

Governance

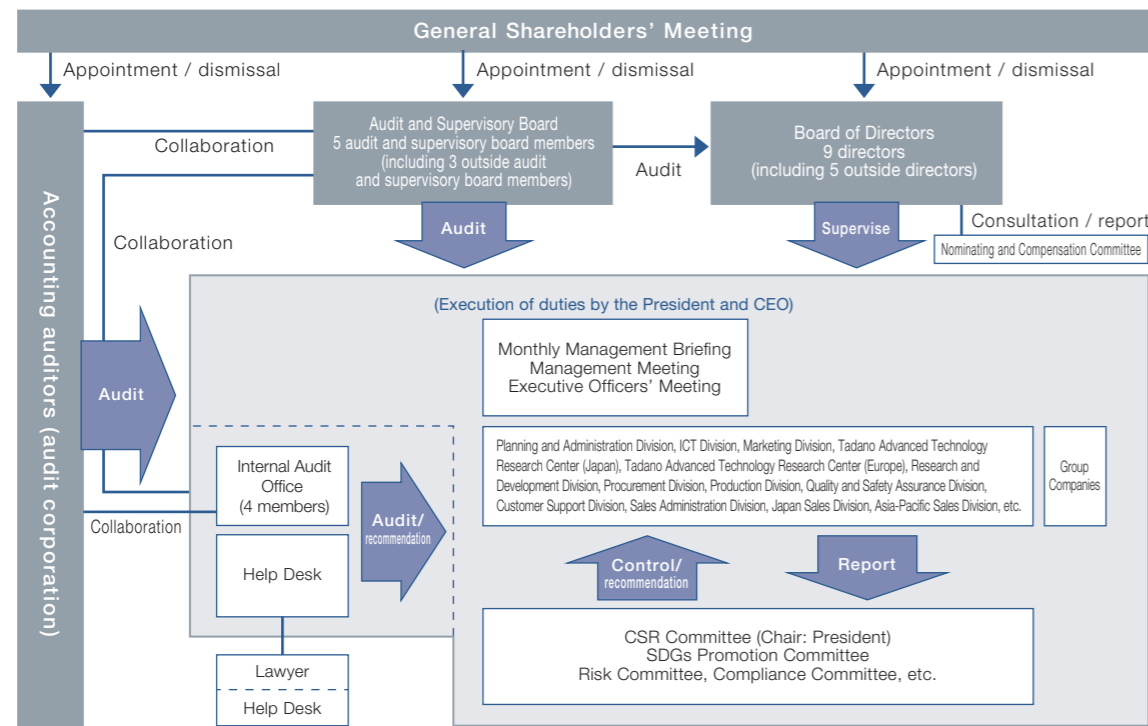
Corporate Governance

Please see our website for details [Tadano Search](https://www.tadano.com/ir/esg/governance.html)
<https://www.tadano.com/ir/esg/governance.html>

[Our Basic Policy]

The company places corporate governance as one of the important management issues in order to ensure transparency, soundness, and efficiency of our management. For corporate governance to function effectively, we believe we need to foster a sound corporate culture based on our corporate philosophy and develop a mechanism in which corporate management (and managers) are governed by such a culture. Equally important is to ensure that auditing is conducted properly by improving the auditing environment and expanding the role of the audit and supervisory board members. To realize sustainable growth and a mid- to long-term enhancement of corporate value, we have established the Corporate Governance Guidelines, which set forth the Tadano Group's basic approach to corporate governance.

Corporate Governance Structure Chart



Changes in Corporate Governance Structure

Date	Detail
Apr. 1999	Introduced the executive officer system
Oct. 2005	Established the CSR Committee, Risk Committee, and Compliance Committee
Apr. 2006	Established the Internal Control Office
May 2006	Introduced the Tadano Group CSR Charter and Tadano Group CSR Guidelines, adopted the internal reporting system, and established the basic policy for the development of an internal control system
Apr. 2008	Established the J-SOX Committee and developed the J-SOX Company directors evaluation system
Jun. 2008	Elected 2 Outside Directors
Sep. 2014	Introduced the Tadano Group Management Regulations
Apr. 2015	Established the Internal Audit Office ("Internal Control Office" was renamed "Internal Audit Office" to strengthen audit functions)

Date	Detail
Dec. 2015	Established the Corporate Governance Guidelines (in accordance with the Corporate Governance Code)
Apr. 2016	Established the non-statutory Nominating Committee
Apr. 2017	Reorganized the non-statutory Nominating and Compensation Committee
Jan. 2019	Introduced the Tadano Group Compliance Regulations Appointed Compliance Officers
Jul. 2019	Established the Compliance Office
Jun. 2020	Introduced the restricted stock compensation plan
Jun. 2021	Increased the number of Outside Directors (from 3 to 5) Selected the Lead Independent Director Introduced the performance-linked compensation system

Description of Meeting Bodies and Committees

Board of Directors

Comprised of nine directors, including five outside directors, Tadano's Board of Directors develops and executes management plans and strategies with the goal of maximizing the company's corporate value and making improvements such as in earning capabilities and asset efficiency. The board also establishes an internal control system and a risk management system to support appropriate risks taken by directors as a part of management decisions, thereby properly fulfilling its role and responsibilities.

