

Stakeholder Engagement

Dialogue with Stakeholders

The IHI Group views its primary stakeholders with a significant influence over ongoing corporate activities as its customers, business partners, shareholders, investors, government agencies, local communities, employees, and NPOs/ NGOs. As such, the Group values and engages in broad dialogue with these stakeholders. The Integrated Report and Sustainability Data Book are published as tools for this dialogue.

Topics with stakeholders that are considered particularly vital are reported to the Management Committee and Board of Directors, and are thus reflected in our corporate strategy.

Approach to Communications with Shareholders and Investors

The IHI Group builds stronger relationships based on trust with all shareholders and other investors by recognizing accurate, timely disclosure of corporate information as a core principle of a sound financial instruments market, which is why the Group actively engages in communication efforts. For this reason, the IHI Group enhances the scope of various materials disclosed both online and offline for active and fair informational disclosure.

The Group's basic policy is to promote highly transparent management throughout the entire Group. The Group always discloses accurate and fair information on important management and business matters in a timely manner from the perspective of investors in capital markets. The Group also sees honest Group accountability as a basic policy to define its management direction and main businesses.

In addition to stock investors, the Group also proactively engages in dialogue with bond investors. The IHI Group is deeply involved in active communication efforts with its domestic and overseas investors to gain greater understanding about the business activities.

In fiscal 2023, the management team visited North America, Europe, and Asia and held dialogues with local institutional investors.

• Themes of the Main Dialogues Held with Shareholders and Investors

Classification	Main Dialogue Topics
General	<ul style="list-style-type: none"> • Status of deliberations regarding business portfolio • Outlook for future expansion of lifecycle business • Impact of additional inspection program on PW1100G-JM Turbofan Engine • Prospects for monetization of fuel ammonia value chain business • Outlook for future expansion of defense business
E	<ul style="list-style-type: none"> • Initiatives to achieve IHI Carbon Neutrality by 2050 • Status of consideration for Scope 3 disclosure • Disclosure status of interim targets regarding GHG emission reduction • Strengths and the uniqueness of the IHI Group in addressing climate change
S	<ul style="list-style-type: none"> • Specific details about the initiative in the Group human resources strategy • KPIs for the Group human resources strategy • Scale of human investment • Utilization status of employee-awareness survey results • Predicting human rights risks in the supply chain
G	<ul style="list-style-type: none"> • Effectiveness of the Board of Directors • Activities of Outside Directors • Composition of the Board of Directors • Background of materiality identification • Status of deliberations at the Board of Directors regarding ESG and sustainability

• Main Dialogue with Shareholders and Investors

Investors	● 361 companies (99 Japanese investors, 262 foreign investors) Focusing on active investors such as growth and value investors, analysts, portfolio managers, ESG personnel, voting rights exercisers, etc., of domestic and foreign institutional investors with a wide range of investment styles.	
IHI Representative	CEO	<ul style="list-style-type: none">● Financial result briefings conducted: Twice● Dialogues held: 23 times
	Officer in Charge of Group Finance & Accounting	<ul style="list-style-type: none">● Financial result briefings conducted: 4 times● Dialogue with sell-side analysts conducted: 37 times● Dialogue conducted with Japanese and overseas institutional investors: 91 times
	IR Managers	<ul style="list-style-type: none">● Dialogue conducted with Japanese and overseas institutional investors: 226 times

See Sustainability Data Book 2024 for dialogue with other stakeholders

Third-party Evaluation

MSCI Japan ESG Select Leaders Index

IHI got its inaugural inclusion in the MSCI Japan ESG Select Leaders Index, which Japan's Government Pension Investment Fund employs for its ESG investments. This sub-index of the MSCI Japan IMI Index tracks companies with excellent ESG ratings in each industry sector. IHI received an AA MSCI ESG Rating in 2023.

2023 CONSTITUENT MSCIジャパン ESGセレクト・リーダーズ指数

THE INCLUSION OF IHI IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF IHI BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

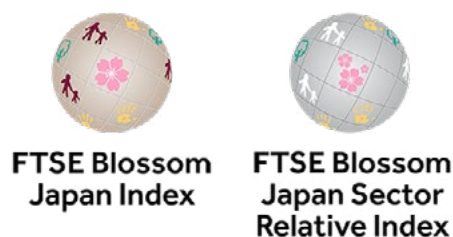


THE USE BY IHI OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES ("MSCI") DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF IHI BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED 'AS-IS' AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

FTSE Blossom Japan Index FTSE Blossom Japan Sector Relative Index

FTSE Russell has included IHI Corporation in the FTSE Blossom Japan Index for the first time and the FTSE Blossom Japan Sector Relative Index for the third straight year. Japan's Government Pension Investment Fund uses both benchmarks as leading environmental, social and governance (ESG) indices.

FTSE Russell, an information services subsidiary of the London Stock Exchange Group, designed those indices to measure the performances of companies with robust ESG practices in Japan.



CDP

The IHI Group responds to Disclosure Insight Action's (CDP) questionnaire related to climate change on an annual basis. In fiscal 2023, the Group was evaluated as Management Level score of B.



EcoVadis Silver Medal

The IHI Group received the Silver Medal for the top 25% of EcoVadis' comprehensive sustainability assessment in four areas: environment, labor and human rights, ethics, and sustainable procurement.

