

## Human Rights

### Approach

The IHI Group formulated the IHI Group Human Rights Policy in December 2020 based on its management philosophy and its approach to human rights outlined in the Basic Code of Conduct for the IHI Group under the approval of the Board of Directors.

In IHI Group ESG Management, the Group has identified respecting Human Rights as one of its most material issues. Through human rights awareness activities based on international standards, the Group will fulfill its responsibility to respect human rights of all by fostering a respectful corporate culture and promoting human rights throughout its business activities.

#### History in human rights initiatives

- FY2015 ● “Basic Code of Conduct for the IHI Group” formulated
- “IHI Group Procurement Policy” formulated
- FY2017 ● Reorganized from the Company-wide Dowa Promotion Committee to the IHI Group Human Rights Enlightenment Promotion Committee
- FY2020 ● “IHI Group Human Rights Policy” formulated
- “IHI Group Procurement Policy” revised
- FY2021 ● Human rights risk assessments started
- FY2022 ● Human rights impact assessments started
- “IHI Group Code of Conduct for Business Partners” formulated and disseminated
- FY2023 ● “IHI Group Co., Ltd. Human Rights Policy Implementation Guidelines” formulated
- FY2024 ● Operation of Grievance Mechanisms started
- FY2025 ● Reorganized from the IHI Group Human Rights Enlightenment Promotion Committee to the Human Rights and DE&I Committee

### Human rights awareness promotion structure

The IHI Group established the Human Rights and DE&I Committee as a Group-wide committee responsible for the “S” (Social) part of the ESG Management Promotion

Committee. With the goal of fostering a corporate culture that respects human rights and promotes human rights initiatives, the Group plans and deliberates on the details of important policies and activities related to the promotion of DE&I focusing on “respect for Human Rights” and the “active participation of diverse human resources”. Important matters such as activity policies, priority measures, and performance evaluations are discussed within the ESG Management Promotion Committee and then reported to the Board of Directors as deemed appropriate. The Group established a Task Team\* under the Human Rights and DE&I Committee as the body to promote human rights initiatives with regard to respect for human rights, in cooperation with related divisions and staff in charge of human rights at Group companies.

\* Comprised of members from the Human Resources Div., Procurement Strategy Planning Div., Corporate Communication Div., Project Risk Management Div., Corporate Planning Div., Legal Div., and Marketing & Sales Headquarters

#### Human rights awareness promotion framework



### Human rights due diligence

In order to fulfill the responsibility when it comes to respecting the human rights of those affected by its business activities, the Group promotes the process of

human rights due diligence and taking measures to respect human dignity in line with the United Nations’ Guiding Principles on Business and Human Rights.

### Human rights risk assessments

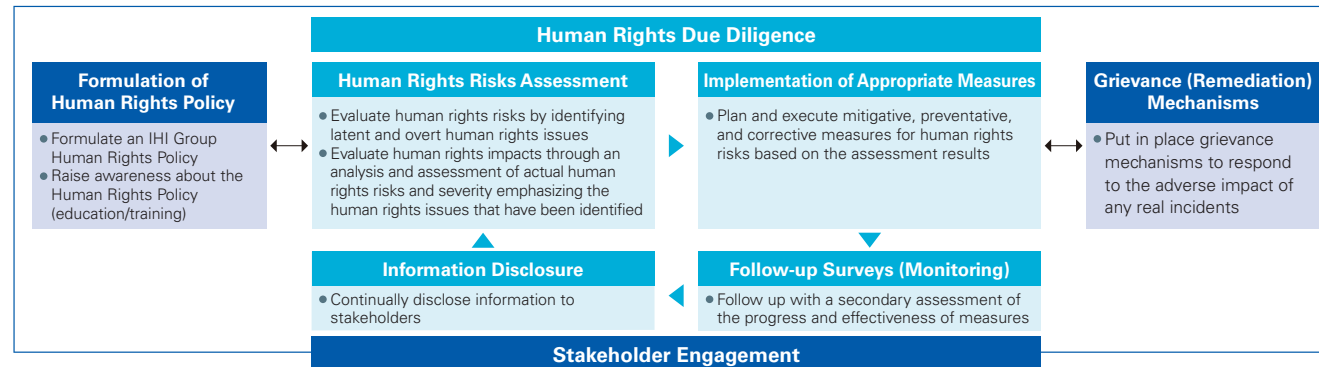
In fiscal 2021, the IHI Group underwent a human rights risk assessment to identify potential and obvious human rights issues among IHI Group companies within Japan and overseas, with advice from outside experts. Based on analysis and the results of this evaluation, important human rights issues in the manufacturing industry, internal monitoring, and international social trends, the Group was able to identify key human rights issues. Thus, the Group has chosen its employees and business partners as its highest priority rights holders.