Monthly Management Briefing / Management Meeting

The Monthly Management Briefing (members: directors, executive officers, and audit and supervisory board members) is held to report on business activities and to share information, while the Management Meeting (members: president, and managing executive officers and above, etc.) is convened to discuss management strategies. These advisory committee meetings are held once a month to assist the president's decision-making.

Risk Committee

The Risk Committee promotes and supervises the management of Tadano Group's business risks. The goal of the Risk Committee is to enhance the company's risk management capabilities. Comprised of the chair designated by the president and members representing each division at the general manager level or above, the Committee meets biannually to identify and evaluate internal risks, implement solutions by assigning each risk to a department, and to conduct reviews on the results.

Audit and Supervisory Board

Composed of five audit and supervisory board members including three outside audit and supervisory board members, the Audit and Supervisory Board maintains a system which allows audit and supervisory board members to audit business execution of directors by exercising their authority and appropriate judgment from an objective perspective based on the high level of expertise and information held by each audit and supervisory board member.

Nominating and Compensation Committee

This Committee is comprised of seven members: two internal directors, four outside directors, and one outside audit and supervisory board member. Serving as an advisory body for the Board of Directors, the Committee discusses the nomination of directors and audit and supervisory board members and the appointment of executive officers, as well as decisions concerning remuneration for directors and succession plans, and reports the details of the discussion to the Board of Directors with the goal of ensuring fairness and transparency. In addition, as an advisory body for the president and CEO, the Committee discusses and reports to the president and CEO decisions concerning remuneration for executive officers with the goal of ensuring fairness and transparency.

Executive Officers' Meeting and Officers' Camp

The Executive Officers' Meeting (members: president and executive officers) is held at least twice a month to facilitate business execution by executive officers and to enhance collaboration among executive officers. The Officers' Camp is held twice a year as an opportunity for intensive discussion on management strategies.

Evaluating the Effectiveness of the Board of Directors

Article 34 of the Corporate Governance Guidelines stipulates matters concerning evaluation of effectiveness of the Board of Directors. In FY 2021, questionnaires on the evaluation of the Board of Directors were collected from all 14 directors and audit and supervisory board members. Based on the analysis and discussion of the results from these questionnaires, the Board of Directors concluded that the mechanism of Board of Directors Meetings, which are conducted based on discussions at the Executive Officers' Meeting (held at least twice a month with outside directors in accordance with Article 25 of the Guidelines to reinforce executive officers' execution of duties and strengthen collaboration among executive officers) and at the Management Meeting (held once a month to discuss management strategies), is appropriate in composition, role, and operation, and that outside directors are

contributing to the effectiveness in the series of discussions, including Board of Directors Meetings. As such, the company confirms that the effectiveness of the Board of Directors is adequately ensured. The evaluation of the Board of Directors Meetings materials, content of explanations, and selection of agenda items, which were pointed out as issues in last year's evaluation of effectiveness, improved as a result of reviewing the criteria for agenda items, enhancing prior deliberations by establishing a Review Committee, and conducting briefings in advance of Board of Directors Meetings. On the other hand, it was pointed out this time that the clarification of the roles for execution and supervision need to be reviewed in a manner appropriate to the company. We will continue our efforts for improvement and aim to realize an even more effective Board of Directors.

Compliance Initiatives

Compliance assurance system

In keeping with the Tadano Group CSR Charter and the Tadano Group Compliance Regulations, all employees of the Tadano Group engage in transparent, sound, and honest business activities in compliance with relevant laws and regulations and social norms, as well as high ethical standards. To promote compliance, the Chief Compliance Officer designated by the president takes charge of the overall compliance system of the Tadano Group and supervises compliance policies. The Compliance Officer appointed by each group company takes charge of matters concerning each company's compliance system.

We also have the Compliance Committee, consisting of members representing each division of Tadano at the general manager level or above.

Compliance Committee

The Compliance Committee meets twice a year, shares and discusses compliance issues, and makes reports on the activities of group companies. The Committee also raises awareness of compliance through education and trainings on regulatory compliance using educational tools and other materials, and strengthens the compliance system by providing assistance such as for implementation of regulatory compliance measures.

Promoting compliance

Employees are given a copy of the Compliance Book, which describes compliance issues encountered in daily operations, and read through it line by line whenever appropriate during gatherings held at each workplace, such as morning meetings. Compliance seminars are held for employees periodically using e-learning, and group workshops are organized on specific themes when needed.

Internal reporting system

We have established an internal reporting system so that employees can report illegal and inappropriate actions to the company. We have set up an internal hotline as well as an external hotline (an outside law firm) to receive reports from whistleblowers. Tadano's internal regulations protect whistleblowers by ensuring their anonymity and prohibiting any unfair treatment of them. Violations of laws and regulations, if confirmed, are reported to the Compliance Committee. If the violation is deemed serious, the Committee immediately provides its opinions on countermeasures based on the results of investigation and reports the violation and the countermeasures to the president and audit and supervisory board members.

