOD

(FROM JANUARY 1, 2021 TO DECEMBER 31, 2021)

1. Item of Overview of Its Operations

(1) Review of Operations

1) General Condition of Kubota Corporation and Subsidiaries

For the year ended December 31, 2021, revenue and profit of Kubota Corporation and its subsidiaries (hereinafter, the "Company") increased.

Revenue of the Company increased by ¥343.5 billion [18.5%] from the prior year to ¥2,196.8 billion.

Domestic revenue increased by ¥7.6 billion [1.3%] from the prior year to ¥602.8 billion because of increased revenue in Farm & Industrial Machinery mainly due to increased sales of farm equipment, despite a decrease in revenue in Water & Environment and Other.

Overseas revenue increased by ¥335.9 billion [26.7%] from the prior year to ¥1,594.0 billion because of significantly increased revenue of farm equipment and construction machinery, while revenue in Water & Environment decreased from the prior year. As a result, overseas revenue accounted for 72.6% of consolidated revenue, which increased by 4.7 percentage points from the prior year.

Operating profit increased by ¥70.9 billion [40.5%] from the prior year to ¥246.2 billion mainly due to significantly increased revenue in the domestic and overseas markets and favorable impact of foreign exchange rates, while there were some negative effects from soaring material prices and logistics expenses. Profit before income taxes increased by ¥66.7 billion [35.9%] from the prior year to ¥252.6 billion due to increased operating profit. Income tax expenses were ¥64.9 billion. Share of profits of investments accounted for using the equity method was ¥3.0 billion. Profit for the year increased by ¥49.3 billion [34.9%] from the prior year to ¥190.7 billion. Profit attributable to owners of the parent increased by ¥47.1 billion [36.7%] from the prior year to ¥175.6 billion.

2) Review of Operations by Reportable Segments

(a) Farm & Industrial Machinery

Farm & Industrial Machinery is composed of farm equipment, agricultural-related products, engines, and construction machinery.

Revenue in this segment increased by 23.6% from the prior year to ¥1,864.8 billion, and accounted for 84.9% of consolidated revenue.

Domestic revenue increased by 6.0% from the prior year to ¥310.5 billion. Sales of farm equipment and agricultural-related products increased due to a recovery from adverse reaction from rushed demand before the consumption tax hike and increased demand resulting from subsidies for business continuation of farmers.

Overseas revenue increased by 27.8% from the prior year to ¥1,554.3 billion. In North America, sales of tractors and construction machinery increased significantly due to strong demand along with trend in move to suburbs despite continued delay in procurement caused by disrupted supply chains. In Europe, sales of construction machinery, tractors, and engines increased due to continued recovery trend from sluggish sales along with the infection spread of COVID-19 in the prior year. In Asia outside Japan, sales of farm equipment in Thailand increased significantly mainly due to favorable weather conditions and strong market of dryland farming supported by stable

high crop prices. In addition, sales of farm equipment in India were strong as well. In Other areas, sales of tractors and construction machinery in Australia increased significantly due to government stimulus policies.

Operating profit in this segment increased by 39.1% from the prior year to ¥250.4 billion due to significantly increased revenue in the domestic and overseas markets, raised product price, and favorable impact of foreign exchange rates, while there was a negative effect from soaring material prices and logistics expenses.

(b) Water & Environment

Water & Environment is comprised of pipe- and infrastructure-related products (ductile iron pipes, plastic pipes, valves for public sector, industrial castings, ceramics, spiral-welded steel pipes, air-conditioning equipment, and other products) and environment-related products (environmental control plants, pumps, valves for private sector, and other products).

Revenue in this segment decreased by 3.3% from the prior year to ¥305.4 billion, and accounted for 13.9% of consolidated revenue.

Domestic revenue decreased by 3.0% from the prior year to ¥265.7 billion. In pipe- and infrastructure-related products, sales of ductile iron pipes and construction business decreased mainly due to a negative effect from postponed construction along with a state of emergency. Revenue in environment-related products decreased due to decreased plant construction, while sales of pumps increased due to increased sales of drainage pump vehicles.

Overseas revenue decreased by 5.2% from the prior year to ¥39.7 billion. Sales of industrial castings and ductile iron pipes decreased mainly.

Operating profit in this segment decreased by 14.1% from the prior year to ¥22.3 billion due to soaring material prices.

(c) Other

Other is mainly comprised of a variety of services.

Revenue in this segment decreased by 6.3% from the prior year to ¥26.6 billion, and accounted for 1.2% of consolidated revenue.

(2) Initiatives of the Company Going Forward

The Company's long-term goal is to become a Global Major Brand, or in other words a brand that can make the greatest social contribution as a result of being trusted by the largest number of customers. In order to accelerate the realization of this goal, the Company holds up "'Essentials Innovator for Supporting Life,' Committed to a Prosperous Society and Cycle of Nature" as what the Company aims to be in its long-term vision for 2030, "GMB2030." The Company aims to achieve sustainable development over the long-term by making the greatest contribution to realization of a sustainable society through solutions to enhance the productivity and safety of food, solutions to promote the circulation of water resources and waste, and solutions to improve urban and living environments.

1) Promotion of Business Operations That Position ESG at the Core of Management

The Company will place more emphasis on ESG than ever through its business activity in order to continue to be a sustainable company, as corporate social responsibility has become heavier and heavier. As a company that operates in the fields of food, water, and the environment and engages in reducing environmental impact and solving social issues through its business, the Company aims to increase its existence value by promoting business activities rooted in the Kubota Global Identity (corporate principles) in addition to general initiatives linked to ESG.

2) Materiality of ESG Management

The Company will engage in ESG management, which is Kubota's unique business operations that position ESG at the core of management. It will do this by advancing initiatives in four areas that make up the framework of ESG management, each of which has been broken down into 12 materiality.

The first area is "solving environmental and social issues through business."

GMB2030 will be realized by initiatives for new solutions and expansion of existing businesses. The Company holds up "enhancing the productivity and safety of food," "promoting the circulation of water resources and waste," and "improving urban and living environments" as directions to realize this. Carbon neutrality, which has been gaining attention these days, can no longer be described as a trend. Instead, it is a challenge faced by people and companies, and Kubota also recognizes it as a prerequisite for the conduct of our business and a challenge we all share. The Company will also work on "mitigation of and adaptation to climate change" as another pillar of ESG management in addition to the aforementioned directions, which are based on megatrends.

The second area is "accelerating innovation to solve problems."

The Company will build strong relationships with internal and external divisions, affiliated companies, and suppliers that are mutually respectful, in which diverse people from different regions, age groups, and genders can exchange opinions straightforwardly. Furthermore, the Company will also collaborate with industries, government and academia, such as start-ups, companies in different industries, universities, etc. In the Company's aim to make these things happen, the Company will promote business operations based on diverse values and strengthening R&D and partnerships, and create innovation unique to Kubota.

The third area is "stakeholder empathy and participation."

The Company will focus on the improvement of employee growth and job satisfaction, customer satisfaction and safety, and the enhancement of transparency and dialogue to promote the empathy and participation of stakeholders. The Company will expand the circle of empathy and participation to all stakeholders by communicating the Kubota Group's business activities and attitudes with a high degree of transparency and holding repeated dialogues with its stakeholders.

The fourth area is "building governance to enhance sustainability."

The Company must remember that the environment surrounding it is complex and undergoing major changes, making it difficult to predict the future. Under these circumstances, by pursuing the "strengthening of corporate governance," including strengthening the supervisory functions of the Board of Directors, and the "strengthening of risk management" to reduce business execution risks, and the "penetration and practice of ESG management" through dialogue between management and employees held at town hall meetings and other means, the Company will build frameworks and governance that will allow it to respond to change with medium- to long-term perspectives, to achieve GMB2030.

3) Promotion of Mid-Term Business Plan 2025

The Company will steadily promote the other framework of the mid-term business plan as well as the "promotion of ESG management."

As to the "establishment of the foundation for realizing GMB2030 that supports the next generation," the Company is working on advanced Smart Agriculture, which utilizes sensing, analysis systems, AI, etc., and making progress in data linking with other systems and applications by opening Kubota Smart Agri System (KSAS). The Company has also launched activities toward the establishment of the resource circulation business through financial contributions.

As to the "expansion of revenue in existing businesses," preparations to expand production

of compact track loaders (CTL), construction machinery, at a plant in North America are progressing steadily and implements for dryland farming are being developed in the ASEAN region.

As to the “improvement of profit margin,” activities are being carried out to reduce the cost of materials and improve productivity.

As to the “development of infrastructure that supports sustainable growth,” a global supply and demand management system will be introduced, an educational program for cultivating digital transformation (DX) personnel will be developed, and a “risk-based approach” will be adopted to prevent problems from occurring in advance.

As to the “Promotion of DX as a common theme” in addition to innovating products, services, and production sites through means such as AI data analysis and video content analysis, the Company will continue to automate its business processes and make them paperless. Additionally, in 2021, these initiatives were evaluated, and the Company was registered as a “DX-Certified Operator” specified by the Japanese government.

4) Issues Upon Which the Company Should Implement Countermeasures

(Actions for the health hazard of asbestos)

The Company will continuously cope with this issue faithfully from the view point of Corporate Social Responsibility as one of manufacturers that once manufactured asbestos-containing products.

Initiatives to date

- Relief payment

  The Company has established “Relief Payment System for the Asbestos-Related Patients and the Family Members of the Deceased near the Former Kanzaki Plant” on April 17, 2006 and paid the relief payments to 371 parties up to December 31, 2021.

- Support for medical research on asbestos-related diseases

  The Company has made the decision to furnish financial support for treatment and research regarding asbestos-related diseases carried out by Hyogo College of Medicine and Otemae Hospital. The support will amount to a total of ¥550 million over the five-year period from 2018 to 2022, of which the Company has paid its portion of the contribution earmarked for fiscal year 2021.

Amid the prolonged COVID-19 pandemic last year, the Company has been required to “evolve” in order to adapt to the changes in our lifestyles and working environment. It needs to continue adapting to the values of a society that is changing at a dizzying pace, fulfill society’s demands regarding companies, and further evolve in order to solve social issues.

Since its foundation, its aim has been to send out into the world products and services that solve social issues. Over more than 130 years, the Company has steadfastly passed down this founding spirit as its “mission” and it continues to thrive as part of the Company’s DNA. In order to become a Global Major Brand, the Company holds up “‘Essentials Innovator for Supporting Life,’ Committed to a Prosperous Society and Cycle of Nature” as what the Company aims to be in the fields of food, water, and the environment in its long-term vision “GMB2030.” The realization of this is precisely its mission, which will solve environmental and social issues.

Going forward, the Company will continue to aim for sustainable growth and further increases in corporate value by engaging in its mission and positioning ESG at the core of management, and engaging with all stakeholders of the Group in a sincere manner.

The Company earnestly looks forward to the continuing support from the Company's shareholders.

(3) ESG (Environment, Society, Governance)

G: Initiatives on Governance

(Basic Policy for Corporate Governance)

The Company has designated “long-term and stable growth of corporate value” as its highest management priority. To realize this aim, the Company considers enhancement of the satisfaction of all the company’s stakeholders and improvement of overall corporate value, while balancing economic value and social value, to be important. Especially, in order to achieve the long-term objectives of establishing “Global Major Brand Kubota (GMB Kubota)” on the basis of its corporate philosophy “Kubota Global Identity,” the Company must be an enterprise that is trusted not just in Japan but also worldwide. In order to enhance the soundness, efficiency, and transparency of management, which are essential to earn trust, the Company is striving to strengthen its corporate governance.

To increase the confidence and understanding by shareholders, investors, and society, the Company will make accurate and timely disclosures of corporate information, such as results of operations on a quarterly basis and management policies, and fulfill its responsibilities for transparency and accountability in corporate activities.

(Basic Strategy for Capital Policy)

The Company’s basic strategy for capital policy is to fully utilize capital in order to improve profitability, maintain an adequate level of capital to support future business expansion, and work to further enhance shareholder returns. The Company will strive to sustainably enhance shareholder value with the well-balanced promotion of the three aforementioned policies.

(Policy on Decision of Appropriation of Surplus)

The Company’s basic policy for the returns of profit to shareholders is to maintain stable dividends and raise dividends together with flexible share buy-backs and retirement of treasury shares. The Company recognizes appropriate returns of profit to shareholders is one of the most important management issues and will strive to expand it going forward, considering requirements of maintaining sound business operations as well as adapting to the future business environment.

Under this basic policy, the Company sets its total consolidated shareholder return ratio target, which is composed of dividends, share buy-backs and retirement of treasury shares, at 40% or more, and will aim for its further increase.

The Company decided at the meeting of the Board of Directors held on February 14, 2022 that it would pay ¥21 of the year-end dividend per common share commencing its payment on March 22, 2022. As a result, including the interim dividend of ¥21 per common share already paid, the annual dividend per common share for the year ended December 31, 2021 is ¥42.

- For more detailed information regarding the status of initiatives on governance, please visit our website

  https://www.kubota.com/ir/news/data/cgre.pdf

E: Commitment to the Environment

The Company will contribute to the achievement of a sustainable society by engaging in environmental management practices under its brand statement “For Earth, For Life.”

Environmental Vision

While challenging to achieve zero environmental impact, we will contribute to realizing a carbon-neutral and resilient society in the fields of “food, water, and the environment.”

Toward the Realization of the Environmental Vision

The world is moving toward “decarbonization” at an accelerating pace. As the Company considers climate change and environmental conservation activities to be material issues (priority issues), the Company has established the “Environmental Vision,” which indicates the direction of our business activities toward 2050 from an environmental perspective, and announced in 2021.

The Company provides environmentally friendly products and solutions to mitigate climate change (controlling greenhouse gas emissions), adapt to the effects of climate change (avoiding or minimizing damage brought about by climate change) and address water and waste issues with the aim of achieving net zero CO_2 emissions by 2050 both within the company and in society.

Reducing CO_2 emissions at production sites

The Company is working on initiatives across the globe that include conserving energy, implementing solar and green power systems, switching cupola furnaces to electric furnaces, and electrifying the company vehicle fleet.

Reducing CO_2 emissions in product use

Kubota Corporation is actively working to minimize the environmental impact of its products, such as reducing greenhouse gas emissions generated during their use.

The Company is moving forward with technological development with a focus on electrification and better fuel efficiency of agricultural and construction machinery as well as next-generation power using hydrogen.

New Medium-Term Environmental Conservation Targets set in 2021

The Company has been systematically addressing environmental issues by formulating its medium- to long-term targets for environmental conservation in light of various recent social developments, such as SDGs and the Paris Agreement.

Medium-Term Environmental Conservation Targets 2025 (excerpt)

Global production sites (compared to the base year 2014)

Improve CO_2 emissions per unit of production by 25%
Improve Energy consumption per unit of production by 18%
Improve waste discharge per unit of production by 33%
Improve water consumption per unit of production by 23%
Improve VOC Emissions and Emissions per unit of production by 42%
Increase the sales ratio of Eco-Products-certified-products* to 70% or more

Re-certified as an Eco-First Company by the Japan's Minister of the Environment

In 2010, the Kubota Corporation was certified by the Japanese Minister of the Environment as an Eco-First Company due to its advanced environmental efforts.