#### Material human rights issues

|  |   |
|--|---|
| Prohibition of forced labor  | All labor that is forced under threat of punishment or for which the individual has not offered herself or himself voluntarily is prohibited.   |
| Prohibition of child labor   | Work by and employment of workers under the minimum age of statutory employment in the country or region in which the business operates is prohibited, and this labor is not used.  |
| Guarantee of equal opportunity                                     | Diversity and individuality are respected, and fairness and equal opportunity in job openings and employment, including in recruiting, promotions, remuneration, and training, is ensured.                                  |
| No Tolerance for Discrimination and Harassment                     | Unjust discrimination and harassment based on race, skin color, sex, religion, birthplace, beliefs, age, disability, sexual orientation, and sexual identity, and other attributes are not permitted.                       |
| Guarantee of safe workplaces ensuring the health of working people | The IHI Group strives to create and maintain safe and healthful workplaces so that people working in each workplace are able to demonstrate their abilities to the fullest extent.  |
| Respect of the basic rights of working people                      | The IHI Group respects basic labor rights, including freedom of association and workers’ rights to organize and engage in collective bargaining. Payment of wages and management of labor hours are conducted appropriately |

## Human Rights

## Overall human rights due diligence



## Human rights impact assessments

The IHI Group implemented human rights impact assessments at Group sites worldwide over three years between fiscal 2022 and 2024 to understand the actual state of material human rights issues. When conducting human rights risk assessments, the Group prioritizes overseas affiliated companies thought to be relatively high risk, targeting 59 companies in fiscal 2022, 37 in fiscal

2023, and 47 in fiscal 2024. Survey results for fiscal 2022 through 2024 and the identified issues to be addressed are shown in the diagram below.

Additionally, in fiscal 2023 the IHI Group Co., Ltd. Human Rights Policy Implementation Guidelines were developed and written in three languages, Japanese, English, and Chinese. The guidelines were distributed throughout the IHI Group to raise awareness of important human rights

issues within the Group among all Group companies.

## Grievance (remediation) mechanism maintenance

In April 2024, the IHI Group established a grievance mechanism on its corporate website for Human Rights Grievance Desk that can be utilized by all stakeholders in the Group's value chain. Cases reported through this point of contact will be handled fairly and appropriately through the Engagement and Remedy Platform provided by the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), of which the IHI Group is a regular member.

## Dialogue with stakeholders on respect for human rights

The IHI Group engages in dialogue with stakeholders based on the results of its human rights due diligence. In March 2025, a lecture was held at the Toyosu Head Office on the theme "DE&I from the perspective of disabilities." Megumi Umeda, DE&I Leader at EY Japan, was invited as the lecturer to provide an explanation on the definition of disabilities, reasonable accommodation\*, and the importance of inclusion. The lecture also presented specific examples of career development for persons with disabilities, enhancing participants' understanding. Going forward, the IHI Group will continue initiatives that support the full potential of persons with disabilities from a DE&I perspective.

\* Reasonable accommodation means removing various barriers in daily life so that all people can participate fully and equally in society, regardless of whether or not they have a disability.

## Human rights impact assessment survey results, issues identified, and countermeasure status\*1 (as of FY2024)

|              | Issues  | Countermeasure Status  |
|--------------|---|--|
| Total Trends | <ul style="list-style-type: none"> <li>•Grievance mechanism maintenance shortfalls</li> <li>•Shortfalls in dialogue with stakeholders</li> </ul>  | <ul style="list-style-type: none"> <li>•Establishment of our reporting desk was completed in April 2024 and began operation.</li> <li>•In parallel with dialogue held at our corporate divisions, each company is made aware of the importance of labor management dialogue, etc.</li> </ul> |
|              | <ul style="list-style-type: none"> <li>•Delays in diversity, equity, and inclusion (DE&amp;I) efforts to ensure equal opportunities and treatment for employees</li> </ul>  | <ul style="list-style-type: none"> <li>•We are implementing initiatives to help foster an organizational culture emphasizing diversity.</li> </ul>   |
| Red Flags*2  | <ul style="list-style-type: none"> <li>•Child labor</li> <li>•Internal regulations regarding minimum working age</li> <li>•Age verification using verifiable means</li> </ul>   | <ul style="list-style-type: none"> <li>•We have established internal regulations and rules that comply with the minimum working age in each country.</li> </ul>  |
|              | <ul style="list-style-type: none"> <li>•Discrimination and harassment</li> <li>•Providing equal employment opportunities and promotions and making a statement of no discrimination during recruitment</li> </ul>   | <ul style="list-style-type: none"> <li>•We are working to formulate policies that ensure equal employment opportunities and treatment.</li> </ul>  |
|              | <ul style="list-style-type: none"> <li>•Guarantee of safe workplaces ensuring the health of working people</li> <li>•Clarification of the health and safety system and system roles</li> <li>•Communication regarding our Occupational Health and Safety Policy to all employees</li> </ul> | <ul style="list-style-type: none"> <li>•We are establishing our occupational health and safety policy and communicating it to all employees.</li> </ul>  |
|              |   |  |

\*1 The status of responses to identified risks are listed in the "Fiscal year 2023 Statement on the UK Modern Slavery Act and Australian Modern Slavery Act."

\*2 Five established core labor standards (prohibition of forced labor, prohibition of child labor, eliminating discrimination, recognition of freedom of association and the right to collective bargaining, and a safe and healthy workplace environment) set by the International Labor Organization (ILO) of particular importance in relation to IHI Group's material human rights issues