

## Corporate Governance

### Our Basic Policy

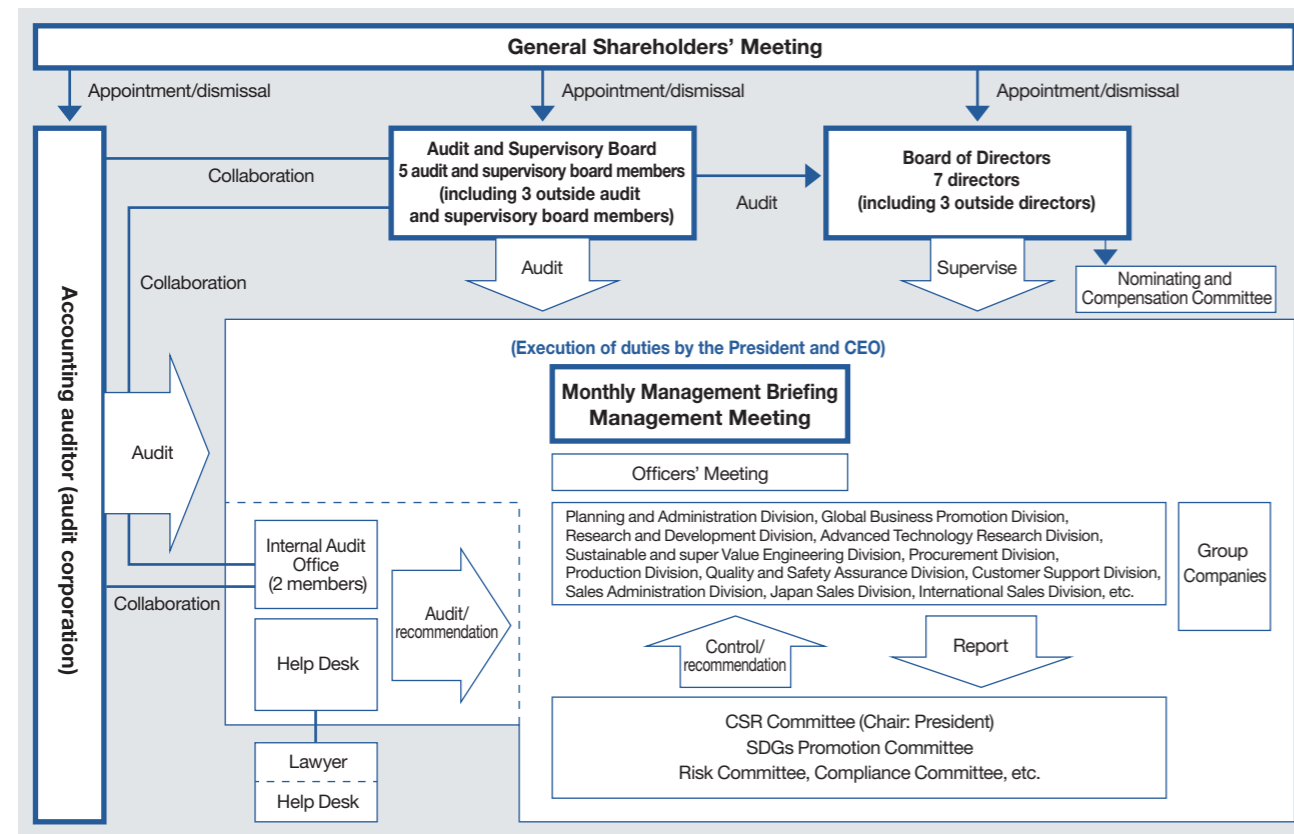
The company places corporate governance as one of the important management issues in order to ensure transparency, soundness, and efficiency of our management. For corporate governance to function effectively, we believe we need to foster a sound corporate culture based on our corporate philosophy and 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.

Please see our website for details <https://www.tadano.com/ir/esg/governance.html>

Tadano

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### 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

Date	Detail
Apr. 2015	Established the Internal Audit Office ("Internal Control Office" was renamed "Internal Audit Office" to strengthen auditing functions)
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

### Description of Meeting Bodies and Committees

#### ● Board of Directors

Comprised of seven directors, including three 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 is held to report on business activities and to share information, while the Management Meeting is convened to discuss management strategies. These advisory committee meetings are held once a month to assist the president's decision-making and are attended by directors, officers, and audit and supervisory board members.