The Company has updated its Eco-First Commitment, incorporating its carbon neutral efforts with the aim of achieving the above-mentioned Medium-Term Environmental Conservation Targets and with an eye to 2050. As a result, the Company was recertified as an Eco-First Company in December 2021 by the Japanese Minister of the Environment.

Response to TCFD recommendations

While climate change may adversely affect our living environment by causing more frequent natural disasters, water shortages, and impacts on crops, the Company believes that climate change can be a business opportunity where it can act strategically and expand its operations. Kubota Corporation expressed its support for the TCFD recommendations in January 2020. The Company is analyzing the impact of climate change in the areas of food, water, and the environment using multiple scenarios and developing a transition plan.

- For more details on the TCFD* recommendations, please visit our website
  https://www.kubota.com/sustainability/environment/ghg/index.html

For CDP Water Security Program obtained the highest-rating (A-List)

Kubota Corporation was selected for inclusion in the highest-rating (A-List) of companies for the third year in a row. The Company believes that this is a testament to its business strategy, response, and information disclosure regarding water security.

- For more details on the Group's environmental conservation activities, please visit our website
  https://www.kubota.com/sustainability/environment/index.html

S: Involvement with Society

(a) Constructive Dialogue with Shareholders

The Company promotes constructive dialogue with shareholders and investors in order to sustain corporate growth and improve corporate value in the mid to long term. The Company holds results briefings for domestic and foreign institutional investors, company information sessions for individual investors, and factory tours. Going forward, the Company will continue to actively engage in dialogue with all stakeholders.

(Dialogue with Investors)

During the fiscal year ended December 31, 2021, the Company invited individual shareholders to a special event where they had the opportunity to meet and play with Kubota Spears Funabashi Tokyo Bay rugby team players. The Company also used various tools to help shareholders gain a better understanding of its corporate philosophy and business activities, such as providing company information online.

The Company has approximately 300 individual and group meetings per year with institutional investors and analysts. In addition, the Company holds a new product exhibition and a briefing on business operations in January, a results briefing for the year-end in February, and a results briefing for the first half in August. Furthermore, the Company makes timely disclosure of its financial and other information in Japanese and English. Moreover, in accordance with the intent of fair disclosure rules, the Company is working on early and fair disclosure of information by releasing on the corporate website the supplementary information for results for each quarter on the day of the announcement of financial results, as well as posting the details of explanations and Q&A summaries from the results briefings for the first half and year-end. In 2021, the Company disclosed its long-term vision and medium-term business plan to promote further understanding about where it is headed.

(b) Commitment to Society and Collaboration Agreement

The Company has expressed and shared its commitment to solving social issues as an “Essentials Innovator for Supporting Life” in the business fields of food, water, and the environment through various international conferences and an industry-academia co-creation agreement.

◆ United Nations Food Systems Summit

The Company has expressed its support for the objectives of the United Nations Food Systems Summit held in September, and has submitted its commitments towards the realization of carbon-neutral agriculture and circular food production systems by 2050 in order to promote environmentally friendly agriculture and strengthen food systems.

◆ Asian-Pacific City Summit

At this summit, where leaders of 32 cities in 15 Asian-Pacific countries and regions gathered to build better cities, the Company gave a presentation entitled “Kubota’s Water Environment Products and Solutions that Contribute to Society,” introducing its long-term vison along with products and services designed to solve urban problems.

◆ Industry-academia co-creation agreement with the University of Tokyo

The Company signed a co-creation agreement with the University of Tokyo under the theme of “what we can do for the Earth in 100 years.” Focusing on food, water, and the environment, the agreement aims to create a “bio-loop,” a closed-loop society where people live in symbiosis with nature at the glocal level. The Company plans to provide approximately ¥10 billion in total for the co-creation project under the ten-year agreement, which became effective on December 1, 2021.

(c) Ties with Our Local Communities

Kubota Group respects the cultures and customs of each country and region in which it conducts business, and endeavors to establish relationships of trust with local communities. Moreover, we proactively engage in activities geared to fulfilling our responsibilities as a corporate citizen.

◆ Donating new-crop rice to children's cafeterias across Japan

In order to support the next generation who will create the future, the Company donated approximately 54 tons of new-crop rice harvested in 2021 to about 560 children's cafeterias (serving free meals to children in need) throughout Japan through Musubie, a non-profit organization that supports children's cafeterias nationwide.

◆ Visiting lectures

The Company has hosted visiting lectures on subjects such as the "Relationship Between Kubota and SDGs" and "The Future of Agriculture in the World and Japan" at schools and events throughout Japan.

2021 results: Six junior high schools and high schools (approximately 254 students)

◆ Drawing Contests for Elementary School Students (France)

Kubota Farm Machinery Europe S.A.S. held its third drawing contest with the participation of children from the local Bierne Elementary School as part of its community engagement activity. The theme of this year's contest was "farm family," and there were 50 entries in total. Both winners and participants were given thank-you gifts, and the event brought smiles to the faces of both the children who participated and the employees.

(d) Creating a Lively Workplace

(For Employees' Well-being)

The Kubota Group believes that maintaining and improving the health of its employees is the key to creating a vibrant workplace and generating new value and announced the Kubota Group Health Declaration in July.

In order to achieve this, the Company works with the Kubota Health Insurance Association to improve health checkups and health guidance for promoting appropriate lifestyles to prevent lifestyle-related diseases and cancer as well as early detection and treatment. The Company also provides stress checks, training, and other mental health programs to detect and prevent mental health problems at an early stage.

(Initiatives Aimed at Workstyle Reform)

The Company launched the Kubota Operation Transforming Project Team (KOX-PT) in July 2020 under the themes of "making workplace more comfortable and improving work motivation" and of "strengthening its systems" in office departments, and has been working on them.

As part of activities designed to strengthen its systems, the Company worked on improving its plant and office operations and held a briefing session to promote the use of robotic process automation (RPA) for improving operational efficiency, an exchange meeting for improving plant operations, and meeting facilitation training.

As a result, the Tsukuba Plant improved its operational efficiency by 7,332 hours per year.

The Company also worked on reorganizing offices and introducing Kubota Smart Work. Under the office reorganization project, leases on a total of three properties in Tokyo signed by subsidiaries were canceled, and a total of 10 Kubota Group companies (approximately 430 employees) were consolidated into the Tokyo Head Office. The Company also introduced activity-based working (ABW) while promoting paperless and stockless operations. On top of that, the Company introduced mobile work, satellite office work, and remote work systems under the Kubota Smart Work program to promote diverse and flexible work styles.

(4) The Financial Position and the Results of Operations

1) Consolidated Financial Summary

(IFRS)

Fiscal period (Business term)	Year ended December 31, 2018 (129th)	Year ended December 31, 2019 (130th)	Year ended December 31, 2020 (131st)	Year ended December 31, 2021 (132nd)
Revenue (in billions of yen)	1,850.3	1,920.0	1,853.2	2,196.8
Operating profit (in billions of yen)	189.3	201.7	175.3	246.2
Profit before income taxes (in billions of yen)	197.2	209.0	185.9	252.6
Profit attributable to owners of the parent (in billions of yen)	138.6	149.1	128.5	175.6
Earnings per share attributable to owners of the parent—Basic (in yen)	112.44	121.59	105.85	145.52
Total assets (in billions of yen)	2,895.7	3,139.3	3,189.3	3,773.5
Total equity (in billions of yen)	1,426.4	1,537.2	1,574.2	1,785.0
Equity attributable to owners of the parent (in billions of yen)	1,339.9	1,442.8	1,476.0	1,678.0
Equity attributable to owners of the parent per share (in yen)	1,087.44	1,182.72	1,221.95	1,398.41
Ratio of profit attributable to owners of the parent to equity attributable to owners of the parent (%)	10.5	10.7	8.8	11.1

(Note) Amounts less than presentation units are rounded.

2) Financial Summary (Non-consolidated)

Fiscal period (Business term)	Year ended December 31, 2018 (129th)	Year ended December 31, 2019 (130th)	Year ended December 31, 2020 (131st)	Year ended December 31, 2021 (132nd)
Net sales (in billions of yen)	885.3	897.5	865.5	1,075.0
Operating income (in billions of yen)	48.4	25.1	11.0	52.1
Ordinary income (in billions of yen)	90.7	57.0	53.7	118.5
Net income (in billions of yen)	73.8	58.2	69.0	95.6
Net income per common share—Basic (in yen)	59.92	47.51	56.84	79.21
Total assets (in billions of yen)	1,171.2	1,166.2	1,238.8	1,416.7
Total net assets (in billions of yen)	626.7	622.5	609.7	645.9
Net assets per common share (in yen)	508.51	510.16	504.64	538.20

(Notes) 1. Amounts less than presentation units are rounded down.

2. Kubota Corporation adopted “Partial Amendments to Accounting Standard for Tax Effect Accounting” and relevant Guidance from the 130th business term. To reflect the impact of these changes, Kubota Corporation has retrospectively adjusted the amounts for the 129th business term.

3. “Gain on sales of investment securities” previously presented as non-operating income is presented as “Extraordinary income” from the 131st business term. To reflect the impact of this change, Kubota Corporation has retrospectively adjusted the amount for the 130th business term.

(5) Main Offices and Factories, and Material Affiliates

1) Kubota Corporation (As of December 31, 2021)

	Business name	Location
Offices	Head Office	Osaka (Osaka)
	Tokyo Head Office	Chuo-ku (Tokyo)
	Hokkaido Regional Office	Sapporo (Hokkaido)
	Tohoku Regional Office	Sendai (Miyagi)
	Chubu Regional Office	Nagoya (Aichi)
	Chushikoku Regional Office	Hiroshima (Hiroshima)
	Kyusyu Regional Office	Fukuoka (Fukuoka)
	Hanshin Office	Amagasaki (Hyogo)
	Yokohama Branch	Yokohama (Kanagawa)
	Shikoku Sales Office	Takamatsu (Kagawa)
Plants	Sakai Plant	Sakai (Osaka)
	Hirakata Plant	Hirakata (Osaka)
	Utsunomiya Plant	Utsunomiya (Tochigi)
	Tsukuba Plant	Tsukubamirai (Ibaraki)
	Sakai-Rinkai Plant	Sakai (Osaka)
	Hanshin Plant	Amagasaki (Hyogo)
	Keiyo Plant	Funabashi (Chiba)
	Ichikawa Plant	Ichikawa (Chiba)
	Shiga Plant	Konan (Shiga)
	Okajima Business Center	Osaka (Osaka)
	Kyuhoji Business Center	Yao (Osaka)

2) Material Affiliates (As of December 31, 2021)

Business name		Location	Common stock	Percentage of investment shares (%)	Principal business activity
(Subsidiaries)					
Japan	Kubota Credit CO., LTD.	Osaka, Japan	¥ 0.5 billion	77.8 [22.9]	Retail financing to purchasers of farm equipment and related products
	Kubota ChemiX Co., Ltd.	Osaka, Japan	¥ 3.1 billion	100.0	Manufacturing and sales of plastic pipes and fittings
North America	Kubota North America Corporation	U.S.A.	US$ 597 million	100.0	Administration of subsidiaries in North America
	Kubota Tractor Corporation	U.S.A.	US$ 37 million	100.0 [100.0]	Sales of tractors, outdoor power equipment, construction machinery and implements
	Kubota Credit Corporation U.S.A.	U.S.A.	US$ 8 million	100.0 [90.0]	Retail financing to purchasers of tractors, outdoor power equipment, construction machinery and implements
	Kubota Manufacturing of America Corporation	U.S.A.	US$ 10 million	100.0 [100.0]	Manufacturing of tractors and outdoor power equipment
	Kubota Industrial Equipment Corporation	U.S.A.	US$ 70 million	100.0 [100.0]	Manufacturing of tractors and implements, construction machinery
	Kubota Engine America Corporation	U.S.A.	US$ 10 million	100.0 [100.0]	Sales, engineering and after-sales service of engines, engine parts and engine accessories
	Great Plains Manufacturing, Inc.	U.S.A.	US$ 0.1 million	100.0 [100.0]	Manufacturing and sales of implements
	Kubota Canada Ltd.	Canada	Can$ 6 million	100.0	Sales of tractors, outdoor power equipment, construction machinery and implements
Europe	Kubota Holdings Europe B.V.	Netherlands	EUR 532 million	100.0	Administration of subsidiaries in Europe
	Kubota Europe S.A.S.	France	EUR 11 million	100.0 [100.0]	Sales of construction machinery, tractors, outdoor power equipment and engines
	Kubota Baumaschinen GmbH	Germany	EUR 14 million	100.0 [100.0]	Manufacturing and sales of construction machinery
	Kverneland AS	Norway	EUR 53 million	100.0 [100.0]	Manufacturing and sales of implements
Asia	Kubota China Holdings Co., Ltd.	China	RMB 1,701 million	100.0	Administration of subsidiaries in China
	Kubota Agricultural Machinery (Suzhou) Co., Ltd.	China	RMB 170 million	100.0 [100.0]	Manufacturing and sales of combine harvesters, rice transplanters and tractors
	Kubota China Financial Leasing Ltd.	China	RMB 527 million	100.0 [100.0]	Finance leasing of construction machinery and farm equipment, and factoring service

Business name		Location	Common stock	Percentage of investment shares (%)	Principal business activity
Asia	SIAM KUBOTA Corporation Co., Ltd.	Thailand	THB 2,739 million	60.0	Manufacturing and sales of tractors, combine harvesters, implements and horizontal type diesel engines, and sales of construction machinery
	Siam Kubota Leasing Co., Ltd.	Thailand	THB 2,000 million	100.0 [100.0]	Retail financing to purchasers of tractors and combine harvesters
	Kubota Engine (Thailand) Co., Ltd.	Thailand	THB 1,400 million	100.0	Manufacturing of vertical type diesel engines
Australia	Kubota Australia Pty Ltd.	Australia	A$ 21 million	100.0	Sales of tractors, outdoor power equipment, construction machinery and engines
(Equity method affiliate)					
Japan	KMEW Co., Ltd.	Osaka, Japan	¥ 8.0 billion	50.0	Manufacturing and sales of roofing, siding materials and rain gutters

(Notes) 1. Figures in square brackets represent ratio of indirect holding shares to total shares of each subsidiary, which is included in total percentage of investment shares.

2. As of December 31, 2021, the Company had 183 consolidated subsidiaries (including the 21 companies listed above).

3. Consolidated financial results for the year ended December 31, 2021 were described in “1. Item of Overview of Operations, (1) Review of Operations.”

3) Other Major Affiliates

Business name		Location
Japan	Hokkaido Kubota and other sales companies of farm equipment	
	KUBOTA Construction Machinery Japan Corporation	Osaka, Osaka
	Kubota Air Conditioner, Ltd.	Chuo-ku, Tokyo
	Nippon Plastic Industry Co., Ltd.	Komaki, Aichi
	Kubota Environmental Service Co., Ltd.	Chuo-ku, Tokyo
	Kubota Construction Co., Ltd.	Osaka, Osaka
North America	Kubota Materials Canada Corporation	Canada
Europe	Kubota Farm Machinery Europe S.A.S.	France
	Kubota (Deutschland) GmbH	Germany
	Kubota (U.K.) Ltd.	U.K.
Middle East	Kubota Saudi Arabia Company, LLC	Kingdom of Saudi Arabia

(5) Main Line of Business (As of December 31, 2021)

The Company conducts its businesses in the following three fields: “Farm & Industrial Machinery,” “Water & Environment” and “Other.”

