

Integrated Report 2023

Lifting your dreams

The Tadano Group will lead the industry with various achievement of a decarbonized society and future

Aim for Net Zero Carbon Emissions

To achieve “Net Zero Carbon Emissions by 2050,” we will release various solutions to the market, including the world’s first electric rough terrain crane.

In March 2023, the Tadano Group unveiled a new product lineup at CONEXPO-CON/AGG 2023 (“CONEXPO”), one of the world’s largest construction machinery trade shows held in Las Vegas, US. We take pride in being able to provide customers with excellent usability and efficiency while using innovative technologies, such as electrification, to reduce our environmental impact. Under the environmental strategy of “Tadano Green Solutions,” we will continue to lead the lifting equipment industry aiming for Net Zero Carbon Emissions.

GR-250N EVOLT

GR-250N EVOLT is a 25-ton class electric rough terrain crane for the Japanese market.

Since announcing in April 2022 our plan to commercialize it as the world’s first electric rough terrain crane, we have received various reactions from not only our customers but also the construction industry and suppliers. Development is still ongoing, with the market launch targeted for 2023.

<Product features>

- A single charging provides up to 11 hours of crane work.
- The crane can travel 40 km and have enough energy for about five hours of crane work.
- It can be fully charged in 2.5 hours using CHAdeMO, a fast-charging system for electric vehicles.

GR-1000XLL EVOLT

GR-1000XLL EVOLT is a 100-US-ton class electric rough terrain crane for the US and Canada markets. A first prototype of the machine was displayed at CONEXPO, and we received strong reaction at the exhibition. The market launch is targeted for 2024. The electric rough terrain crane is a revolutionary product that completely eliminates CO₂ emissions by using electricity for both travel and crane operations. Even with electrification, its mobility and power are comparable to those of conventional machines.

e-PACK

We launched the electro-hydraulic system “e-PACK” for rough terrain cranes in the Japanese market in January 2022.

The e-PACK enables crane work without starting the engine by activating the electric motor-driven hydraulic pump with an external power supply.

As a result, the e-PACK achieves zero CO₂ emissions during crane operations.

APU (Auxiliary Power Unit)

We exhibited the APU mounted on GR-800XL-4 rough terrain crane at CONEXPO. Adding the APU to a conventional rough terrain crane with a diesel engine reduces fuel consumption and CO₂ emissions by 25% during standby and idle time, while maintaining functions inside the crane cockpit. The APU has already been approved for use in North America, and we are hopeful for its future launch.



Electrification of Crawler Crane and Other Products

Thinking of electric-powered operations at ports, we are also testing electrification of GC 88.1600-1 crawler crane and developing electric aerial work platforms. We will continue to challenge ourselves as a group to achieve Net Zero Carbon Emissions by 2050 and, as a mid-term milestone, to aim for our long-term environmental target of a 35% reduction in CO₂ emissions from product use by 2030 (compared with the FY 2019 baseline).

“Changes” in preparation for the changes in construction projects



Contribution to Expanding Offshore Wind Power

The offshore wind power field has been seeing large-scale projects in Japan and around the world. The Tadano Group believes that its product lineup can play a role for the future of offshore wind power and contribute to the decarbonization of society.

There are new offshore wind power projects underway in Japan to realize a decarbonized society.

It is expected that wind turbine components transported by cargo ships and trailer trucks are first transported to port facilities, pre-assembled, and then loaded onto transport ships.

CC 88.3200-1 TWIN, the world's largest lattice boom crawler crane (3,200-ton lifting capacity), was added to the Tadano Group's product lineup as a result of the 2019 acquisition of the Demag Mobile Cranes business. This machine plays an important role in the pre-assembly of increasingly large wind turbines and supports safe and high-quality construction work.

With the know-how we have acquired in Germany, which is a leading country in wind power generation, we strive for making further contribution to this field by demonstrating the unique advantages of the Tadano Group in having development and production locations in both Japan and Germany. Furthermore, we provide various solutions, including a davit crane that performs loading operations for repair and maintenance of wind turbines, and AT-530CG, an aerial work platform with a maximum platform height of 52.8 meters, which is the highest among Japanese models.

The Tadano Group supports the construction and maintenance sites for wind power generation, whether onshore or offshore, and plays a role in the creation of clean energy that helps realize a decarbonized society.



AI Research and Development to Support Future Construction Sites

We will fearlessly take on new challenges, including the demonstration test of unmanned operations. The use of AI should make it easier and safer to operate cranes.

The construction industry faces an increasingly serious problem of fewer construction workers, a problem exacerbated especially in Japan due to the declining working-age population stemming from a lower birthrate and aging population. As the number of skilled crane operators declines, we are working on technological innovations that will simplify and partially automate crane operations. With the eventual goal of achieving autonomous crane operations, we aim to improve the safety level at construction sites.

Our current AI applications have already delivered good results in terms of reducing the load sway that can result from the difficulty in the concurrent slewing, boom elevation, and load hoisting that comprise the main operations of any crane lift. In our 2022 demonstration test, we utilized data showing load weights and positions related to the crane's operational status, and then we executed repeated virtual simulations to make the AI system engage in deep learning. Lifts executed with this AI system saw improved scores related to load sway reduction, and actual test cranes featuring the AI system were able to move real loads quickly and smoothly. We think that AI technology will also help crane operators to make various operational decisions. For example, AI systems can help determine the optimal trajectory for moving a suspended load by sensing obstacles in the work environment. We will continue to incorporate the deep know-how of our research partners and refine our lifting technologies in order to make safer crane operations a reality.



TOP MESSAGE



President and CEO
Toshiaki Ujiie

**We will lead changes as “One Tadano”
and contribute to improve local
communities and our planet.**

Current business opportunities and risks in light of the business environment surrounding the Tadano Group

The mobile crane industry has reached a turning point in recent years, driven by emission exhaust regulations, ongoing efforts to decarbonize the world, and remarkable technological innovations such as automated driving using AI. This situation can present both opportunities and risks depending on whether we quickly adapt to or miss these big changes of the times.

The industry mainly follows build-to-order production, and the current forms and individual specifications of products have been created after receiving various requests from customers. As such, the industry has high entry barriers. Especially in the Japanese market, where there are only a limited number of competitors in each product segment, competition in product development may stall, risking losing out to overseas companies.

The changes in energy and fuels used to operate cranes will affect not only the future of mobile cranes but also how infrastructure will be developed. The Tadano Group is a global company with markets outside Japan accounting for approximately 60% of our sales. We believe that we must constantly evolve by paying attention to trends in society, industries, and companies around the world, and quickly adapting to the changes of the times.

Progress in the Mid-Term Management Plan (21-23)

As already announced, it is becoming increasingly likely that the FY 2023 results will regrettably miss the targets set for the final year of the Mid-Term Management Plan (21-23). The last year's suspension of production at the Shido Plant and Kozai Plant due to the lockdown in Shanghai, China, as well as the deterioration of the procurement and logistics environment stemming from the prolonged Russo-Ukrainian war, had a major impact on production and caused repeated shipment delays. Another factor is that the restructuring plan of the European operations centered on German group companies Tadano Demag GmbH and Tadano Faun GmbH did not progress as expected due to slow demand in Europe.

The pace of orders is generally favorable so far in the current fiscal year. Although production constraints due to the Russo-Ukrainian war remain, we hope to capitalize on the fading COVID-19 pandemic and gradual normalization to successfully increase sales. To meet the expectations of our customers and society, we will press forward with the development of products aimed at attaining a Net Zero Carbon Emissions society by 2050.

Initiatives for "One Tadano," one of the priority points under the Mid-Term Management Plan

We adopted the slogan of "One Tadano," renewing the idea that the entire group will become one team with shared values following the consolidation of large-scale production locations in Japan and Germany. In particular, as Faun GmbH acquired in 1990

and the Demag Mobile Cranes business acquired in 2019 used to be competitors in their country, it is not an easy task to foster good relations between them. We have so far unified the brands, aligned the accounting periods, and overhauled the organizational structures. We feel that a truthful relationship is finally emerging between the two companies.

"Japan boasts high quality, stable cost and reliable delivery schedules. Germany possesses cutting-edge technology and leads the world on the environmental front. We hope to increase our presence by combining the strengths of each of them."

The Tadano Group has development and production locations in Germany and Japan, the world's manufacturing leading countries. The two German companies, Tadano Demag GmbH and Tadano Faun GmbH, have been focusing their efforts on operational restructuring since they received court approval for their operational restructuring plan and completed the legal proceeding in March 2021.

We have already completed personnel optimization, asset reduction, and unification of brands. The current focus of work is establishing pathways for consolidating the two German companies' product lineups in the same categories and standardizing components used and procurement operations.

In terms of business conditions, sales are steadily increasing in the Japanese, US, and Australian markets, where the Tadano Group has a strong presence, as we set the same level of quality assurance and services as Tadano products for former Demag products. However, in the current European market, the construction market as a whole has somewhat slowed against the backdrop of the Russo-Ukrainian war, dragging down demand for mobile cranes. Overall, we are only halfway through restructuring and still need trial and error.

Our aim will be to build an optimal global production scheme that does not cause delivery delays and contributes to cost reduction through cooperation with Japan, while keeping an eye on the continuously turbulent supply chain situation. We will also work on the standardization of specifications for components of products manufactured in Japan and Germany.

Additionally, we established the new Tadano Europe Research Center in Germany in anticipation of the future. Europe has been actively deploying wind power and offshore wind power in the promotion of renewable energy to build a net zero carbon emissions society. Europe is also where the Tadano Group's crawler cranes, large mobile cranes, have a strong presence. While closely monitoring European environmental regulations and exchanging information with leading local wind power manufacturers, we hope to ascertain any development trends.



Focused initiatives in R&D and manufacturing

As mentioned earlier, we have development and production locations in Germany and Japan, leading players in global manufacturing. It is our great strength to be able to make optimal selections from among the diverse resources related to manufacturing that we have in both countries. For example, as mobile cranes become larger, they also need to be lighter, and we are working on material development to make this possible.

Also, from a sustainability perspective, we cannot forget about how we can contribute to the future of our planet and the next generations. When it comes to SDG-related initiatives, our view tends to become narrow by rather focusing on the effects they have on the Tadano Group's business. However, we hope to engage in manufacturing and development with a higher perspective of what we can do to prevent adverse effects on the global environment in the future. As part of the greater society, the Tadano Group gathers all of its sustainable solutions under the name Tadano Green Solutions which are integral to our efforts to protect the global environment and achieve the goal of making a net zero carbon world a reality.

“While using innovative technology, we should be able to deliver usability and high efficiency to our customers. We believe that we are the only company in the lifting equipment industry that takes serious environmental initiatives to such an extent.”

The Tadano Group's mobile cranes are equipped with diesel engines and use them for traveling to work sites and driving the hydraulic pump in crane operations. Our lifting equipment products consume large amounts of light oil for travel and crane operations, and generate large emissions of CO₂. Therefore, as an initiative to reduce CO₂ emissions, the “e-PACK,” a system that uses electricity to drive the hydraulic pump, was launched in January 2022 for the Japanese market. The e-PACK enables crane work without starting the engine by activating the electric motor-driven hydraulic pump

with an external power supply. As a result, there is no fuel consumption during crane operations, achieving zero CO₂ emissions. Moreover, at bauma 2022, the world's largest construction machinery trade show held in Germany in October 2022, we presented a prototype of a hybrid product that uses a diesel engine for traveling and electricity for crane operations. At the construction machinery trade show CONEXPO held in Las Vegas in March 2023, we also showcased a prototype of a new device called “APU (auxiliary power unit),” which stops the diesel engine and operates the minimum necessary devices such as controller and air conditioner during standby before the crane starts operating.

Furthermore, the world's first electric rough terrain crane named “EVOLT,” which can travel and operate with electricity, is scheduled to be commercialized for the Japanese market in 2023. Since its announcement in April 2022, EVOLT's impact on the market has been considerable, and we have received many inquiries not only from our direct customers, but also from so-called general contractors and suppliers of related parts.

Batteries are heavy and may be subject to constraints imposed by relevant regulations for road driving. For this reason, we see the need to have a lineup of products for net zero carbon emissions that meet the needs of society and customers, including partially electric vehicles, while ultimately aiming for making our products fully electric. In addition to electricity, we are also considering other fuel types, such as hydrogen engines, in our development efforts.

Possibilities in offshore wind power and marine resource development

Earlier, I talked about the potential of the offshore wind power market in the topic of the Tadano Europe Research Center. Japan is also seeing offshore wind power projects underway, and the market is likely to attract even more attention going forward. Taking full advantage of the know-how gained in Germany, a leading country in wind power generation, the Tadano Group hopes to make as much contribution as possible serving as a bridge between Europe and Japan.

Also, when considering the future of natural resources and energy, marine resource development is an essential topic for Japan, which is hardly a resource-rich country. Europe leads the world in marine resource development, including oil field development in the North Sea. The Tadano Group has accumulated know-how related to the development of marine resources in Europe.

Meanwhile, while Europe's marine resource development is being carried out in shallow waters, Japan's seas quickly become deep. Furthermore, the resources extracted in Japan, such as methane hydrate, are different from marine resources in Europe, which are oil gas. Therefore, new mobile cranes need to be developed. The Tadano Group's Head Office is located in Kagawa Prefecture, which faces the beautiful Seto Inland Sea, home to several leading Japanese shipbuilders. We have high expectations for opening up new fields by utilizing the strength of these companies in combination with the strength of the Tadano Group.

As part of our efforts for a net zero carbon emissions society, we also completed installing a large-scale solar power generating

system with a capacity of 606kW on the roof of the Tadotsu Plant in January 2023. It is estimated that more than 30% of the Tadotsu Plant's annual power consumption can be covered by renewable energy. Installing a solar power generating system to the crane itself, for example, may be an idea in the future.

“To evolve Tadano, I would like to focus on employee diversity on a global scale and create an organizational culture that makes the most of it. The next challenge is to become “the world’s No. 1” together with all our employees.”

With the vision of “Pursuing Further Excellence for the World and the Future,” the Tadano Group values creating an organizational culture that allows for continued learning and growth. Moreover, we believe that the success of a company is built on human resource development and concentrate our efforts on the development of human resources.

Above all, diversity and inclusion are one of the priority points. Tadano hires women in a well-planned and proactive manner, aiming to increase the percentage of female employees at the company to 10% by the end of FY 2026. Also, we are making steady progress in developing a work environment and a job rotation system to promote the advancement of women through initiatives such as providing more training opportunities to help them succeed as the next generation of leaders. We will promote diversity by increasing the ratio of female employees and by increasing the number of women in manager and supervisor positions. Being a global company, we will also focus our attention on cross-border diversity. Aiming to acquire diverse human resources, we produced recruitment PR videos focusing on our employees in FY 2022. Two themes were used for the videos: “empowering women at the workplace” and “sharing our dreams at Tadano.” In terms of recruitment methods, we will step up year-round hiring, including mid-career hiring. We accept diversity in terms of various factors, including each person’s backgrounds, abilities, and experience. Harnessing it for use inside our organization will improve employee job satisfaction and



productivity, helping to create added value. Driven by this belief, we will continue to create workplace environments where diverse employees can best utilize their talents.

Medium- to long-term growth strategy and its foundations

As I mentioned at the beginning, the mobile crane industry is facing major changes. We will first invest the Tadano Group’s management resources in the European operations to accelerate restructuring. To acquire new technologies that enable us to lead the changes in the world and supply the world with more efficient products and systems as well as products with no environmental impact, we will speedily respond to the changes through open innovation and collaboration with other companies.

As an initiative to reform the organizational structure to realize this, beginning from this fiscal year, directors in charge have been removed from the business execution line. The role of directors is to make important decisions and supervise business execution, while the role of executive officers in charge of each division is to take the highest responsibility for execution. This represents a transfer of authority to the executive officers, and a first step in making clear where authorities and responsibilities are placed. We will clarify the authorities and responsibilities of managers and leaders in the future.

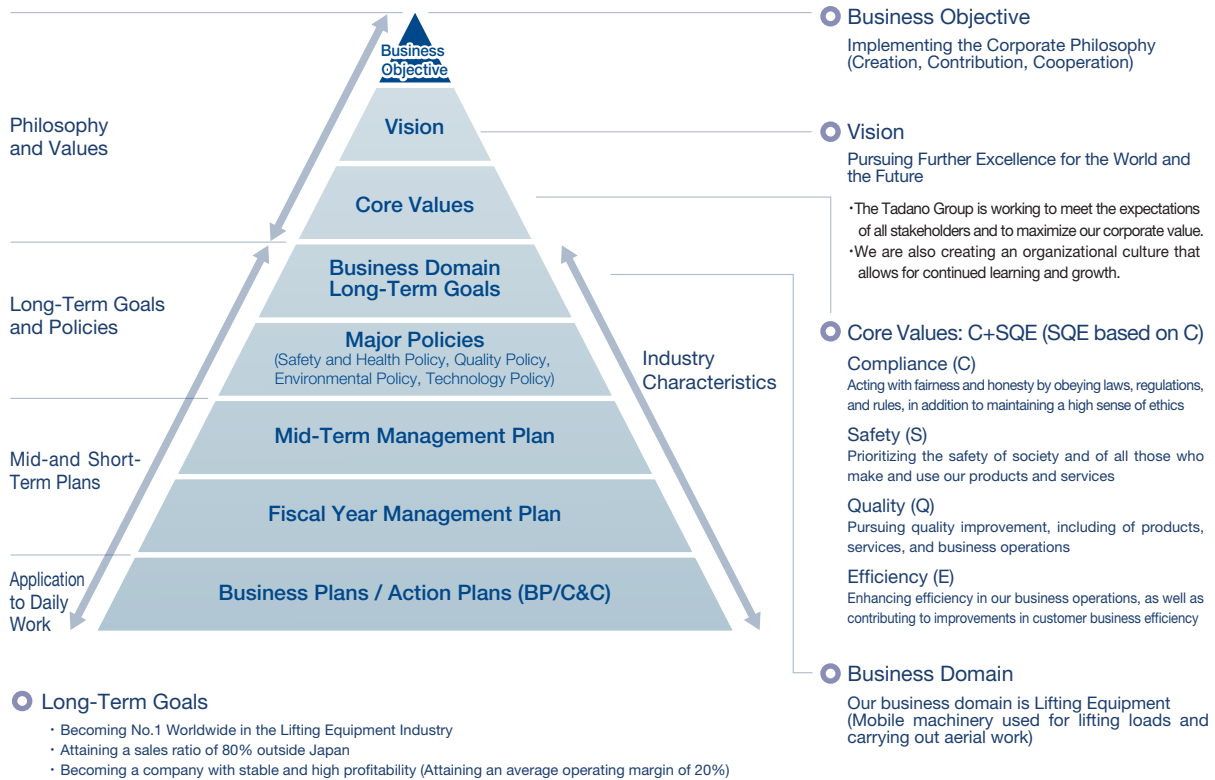
As the current fiscal year is the final year of the Mid-Term Management Plan, we need to think about the next Mid-Term Management Plan. We think that various changes that will determine the future of the mobile crane industry will take place at once during the next few decades, setting the direction of the industry. As such, we will formulate a long-term vision after determining what the social environment surrounding the industry will be like in 2040, and outline what we should be working on first in the Mid-Term Management Plan by working backwards from the long-term vision. To that end, we have created a project team mainly comprising the generation of people who will be leading the company in 2040, and tasked them to come up with a long-term vision.

