# Approach

As outlined in the Management Philosophy and the Basic Code of Conduct, the IHI Group considers one of its most important corporate responsibilities to be the ability to ensure safe and comfortable working environment for all people who work in the Group. Additionally, in order to achieve the implementation of Active Participation from Diverse Human Resources under the IHI Group ESG Management as well as a "Good + Strong" company and individual "Growth + Happiness" under the Group Human Talent Strategy 2023, the Group believes that it is essential to provide a workplace that responds to diversification of work values as well as improve productivity within the entire organization.

Moreover, as work is a part of each employee's life, the Group believes that while the workplace is a place for self-fulfillment through respect, empathy, and ability to grow, it is also a place where each person can do their job while leading a healthy life that is necessary for human resources to engage in career autonomy and play an active role.

## Governance

In order to realize the Group Human Talent Strategy 2023, the IHI Group has established a system allowing it to promote the comprehensive initiatives such as reforming its business practices through working style, human capital/resource management, implementing employee surveys, company-wide projects and so on.

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# Strategy

#### Risks

If the IHI Group is unable to move quickly enough to realize the work style it strives for, or unable to keep up with technological advancements and changing employee needs, it may become difficult for the Group to secure talented human resources or lead to a decline in employee productivity. Furthermore, in situations that call for work style reform, if the organization is judged as being inflexible, its brand image and social reputation may also suffer.

### Opportunities

The IHI Group believes that management direction toward each individual's desire to build a career for themselves and contribute to the organization provides a valuable opportunity for sustainable growth as a company.

Specifically, from fiscal 2023, the Group has been supporting each of its employee's growth, encouraging changes in behavior and habits by holding workshops that raise awareness about shared individual and organizational goals, and by providing senior management training.

## **Risk Management**

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# **Metrics and Targets**

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#### **Work-style and Operational Process Reforms**

### Initiatives

### Education/Awareness Building

The IHI Group has established a mechanism for systematic exchange of opinions and dialogue throughout the whole Group. Senior management, managers, and personal affairs divisions work together to promote everything from the mutual exchange of management intentions and employee awareness to maintaining a work environment that unifies individual career development motivation, willingness to contribute to the organization, and management direction.

During fiscal 2024 the Group started workshops targeting all employees to help them further understand and take on Priority Measures 2024 as well as new evaluation system based on Ideal Behavior & Action.

### Promotion of Diverse Work Styles

The IHI Group strives to realize work-life balance to achieve a work-friendly environment where every employee can find balance between their personal and professional lives.

The Group offers programs and systems for each employee to take actions proactively. Some employees have side jobs and businesses while others enter into career challenge and selective training programs. This corporate climate is motivating and offers each person a way to find a work style matching their unique values.

Various initiatives endeavor to enhance internal communications through engagement efforts, shift to online work formats and remote communications, and to inspire ideas by improving productivity.

#### Creating New Working Styles (Smart Work)

The IHI Group is focused on improving productivity as well as employee engagement through various activities so that each organization and individual can concentrate on high-value work.

Moreover, to enable continued improvement the Group is making efforts to utilize DX and inter-department collaboration throughout the Group.

Going forward, based on the above ideas, the Group will consider and take measures to naturally boost willingness to contribute to the Group, allowing each employee to come together as a place for self-actualization where diverse and autonomous human resources can respect each other, empathize, grow, and live a healthy life.