

# Materialize an Affluent Society

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# Human Rights

## Approach/Policies

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.

### ● IHI Group Human Rights Policy

The IHI Group recognizes and contributes to solving global issues based on group management philosophies of “Contribute to the development of society through technology” and “Human resources are our single most valuable asset.” As the basis of this activity, we have established the “IHI Group Human Rights Policy” in line with the Basic Code of Conduct for the IHI Group. Through human rights awareness activities based on international standards, we will fulfill our responsibility to respect the human rights of all by fostering a respectful corporate culture and promoting human rights throughout our business activities.

#### (Scope)

1. This policy applies to all officers and employees engaged in IHI Group business (hereinafter “Officers and Employees”).
2. We will account for the Human Rights of all people in the course of our business activities.
3. We will request our suppliers and business partners to understand this policy and respect human rights.

#### (Compliance with international standards, laws and regulations, Basic Code, etc.)

1. We support and respect international standards for human rights (e.g. the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights) and will act progressively in line with these standards.
2. In the countries and regions where we conduct our business, we will strive to respect international standards while upholding the laws and regulations of those countries or regions.
3. We always act in accordance with the Basic Code of Conduct for the IHI Group.

#### (Human rights awareness promotion structure and human rights due diligence)

1. We will establish a system to systematically and continuously promote human rights awareness and will work proactively to resolve human rights issues.
2. We will develop a structure to understand and assess human rights risks and to evaluate and improve the effectiveness of our commitment (human rights due diligence) and implement continuously.

3. When a potential or actual human rights risk is assessed or confirmed, we will promptly take corrective and preventive measures through appropriate procedures.

#### (Training)

We will provide our Officers and Employees with appropriate training continuously so that actions based on this policy will be implemented throughout our business activities.

#### (Dialogue and consultation, information disclosure)

1. We will maintain continuous dialogue and consultations with relevant stakeholders on the set of actions set forth in this policy.
2. We will periodically disclose information about our efforts and results on respect for human rights.

December 10, 2020

Hiroshi Ide

President and Chief Operating Officer  
IHI Corporation

## Human Rights

### Structure

We established the IHI Group Human Rights Committee as a Group-wide committee responsible for the “S” part of the ESG Management Promotion Committee. The Committee plans and deliberates important policies and promotes initiatives related to human rights. The Committee is chaired by the Officer in charge of Human Resources and comprised of members from corporate divisions and business areas. Details of important initiatives are deliberated in the ESG Management Promotion Committee and reported to the Board of Directors as necessary.

We established a Task Team\* under the IHI Group Human Rights Committee as the body to promote human rights initiatives in cooperation with related divisions and staff in charge of human rights at Group companies.

\* Task Team: 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



#### ● IHI Group Human Rights Committee

<b>Chairperson</b>	Officer in charge of Group Human Resources
<b>Members</b>	President of each business area, General Manager of Procurement Strategy Planning, General Manager of Technology & Intelligence Integration, General Manager of Business Development Headquarters, General Manager of Intelligent Information Management Headquarters, General Manager of Marketing & Sales Headquarters, General Manager of Secretariat Div., General Manager of Economic Security Div., General Manager of Corporate Planning Div., General Manager of Corporate Communication Div., General Manager of Legal Div., General Manager of Administration Div., General Manager of Finance & Accounting Div., General Manager of Project Risk Management Div., and General Manager of Human Resources Div.
<b>Number of meetings convened in FY2022</b>	3

### Education/Awareness Building

Human rights is one of the four material issues of ESG management, and we are working to educate and spread awareness at each level.

#### (1) Grade-based education

In December 2022, we held an executive-level study session for Officers led by an outside specialist with the participation of Directors, Executive Officers, and Standing Audit & Supervisory Board Members. The study session was designed to create understanding of how companies are connected to stakeholders, especially civic society, and how this can benefit management.

Each year, e-learning training on the topics of respect for human rights and harassment prevention are also conducted for new employees and newly appointed Managers.

#### (2) E-learning conducted at Group companies inside and outside Japan

In fiscal 2022, we conducted the Business and Human Rights e-learning program (translated into 20 languages) for all IHI Group Officers and employees inside and outside Japan to have everyone who works at the IHI Group learn how to frame business and human rights and deepen their understanding.