Interviews with Outside Directors



Lead Independent Director
Shosaku Murayama

What is your opinion about Tadano's corporate culture?

I feel that Tadano is a serious company. In any situation, each and every employee has a sincere attitude. Even when I look at meeting materials, I am impressed by the very detailed employees' elaborations. However, in these times, I do not think it is possible to develop a company simply with a serious attitude. I believe that creating a corporate culture where each employee does not simply follow top management but can think for themselves and engage in the free exchange of opinions, and where diverse human resources with their own creativity can play an active role is a major challenge for Tadano to continue to lead the way in the next 30 years.

Starting with the Bank of Japan, you have extensive knowledge and experience in management, finance and economics at various companies. What is your assessment of Tadano's management?

I rate the company extremely high in terms of its progress with global expansion. At present, Tadano's main markets are Japan and North America, but I believe it is highly likely that the growth rate of the Japanese market will slow down due to the future population decline. At that time, it will be essential to compete outside Japan and the expansion of Tadano's product lineup, including through the acquisition of the Demag Mobile Crane business, and the creation of a global production system, will be a major strength. In the future, in order to work as a single team on a global level as One Tadano, I think that what will be extremely important is to what extent people outside Japan understand the philosophy Tadano has valued until now, and whether or not the company can build a long-term system of collaboration.

The number of Outside Directors has increased significantly since 2021. Has this revitalized Tadano's Board of Directors?

Since 2020, when the COVID-19 pandemic began, Tadano's Board of Directors Meetings have mainly been held online. Initially, it may have been difficult for people to speak up in what was a remote environment, but not many people were forthright in speaking so I did not get the impression that discussions were particularly lively. I myself used to contribute a lot, but a diverse range of Outside Directors has joined the lineup since 2021 and the atmosphere at Board of Directors Meetings has gradually changed. Today, as a result of active discussions, I think the Board of Directors itself has become extremely energized, with many proposals being returned to the agenda, and opinions being freely exchanged when established policy appears incongruous. Substantial discussions are underway, and I think that even compared with other companies, Tadano can be said to be a company where discussions at the Board of Directors are lively.

How do you view your role as an Outside Director?

It would be important for me to bring a perspective that Tadano previously lacked. I suppose the Board of Directors expects me to provide remarks and attitudes from new perspectives, without simply following precedents. As a result, with the advent of freer and more lively discussions, I believe that the culture of more open discussion will spread throughout the entire company, from the Board of Directors Meetings to Executive Officers' Meetings, and from the Executive Officers' Meetings to each division. I also believe that discovering and nurturing creative human resources who will pave the way for the next generation, and creating an organization that can capitalize on the abilities of those human resources are also important roles.

What is your assessment of Tadano's corporate governance?

I believe that corporate government consists of "governance that determines the overall direction" and "governance that controls each individual." I believe that striking a balance between the two is extremely important. Up to now, Tadano has had many employees who have only ever had work experience at Tadano, and a high proportion of its directors have been internal directors. As a result, even if there were times when what seemed normal for Tadano did not make sense for society, this may have gone unnoticed. Now, the number of career employees joining the company who have been active in various fields is increasing, and many of the directors are outside directors with a wide variety of backgrounds, leading to progress in the promotion of diversity. I believe that this diversity prevents extreme mistakes and reckless behavior as a group, which is an important aspect of governance. In that sense, I think that Tadano's corporate governance is being strengthened year by year.



Outside Director
Akiko Otsuka

What is your opinion about Tadano's corporate culture?

Over the past year, I had the impression that Tadano has many serious, honest and calm employees from in and outside Japan. They are expected to come together, creating a corporate culture and affection for Tadano. At the same time, the company has a spirit of spreading its wings throughout the world, even though it is located in a regional area. Various challenges await the company outside Japan, and I think that sometimes it is going to need to have a sense of greed. I would like to see the company take on challenges while maintaining its typical and calm atmosphere.

You have been working in the field of space exploration for many years but what was your involvement exactly?

I participated in the International Space Station project that was launched in 1984, and I was involved in the development of the robot arm for "Kibo" as part of the new space robot team. This is Japan's first practical space robot that can move its arm like a human arm, developed to support various missions such as experiments in orbit. Currently, I am also working on the removal of space debris with the aim of passing on the space robot technology that I have accumulated thus far, and utilizing it in new fields. In the process of developing a space robot arm, there were many first attempts and difficulties, but I believe that such encounters and experiences helped me grow greatly as a person. My encounter with Tadano was once such experience.

What is your assessment of Tadano's cranes and technology?

Before I became involved with Tadano, I thought that cranes were a type of construction equipment, and although I was familiar with the Tadano logo, I had not realized that there was a crane industry. I think that lifting equipment, Tadano's business domain, is an area with extremely in-depth technology. As was the case with the "Kibo" robot arm, development, including of the operating console, requires system engineering capabilities to integrate those technologies as a system, in addition to each piece of specialized technology. I believe that Tadano, which has product development capabilities, has comprehensive technological strengths.