Segment		Primary products and services
Farm & Industrial Machinery		
	Farm equipment and agricultural-related products	Tractors, Power tillers, Combine harvesters, Rice transplanters, Turf equipment, Utility vehicles, Other agricultural machineries, Implements, Attachments, Post-harvest machineries, Vegetable production equipment, Other equipment for agricultural use, Cooperative drying facilities, Rice seedling facilities, Rice mill plants, Gardening facilities, Scales, Weighing and measuring control systems, and Air purifier with humidification function
	Engines	Engines (for farming, construction, industrial machinery and generators)
	Construction machinery	Mini excavators, Wheel loaders, Compact track loaders, Skid steer loaders and Other construction machinery related products
Water & Environment		
	Pipe- and Infrastructure-related products	Ductile iron pipes, Plastic pipes, Valves for public sector, Single stack drain fittings, Design and construction of construction works, Reformer & Cracking tubes, Hearth rolls, Rolls for steel mills, TXAX (friction materials), Spiral welded steel pipes (steel pipe pile, steel pipe sheet pile), and Air-conditioning equipment,
	Environment-related products	Waste water treatment equipment and plants, Pumps and plants, Membrane solutions, Water purification plants, Night-soil treatment plants, Waste incinerating and melting plants, Waste shredding and sorting plants, Flue gas desulfurization apparatus, Membrane methane fermentation plants, Wastewater Treatment Plant (Johkasou), Bathtubs, and Valves for private sector
Other		
	Services such as logistics and financing, Roofing, and Siding materials	

(6) Capital Expenditures

For the year ended December 31, 2021, the Company made capital expenditures totaling ¥121.3 billion, including investment for expansion in R&D centers in Japan and overseas countries, enhancement of IT infrastructure, manufacturing of new models, and increasing production capacity.

(7) Financing

Funds for capital expenditures were obtained mainly from the Company’s internal resources. On the other hand, funds for sales financing operations were obtained mainly from borrowings.

(8) Employees (As of December 31, 2021)

1) Consolidated Basis

Number of employees	Change from prior fiscal year-end
43,293	+1,688

(Note) The number of employees indicates the number of full-time employees.

2) Kubota Corporation

Number of employees	Change from prior fiscal year-end
11,711	+355

(Note) The number of employees indicates the number of full-time employees.

(9) Main Financing Bank (As of December 31, 2021)

Name	Balance of the loan
Mizuho Bank, Ltd.	¥219.5 billion
MUFG Bank, Ltd.	¥133.1 billion
The Norinchukin Bank	¥116.6 billion

2. Item on Shares of Kubota Corporation

(1) Information on the Shares (As of December 31, 2021)

1) Total Number of Authorized Common Shares: 1,874,700,000 shares

2) Total Number of Common Shares Issued: 1,200,246,846 shares (including 2,268 shares of treasury shares)

3) Number of Shareholders: 52,675 shareholders

4) Number of Shares Per Unit of Shares: 100 shares

5) Major Shareholders (Top 10)

Name	Number of Shares Held (thousands of shares)	Holding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	190,315	15.86
Nippon Life Insurance Company	62,542	5.21
Meiji Yasuda Life Insurance Company	59,930	4.99
Custody Bank of Japan, Ltd. (Trust Account)	58,871	4.90
Sumitomo Mitsui Banking Corporation	36,006	3.00
Mizuho Bank, Ltd.	31,506	2.62
Moxley & Co. LLC	31,231	2.60
MUFG Bank, Ltd.	18,157	1.51
Custody Bank of Japan, Ltd. (as trustee for Retirement Benefit Trust of Sumitomo Mitsui Trust Bank, Limited)	17,872	1.49
BNYM TREATY DTT 15	17,470	1.46

(Note) Holding ratio is calculated excluding treasury shares as of December 31, 2021.

(2) Acquisition, Retirement, and Holding of Treasury Share

1) Treasury Share Acquired during This Fiscal Year

Common share: 8,136,958 shares

Total amount of shares acquired: ¥ 20,003,608,623

2) Treasury Share Retired during This Fiscal Year

Common share: 8,330,000 shares

Date of retirement: December 30, 2021

3) Treasury Share Held as of December 31, 2021

Common share: 2,268 shares

(3) Other Important Matters Concerning Shares of Kubota Corporation

	Class and number of shares	Number of recipients
Directors (excluding Outside Directors)	Common shares of the Company: 40,012 shares	5
Outside Directors	–	–
Audit & Supervisory Board Members	–	–

(Note) Kubota Corporation has disposed of 111,336 treasury shares as of April 16, 2021, in order to grant restricted stock to the above five Directors (excluding Outside Directors) and 17 Executive Officers who do not hold a concurrent position as Director under the restricted stock compensation plan. Details of the Company's stock compensation are described in "(8) Policy for Determination of Remuneration, etc. and its Calculation Method for Directors and Audit & Supervisory Board Members, 3) Restricted stock compensation" on page 74 of the business report.

(4) Policy for Cross-shareholdings

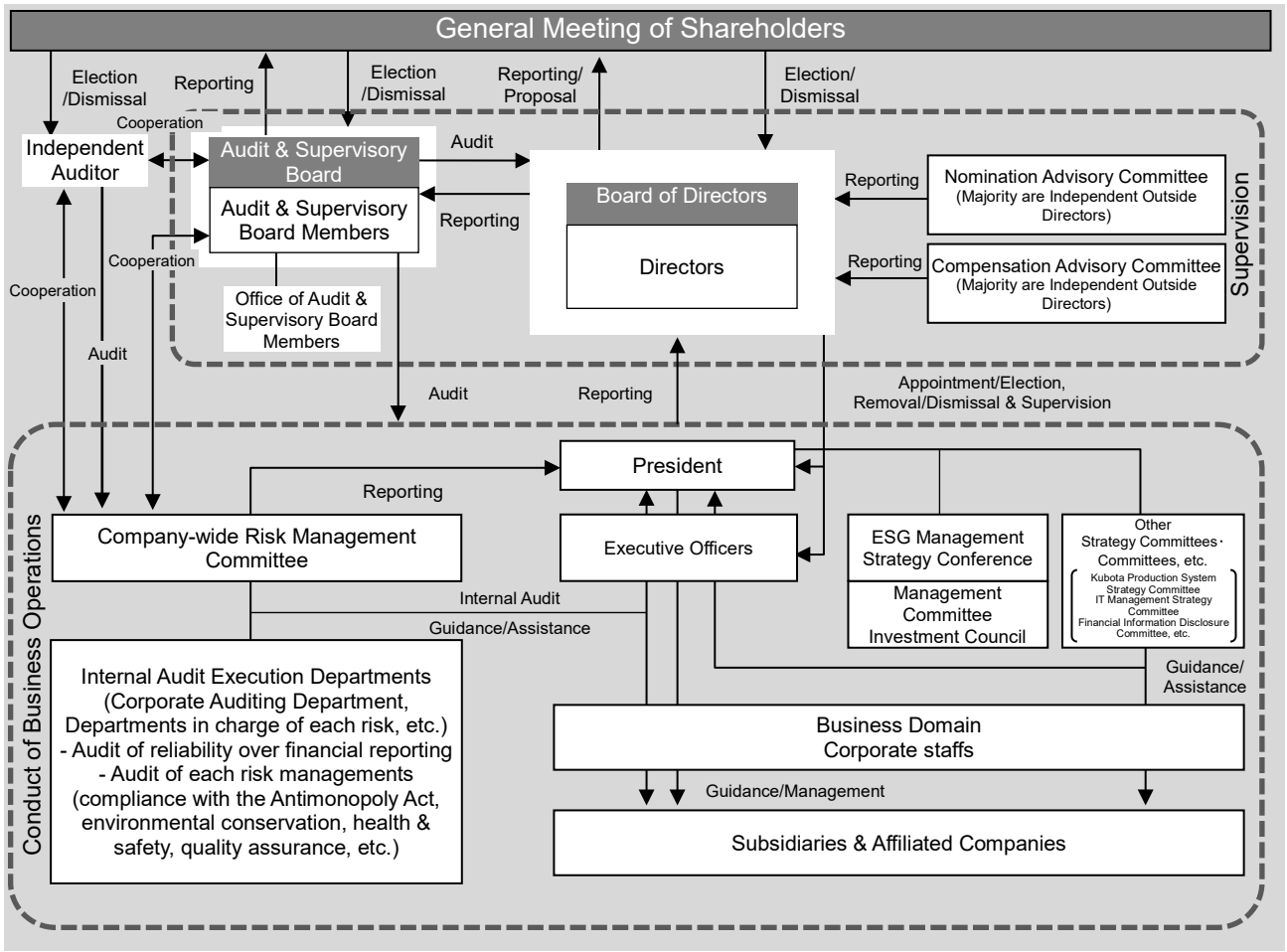
Kubota Corporation believes it is necessary to cooperate with various companies in every business process, such as product development, manufacturing, distribution, sales, service, and funding, to succeed in global competition and realize its sustainable growth and improvement of corporate value over the medium to long term. From this perspective, Kubota Corporation maintains cross-shareholdings based on comprehensive consideration of business relationships and the business strategies. Kubota Corporation's policy for cross-shareholdings is to examine each individual share at the meetings of the Board of Directors every year to see whether or not the shareholding is appropriate, based on comprehensive consideration of the holding purpose, benefits and risks involved in the shareholdings and others, and decrease its shareholdings gradually in light of the market environment and other factors when it determines that maintaining them is no longer appropriate. In the fiscal year ended December 31, 2021, Kubota Corporation sold ¥3.8 billion of its listed equity securities.

3. Item of Directors, Audit & Supervisory Board Members and Executive Officers of Kubota Corporation

(1) Policy of Organization Structure

The Company is basically a company with an Audit & Supervisory Board but also has a voluntary Nomination Advisory Committee and Compensation Advisory Committee. Kubota Corporation has a wide range of business domain that includes the areas of food, water, and the environment. Considering the scope of this domain, Kubota Corporation believes that the most appropriate governance structure is one in which the Board of Directors makes decisions on major fundamental management policies, based on the perspectives of internal Directors with in-depth experience and knowledge in particular areas of the Company's businesses as well as the objective viewpoints and broad knowledge of Outside Directors. The Board of Directors also supervises and oversees the Executive Officers' conduct of business. On the other hand, the Audit & Supervisory Board Members, who are legally independent from the Board of Directors, provide a monitoring function through the highly effective, independent audit function. Kubota Corporation believes having the voluntary Nomination Advisory Committee and Compensation Advisory Committee, where the majority of members are Outside Directors, enables it to attain sustainable growth and increase its corporate value in the medium to long term while securing sound, efficient, and effective management.

Corporate Governance Structure (As of January 1, 2022)



(2) Activity Report of the Nomination Advisory Committee and the Compensation Advisory Committee

(Period: General Meeting of Shareholders 2021 - December 31, 2021)

The Nomination Advisory Committee met four times during the fiscal year for the purpose of deliberating the nomination of candidates for Directors and the nomination of Advisers. The committee is also looking at the composition and diversity of the Board of Directors using the skills matrix. Starting in fiscal 2022, the committee will add matters related to electing as well as dismissing a president along with succession planning to its agenda and actively discuss the qualities and abilities required of the Company's top management in addition to training methods.

Composition of Members (as of January 1, 2022)

Those in brackets [ ] indicate percentage of attendance.

■ Nomination Advisory Committee

• Outside Director	Yuzuru Matsuda	[100%]	(Chairperson)
• Outside Director	Koichi Ina	[100%]	
• Outside Director	Yutaro Shintaku	[100%]	
• Outside Director	Kumi Arakane	[100%]	
• Chairman and Representative Director	Masatoshi Kimata	[100%]	
• President and Representative Director	Yuichi Kitao	[100%]	
• Executive Vice President and Representative Director	Masato Yoshikawa	[100%]	

(Activities)

1. March 19, 2021	Deliberation on the operation of the Nomination Advisory Committee for fiscal 2021
2. October 21, 2021	Deliberation on the candidates for Directors and Advisors
3. December 1, 2021	Deliberation (in writing) on the candidates for Advisors, etc.
4. December 15, 2021	Deliberation on revising the roles of the Nomination Advisory Committee Discussion on the qualification of candidates for President and his/her training policy.

The Compensation Advisory Committee met seven times during the fiscal year for the purpose of discussing both the consistency of levels of compensation paid to the Directors, Executive Officers, and Advisers, and the adequacy of the stock compensation system. The committee decided to establish a new remuneration plan to be applied from fiscal 2022 in order to realize the Company's long-term vision as set forth in "GMB2030," set competitive remuneration levels appropriate for GMB, and introduce an evaluation system that is strongly linked to growth over the short, medium and long term.

Composition of Members (as of January 1, 2022)

Those in brackets [ ] indicate percentage of attendance.

■ Compensation Advisory Committee

• Outside Director	Yuzuru Matsuda	[100%]	(Chairperson)
• Outside Director	Koichi Ina	[100%]	
• Outside Director	Yutaro Shintaku	[100%]	
• Outside Director	Kumi Arakane	[100%]	
• Executive Vice President and Representative Director	Masato Yoshikawa	[100%]	
• Senior Managing Executive Officer	Kazuhiro Kimura	[100%]	
• Outside Audit & Supervisory Board Member	Masaki Fujiwara	[100%]	(Observer)

(Activities)

1.	March 19, 2021	Deliberation on the pros and cons of revising the remuneration plan
2.	April 20, 2021	Deliberation on the remuneration plan for fiscal 2022 and onward
3.	June 16, 2021	Deliberation on the concept of the new remuneration plan
4.	August 5, 2021	Deliberation on the remuneration levels
5.	September 16, 2021	Deliberation on the design of the new remuneration plan
6.	November 5, 2021	Deliberation on the design of the new remuneration plan
7.	December 8, 2021	Deliberation on the design of the new remuneration plan

(3) Activity Report for Outside Directors and Outside Audit & Supervisory Board Members

Position	Name	Their Activities
Director	Yuzuru Matsuda	Mr. Yuzuru Matsuda attended all 13 meetings of the Board of Directors, and in his role as member of the Nomination Advisory Committee and Compensation Advisory Committee, attended every committee meeting. Serving as the chair of both committees, he worked to ensure that the committees operated effectively and transparently. In the fiscal year ended December 31, 2021, in addition to the meetings of the Board of Directors, he also provided valuable statements at the “Value Up Discussion Meeting,” which was launched for the members of the Board of Directors to discuss important topics for enhancing corporate value in the medium to long term. He also commented at “Discussion With Audit & Supervisory Board Members Regarding Evaluating the Effectiveness of the Board of Directors” and other meetings. He did so while backed by his extensive experience and wide-ranging knowledge of current events as a corporate manager of a comprehensive manufacturer of biotechnology.
Director	Koichi Ina	Mr. Koichi Ina attended all 13 meetings of the Board of Directors, and in his role as member of the Nomination Advisory Committee and Compensation Advisory Committee, attended every committee meeting. In the fiscal year ended December 31, 2021, in addition to the meetings of the Board of Directors, he also provided valuable statements at the “Value Up Discussion Meeting,” which was launched for the members of the Board of Directors to discuss important topics for enhancing corporate value in the medium to long term. He also commented at “Discussion With Audit & Supervisory Board Members Regarding Evaluating the Effectiveness of the Board of Directors” and other meetings. He did so while using his deep knowledge in the field of manufacturing accumulated at an automotive manufacturer.
Director	Yutaro Shintaku	Mr. Yutaro Shintaku attended all 13 meetings of the Board of Directors, and in his role as member of the Nomination Advisory Committee and Compensation Advisory Committee, attended every committee meeting. In the fiscal year ended December 31, 2021, in addition to the meetings of the Board of Directors, he also provided valuable statements at the “Value Up Discussion Meeting,” which was launched for the members of the Board of Directors to discuss important topics for enhancing corporate value in the medium to long term. He also commented at “Discussion With Audit & Supervisory Board Members Regarding Evaluating the Effectiveness of the Board of Directors” and other meetings. He did so while using his experience actively promoting global strategy as a management of a medical device manufacturer.