#### (3) Messages from the President issued on international days

In fiscal 2022, the President issued messages to promote the importance of respect for human rights and gender equality to IHI Group employees inside and outside Japan on Human Rights Day (December 10, 2022) and on International Women’s Day (March 8, 2023).

#### ● Number of Human Rights Training Participants

(Unit: People)

Item	FY2022	
	Participants	Targets
e-learning: Business and Human Rights	28,021	IHI and affiliated companies in and outside Japan
e-learning: Harassment	24,883	IHI and affiliated companies in Japan
Training for new employees and mid-career recruits	98	IHI
Selective human rights training	576	IHI
(Staff version)	108	
(Management version)	468	

## Human Rights

### Initiatives

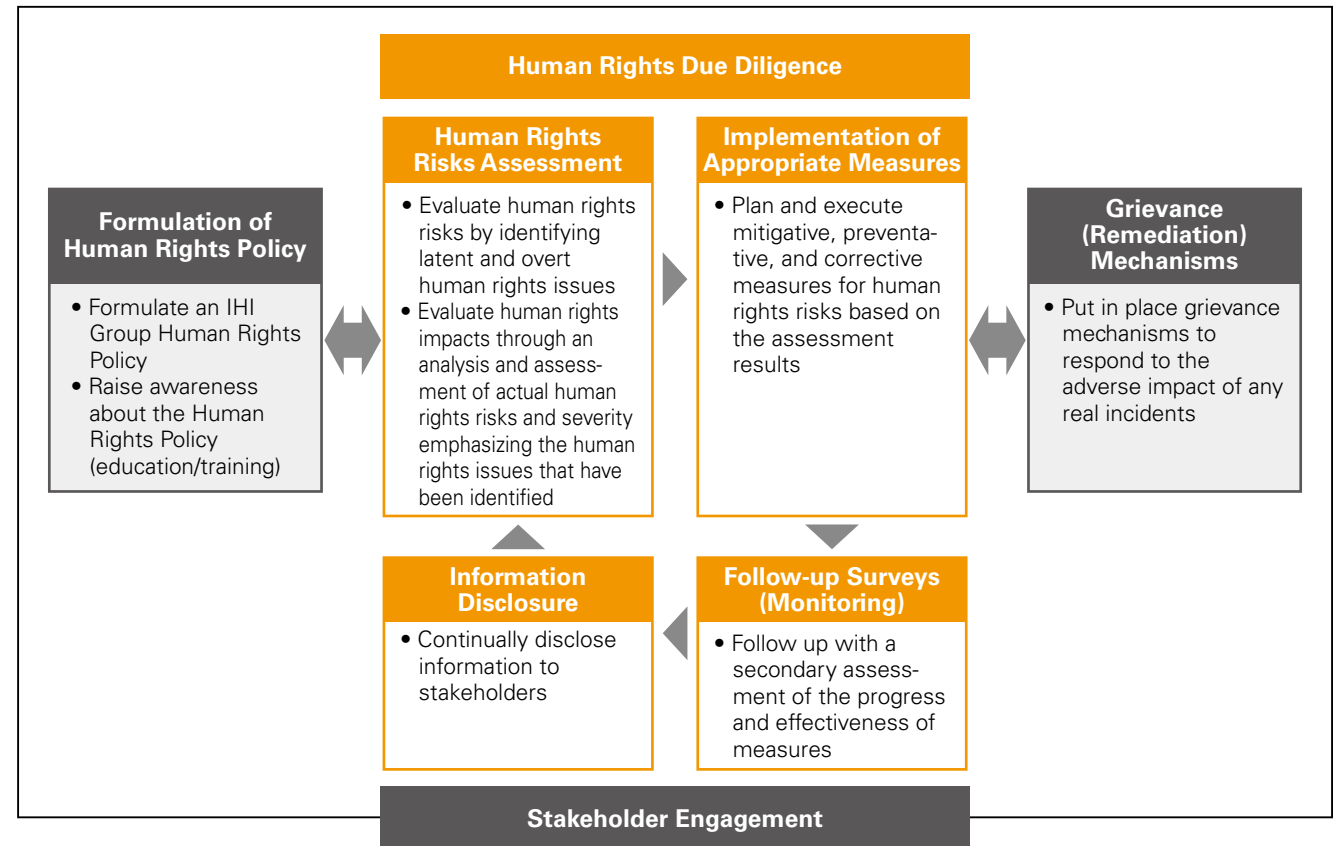
#### Human Rights Due Diligence

In order to fulfill our responsibility when it comes to respecting the human rights of those affected by our business activities, we promote 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 due diligence is an ongoing process of 1) conducting human rights impact assessments to analyze and evaluate the degree of impact of material human rights issues identified in human rights risk assessments, 2) incorporating appropriate risk mitigation measures into work policies and operational processes based on the results of these human rights risk assessments, 3) monitoring the status and results of implementing risk mitigation measures, and 4) publicly releasing their progress and results.