How do you view your role as an Outside Director?

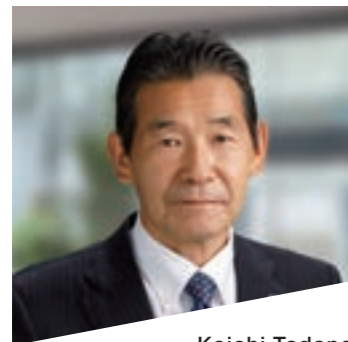
As a mere engineer, I was extremely confused when I was approached to become an outside director. On the other hand, I was also aware of the problem of the delayed advancement of women into the world of manufacturing, so I accepted the offer in accordance with the trend for promoting gender equality. Consequently, I am focusing on the empowerment of women as well as the empowerment of all employees. First of all, I started by interviewing as many female employees as possible and listening to their voices. My aim is to interview every female employee. As well as speaking to them directly to identify any issues, I am trying to ensure that the employees who are participating in these interviews get a sense of change and impact by asking the Human Resources Department to also be present in order to promptly respond to the issues and provide feedback.

How do you see Tadano's future empowerment of women?

I believe it is important to create an environment that is employee-friendly and rewarding for all employees, not just women. We are engaged in company-wide efforts to reduce overtime and encourage employees to take paid annual leave. Furthermore, in order to make it easier for employees to balance work with raising children and nursing family members, we have established a return employment system and a remote working system, and are introducing hourly-based paid annual leave to support flexible work-styles. Currently, neither the ratio of female employees nor the ratio of female managers can be described as high, but the social advancement of women is still in the development stage. If someone takes the lead, and the number of colleagues who continue in their footsteps increases, the social advancement of women will be normalized. I think it is good to have various types of people taking the lead. By demonstrating what it is like to work at one's own pace and style, those who follow them will become aware of their own potential, and more and more people will join them. Tadano provides an environment in which it is comfortable for women to work, and has high expectations for women's empowerment. I hope that women in society will continue to work for a long time. Tadano is a manufacturing company, and there are many aspects of this industry that are difficult to see unless you work in it for a long time. It would be a pity to quit halfway through, so I would like to talk with many employees and support them as much as I can.

Executives

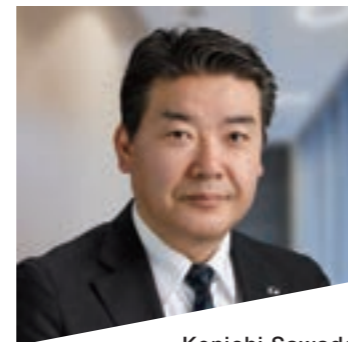
Directors



Koichi Tadano



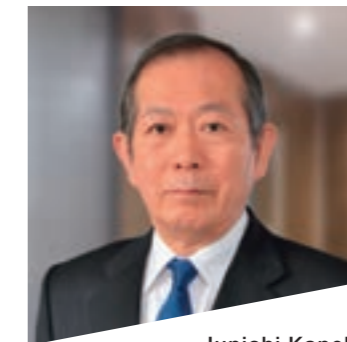
Toshiaki Ujiie



Kenichi Sawada



Akiko Otsuka



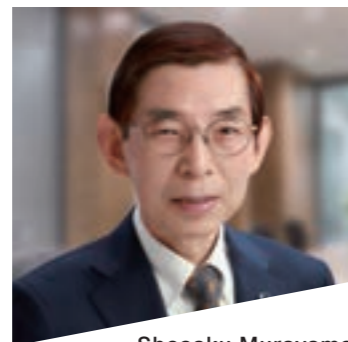
Junichi Kaneko



Koichi Tadenuma



Hiroyuki Goda



Shosaku Murayama



Tatsuro Ishizuka

Koichi Tadano Representative Director, Chairman of the Board
 Apr. 1977: Joined Marubeni Corporation
 Jun. 1988: Joined Tadano Ltd.
 Jun. 1991: General Manager of President's Office
 Jan. 1997: Director and President of Faun GmbH (currently Tadano Faun GmbH)
 Jun. 1997: Director
 Apr. 1999: Director and Executive Officer
 Apr. 2001: Director and Senior Executive Officer
 Apr. 2002: Representative Director and Senior Executive Officer
 Jun. 2003: Representative Director, President and CEO
 Apr. 2021: Representative Director and Chairman of the Board (current position)

Since he assumed the office of Representative Director, President and CEO of the company, he has contributed to the long term growth of the Tadano Group, by leveraging the wealth of experience he had acquired in the past, and has shown strong leadership by playing a pivotal role in management. In April 2021, he assumed the office of Representative Director and Chairman of the Board of the company. He is expected to fulfill an important role in leading the Tadano Group to further growth.