Position	Name	Their Activities
Director	Kumi Arakane	Ms. Kumi Arakane attended all 13 meetings of the Board of Directors as Director or Audit & Supervisory Board Member and all three Audit & Supervisory Board Meetings held during the fiscal year until her resignation as Audit & Supervisory Board Member. In addition, in her role as member of the Nomination Advisory Committee and Compensation Advisory Committee, attended every committee meeting. In the fiscal year ended December 31, 2021, in addition to the meetings of the Board of Directors and Audit & Supervisory Board Meetings, she also provided valuable statements at the “Value Up Discussion Meeting,” which was launched for the members of the Board of Directors to discuss important topics for enhancing corporate value in the medium to long term. She also commented at “Discussion With Audit & Supervisory Board Members Regarding Evaluating the Effectiveness of the Board of Directors” and other meetings. She did so while using her knowledge gained at a cosmetics company in various areas of business including research and development, quality control, and purchasing, as well as her experience as an Audit & Supervisory Board Member at Kubota Corporation.
Audit & Supervisory Board Member	Masaki Fujiwara	Mr. Masaki Fujiwara attended 12 out of 13 meetings of the Board of Directors and all 14 Audit & Supervisory Board Meetings held during the fiscal year, and attended every meeting of the Compensation Advisory Committee as observer. He mainly provided various statements such as opinions based on his considerable experience as an executive of listed company in management, accounting, and overseas operations and his expert viewpoints. Furthermore, he also attended regular meetings with the President and Representative Director and regular meetings with Outside Directors and expressed opinions.
Audit & Supervisory Board Member	Yuichi Yamada	Mr. Yuichi Yamada attended all 13 meetings of the Board of Directors and all 14 Audit & Supervisory Board Meetings held during the fiscal year. He mainly provided various statements such as opinions based on his considerable experience and expert viewpoints as a certified public accountant, in accounting and financial matters including international accounting standards. Furthermore, he also attended regular meetings with the President and Representative Director and regular meetings with Outside Directors and expressed opinions.
Audit & Supervisory Board Member	Yuri Furusawa	Ms. Yuri Furusawa attended all 11 meetings of the Board of Directors and all 11 Audit & Supervisory Board Meetings held after her appointment on March 19, 2021. She mainly provided various statements such as opinions based on her expert viewpoints as well as her considerable experience gained in Japan and overseas in reforming work styles and promoting the empowerment of women and diversity, etc., which she worked on at the center of the government while working for central governmental agencies. Furthermore, she also attended regular meetings with the President and Representative Director and regular meetings with Outside Directors and expressed opinions.

(Notes) 1. In addition to the number of meetings of the Board of Directors shown above, there was one written resolution that deemed a Board of Directors resolution to have been adopted pursuant to Article 370 of the Company's Act and Article 24, paragraph 2 of the Articles of Incorporation of the Company.
2. Ms. Kumi Arakane resigned from her position as Audit & Supervisory Board Member and assumed office as Director at the conclusion of the 131st Ordinary General Meeting of Shareholders held March 19, 2021.

(4) Activity Report of the Audit & Supervisory Board

The main matters considered by the Audit & Supervisory Board are the audit policies and division of duties, status of the establishment and operation of internal control systems, evaluation of the Independent Auditor and determining their appointment and reappointment, the audit report and other matters.

In accordance with the audit policies, division of duties, and standards for the Audit & Supervisory Board Members as established by the Audit & Supervisory Board, the Audit & Supervisory Board Members communicated with the Directors, the internal audit department, employees, and others; committed to gathering information and enhancing the audit environment; attended meetings of the Board of Directors and other important meetings; received reports from the Directors, employees, and others regarding the performance of their duties; requested explanations as necessary; inspected important documents supporting decisions and other records; and examined the status of operations and assets at the head office and important operating locations.

In addition, the Audit & Supervisory Board Members periodically received reports from the Directors, employees, and others regarding the status of the development and operation of internal control systems; requested explanations as necessary; and expressed opinions.

As for the subsidiaries, the Audit & Supervisory Board Members concurrently serve as Audit & Supervisory Board Members of major subsidiaries in Japan and audit the execution of management according to the audit policies and plans established by the Audit & Supervisory Board. In addition, full-time Audit & Supervisory Board Members of subsidiaries have been placed at some of the main subsidiaries in Japan in order to strengthen the monitoring system of the subsidiaries.

The Audit & Supervisory Board monitored and verified whether the Independent Auditor made appropriate audits while maintaining its independence. In addition, the Audit & Supervisory Board received reports from the Independent Auditor on its operations and requested explanations when necessary.

Continuing from the previous fiscal year, although it was difficult for the Audit & Supervisory Board to conduct on-site audits in Japan and overseas during the fiscal year due to the impact of the spread of COVID-19, the Audit & Supervisory Board was able to conduct appropriate audits through online meetings. Going forward, the Audit & Supervisory Board will conduct appropriate audits using digital technology when it is difficult to visit the sites.

(5) Evaluating the Effectiveness of the Board of Directors

At the end of each fiscal year, Kubota Corporation holds an evaluation of the effectiveness of the Board of Directors for the continuous improvement of its corporate governance.

An overview of the evaluation for fiscal 2021 is as shown below.

1 Evaluation method and process

1) Questionnaire

The questionnaire based on questions compiled by a third-party organization was given to Directors and Audit & Supervisory Board Members (total 14 persons).

Evaluation major items:	Composition of the Board of Directors/ Operations of the Board of Directors/ Role and Contribution of Members/ Leadership of Chair/ Setting of Corporate Strategy and Direction/ Risk Management/ Monitoring of Management Resources (Personnel, Goods, Funds)/ Creation of Synergies/ Response to Stakeholders/ Monitoring of Execution and Performance/ Analysis of Management Decisions/ Sound Decision-making/ Culture of the Board/ Effectiveness of Committees on Nominations and Remuneration/ Successor Planning Oversight of Election and Dismissal of Directors/ Oversight of Remuneration Plan/ Utilization of Effectiveness Evaluation/ Own Contribution to the Board of Directors

2) Discussion among Outside Directors and Audit & Supervisory Board Members

Four Outside Directors and five Audit & Supervisory Board Members (including three Outside Audit & Supervisory Board Members) analyzed the results of the questionnaire and discussed issues based on these results.

3) Discussion at Board of Directors Meeting

During a meeting of the Board of Directors, all Directors and Audit & Supervisory Board Members discussed future action plans after sharing the evaluation results and the issues identified in light of the questionnaire results and the Outside Directors and Audit & Supervisory Board Members' discussion.

2 Evaluation Results

The results of the above questionnaire and discussions indicate that Kubota Corporation's Board of Directors is functioning effectively, sufficiently exercising both its decision-making function and supervisory function. High marks were given to the "Value Up Discussion Meeting," which was newly started as part of the previous fiscal year's action plan, and other meetings that created more opportunities to have discussions from a medium- to long-term perspective, briefings for Outside Directors that improved the quality of discussions, as well as a corporate culture that allowed free and vigorous discussions. On the other hand, there were remarks highlighting the importance of strengthening the monitoring function for the progress of important projects and creating synergy in the Company's business areas of food, water, and the environment.

3 Action Plan for Enhancing Effectiveness

In response to the above remarks, the Company will primarily implement the following action plan to further enhance discussions and improve the effectiveness of the Board of Directors.

- Identify points of discussion and materials that clarify the correlation between individual projects and the Company's business strategies in order to further enhance discussions from a medium- to long-term perspective.
- Develop a system for ensuring timely reporting on important projects related to improving corporate value.
- Establish a Group-wide management system from a risk-based perspective.
- Create opportunities to discuss the creation of further synergies in the Company's business areas of food, water, and the environment.

(6) Training for Executives

Kubota Corporation conducts training hosted by external organizations for all newly appointed Executive Officers, featuring content pertaining to laws and regulations, and corporate governance. For newly appointed Outside Directors and Outside Audit & Supervisory Board Members, Kubota Corporation explains the corporate spirit, business strategies, business portfolio and other information when they assume office and proactively provides them with opportunities to conduct inspections of our main factories and on-site inspections overseas.

Following their appointment, the Company holds multiple annual executive forums related to ESG, human rights, health and safety, the environment, quality, public relations, legal affairs DX, compliance, etc. for all of its Directors, Audit & Supervisory Board Members and Executive Officers. Based on the format of inviting external lecturers, and those in attendance were provided with opportunities to acquire and update knowledge necessary for company management by also using online distribution. Moreover, Kubota Corporation conducts inspections and engages in discussions with on-site executives at its overseas affiliates, and at the regional offices in Japan, so that those in attendance, including Outside Directors and Outside Audit & Supervisory Board Members, can gain a deeper understanding of the Group’s business activities and make appropriate management decisions.

(7) Remuneration, etc. for Directors and Audit & Supervisory Board Members

Title	Number of recipients (persons)	Total amount of remuneration, etc. (millions of yen)		
		Basic remuneration	Bonuses	Restricted stock compensation
Internal Directors	6	328	306	103
Internal Audit & Supervisory Board Members	2	78	–	–
Outside Directors	4	63	–	–
Outside Audit & Supervisory Board Members	4	43	–	–

(Notes)
1. The above includes the remuneration of one internal Director who retired due to expiration of the terms of office and one Outside Audit & Supervisory Board Member who resigned at the conclusion of the 131st Ordinary General Meeting of Shareholders held on March 19, 2021.
2. The total amount of remuneration for the Directors includes ¥306 million of bonuses for the Directors scheduled for resolution at the 132nd Ordinary General Meeting of Shareholders. The amount of bonuses is representative of the results of business activities and is linked to "profit attributable to owners of the parent," which is an indicator of capital for shareholder returns. For the fiscal year ended December 31, 2021, profit attributable to owners of the parent was ¥175.6 billion.
3. The total amount of remuneration, etc. above includes expenses related to restricted stock compensation for the fiscal year ended December 31, 2021 (¥103 million for five Directors).
4. Matters concerning non-monetary compensation, etc. and matters concerning delegation of determination of remuneration, etc. for individual Directors are described in "(8) Policy for Determination of Remuneration, etc. and its Calculation Method for Directors and Audit & Supervisory Board Members" on pages 73 through 75.
5. The maximum aggregate amount of cash remuneration for the Directors of the Company was set at ¥510 million or less per year (including ¥80 million or less per year for the Outside Directors) at the 131st Ordinary General Meeting of Shareholders held on March 19, 2021. At the conclusion of the said Ordinary General Meeting of Shareholders, the number of Directors was nine (including four Outside Directors).
6. The maximum aggregate amount of stock compensation for the Directors of the Company was set at ¥300 million or less per year and the total number of common shares of the Company to be issued or disposed of was set at 400,000 shares or less per year at the 127th Ordinary General Meeting of Shareholders held on March 24, 2017. At the conclusion of the said Ordinary General Meeting of Shareholders, the number of Directors eligible for stock compensation was seven.
7. The amount of remuneration for the Audit & Supervisory Board Members of the Company was set at ¥144 million or less per year at the 119th Ordinary General Meeting of Shareholders held on June 19, 2009. At the conclusion of the said Ordinary General Meeting of Shareholders, the number of Audit & Supervisory Board Members was five (including three Outside Audit & Supervisory Board Members).

(8) Policy for Determination of Remuneration, etc. and its Calculation Method for Directors and Audit & Supervisory Board Members

The policy, etc. for determining the remuneration calculation method for fiscal 2021 as described below was determined at the meetings of the Board of Directors after the Compensation Advisory Committee had deliberated on the policy and reported its recommendations. (The policy, etc. for determining remuneration for fiscal 2022 are described in "Reference Information for Proposal 6 and Proposal 8" on pages 33 through 44.)

(Remuneration for Directors)

The Company aims to have a remuneration plan that achieves sustainable and stable growth in the business areas of food, water, and the environment and sharing value with the shareholders. In order to increase fairness and transparency, the amount of remuneration is determined at the meetings of the Board of Directors after it has been deliberated by the Compensation Advisory Committee.

Regarding the remuneration paid to each Director for the fiscal year ended December 31, 2021, the determination of the specific amounts was delegated to the President and Representative Director (Yuichi Kitao) based on resolution of the Board of Directors in order to reflect a comprehensive evaluation of the Company's business conditions. In addition, because the President and Representative Director determined the amounts within the range for total remuneration, etc. approved at the General Meeting of Shareholders and based on the standards deliberated by the Compensation Advisory Committee, the

Company's Board of Directors has judged that the details of the remuneration, etc. paid to individual Directors were in accordance with the policy for determining remuneration, etc.

(Composition of remuneration and composition ratio thereof for Directors)

The remuneration for the Directors (excluding Outside Directors) consists of "basic remuneration," which is set by corporate rank, "performance-linked remuneration (bonuses for Directors)" which acts as a short-term incentive linked to performance in a single fiscal year, and "restricted stock compensation" which is regarded as a medium- to long-term incentive. The remuneration for the Outside Directors and Audit & Supervisory Board Members consists only of basic remuneration because of the roles they play and the need to preserve their independence.

For fiscal 2021, Directors will receive "basic remuneration," "performance-linked remuneration" and "restricted stock compensation" amounting to approximately 45%, 40% and 15% of the total, respectively.

1) Basic Remuneration

In addition to the "basic remuneration" set by corporate rank, the Company pays an additional allowance for Directors and an additional allowance for Representative Directors (eligible persons only). The basic remuneration is determined within the range of the maximum aggregate amount of remuneration approved at the General Meeting of Shareholders, in consideration of operating results and other factors. The individual basic remuneration is determined in March, and if a Director is promoted or selected as a successor for the position mid-term, the basic remuneration for that Director is increased or decreased according to their corporate rank. The Company has adopted an annual pay scheme from April every year to March of the following year. The annual amount is divided by 12 according to the payment calculation period for employees and paid on the same date as the payment date for employee salaries every month.