Infrastructure such as buildings, bridges, and roads will continue to be developed in Japan and around the world to improve the lives and work of people living there. Mobile cranes will always be used in any construction process. Meanwhile, crane work always involves danger as a very large force is used to lift heavy objects. For this reason, we believe that the most important mission of the Tadano Group is to anticipate all possible dangers and create machines that operate safely. As a prerequisite to leading various changes, we first take to heart the future of zero accidents in our manufacturing activities.

Finally, under the slogan of “One Tadano,” the Tadano Group aims to become No.1 worldwide in the lifting equipment industry by developing new technologies that contribute to improve local communities and our planet, while pursuing an optimal global production scheme to generate maximum synergies.

TADANO BUSINESS OVERVIEW

Corporate Philosophy Pyramid



Positioned at the top of Tadano's corporate philosophy pyramid is our business objective of "implementing the corporate philosophy (creation, contribution, cooperation)." We consider this to be something towards which we must constantly and diligently strive.

Our vision is defined as "Pursuing Further Excellence for the World and the Future." The Tadano Group is working to meet the expectations of all stakeholders and to maximize our corporate value. We are also creating an organizational culture that allows for continued learning and growth.

At Tadano, "C+SQE (SQE based on C)" are core values we hold sacred. Compliance forms the foundation for all action at Tadano. Tadano's core values are "Safety First, Quality Second, Efficiency Third," and we always uphold them in this critical order of priority. However, since it is impossible to manage our company without the third value of efficiency, we must ensure "Safety First, Quality Second" by any means necessary. Compliance provides the groundwork that enables Tadano to actualize each of these Core Values of Safety, Quality, and Efficiency. These principles and values remain unchanged. Building on these core values, we have set lifting equipment as our business domain and are working toward our long-term goal of becoming No.1 worldwide in the lifting equipment industry.

With the acquisition of the Demag Mobile Cranes business in 2019, half of the group's employees now work outside Japan, and sales in markets outside Japan account for over 50% of our sales ratio. By realizing "One Tadano" and demonstrating our group synergies, we will deliver further value to our customers and stakeholders. In times of dramatic change we will take on the challenge of those various "changes," including technological innovations and environmental responses, and work united as a group to become the leader in the lifting equipment industry.

Mid-Term Management Plan (21-23)

Basic Policy	Priority Points
<ul style="list-style-type: none"> Pursuing Further Excellence, Focusing on the Tadano Red Arrow Winning Both the "Battles in Front of Us" and the "Battle with the Times" 	<ul style="list-style-type: none"> Maximize Tadano Group Synergy Increase Resilience Enhance Competitiveness Engage in ESG and SDGs Digital Transformation and Green Transformation Initiatives

In an environment that it cannot control, namely "market: demand and exchange rate" (Blue Arrow), the Tadano Group focuses on "self-support effort" in business (Red Arrow), to which it adds the outcomes of "investment" (Yellow Arrow) to deliver "performance" (Black Arrow).

In addition, "Battles in Front of Us" means responding to and overcoming the immediate economic climate and fluctuations in demand and winning against our competitors. "Battle with the Times" refers to responding to technological innovation and changes in the demand structure during times of rapid, complex, and extreme changes. By continuing to win both battles at the same time, we hope to grow sustainably as a company and increase our corporate value.

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Editorial Policy

This report is designed to help our shareholders, investors, and all other stakeholders gain a deeper understanding of Tadano's business conditions and its efforts toward sustainable growth through integrated explanations of financial information and non-financial information such as sustainability.

We will incorporate feedback from our readers into our efforts to further improve our Integrated Report.

This report provides financial and product information published in the financial results for FY 2022 (as of December 31, 2022) and all other information, in general, current as of March 31, 2023.

In addition, FY 2022 is an irregular accounting period as the company changed its fiscal year end. The company and its consolidated group companies whose accounting periods previously ended in March are consolidated for nine months (April 1, 2022 to December 31, 2022), and consolidated group companies whose accounting periods end in December are consolidated for 12 months (January 1, 2022 to December 31, 2022).



Please see our website for further information related to Tadano's financial results and Sustainability.

Pursuing Further Excellence for the World and the Future

(as of December 31, 2022)



INPUT

Human Capital

- Culture that allows for continued learning and growth
- No. of employees (consolidated): 4,651

Manufacturing Capital

- Production network in Japan, Germany and the US
- Advanced manufacturing technologies (including processing of high-tensile-strength steel plates and welding)
- Capital investment: 7,361 million yen

Social Capital

- Worldwide network: over 100 sites (including group companies and distributors)
- Relationships of trust with customers based on quality and service capability
- Relationships of trust with business partners

Financial Capital

- Net assets: 167,767 million yen
- Interest-bearing debt: 98,335 million yen

Intellectual Capital

- Over 60 years of experience in the lifting equipment industry
- Core technologies such as structural technologies, carrier technologies, and motion control technologies
- R&D expenses: 7,397 million yen

Natural Capital

- Energy consumption: 7,765 kiloliters (crude oil equivalent)

Servicing

Designing

Manufacturing

Delivering

One Tadano

Corporate Governance

Tadano's DNA

- We want to make something that will contribute to the world.
- We want to be a company that can contribute to the advancement of society.

OUTPUT

Mobile Cranes



- Rough Terrain Cranes
- All Terrain Cranes
- Truck Cranes
- Telescopic Boom Crawler Cranes
- Lattice Boom Crawler Cranes

Net sales: 192,932 million yen
(Operating income: 7,191 million yen)

R&I rating: A-

Outside Japan sales ratio: 67.2%

Truck Loader Cranes

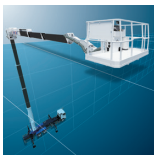


- Truck Loader Cranes

Launch of new products: three models

CO₂ emissions: 22,403 t-CO₂
(Scope 1 and 2 only)

Aerial Work Platforms



- Hyper Deck
- Super Deck
- Skyboy
- Bridge Checkers

Announcement of the plan to commercialize the world's first electric rough terrain crane

Promotion of AI R&D

Sustainable initiatives (forestation activities, beach clean-up activities, etc.)

Other Special-Purpose Products

Customer Support (CS)

- Before-sales Services (Maintenance)
- After-sales Services (Repairs and Parts Supply)

Showcasing at bauma 2022 and CONEXPO 2023

Used Equipment

Successful relationships with stakeholders

“Further Excellence”

Related SDGs

Being a Robust Company

Prepares for and handles various changes and risks correctly

Being a Company that Continues to Evolve

Provides safer and more efficient products by promoting technological innovation

Being a Company that Benefits Society and Customers

Provides products and services responding to customer needs

Being a Company that Earns the Esteem of the Greater World

Promotes Compliance and Governance

Being a Company that Earns the Pride of its Employees

Makes the most of human resources and prepares an employee-friendly and rewarding work environment



Philosophy and Values

- Business Objective: Implementing the Corporate Philosophy (Creation, Contribution, Cooperation)
- Core Values: C+SQE (SQE based on C) (Compliance, Safety, Quality, and Efficiency)

* FY 2022 is an irregular accounting period as the company changed its fiscal year end. The company and its consolidated group companies whose accounting periods previously ended in March are consolidated for nine months (April 1, 2022 to December 31, 2022), and consolidated group companies whose accounting periods end in December are consolidated for 12 months (January 1, 2022 to December 31, 2022).

Sustainability

Promotion of Sustainability

[Our Basic Policy]

From the time of our founding, the Tadano Group has held the firm belief that a company can exist only when it is in harmony with the people around it and the greater society. Under this belief, we have carried out our business activities while prioritizing harmony with our stakeholders. In the spirit of "great harmony," we want to contribute to a better global environment as a part of society. As we step forward into our second century of business operations, we seek to achieve long-term growth as a company. These ideas are the reasons for our efforts to promote ESG and SDGs as set out in our Mid-Term Management Plan (21-23). Tadano has also long held our vision of "Pursuing Further Excellence for the World and the Future." This vision aligns with the aims of the UN's Sustainable Development Goals (SDGs). We will aim for "Pursuing Further Excellence for the World and the Future" through our products, services, and business activities and through the behavior of our individual employees.





Initiatives for Pursuing “Further Excellence” and SDGs

The Mid-Term Management Plan (21-23) sets forth “Pursuing Further Excellence, Focusing on the Tadano Red Arrow” as one of our basic policies. The definition of “Further Excellence” is being “a robust company,” “a company that continues to evolve,” “a company that benefits society and customers,” “a company that earns the esteem of the world,” and “a company that earns the pride of its employees.” We believe that

meeting these five conditions is the prerequisite for “Further Excellence” and that aiming to achieve each of these conditions will result in contributing to related SDGs. Going forward, we plan to assess the current status of each of our initiatives and accelerate such initiatives even further, and thereby contribute to society.

17 PARTNERSHIPS FOR THE GOALS (Common)	Specific aim	Examples of initiatives	Related SDGs
Being a Robust Company	Prepares for and handles various changes and risks correctly	We anticipate, prepare for and respond to the external environment that changes in a complex manner. In manufacturing, we are making efforts to build a global production network aimed at optimal local production and to reduce environmental burdens. We have also formulated and operate a business continuity plan to restore important business processes as soon as possible even if unforeseen events arise.	7, 9, 12, 13
Being a Company that Continues to Evolve	Provides safer and more efficient products by promoting technological innovation	We conduct research on safe, highly productive and revolutionary construction solutions for the future, while looking at “the present from the perspective of the future.” Placing the highest priority on securing safety at worksites, we are actively implementing initiatives for further simplifying and facilitating the operation of cranes, automation and autonomy through the use of AI and also the development of electrified products to improve the global environment.	7, 9, 11, 13
Being a Company that Benefits Society and Customers	Provides products and services responding to customer needs	We are further evolving core technologies to meet the expectations of our customers and society and developing market-oriented, safe and high quality products. In addition, we are developing service personnel in and outside Japan with high technical capabilities, and also engage in activities to achieve higher product value and quality, while aiming for mutual growth and development with our business partners.	3, 4, 9, 11
Being a Company that Earns the Esteem of the Greater World	Promotes Compliance and Governance	We consider Compliance and Governance as one of the important management issues for the purpose of ensuring transparency, soundness and efficiency of our management, and we are implementing various initiatives. We also engage in activities that contribute to society such as forestation activities as part of our efforts to improve the global environment through the actions of each employee.	8, 14, 15, 16
Being a Company that Earns the Pride of its Employees	Makes the most of human resources and prepares an employee-friendly and rewarding work environment	We accept diversity in terms of various factors, including abilities and experience. Harnessing it for use inside our organization will improve employee job satisfaction and productivity, helping to create added value. Driven by this belief, we are creating workplace environments and implementing human resource development so that every employee can exert their best performance by utilizing their own talents and individuality.	3, 4, 5, 8

Concrete actions taken by the Tadano Group are explained from the next page. Please see our website for further information on Sustainability.



Human Resource Management [Our Basic Policy]

Company growth cannot be achieved without the growth and development of its employees. Securing and utilizing excellent human resources is essential for a sustainable growth. Based on the concept that employees are our assets, Tadano emphasizes workplace building and human resource development to best leverage the skills and individuality of each person and diversity, allowing employees to give their maximum performance. We regularly conduct employee engagement surveys in and outside Japan, and by quantifying the degree of mutual understanding between the company and employees, we are able to visualize and improve the state of our organization. We also believe that maintaining a proper work-life balance, built upon physical and mental well-being, is essential for boosting productivity and adding value.



Diversity and Inclusion

We accept diversity in terms of various factors, including abilities and experience. Harnessing it for use inside our organization will improve employee job satisfaction and productivity, helping to create added value. Driven by this belief, we are creating workplace environments where diverse employees can best utilize their talents.

Empowerment of women

Tadano hires women in a well-planned and proactive manner, aiming to increase the percentage of female employees at the company to 10% by the end of FY 2026. At the same time, we are making steady progress in developing a work environment and a job rotation system to promote the advancement of women through initiatives such as providing more training opportunities to help them succeed as the next generation of leaders. We will promote diversity by increasing the ratio of female employees and by increasing the number of women in leadership positions (managers and supervisors).

Currently, male employees represent the majority of the workforce within the Tadano Group. However, numbers show a positive increase of female employees who work with enthusiasm in their own ways while making the most of each person's individuality and potential. To further expand the fields in which women can play active roles, we will create an environment that allows for flexible working styles according to each life stage. We will continue to support the active participation of women who are willing to grow with Tadano amid a period of change and open up new paths with their own efforts.

Target		Term
Ratio of female employees	10%	By end of FY 2026
Appointment of women to leadership positions	Managers: 3% Supervisors: 5%	
Ratio of female employees	20%	From FY 2027 onwards
Appointment of women to leadership positions	Managers: 7% Supervisors: 9%	

(Reference) As of March 31, 2023

Ratio of female employees: 9.7%, ratio of female managers: 2.8%, ratio of female supervisors: 5.4%

Obtaining “Kurumin” certification

In May 2022, we obtained the “Kurumin” certification from the Ministry of Health, Labour and Welfare in Japan in recognition of our various initiatives from April 1, 2020 to March 31, 2022. Our programs are designed to create an employee-friendly and rewarding work environment, including by increasing the ratio of employees taking paid annual leave, extending the applicable period of shorter working hours for employees engaged in childcare, and promoting telework.

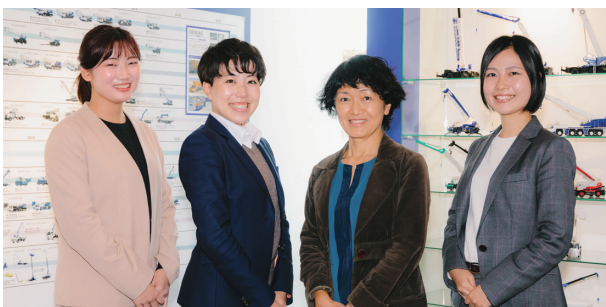
*“Kurumin” certification is awarded by the Minister of Health, Labour and Welfare in Japan to companies that have formulated a general action plan, and have also achieved the targets set forth in it and met certain standards based on the “Act on Advancement of Measures to Support Raising Next-Generation Children,” as a childcare support company.



Round-table talks with one of our Directors

To become a company where motivated and capable people can succeed regardless of gender, we invited all female employees of each workplace in Japan to join round-table talks with our Outside Director, Ms. Akiko Otsuka.

Many commented at the round-table talks that their working environments have become more comfortable, and that it has become easier to



Our voices

“I was the first woman in the Test and Research Department, where I was initially assigned. With this in mind, we made various improvements, including alternations to the changing rooms. I believe that our generation must do our best to pave the way now for women who will join the company in the future. This spring, I applied for the Job Challenge Program and was assigned to the Tadano Europe Research Center in Germany.”



“I would like to focus on balancing work and family in the future. I devote myself to work on weekdays but I really enjoy my days off. For that reason too, I would like to establish my area of expertise at an early stage. Once the company needs you, you will not have to worry about whether there is still a place for you when returning to work after taking maternity leave.”



Childcare leave for men and families

With the revision to the “Act on Childcare Leave / Caregiver Leave” in October 2022, it has become easier to take childcare leave. To encourage male employees to take childcare leave, we created a section on our company internal website where data and testimonials on childcare leave taken by male employees are posted. As a result, 13 male employees took childcare leave in FY 2022. A number that exceeds the number of female employees who took the same type of leave. The average period of leave taken was 1.8 months, with some employees taking up to five months. Furthermore, not only male employees but also employees and their spouses have the chance to take childcare leave together (paid family leave). We are striving to promote a working environment where employees can play important roles without giving up their careers by expanding flexible working styles for different life events.

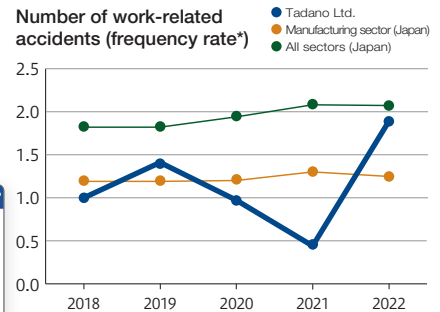
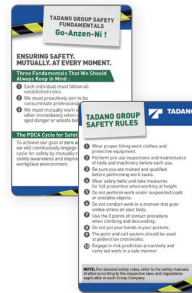
balance work and personal life. However, there were also workplace-specific requests, such as those related to facility issues (restrooms problems and factory noise). The identified points for improvement and needs are shared with relevant workplaces. The entire company is working together to create and expand an environment in which women can work comfortably and can feel empowered.



Our Commitment to Safety in the Workplace

Tadano has significant obligations and responsibility for product safety, to protect both our customers and society. It is occupational safety at the company that supports product safety. We believe that realizing occupational safety at the company is essential to ensuring the safety of our products. Based on this concept, we prepared the Tadano Group Safety Fundamentals Card in December 2017 with the goal of further raising awareness about workplace safety among group employees. Prepared in nine languages (Japanese, English, German, French, Dutch, Thai, Hindi, Spanish and Italian), the card is distributed to all group employees.

Our plants in Japan were subjected to a safety diagnosis conducted by an external organization, wherein the evaluation and feedback were reported to the company in March 2022. Since then, we have been striving to further improve our safety management system through regular communication between safety officers at plants both in and outside Japan. We also continue to provide safety training using video content and other tools.



* Number of occupational accidents per 1 million actual work hours. Describes the frequency of occupational accidents resulting in lost workdays. (Figures for the manufacturing sector and all sectors, excluding the general contracting sector, are taken from the Survey on Industrial Accidents by Japan's Ministry of Health, Labour and Welfare.)
* The scope of calculation has been expanded to all sites of Tadano on a non-consolidated basis.

Promotion of remote work

As part of our measures to prevent COVID-19, since April 2020, we have set up and promoted remote work environments company-wide. During the pandemic, more than half of our employees were working from home. In April 2023, the objective of remote work was changed from being a countermeasure to prevent infection spread to representing a different work style. Remote work results to be a good compromise for employees who are raising children. From the perspective of improving work-life balance and work efficiency (productivity), we established remote work as a permanent option by changing our internal systems. In addition, online meetings have

become firmly established within the company as a way to conduct meetings, including those of the Board of Directors. There are also more spaces for telework within offices.