As we undertake the process of human rights due diligence, we emphasize continual stakeholder engagement during the entire process in order to understand the impact of our business activities on people's rights.

#### ● Overall Human Rights Due Diligence



## 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.

Based on the results of this assessment, over the three years from fiscal 2022 until fiscal 2024, the Group conducts human rights impact assessments that focus on any identified issues, analyzing and evaluating them to understand the current situation and their degree of impact.

### ● Approach to the 2021 Human Rights Risk Assessment

#### Step 1

The IHI Group carried out human rights risk assessments to identify any latent and overt risks in its business fields and expansion by domain, nation, and region. Extracted a broad range of risks using social, occupational health and safety, and environmental risk data provided by outside experts.

#### Step 2

The Group also conducted interview surveys with each business area, the Procurement Strategy Planning Division, Human Resources Division, Corporate Communication Division, and Project Risk Management Division on the progress of management in addressing extracted risks and confirmed actual status of business activities, employment status, supply chain, and other status and evaluated them.

#### Step 3

Based on the results of Step 1 and 2, the Group identified human rights issues to prioritize prevention and response as the IHI Group in cooperation with human rights experts.

### ● 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.

#### Prohibition of 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' right to organize and engage in collective bargaining. Payment of wages and management of labor hours are conducted appropriately.

## Human Rights

### Progress of Human Rights Impact Assessments

We began carrying out human rights impact assessments at IHI Group sites worldwide to understand the actual state of material human rights issues. An overview of the human rights impact assessment conducted in fiscal 2022 is as follows.

**Target:** 59 IHI Group affiliated companies outside Japan (Group companies thought to have relatively high risk in human rights risk assessments)

**Assessment details:** Survey (including interview surveys conducted remotely for some companies) using the IHI Group Human Rights Due Diligence Self-Assessment Questionnaire created while referencing the IHI Group Human Rights Policy structure and the UNGP as well as the UNGP reporting framework and items verified by ESG assessment organizations in human rights and labor sections

**Identified issues:** In companies' survey results, no serious human rights violations that would contravene standards required by international norms were found. However, the following three issues were observed and measures for each are being implemented.

- (1) General trends observed included insufficient development of grievance (remediation) mechanisms available to external stakeholders, a lack of dialogue with internal and external stakeholders, and a delay in initiatives concerning diversity, equity, and inclusion (DE&I) initiatives to ensure equal opportunity and treatment of employees. We are currently promoting Group-wide measures for these points.
- (2) At eight companies, we found that regulations regarding compliance with prohibitions on child labor, as well as occupational health and safety policies, were insufficient. The internal regulations and rules for this matter have been adjusted accordingly at each company.
- (3) Awareness of material human rights issues in the IHI Group among the employees in charge of human rights in each Group company was insufficient. To prompt

this understanding by staff at IHI Group companies inside and outside Japan, we are creating guidelines for material human rights issues (in Japanese, English, and Chinese) in fiscal 2023 and will conduct education at affiliated companies.

### Equal Opportunity for All

#### Employee Human Rights

We are promoting diversity, equity, and inclusion (DE&I) based on the IHI Group Human Rights Policy, by respecting diversity and individuality and striving to ensure fair employment, fair labor practices, and equal opportunity as well as creating workplaces free of harassment.

We recognize the freedom of employees to unionize and work together as a labor union and union members. Our Group will never treat anyone involved in the union unfairly. We also engage in collective bargaining efforts in good faith, founded in mutual trust with the labor union.

#### **P.62** Diversity, Equity, and Inclusion

### No Tolerance for Discrimination and Harassment

#### Enhancement of Systems for Preventing Harassment

We have conducted awareness-building and educational activities to prevent harassment and have taken steps to create conditions that facilitate employees consulting the Company when there is a problem. Based on the groundwork we have created to allow the Company to learn of incidents of harassment, we have announced an IHI Group policy to IHI Group employees on strict measures to address incidents of power harassment.