2) Performance-linked remuneration (bonuses for Directors) for a single fiscal year

The Company does not fix the ratio of performance-linked remuneration, and it is designed so that the ratio of performance-linked remuneration to total remuneration for the Directors (excluding Outside Directors) increases as profit for the year increases, with the higher the corporate rank, the higher the ratio of performance-linked remuneration. The individual performance-linked remuneration is determined and paid in March after the total amount is approved at the Ordinary General Meeting of Shareholders.

Performance-linked remuneration is decided by determining a bonus table for each corporate rank in conjunction with "profit attributable to owners of the parent," which is the indicator representing results of business activities and constitutes the source of funds for shareholder returns, taking into consideration the degree of performance achievement in organizations of which the individual is in charge.

3) Restricted stock compensation

The Company has adopted the restricted stock compensation plan as an incentive for the Directors (excluding the Outside Directors), and the Senior Managing Executive Officers and Managing Executive Officers who are not Directors to continuously increase corporate value and to further promote shared value with shareholders. The restricted stock is granted by the payment date following the resolution at the Board of Directors' meeting held in March to allocate the stock, and the transfer restriction period is from the payment date of the monetary compensation claims to the retirement date of the eligible Director, etc. from the position of Director or Executive Officer of the Company. Under the restricted stock compensation plan, restricted stock is also granted to the Senior Managing Executive Officers and Managing Executive Officers who are not Directors.

(Remuneration for the Audit & Supervisory Board Members)

The remuneration for the Audit & Supervisory Board Members consists solely of basic remuneration because of the roles they play and the need to preserve their independence. The remuneration for the Audit & Supervisory Board Members is determined after consultation among the Audit & Supervisory Board Members within the range of the maximum aggregate amount of remuneration approved at the General Meeting of Shareholders in consideration of the roles of the respective Audit & Supervisory Board Members.

(9) Overview of Agreements on Limitation of Liabilities of Outside Directors and Outside Audit & Supervisory Board Members

Pursuant to Article 427, paragraph 1 of the Companies Act, Kubota Corporation enters into agreements with each of the Outside Directors and the Outside Audit & Supervisory Board Members to limit their liabilities for damages. The maximum amount of their liabilities under these agreements is the amount provided for in laws and regulations.

(10) Overview of Directors and Officers Liability Insurance

Kubota Corporation has purchased directors and officers liability insurance (D&O insurance) for all of the Directors (including Outside Directors) and Audit & Supervisory Board Members (including Outside Audit & Supervisory Board Members) as the insured persons.

The insurance policies cover liability of Directors and Audit & Supervisory Board Members arising in the performance of their duties and damage claims received pertaining to the pursuit of said liability.

However, there are certain exclusions, such as no coverage for liability arising from actions taken with the knowledge that they were in violation of laws and regulations.

In addition, Kubota Corporation plans to renew the insurance policies with the above details at the time of renewal in November 2022.

(11) Name of Directors and Audit & Supervisory Board Members (As of December 31, 2021)

Position	Name	Responsibility at Kubota Corporation and Important Concurrent Positions
Chairman and Representative Director	Masatoshi Kimata	Director of Nippon Telegraph and Telephone West Corporation
President and Representative Director	Yuichi Kitao	
Executive Vice President and Director	Masato Yoshikawa	General Manager of Planning and Control Headquarters, General Manager of Global ICT Headquarters
Director and Senior Managing Executive Officer	Toshihiko Kurosawa	General Manager of Water and Environment Infrastructure Consolidated Division, Deputy General Manager of Innovation Center
Director and Senior Managing Executive Officer	Dai Watanabe	General Manager of Farm and Industrial Machinery Consolidated Division, General Manager of Innovation Center
Director	Yuzuru Matsuda	Director of JSR Corporation, Director Emeritus of Kato Memorial Bioscience Foundation
Director	Koichi Ina	Director of Sansha Electric Manufacturing Co., Ltd. Chairman of Central Japan Industries Association
Director	Yutaro Shintaku	Director of Santen Pharmaceutical Co., Ltd., Director of J-Oil Mills, Inc., Executive Trustee of Tonen International Scholarship Foundation, Special Professor of Hitotsubashi University Business School, Director of KOZO KEIKAKU ENGINEERING Inc.
Director	Kumi Arakane*	Director of Kagome Co., Ltd., Director of TODA CORPORATION
Audit & Supervisory Board Member (Full-time)	Toshikazu Fukuyama	
Audit & Supervisory Board Member (Full-time)	Yasuhiko Hiyama	
Audit & Supervisory Board Member	Masaki Fujiwara	Director and Senior Managing Executive Officer of Sansha Electric Manufacturing Co., Ltd.
Audit & Supervisory Board Member	Yuichi Yamada	Audit & Supervisory Board Member of Japan Finance Corporation, Representative of Yuichi Yamada Certified Public Accountant Firm
Audit & Supervisory Board Member	Yuri Furusawa*	

(Notes) 1. Mr. Yuzuru Matsuda, Mr. Koichi Ina, Mr. Yutaro Shintaku and Ms. Kumi Arakane are Outside Directors.

2. Mr. Masaki Fujiwara, Mr. Yuichi Yamada and Ms. Yuri Furusawa are Outside Audit & Supervisory Board Members.

3. Kubota Corporation reported to the TSE that all Outside Directors and Outside Audit & Supervisory Board Members are Independent Directors/Audit & Supervisory Board Members defined by the TSE.

4. Messrs. Masaki Fujiwara and Yuichi Yamada have sufficient knowledge relating to accounting and finance.

5. Kubota Corporation has no special relationship with JSR Corporation, and Kato Memorial Bioscience Foundation, of which Mr. Yuzuru Matsuda currently holds important posts. Although Mr. Yuzuru Matsuda was a Director of BANDAI NAMCO Holdings Inc., he retired on June 21, 2021. Kubota Corporation has no special relationship with BANDAI NAMCO Holdings Inc.

   Kubota Corporation has no special relationship with Sansha Electric Manufacturing Co., Ltd., and Central Japan Industries Association, of which Mr. Koichi Ina currently holds important posts.

   Kubota Corporation has no special relationship with Santen Pharmaceutical Co., Ltd., J-Oil Mills, Inc., Tonen International Scholarship Foundation and Hitotsubashi University Business School, of which Mr. Yutaro Shintaku currently holds important posts. Although Kubota Corporation has business transactions with KOZO KEIKAKU ENGINEERING Inc., the transactions are less than 0.01% of consolidated revenue of Kubota Corporation as well as of KOZO KEIKAKU ENGINEERING Inc.

Kubota Corporation has no special relationship with Kagome Co., Ltd. and TODA CORPORATION, of which Ms. Kumi Arakane currently holds important posts.

Kubota Corporation has no special relationship with Sansha Electric Manufacturing Co., Ltd., of which Mr. Masaki Fujiwara currently holds an important post.

Kubota Corporation has no special relationship with Japan Finance Corporation and Yuichi Yamada Certified Public Accountant Firm, of which Mr. Yuichi Yamada currently holds important posts. Although Mr. Yuichi Yamada was an Audit & Supervisory Board Member of Sumitomo Metal Mining Co., Ltd., he retired on June 25, 2021. Kubota Corporation has no special relationship with Sumitomo Metal Mining Co., Ltd

6. Changes of Directors and Audit & Supervisory Board Members during the fiscal year ended December 31, 2021
   1) Each Director or Audit & Supervisory Board Member indicated by an asterisk (*) in the above table was newly elected at the 131st Ordinary General Meeting of Shareholders held on March 19, 2021 and assumed their office.
   2) Ms. Kumi Arakane, who currently serves as Director, resigned from her position as Audit & Supervisory Board Member at the conclusion of the 131st Ordinary General Meeting of Shareholders held on March 19, 2021.
   3) Director Shinji Sasaki retired due to the expiration of his term of office at the conclusion of the 131st Ordinary General Meeting of Shareholders held on March 19, 2021.
7. The following changes have been effective as of January 1, 2022.

Position	Name	Responsibility at Kubota Corporation and Important Concurrent Positions
Executive Vice President and Representative Director	Masato Yoshikawa	General Manager of Planning and Control Headquarters, General Manager of Global ICT Headquarters
Director	Toshihiko Kurosawa	

4. Independent Auditor

(1) Name of the Independent Auditor

Deloitte Touche Tohmatsu LLC

(2) Compensation, etc. for the Independent Auditor for the Fiscal Year Ended December 31, 2021

1) Amount of compensation, etc. paid to the Independent Auditor for the fiscal year ended December 31, 2021	¥290 million
2) Total amount of cash and other financial benefits payable by Kubota Corporation and its subsidiaries to the Independent Auditor	¥338 million

(Notes)
1. The Audit & Supervisory Board confirmed and deliberated the content of the Independent Auditor's audit plans, the appropriateness of the status of the duties executed on audit, and calculation base of estimated amount of compensation, with related materials and reports from the Directors, relevant divisions of Kubota Corporation, and the Independent Auditor. Consequently, the Audit & Supervisory Board concluded that they were appropriate and agreed to the above amount.
2. The compensation for audit is not divided into the compensation related to the Companies Act and the compensation related to the Financial Instruments and Exchange Act in the audit contract between Kubota Corporation and the Independent Auditor, as it is substantially impossible. Therefore, the amount 1) described above is a total amount of the compensation of both audits.
3. Kubota Corporation paid fees to the Independent Auditor for consultations on accounting, which are not services specified in Article 2, paragraph 1 of the Certified Public Accountants Act.
4. Among Kubota Corporation's material subsidiaries, Kubota Tractor Corporation and other 18 material subsidiaries are audited by the accounting firms other than the Independent Auditor of Kubota Corporation.

(3) Policies for Determining Dismissal or Non-Reappointment of the Independent Auditor

1) In the case that the Independent Auditor falls under any of the items of Article 340, paragraph 1 of the Companies Act, the Audit & Supervisory Board may dismiss the Independent Auditor by unanimous approval of the Audit & Supervisory Board Members.

2) In the case that the Independent Auditor is not qualified or eligible to execute duties as the accounting auditor pursuant to disqualifying reasons of Article 337, paragraph 3 of the Companies Act, and that it is appropriate not to reappoint it as the Independent Auditor, comprehensively taking into account the status of the duties executed on audit and other factors, the Audit & Supervisory Board may submit a proposal to dismiss or not to reappoint the Independent Auditor by the resolution of the Audit & Supervisory Board.

5. Item of Systems to be Developed to Establish Internal Control Systems

Kubota Corporation has set and is implementing the following ten systems to ensure the appropriateness of its business operations.

(1) System to Ensure that Directors and Employees Perform Their Duties in Compliance with Laws and Regulations, and the Articles of Incorporation

As the basis of this system to ensure that the Directors, the Executive Officers, and employees perform their duties in compliance with laws and regulations and the Articles of Incorporation, Kubota Corporation has established the “Kubota Group Charter for Action” and “Kubota Group Code of Conduct” to be observed by all Directors, the Executive Officers, and employees of Kubota Corporation and its subsidiaries.

Under the Company-Wide Risk Management Committee, the department in charge designated for each category of management risks (hereinafter referred to as the “department in charge”) undertakes such activities as education and training to promote compliance with laws and ethical norms, and performs internal audits.

In addition, based on the operational regulations of “Operation of the Whistle Blowing System,” which includes rules to protect whistle blowers, Kubota Corporation has set up the “Kubota Hotline,” a service function for in-house whistle blowing and consultation. The aim of this system is to discover at an early stage any improper conduct that infringes on laws or other regulations and to prevent such infringements from occurring.

(2) System Related to the Safekeeping and Management of Information Regarding Kubota Corporation Directors’ Execution of Duties

Kubota Corporation properly holds in custody and controls information on the execution of duties by the Directors and Executive Officers in accordance with its in-house rules and regulations, which include the “Regulations on Custody of Documents” and other items. Kubota Corporation also maintains a system for making such documents available for examination, as necessary.

(3) Rules and Regulations on the Management of Risks of Losses and Other Systems

Kubota Corporation manages risks of compliance, environment, health and safety, disasters, quality, and other matters relating to the performance of business operations of the Group as a whole by having departments in charge or committees under the control of the Company-Wide Risk Management Committee provide internal rules and regulations, manuals, and other guidelines to respond to the risks of the Group as a whole.

In order to respond to new risks arising in the Group, the Company-Wide Risk Management Committee will determine the department in charge, and the new risks will be managed by the said department.

(4) System to Ensure the Efficient Execution of Duties by Directors

The Board of Directors decides management execution policies, matters set forth in laws and regulations, and other important matters regarding management, while also overseeing the execution of duties by the Directors and Executive Officers.

At the Executive Officers’ Meeting, the President and Representative Director gives directions and information to the Executive Officers about policies and resolutions decided by the Board of Directors. The progress of execution of their duties is reported to the President and Representative Director by the Executive Officers.

Kubota Corporation enhances efficiency of its decision-making process by having adequate discussions in the “Management Committee,” with the participation of the President and

Representative Director and other Executive Officers, to decide important management matters. Kubota Corporation also implements multifaceted deliberations in the “Investment Council,” mainly consisting of the Executive Officers in charge of administrative departments, to discuss other important investment projects. The results of these discussions are reported to the Board of Directors or the like to enhance the effectiveness of the system, in accordance with the operational regulations of “Operation of the Management Committee and Investment Council.”

(5) System to Ensure Proper Business Operations within the Group, Consisting of Kubota Corporation and Its Subsidiaries

(a) To create a Group-Wide control environment, Kubota Corporation has established the “Kubota Group Charter for Action” and “Kubota Group Code of Conduct,” and the philosophies contained in this charter and code of conduct are shared throughout the Group. To ensure proper business operations of the Group, Kubota Corporation sets its in-house rules and regulations and establishes proper internal control systems. The status of the design and operation of internal control systems related to management risks, including the internal control systems over financial reporting, is audited by the internal auditing department, and departments in charge, after self-audits performed by each department of Kubota Corporation and its subsidiaries, and the results of such audits are reported to the Directors in charge, the Chairman of the Company-Wide Risk Management Committee, the President and Representative Director, the Board of Directors, and the Audit & Supervisory Board Members.

(b) Kubota Corporation manages its subsidiaries in accordance with the subsidiary management regulations it has established in order to maintain the appropriateness of their operations. The subsidiaries report the status of their business and the execution of the duties by their executives to the department in charge at Kubota Corporation. Kubota Corporation emphasizes the business connections between the subsidiaries and the operating divisions of Kubota Corporation and assigns the relevant departments to be departments primarily in charge of managing those subsidiaries. Kubota Corporation then receives reports on management planning and other matters from the subsidiaries and works to ensure the efficient execution of the duties of their Directors through discussions at management review committees and other means.

(6) System for Directors and Employees to Report to Audit & Supervisory Board Members and Other Systems Related to Reports to Audit & Supervisory Board Members

Kubota Corporation has established a system for the Directors, the Executive Officers, and employees of Kubota Corporation and its subsidiaries to report the following matters to the Audit & Supervisory Board Members without delay. This is in addition to the matters that need to be reported in accordance with laws and regulations. Persons who have reported to the Audit & Supervisory Board Members will not be treated disadvantageously as a result of making their reports.

