

# Performance Objectives

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# Non-financial Summary

Material issues	Theme	Index	Scope of data	Results					
				2016	2017	2018	2019		
<b>Governance – Principled Corporate Management –</b>									
Corporate governance	Corporate governance	Average attendance rate of outside directors	Board of Directors meetings (%)	IHI	96.2	95.3	98.6	98.1	
		Average attendance rate of outside Audit & Supervisory Boardmembers	Board of Directors meetings (%)	IHI	92.3	96.0	92.6	100	
			Audit & Supervisory Board meetings (%)	IHI	93.0	100	100	100	
Compliance	Legal compliance	Number of law violations / Number of guidance cases	Competition laws	IHI and consolidated subsidiaries	0	0	0	0	
			Anticorruption laws	IHI and consolidated subsidiaries	0	0	0	0	
			Laws/regulations relating to PR activities	IHI and consolidated subsidiaries	0	0	0	0	
		Expenditure to organizations	Political organizations (Millions of yen)	IHI	10	10	10	10	
			Economic organizations (Millions of yen)	IHI	41	42	48	56	
			Other major industry organizations (Millions of yen)	IHI	55	55	101	120	
		Number of Compliance Hotline reports	Compliance Hotline reports	*1	218	209	238	239	
			Number of compliance training participants	Officer training	IHI and subsidiary companies in Japan	55	50	47	–
				Line Manager Training	IHI and subsidiary companies in Japan	73	83	75	72
				Quality & Compliance Training (Japan)	IHI and subsidiary companies in Japan	–	–	–	27,866
				Quality & Compliance Training (Overseas)	Subsidiary companies overseas	–	–	–	1,774
				e-Learning (Japan)	IHI and subsidiary companies in Japan	18,859	18,020	18,234	18,164
e-Learning (Overseas)	Subsidiary companies overseas	1,392		1,261	1,126	1,214			
Risk management	Intellectual property protection	Patents held by region	Patents in Japan	IHI	4,157	3,915	4,120	4,150	
			Patents overseas	IHI	2,744	2,598	3,047	3,502	
Information security	Information security measures	Information security measures level evaluation (out of five) (score)	IHI and consolidated subsidiaries	–	3.0	2.9	3.2		

\*1 IHI and affiliated companies in Japan in 2016. IHI, affiliated companies in Japan, and some affiliated companies overseas (USA and Brazil) in 2017. IHI, affiliated companies in Japan, and some affiliated companies overseas (USA, Brazil, Asia Pacific, China, and Korea) in 2018 and 2019.

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<b>Society – Materialize an Affluent Society –</b>								
Managing human resources	Number of employees	Consolidated number of employees	IHI and consolidated subsidiaries	29,659	29,706	29,286	28,964	
		Number of employees (IHI)	IHI	8,630	8,256	8,011	7,741	
			Male	IHI	7,625	7,245	6,994	6,730
			Female	IHI	1,005	1,011	1,017	1,011
	Average years of service	Ratio of female employees (%)	IHI	11.6	12.2	12.7	13.1	
		All employees	IHI	14.5	14.8	14.9	15.8	
			Male	IHI	14.8	15.1	15.1	16.0
	Turnover rate	Female	IHI	12.2	12.5	13.2	14.5	
		Total turnover rate	IHI	3.9	4.0	4.3	3.5	
			Rate of retirement due to personal reasons (%)	IHI	1.4	2.0	2.0	2.0
	Employee-awareness surveys	Turnover rate within 3 years of joining the company (%)	IHI	5.8	5.7	7.4	6.8	
		Ratio of answered employee-awareness surveys (%)	IHI and affiliated companies	87.6	90.9	91.7	91.4	
	Diversity and inclusion	Employment	Number of new graduate recruitment	IHI	288	245	155	153
Number of mid-career employment			Male	IHI	248	210	135	123
			Female	IHI	40	35	20	30
			Female recruitment rate (%)	IHI	13.9	14.3	12.9	19.6
Gender diversity		Recruitment ratio of people with disabilities (%)	IHI	153	29	78	37	
		Re-employment rate of employees at retirement age (%)	IHI	2.14	2.03	2.21	2.39	
		Ratio of employees from abroad (%)	IHI	84	87	84	81	
		Local managers at overseas sites	China, Singapore, and United States	1.0	1.1	1.0	1.0	
		Number of female officers	Local managers at overseas sites	China, Singapore, and United States	20	23	22	23
			Number of female officers	IHI	1	3	4	3
Ratio of female officers (%)			IHI	6	16	24	19	
Number of female managers			Number of female managers	IHI	66	68	74	83
			Ratio of female managers (%)	IHI	2.5	2.6	2.8	3.0
	Ratio of female general managers (%)	IHI	0.7	0.8	0.8	0.8		
	Ratio of female section managers (%)	IHI	1.8	1.8	2.0	2.2		