### Environmental and Human Rights Evaluations in New Business Investment

When participating in new business projects, as of fiscal 2023 we conduct environmental and human rights impact evaluations, encompassing climate change

countermeasures, waste, soil contamination, and biodiversity, using the ESG Checklist (Environment, Human Rights)\*. For human rights violation risks, we conduct an internal review from the standpoints of ethnic minority and indigenous people's rights, prohibition of involuntary relocation of residents, and ensuring occupational health and safety at project sites. In investment and lending projects, we also verify the human rights promotion structure and human rights issues at the investee prior to any acquisition.

\* ESG Checklist: The ESG Checklist was created while referencing the International Finance Corporation Performance Standards and the Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations.

### Participation in Third-party Initiatives for Human Rights

We have endorsed the Ten Principles of the United Nations Global Compact. As part of this, we have been participating as a member of the Global Compact Network Japan since 2022. We have deepened our understanding of respect for human rights, human rights due diligence, and various types of human rights education in related workshops.

In fiscal 2022, we participated in the B+HR Academy organized by the United Nations Development Programme. Members of the Human Rights Task Team were able to systematically learn about human rights due diligence through lectures by Japanese and international experts on human rights and group work with participating companies.

## Human Rights

### **Survey on Foreign Technical Intern Trainees**

In fiscal 2022, we conducted surveys for three affiliated companies that had a record of directly employing foreign technical intern trainees in the fiscal 2021 survey. We confirmed that one company had received foreign technical intern trainees. We will maintain appropriate working conditions through continuing to conduct regular surveys.

# Labor Practice (Occupational Health and Safety)

## Approach/Policies

The IHI Group considers ensuring health and safety as one of the foundations of its business activities and an extremely important human rights issue. Every month, IHI shares the progress of Group-wide occupational health and safety as well as health management with all Officers. We actively strive to build a work-friendly environment where all Group employees can reach their full potential. Our initiatives are undertaken according to the IHI Health and Safety Policy as a way to ensure a healthy and safe workplace for everyone who works with the IHI Group whether they are a Group or partner company employee.

## ● IHI Health and Safety Policy

Based on our management philosophy of “Contribute to the development of society through technology” and “Human resources are our single most valuable asset,” the IHI Group is committed to establishing a corporate culture that puts safety as the first priority. Specifically, based on the Basic Code of Conduct for the IHI Group, the following initiatives will be implemented to ensure a workplace environment in which all employees can work safely and in good health.

1. The “Five Safety Principles” will be taken as a principle shared throughout the Group and managers as well as all employees will engage in safety and health activities to prevent accidents.

### **[Five Safety Principles]**

- Safety is our first priority
- Never do or let anyone else do anything dangerous
- Eliminate potential hazards
- Strictly follow the rules
- Make a real effort

2. We will endeavor to prepare facilities and provide opportunities to promote and maintain the mental and physical health of our employees, and create ideal workplaces in which employees can work in good health.

3. While complying with relevant laws and regulations on safety and health, we will give full consideration to how our business activities affect local communities and endeavor to ensure safety and health as a member of society.



## Labor Practice (Occupational Health and Safety)

### ● IHI Group Health Management Declaration

The IHI Group will implement management that values the health of employees based on the management philosophy of “Human resources are our single most valuable asset.”

We will support the proactive improvement of employee health and aim to energize the organization by maximizing employee vitality and capabilities.

By doing this, we will contribute to the development of society through the growth of the IHI Group.

July 1, 2020

Hiroshi Ide

President and Chief Operating Officer

IHI Corporation

#### Specific Initiatives

The IHI Group will work on both corporate health management and work-style reforms.

We will actively cooperate with labor unions and health insurance associations to spearhead the key measures below.

IHI asks every employee to strive to better their own health and take part in building an enthusiastic working environment.

1. Reduce individual and organizational health risks.
  - (i) Enforcement of working conditions according to the results of medical checkups.
  - (ii) Ensure the implementation of reactive mental health care measures.  
(Improve the working environment through stress checks and a clear response to illnesses.)
  - (iii) Encourage employees to stop smoking and prevent second-hand smoking.
2. Improve individual and organizational health to invigorate the working environment.
  - (i) Assist each person to actively manage their own health.
  - (ii) Proactively implement active mental health care measures.  
(Build a working environment where enthusiasm and professional growth is felt so that everyone cultivates an enduring spirit.)
3. Promote better health for both employees and their families.
  - (i) Expand activities to better health of employees and their families.
  - (ii) Increase employee participation in medical checkups and health guidance.