The Tadano Tokyo Office, which was relocated and opened in 2022, adopts an office layout suitable for telework and with flexible seating arrangements. This is also a concept for using the space as a satellite base for researchers and developers necessary for promoting the technological innovations as well as Digital Transformation and Green Transformation.



Kanda Square where the Tadano Tokyo Office is located



Introduction of a cafeteria plan

A cafeteria plan is a selective-type employee benefit plan, in which the company grants employees with a certain number of points, and employees can freely select services from a pre-set menu using those points.

In January 2023, we have introduced our internal cafeteria plan to further meet the diverse lifestyles and needs of our employees.

Thanks to this fair and free system, we are aiming to eliminate benefit disparities arising from different job tenures, in response to a growing number of employees hired as mid-career professionals in recent years. This is an example of our efforts to further increase job satisfaction of our employees.

Tadano's Health Management Initiatives

Tadano is certified as a Health & Productivity Management Organization

Since launching its Physical and Mental Wellness Program in 1981, Tadano has been working to foster a culture of health in the workplace. Initiatives include granting company employees and families access to the Fitness Center located within the company. Since 2018, Tadano has been recognized in the Large Enterprise Category of the Certified Health & Productivity Management Organization Recognition Program of Japan's Ministry of Economy, Trade, and Industry and the Nippon Kenko Kaigi (Japan Health Council).

Our ten group companies in Japan (seven in the previous fiscal year) were also recognized in the Small and Medium-sized Enterprise Category of the Certified Health & Productivity Management Organization Recognition Program in March 2023.

In addition, as part of our efforts to secure work-life balance, prevent lifestyle-related diseases, and address mental health, we have set up and published ten health management KPIs, including overtime hours, the rate of paid leave taken, the rate of annual health checkups and close medical examinations taken, non-smoking rate, and the rate of stress check taken.

Employee Health Management Declaration

Tadano takes pride in the culture of health it has cultivated since launching its Physical and Mental Wellness Program in 1981. To maintain and further develop this culture, we hereby declare that we will value the physical and mental well-being of each and every employee and that we will make organization-wide efforts to create a positive workplace where employees can thrive.

May 2018

President & CEO

Cooperation for blood donation drives

Tadano started in-house blood donation drives in 1971 and has been registered as a blood donation supporter for the Japanese Red Cross Society since 2007. It is said that donating blood is an act of volunteering that saves lives. Our blood donation drives cultivate the spirit of cooperation and service among our employees. In-house blood donation drives are held twice a year at five business sites in Kagawa Prefecture, with more than 400 group employees participating each year. The number of employees who donated blood in FY 2022 was 471, accounting for approximately 1.2% of local blood donations.



Installation of AED

The Tadano Group has installed AEDs (automated external defibrillators) at all of its locations in Japan (a total of 63 locations) for emergencies involving not only its employees but also visiting customers and local residents. To ensure the smooth use of AEDs, employees are given regular training on how to use them, and the actual locations of AEDs are registered in a map, which can be displayed on the business smartphones used by employees.



Support for Self-Directed Career Development / Respect for Human Rights

Based on our belief that a company is its people and the success of a company is built on human resource development, we always place emphasis on the development of human resources, and invest resources in our employees education. In particular, Tadano actively develops human resources capable of competing on the global stage as its business domain expands globally. For instance, we encourage young employees at the company to undertake international assignments.

Every year we also hold the Tadano Way Meetings at each group company and division to confirm what Tadano values as a company, what we are aiming for, and what we are doing concretely to implement initiatives that lead to action.

To empower employees for their self-development and reskilling efforts, from FY 2023, we have introduced and been using an external educational service that allows employees to select their own learning content and take lessons.

We also held a career design training program for the first time in May 2023 for employees who have reached the age of 50 to look back on their career and undergo self-reflection. By providing support for each individual to proactively envision their career paths and put their visions into action, we will expand options for diverse work styles and create a more rewarding work environment.

Education system diagram

Generation	Role example	Level	Administered by Human Resources Department			Safety and health	Departmental expertise
			Hierarchical Common	Next-generation global leader training Selection	Self-growth		
50s	Executive Officer	Officer	New officer training (external)				
	General Manager	General Manager		Management seminars Management A training			
40s	Manager		Existing manager training Follow-up training for third-year managers		Overseas pre-departure training English conversation Overseas trainees (technical)	Distance learning Theme-based skill training	Safety education (special education / KTM) Health education (health classes / mental health)
			New manager training	Study within Japan [MBA / MOT] Global leadership skill training ②			
30s	Supervisor	Assistant Manager	New supervisor training				
	Leader	Chief / Mid-level	Mid-level employee training	Management B training Global leadership skill training ①			
20s	In charge		Follow-up training in third year since joining the company				
	Join the company	New employee	New employee training		Cross-cultural understanding training		

Implementation of unconscious bias training

In FY 2022, we held unconscious bias training for senior managers at the general manager level or above and presidents of the group companies. Through group work, the participants exchanged opinions on unconscious biases that exist within their company, their impact, and how to rectify them, deepening their learning and awareness. Through unconscious bias training, we aim to prevent unconscious discrimination, prejudice, and harassment, and to ultimately create a work environment where diverse talents can flourish. There is a plan to extend the training to managers and employees after FY 2023.

Job Challenge Program / Internal FA Program

We will maximize our corporate value through an organizational culture that allows for continued learning and growth. In addition to supporting individual learning and self-improvement, we have introduced the Job Challenge Program to provide employees seeking a new challenge with career opportunities. As an initiative to give opportunities to employees who understand the company's organizational needs and seek a new challenge, we held the Job Challenge Program for overseas posts in 2022 and invited applications from across the company. Furthermore, in April 2023 we introduced the Internal FA Program which allows eligible employees to solicit offers from other departments.

Respect for human rights

The Tadano Group supports and respects the protection of human rights and strives not to be complicit in human rights violations. The Tadano Group Compliance Regulations stipulate respect for human rights as follows:

“Officers and employees shall respect the basic human rights of individuals and shall not discriminate on the basis of nationality, race, religion, belief, age, gender, sexual orientation, disability or other factors, nor shall they engage in any act detrimental to the dignity of individuals, or any kind of harassment. In addition, officers and employees shall also work with business associates to prevent slave labor and trafficking in the supply chain.”



Supply Chain Management

[Our Basic Policy]

Tadano's products are made of tens of thousands of parts, many of which are procured from our suppliers. To deliver even safer and higher-quality products to our customers, building strong relationships with our suppliers is essential.

The Tadano Group CSR Charter and the Tadano Group Compliance Regulations set out principles for coexistence with business associates and fair procurement activities.

Tadano also promotes environmentally-friendly product development through the non-use of substances of concern with the understanding and cooperation of our suppliers.



Aiming for Mutual Development: the Tadano Kyoei Society

In April 1999, Tadano and its suppliers established the "Tadano Kyoei Society" with the aim of fostering an independent, solution-oriented organization with the competitive technologies and capabilities needed to survive in the 21st century. Since then up to the present time, we have developed and maintained lasting, strong relationships with our suppliers and worked with them for mutual growth and development. The organization is comprised of a total of 58 corporate members in Japan (as of March 2023). A variety of activities and events are held each year, including safety workshops, presentations on improvement initiatives, plant tours, and SVE conferences. The association also presents awards to suppliers with outstanding achievements each year.



Plant tours by members of the Tadano Kyoei Society



SVE Conference (presentation by a supplier)

Building a "Win-Win" Relationship: SVE Activities by the "Team of Four"

Since 2009, Tadano's three divisions (Research and Development, Production, Procurement) have worked with our suppliers as a "Team of Four" to promote its SVE activities, with the goal of developing and producing products with greater value. "SVE"—an original concept developed by Tadano by adding "S" (Super and Sustainable) to "VE" (Value Engineering) — embodies our determination to surpass our past VE activities and continue to move forward vigorously with our efforts.

SCOOP activities

In 2011, we began our SCOOP (Super Cooperation) program, a key component of our SVE activities. We work with our suppliers on an individual basis to set themes and targets to enhance the value and functionality of products and reduce costs while leveraging strengths and qualities of both Tadano and the suppliers.

Our Suppliers

Tetsuya Yoshinaga President and CEO, Exedy Corporation

Based on our corporate philosophy of "Creation of Fulfillment," our company has been growing by supplying transmissions and torque converters, which are key engine parts, with the aim of creating customers' happiness through advanced technology and meticulous service.

In recent years, the rapid wave of electrification has surged forward, and the Tadano Group, a leading manufacturer of mobile cranes, has announced the world's first electric rough terrain crane, giving us the constant joy of creating happiness for customers. We would like to build a relationship that enables us to grow together with the Tadano Group so that we can play a part in next-generation development.



Naoki Iwasaki Chief Operating Officer, Amron Corporation

Our company was founded in 1948. Our relationship with the Tadano Group began with the bond between our founders, and continues to this day. Our company, which had been mainly engaged in the distribution of steel materials and the shearing business, made a full-scale entry into the cutting business so that we could supply cut plates to Tadano. Furthermore, we have a history of introducing presses in order to supply boom materials, and making serious inroads into the welding industry in order to manufacture cabins and carrier frames. As a company that has been nurtured by Tadano, we will work diligently to expand production functions and introduce new technologies so as to keep pace with and contribute to the global growth of the Tadano Group.

R&D and Manufacturing Strategy [Our Basic Policy]

Based on its corporate philosophy of *Sozo* (Creation), *Hoshi* (Contribution) and *Kyoryoku* (Cooperation), the Tadano Group intends to be the global leader in customer satisfaction by providing customers with quality and services with the sincere desire to inspire a wow factor. As the use of IoT and AI spreads rapidly due to innovation in digital technology, we will integrate digital technology into our products and adapt our business model. Specifically, we aim to respond to the needs of customers and construction sites by offering not only tangible products but also intangible solution services that focus on the lifting function.



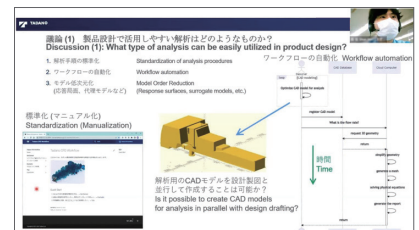
R&D Initiatives

Tadano Europe Research Center

To take advantage of the environment of Germany with its originality and advanced technology, we established the Tadano Europe Research Center. Here, our group employees are in charge of researching on our Lifting Solutions and deepen their knowledge of the market.

Technology report meetings

We have held a total of 20 technology report meetings to share technological issues and research results, exchange opinions, and find solutions. Participants have expanded to include employees of overseas group companies in recent years, promoting the importance of sharing technological information throughout the group.



Start of operations at the Power Train Testing Facility

Technological innovation for carbon neutrality has accelerated further in recent years, and it has become an urgent task for us to develop safe, high-quality, and high-efficiency products that incorporate daily evolving new technologies.

Many of our products are large, and there are limited places and facilities for driving tests. Future development of new power trains requires an environment that allows us to perform tests and evaluations with high accuracy without having to drive on roads. Against this background, this facility started full-scale operations in October 2022 to engage in advanced development for the future, such as electrification,

automatic braking, and automated driving, in addition to the development of conventional models. The facility has the flexibility to support vehicles with various vehicle widths, axle loads, wheelbases, and drive systems, and enables a variety of tests and verifications.

Going forward, the Power Train Testing Facility will be used to verify tests that involve risk in actual driving and tests in which quantitative evaluations are difficult because they are affected by weather conditions. With the operation of this facility, we will increase development efficiency, establish safety and quality, and speed up the development of new technologies.



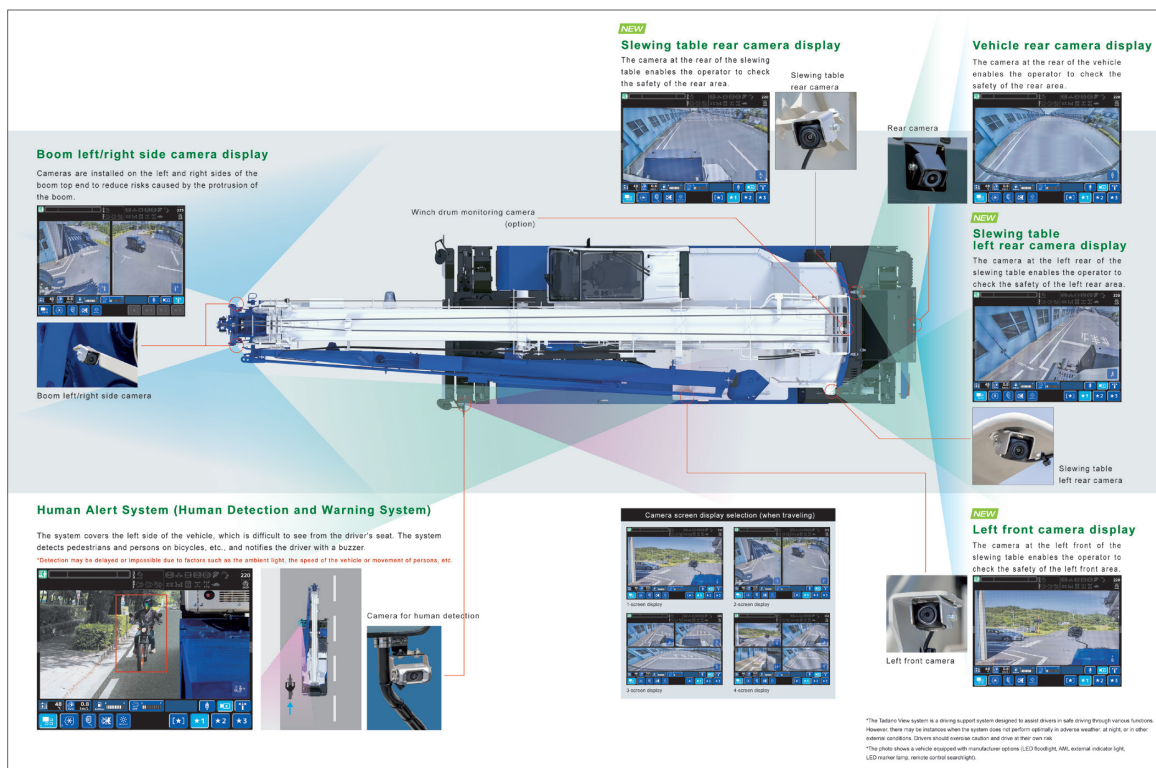
Safety Initiatives

Holding safety training sessions

Safety classes are held for various types of products in and outside Japan in response to requests of customers, for their proper and safe use. Thousands of people have attended these classes so far. The curriculum can be matched to the participants, from people using the equipment for the first time to machine administrators. Our Brazilian group company, Tadano Brasil Equipamentos de Elevação Ltda., held a safe operation training session online in cooperation with the Brazilian crane association (SINDIPESA) in October 2021.

In planning the session, our group company called on our competitors to jointly host the event, and invited crane operators, as well as students who major in machinery and are expected to lead the crane industry in the future. The training was attended by approximately 130 people. Furthermore, we held the second safety training class in June 2022, with more than 600 registrants and 250 accounts attending the class on the day, making the event a great success. The circle of safe operations is gradually expanding.

Tadano View System (GR-250N-5)



Our Commitment to Quality

Complex pieces of precision machinery like cranes rely on the continuous improvements in skill and technique derived from our wealth of accumulated engineering experience. Tadano develops the skills of its workforce through both specialized skill training, which leads to quality improvements, and multi-skill development, which leads to efficient manufacturing.

In 1996, Tadano received ISO 9001 certification, the international standard for quality management systems. To ensure that we can continue to deliver satisfaction to our customers, the company also overhauled its operational processes, from the initial development phase to prompt responses to post-market quality issues. Since 2007, Tadano's Production Division introduced "core value activities" at all our production sites, including the use of a management board to visualize and improve the status of quality on a daily basis (the PDCA cycle).

Furthermore, the Quality and Safety Assurance Department is in charge of organizing annual Top Patrol on quality by the management team, including the President, at each plant in Japan. The issues identified by the patrols are shared with all plants to facilitate company-wide improvements and information sharing.

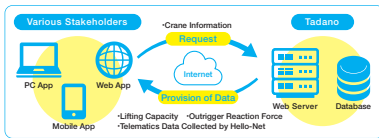
The company's plants are also working on Digital Transformation in manufacturing with the aim of improving productivity and creating new value. Going forward, we will introduce a system to support production in stages, while further improving safety, quality, and efficiency and reducing our environmental impact.



Digital Services — New Value with Lifting Solutions

“We want to provide safe, high quality and efficient lifting work.” This is Tadano’s consistent passion that has never changed over the years to this date. That is why we were early to implement digital services including telematics. Under the banner of Digital

Transformation, we will support our customers with total digital solutions, amid a major turning point faced by the construction and building industry. The provision of Lifting Solutions beyond Lifting Equipment will be one of Tadano’s future missions.

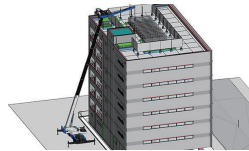


Lift API

*The general term for API (Application Programming Interface) advocated by the company.

Digitalization and open interface

The Lift API is an API for providing the calculation function of Tadano cranes and telematics data via the Internet. Through the linkage with crane construction plan apps and currently used fleet management systems, customers and Tadano can be connected by way of crane data. Through the linkage with lift planning apps for example, the Lift API allows for precise lift planning and ascertains rated lifting capacity based on calculation results from a virtual on-board computer. When used in conjunction with fleet management systems, Tadano products can be managed on a platform of the customer’s choice along with all other equipment. There are many more ways of using the Lift API. Tadano will create even more value together with our stakeholders.



BIM Data

Project planning with Tadano Group construction cranes is even easier when you use our BIM data

Building Information Modeling (BIM) is a process that utilizes a database of digital products, allowing users to digitally model a building, and calculate the associated cost, material type, and other elements. BIM brings together the previously separated stages of design, construction, and management, and can be used throughout the whole building lifecycle. And, unlike 3D CAD, BIM files can be used with a variety of software. The BIM data of our construction crane lineup is now available both on the BIMobject® platform and Tadano website.