Toshiaki Ujiie Representative Director, President and CEO
 Apr. 1984: Joined Marubeni Corporation
 Apr. 2009: General Manager, Construction Machinery Department of Marubeni Corporation
 Apr. 2013: General Manager, Corporate Planning & Strategy Department of Marubeni Corporation
 Apr. 2014: Executive Officer of Marubeni Corporation
 Apr. 2017: Managing Executive Officer of Marubeni Corporation
 Apr. 2018: Managing Executive Officer and Chief Executive Officer, Transportation & Industrial Machinery Group of Marubeni Corporation
 Apr. 2019: Joined Tadano Ltd. as Adviser to Planning and Administration Division
 Jun. 2019: Director and Senior Executive Officer
 Jun. 2020: Representative Director and Executive Vice President
 Apr. 2021: Representative Director, President and CEO
 Jan. 2022: Representative Director, President and CEO, Supervisor of European Operations (current position)

He was involved in the construction machinery industry at a general trading company for many years, and he has contributed to driving the globalization of the company with his abundant experience and deep insight in the domestic and overseas construction machinery business. In April 2021, he assumed the office of Representative Director, President and CEO of the company, and has shown strong leadership. He is expected to fulfill an important role in leading the Tadano Group to further growth.

Kenichi Sawada Director and Managing Executive Officer, Global Officer
 Dec. 1990: Joined Tadano Ltd.
 Apr. 2004: Director and President of Tadano America Corporation
 Apr. 2008: Officer
 Apr. 2017: Executive Officer
 Jul. 2017: Executive Officer, in charge of European Operations, and Director and President of Tadano Faun GmbH
 Jun. 2020: Director and Executive Officer
 Apr. 2022: Director, Managing Executive Officer and Global Officer, Executive of Production, Head of Indian Operations, and Executive of Global Office (RT/TC) (current position)

He has been in charge of various roles and has overseen divisions such as Pan-American Operations, European Operations, Customer Support, Information and Communication Technology, Production, and Quality and Safety Assurance. He has contributed to the growth of the Tadano Group with his abundant experience and deep insight in these areas. He is expected to fulfill an important role in leading the Tadano Group to further growth.

Hiroyuki Goda Director and Managing Executive Officer
 Apr. 1992: Joined Tadano Ltd.
 Apr. 2008: General Manager of Lifting Equipment Development Department 1
 Apr. 2012: Director, Tadano India Pvt. Ltd.
 Apr. 2017: Officer
 Jun. 2020: Executive Officer and Head of Research and Development Division
 Jun. 2022: Director, Managing Executive Officer and Head of Research and Development Division (current position)

He has been in charge of various important roles in Tadano's Research and Development Division. He has contributed to the growth of the Tadano Group with his abundant experience and deep insight in these areas. He is expected to fulfill an important role in leading the Tadano Group to further growth.

Shosaku Murayama Outside Director
 Lead Independent Director
 Apr. 1972: Joined Bank of Japan
 Feb. 1981: Economist, New York Office of Bank of Japan
 Nov. 1994: General Manager, Takamatsu Branch of Bank of Japan
 Jun. 1998: Chief, Survey Statistics Bureau of Bank of Japan
 Mar. 2002: President, CEO and Representative Director of Teikoku Seiyaku Co., Ltd.
 Jun. 2011: President, CEO and Representative Director of iPS Academia Japan, Inc.
 Jun. 2014: Outside Director of TOHO HOLDINGS CO., LTD. (current position)
 Jul. 2014: President, CEO and Representative Director of iPS Portal, Inc.
 Jun. 2020: Director of Tadano Ltd. (current position)

He has adequately supervised the company's management with his abundant knowledge and experience on the economy, finance and corporate management. He is expected to fulfill his role to supervise management from an objective standpoint independent from those who carry out the company's business by drawing on his abundant knowledge and experience on the economy, finance and corporate management.

Tatsuro Ishizuka Outside Director
 Director
 Apr. 1978: Joined Hitachi, Ltd.
 Apr. 2009: Corporate Officer and General Manager of Hitachi Works, Power Systems Group, Hitachi, Ltd.
 Apr. 2014: Representative Executive Officer, Executive Vice President and Executive Officer of Hitachi, Ltd.
 Apr. 2015: Deputy Chairman of Hitachi Europe Ltd.
 Jul. 2016: Chairman of the Board of Hitachi Research Institute
 Apr. 2017: Representative Executive Officer and Chairman of Hitachi Construction Machinery Co., Ltd.
 Jun. 2017: Representative Executive Officer, Chairman, Executive Officer and Director of Hitachi Construction Machinery Co., Ltd.
 Mar. 2020: Outside Director of K & O Energy Group Inc. (current position)
 Apr. 2021: Adviser of Tadano Ltd.
 Jun. 2021: Director (current position)
 Mar. 2022: Outside Audit & Supervisory Board Member, AGC Inc. (current position)

He has abundant experience and extensive insight gained over many years as a business manager of a general electrical manufacturer and a construction machinery manufacturer. He is expected to fulfill his role to supervise management from an objective standpoint independent from those who carry out the company's business by drawing on his abundant experience and extensive insight gained over many years as a business manager.