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					2016	2017	2018	2019		
Diversity and inclusion	Work-life balance	Employees with reduced work hours		IHI	149	159	158	161		
		Employees who have taken childcare leave		IHI	674	677	689	779		
		Employees who have taken parental leave		IHI	89	111	113	132		
		Percentage of employees who return to work after parental leave (%)		IHI	100	100	100	99.2		
		Employees who have taken nursing care leave		IHI	11	18	6	7		
		Average annual paid vacation days taken		IHI	16.50	17.63	18.36	19.40		
		Monthly average overtime (hours)		IHI	23.90	22.90	22.50	21.10		
	Human resource development	Stratified training	Participants		IHI and affiliated companies in Japan	3,300	2,900	3,300	3,276	
			Training hours		IHI and affiliated companies in Japan	112,000	101,000	112,000	106,208	
		Open lectures	Participants		IHI and affiliated companies in Japan	5,800	5,800	6,200	3,343	
			Training hours		IHI and affiliated companies in Japan	46,000	44,000	47,000	25,073	
		Average annual training hours per employee		IHI and affiliated companies in Japan		17.4	16.7	16.7	19.8	
	Employees certified as master artisans		IHI		45	42	37	35		
	Occupational health and safety	Participation rate of medical check-ups (%)		IHI and 34 affiliated companies		70	69	70	71	
		Participation rate of stress checks (%)		IHI and 34 affiliated companies		90	91	96	94	
		Absenteeism (Employees who take three or more months of leave) (%)		IHI and 34 affiliated companies		0.9	0.9	0.9	1.0	
		Presenteeism (Employees with restricted hours) (%)		IHI and 34 affiliated companies		2.1	1.6	1.7	1.6	
		Smoking rate (%)		IHI and 34 affiliated companies		29	28	28	27	
		Lost time injuries frequency rate		IHI and 30 affiliated companies		0.33	0.57	0.26	0.40	
		Total injuries frequency rate		IHI and 30 affiliated companies		1.31	1.64	1.11	1.49	
		Rate of occupational diseases		IHI and 34 affiliated companies		–	–	0.165	0.165	
		Occupational accidents*2		IHI and 30 affiliated companies		68 (1)	87 (1)	55 (0)	71 (0)	
				Employees*2		IHI and 30 affiliated companies	41 (0)	52 (0)	28 (0)	42 (0)
				Temporary employees*2		IHI and 30 affiliated companies	0 (0)	4 (0)	4 (0)	4 (0)
				Partners*2		IHI and 30 affiliated companies	27 (1)	31 (1)	23 (0)	25 (0)
		Labor-management partnership	Employee union membership rate	Employees union membership rate (%)		IHI and 6 consolidated subsidiaries	73	74	73	73
			Number of labor complaints received		IHI		0	0	0	0
	Corporate citizenship	Social contribution activities	Social contribution expenses (Millions of yen)		*3	206	331	635	519	

\*2 Figure inside parentheses indicates fatal incidents

\*3 IHI and affiliated companies in 2016 and 2017. IHI and consolidated subsidiaries in 2018 and 2019.

## Non-financial Summary

Material issues	Theme	Index	Scope of data	Results			
				2016	2017	2018	2019
<b>Environment – Reduce Environmental Impact –</b>							
Climate change	CO <sub>2</sub>	CO <sub>2</sub> emissions (t-CO <sub>2</sub> )	IHI and consolidated subsidiaries	316,914	330,162	329,602	254,227
		Scope 1 (t-CO <sub>2</sub> )	IHI and consolidated subsidiaries	–	–	80,032	64,724
		Scope 2 (market-based) (t-CO <sub>2</sub> )	IHI and consolidated subsidiaries	–	–	249,570	189,503
		CO <sub>2</sub> emissions intensity* <sup>4</sup> (t-CO <sub>2</sub> /100 million yen)	IHI and consolidated subsidiaries	21.3	20.8	22.2	18.3
	Energy	Energy consumption* <sup>5</sup> (TJ)	IHI and consolidated subsidiaries	6,015	6,087	5,828	2,468
		Fuel consumption (TJ)	IHI and consolidated subsidiaries	–	–	–	1,044
		Electricity consumption (TJ)	IHI and consolidated subsidiaries	–	–	–	1,398
		Steam consumption (TJ)	IHI and consolidated subsidiaries	–	–	–	0
		Renewable energy used (TJ)	IHI and consolidated subsidiaries	–	–	–	26
		Energy consumption intensity* <sup>4</sup> (TJ/10 billion yen)	IHI and consolidated subsidiaries	40.5	38.3	39.3	17.8
External evaluation	Evaluation of CDP climate change	IHI and consolidated subsidiaries	A- (Leadership)	B (Management)	B (Management)	B (Management)	
Circular economy	Waste	Waste generated (ton)	IHI and consolidated subsidiaries	30,531	28,691	29,010	27,564
		Toxic waste generated (ton)	IHI and consolidated subsidiaries	–	–	–	164
		Amount recycled (valuable resources) (ton)	IHI and consolidated subsidiaries	–	–	–	61,799
	Water	Water withdrawal* <sup>6</sup> (1,000m <sup>3</sup> )	IHI and consolidated subsidiaries	4,169	3,776	4,182	4,251
		Public water (1,000m <sup>3</sup> )	IHI and consolidated subsidiaries	–	–	–	750
		Industrial water (1,000m <sup>3</sup> )	IHI and consolidated subsidiaries	–	–	–	868
		Groundwater (1,000m <sup>3</sup> )	IHI and consolidated subsidiaries	–	–	–	1,948
		Rainwater, rivers, lakes, etc. (1,000m <sup>3</sup> )	IHI and consolidated subsidiaries	–	–	–	685
Environmental protection	Compliance with environmental laws and regulations	Significant environmental accidents	IHI and consolidated subsidiaries	0	0	0	0
		Major violation of environmental laws/regulations	IHI and consolidated subsidiaries	0	0	0	0
		Number of cases IHI paid fines, penalties, etc.	IHI and consolidated subsidiaries	0	0	0	0
	Costs to Reduce the IHI Environmental Impact	Investments (Millions of yen)	IHI	864	713	696	652
		Expenditures (Millions of yen)	IHI	73	79	143	78

\*4 Net sales as the denominator.

\*5 Changed the method of calculating energy consumption since 2019.

\*6 Changed from amount of water consumption to amount of water withdrawal since 2019.