HELLO-NET

Keeps customers and Tadano Group connected to cranes in the field

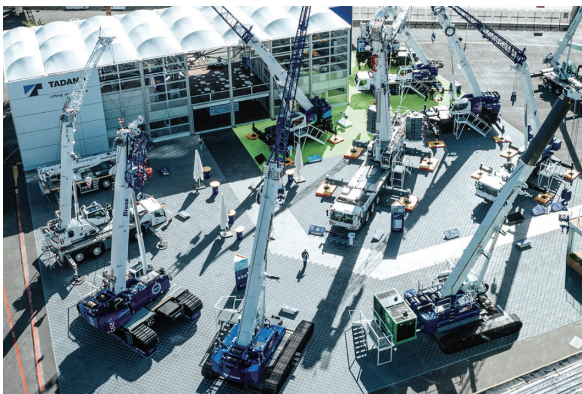
Using communication satellites and mobile devices, Hello-Net makes it easy to ascertain the operating status of a crane in real time. This enables a proactive approach to service through which we can identify early signs of trouble and provide maintenance in advance. We are making progress in installing Hello-Net as standard equipment, chiefly on mobile cranes and aerial work platforms. Hello-Net is currently used with approximately 20,000 cranes in Japan and 8,000 cranes outside Japan.

International Construction Machinery Trade Shows: bauma 2022 & CONEXPO 2023

In 2022 and 2023, we showcased our products at two international construction machinery trade shows in Germany and the US, resulting in a great success for the Tadano Group.

Our products were presented at “bauma 2022” in Munich, Germany, in October 2022. Bauma is the world’s largest trade fair for construction machinery, mining machinery, construction vehicles, and construction equipment. This was the first exhibition to showcase our products since Tadano Demag GmbH joined the Tadano Group, and we presented 13 new models added since the previous bauma 2019.

Furthermore, we gathered products that contribute to the improvement of the global environment and the realization of a decarbonized society under the name of “Tadano Green Solutions,” and exhibited AC 3.045-1 all terrain crane with e-PACK and a hybrid concept machine AC 4.070-1 all terrain crane.



In addition, we showcased our latest products at CONEXPO 2023, the international trade show held in Las Vegas, US, in March 2023. Many interested people and customers visited our booth during the five-day exhibition. In the green area dedicated to Tadano Green Solutions, including GR-1000XLL EVOLT, a fully electric rough terrain crane for the US and Canada markets, our environmentally friendly products and business activities were highlighted in a panel display with the slogan “Our True Mission: Zero Emissions,” and attracted the attention of customers.



Communication with Investors

[Our IR Policy]

In the Tadano Group CSR Charter, the company positions our shareholders and investors as key stakeholders and pledges to “improve our performance and achieve long-term, steady growth to increase the asset value of our shareholders and investors.” We pledge to all our stakeholders that we not only comply with relevant laws and regulations, but also disclose corporate information including updates on management and business activities in a timely and appropriate manner. We hold our biannual briefings for securities analysts in Tokyo, where the President personally explains the company’s financial results as well as the future direction of our business. We also welcome our institutional investors and others for company visits and plant tours.



IR Calendar

Event	FY 2023	Event	FY 2023
Announcement of full-year financial results for the year ended December 2022	February 14, 2023	Announcement of financial results for the second quarter of the year ending December 2023	August 10, 2023
Briefing for securities analysts	February 27, 2023	Second quarter financial results briefing for securities analysts	August 31, 2023
The 75 th Ordinary General Stakeholders' Meeting	March 30, 2023	Announcement of financial results for the third quarter of the year ending December 2023	Pending
Announcement of financial results for the first quarter of the year ending December 2023	May 15, 2023		

Opportunities for Dialogue with Institutional Investors and Analysts

Activity	FY 2022	Activity	FY 2022
Briefing by the President	Once	Individual interviews	89 times
Small meetings	11 times	Facility tours	5 times

Analyst Coverage

Below is a list of securities analysts who review and make recommendations on Tadano’s stock based on their analyses of the company’s operating performance (as of June 1, 2023).

Company name	Name of analyst
CLSA Securities Japan Co., Ltd.	Edward Bourlet
JP Morgan Securities Japan Co., Ltd.	Tomohiko Sano
SMBC Nikko Securities Inc.	Satoshi Taninaka
Daiwa Securities Co. Ltd.	Yusuke Miura
Tokai Tokyo Research Institute Co., Ltd.	Mitsuyuki Ohdaira
Mizuho Securities Co., Ltd.	Jin Qian
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	Tsubasa Sasaki
Morgan Stanley MUFG Securities Co., Ltd.	Yoshinao Ibara

<Notes>

- The list includes securities analysts who were confirmed to have published reports concerning Tadano based on the information available to the company at the time of publishing the list. Please note that there is a possibility of other analysts that are not listed and that not all of the information may be up to date.
- The list is posted for the sole purpose of introducing information on the analysts belonging to a corporation or research institution that provides analyses and forecasts regarding Tadano’s operating performance, and is not intended as a solicitation to purchase or sell the company’s stock.
- Analysts, whether included in the list or not, periodically or irregularly prepare analyses and forecasts on performance, business, products, technologies, and other aspects of the company based on their independent judgment. Neither the company nor the company’s management team is involved in the processes in any way. Investors are requested to make their final investment decision based on their own judgment.

Harmony with Nature

[Our Basic Policy]

With the aim to live in harmony with nature, the Tadano Group is working towards improving the global environment from various perspectives, such as initiatives to address climate change, CO₂ emissions reduction, industrial waste reduction, conservation of forests and seas, and biodiversity protection.

Under the environmental policy established in 2008, "We serve society by harmonizing the balance of people, machinery and the environment," we are committed to each employee caring for the environment, development of green products and provision of green services, and environmentally friendly business activities.



Long-Term Environmental Targets

We set long-term environmental targets for 2030 compared to the 2019 baseline of a 25% reduction in CO₂ emissions from business activities, a 35% reduction in CO₂ emissions from product use, and a 50% reduction in the volume of industrial waste from business activities.



<Reduce CO₂ Emissions> Compared to 2019 Baseline
 (1) CO₂ emissions from business activities ...25% reduction
 (2) CO₂ emissions from product use35% reduction

<Reduce Industrial Waste> Compared to 2019 Baseline
 Industrial waste from business activities50% reduction

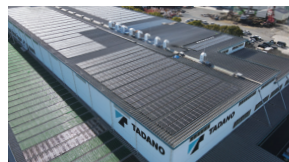
Efforts to Reduce CO₂ Emissions from Business Activities

The problem of climate change is a critical issue which cannot be resolved unless the entire world works together. The Tadano Group is also carrying out programs aimed at contributing to preserving the global environment and creating a sustainable society.

Our efforts include installation of solar panels with a maximum output of 260kW at our Shido Plant in 2008 and reorganization for greater efficiency in production and energy usage. In addition, at the Kozai Plant, constructed under the concept of "Next Generation Smart Plant: Harmonizing the Balance of People and Machinery, Connecting to the Next Generation of Smart Manufacturing," we adopted an energy management system, which can monitor energy consumption in real-time. We also installed solar panels with a maximum output of 1,182kW in 2021. At both plants, we are transporting products using barge vessels that feature high energy efficiency and low CO₂ emissions, and are also actively implementing a modal shift. We installed solar panels with a maximum output of 606kW at the Tadotsu Plant in January 2023, further accelerating our efforts.

We are also working on a new initiative to reduce CO₂ emissions from transportation by reviewing the delivery method of product catalogs and building a direct delivery system from the Takamatsu Head Office and Tokyo Office. We are working to reduce environmental impacts at our other business sites in and outside Japan as well, including by installing solar panels, conserving air conditioning and lighting power, and changing company-owned vehicles to electric and hybrid models.

As a member of society, we will continue to enhance our programs aimed at harmonization with the global environment, environmental improvements, and realization of a decarbonized society.



Solar panels installed at the Tadotsu Plant



Transportation of products by barge vessels

Changes in CO₂ emissions (Scope 1 and 2)

Item	FY 2019 (year ended March 2020)	FY 2022 (year ended December 2022)
Total CO ₂ emissions (t)	30,819	22,404
[Breakdown] Japan ^{*1}	20,205	11,750
Outside Japan ^{*2}	11,225	10,654
[Reference value] Intensity per sales amount ^{*3}	13.52	11.61

*1: Applicable to all business locations in Japan (including group companies and plants, etc.)

*2: Applicable to four production locations outside Japan (data for India in FY 2022 is up to August). The scope of calculation will be expanded to other group companies outside Japan in the future.

*3: Intensity with the Tadano Group sales amount as the denominator is indicated (CO₂: ton/sales: 100 million yen).

Efforts to Reduce CO₂ Emissions from Product Use

Emissions generated during product operations account for a large portion of the CO₂ emissions in the life cycle of construction machinery. Against such background, reducing CO₂ emissions from our products has become a major issue for protecting the future of our planet.

The CREVO G5 Series of rough terrain crane includes a new-generation engine designed to protect the environment, “automatic acceleration” that reduces wasteful engine speed, and “automatic pump stop” that stops the power-take-off pump when the crane is not being operated. In addition, the electro-hydraulic system “e-PACK,” which allows the crane to be operated without starting the engine has been released in Japan as well as Europe. In this way, our cranes support efficient and environmentally friendly operations through the reduction of CO₂ emissions, the improvement of fuel consumption, and low-noise operations. We are also actively working for the use of bio-diesel fuels such as hydrotreated vegetable oil, that have a smaller impact than conventional diesel fuels. In April 2022, we announced our plans to commercialize the world’s first electric rough terrain crane. This electric rough terrain crane is able

to travel and perform crane work using electrical power, and can reduce CO₂ emissions from our products to zero. With support from a variety of industries and partners, we plan for product release in 2023 for Japan and in 2024 for the US and Canada.

In addition, Tadano Group’s products are expected to play a big role in the construction of renewable energy power plants such as wind power stations, which are anticipated to increase due to Green Transformation in the future. To help our society, we will continue to develop products that contribute to environmental conservation.



Electric rough terrain crane
GR-250N EVOLT



Assembling wind power
generation equipment

Efforts to Reduce Industrial Waste Emissions from Business Activities

To realize a recycling-oriented society, the Japanese government is promoting the reduction, reuse, and recycling of waste. Since acquiring ISO 14001 environmental management system certification in 2008, the Tadano Group has also been working to reduce industrial waste emissions from its business activities.

Approximately 90% of industrial waste in the Tadano Group is generated at production sites. We are working to reduce industrial waste by means including complete sorting of waste, recycling waste to create valuable materials, reducing the use of plastic in part packaging, and making effective

use of surplus parts.

In 2021, we began recycling waste oil to create a valuable material, allowing the waste oil that was previously incinerated to be reused. In 2022, following the enactment of the “Plastic Resource Circulation Act,” we revised the waste sorting rules (implemented in Kagawa Prefecture ahead of other locations) and started trading in vinyl plastics as valuable materials to reduce plastic waste. As part of our efforts to recycle industrial waste generated from our business activities, we also encourage the reuse and recycling of returnable containers used for delivering parts.



Acquisition of ISO 14001
certification



Waste storage area where all waste is thoroughly
sorted



Sale of surplus parts (outlet parts auction)

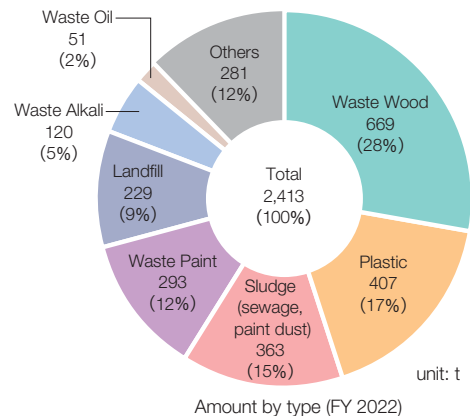
Changes in industrial waste emissions (Scope 1 and 2)

Item	FY 2019 (year ended March 2020)	FY 2022 (year ended December 2022)
Total industrial waste emissions (t)	4,216	2,413
[Breakdown] Japan*1	2,292	1,475
Outside Japan*2	1,924	938
[Reference value] Intensity per sales amount*3	1.85	1.25

*1: Applicable to all business locations in Japan (including group companies and plants, etc.)

*2: Applicable to four production locations outside Japan (data for India in FY 2022 is up to August). The scope of calculation will be expanded to other group companies outside Japan in the future.

*3: Intensity with the Tadano Group sales amount as the denominator is indicated (industrial waste: ton/sales: 100 million yen).



Conservation of Forests and Seas

Under the “Forest Matching Promotion Project” organized by Kagawa Prefecture, we have been carrying out forestation activities since FY 2020 by designating a part of the forest owned by Sanuki City as “Tadano Forest of Learning.” Volunteers from the Tadano Group take part in these activities to maintain a “place for learning about the environment” by regularly weeding and planting trees, and to learn about flora and insects by observing the natural habitat in which various species are living. The forestation activities also create opportunities to socialize among employees from various departments and their families. We will continue these activities to contribute to the preservation of forests and ecosystems.



We also engage in beach cleaning activities as part of our efforts for marine conservation. Most of our plants in Kagawa Prefecture are located overlooking the Seto Inland Sea. Products are also transported by sea, and the Tadano Group has developed a close relationship with the sea in the course of its business activities. In recent years, marine debris has continued to increase, causing a variety of adverse effects on the environment. We have been organizing beach cleaning initiatives since FY 2021, hoping that participating in the cleanup will help raise people’s awareness of the marine debris issue. During the first clean-up, we picked up trash on the coast and surveyed marine debris. For the survey, we used the ICC (International Coastal Cleanup) data sheet to record data on the types and volumes of trash collected. Through these activities, we will encourage the group’s employees to learn about and participate in the protection of the richness of both land and sea.

Initiatives for Conservation of Biodiversity and Water Resources

In our efforts to protect the richness of the sea and land, we recognize the importance of protecting the richness of ecosystems and biodiversity, as well as conserving water resources, and put that awareness into actions.

Specifically, the coating of our products uses organic solvents, which poses a risk of environmental pollution. The coating booths operated at our plants in Japan are of closed wet type and wastewater from the booths is managed so that it is not discharged into public waterways. This reflects our commitment to comply with relevant

laws and regulations, such as the “Air Pollution Control Act,” the “Soil Contamination Countermeasures Act,” and the “Water Pollution Prevention Act.”

We also comply with related regulations, including the “Industrial Safety and Health Act,” for the safety and health management of workers. To address the risk of rainwater discharge, we carry out drainage management by installing oil water separators and conducting regular inspections.



Initiatives to Address Climate Change

Hoping to contribute to a better global environment as a part of society through our products, services, and business activities and through the behavior of our individual employees, in April 2021, the Tadano Group expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and declared a target of achieving Net Zero Carbon Emissions by 2050. By carrying out Tadano Green Solutions, we will contribute to the improvement of the global environment and the achievement of a decarbonized society.

What are Tadano Green Solutions?

As part of the greater society, the Tadano Group gathers all of its sustainable solutions under the name Tadano Green Solutions which are integral to our efforts to protect the global environment and achieve the goal of making a net zero carbon world a reality.



Response to TCFD Recommendations

Governance

In 2005, Tadano established the CSR Committee, which is composed of all company officers and chaired by the company President, as well as the Risk Committee that carries out and supervises business risk management for the Tadano Group, and the Environmental Committee that promotes environmental initiatives.

In 2021, we established the CO₂/Energy Reduction Subcommittee as an organization within the Environmental Committee. This subcommittee is studying specific action to take, sharing information among different divisions, and working for continued improvements aimed at achieving long-term targets.

Strategy

The CO₂/Energy Reduction Subcommittee has studied the transition risks and opportunities resulting from the so-called 2°C scenario, as well as the physical risks and opportunities resulting from the 4°C scenario, and has produced the following analysis regarding risks and opportunities in the Tadano Group. (As of March 31, 2022)

Changes and effects produced by electrification and other product changes to address climate change (transition risks and opportunities)	<ul style="list-style-type: none"> ● Falling behind or taking the lead within the lifting equipment industry in terms of the development, production, and sales of electrified products. ● Tangible and intangible measures are necessary for both electrified product manufacturing and supply chains.
Changes in social and economic structures and its effects resulting from climate change (transition risks and opportunities)	<ul style="list-style-type: none"> ● There will be large changes in social and economic structures in the markets and customers which use our products (shrinkage of the fossil fuel market, reinforcement of CO₂ emission regulations in all countries, and Green Transformation investment in wind power generation and other areas). ● Falling behind (reputation risk) or taking the lead within the lifting equipment industry in terms of action to address climate change.
Effects on workplaces resulting from rising temperatures and increasing natural disasters (physical risks and opportunities)	<ul style="list-style-type: none"> ● Worsening working environments at construction and manufacturing sites, increased risk of disasters affecting our plants and supply chains. (There is also the potential for increased product demand resulting from the use of AI and robots for automation and work support, and from increased frequency of disasters.)

Risk Management

Twice each year, the Risk Committee identifies and evaluates business risks, identifies the departments responsible for addressing each risk and carrying out response measures, and reviews the results.

Starting from FY 2022, the same process is used to also regularly identify, evaluate, and manage climate change risks, as well as provide reports to the Board of Directors.

Metrics and Targets

Long-term environmental targets for the Tadano Group are a 25% reduction in CO₂ emissions from business activities and a 35% reduction in CO₂ emissions from product use by 2030 (all compared with FY 2019 baseline).

Changes in CO₂ emissions from Tadano Group business activities (Scope 1 and 2) are shown as below.

Item	FY 2019 (year ended March 2020)	FY 2022 (year ended December 2022)
Japan (t)	20,205	11,750
Outside Japan (t)	11,225	10,654
Group total (t)	30,819	22,404
Intensity per sales amount	13.52	11.61

(CO₂: ton/sales: 100 million yen)

<Notes>

● Due to the change in the accounting period, environmental data for FY 2022 covers the period from April to December 2022 for Japan and the period from January to December 2022 for outside Japan.

● As the shortened data collection period results in lowering aggregated figures, the comparison between the FY 2019 baseline and FY 2022 is for reference only.

● Data was collected from all business locations in Japan (including group companies and plants) and from production locations only for outside Japan (Germany, US and India; data for India in FY 2022 is up to August).

Coexistence with Local Communities and Society

[Our Basic Policy]

Tadano established the CSR Committee in 2005 to promote and promulgate CSR. The Tadano Group believes that a company can exist only when it is in harmony with the people around it and the greater society. Therefore, we will contribute to the development of local and international societies, and promote business activities that help protect the global environment. We will also seek to maximize our corporate value in response to the expectations of all of our stakeholders. Under our corporate philosophy of *Sozo* (Creation), *Hoshi* (Contribution), and *Kyoryoku* (Cooperation), we want to serve our communities in ways only Tadano can.



Cultural Restoration and Academic Support

As a manufacturer of lifting equipment, Tadano has been uniquely positioned to make contributions to the community by assisting with cultural restoration projects and academic support.

In order to support the maintenance and development of Kyoto University's Kwasan Observatory, world-famous for its observation of the solar system and the sun, we established the General Incorporated Kwasan Cultural Foundation for the Promotion of Cosmology. We are also supporting its activities with annual donations of ten million yen over ten years, beginning in 2019.