(a) Matters that could affect Kubota Corporation’s management;

(b) Contents of internal audits performed by the internal auditing department and departments in charge;

(c) Contents of whistle blowing revealed through the “Kubota Hotline”; and

(d) Other matters requested by the Audit & Supervisory Board or Audit & Supervisory Board Members

(7) Matters Related to Employees who are Requested to Assist Audit & Supervisory Board Members in Their Duties

Kubota Corporation has established the Office of Audit & Supervisory Board Members and assigns employees to exclusively support the Audit & Supervisory Board Members in performing their duties.

(8) Matters Related to the Independence of the Employees, as Defined in Item (7) Above, from Directors and Matters Related to Ensuring the Effectiveness of the Instructions Given by Audit & Supervisory Board Members to Those Employees

The employees defined in Item (7) above fully comply with the instructions given by the Audit & Supervisory Board Members and assist the Audit & Supervisory Board Members in their execution of the duties. Furthermore, the assignment and evaluation of the employees defined in Item (7) are made after consultation and agreement between the Director in charge of the Human Resources Department and the Audit & Supervisory Board Members.

(9) Policy Related to the Processing of Expenses Incurred in the Execution of the Duties of Audit & Supervisory Board Members

To pay the expenses incurred in the execution of the duties of the Audit & Supervisory Board Members, Kubota Corporation prepares a budget each year and also processes the payment smoothly based on the requests from the Audit & Supervisory Board Members for the processing of any emergency or incidental expenses, or repayments incurred in their execution of the duties.

(10) Other Systems to Ensure Effective Audits by Audit & Supervisory Board Members

(a) The President and Representative Director of Kubota Corporation has meetings with the Audit & Supervisory Board Members periodically, and, as needed, exchanges views on matters that Kubota Corporation must deal with, the improvement of audit environments, and other issues.

(b) The Audit & Supervisory Board Members explain their audit policies and audit plans to the Board of Directors, and the Directors make efforts to improve communication with the Audit & Supervisory Board Members to enhance the exchange of information and establish effective cooperation with the Audit & Supervisory Board Members.

Main Measures Implemented This Period

The Following Is an Outline of the Measures Implemented This Period Based on the Item of Systems to be Developed to Establish Internal Control Systems.

- The Company-Wide Risk Management Committee took a central role and implemented education and internal audits for legal and ethical compliance directed toward the Group including its overseas subsidiaries, based on the risk management activity policy decided at the start of the period as well as the operational regulations, while taking into account the situation regarding the spread of COVID-19. The results of those activities were reported to the Board of Directors, the Audit & Supervisory Board Members, and others.
- Revisions of the in-house rules, regulations, and manuals, in response to the enactment and revision of laws and regulations as well as changes in management risks were promoted.
- The “Kubota Hotline” was instituted as a whistle blowing system, which accepted reports from and provided consultation to Group employees and others and implemented the responses necessary in the departments in charge. A contact point of the Kubota Hotline to outside lawyers was established as a point of contact for improved accessibility. Each company is also carrying out operations in stages to arrange whistle blowing systems and consultation offices, even at overseas subsidiaries.
- Based on the Regulations of the Board of Directors, the Board of Directors met once a month, the meetings were held in compliance with applicable laws even during the COVID-19 pandemic, such as by holding the meetings online, and decisions were made in a timely and appropriate manner. The Board of Directors decided matters such as the management execution policies, while reports were presented and deliberations were conducted at the Executive Officers’ Meeting, Management Committee, and Investment Council to improve the efficiency of the execution of duties. Also, four Outside Directors, who are independent from the execution of duties, have been appointed to reinforce the supervisory functions of the Board of Directors regarding the execution of duties by the Directors and Executive Officers. Furthermore, Kubota Corporation has a Nomination Advisory Committee and Compensation Advisory Committee in place, in which more than half of the members are the Outside Directors, to give advice to the Board of Directors. The Nomination Advisory Committee and Compensation Advisory Committee met to deliberate on nomination of candidates for the Directors, and the compensation system of the Directors over appropriate involvement and advice from the Outside Directors. In order to enhance transparency, Outside Directors have been appointed as the chairpersons of both committees.
- In accordance with the subsidiary management regulations, Kubota Corporation received reports from these companies on the status of their business operations, and their management plans were also discussed in the management review committees. In addition, the departments in charge worked together with the primary managing departments to instruct the subsidiaries to develop and operate internal control systems and to continuously observe and execute them, as well as perform audits based on the risk management activity policy and action plan.
- The necessary reports were made appropriately to the Audit & Supervisory Board Members, including the Outside Audit & Supervisory Board Members, by reporting on items thought to affect management at important meetings such as the Board of Directors and by reporting on the details reported on the “Kubota Hotline.” To ensure the effectiveness of the execution of duties by the Audit & Supervisory Board Members, the Office of Audit & Supervisory Board Members has been staffed with dedicated employees, and the payment of the expenses incurred in the execution of the duties of the Audit & Supervisory Board Members was performed smoothly. In addition, the President and Representative Director met regularly with the Audit & Supervisory Board Members to work to improve mutual understanding between the Directors and the Audit & Supervisory Board Members and to perform any exchange of information necessary. Accordingly, the monitoring of Kubota Corporation’s Internal Control Systems overall was implemented by the Audit & Supervisory Board Members.

Consolidated Statement of Financial Position

Kubota Corporation and Its Subsidiaries

(Unit: millions of yen)

December 31:		2021
ASSETS		
Current assets:		
Cash and cash equivalents	¥	258,639
Trade receivables		574,349
Finance receivables		380,865
Other financial assets		50,875
Inventories		510,065
Income taxes receivable		8,430
Other current assets		83,822
Total current assets		**1,867,045**
Noncurrent assets:		
Investments accounted for using the equity method		43,768
Finance receivables		1,029,488
Other financial assets		154,781
Property, plant, and equipment		496,312
Goodwill and intangible assets		95,884
Deferred tax assets		50,423
Other noncurrent assets		35,809
Total noncurrent assets		**1,906,465**
Total assets	**¥**	**3,773,510**

(Continued on the following page)

(Unit: millions of yen)

December 31:	2021
LIABILITIES AND EQUITY	
Current liabilities:	
Bonds and borrowings	¥ 504,335
Trade payables	392,331
Other financial liabilities	96,740
Income taxes payable	33,546
Provisions	52,208
Other current liabilities	234,579
Total current liabilities	**1,313,739**
Noncurrent liabilities:	
Bonds and borrowings	590,174
Other financial liabilities	33,375
Retirement benefit liabilities	14,899
Deferred tax liabilities	31,027
Other noncurrent liabilities	5,323
Total noncurrent liabilities	**674,798**
Total liabilities	**1,988,537**
Equity:	
Equity attributable to owners of the parent:	
Share capital	84,130
Share premium	84,886
Retained earnings	1,439,560
Other components of equity	69,515
Treasury shares	(134)
Total equity attributable to owners of the parent	**1,677,957**
Noncontrolling interests	107,016
Total equity	**1,784,973**
Total liabilities and equity	**¥ 3,773,510**

** The accompanying notes are an integral part of these statements.*

Consolidated Statement of Profit or Loss

Kubota Corporation and Its Subsidiaries

(Unit: millions of yen)

Year ended December 31:		**2021**
Revenue	¥	2,196,766
Cost of sales		(1,564,960)
Selling, general, and administrative expenses		(390,449)
Other income		10,638
Other expenses		(5,788)
Operating profit		246,207
Finance income		9,341
Finance costs		(2,989)
Profit before income taxes		252,559
Income tax expenses		(64,869)
Share of profits of investments accounted for using the equity method		3,042
Profit for the year	¥	190,732
Profit attributable to:		
Owners of the parent	¥	175,637
Noncontrolling interests	¥	15,095

** The accompanying notes are an integral part of these statements.*

Consolidated Statement of Changes in Equity

Kubota Corporation and Its Subsidiaries

(Unit: millions of yen)

	Equity attributable to owners of the parent							
	Share capital	Share premium	Retained earnings	Other components of equity	Treasury shares	Total equity attributable to owners of the parent	Noncontrolling interests	Total equity
Balance as of January 1, 2021	¥ 84,130	¥ 84,943	¥ 1,325,764	¥(18,162)	¥ (636)	¥ 1,476,039	¥ 98,146	¥ 1,574,185
Profit for the year			175,637			175,637	15,095	190,732
Total other comprehensive income, net of income tax				94,397		94,397	510	94,907
Comprehensive income for the year			175,637	94,397		270,034	15,605	285,639
Transfer to retained earnings			6,718	(6,718)		—		—
Dividends paid			(48,333)			(48,333)	(6,706)	(55,039)
Purchases and sales of treasury shares					(20,003)	(20,003)		(20,003)
Retirement of treasury shares		(95)	(20,226)		20,321	—		—
Share-based payments with transfer restrictions		98			184	282		282
Changes in ownership interests in subsidiaries		(60)		(2)		(62)	(29)	(91)
Balance as of December 31, 2021	¥ 84,130	¥ 84,886	¥ 1,439,560	¥ 69,515	¥ (134)	¥ 1,677,957	¥ 107,016	¥ 1,784,973

** The accompanying notes are an integral part of these statements.*

Notes to Consolidated Financial Statements

Kubota Corporation and Its Subsidiaries

Amounts less than the presentation unit are rounded.

Matters Regarding Preparation of Consolidated Financial Statements

Significant Accounting Policies

1. Basis of Preparation of Consolidated Financial Statements

   The accompanying consolidated financial statements are prepared in accordance with International Financial Reporting Standards (hereinafter, IFRS) under Article 120, Paragraph 1 of the Ordinance on Company Accounting. However, certain supplementary material and notes required under IFRS are omitted pursuant to the second sentence of the same paragraph.

2. Scope of Consolidation and Application of Equity Method

   183 entities are consolidated. 14 entities are accounted for using the equity method.

3. Valuation Policies and Methods of Financial Assets

(1) Financial assets (excluding derivatives)

Financial assets are classified as either financial assets measured at amortized cost, debt financial assets measured at fair value through other comprehensive income, equity financial assets measured at fair value through other comprehensive income, or financial assets measured at fair value through profit or loss.

Financial assets measured at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest method if both of the following conditions are met:

(a) the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

(b) the contractual terms of the financial assets provide cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Debt financial assets measured at fair value through other comprehensive income

Financial assets are classified as debt financial assets measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

(b) the contractual terms of the financial assets provide cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Equity financial assets measured at fair value through other comprehensive income

With regard to equity financial assets, the Company has made an election to recognize changes in fair value in other comprehensive income. The accumulated amounts of net changes in the fair value of the equity financial assets are transferred to retained earnings, not to profit or loss, when the equity financial assets are derecognized, or the fair value of equity financial assets declines from the acquisition cost and its decline is deemed to be more than temporary.

Financial assets measured at fair value through profit or loss

Financial assets that are not classified as financial assets measured at amortized cost, debt financial assets measured at fair value through other comprehensive income, or equity instruments measured at fair value through other comprehensive income are classified as financial assets measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are initially measured at their fair value, and subsequent changes in fair value are recognized in profit or loss.

Impairment of financial assets measured at amortized cost

The Company evaluates and recognizes an allowance for doubtful accounts for expected credit losses on financial assets measured at amortized cost at the end of each reporting period. If the credit risk on financial assets is deemed not to have significantly increased since the initial recognition, an allowance for doubtful accounts is recognized for the 12-month expected credit losses. An allowance for doubtful accounts is recognized for the lifetime expected credit losses if the credit risk on financial assets has significantly increased since the initial recognition. For trade receivables, contract assets, long-term trade accounts receivables and lease receivables, an allowance for doubtful accounts is always recognized for the lifetime expected credit losses.

(2) Derivatives

The Company initially recognizes derivatives at fair value at the date the contracts are entered into and subsequently remeasures them at fair value. Changes in fair value of these derivatives are all recognized in profit or loss.

4. Valuation Policies and Methods of Inventories

Inventories are stated at the lower of cost or net realizable value and are principally valued by the moving average method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and those necessary to sell inventories.

5. Depreciation of Property, Plant, and Equipment

Property, plant, and equipment, except for right-of-use assets, are principally depreciated using the straight-line method over the respective estimated useful lives.

Use-of-right assets are depreciated using the straight-line method over the period of the shorter of their useful lives or their lease terms.

6. Amortization of Goodwill and Intangible Assets

Intangible assets with definite useful lives are amortized over their respective estimated useful lives by using the straight-line method.

Goodwill and intangible assets with indefinite useful lives are not amortized but are instead tested for impairment at least annually.

7. Basis of Provision for Allowance

Provisions are recognized when the Company has present legal or constructive obligations as a result of past events, it is probable that outflows of resources embodying economic benefits will be required to settle the obligations, and reliable estimates can be made of the amount of obligations. Provisions are measured based on the best estimate of expenditure required to settle the present obligation at the end of the reporting period. When the effect of the time value of money is material, a provision is measured at the present value of the expenditures required to settle the obligation.

8. Revenue Recognition

(1) Revenue from contracts with customers

Regarding the revenue from contracts with customers, the Company recognizes them based on the following five steps (1. Identify the contract with a customer, 2. Identify the performance obligations in the contract, 3. Determine the transaction price, 4. Allocate the transaction price to the performance obligations in the contract, and 5. Recognize revenue when (or as) the entity satisfies a performance obligation). The Company provides various products and services. The Farm & Industrial Machinery segment manufactures and distributes farm equipment, agricultural-related products, engines, and construction machinery. The Water & Environment segment manufactures and distributes pipe-, environment-, and social infrastructure-related products, and receives construction contracts for public buildings such as environment-related facilities and water supply facilities.
Revenue from sales of products is recognized when the products are delivered to the customers since the Company considered that the performance obligation is satisfied at that point in time. Revenue is recognized over a construction period since a performance obligation is satisfied in accordance with the progress of construction. The Company uses the input method, which is based on the costs incurred relative to the total expected costs of individual contracts, as the method to measure the extent of progress toward completion. Revenue is measured at the consideration promised in a contract with customers, less discounts, rebates depending on sales volume, and other items. The Company recognizes the consideration received from a customer as a liability when the Company expects to refund it in the future.

(2) Income from retail finance and finance leases

The Company provides retail finance and finance leases to end users who purchase the Company's products, such as farm equipment, through dealers.
With regard to finance receivables arising from retail finance operations, interest income is recognized using the effective interest method over the contractual period. The above income is included in revenue in the consolidated statement of profit or loss.

9. Other Significant Accounting Policies

Impairment of Nonfinancial Assets

The carrying amounts of nonfinancial assets other than inventories and deferred tax assets are assessed to determine whether or not there is any indication of impairment at the end of each reporting period. If such an indication exists, a recoverable amount of the asset is estimated.

Goodwill, intangible assets with indefinite useful lives, and intangible assets that are not yet available for use are tested for impairment annually or whenever there is an indication that the asset may be impaired or circumstances change.

The recoverable amount is the higher of the fair value less costs of disposal and value in use. Value in use is determined by discounting the estimated future cash flows expected to be derived to its present value, using a pretax discount rate that reflects the time value of money and risks specific to that individual asset or the cash-generating unit.

If the recoverable amount is less than its carrying amount, the carrying amount is reduced to the recoverable amount, and the difference between the recoverable amount and the carrying amount is recognized as an impairment loss in profit or loss.