Akiko Otsuka Director Outside Director
 Apr. 1986: Joined Toshiba Corporation
 Oct. 1995: Studied at Stanford University Graduate School
 Apr. 2007: Joined NEC Corporation
 Jul. 2015: Gender Equality Committee in AeroSpace (Sorajo board) of Japanese Rocket Society (current position)
 Nov. 2017: Expert of Space Systems Group I, Space Systems Division of NEC Corporation
 Mar. 2018: Earned Doctoral Degree in System Engineering at Keio University
 Apr. 2019: Chairperson of the Gender Equality Committee of the Japan Society for Aeronautical and Space Sciences
 Apr. 2021: Adviser of Tadano Ltd.
 Jun. 2021: Director (current position)
 Apr. 2022: Senior Engineer, Human Spaceflight Technology Center, Human Spaceflight Technology Directorate, Japan Aerospace Exploration Agency (JAXA) (current position)

She has abundant knowledge and experience cultivated through the development of robot arms for the International Space Station and activities of the Gender Equality Committee, among others. She is expected to fulfill her role to supervise management from an objective standpoint independent from those who carry out the company's business by drawing on her abundant knowledge and experience cultivated through product development and activities of the Gender Equality Committee.

Junichi Kaneko Director Outside Director
 Apr. 1976: Entered the Ministry of Labor (currently Ministry of Health, Labour and Welfare)
 Aug. 2007: Director General, Minister's Secretariat, Ministry of Health, Labour and Welfare
 Jul. 2008: Director General of the Labour Standards Bureau, Ministry of Health, Labour and Welfare
 Sep. 2012: Vice-Minister, Ministry of Health, Labour and Welfare
 Apr. 2015: Visiting Professor, Institute of Regional Development, Taisho University
 Jul. 2017: Senior Advisor, Boston Consulting Group
 Jun. 2019: Chairman, National Silver Human Resources Center Association (current position)
 Mar. 2022: Adviser of Tadano Ltd.
 Jun. 2022: Director (current position)

He has advanced expertise and abundant experience in compliance and human resources strategies in the employment and labor administration fields through holding important posts including Director General of the Labour Standards Bureau and Vice-Minister in the Ministry of Health, Labour and Welfare. The company expects him to fulfill his role to supervise management from an objective standpoint independent from those who carry out the company's business by drawing on his advanced expertise and abundant experience in compliance and human resources strategies in the employment and labor administration fields.

Koichi Tadenuma Director Outside Director
 Apr. 1990: Assistant Professor, Faculty of Economics, Hitotsubashi University
 Apr. 1992: Associate Professor, Faculty of Economics, Hitotsubashi University
 Apr. 1998: Associate Professor, Graduate School of Economics, Hitotsubashi University
 Apr. 2000: Professor, Graduate School of Economics, Hitotsubashi University (current position)
 Apr. 2011: Dean of Graduate School, Graduate School of Economics, Hitotsubashi University
 Dec. 2014: President of Hitotsubashi University
 Dec. 2020: Adviser of Tadano Ltd.
 Jun. 2021: Director (current position)

He has deep insight on economics and abundant experience in academic administration. He is expected to fulfill his role to supervise management from an objective standpoint independent from those who carry out the company's business by drawing on his insight on economics and advising based on his academic experience.

Composition of the Board of Directors

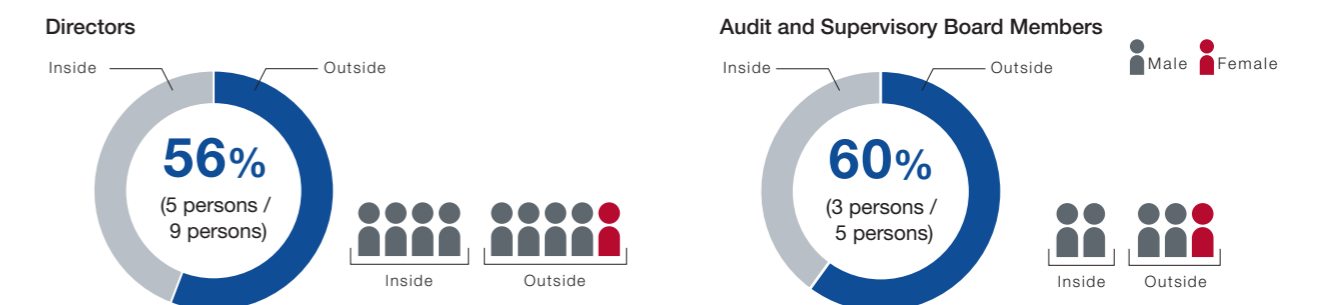
Directors are elected in consideration of a balance of knowledge, experience and skills.