In terms of cultural restoration, in response to a message from Easter Island (Chile) seeking technical assistance to return the Moai statues to the standing position, Tadano took on the Moai Restoration Project, which lasted from 1988 to 1996. In 2019, as part of our 100th anniversary, we donated a third crane to Easter Island.

Tadano also provided technical cooperation in the disassembly of the Takamatsuzuka Tomb's stone chamber in Nara by developing a disassembly jig in 2007. This cooperation was highly evaluated, and in February 2018, Tadano won the Special Prize of the Minister of Economy, Trade and Industry in the Monozukuri Nippon Grand Award.

In 2008, we donated three products to help in restoration work on West Prasat Top, part of the Angkor Thom ruins that were in a critical condition after destruction to masonry owing to long years of neglect, in part due to the civil war in Cambodia.



Contribution to Local and International Communities



Providing assistance to suffering areas and countries

We donated an all terrain crane ATF50G-3 to the Turkish government to support the continuing recovery and reconstruction efforts in the areas affected by the massive earthquake that struck the southern Turkey and Syria border region in February 2023.

In China, we solicit donations from local employees and make regular donations to the Beijing Han Hong Love Charity Foundation, a charitable organization that provides assistance to impoverished areas in the country. In response to the ongoing conflict between Russia and Ukraine, the Tadano Group has suspended shipments of products and parts to Russia, Belarus, and the self-proclaimed Donetsk People's Republic and Luhansk People's Republic since March 2022. We also donated approximately ten million yen to the Japanese Red Cross Society for humanitarian assistance to people in Ukraine and those who have fled to neighboring countries.

Contributing to the Local Community

The emergency kits for disasters distributed to all employees of the group companies in Japan require regular replacement of dry bread and water.

They were collected and replaced just before the expiry dates in July 2022, and in cooperation with a food bank in Kagawa Prefecture and Anabuki Business College, a vocational school located in the same prefecture, we were able to donate 324 pieces of dry bread to international students who are studying the Japanese language.

In November 2022, Tadano took part in the 30th Kagawa Prefecture Science Experience Festival held at Saiwai-cho Campus of Kagawa University, contributing to raise children's interest in science.



We have renewed our top sponsor agreement with Kamatamare Sanuki, a football club of Kagawa Prefecture that competes in the Japan Professional Football League.

In November 2022, we jointly held an event and invited Mr. Tsuyoshi Kitazawa, who played for the Japanese national soccer team and was a successful player in the Japanese League to talk about social contribution through sports, in particular soccer for people with disabilities, and topics related to the SDGs.

As part of our efforts to support organizations and events who engage in regional revitalization, we also donate to the Setouchi Triennale, an international art festival held on the islands of the Seto Inland Sea, and the Takamatsu International Piano Competition, which features world-class music from Takamatsu.

Outside Japan, in November 2022, Tadano Faun GmbH, one of our German group companies, offered a vacant meeting room in its office for a local elementary school to hold a workshop. The decorations made by elementary school students and their families were then sold at a local Christmas market, and the proceeds were donated to Ukrainian refugees who fled to Germany.

Donation to the “Movember” Movement

Tadano Oceania Pty Ltd, our Australian group company, participated in the “Movember” movement in November 2022. This is a charitable movement that originated in Australia, and its purpose is to raise awareness on cancer and health issues specific to men by growing a mustache for a month in November.

To start the event, the group company's marketing team prepared announcements and promotions on its channels such as social media and the website, featuring a moustache logo. Also, employees collected donations while having fun through various activities, such as baking cookies for their co-workers and taking on the challenge of walking long distances.

This campaign fostered a cohesive and positive culture among team members within the company.



Tadano Heartful Pocket (Donor Organization)

This support organization, which encourages employees' participation, was launched in 2007 as an initiative for raising donations for organizations and individuals dedicated to a variety of social causes. Employees who become members of the organization make a donation of 100 yen from their monthly salary and 500 yen from their bonus. The company devotes the amount equivalent to the sum of the contributions by employees (matching gift), and make donations twice a year.

As of December 2022, we have made donations to a total of 72 organizations nominated by Tadano Group employees.

To support healthcare workers on the front lines of fighting COVID-19, we made special donations to organizations in and outside Japan during the COVID-19 pandemic.

Corporate Governance

[Our Basic Policy]

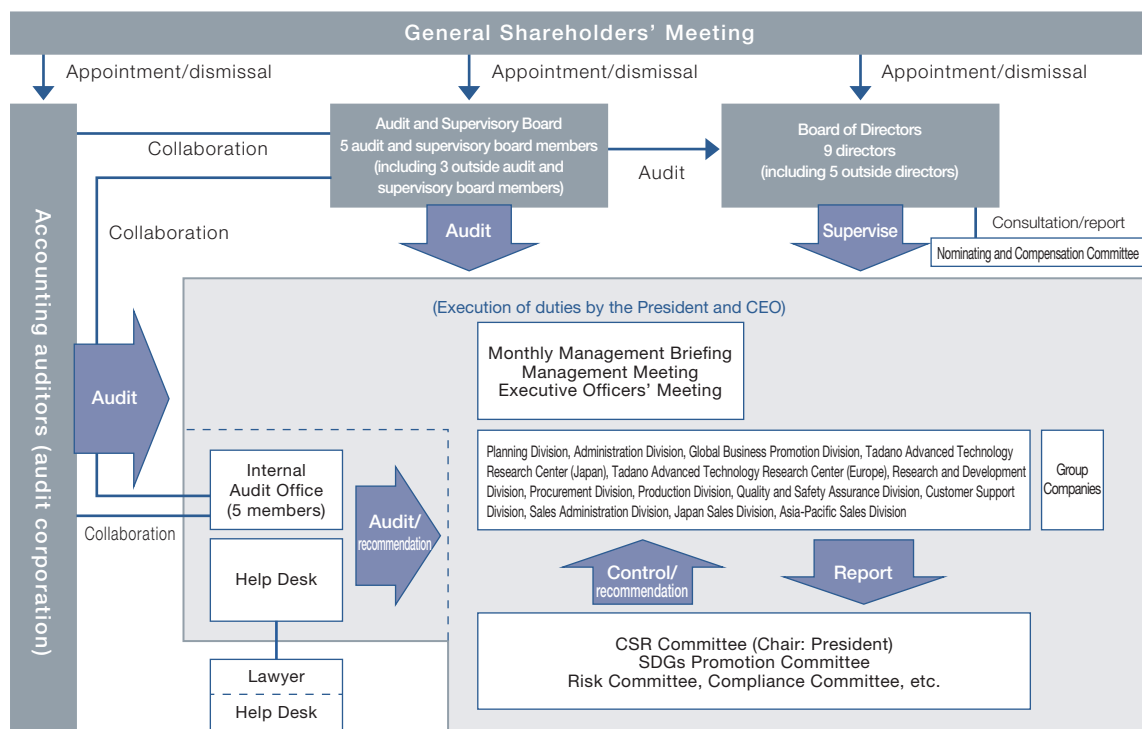
The company places corporate governance as one of the important management issues in order to ensure transparency, soundness, and efficiency of our management. For corporate governance to function effectively, we believe we need to foster a sound corporate culture based on our corporate philosophy and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

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 the evaluation of the effectiveness of the Board of Directors in FY 2022, 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 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.

Regarding the clarification of the roles for execution and supervision, which was pointed out as an issue in last year's evaluation of effectiveness, we have clarified business execution responsibilities by changing the organizational structure and implemented other measures. We will continue to make improvements on this issue. Furthermore, we aim to realize an even more effective Board of Directors by discussing the diversity of directors, the Mid-Term Management Plan, and succession planning, as well as implementing measures for sustainability and risk management.

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, in principle, 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.

Round-Table Talk with Outside Directors

Open communication supports a healthy and vibrant organizational culture. It is our hope that the company will head towards the future as “One Tadano” with a diverse team.

A round-table talk with five Outside Directors was held for the first time on May 10th, 2023.
(Please also refer to “Executives” on pages 35 to 37 for detailed profiles of each director.)



Junichi Kaneko

Tatsuro Ishizuka

Shosaku Murayama

Akiko Otsuka

Koichi Tadenuma

What is the role of Outside Directors in Corporate Governance?

——— Tadano first appointed Outside Directors in 2008, but the majority of the Board of Directors continued to be internal directors for a long time. However, the President changed in 2021, and the number of Outside Directors increased from three to five. The five Outside Directors have various careers and backgrounds. How do you perceive your role as an Outside Director and the current state of Tadano?

Murayama I have been involved in managing many companies. When I attended my first meeting at Tadano three years ago, to be honest, my impression was that not many people expressed opinions. I feel that the number of people speaking at meetings and the quality of meetings have increased considerably due to changes in the management system and the review and improvement of meeting bodies. Open communication is probably one of the requirements for Governance. I feel that communication within the organization is improving as meetings have become more lively.

Otsuka I started learning about management when I became an Outside Director of Tadano, but I also attend study sessions with female directors of other companies. From what I have learned in those study sessions and understood about the situations of other companies, I have realized that Tadano currently has sufficient systems and initiatives in place, including in terms of the composition of the Board of Directors.

Ishizuka As you said, Tadano's systems and initiatives are ahead of the curve, but also, based on my experience as an Outside Director of other companies, I feel information disclosure from people in the company to us, Outside Directors, is very open and up-front. I am grateful for the speedy and sincere response to any questions I have.

Tadenuma I believe that the role of Outside Directors is to cooperate by leveraging their diversity and supervise by drawing on their experiences in other companies and industries. I would like to help Tadano fulfill its corporate social responsibility by assessing the needs of all stakeholders and various social issues.

Kaneko It's only been one year since I was appointed, so I don't have a sufficient basis for my assessment, but I feel that even recently, there have been improvements, as the members of each meeting body and the way meetings are run have been reviewed to a large extent, and the points that Outside

Directors should be involved in have been clarified. The five Outside Directors regularly communicate online, and it is very interesting to see the diversity of our experiences and perspectives.

Murayama We have and can offer a lot of external information, but it is up to the execution side how to make use of the information. I think Outside Directors shouldn't speak too much, but it's also not good if they just listen. I think right now, the five of us are able to speak freely, and the execution side accepts what is necessary from us in a reasonably balanced manner.

Kaneko In recent years, compliance and trust in Japanese manufacturing have been shaken by inspection fraud and other scandals. Tadano's machines lift heavy objects, and the machines themselves are large and heavy, so it is the company's social responsibility to take to heart that safety is a top priority. It is very disappointing that other manufacturers have committed outrageous fraud. It's a cliché to say, but Tadano must learn from others' mistakes and understand that once such a scandal occurs, it is not easy for a company to regain trust. Legal compliance should be ingrained into the company and ensured.

How should Tadano help realize a decarbonized society and improve the global environment?

——— In April 2022, Tadano announced its plans to commercialize the world's first electric rough terrain crane for the Japanese market. At CONEXPO, an international construction machinery trade show held in the US this spring, the company announced several products and visions, including the second electric rough terrain crane for the US and Canada. This highlighted Tadano's determination to lead the industry in decarbonization efforts. How do you view this development?

Murayama Electric vehicles are being accepted throughout the world, led by the automobile industry, but I think the top priority is to go back to the basics and clearly understand and communicate what kind of benefits customers would gain. Personally, I have the feeling that the number of gas stations in my town is steadily decreasing recently, and it's quite possible the world will change faster than we can imagine. Ten years from now, we may be strangely faced with a world where people will ask, "Who makes diesel engines?!" I feel this is a topic that should be addressed with an even greater sense of urgency.

Ishizuka To be honest, I feel Japanese people as a whole are being passive, with an attitude that "because other countries are decarbonizing, we should follow." For example, when I talk to people from the UK, they have a strong sense of urgency and determination, saying, "My country is in trouble because it rains too much and the number of disasters is increasing. That's why we need to solve this problem through decarbonization." I think the key point is how to develop human resources.

Tadenuma From the perspective of university education, when tackling a new field or theme, it is essential to have basic knowledge and skills first, but the next most important thing is to interact with others. When we talk to people from other departments, other industries, and other countries, refine our awareness of issues, and learn from each other, we discover new things and realize them. I want people at Tadano to grow by expanding their connections with the outside world.



Ishizuka For the engineers at Tadano, electrification may be an area they are still studying and may not be a strength yet, but after all, what they want to change is a hydraulic mechanism. I have had a lot of talk about electrification with people involved in development. Tadano's hydraulic technology and know-how are amazing, but people at the company are probably not aware of this. Learning more from what others are doing will allow you to understand your own strengths while discovering how the outside world is amazing. Manufacturers surprisingly don't have many opportunities to learn from what others are doing, so I think Tadano should be consciously doing so.

Tadenuma Also, in terms of efforts to realize a decarbonized society, if you just do what others are doing or you are too obsessed with numerical targets, it would inevitably feel like you are being forced to do so. We are fundamentally responsible for the protection of the global environment and for future generations. I think our motivation will increase if we work with a strong sense of mission and philosophy about why we need to rise to the challenge. I want Tadano to take pride in its efforts by highlighting its goals and achievements both inside and outside the company.

Otsuka For example, space development may seem to be full of innovation, but the final technologies and ideas are only the result of the accumulation of the past. Creating nonexistent technology from scratch is not easy. However, the important thing is to fail a lot and to tolerate failure. I think it is important how much that awareness is fostered within an organization to develop technology. There is no choice but to come up with many ideas and repeat trial and error without deciding that "that idea can't be used."

Ishizuka I remember when I was young, the problem was often "we can't do it because we don't have money," but when I ask young people today, "Isn't there anything you want to do?," their response is that they don't have time even if they have money. As a company, I think it is important to consciously allocate human resources and time and give people opportunities to grow. Money and time should be invested in people who know what they want to do.



Murayama On a different note, as a major technological revolution is happening globally, tremendous innovation is also taking place in the world of my hobby, astronomical telescopes. What people tend to think of when we talk about stargazing is looking through a telescope with your own eyes, but nowadays, dark nebulae and star clusters can be seen as realistically as in astrophotography by electronically viewing star images collected by CMOS image sensors. This is called electronic stargazing. Also, for star observation, you need to know exactly which part of the sky you are now looking at. In the past, people used to determine star positions by looking at a star chart at hand and the sky back and forth,



but now, the images captured by a telescope are analyzed by AI using the Cloud, and the telescope can independently determine its own position. Most of these component technologies originated in Japan, but it is overseas companies that have actually applied them to bring about innovation. I feel Japan's problem lies in that fact.

Otsuka My impression is that it is considered a virtue to build up an idea from scratch to the end and put it into practice alone. I think it's OK to put ideas into action by relying on others more or collaborating with various people and organizations. Also, traffic regulations have become a hot topic in the space sector. There are several plans for a system called mega-constellation. If they are realized, even the vast universe will be quite crowded, but space is tantamount to a "lawless zone" at the moment. Therefore, it is being discussed that space navigation should be regarded as "transportation" and the rules should be decided to prepare for the future. Somehow, there is a tendency for Western countries to lead rule-making and Japan to follow them, but Japanese companies are working together to explain problems to the Ministry of Economy, Trade and Industry, the Ministry of Foreign Affairs, and other relevant ministries, and urging them to become an active participant in the discussions. A similar trend is expected for the future technology of construction machinery.

Kaneko We face a difficult problem of how to come to terms with society and rules as technology advances. An example is how to make rules for using ChatGPT, a topic that was also discussed during the G7 Hiroshima Summit 2023. I think that automation and evolution of cranes will also be a point of a global discussion. Also, even if Tadano pursues electrification of its products, they will not become popular unless there are charging stations around. You have no choice but to work with the government to improve infrastructure. The company cannot overcome this issue on its own. The government also does not know how to achieve the goal, so it wants the private sector to offer its wisdom, and is willing to change the rules or provide subsidiaries if there is a problem. As such, I think it is important to contemplate and understand what kind of benefits there are for society as a whole, and what and how we can contribute to society as a company.

Hopes and messages for the future Tadano Group

———— "Making One Tadano a reality" is also one of the major themes for Tadano's growth. However, since it is a rather abstract goal, some group employees are worried about whether they are really achieving the goal, whether they are becoming "One Tadano," and what should be done in the future. So, what are your advice and opinions as Outside Directors?

Otsuka The meaning of “One Tadano,” as well as the thoughts and visions behind it, probably change depending on each person’s position and circumstances. I think an abstract goal is OK as long as it is a catchphrase that serves as an opportunity to think.

Tadenuma It’s natural that a catchphrase has different interpretations. In my opinion, it’s fine to have discussions based on a catchphrase, and to decide on specific policies and strategies for the times while having communication and share them, since what actions to take will change with the times.

Kaneko A company based in Takamatsu acquired a German company and became global. The real problem is how to set a theme and realize an optimal global production scheme in thinking about the company becoming global. For that reason, I consider “One Tadano” as “mind alignment.”

Ishizuka What must be solved first is the German problem. It’s necessary to restructure the business as soon as possible, and the Japanese and German operations need to join forces to create a strong global organization. Also, raising the current and future level of customer satisfaction is a subject that should be considered across different departments, including sales, service, and development, and across different countries. I’d like to see everyone to demonstrate “One Tadano” in that effort as well.

Kaneko As an extension of that, you could say that “One Tadano” also includes relationships with suppliers both in and outside Japan.

Tadenuma The other day, I visited a group company in Germany. Although there is still a distance between Japanese and German employees, I feel that things started to change for the better under the new system. It’s important to deepen exchanges on a daily basis and develop human resources. It’s not only a matter of language abilities, but it’s also important to share information with each other, learn from each other by sharing expertise and experiences, and get to know each other’s personalities and individualities.

Murayama It’s not just Japan and Germany. We tend to lump all other countries as overseas, but the circumstances and opinions must be different from country to country. Even in Japan, there may be differences between the Head Office and branches/sales offices in terms of how they see the world. In any case, having a dialogue is the only way forward.

Otsuka I have had round-table talks with female employees many times over the past two years. In large part, I have indeed come to understand the frontline work through dialogue. The Human Resources Department will apparently summarize the results of the round-table talks and use them for future



measures. I look forward to continuing to work together and provide support. When we say organizational barriers or cultural barriers, they feel like something extremely difficult to overcome. I’d like people to think about what they can do to help other members of the Tadano Group who are having problems, and to treat them as their own rather than someone else’s problems.

Ishizuka I think that technical dialogue is effective because it does not turn into discussions without substance. I hope that increasing dialogue about popular welding technology, inspection methods, and regulations and standards of each country, for example, will become an opportunity to learn about each other’s characteristics, good points, and strengths. I believe that having serious technical dialogue will lead to mutual respect, rather than simply saying, “Because we have different histories, and our countries are different, we have different ways of doing things.”

Tadenuma I completely agree. The same is true for communication between researchers. The most important thing is mutual respect. Even if there are some language barriers, we can understand each other when we have a dialogue based on sharing of each other’s expertise. Also, what I’d like to ask the research and development department to do is to never lose the connection with the frontline work. I want them to listen to the voices of customers and customer support staff without being stuck in an ivory tower, and develop products that respond to those voices.