Postemployment benefits

The Company has defined benefit pension plans and defined contribution pension plans as postemployment benefit plans for employees. The net defined benefit liability and asset in the consolidated statement of financial position is measured as the difference between the present value of the defined benefit obligation and the fair value of plan assets.

The defined benefit obligation is determined using the projected unit credit method, and its present value is calculated by discounting future estimated cash outflows.

Prior service costs resulting from plan amendments are recognized in profit or loss when the plan is amended. Remeasurement of the net defined liability and asset is recognized in other comprehensive income when such remeasurement is made and transferred immediately to retained earnings.

Contributions to defined contribution plans are expensed in profit or loss for the period when employees render the related services.

Notes to Accounting Estimates

Allowance for doubtful accounts related to expected credit losses on finance receivables is ¥20,671 million.

Finance receivables include retail finance receivables and lease receivables arising from retail finance operations. Retail finance receivables are grouped primarily by past due days, and when the credit risk at the end of the reporting period has not increased significantly since initial recognition, the 12-month expected credit losses are measured by taking into account the historical credit loss experience, current conditions and forecasts of future economic conditions. When the credit risk has increased significantly since initial recognition, the Company measures lifetime expected credit losses, taking into account the historical credit loss experience, current conditions, forecast of future economic conditions, and recoverable amounts from repossession of products sold or leased.

Lease receivables are grouped by region and past due days, and the Company always measures lifetime expected credit losses for lease receivables, taking into account the historical credit loss experience etc.

The expected credit losses are measured individually when any of the receivables are determined to be credit-impaired financial assets based on objective evidence, such as past due information over a certain period and debtor's bankruptcy.

Allowance for doubtful accounts related to expected credit losses on finance receivables is deducted from finance receivables directly in the Consolidated Statement of Financial Position.

These estimates include uncertainty. When the estimates are reviewed due to the change of the situation, it may have significant impact on the next year's consolidated financial statements.

Provisions for warranty costs

Provisions for warranty costs are ¥48,569 million.

The Company provides contractual product warranties under which it generally guarantees the performance of products sold according to a product specification which the Company and its customers have mutually agreed on. The Company records the free repair cost which can occur in the future as provision for warranty costs. Provisions for product warranties consist of the estimations based on an analysis of the Kubota Corporation's historical data of costs expensed under product warranties and recall or service campaign estimations individually calculated from repair cost per unit price and eligible units. Provisions for warranty cost is included in Provisions on the Consolidated Statement of Financial Position.

These estimates include uncertainty. When the estimates are reviewed due to the change of the situation, it may have significant impact on the next year's consolidated financial statements.

Matters Related to the Health Hazards of Asbestos

Until 1995, the Company's plant in Amagasaki, Hyogo Prefecture, Japan, produced asbestos-related products. The Company had other plants which also produced asbestos-related products and completely ceased such production by 2001. The Company decided to make voluntary consolation payments to certain residents in June 2005 and established a relief payment program in place of the consolation payment to the residents in April 2006. With regard to the current and former employees who suffered and are suffering from asbestos-related diseases, the Company provides compensation, which is not required by law but is made in accordance with the Company's internal policies.

In its effort to develop an estimate of future asbestos-related expenditures, the Company has considered all available data, including a time series of historical claims and payments, the rate of incidence of asbestos-related disease, and public information related to asbestos-related disease. However, the health hazards of asbestos tend to have a longer incubation period, and therefore reliable statistics related to the rate of incidence in asbestos-related disease are not available to the Company. Furthermore, since there have not been any asbestos-related events impacting other companies in Japan for which all claims have been finalized, for estimation of the rate of incidence, the Company believes it is not possible to determine the range of the final possible outcome in the future. For these reasons, the Company believes it is not possible to reliably estimate the amount of its ultimate liability, and the Company does not accrue for this contingency.

If the Company incurs the large costs related to payments to the residents, it may have significant impact on the next year's consolidated financial statements.

Notes to Consolidated Statement of Financial Position

1. Allowance for doubtful accounts and credit losses directly deducted from trade receivables and finance receivables were ¥24,315 million at December 31, 2021.

2. Property, plant, and equipment were composed of the following at December 31, 2021:

(Unit: millions of yen)

Land	¥	107,894
Buildings and structures		425,436
Machinery and other equipment		617,491
Construction in progress		59,365
Accumulated depreciation and accumulated impairment losses		(713,874)
Total	¥	496,312

3. Assets pledged as collateral were composed of the following at December 31, 2021:

(Unit: millions of yen)

Trade receivables	¥	17
Finance receivables—current		114,140
Other financial assets—current		4,011
Finance receivables—noncurrent		191,908
Property, plant, and equipment		931
Total	¥	311,007

Liabilities secured by the above assets were composed of the following:

(Unit: millions of yen)

Bonds and borrowings	¥	265,962

4. The Company is contingently liable as guarantor of the indebtedness of certain distributors, including associates and customers for their borrowings from financial institutions. The maximum potential amount of undiscounted future payments of these financial guarantees at December 31, 2021 was ¥3,539 million.

Notes to Consolidated Statement of Changes in Equity

1. The number of shares issued was as follows at December 31, 2021:

   Common shares 1,200,247 thousand shares

2. Dividends

(1) Dividends paid

Resolution	Class of shares	Dividends (millions of yen)	Dividends per common share (yen)	Record date	Effective date
The Meeting of the Board of Directors on February 15, 2021	Common shares	¥ 22,957	¥ 19.00	December 31, 2020	March 22, 2021
The Meeting of the Board of Directors on August 3, 2021	Common shares	¥ 25,376	¥ 21.00	June 30, 2021	September 1, 2021

(2) Dividends with a record date in the year ended December 31, 2021 and with an effective date after December 31, 2021

Resolution	Class of shares	Dividends (millions of yen)	Dividends per common share (yen)	Record date	Effective date
The Meeting of the Board of Directors on February 14, 2022	Common shares	¥ 25,205	¥ 21.00	December 31, 2021	March 22, 2022

Notes to Financial Instruments

1. Description of Financial Instruments

   The Company is exposed to certain risks, such as credit risk, liquidity risk, foreign currency exchange rate risk, and interest rate risk, etc., in the ordinary course of business. The Company engages in risk management to mitigate these risks.

2. Fair Values of Financial Instruments

   The carrying amounts and fair values of financial instruments at December 31, 2021 were as follows:

(Unit: millions of yen)

		Carrying amount	Fair value
Financial assets and liabilities measured at amortized cost:			
Finance receivables	*1	¥ 1,410,353	¥ 1,459,009
Long-term trade accounts receivable	*1	67,429	71,853
Bonds and borrowings	*1	(1,094,509)	(1,087,720)
Financial assets and liabilities measured at fair value:			
Debt financial assets	*2	5,931	5,931
Equity financial assets	*2	106,328	106,328
Derivatives:	*3		
Foreign exchange contracts		(1,516)	(1,516)
Stock forward contracts		(1,325)	(1,325)
Interest rate swap contracts		(799)	(799)
Cross-currency interest rate swap contracts		281	281

The figures in parentheses are liabilities.

Method of determining fair value:

*1. The fair value is stated at the present value of future cash flows as obtained by discounting the amount at the current market rate. The carrying amount of long-term trade accounts receivable in the table includes the current portion, which is included in trade receivables in the consolidated statement of financial position.

*2. Marketable debt financial assets and equity financial assets are measured at fair value using quoted prices for identical assets in active markets. Nonmarketable equity financial assets and nonmarketable debt financial assets are measured at fair value using methods such as the comparable company comparison method.

*3. The fair value of derivatives is the market price presented by major international financial institutions.

*4. The carrying amounts of cash and cash equivalents, trade receivables (excluding the current portion of long-term trade accounts receivable), other financial assets (excluding debt financial assets measured at fair value, equity financial assets, and derivatives), trade payables, and other financial liabilities (excluding lease liabilities and derivatives) approximate fair value due to their short-term maturity.

Notes to Per Common Share Information

1. Total equity per share attributable to owners of the parent ¥ 1,398.41

2. Earnings per share attributable to owners of the parent:

Basic ¥ 145.52

Balance Sheet (Non-consolidated)

Kubota Corporation

(Unit: millions of yen)

December 31:	2021
ASSETS	
Current assets:	
Cash and deposits	¥ 110,176
Trade notes receivable	1,606
Electronically recorded accounts receivable	38,560
Trade accounts receivable	390,418
Finished goods	58,025
Work in process	29,251
Raw materials and supplies	13,102
Other	99,322
Allowance for doubtful receivables	(50)
Total current assets	**740,415**
Fixed assets:	
Property, plant, and equipment—net:	
Buildings	53,411
Machinery and equipment	54,284
Land	70,126
Construction in progress	37,227
Other	16,447
Total property, plant, and equipment—net	**231,497**
Intangibles—net:	
Software	36,853
Other	489
Total intangibles—net	**37,343**
Investments and other assets:	
Investment securities	105,880
Investments in affiliates	203,931
Long-term loans receivable	47,205
Prepaid pension costs	22,056
Other	28,537
Allowance for doubtful receivables	(128)
Total investments and other assets	**407,483**
Total fixed assets	**676,324**
Total assets	**¥ 1,416,740**

(Continued on the following page)

(Unit: millions of yen)

December 31:	2021
LIABILITIES AND EQUITY	
Current liabilities:	
Trade notes payable	¥ 379
Electronically recorded accounts payable	202,912
Trade accounts payable	85,080
Commercial Paper	80,000
Other accounts payable	17,268
Income taxes payable	23,511
Accrued expenses	34,144
Deposits received	156,077
Provision for warranty costs	23,308
Provision for bonuses	9,015
Provision for directors' bonuses	315
Other	26,993
Total current liabilities	**658,706**
Long-term liabilities:	
Long-term borrowings	110,000
Deferred tax liabilities	960
Other	1,091
Total long-term liabilities	**112,051**
Total liabilities	**770,758**
Shareholders' equity:	
Common stock	**84,130**
Capital surplus:	
Additional paid-in capital	73,117
Total capital surplus	**73,117**
Retained earnings:	
Legal reserve	19,539
Other retained earnings:	
Reserve for special depreciation	0
Reserve for reduction entry of land	171
Reserve for special accounts	672
General reserve	349,542
Unappropriated retained earnings	70,556
Total other retained earnings	420,943
Total retained earnings	**440,482**
Treasury stock	**(5)**
Total shareholders' equity	**597,724**
Valuation and translation adjustments:	
Unrealized holding gains on securities	48,259
Unrealized gains from hedging activities	(2)
Total valuation and translation adjustments	**48,256**
Total net assets	**645,981**
Total liabilities and net assets	**¥ 1,416,740**

** The accompanying notes are an integral part of these statements.*

Statement of Income (Non-consolidated)

Kubota Corporation

(Unit: millions of yen)

Year ended December 31:	**2021**
Net sales	**¥ 1,075,018**
Cost of sales	872,198
Gross profit	**202,820**
Selling, general, and administrative expenses	150,683
Operating income	**52,136**
Non-operating income:	76,717
Interest and dividend income	27,579
Royalty income	25,885
Other	23,252
Non-operating expenses:	10,332
Interest expenses	742
Other	9,589
Ordinary income	**118,521**
Extraordinary income	**3,079**
Gain on sales of investment securities	3,079
Income before income taxes	**121,601**
Income taxes:	25,962
Current	29,326
Deferred	(3,363)
Net income	**¥ 95,638**

** The accompanying notes are an integral part of these statements.*

Statement of Changes in Net Assets (Non-consolidated)

Kubota Corporation

(Unit: millions of yen)

	Shareholders' equity										
		Capital surplus		Retained earnings							
						Other retained earnings					
	Common stock	Additional paid-in capital	Other capital surplus	Legal reserve	Reserve for special depreciation	Reserve for reduction entry of land	Reserve for special accounts	General reserve	Unappro-priated retained earnings
Balance as of January 1, 2021	¥ 84,130	¥ 73,117	¥ –	¥ 19,539	¥ 0	¥ 171	250	¥ 349,542	¥ 43,889
Changes in the year									
Transfer of reserve for special depreciation					(0)				0
Appropriation to reserve for special accounts							565		(565)
Reduction of special accounts							(143)		143
Dividends									(48,333)
Net income									95,638
Purchase of treasury stock									
Sales of treasury stock			0						
Retirement of treasury stock			(94)						(20,226)
Share-based payments with transfer restrictions			94						
Net change of items other than shareholders' equity									
Total changes in the year	–	–	–	–	(0)	–	422	–	26,657
Balance as of December 31, 2021	¥ 84,130	¥ 73,117	¥ –	¥ 19,539	¥ 0	¥ 171	¥ 672	¥ 349,542	¥ 70,556

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gains on securities	Unrealized gains (losses) from hedging activities	Total valuation and translation adjustments	
Balance as of January 1, 2021	¥ (507)	¥ 570,143	¥ 39,608	¥ (3)	¥ 39,604	¥ 609,747
Changes in the year						
Transfer of reserve for special depreciation		–			–	–
Appropriation to reserve for special accounts		–			–	–
Reduction of special accounts		–			–	–
Dividends		(48,333)			–	(48,333)
Net income		95,638			–	95,638
Purchase of treasury stock	(20,003)	(20,003)			–	(20,003)
Sales of treasury stock	0	0			–	0
Retirement of treasury stock	20,321	–			–	–
Share-based payments with transfer restrictions	184	278			–	278
Net change of items other than shareholders' equity		–	8,651	0	8,652	8,652
Total changes in the year	502	27,581	8,651	0	8,652	36,233
Balance as of December 31, 202	¥ (5)	¥ 597,724	¥ 48,259	¥ (2)	¥ 48,256	¥ 645,981

** The accompanying notes are an integral part of these statements.*

Amounts less than the presentation unit are rounded down.

Significant Accounting Policies

1. Basis and Methods of Asset Valuation

(1) Securities

Investments in affiliates are stated at cost, which is determined by the moving-average method.

Marketable securities within securities classified as other securities under Japanese GAAP are stated at fair value based on market prices at the fiscal year end. Any changes in unrealized holding gains or losses are included directly in net assets, and cost of securities sold is determined by the moving-average method.

Nonmarketable securities within securities classified as other securities under Japanese GAAP are stated at cost, which is determined by the moving-average method.

(2) Derivatives

Derivatives are stated at fair value.

(3) Inventories

Inventories are stated at cost (method of lowering carrying amount due to a decline in profitability), which is determined by the moving-average method. Finished goods and work-in-process manufactured under specific production orders are stated at cost, which is determined by the specific identification method.

2. Methods of Depreciation and Amortization of Fixed Assets

Property, plant, and equipment, except for leased assets, are depreciated by using the straight-line method.

Intangible assets are amortized by the straight-line method. Internal-use software is amortized over the useful life of five years.

Leased assets under finance lease transactions that do not transfer ownership are amortized by the straight-line method, using the lease term as the useful life.

3. Basis of Provisions

The allowance for doubtful receivables is provided for possible losses from bad debt at an estimated uncollectible amount determined based on the historical experience of bad debt loss for general receivables and is evaluated individually for specific doubtful receivables from customers who are experiencing financial difficulties.