Areas of expertise of the Directors

Name	Corporate management	Governance and risk management	Finances and accounting	Manufacturing, technology and R&D	Marketing and sales	Global experience
Koichi Tadano	●	●	●	●	●	●
Toshiaki Ujiie	●	●	●	●	●	●
Kenichi Sawada	●	●	●	●	●	●
Hiroyuki Goda	●	●	●	●	●	●
Shosaku Murayama	●	●	●	●	●	●
Tatsuro Ishizuka	●	●	●	●	●	●
Akiko Otsuka	●	●	●	●	●	●
Junichi Kaneko	●	●	●	●	●	●
Koichi Tadenuma	●	●	●	●	●	●

* The above list does not represent all the areas of expertise of the Directors.

Proportions of Outside Directors and Outside Audit and Supervisory Board Members



Audit and Supervisory Board Members



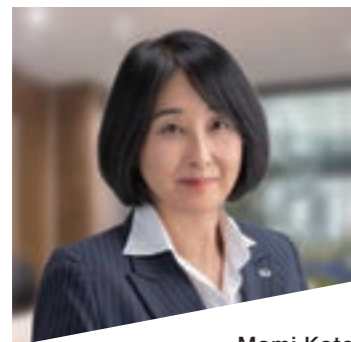
Yoichiro Nishi



Masahiko Ikeura



Koji Watanabe



Mami Kato



Hisakazu Suzuki

Yoichiro Nishi Audit and Supervisory Board Member

Apr. 1976: Joined Yanmar Diesel Co., Ltd. (currently Yanmar Holdings Co., Ltd.)
 Apr. 2005: General Manager of Tractor Development Division I, Development Headquarters, Yanmar Diesel Co., Ltd.
 Jan. 2007: General Manager of Development Group III, Development Division, Tractor Business Headquarters, Yanmar Agricultural Equipment Co., Ltd. (currently Yanmar Agribusiness Co., Ltd.)
 Jun. 2008: General Manager of Product Technology Department, Development Division, Tractor Business Headquarters, Yanmar Agricultural Equipment Co., Ltd.
 Sep. 2008: Joined Tadano Ltd.
 Jan. 2009: General Manager of R&D Planning Department
 Apr. 2009: Officer
 Apr. 2011: Executive Officer
 Jun. 2011: Director and Executive Officer
 Jun. 2020: Audit and Supervisory Board Member (current position)

He has been in charge of various roles and has overseen divisions such as Research and Development, Production, and Quality and Safety Assurance, and has abundant knowledge and deep insight in these areas. He is expected to perform audits based on his broad viewpoints.

Masahiko Ikeura Audit and Supervisory Board Member

Apr. 1981: Joined Tadano Ltd.
 Jul. 1999: President and Representative Director of Tadano Tokyo Sales Ltd.
 Apr. 2005: General Manager of Chugoku Branch, West Japan Branch Office, Tadano Ltd.
 Apr. 2008: Head of East Japan Branch Office
 Apr. 2009: General Manager of Japan Sales Planning and Promotion Department
 Apr. 2012: Officer and Deputy Head of Japan Sales Division
 Apr. 2021: Adviser of Tadano Ltd.
 Jun. 2021: Audit and Supervisory Board Member (current position)

He has managerial experience at the company's affiliate as well as abundant experience and knowledge in the company's business, mainly centered on the sales division. In light of his proven track record as an Officer, he is expected to appropriately fulfill his duties as an Audit and Supervisory Board Member.

Koji Watanabe Outside Audit and Supervisory Board Member Audit and Supervisory Board Member

Apr. 1980: Appointed to Kagawa Prefectural Police Officer
 Apr. 2010: Director of First Investigation Division, Kagawa Prefectural Police Headquarters
 Mar. 2014: Chief of First Investigation Division, Kagawa Prefectural Police Headquarters
 Mar. 2020: Chief, Takamatsu-minami Police Office
 Feb. 2021: Regional Inspector of Community Safety Division, Kagawa Prefectural Police Headquarters
 Jun. 2022: Audit and Supervisory Board Member of Tadano Ltd. (current position)

He is expected to utilize his abundant knowledge of and experience in compliance, for the company's audit system.

Mami Kato Outside Audit and Supervisory Board Member Audit and Supervisory Board Member

Apr. 1986: Joined IBM Japan, Ltd.
 Apr. 1997: Registered as a lawyer (to present)
 Jan. 1998: Joined Sakuragaoka Law Office (to present)
 Apr. 2012: Vice President of Dai-ni Tokyo Bar Association
 Jun. 2016: Outside Director of MAEZAWA KASEI INDUSTRIES CO., LTD. (current position)
 Jul. 2018: Outside Director and Audit and Supervisory Committee Member of VISIONARY HOLDINGS CO., LTD. (current position)
 Jun. 2021: Audit and Supervisory Board Member of Tadano Ltd. (current position)

She is expected to utilize her professional viewpoints as a lawyer, abundant knowledge of and experience in corporate law, and experience as an Outside Officer, for the company's audit system.