#### ● Risk Committee

The goal of the Risk Committee is to enhance the company's risk management capabilities. 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 six members: two internal directors, three 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 officers, as well as decisions concerning remuneration for directors, 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, the Committee discusses and reports to the president decisions concerning remuneration for officers with the goal of ensuring fairness and transparency.

#### ● Officers' Meeting and Officers' Camp

The Officers' Meeting is held at least twice a month to facilitate business execution by officers and to enhance collaboration among 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 fiscal year 2019, the Board of Directors concluded that the mechanism of Board of Directors meetings, which are conducted based on discussions at the Officers' Meeting held at least twice a month with outside directors in accordance with Article 25 of the Guidelines to reinforce officers' execution of duties and strengthen collaboration among 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. This conclusion was made based on the analysis and discussion on results for questionnaires on the evaluation of the Board of Directors collected from all directors and audit and supervisory board members. As such, the company confirms that the effectiveness of the Board of Directors is adequately ensured. We will continue further discussions on the diversity of the Board of Directors including diversity in terms of gender and nationality.

## 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. In addition to appointing Compliance Officers, we periodically hold the Compliance Committee, consisting of members representing each division.

#### ● Compliance Committee

The Compliance Committee 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 (in Japan)

All 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 each month 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.

## Directors

### Representative Director, President and CEO Koichi Tadano



**Profile**

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  
 Jun. 2020: Representative Director, President, CEO, and in charge of European Operations (current position)

### Representative Director, Executive Vice President Toshiaki Ujiie



**Profile**

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, Executive Vice President, and in charge of Planning and Administration Division, Global Business Promotion Division, Customer Support Division, Japan Sales Division, International Sales Division, Pan-American Operations, and Sales Administration Division (current position)

### Director, Senior Executive Officer Tamaki Okuyama



**Profile**

Apr. 1980: Joined Tadano Ltd.  
 Oct. 2000: General Manager of Design I Division  
 Jan. 2004: Director of Faun GmbH (currently Tadano Faun GmbH)  
 Apr. 2008: Officer  
 Apr. 2011: Executive Officer  
 Jun. 2011: Director and Executive Officer  
 Apr. 2017: Director and Senior Executive Officer  
 Jun. 2020: Director, Senior Executive Officer, and in charge of Advanced Technology Research Division, Research and Development Division, Sustainable and super Value Engineering Division, and Indian Operations (current position)

### Director, Executive Officer Kenichi Sawada



**Profile**

Dec. 1990: Joined Tadano Ltd.  
 Apr. 2004: Director and President of Tadano America Corporation  
 Apr. 2008: Officer  
 Apr. 2017: Executive Officer  
 Apr. 2017: Executive Officer, in charge of European Operations, and Director and President of Tadano Faun GmbH  
 Jun. 2020: Director, Executive Officer, and in charge of Procurement Division, Quality and Safety Assurance Division, Thai Operations, Chinese Operations, and Production Division (current position)

### Director Yasuyuki Yoshida Outside Director



**Profile**

Apr. 1971: Joined Mitsubishi Research Institute, Inc. ("MRI")  
 Oct. 2002: Councilor of MRI  
 Oct. 2007: Joined NIKKEN SEKKEI Research Institute ("NSRI") (as Senior Researcher)  
 Jan. 2008: Managing Executive and Senior Researcher of NSRI  
 Jun. 2008: Director of Tadano Ltd. (current position)  
 Mar. 2009: Director, Managing Executive and Vice President of NSRI  
 Jun. 2019: Outside Director of IINO KAIUN KAISHA, LTD. (current position)

### Director Yoshinori Noguchi Outside Director



**Profile**

Apr. 1977: Joined Hino Motors, Ltd.  
 Jun. 2004: Executive Officer and General Manager, Operations Division, Hino Motors, Ltd.  
 Jun. 2010: Managing Executive Officer of Hino Motors, Ltd.  
 Apr. 2014: Senior Managing Officer and Head of North American Operations of Hino Motors, Ltd.  
 Apr. 2018: Executive Vice President and Head of North American Operations of Hino Motors, Ltd.  
 Apr. 2019: Adviser of Tadano Ltd.  
 Jun. 2019: Director (current position)

