

MEETING DATE	Fri, 22 Mar 2019 10:00 am	TYPE	AGM	ISSUE DATE	Fri, 08 Mar 2019
MEETING LOCATION	Convention Hall of Kubota Corporation 2-47, Shikitsu Higashi 1-chome, Naniwa-ku, Osaka, Japan				
CURRENT INDICES	PIRC Japan				
SECTOR	Farm machinery and equipment				

PROPOSALS		ADVICE
1.1 Elect Kimata Masatoshi	President. After this meeting, there will be no female directors on the Board. Regardless of the level of independence, it is considered that it is the responsibility of the most senior Board members to ensure that there is adequate gender diversity on the Board. Although there are no specific legal requirements or recommendations in this market, it is considered that companies should not rely on minimum standards, but aim to best practice, including in gender diversity.	Oppose
1.2 Elect Kitao Yuuichi	Executive Director.	For
1.3 Elect Yoshikawa Masato	Executive Director.	For
1.4 Elect Sasaki Shinji	Executive Director.	For
1.5 Elect Kurosawa Toshihiko	Newly appointed Executive Director. After this meeting, there will be no female directors on the Board. Regardless of the level of independence, it is considered that the election of new executives should not be supported until gender diversity is introduced on the Board. Although there are no specific legal requirements or recommendations in this market, it is considered that companies should not rely on minimum standards, but aim to best practice, including in gender diversity.	Oppose
1.6 Elect Watanabe Dai	Newly appointed Executive Director. After this meeting, there will be no female directors on the Board. Regardless of the level of independence, it is considered that the election of new executives should not be supported until gender diversity is introduced on the Board. Although there are no specific legal requirements or recommendations in this market, it is considered that companies should not rely on minimum standards, but aim to best practice, including in gender diversity.	Oppose
1.7 Elect Matsuda Yuzuru	Independent Non-Executive Outside Director.	For
1.8 Elect Ina Kouichi	Independent Non-Executive Outside Director.	For
1.9 Elect Shintaku Yuutarou	Independent Non-Executive Outside Director.	For
2.1 Elect Hinenoya Masato	Independent Corporate Auditor. Triodos supports this resolution.	For
2.2 Elect Arakane Kumi	Independent Corporate Auditor. Triodos supports this resolution.	For

3 Payment of Bonus to Directors

For

The company proposes the payment of bonuses to directors and corporate auditors. Although shareholders are given an opportunity to vote at the Annual Meeting on whether bonus would be paid, the level of individual payment is unclear and is decided entirely by the board. However, the company does disclose that only internal directors will be able to benefit from this awards scheme and aggregate amount payable is disclosed.

Triodos supports this resolution.

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 2.1 - Elect Hinenoya Masato

The traditional governance structure for Japanese companies (Kansayaku) involves the appointment of corporate auditors. Large Japanese companies are required to form a board of corporate auditors with powers to examine board activities and oversee financial reports. Such companies are required by law to appoint at least three statutory auditors to the corporate audit board. At least half the corporate auditors must qualify as 'outsiders'. Beyond this legal minimum, it is considered to be best practice that boards of corporate auditors should be composed wholly of outsiders. New appointments are therefore considered in the context of their effect on the balance of independence.

Note: It is considered that the corporate auditor board will be 60% independent following the Annual Meeting.

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