## Structure

### ● Occupational Health and Safety Structure



### ● IHI Group Health and Safety Committee

<b>Chairperson</b>	Officer in charge of Health and Safety
<b>Deputy Chairperson</b>	President of Social Infrastructure & Offshore Facilities Business Area and President of Industrial Systems & General-Purpose Machinery Business Area
<b>Members</b>	President of Resources, Energy & Environment Business Area, President of Aero Engine, Space & Defense Business Area, General Manager of Technology & Intelligence Integration, Chief Occupational Health Physician, and other persons nominated by the chairperson
<b>Secretariat</b>	Human Resources Division
<b>Number of meetings convened in FY2022</b>	2

### Workers Protected Under IHI's Occupational Health and Safety Management System

The IHI Group has established standards laid out in both the occupational health and safety management system at works and research facilities and the occupational health and safety management system at construction sites.

These standards apply to all Group works, research facilities, and construction sites, and extend to all workers at these sites, including Group employees and partner company employees.

## Labor Practice (Occupational Health and Safety)

### Education/Awareness Building

#### Employee Training and Education

The IHI Group provides education on health and safety specific to each position to everyone from new employees to management.

Works division employees undergo Supervisor Safety Training (SST) to learn about health and safety when promoted to assistant foreman or foreman.

Design and development employees on construction sites undergo Construction Safety Standard Training (CSST) to learn the ins and outs of construction health and safety as new and senior employees or group leaders and management.

Employees who are candidates for construction site director or supervisor undergo Site Manager Safety Training (SMST) to learn about on-site health and safety. We also provide follow-up training thereafter to expand knowledge about health and safety.

The IHI Group also cultivates trainers for the SST, CSST, and SMST programs as a Group.

In addition, the Health and Safety Committee constantly reflects feedback from employees based on standards laid out in the occupational health and safety management system at works and research facilities.

#### ● IHI Group Health and Safety Training System Construction Divisions

<b>Eligible Participants</b>	New employees	Training upon entry on new construction sites	Construction supervisors and test driving coordinators instructing operators	Small-scale construction site and service construction managers	Health and Safety Officer Head office Health and Safety Manager On-site Health and Safety Manager
<b>Details</b>	New Employee Training	CSST Training	Supervisor Training (SVST Training)	Site Manager Training (SMST I)	Site Manager Training (SMST II)

#### Works Divisions

<b>Eligible Participants</b>	New employees	Work safety leaders, acting assistant foremen, etc.	Upon appointment as an assistant foreman	Upon appointment as a foreman	Upon appointment as a plant manager
<b>Details</b>	New Employee Training	SST-1	SST-2	SST-3	New Manager Training

Note: CSST stands for Construction Safety Standard Training.  
SMST stands for Site Manager Safety Training.  
SST stands for Supervisor Safety Training.

#### ● Training Participants

(Unit: People, Scope: IHI and affiliated companies in Japan)

Item	FY2019	FY2020	FY2021	FY2022
Foreman Training	48	50	27	33
Assistant Foreman Training	103	90	82	83
Supervisor Safety Training (SVST)	—	—	—	268
Site Manager Safety Training-I (SMST-I)	169	125	69	56
Supervisor Safety Training (SST)	—	—	—	275
SST Trainer Course and SMST Trainer Course	18	—	14	27

\* Training in fiscal 2020 was not conducted due to the effects of the COVID-19 pandemic.

## Labor Practice (Occupational Health and Safety)

### Targets and Results

#### Occupational Accidents

##### ● Occupational Accidents\*1

(Unit: Incidents (figure inside parentheses indicates fatal incidents), Scope: IHI and 31 affiliated companies)

Item	FY2019	FY2020	FY2021	FY2022
Total	71(0)	38(0)	52(1)	56(0)
Employees	42(0)	18(0)	31(1)	25(0)
Temporary employees	4(0)	1(0)	3(0)	4(0)
Partners	25(0)	19(0)	18(0)	27(0)
Minor incidents	—	—	—	—

\*1 Fatalities caused by occupational accidents.