### Director Shosaku Murayama Outside Director



**Profile**

Apr. 1972: Joined the 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)  
 Oct. 2020: Chairman of iPS Portal, Inc (current position)

## Audit and Supervisory Board Members

### Audit and Supervisory Board Member Yoichiro Nishi



**Profile**

Apr. 1976: Joined Yanmar Diesel Co., Ltd. (currently Yanmar Co., Ltd.)  
 Apr. 2005: General Manager of Tractor Development Division I, Development Headquarters (Yanmar)  
 Jan. 2007: General Manager of Development Group III, Development Division, Tractor Business Headquarters (Yanmar Agricultural Equipment Co., Ltd.; currently Yanmar Co., Ltd.)  
 Jun. 2008: General Manager of Product Technology Department, Development Division, Tractor Business Headquarters (Yanmar)  
 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)

### Audit and Supervisory Board Member Akihiko Kitamura



**Profile**

Apr. 1982: Joined NISSAN MOTOR CO., LTD.  
 Apr. 2008: General Manager of Operation Revenue Management Department of NISSAN MOTOR CO., LTD.  
 Sep. 2008: Joined Tadano Ltd.  
 Dec. 2008: General Manager of Planning and Administration Division (responsible for Accounting and Finance)  
 Apr. 2011: Officer  
 Apr. 2012: Officer, in charge of Planning and Administration Division  
 Jan. 2015: Officer, Deputy for European Operations Director, Executive Vice President of Tadano Faun GmbH  
 Apr. 2017: Adviser of Audit and Supervisory Board Members' Office  
 Jun. 2017: Audit and Supervisory Board Member (current position)

### Audit and Supervisory Board Member Kazushi Inokawa Outside Audit and Supervisory Board Member



**Profile**

Apr. 1979: Appointed to Kagawa Prefectural Police Officer  
 Mar. 2008: Subchief, Takamatsu-kita Police Office  
 Mar. 2009: Chief of Identification Section, Kagawa Prefectural Police Headquarters  
 Mar. 2010: Advisor, Public Safety Commission, Police Affairs Department, Kagawa Prefectural Police Headquarters  
 Feb. 2011: Chief of Accounts Section and Councilor of Police Affairs Department, Kagawa Prefectural Police Headquarters  
 Jun. 2014: Audit and Supervisory Board Member of Tadano Ltd. (current position)

### Audit and Supervisory Board Member Yuichiro Miyake Outside Audit and Supervisory Board Member



**Profile**

Apr. 1972: Registered as a lawyer (to present)  
 Apr. 1972: Joined Miyake & Partners (to present)  
 Jun. 1998: Outside Auditor of Sumitomo Osaka Cement Co., Ltd.  
 Jun. 1999: Outside Director of SANYO DENKI CO., LTD. (current position)  
 Nov. 2000: Outside Auditor of Tokyo Individualized Educational Institute, INC.  
 Jun. 2003: Outside Auditor of Shindengen Electric Manufacturing Co., Ltd. (current position)  
 Aug. 2006: Outside Auditor of ASAHI KASEI CORPORATION  
 Jun. 2008: Audit and Supervisory Board Member of Tadano Ltd. (current position)  
 Jun. 2014: Outside Director of ASAHI ORGANIC CHEMICALS INDUSTRY CO., LTD. (currently ASAHI YUKIZAI CORPORATION) (current position)

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



**Profile**

Apr. 1977: Joined Sumitomo Corporation  
 Oct. 2003: General Manager, Documents and General Affairs Department of Sumitomo Corporation  
 Aug. 2008: General Manager, General Manager, Public Relations Department of Sumitomo Corporation  
 Apr. 2011: Executive Officer of Sumitomo 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)

## 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

	Corporate management	Governance and risk management	Finances and accounting	Manufacturing, technology and R&D	Marketing, sales and CS	Global experience
Koichi Tadano	●	●	●	●	●	●
Toshiaki Ujiie	●		●		●	●
Tamaki Okuyama	●			●		●
Kenichi Sawada	●			●	●	●
Yasuyuki Yoshida	●				●	
Yoshinori Noguchi	●	●	●		●	●
Shosaku Murayama	●	●	●	●		

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