



ECO FIRST Commitment (Updated)

Our initiatives as a leading company in environmental conservation

December 27th, 2021

Mr. Tsuyoshi Yamaguchi
Minister of the Environment

The Kubota Group wishes to become more valuable company that contributes to the improvement of social development and the global environment in the field of food, water, and the environment. We place the greatest importance on environmental conservation regarding our business management and continue the following efforts.

1. We will focus our efforts on building a decarbonized society.

- (1) The Kubota Group has a target, of controlling greenhouse gas emissions and net zeroing in 2050 throughout the value chains. In addition, the Kubota Group will disclose information on our efforts to reduce greenhouse gas emissions (Scope 1, Scope 2 and Scope 3) throughout the value chains.
- (2) Production plants of the Kubota Group in Japan and other countries have a target, for 2025, of reducing CO₂ emissions per production money amount by 25% or more compared to the base year 2014.
- (3) Production plants of the Kubota Group in Japan and other countries have a target, for 2025, of reducing energy consumption per production money amount by 18% or more compared to the base year 2014.
- (4) Production plants of the Kubota Group in Japan and other countries have a target, for 2025, of increasing the recyclable energy availability of electric consumption to 1% or more.
- (5) The Kubota Group in Japan has a long-term target, for 2030, of reducing CO₂ emissions from the business sites by 30% compared to the base year 2014.
- (6) To achieve the above targets, the Kubota Group fully utilizes available cutting edge technologies as follows: improve the efficiency of facilities such as production equipment, HVAC, and lighting devices; replace fuel for production equipment; improve the insulation efficiency of buildings and facilities; visualize energy and reduce unnecessary use of energy; recover waste heat; and use photovoltaic power generation and green electricity.
- (7) The Kubota Group will quantitatively identify the reduction effect of greenhouse gas emissions and actively provide the information on the reduction effects to clients in Japan and other countries to enlighten them in order to promote the reduction of greenhouse gas emissions through the dissemination of decarbonized products, services and technologies. We will improve the working fuel efficiency of agricultural and construction machinery, and promote smart agriculture by using robots and ICT. We will also pursue research and development for decarbonization of power, such as electrification, hybridization and fuel cell application.
- (8) The Kubota Group supports the TCFD recommendations and actively discloses information related to climate change.

2. We will work towards recycling-based society in a positive manner.

- (1) Production plants of the Kubota Group in Japan and other countries will promote the “3R (Reduce, Reuse, Recycle) of Waste” by reducing the amount of slag generated and concentrating waste liquid to achieve the target, for 2025, of reducing the waste discharge per production money amount by 33% or more compared to the base year 2014. We will also have a target, for 2025, of reducing the hazardous waste* discharge per production money amount by 3% or more compared to the base year 2019.
* Hazardous waste refers to specially controlled industrial waste in Japan and hazardous waste specified by the laws and regulations of the country or region overseas.
- (2) The Kubota Group will promote the recycling of wastes and achieve 99.5% or more recycling ratio* of wastes generated by production plants in Japan and 90% or more in overseas production plants in 2025.
* Recycling ratio (%) = (Sales amount of valuable resources + External recycling amount) / (Sales amount of valuable resources + External recycling amount + Landfill disposal) × 100.
- (3) Production plants of the Kubota Group in Japan and other countries will promote the “3R (Reduce, Reuse, Recycle) of Water” to achieve the target, for 2025, of reducing the water consumption per production money amount by 23% or more compared to the base year 2014.
- (4) We will work on the following 3 points to promote the effective use of resources.
 - 1) Reduce disposable plastics at business sites
 - 2) Work with our suppliers to conserve packaging resources and make them returnable
 - 3) Implement paperless operation by individual employees and promotion of computerization at business sites
- (5) In order to collect the scattered garbage that causes marine plastic pollution, we will conduct beautification activities on the roads around the production plants of the Kubota Group in Japan at least once a year.
- (6) The Kubota Group will make efforts to effectively use resources and reduce waste throughout the business value chains in order to control plastic emissions. For example, we will promote the elimination of single-use plastics at the cafeteria in the business sites and to label the materials used in our products.

3. We will work toward reducing emissions into the atmosphere.

- (1) Production plants of the Kubota Group in Japan and other countries have a target, for 2025, of reducing the amount of VOCs* emission per production money amount by 42% or more compared to the base year 2014.
* VOCs comprise the six VOCs that are most prevalent in emissions from the Kubota Group, namely xylene; toluene; ethylbenzene; styrene; 1, 2, 4-trimethylbenzene; and 1, 3, 5-trimethylbenzene.
- (2) Production plants of the Kubota Group in Japan and other countries will take necessary measures to control the emission or spread of VOCs from our business activities.

4. We will develop highly environmentally friendly products.

- (1) The Kubota Group will improve environmental performances in the product development phase and reduce environmental impacts throughout the life cycle of products. We will increase the sales ratio of Eco-Products certified products* to 70% or more in 2025. In addition, we will increase the sales ratio of Eco-Products certified products* to 80% in 2030. We also aim to put all new products which are certified as Eco-Products on the market in 2030 and later.

We quantitatively identify the effect of saving energy consumption by supplying low-carbon products and services. We will actively provide the information to our clients.

* The sales ratio of the products which have fulfilled the internal requirements in our own Eco-Products Certification System

Sales ratio of Eco-Products (%) = Sales of Eco-Products / Sales of products (excluding construction work, services, software, parts and accessories) × 100

- (2) The Kubota Group will maintain the usage ratio of recycled materials* among casting products and their parts as more than 70%.

* Usage ratio of recycled materials (%): materials used in the cast metal products and parts (ductile iron pipes, fittings, machine cast products (engine crankcase, etc.))

- (3) We will display the materials for new parts and provide material information.

- (4) The Kubota Group will develop industrial diesel engines that comply with the latest emission regulations of Japan, the US and Europe and put on the market of the engine-based products*.

* Targeting the tractors and combine harvesters (output range: 56 kW≤P<560 kW) equipped with engines compliant with the European emissions regulations (Europe Stage V) level, shipped to Europe, North America, Japan, and Korea.

5. We will promote activities friendly to the natural environment and biodiversity.

- (1) Based on our activity guideline on the conservation of biodiversity, the Kubota Group will appropriately manage environmental impacts and risks accompanying business activities. Also, we will promote the protection of natural environment by greening our establishments and creating biotopes.
- (2) We will promote conservation of the local natural environment and biodiversity as social contribution

The Kubota Group will monitor the progress of the above initiatives, report the results to the Ministry of the Environment, and publish annually the results in our Integrated Report and so on.

Yuichi Kitao
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Kubota Corporation

For Earth, For Life
Kubota