Hisakazu Suzuki Outside Audit and Supervisory Board Member Audit and Supervisory Board Member

Apr. 1977: Joined Sumitomo Corporation
 Oct. 2003: General Manager, Documents and General Affairs Department of Sumitomo Corporation
 Aug. 2008: General Manager, Public Relations Department of Sumitomo Corporation
 Apr. 2011: Executive Officer of Sumisho Computer Systems Corporation
 Oct. 2011: Executive Officer of SCSK Corporation
 Jun. 2012: Representative Director, Senior Executive Officer of SCSK Corporation
 Apr. 2016: Representative Director, Executive Vice President, Executive Officer of SCSK Corporation
 Oct. 2019: Adviser of Tadano Ltd.
 Jun. 2020: Audit and Supervisory Board Member (current position)
 Dec. 2021: Outside Director and Audit and Supervisory Committee Member of CRI Middleware Co., Ltd. (current position)

He has abundant knowledge and experience on corporate management, compliance, and corporate governance. In addition, he has experience as an officer managing IR and finance at SCSK Corporation, and has a considerable amount of knowledge in finance and accounting. He is expected to utilize these knowledge and experiences for the company's audit system.

Compensation of Officers

Basic Policy

In accordance with the provisions of the company's Articles of Incorporation, the maximum annual amount of compensation for Directors was set at no more than 450 million yen (of which no more than 80 million yen for Outside Directors) by resolution of the 73rd Ordinary General Shareholders' Meeting held on June 25, 2021. In addition, a resolution of the 72nd Ordinary General Shareholders' Meeting held on June 25, 2020 approved the total amount of monetary compensation to be paid to Directors (excluding Outside Directors) for the granting of restricted stock be no more than 90 million yen per year, which is within the aforementioned maximum amount of compensation.

The compensation of individual Directors (excluding Outside Directors; the same shall apply hereinafter) shall consist of (1) fixed compensation (monetary compensation), (2) performance-linked compensation (monetary compensation) as variable compensation, and (3) compensation for shares with transfer restrictions as non-monetary compensation, based on the basic policy that the level of compensation shall be appropriate in accordance with the responsibilities of each Director.

The compensation for Outside Directors is fixed compensation (monetary compensation) only, in consideration of their role and independence.

Policy on Determination of Fixed Compensation (Monetary Compensation)

Fixed compensation (monetary compensation) for Directors is a monthly fixed amount and consists of a role-based allowance and basic compensation, taking into consideration the level of other companies and employee salaries. The fixed compensation (monetary compensation) for Outside Directors is determined as a monthly fixed compensation, taking into consideration the level of other companies and their responsibilities.

Policy on Determination of Performance-Linked Compensation (Monetary Compensation)

The amount of performance-linked compensation for Directors is determined based on consolidated net income as a performance indicator, and is paid on a monthly basis together with the above fixed compensation, in order to raise awareness of the need to improve performance in each fiscal year. Specifically, a payment rate of 0% to 50% linked to the amount of consolidated net income is set and determined by the following formula. The payment rate is reviewed as necessary in response to changes in the business environment.

$$\text{Performance-linked compensation} = \text{Basic compensation by position} \times \text{Payment rate based on performance indicators}$$

Policy Regarding Determination of Non-monetary Compensation, Etc.

To incentivize the sustainable enhancement of the company's corporate value and to promote further value sharing among Directors and shareholders, non-monetary compensation, etc. are designated as restricted stock. At the Board of Directors Meeting held in July each year, a resolution is passed to grant restricted stock to Directors, and a lump-sum grant for the year is made in August.

The specific number of shares to be granted is the number obtained by dividing the amount equivalent to 36% of the total annual basic compensation by the amount to be paid in per share, which is determined based on the closing price of the company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the day of the Board of Directors' resolution regarding the grant of restricted stock.

Restricted stock shall include the content described on the right.

- ① **Restriction on transfer and period of restriction on transfer**
 Directors may not transfer, create security interests in, or otherwise dispose of restricted stock during the period from the date of granting until the date of retirement from the position of Director of the company or other position determined by the Board of Directors of the company.
- ② **Reasons for acquisition without compensation**
 In the event of resignation during the term of office without a justifiable reason, violation of laws and regulations or internal rules, or any other event that the Board of Directors of the company determines to be appropriate for the acquisition of restricted stock without compensation, the company shall acquire the granted restricted stock without compensation.

Policy for Determining the Ratio of Monetary to Non-monetary Compensation

The details and ratios of monetary and non-monetary compensation, etc. are as follows.

	Monetary Compensation		Non-monetary Compensation
	(Fixed compensation) Position allowance+basic compensation Approximately 65%	(Performance-linked compensation) Basic compensation×payment rate (25%) Approximately 15%	(Restricted stock compensation) Basic compensation×36% Approximately 20%
Directors			
Outside Directors	Fixed compensation 100%	—	—

Notes: 1. Performance-linked compensation assumes that the rate of payment linked to the amount of consolidated net income is 25%.
 2. In order to ensure fairness and transparency, the Board of Directors consults in advance with the Nominating and Compensation Committee, the majority of whose members comprise Independent Directors, and makes decisions on individual compensation for Directors and Outside Directors based on the committee's report.
 3. Compensation for each Director is not stated as there is no one whose total amount of compensation, etc. is 100 million yen or more.