Murayama For example, I think it is a good trend that Japanese people in the production department are beginning to understand that German welding technology is advanced and learn from it. Of course, Germany has something to learn from Japan, and it seems that communication has progressed considerably over the past year. What matters is whether everyone can demonstrate the strengths of the Tadano Group while working hard for customers.

Ishizuka Since there will be always troubles and issues, how to prevent them becomes important. I’d like the company to use big data such as Hello-Net and past knowledge to practice “prevention is better than cure.” To expand on what Ms. Otsuka said earlier, if someone in the company is having a problem, it ultimately means that customers are having a problem. With that awareness, I want the entire group to work together to solve problems faced by customers.

Executives

Directors



Koichi Tadano



Toshiaki Ujiie



Hiroyuki Goda



Noriaki Yashiro



Shosaku Murayama



Tatsuro Ishizuka

Koichi Tadano Chairman of the Board and Representative Director

- 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: President, CEO, and Representative Director
- Apr. 2021: Chairman of the Board and Representative Director (current position)

Since he assumed the office of President, CEO, and Representative Director 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 Chairman of the Board and Representative Director of the company. He is expected to fulfill an important role in leading the Tadano Group to further growth.

Toshiaki Ujiie President, CEO, and Representative Director

- 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: President, CEO, and Representative Director (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 President, CEO, and Representative Director of the company, and has shown strong leadership. He is expected to fulfill an important role in leading the Tadano Group to further growth.

Hiroyuki Goda Director and Managing Executive Officer, Global 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 and Managing Executive Officer
- Jan. 2023: Director and Managing Executive Officer, Global Officer, Head of Research and Development Division, and Executive of Global Office (RT/TC, R&D) (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 this area. He is expected to fulfill an important role in leading the Tadano Group to further growth.

Noriaki Yashiro Director and Managing Executive Officer, Global Officer

- Apr. 1986: Joined Sumitomo Corporation
- May 2006: CEO, Plaza Motors Corporation dba Mazda de Puerto Rico Officer, Auto Summit Inc.
- Apr. 2014: General Manager, Lead & Zinc Business Dept., Sumitomo Corporation
- Oct. 2015: President, Minera San Cristobal S.A. CEO, Summit Mining International Inc.
- Apr. 2020: General Manager, Mobility Hub Business Dept., Sumitomo Corporation
- Feb. 2021: Joined Tadano Ltd. General Manager in charge of International Sales Division
- Apr. 2021: Executive Officer
- Apr. 2022: Managing Executive Officer
- Jan. 2023: Managing Executive Officer, Global Officer
- Mar. 2023: Director and Managing Executive Officer, Global Officer, Head of Global Business Promotion Division and Sales Administration Division, in charge of Digital Transformation Promotion, Executive of Global Office (Global Strategy) (current position)

He has contributed to driving the globalization of the company by drawing on his abundant experience cultivated at a general trading company. 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.
- Jul. 2014: President, CEO and Representative Director of iPS Portal, Inc.
- Jun. 2020: Director of Tadano Ltd. (current position)

He has 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



Junichi Kaneko



Koichi Tadenuma

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)
 May 2022: Director in charge of General Affairs, The Japan Society for Aeronautical and Space Sciences (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. 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.

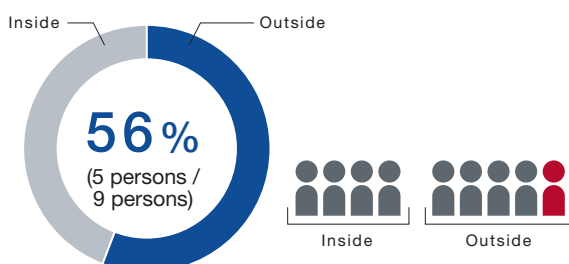
Areas of expertise of the Directors

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

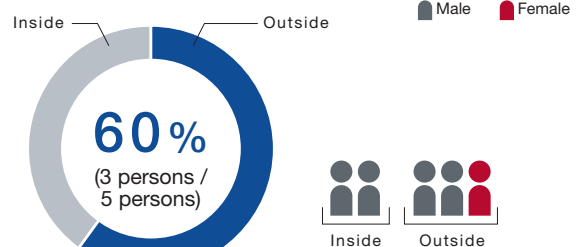
*The above list does not represent all the areas of expertise of the Directors.

Proportions of Outside Directors and Outside Audit and Supervisory Board Members

Directors



Audit and Supervisory Board Members



Audit and Supervisory Board Members



Masahiko Ikeura



Kiyoshi Fujii



Koji Watanabe



Mami Kato



Hisakazu Suzuki

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.

Kiyoshi Fujii Audit and Supervisory Board Member

Apr. 1985: Joined SHIKOKU CHEMICALS CORPORATION (currently SHIKOKU KASEI HOLDINGS CORPORATION)
 Apr. 1990: Joined Sharp Corporation
 Jul. 1991: Joined Tadano Ltd.
 Apr. 2009: General Manager, Sales Administration Department
 Jun. 2009: Director of Tadano Faun GmbH
 Feb. 2015: General Manager of Global Business Promotion Department
 Apr. 2017: General Manager of Finance and Accounting Department
 Aug. 2019: CFO of Tadano Demag GmbH
 Sep. 2022: Retired from the company
 Mar. 2023: Audit and Supervisory Board Member (current position)

He has considerable insights in finance and accounting cultivated through his past experience as General Manager of Finance and Accounting Department of the company and CFO of one of our German group companies (Tadano Demag GmbH). Accordingly, 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 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 April each year, a resolution is passed to grant restricted stock to Directors, and a lump-sum grant for the year is made in May.

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
Directors	(Fixed compensation) Position allowance + basic compensation Approximately 65%	(Performance-linked compensation) Basic compensation x payment rate (25%) Approximately 15%	(Restricted stock compensation) Basic compensation x 36% Approximately 20%
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.

BUSINESS SEGMENTS



Year	2021				2022			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Companies closing accounts in March (mainly in Japan)								
Companies closing accounts in December (mainly outside Japan)								
Accounting period	FY 2021				FY 2022			

FY 2021 (adjusted figures)
FY 2022

FY 2022, which is a transitional period for the Tadano Group's change of accounting period, shall be the nine-month fiscal period from April 1, 2022 to December 31, 2022. All "FY 2021 (adjusted)" figures refer to unaudited results from April through December 2021 for group companies that formerly closed accounts in March of each year and January through December 2021 for group companies that already close accounts in December of each year, as per the above chart (Note that the shaded area indicates an adjusted period for the former selection of group companies).

Overview of FY 2022 Business Results

Net Sales by Product

Sales of mobile cranes, aerial work platforms, and other products increased to 128,751 million yen (116.3% of the adjusted figure for the previous year), 12,160 million yen (106.4% of the adjusted figure for the previous year), and 39,783 million yen (112.9% of the adjusted figure for the previous year), respectively. Sales of truck loader cranes decreased to 12,236 million yen (84.6% of the adjusted figure for the previous year). As a result, net sales in FY 2022 amounted to 192,932 million yen (112.3% of the adjusted figure for the previous year).

Net sales by product

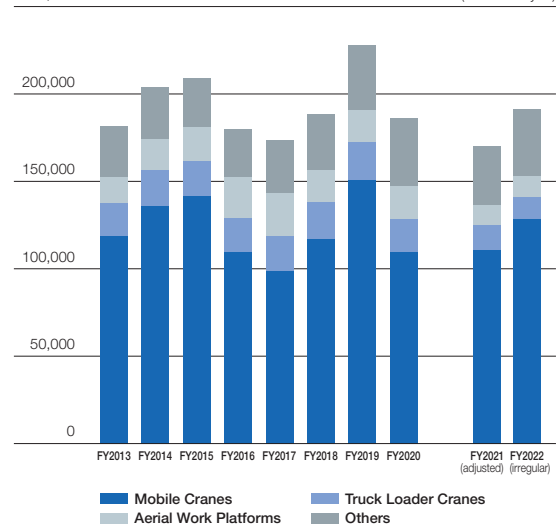
(comparison between FY 2021 (adjusted) and FY 2022)

(Millions of yen)

	FY 2021 (adjusted)	FY 2022	Increase/Decrease	
			Amount	Percent change
Mobile Cranes	110,714	128,751	18,036	16.3%
Truck Loader Cranes	14,457	12,236	-2,220	-15.4%
Aerial Work Platforms	11,431	12,160	728	6.4%
Others	35,228	39,783	4,554	12.9%
Total	171,832	192,932	21,099	12.3%

Net sales by product (from FY 2013 to FY 2022)

(Millions of yen)



Net Sales by Destination

Due in part to foreign exchange effects, sales in Europe increased to 31,547 million yen (104.3% of the adjusted figure for the previous year), 57,000 million yen (123.9% of the adjusted figure for the previous year) in North America, 4,881 million yen (390.5% of the adjusted figure for the previous year) in Latin America, 13,152 million yen (109.4% of the adjusted figure for the previous year) in Asia, and 8,816 million yen (200.6% of the adjusted figure for the previous year) in the Middle East. Sales in other areas decreased to 14,202 million yen (96.3% of the adjusted figure for the previous year). Sales in Japan slightly increased to 63,331 million yen (100.2% of the adjusted figure for the previous year). Sales in markets outside Japan* accounted for 67.2% (63.2% for the previous year on an adjusted basis).

*Figures for FY 2021 (adjusted) and FY 2022 refer to net sales for the 12 months from January to December of each respective year for group companies whose fiscal years end in December (mainly outside Japan) and net sales for the nine months from April to December of each respective year for group companies whose fiscal years previously ended in March (mainly in Japan).

Net sales by destination

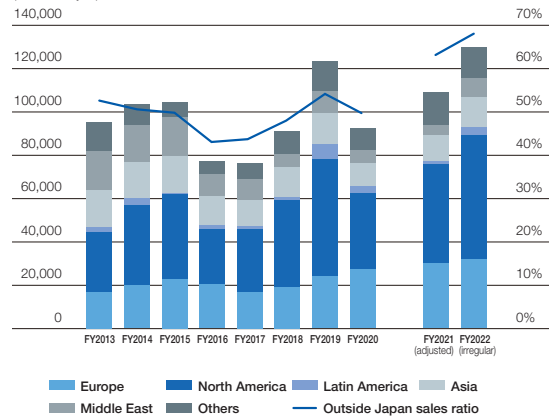
(comparison between FY 2021 (adjusted) and FY 2022)

(Millions of yen)

	FY 2021 (adjusted)	FY 2022	Increase/Decrease	
			Amount	Percent change
Europe	30,238	31,547	1,309	4.3%
North America	45,999	57,000	11,000	23.9%
Latin America	1,250	4,881	3,631	290.5%
Asia	12,019	13,152	1,132	9.4%
Middle East	4,394	8,816	4,422	100.6%
Others	14,748	14,202	-546	-3.7%
Subtotal (outside Japan)	108,651	129,600	20,949	19.3%
Japan	63,181	63,331	150	0.2%
Total	171,832	192,932	21,099	12.3%
Outside Japan sales ratio	63.2%	67.2%		

Net sales by destination (from FY 2013 to FY 2022)

(Millions of yen)



*Japan is not included.

*Other areas include Oceania, Africa, and the CIS.

*Other areas include Oceania, Africa, and the CIS.

01 Mobile Cranes

Net Sales

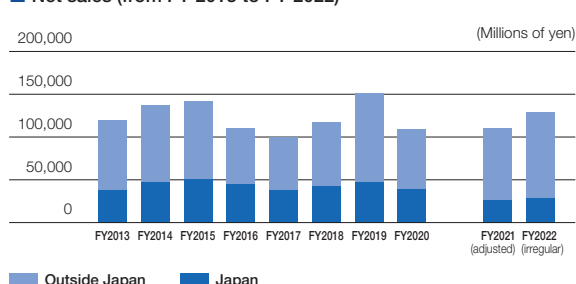
Sales in the Japanese market increased to 27,339 million yen (106.1% of the adjusted figure for the previous year). Sales in the markets outside Japan, mainly in North America, Latin America, and the Middle East, increased to 101,411 million yen (119.4% of the adjusted figure for the previous year). As a result, the net sales of mobile cranes amounted to 128,751 million yen (116.3% of the adjusted figure for the previous year).

Net sales (comparison between FY 2021 (adjusted) and FY 2022)

(Millions of yen)

	FY 2021 (adjusted)	FY 2022	Increase/Decrease Amount	Percent change
Japan	25,756	27,339	1,582	6.1%
Outside Japan	84,957	101,411	16,454	19.4%
Total	110,714	128,751	18,036	16.3%

Net sales (from FY 2013 to FY 2022)



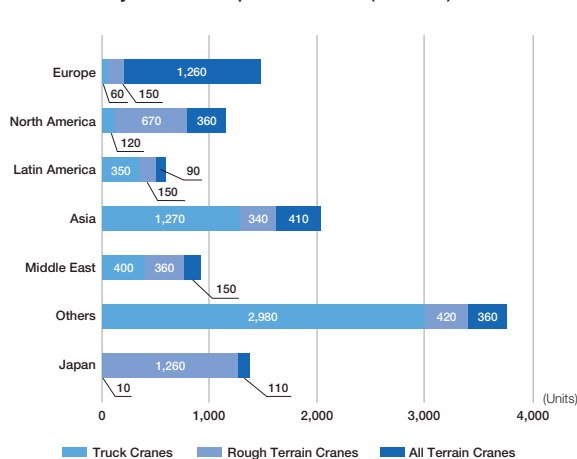
Demand and Share (Units Sold)

Demand increased in all regions except Japan, reaching levels above pre-COVID-19 levels. In 2022, the overall demand for mobile cranes in the markets outside Japan (excluding China) increased to 137.6% of the figure for the previous year. The share of Tadano products in the global market fell by four percentage points to 16%, compared with 20% for the previous year.

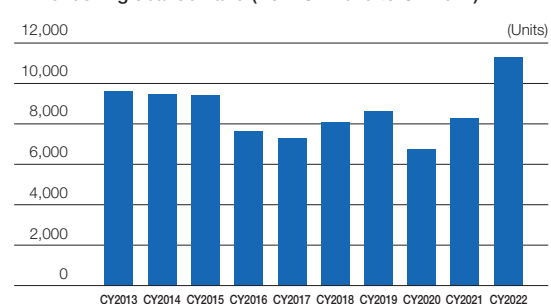
Demand and share (comparison between CY 2021 and CY 2022)

	Demand (units)			Share	
	Jan-Dec 2021	Jan-Dec 2022	Percent change	Jan-Dec 2021	Jan-Dec 2022
Europe	1,360	1,470	8.1%	12%	10%
North America	1,090	1,150	5.5%	36%	35%
Latin America	370	590	59.5%	6%	6%
Asia	1,360	2,020	48.5%	7%	8%
Middle East	520	910	75.0%	7%	16%
Others	2,080	3,760	80.8%	6%	3%
Outside Japan total	6,780	9,900	46.0%		
Japan	1,420	1,380	-2.8%	54%	58%
Total	8,200	11,280	37.6%	20%	16%

Demand by market and product model (CY 2022)



Trends in global demand (from CY 2013 to CY 2022)



*The figures are estimates by the company (rounded to the nearest ten).

*Products made in Russia are not included.

*Products made in China for export are included.

*Products for the Chinese market made in China are not included.

The estimated demand for made in China products in the Chinese market is as follows:
 CY 2013: Approx. 17,000 units, CY 2014: Approx. 14,000 units, CY 2015: Approx. 9,000 units, CY 2016: Approx. 9,000 units, CY 2017: Approx. 20,000 units, CY 2018: Approx. 32,000 units, CY 2019: Approx. 42,000 units, CY 2020: Approx. 54,000 units, CY 2021: Approx. 46,000 units, CY 2022: Approx. 22,000 units

Products

All Terrain Cranes



AC 7.450-1

Large-capacity cranes utilized on-site for construction and maintenance work for infrastructure development projects such as highways and bridge construction and large-scale plants and buildings. Capable of handling all types of road surfaces from paved roads to irregular terrains, they have a large crane capacity while also having superb maneuverability due to their rear wheel or all-wheel steering features.

Rough Terrain Cranes



GR-250N

One of our leading product lines, representing the peak of Tadano's technical prowess. They are self-propelled cranes capable of traveling and handling crane operations from a single driver's seat. In addition to being able to travel on irregular terrains or soft ground, their maneuverability allows them to be used on-site in areas such as urban settings and narrow places. Outside Japan, they are mainly used in the construction and maintenance of large-scale plants.

Truck Cranes



GT-1200XL-2

These cranes are mounted on special-purpose or standard truck carriers. Driver's cabins are separately installed for traveling and for use as a crane. They are self-propelled and capable of traveling as speedily as trucks to the worksite to start crane work. Outside Japan, they are frequently deployed for jobs requiring large-scale crane capacity as well as high-speed travel. Their low maintenance costs and ease of maintenance make them highly popular in North America and emerging countries.

Telescopic Boom Crawler Cranes



GTC-2000

These cranes were developed to enable efficient use in various environments in the vast lands of the United States, including muddy grounds. The crawler carrier's low center of gravity allows the crane to move while carrying heavy loads, making these cranes suitable for use at construction sites for tunnels, processing plants, oil tanks, and other facilities with challenging height restrictions.

Lattice Boom Crawler Cranes



CC 38.650-1

These cranes are suitable for sites that require more powerful lifting capacity. They have greater lifting capacity than other types of cranes—up to 3,200 tons—and maintain excellent maneuverability under heavy loads. Despite their size, transportation is made easy by dismantling them, and their fields of application are expanding worldwide in areas such as wind power related construction due to the growing demand for clean energy.

02 Truck Loader Cranes



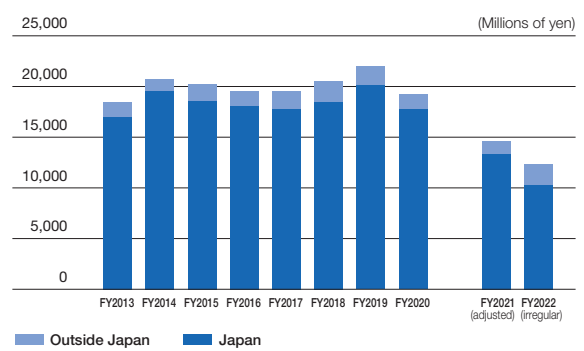
Net Sales and Share of Units Sold in Japan

Sales in the Japanese market stood at 10,324 million yen (78.3% of the adjusted figure for the previous year) due to the impact of the decrease in the number of registered trucks on sales of truck loader cranes. Sales in markets outside Japan increased to 1,911 million yen (150.9% of the adjusted figure for the previous year). As a result, net sales of truck loader cranes stood at 12,236 million yen (84.6% of the adjusted figure for the previous year).