Provision for warranty costs is provided to prepare for free repair for damaged products already sold based on an analysis of the Kubota Corporation's historical data of costs expensed under product warranties and estimations individually made.

Provision for bonuses is provided to prepare for payment of bonuses to employees at an estimated amount to be paid to employees for services rendered during the current fiscal year.

Provision for directors' bonuses is provided to prepare for payment of bonuses to directors based on an estimated amount to be paid to directors for the duties executed during the current fiscal year.

Accrued retirement and pension costs (prepaid pension costs) are provided to prepare for payments of retirement benefits based on the retirement benefit obligation and the fair value of the pension plan assets at the fiscal year end.

Since the fair value of pension assets as of December 31, 2021 exceeded retirement benefit obligations, after deduction of unrecognized prior-year service costs and actuarial gains or losses, prepaid pension costs were recorded on the balance sheet.

Prior-year service costs are amortized over the estimated average remaining service period (14.2 to 19.4 years) of employees as incurred by using the straight-line method.

Actuarial gains or losses are amortized over the estimated average remaining service period of employees by using the declining-balance method from the year following the year in which they were incurred.

The average remaining service period of employees as a basis of amortization ratio is 17.0 years.

4. Basis of Recognition of Revenue and Costs

Kubota Corporation applies the percentage-of-completion method to construction contracts when it is possible to develop reasonably dependable estimates of the extent of progress toward completion of individual contracts. Otherwise, Kubota Corporation applies the completed-contract method to construction contracts. In measuring the extent of progress toward completion, Kubota Corporation uses the cost-to-cost method.

5. Other Significant Accounting Policies

(1) Translation of assets and liabilities denominated in foreign currencies

Monetary claims and debts denominated in foreign currencies are translated into Japanese yen using the spot exchange rate at each balance sheet date, and gains and losses arising from exchange rate changes are recorded in earnings.

(2) Hedge accounting

All short-term foreign exchange forward contracts are measured at fair value. Except for the forward contracts entered into for forecasted transactions, such contracts are recorded in earnings for the current fiscal year by netting foreign exchange gains or losses on receivables and payables denominated in foreign currencies that are hedged items.

Interest rate swap contracts are not recorded on the balance sheet as Kubota Corporation applies exceptional treatment to the contracts.

(3) Consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes in the statement of income.

(4) Consolidated taxation system

Kubota Corporation adopts the consolidated taxation system.

(5) Adoption of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Japanese group relief system

With respect to items subject to the review of the Non-Consolidated Taxation System conducted to coincide with transition from the Consolidated Taxation System to the Japanese group relief system, which was created under the Act on Partial Revision of the Income Tax Act, etc. (Act No. 8 of 2020), the Company and some of its domestic consolidated subsidiaries have not applied the provisions of Paragraph 44 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28 issued February 16, 2018) in accordance with the treatment set out in Paragraph 3 of Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Japanese group relief system (PITF No.39 issued March 31, 2020) and the amounts of deferred tax liabilities and deferred tax assets are based on the provisions of tax laws before the revision.

Changes in presentation

Kubota Corporation has adopted “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No. 31, March 31, 2020), and made a note regarding accounting estimates.

Notes to Accounting Estimates

Provisions for warranty costs

Provisions for warranty costs are ¥23,308 million.

This is stated in “Provisions for warranty costs in Notes to Accounting Estimates of Notes to Consolidated Financial Statements”.

This amount includes provisions based on the estimates individually made are ¥6,126 million.

Matters Related to the Health Hazards of Asbestos

This is stated in “Matters Related to the Health Hazards of Asbestos in Notes to Accounting Estimates of Notes to Consolidated Financial Statements”.

Notes to Balance Sheet

1. Monetary claims from and debts to affiliates

Short-term receivables from affiliates	¥ 409,164 million
Long-term receivables from affiliates	¥ 47,216 million
Short-term payables to affiliates	¥ 170,346 million

2. Accumulated depreciation of property, plant, and equipment ¥ 398,898 million

3. Contingent liabilities:

Guarantees

Guarantees for borrowings of affiliates from financial institutions

Kubota Saudi Arabia Company, LLC	¥ 470 million

Credit guarantees for group financing

Kubota Credit Co., Ltd.	¥ 2,150 million

4. The following notes that matured on December 31, 2021, the current fiscal year end, were included in the corresponding note accounts in the balance sheet because that day fell on a bank holiday.

Trade notes receivable	¥ 101 million
Electronically recorded accounts receivable	¥ 2,524 million
Trade notes payable	¥ 105 million
Electronically recorded accounts payable	¥ 43,654 million

Notes to Statement of Income

Transactions with affiliates

Sales to affiliates	¥ 910,887 million
Purchases from affiliates	¥ 175,501 million
Transactions with affiliates other than operating transactions	¥ 60,836 million

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Notes to Statement of Changes in Net Assets

1. The number of treasury stock at December 31, 2021 was as follows:

Common stock	2 thousand shares

Notes to Deferred Tax Assets and Liabilities

1. Significant components of deferred tax assets

Accrued enterprise tax	¥ 1,448 million
Provision for warranty costs	7,132 million
Provision for bonuses	2,758 million
Valuation losses on investment securities and investments in affiliates	4,419 million
Other	12,276 million
Subtotal	28,035 million
Valuation allowance	(5,648) million
Total deferred tax assets	¥ 22,386 million

2. Significant components of deferred tax liabilities

Prepaid pension costs	¥ (4,042) million
Unrealized holding gains on securities	(18,565) million
Other	(738) million
Total deferred tax liabilities	(23,346) million
Net deferred tax liabilities	¥ (960) million

Note to Related-Party Transactions

Type	Name	Location	Common stock	Operations	Owner-ship of voting shares	Relationship	Contents of transactions	Amount of transac-tions (millions of yen)	Accounts	Balance at December 31, 2021 (millions of yen)
Subsidiary	Kubota Tractor Corporation	Texas, U.S.A.	US$ 37 million	Sales of tractors, outdoor power equipment, construction machinery, and implements	100.0*	Sales of products of Kubota Corporation Interlocking directors	Sales of tractors and other machinery (Note 1)	280,373	Trade accounts receivable	104,558
	Kubota Engine America Corporation	Illinois, U.S.A.	US$ 10 million	Sales, engineering, and after-sales services of engines, engine parts, and engine accessories	100.0*	Sales of products of Kubota Corporation Interlocking directors	Sales of engines (Note 1)	86,516	Trade accounts receivable	31,530
	Kubota Baumaschinen GmbH	Rheinland-Pfalz, Germany	EUR 14 million	Manufacturing and sales of construction machinery	100.0*	Sales of products of Kubota Corporation	Sales of construction machinery (Note 1)	60,773	Trade accounts receivable	25,241
	Kubota Europe S.A.S.	Val-d'Oise, France	EUR 11 million	Sales of construction machinery, tractors, outdoor power equipment, and engines	100.0*	Sales of products of Kubota Corporation Interlocking directors	Sales of construction machinery and other machinery (Note 1)	44,148	Trade accounts receivable	14,795
	KUBOTA Construction Machinery Japan Corporation	Osaka, Japan	¥300 million	Sales of construction machinery, etc.	100.0	Sales of products of Kubota Corporation	Sales of construction machinery (Note 1)	25,465	Trade accounts receivable	15,520
	SIAM KUBOTA Corporation Co., Ltd.	Pathomtani, Thailand	THB 2,739 million	Manufacturing and sales of tractors, combine harvesters, implements, and horizontal-type diesel engines Sales of construction machinery	60.0	Sales of products of Kubota Corporation Interlocking directors	Manage-ment advice fee (Note 2)	8,149	Other (Current assets)	5,918
							Patent royalty (Note 2)	4,959	Other (Current assets)	2,548
	Kubota Credit Co., Ltd.	Osaka, Japan	¥500 million	Retail financing to purchasers of farm equipment and related products	55.0 22.9*	Financial assistance Credit guarantee Interlocking directors	Lending (Notes 3 and 4)	67,770	Short-term loans receivable	15,200
									Long-term loans receivable	46,700
							Interest receipt (Note 3)	131	Other (Current assets)	23
							Depositing (Notes 3 and 4)	28,641	Deposits received	34,230
							Interest payment (Note 3)	23	Other (Current liabilities)	4
							Credit guarantee (Note 5)	2,150	–	–
	Kubota China Holdings Co.,Ltd.	Shanghai, China	RMB 1,701 million	Administration of subsidiaries in China	100.0	Depositing Interlocking directors	Depositing (Notes 3 and 4)	10,338	Deposits received	5,607
							Interest payment (Note 3)	309	Other (Current liabilities)	12

*Indirect holding

Amount of transactions do not include consumption taxes, while *balance at December 31, 2021* include consumption taxes in the above table.

Terms and conditions of business, decision-making policies regarding terms and conditions of business, and others

(Notes)
1. Regarding product sales, suggested prices are proposed by Kubota Corporation in consideration of market prices, and total costs and transaction prices are determined after price negotiations.
2. Patent royalty and management advisory fees are determined based on a percentage of sales of SIAM KUBOTA Corporation Co., Ltd.
3. Interest rates are reasonably decided in consideration of market interest rates.
4. Amounts of transactions are stated at the average balance during the fiscal year.
5. Kubota Corporation provides a guarantee for group financing of Kubota Credit Co., Ltd.

Note to Per Common Share Information

1.	Net assets per common share	¥ 538.20
2.	Net income per common share – basic	¥ 79.21

Copy of
the Independent Auditor's Report Concerning Consolidated Financial Statements
(Translation)

INDEPENDENT AUDITOR'S REPORT

February 9, 2022

To the Board of Directors of Kubota Corporation:

Deloitte Touche Tohmatsu LLC
Osaka office

Designated Engagement Partner	Certified Public Accountant:	Hiroaki Sakai
Designated Engagement Partner	Certified Public Accountant:	Takeshi Io
Designated Engagement Partner	Certified Public Accountant:	Hideaki Takagi

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Kubota Corporation and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of December 31, 2021, and the consolidated statement of profit or loss and the consolidated statement of changes in equity for the fiscal year from January 1, 2021 to December 31, 2021, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

・Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

・Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

・Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

・Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

・Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

・Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

Copy of
the Independent Auditor's Report Concerning Financial Statements (Non-consolidated)
(Translation)

INDEPENDENT AUDITOR'S REPORT

February 9, 2022

To the Board of Directors of Kubota Corporation:

Deloitte Touche Tohmatsu LLC
Osaka office

Designated Engagement Partner	Certified Public Accountant:	Hiroaki Sakai
Designated Engagement Partner	Certified Public Accountant:	Takeshi Io
Designated Engagement Partner	Certified Public Accountant:	Hideaki Takagi

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements of Kubota Corporation (the "Company"), namely, the balance sheet (Non-consolidated) as of December 31, 2021, and the statement of income (Non-consolidated) and the statement of changes in net assets (Non-consolidated) for the 132nd fiscal year from January 1, 2021 to December 31, 2021, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

・Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

・Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

・Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

・Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

・Evaluate whether the overall presentation and disclosures of the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. “The accompanying supplemental schedules” referred to in this report are not included in the attached financial documents.

Copy of the Audit Report of the Audit & Supervisory Board

(Translation)

AUDIT REPORT

In respect of the execution of duties of the Directors during the 132nd business term, from January 1, 2021 to December 31, 2021, the Audit & Supervisory Board (hereinafter "we"), following the discussion among ourselves, have prepared this audit report based on the audit report prepared by each Audit & Supervisory Board Member, and hereby report as follows:

1. Methods and details of audits by the Audit & Supervisory Board Members and the Audit & Supervisory Board

   We have formulated an audit policy to share duties among the Audit & Supervisory Board Members and other audit-related items. We have received reports from each Audit & Supervisory Board Member on the implementation and results of audits, and received reports from the Directors of Kubota Corporation, the Independent Auditor, and other parties on their execution of duties, and requested explanations from them when necessary.

   In accordance with the audit policies, division of duties, and standards for the Audit & Supervisory Board Members as established by the Audit & Supervisory Board, each Audit & Supervisory Board Member communicated with the Directors, the internal audit department, employees, and others; committed to gathering information and enhancing the audit environment; attended meetings of the Board of Directors and other important meetings; received reports from the Directors, employees, and others regarding the performance of their duties; requested explanations as necessary; inspected important documents supporting decisions and other records; and examined the status of operations and assets at the head office and important operating locations. In addition, each Audit & Supervisory Board Member periodically received reports from the Directors, employees, and others; requested explanation as necessary; inspected important documents supporting decisions and other records; and expressed opinions regarding the details of the Board of Directors' resolutions and the system that is developed and operated in accordance with such resolutions concerning the development of systems to ensure that Directors' performance of duties are in compliance with laws and regulations, the Articles of Incorporation, and the system to ensure the adequacy of operations of the Kubota Group, consisting of Kubota Corporation and its subsidiaries, as stipulated under Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act (internal control system). In addition, as to internal controls over financial reporting, we have received reports from the Directors and the Independent Auditor regarding the assessment of internal controls and the status of audits, and requested explanations from them as necessary. As for the subsidiaries, each Audit & Supervisory Board Member promoted communications with the Directors and the Audit & Supervisory Board Members, etc. of the subsidiaries and received reports on the business of the subsidiaries as necessary. Through these methods, each Audit & Supervisory Board Member examined the business report and the accompanying supplementary schedules for the fiscal year under review.

   In addition, we monitored and verified whether the Independent Auditor made appropriate audits while maintaining its independence. We received reports from the Independent Auditor on its operations and requested explanations when necessary. The Independent Auditor notified us, and we requested explanations when necessary, concerning its establishment of a "System for Ensuring the Appropriate Execution of Duties" (the Ordinance on Company Accounting Article 131) in accordance with the "Quality Control Standards for Audits" (issued by the Business Accounting Council on October 28, 2005). Through these methods, we examined the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity, and notes to consolidated financial statements); and the non-consolidated financial statements (balance sheet, statement of income, statement of changes in net assets, and notes to non-consolidated financial statements) and the accompanying supplementary schedules for the fiscal year under review.

2. Results of the Audit:

(1) Results of the Audit of the Business Report

1) We have found that the business report and the supplementary schedules present fairly, the current financial position of Kubota Corporation in conformity with applicable laws and regulations and the Articles of Incorporation.

2) With respect to the execution of duties of the Directors, we have found neither improper conduct nor any material breach of applicable laws and regulations and the Articles of Incorporation.

3) We have found that the resolutions of the Board of Directors regarding the internal control system are proper and correct. We have found nothing that needs to be highlighted concerning the content of the business report and the Directors' performance of duties regarding the internal control system.

(2) Results of the Audit of the Consolidated Financial Statements, the Non-consolidated Financial Statements, and the Supplementary Schedules

We have found that the auditing methods employed by Deloitte Touche Tohmatsu LLC, Independent Auditor, and the results thereof are appropriate and sufficient.

February 10, 2022

The Audit & Supervisory Board of Kubota Corporation

Audit & Supervisory Board Member (full time)	Toshikazu Fukuyama
Audit & Supervisory Board Member (full time)	Yasuhiko Hiyama
Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	Masaki Fujiwara
Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	Yuichi Yamada
Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	Yuri Furusawa

The above represents a translation, for convenience only, of the original report issued in the Japanese language.