

Basic Policy and Directions

Kubota Group Charter of Business Conduct and Code of Compliance Standards (established in 2002)

The Kubota Group Charter of Business Conduct and Code of Compliance Standards is intended for use as a guideline of principles for each company group. It should serve as a code of conduct

for its employees' in order for the Kubota Group to fulfill its social responsibilities at all times and grow as a global entity.

Kubota Charter of Business Conduct and Code of Compliance Standards (established in 2002)

– Basic concepts for a corporation and employees –

1. Compliance with laws and corporate conduct based on ethics

The Kubota Group will abide by applicable laws and regulations, and engage in corporate activities according to social ethics and common sense and will not compete unfairly in the market.

2. Respect for fundamental human rights

The Kubota Group will respect fundamental human rights in accordance with "The Universal Declaration of Human Rights", and will not infringe upon those rights. We will respect privacy and make efforts to protect personal information.

3. Maintenance and improvement of safe workplace environment

In order to maintain a safe and healthy work environment, the Kubota Group will take applicable precautions to prevent accidents from occurring in the work place. We will educate our employees regarding safety and health concerns at their workplace through occupational safety and health education and training programs.

4. Global environmental conservation

The Kubota Group will engage in eco-friendly corporate activities according to the Kubota Global Environmental Charter while aiding society to sustain development on a global scale. Its entities and citizens will co-exist with a mutual trust.

5. Product safety enhancement

The Kubota Group recognizes its responsibility for product safety. We will ensure the safety of our products for customers' benefit.

6. Co-existence with the international society

The Kubota Group will observe international rules, respect local cultures and practices, socialize with local people and contribute to the development of local economies so that trust is earned from those communities.

Kubota Code of Compliance Standards

(established in 1999)

– Specific standards intended to execute the principles
of the Kubota Group Charter of Business Conduct –

1. Basic compliance standards

Eleven standards for all employees including "compliance with laws and fair corporate activities" and "respect for human rights"

2. Compliance standards by division

Eight standards for marketing, R&D, production and five other divisions

Governance

We value our relationships with our stakeholders and society. To boost trust in various segments leads to the continuous enhancement of our corporate value. We have taken steps to improve our corporate governance regarding it as a management's key issue.

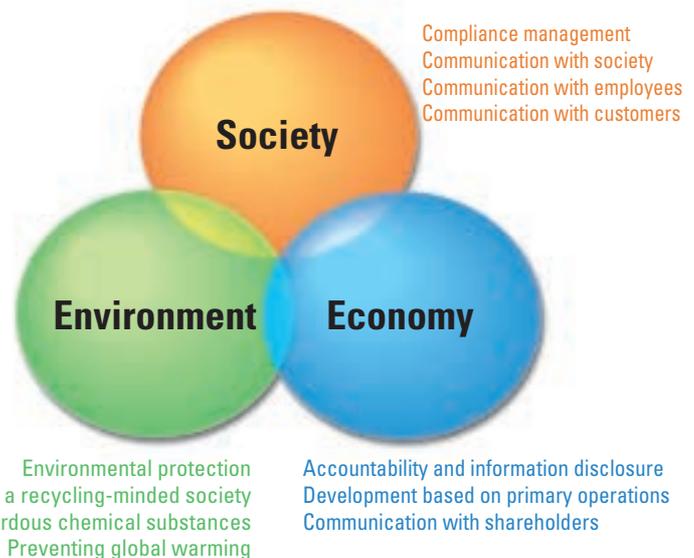
We have worked hard on information disclosure.

We try to expedite and enhance information disclosure in addition to active communications with our shareholders and investors. Also, we implement timely and accurate disclosure of year-end closing information aiming to increase management transparency.

Three Factors Contributory to Build a Sustainable Society

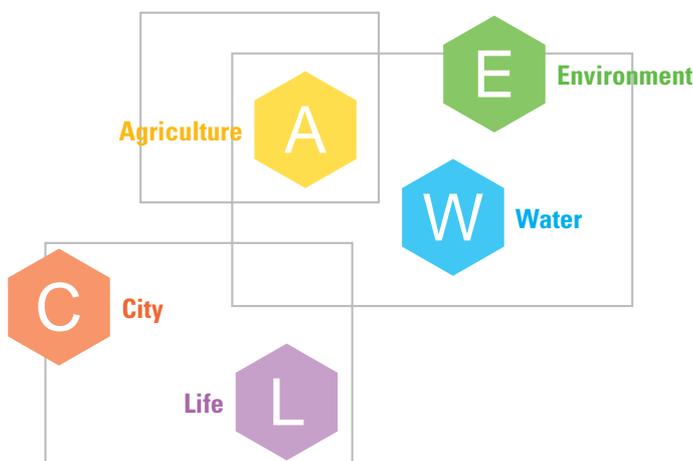
Aiming to maintain a sustainable society, we, the Kubota Group, engage in operations in terms of three aspects; "society," "environment," and "economy" in order to fulfill its corporate responsibility.

In order for the company to contribute to society while achieving sound development, we are required to take honest and sincere actions, such as economic contributions, efforts for restoring the nature and fulfilling social responsibility as a corporate citizen to coexist with local communities.



Social Contribution in Five Operating Areas

Though providing thousands of products and services, we try to create a basis for affluent lifestyle in areas of social infrastructure, environment and daily living and contribute to society at a standpoint of "hidden power for society."



Agriculture Under the concept, "friendly to people, friendly to the land," we try to secure stable food supply using the following: manufacture of agricultural machines for agricultural mechanization and laborsaving, engines meeting environmental regulations for a variety of industrial machinery and other agricultural products.

Water We work at every stage from the duct and plant design to the construction in order to create a comfortable living environment by providing a variety of pipes, pumps, valves and water purification technologies for treating sewage water, landfill wastewater, and human waste.

Environment Aiming for "coexistence of people with the environment," we're responding to satisfy society's demand for the treatment and recycling of a huge amount and variety of waste by providing total solutions from design to construction to maintenance.

City We use our casting technology to satisfy the demand for creating high population densities and multi-tiered structures produced by huge underground structures and skyscrapers in urban area development.

Life We produce electric carts for our aging society, vending machines offering convenience to uses, and roofing materials incorporating a solar energy generation system designed to respect both appearance and the environment. We make our efforts to improve living environments with our products beneficial to our daily lives.