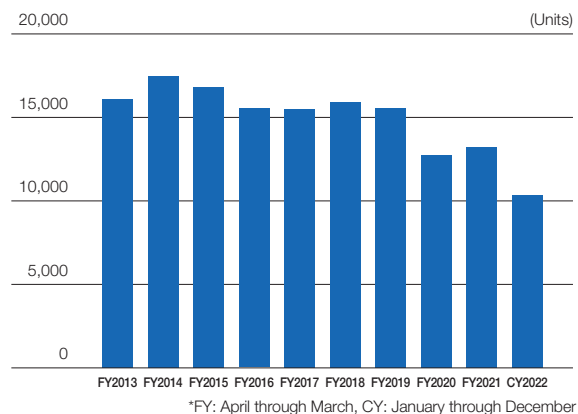
Net sales (comparison between FY 2021 (adjusted) and FY 2022)

	FY 2021 (adjusted)	FY 2022	Increase/Decrease Amount	Percent change
Japan	13,190	10,324	-2,865	-21.7%
Outside Japan	1,266	1,911	645	50.9%
Total	14,457	12,236	-2,220	-15.4%

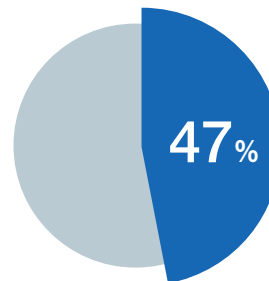
Net sales (from FY 2013 to FY 2022)



Demand trends in Japan (from FY 2013 to CY 2022)



Share of units sold in Japan (FY 2022)



Products



TM-ZE360

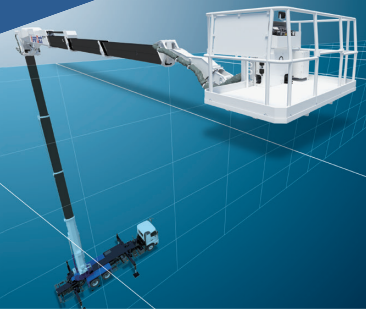
Truck Loader Cranes



TM-ZX364

These cranes are among the most versatile crane models, with applications across a variety of industries, including shipping, landscaping, and construction. Designed to be mounted in positions such as at the back of truck cabs, they are applicable to a wide range of trucks with a rich lineup of cranes to meet extensive needs.

03 Aerial Work Platforms



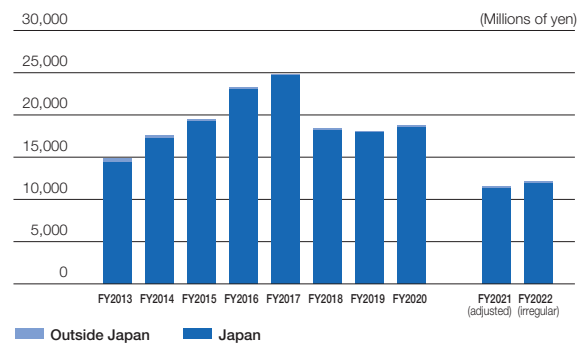
Net Sales and Share of Units Sold in Japan

Due in part to truck chassis supply constraints, demand remained flat. Sales in the Japanese market amounted to 11,804 million yen (104.3% of the adjusted figure for the previous year), and sales in markets outside Japan amounted to 356 million yen (297.5% of the adjusted figure for the previous year). As a result, net sales of aerial work platforms amounted to 12,160 million yen (106.4% of the adjusted figure for the previous year).

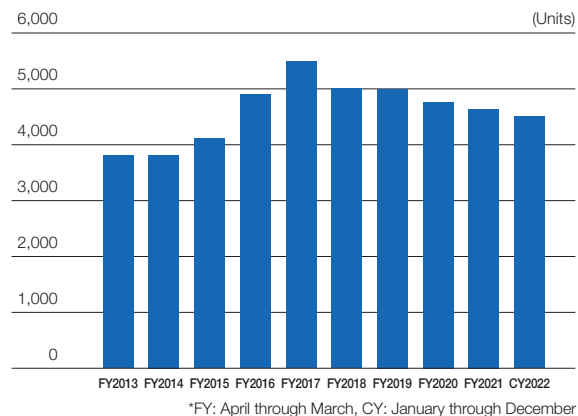
Net sales (comparison between FY 2021 (adjusted) and FY 2022)

	FY 2021 (adjusted)	FY 2022	Increase/Decrease Amount	Percent change
Japan	11,312	11,804	491	4.3%
Outside Japan	119	356	236	197.5%
Total	11,431	12,160	728	6.4%

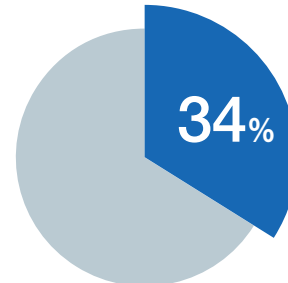
Net sales (from FY 2013 to FY 2022)



Demand trends in Japan (from FY 2013 to CY 2022)



Share of units sold in Japan (FY 2022)



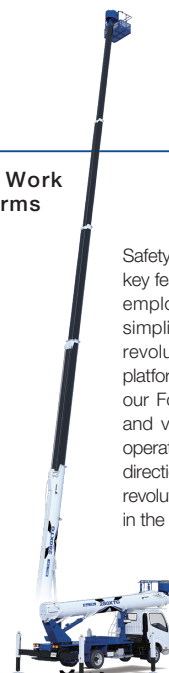
Products



AT-320XTG

Aerial Work Platforms

Safety, convenience, and operator comfort are key features of our aerial work platforms. Tadano employs advanced control technologies to simplify operations and improve usability. Our revolutionary Super Deck series of aerial work platforms are the world's first to be equipped with our Four-Motion Control that allows horizontal and vertical movement, smoothly carrying the operator directly from one point to another in any direction. This series is highly recognized as a revolutionary product that opened a new chapter in the history of aerial work platforms in Japan.



AT-280XTG

04 Other Business



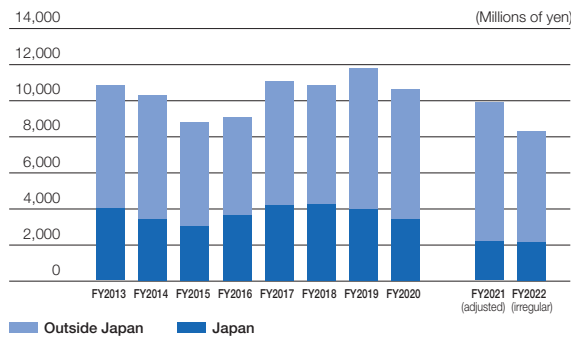
Net Sales

Sales for used cranes and other products stood at 8,245 million yen (83.7% of the adjusted figure for the previous year). Parts sales and product repairs stood at 31,538 million yen (124.3% of the adjusted figure for the previous year), representing the highest figure ever. As a result, total sales were 39,783 million yen (112.9% of the adjusted figure for the previous year).

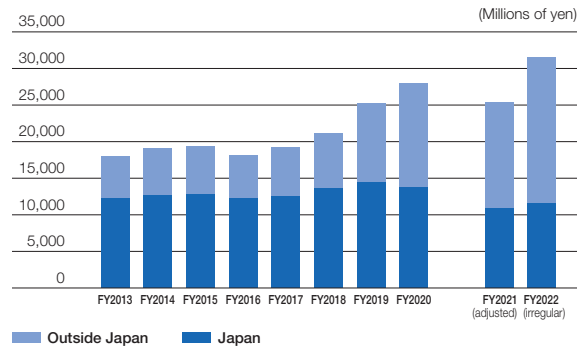
■ Net sales (comparison between FY 2021 (adjusted) and FY 2022)
(Millions of yen)

	FY 2021 (adjusted)	FY 2022	Increase/Decrease Amount	Percent change
Used cranes Other products	9,856	8,245	-1,610	-16.3%
Parts Repairs	25,372	31,538	6,165	24.3%
Total	35,228	39,783	4,554	12.9%

■ Net sales of used cranes and other products (from FY 2013 to FY 2022)



■ Net sales of parts and repairs (from FY 2013 to FY 2022)



A Manufacturer with Four Synergistic Strengths

Tadano aims to be a manufacturer with four synergistic strengths consisting of product competitiveness, product quality, service capability (including parts), and used equipment liquidity. In addition to enhancing the competitiveness and quality of our new products, we are working to strengthen our service capability including parts and maintain and enhance used equipment value to increase used equipment liquidity.

One of the initiatives is the supply of maintenance parts. The fastest parts shipment is made possible through collaboration between parts centers at seven bases in Japan and the Global Parts Center located in Kobe, and products that are in high demand are always in stock for each service area based on our many years of experience, playing a key part in minimizing product downtime. Outside Japan, the company established a parts center in Singapore, seeking to further shorten delivery time both in and outside Japan.

Tadano is also committed to the recycling business to help customers save on repair costs. In 2017, Tadano instituted the Tadano Remanufacturing Logo to increase awareness of recyclable parts and expand our stock business. By offering upgrades of road-rail vehicles and other special-purpose products, adjustment and repair for components and replacements for discontinued parts, we minimize downtime and keep repair costs down. Not only do these services extend product life and maintain value, but they are also good for the environment. These efforts are contributing to the outstanding reputation of our used equipment.

Through these activities, we will continue our efforts to increase the life cycle value of our products to ensure their long service life.



Tadano Remanufacturing Logo



Global Parts Center



Outstanding Customer Service

Crane downtime leads directly to business losses for customers. That is why Tadano strives to deliver outstanding service that meets customer expectations.

We aim to minimize product downtime and failure arising from inadequate maintenance by promoting before-sales services, including the Tadano Maintenance Package, which allow customers, service contractors, and Tadano to share information on maintenance status and repair history using Hello-Net, and the Tadano Engine Care Package, which specializes in the maintenance of advanced engines (currently available only in Japan).

Our after-sales services are built on a service network of 341 authorized service contractors and 892 authorized service personnel across Japan, in addition to 10 branches and 23 sales offices. Outside Japan, we cover the world with a network of more than 100 locations of the company, group companies, and distributors.

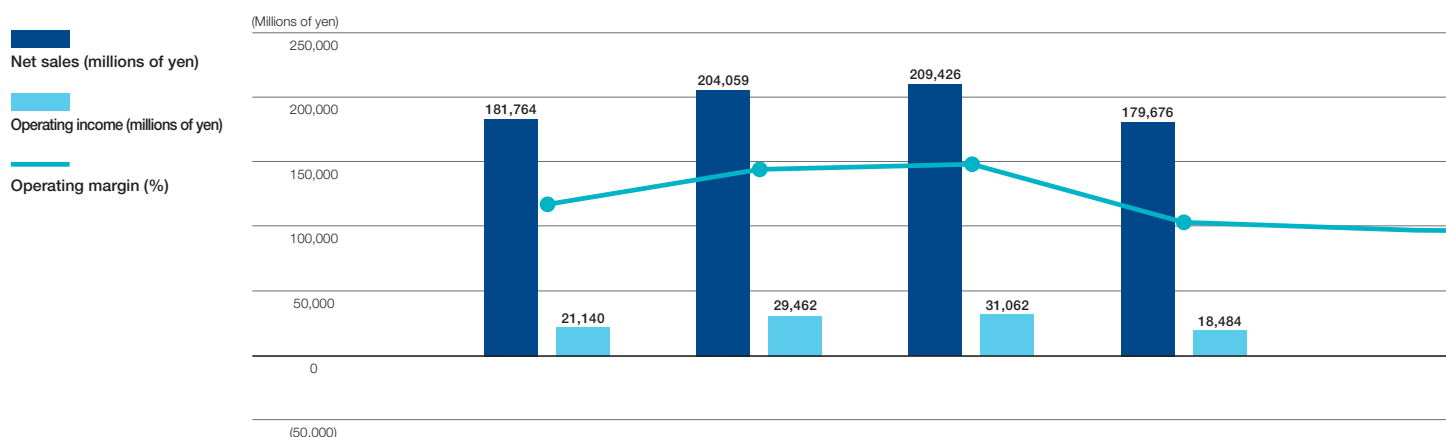
Along with other efforts to enhance this network, we are working to improve service quality. We are proceeding with the development of human resources for service personnel in and outside Japan through not only local on-site seminars but also technical seminars that allow trainees to take courses remotely over the internet by incorporating IT, as well as through other systematic educational programs at training centers that incorporate state-of-the-art technologies.

Furthermore, Tadano devotes its efforts to preventing accidents at jobsites through initiatives such as safety training using virtual reality.



Safety training using virtual reality

Financial and Non-financial Highlights (Consolidated)

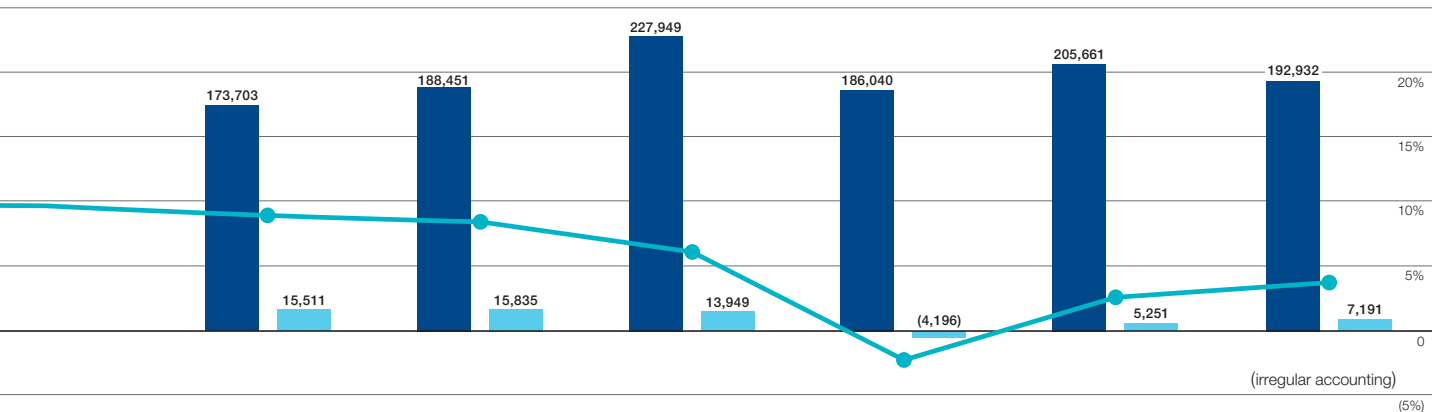


	FY 2013	FY 2014	FY 2015	FY 2016
Profit and Loss				
Net sales (millions of yen)	181,764	204,059	209,426	179,676
Operating income (loss) (millions of yen)	21,140	29,462	31,062	18,484
Ordinary income (loss) (millions of yen)	21,642	30,357	30,680	18,490
Net income (loss) attributable to owners of the parent (millions of yen)	14,410	19,483	19,621	11,881
Cash Flow				
Cash flow from operating activities (millions of yen)	15,467	19,800	19,387	3,301
Cash flow from investing activities (millions of yen)	(3,753)	(4,079)	(3,758)	(4,798)
Cash flow from financing activities (millions of yen)	(4,910)	(4,287)	(3,136)	(2,495)
Financial Condition				
Total assets (millions of yen)	198,864	223,525	235,302	229,737
Cash and cash equivalents at the end of the fiscal year (millions of yen)	48,156	61,262	73,120	68,291
Interest-bearing debt (millions of yen)	38,233	37,620	36,869	37,235
Shareholders' equity (millions of yen)	100,454	116,796	133,190	141,746
Per Share Data				
Net assets per share (yen)	805.9	958.2	1,060.0	1,121.9
Net income (loss) per share (yen)	113.7	153.8	154.9	93.8
Price-earnings ratio (%)	11.8	10.5	6.7	13.8
Dividends (yen)	19.0	23.0	26.0	26.0
Dividend payout ratio (%)	16.7	15.0	16.8	27.7
Other Indicators				
Operating margin (%)	11.6	14.4	14.8	10.3
Ratio of operating income to total assets (ROA) (%)	11.2	14.0	13.5	7.9
Return on equity (ROE) (%)	15.3	17.5	15.4	8.6
Return on invested capital (ROIC) (%)	10.6	12.4	12.3	7.4
Capital adequacy ratio (%)	51.4	54.3	57.0	61.8
Capital investments (millions of yen)	4,178	3,905	4,572	6,030
Depreciation expense (millions of yen)	2,366	2,589	2,793	3,113
Research and development expense (millions of yen)	4,497	4,876	5,611	5,993
Outside Japan sales ratio (%)	52.5	50.7	49.9	43.1
Number of employees	3,227	3,491	3,433	3,346
Average years of service ¹	17.7	16.4	16.3	17.2
Ratio of female employees (%) ¹	7.5	7.3	7.5	7.7
Ratio of female managers (%) ¹	0.7	0.7	0.7	0.0
CO ₂ emissions (t) ²	12,857	13,819	14,269	13,765

¹ Tadano Ltd. on a non-consolidated basis.

² From FY 2019, the scope of data was expanded to all sites of the Tadano Group in Japan and the production sites outside Japan.

³ In conjunction with the change in fiscal year-end, the fiscal year ended December 2022 is an irregular transition period covering the nine months from April to December 2022.



	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 '23
	173,703	188,451	227,949	186,040	205,661	192,932
	15,511	15,835	13,949	(4,196)	5,251	7,191
	14,907	15,604	13,791	(4,683)	5,454	6,540
	9,391	11,462	6,433	(12,987)	13,096	2,210
	30,015	2,515	(2,982)	20,448	17,332	(20,419)
	(3,942)	(17,052)	(31,543)	(3,731)	(7,084)	4,517
	(7,992)	(5,717)	25,954	29,039	(471)	(5,048)
	245,501	255,793	311,260	323,920	344,719	356,693
	86,624	65,753	56,997	102,995	115,196	97,990
	33,750	30,165	63,035	94,586	98,177	98,335
	147,841	156,011	159,025	144,307	156,502	156,611
	1,180.3	1,216.0	1,241.3	1,137.0	1,255.1	1,318.5
	74.2	90.5	50.8	(102.5)	103.3	17.4
	21.5	11.6	15.2	—	10.0	52.6
	26.0	26.0	28.0	3.0	7.0	8.0
	35.1	28.7	55.1	—	6.8	45.9
	8.9	8.4	6.1	(2.3)	2.6	3.7
	6.5	6.3	4.9	—	1.6	2.1
	6.4	7.6	4.1	—	8.6	1.4
	5.6	6.0	4.1	(2.1)	0.9	0.4
	60.9	60.2	50.5	44.5	46.2	46.9
	2,838	14,458	12,902	5,666	5,364	7,361
	2,864	2,984	4,527	5,695	5,541	4,914
	6,149	6,918	7,822	8,440	7,976	7,397
	43.8	48.5	54.1	49.9	54.8	67.2
	3,311	3,405	5,084	5,074	4,589	4,651
	17.1	16.9	17.0	17.8	16.7	15.4
	7.6	7.1	7.4	7.5	9.5	9.5
	1.2	1.3	1.3	0.9	0.9	2.0
	12,375	12,426	30,019	26,179	28,911	22,403

Company Profile and Stock Information

Overview

Corporate Name:	Tadano Ltd.
Paid-in Capital:	JPY 13,021,568,461 (total number of issued shares: 129,500,355 shares)
Establishment:	August 24, 1948
Number of Employees:	1,585 (non-consolidated), 4,651 (consolidated) as of December 31, 2022
Description of Business:	Production and distribution of mobile cranes, truck loader cranes, aerial work platforms, etc.
Head Office:	Ko-34 Shinden-cho, Takamatsu City, Kagawa, 761-0185, Japan
Production Sites:	Takamatsu Plant, Shido Plant, Kozai Plant, Tadotsu Plant, Chiba Plant Tadano Core Tech Center Tadano Faun GmbH (Germany) Tadano Demag GmbH Dinglerstraße Plant (Germany) Tadano Demag GmbH Wallerscheid Plant (Germany) Tadano Mantis Corporation (US)
Research and Testing Facilities:	Advanced Technology Research Center, Sanbonmatsu Testing Site
Branches and Sales Offices in Japan:	10 branches, 23 sales offices
Global Offices:	Beijing Representative Office, Moscow Representative Office
Group Companies:	36 subsidiaries, 3 affiliates
	Japan (12 companies in total)
	Tadano IMES Ltd. Tadano ILEC Ltd. Tadano S-TEC Ltd. 9 other companies
	Europe (12 companies in total)
	Tadano Faun GmbH (Germany) Tadano Demag GmbH (Germany) 10 other companies
	Pan-America (5 companies in total)
	Tadano America Corporation (US) Tadano Mantis Corporation (US) 3 other companies
	Others (10 companies in total)
	Tadano Asia Pte. Ltd. (Singapore) Tadano Oceania Pty Ltd (Australia) Tadano Cranes India Pvt. Ltd. (India) 7 other companies

Directors/Officers (As of April 1, 2023)

Chairman of the Board and Representative Director	Koichi Tadano
President, CEO, and Representative Director	Toshiaki Ujije
Director and Managing Executive Officer, Global Officer	Hiroyuki Goda
Director and Managing Executive Officer, Global Officer	Noriaki Yashiro
Lead Independent Director	Shosaku Murayama*
Director	Tatsuro Ishizuka*
Director	Akiko Otsuka*
Director	Junichi Kaneko*
Director	Koichi Tadenuma*
Senior Managing Executive Officer, Global Officer	Kenichi Sawada
Managing Executive Officer	Shinichi Imura
Managing Executive Officer	Takeshi Yasutomi
Executive Officer	Jian Cheng
Executive Officer	Yuji Tokuda
Executive Officer	Shiro Morita
Executive Officer	Kozo Yoshida
Executive Officer	Yuichi Irifune
Executive Officer	Shinji Noguchi
Executive Officer	Tatsuya Kijima
Executive Officer	Yasuhiro Futamura
Executive Officer	Takashi Fukui
Audit and Supervisory Board Member	Masahiko Ikeura
Audit and Supervisory Board Member	Kiyoshi Fujii
Audit and Supervisory Board Member	Koji Watanabe*
Audit and Supervisory Board Member	Mami Kato*
Audit and Supervisory Board Member	Hisakazu Suzuki*

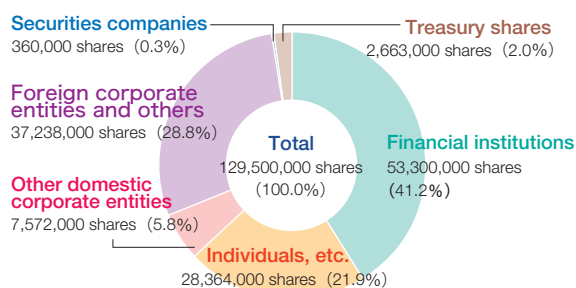
*Outside Director or Outside Audit and Supervisory Board Member

Stock Information (As of December 31, 2022)

Number of authorized shares	400,000,000 shares
Total number of shares issued	129,500,355 shares
Number of shareholders	9,462 shareholders

Note: The total number of shares issued includes 2,663,756 treasury shares.

Ownership Breakdown



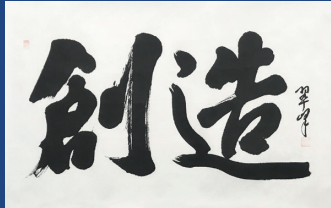
Major Shareholders

Names	Status of investment in the company	
	Number of shares owned (1,000 shares)	Share ownership ratio (%)
The Master Trust Bank of Japan, Ltd.	14,085	11.1
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	7,343	5.7
Custody Bank of Japan, Ltd.	6,737	5.3
Nippon Life Insurance Company	6,301	4.9
Mizuho Bank, Ltd.	5,246	4.1
The Hyakujushi Bank, Ltd.	5,171	4.0
Meiji Yasuda Life Insurance Company	4,000	3.1
MUFG Bank, Ltd.	3,367	2.6
Tadano Client Stock Ownership Association	3,276	2.5
NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	3,187	2.5

Notes: 1. Share ownership ratio is calculated after deducting the number of treasury shares.

2. All shares owned by The Master Trust Bank of Japan, Ltd. and Custody Bank of Japan, Ltd. are related to the trust services of respective companies.

Our corporate philosophy of *Sozo* (Creation), *Hoshi* (Contribution) and *Kyoryoku* (Cooperation) is our business.



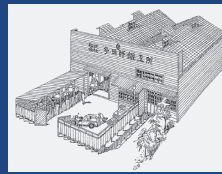
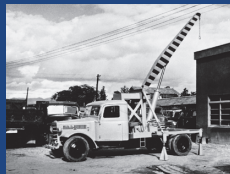
“Let’s start a steel fabrication business where we can fully utilize our skills.”

“If we do meaningful work that benefits people, we will succeed.

First, we come together and gather our strengths.”

“That is the beginning. Then, we must do something new that other people are not doing yet.”

“There is no challenge in doing things the same way they have always been done.”



These are the words of Masuo Tadano, the founder of Tadano.

At the heart of these words is the idea that a company can exist only when it is in harmony with the people around it. He believed that it is because we function best when we have this harmony that we should aim to be of service to people (Contribution), to combine our efforts as a team (Cooperation), and provide new value to the world (Creation).

This is the origin of our Corporate Philosophy as it has come to be today:

Sozo (Creation), *Hoshi* (Contribution), *Kyoryoku* (Cooperation).

Implementation of this Corporate Philosophy is the ultimate business objective of the Tadano Group.

This steel fabrication business that started with just four workers and a small factory went on to develop the OC-2, Japan’s first hydraulic truck crane.

The company then boldly took up new challenges, with everyone working together to produce a range of products. Our products are now making contributions to people living and working throughout the world every day.

We want to make something that will contribute to the world.

We want to be a company that can contribute to the advancement of society.

These are the ideals that have molded the history of Tadano.

Sozo (Creation), *Hoshi* (Contribution), *Kyoryoku* (Cooperation) are in our DNA.

TADANO GROUP HISTORY

- 1827** Christian Dingler starts a manufacturing workshop, the forerunner of Demag.
- 1845** Justus Christian Braun starts a bronze casting business, the forerunner of Faun.
- 1890** Faun introduces the world's first steam-driven fire engine.
- 1919** Masuo Tadano starts a welding company in Hokkaido.
- 1948** Tadano Iron Works Co., Ltd. is established in Takamatsu City, Kagawa by Masuo Tadano, who serves as the first company president, with a paid-in capital of 500,000 yen.
- 1950** Invents a railroad track maintenance machine and begins production for Japan National Railways.
- 1950** Demag develops the V 2500 mobile crane, with a 2.5-ton lifting capacity.
- 1954** Starts development of hydraulic industrial machines.
- 1955** Develops Japan's first hydraulic truck crane, the OC-2, with a 2-ton lifting capacity.
- 1959** Relocates main plant to present location in Shinden-cho, Takamatsu City, Kagawa.
- 1960** Delivers company's first hydraulic truck crane exports to Indonesia (four OC-5A cranes).
- 1961** Sozo (Creation), Hoshi (Contribution), and Kyoryoku (Cooperation) are adopted as our Corporate Philosophy.
- 1962** Develops the TM-2H truck loader crane.
- 1964** SpanDeck is founded as a prestressed concrete equipment manufacturer.
- 1970** Develops Japan's first hydraulic rough terrain crane, the TR-150, with a 15-ton lifting capacity.
- 1972** Develops the AML, Japan's first automatic moment limiter (a safety device for preventing crane overload). Lists company's shares on the First Sections of the Tokyo Stock Exchange and the Osaka Exchange.
- 1973** Establishes the company's first group company outside Japan, Tadano International (Europe) B.V. in the Netherlands.
- 1979** SpanDeck develops telescopic boom crawler cranes with a lifting capacity of 10 and 13 US tons.
- 1980** Constructs and begins production at the Shido Plant in Sanuki City, Kagawa.
- 1983** Develops insulated aerial work platforms, the AT-136TE and the AT-140TE.
- 1984** Opens the Beijing Representative Office in China.
- 1989** Changes corporate name to Tadano Ltd. Tadano Group's consolidated net sales reach 100 billion yen for the first time (financial results for FY 1989).
- 1990** Acquires Faun GmbH (currently Tadano Faun GmbH), a German crane and specialized vehicle manufacturer.
- 1991** Begins Moai Statue Restoration Project at Ahu Tongariki on Easter Island, Chile.
- 1993** Establishes Tadano America Corporation in Texas, US.
- 1996** Establishes Tadano-Multico (S.E.ASIA) Pte. Ltd. (currently Tadano Asia Pte. Ltd.) in Singapore.
- 1997** Relocates the Advanced Technology Research Center to Hayashi-cho, Takamatsu City, Kagawa.
- 1998** Develops the AR-5500M, Japan's largest-capacity all terrain crane, with a 550-ton lifting capacity.
- 2004** Issues the largest product recall of approximately 16,000 units of rough terrain cranes.
- 2007** Constructs and begins production at the Tadotsu Plant in Tadotsu Town, Kagawa.
- 2008** Constructs and begins production at the Chiba Plant in Chiba City, Chiba. Acquires SpanDeck Inc. (currently Tadano Mantis Corporation), a US-based telescopic boom crawler crane manufacturer.
- 2008** Demag introduces one of the world's largest lattice boom crawler cranes CC 88,3200-1 TWIN, with a 3,200-ton lifting capacity.
- 2010** Establishes Tadano Oceania Pty Ltd in Australia.
- 2011** Establishes Tadano Brasil Equipamentos de Elevação Ltda. in Brazil.
- 2013** Introduces the GR-1600XL (GR-1450EX), a rough terrain crane that boasts the highest lifting capacity in its class worldwide.
- 2014** Acquires Cranes UK Ltd, a distributor in the United Kingdom (currently Tadano UK Ltd).
- 2015** Tadano Group's consolidated net sales reach 200 billion yen for the first time (financial results for FY 2014 and 2015).
- 2016** Establishes Tadano France SAS in France.
- 2017** Establishes Tadano Italthai Co., Ltd. in Thailand.
- 2018** Establishes Tadano Nederland B.V. in the Netherlands. Establishes Tadano Belgium BV in Belgium. Establishes Tadano Chile SpA in Chile. Opens the Moscow Representative Office in Russia.
- 2019** Acquires the Demag Mobile Cranes business (currently Tadano Demag GmbH). Constructs the Kozai Plant in Takamatsu City, Kagawa. Celebrates 100th anniversary of the company's founding.
- 2020** Establishes Tadano Europe Holdings GmbH in Germany.
- 2021** Introduces the AR-7000N, one of Japan's largest-capacity all terrain cranes, with a 700-ton lifting capacity.
- 2022** Launches the electro-hydraulic system "e-PACK" for rough terrain cranes in the Japanese market. Announces plans to commercialize the world's first electric rough terrain crane.

1919 Masuo Tadano starts a welding company in Hokkaido

Masuo Tadano, the founder of Tadano left Takamatsu City, Kagawa, for Asahikawa City, Hokkaido, to start a welding business. That day, August 29, 1919, is the day we refer to as the date of our foundation. At that time, welding technology was gaining ground and developing rapidly outside Japan, and its introduction in Japan was only beginning. Captivated by the sparks of welding, Masuo Tadano was convinced that the technology would make a positive contribution to society and ventured to start a business in Hokkaido. He later moved back to his hometown in Kagawa and established Tadano Iron Works Co., Ltd. in 1948.



Masuo Tadano in his younger days (second from left)



Tadano Iron Works Co., Ltd. at the time of establishment

1955 Develops Japan's first hydraulic truck crane, the OC-2, with a 2-ton lifting capacity

Since its founding, Tadano Iron Works took on the challenge of developing a variety of products independently and was steadily refining its welding and hydraulic technologies. Taking a hint from information found in a construction machinery magazine, in 1955 the company developed and manufactured its original hydraulic truck crane OC-2, with a 2-ton lifting capacity. Orders for the OC-2, the first of its kind in Japan, poured in from all over the country. It was the company's first step forward as a crane manufacturer.



OC-2

1962 Develops the TM-2H truck loader crane

The history of our truck loader cranes, which are the most versatile and commonly used crane models with a wide range of applications, started from the development of the TM-2H in 1962. Today, they constitute our second largest business segment after mobile cranes. In 1983, we developed insulated aerial work platforms, the AT-136TE and the AT-140TE, the third largest business segment. They were well received by parties concerned, because in the development of special purpose vehicle products, including aerial work platforms, we applied technologies accumulated through the development of cranes and factored in user needs based on advance research on the actual conditions under which works are carried out.



TM-2H



AT-136TE

For over 100 years since its founding in 1919, Tadano has been producing an array of products, including mobile cranes, truck loader cranes, and aerial work platforms, spurred on by the desire to create products that will contribute to the world. The products are used not only in Japan but also all over the world.

1970 Develops Japan's first hydraulic rough terrain crane, the TR-150, with a 15-ton lifting capacity

After developing Japan's first hydraulic truck crane, the OC-2, Tadano worked on the development and sales of hydraulic truck cranes and truck loader cranes. In 1970, we developed Japan's first hydraulic rough terrain crane, the TR-150, with a 15-ton lifting capacity. This type of crane was developed as a crane that can travel on the road in the Japanese market, while being a self-propelled crane capable of traveling on irregular terrains or soft ground and traveling and handling crane operations in a single driver's seat. Starting with the development of the TR-150, a number of rough terrain cranes were launched into domestic and international markets. In 1998, we developed the AR-5500M, Japan's largest-capacity all terrain crane at the time, with a 550-ton lifting capacity.



TR-150



AR-5500M

1990 Acquires Faun GmbH (currently Tadano Faun GmbH), a German crane and specialized vehicle manufacturer

History of Faun GmbH

- 1845** Justus Christian Braun starts a bronze casting business, the forerunner of Faun.
- 1890** Introduces the world's first steam-driven fire engine.
- 1960-** Produces crane carriers for nearly all leading European crane manufacturers.
- 1970s**
- 1985** Develops an all terrain crane with a 30-ton lifting capacity.



Acquisition of Faun GmbH



BEL 5 truck crane



ATF-140N-5.1

2005 Implements Corporate Social Responsibility (CSR) initiatives

In 2004, a fatal accident caused by a Tadano rough terrain crane occurred on a national road in Okayama. After determining that a defect in the safety device was one of the causes of the accident, Tadano issued a large-scale product recall for 15,278 units (8 types and 16 models) in December. This recall incident made us recognize that our cranes being allowed on public roads is a privilege, and revisit how we should be as a company and what kind of management style we should adopt. We started to promote full-fledged Corporate Social Responsibility (CSR) initiatives from 2005. The Tadano Group CSR Charter was established in 2006 to incorporate CSR perspectives in product development and business activities. In 2008, solar panels were installed on the roof of the Shido Plant, and barge docking facilities were constructed at the Shido Port for environmentally friendly marine transportation.



Transportation of products by barge vessels



Solar panels installed at the Shido Plant

2008 Acquires SpanDeck Inc. (currently Tadano Mantis Corporation), a US-based telescopic boom crawler crane manufacturer

History of SpanDeck Inc.

- 1964** Starts as a prestressed concrete equipment manufacturer.
- 1979** Develops telescopic boom crawler cranes with a lifting capacity of 10 and 13 US tons.
- 1990s** Becomes better known as the company's products were used in large-scale construction projects, such as the Big Dig (a megaproject to construct an underground expressway in Boston).
- 2007** Develops the 200RS telescopic boom crawler crane, with a lifting capacity of 100 US tons.



Tadano Mantis Corporation



10010MX



GTC-1200

2019 Constructs the Kozai Plant

As products of our group are used all over the world, "monozukuri" has also become globalized. After the acquisition of Germany-based Faun GmbH in 1990, we expanded our production sites with the acquisitions of US-based SpanDeck Inc. in 2008 and the Germany-based Demag Mobile Cranes business in 2019, and are pursuing "global optimal production" based on our core values. In addition, the Kozai Plant, the fifth plant in Japan, was constructed in Kozai-kita-machi, Takamatsu City, Kagawa in 2019.

Constructed based on the concept of "Next Generation Smart Plant: Harmonizing the Balance of People and Machinery, Connecting to the Next Generation of Smart Manufacturing," the Kozai Plant began full operations in August of that year.



Kozai Plant

2019 Acquires the Demag Mobile Cranes business (currently Tadano Demag GmbH)

We acquired the Demag Mobile Cranes business, which has a solid reputation as one of the world's leading brands of large all terrain cranes and crawler cranes, to make it possible to cater to the needs of a wide range of customers.

History of the Demag Mobile Cranes business

- 1827** Christian Dingler starts a manufacturing workshop, the forerunner of Demag.
- 1950** Develops the V 2500 mobile crane, with a 2.5-ton lifting capacity.
- 1987** Develops one of the largest lattice boom crawler cranes at the time, with a 1,000-ton lifting capacity.
- 1998** Develops one of the largest all terrain cranes at the time, with a 650-ton lifting capacity.
- 2008** Introduces one of the world's largest lattice boom crawler cranes CC 88.3200-1 TWIN, with a 3,200-ton lifting capacity.



V 2500



CC 12000



CC 28.600-1



Christian Dingler



Tadano Demag GmbH Wailerscheid Plant



AC 6.300-1

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