##### ● Total Injuries Frequency Rate\*2

(Scope: IHI and 31 affiliated companies)

Item	FY2019	FY2020	FY2021	FY2022
Total injuries frequency rate	1.49	0.87	1.23	1.37

\*2 Fatalities or injuries caused by occupational accidents per million working hours

##### ● Lost Time Injuries Frequency Rate\*3

(Scope: IHI and 31 affiliated companies)

Item	FY2019	FY2020	FY2021	FY2022
IHI Group average	0.40	0.28	0.38	0.39
National average in manufacturing industry*4	1.20	1.21	1.31	1.25

\*3 Fatalities or injuries caused by occupational accidents per million working hours (excluding injuries with no time lost).

\*4 Scope: Business sites with at least 100 people (sample survey).

#### Occupational Health and Safety

##### ● Occupational Health and Safety Rate

Item	FY2019	FY2020	FY2021	FY2022
Works divisions	Target	—	Under 0.7	Under 0.6
	Result	1.17	0.62	0.95
Construction divisions	Target	—	Under 1.2	Under 1.2
	Result	2.11	1.31	1.75

##### ● Severity Rate of Occupational Health and Safety

Item	FY2019	FY2020	FY2021	FY2022
IHI Group average	0.01	0.01	0.18	0.01

##### ● Health Management

(Scope: IHI and 35 affiliated companies)

Item	FY2019	FY2020	FY2021	FY2022
Participation rate of medical checkups	—	—	97%	96%
Rate of diagnoses made as a result of medical checkups	71%	72%	71%	72%
Participation rate of stress checks	94%	95%	95%	97%
High stress rate	—	—	9%	9%
Absenteeism (Ratio of employees who take three or more months of leave)	1.0%	0.8%	0.7%	1.3%
Presenteeism (Ratio of employees with restricted hours)	1.6%	2.1%	1.8%	1.7%
Smoking rate	27%	27%	28%	25%

##### ● Rate of Occupational Diseases\*5

(Unit: Incidents, Scope: IHI and 31 affiliated companies)

Item	FY2019	FY2020	FY2021	FY2022
Rate of occupational diseases	0.165	0.15	0.118	0.098
Deaths due to occupational diseases or illnesses	—	0	0	0

\*5 People suffering from occupational diseases per million working hours.

## Labor Practice (Occupational Health and Safety)

### Initiatives

#### Health and Safety Management

The IHI Group is committed to eradicating occupational accidents through Five Safety Principles that act as a Group-wide code of conduct.

We assess risk at our works and construction sites to identify and mitigate potential hazards through strict verifiable countermeasures. We conduct regular health and safety training for all of our employees to eradicate occupational accidents. In addition, we give support to business partners at works and construction sites to improve health and safety management in a cooperative effort to ensure safe working environments.

We carry out these health and safety initiatives as part of the occupational health and safety management system.

#### Activities to Reduce the Risk of Occupational Accidents

The IHI Group promotes health and safety activities upon defining occupational health and safety policies, targets, and plans according to the standards set as part of our occupational health and safety management system. Our annual occupational health and safety management evaluations also drive improvements to eradicate occupational accidents.

We define items requiring our attention as well by identifying dangers and hazards related to machinery, facility, chemicals, and other such factors in order to reduce and eliminate them.

We rolled out the IHI Group Basic Safety Principles for the six most common types of occupational accident in fiscal 2020 and are focusing on eradicating these occupational accidents throughout the entire IHI Group.

### FY2023 IHI Group Health & Safety Management Priority Policy

**Based on our belief that all accidents are preventable, we aim to achieve zero accidents with the participation of all employees.**

#### (1) Work on communication regarding health and safety management (instructions, messages, confirmations, etc.)

Strengthen mutual understanding through thorough direct communication and two-way communication

#### (2) Eliminate accidents that fall under the Group's Basic Safety Principles

Fully enforce the Group's Basic Safety Principles to eliminate accidents that fall under them (In particular, eliminate accidents that involve getting stuck when handling machinery, equipment, or heavy objects)

#### (3) Improve risk perception

- Increase risk awareness and prediction level through the promotion of risk prediction meetings that are set up on the initiative of workers
- Increase risk perception by enhancing education (risk experience education, utilization of VR, etc.)

#### (4) Enhance safety management systems in the construction sector in particular

(1) Carry out thorough discussions in advance, such as pre-construction meetings, (2) enhance on-site guidance and support by supervisors from the main office or branch offices, (3) strengthen relations with partner companies, and (4) identify, visualize, and intensively manage unskilled workers

- Actively use ICT for implementing the policies above to increase the effectiveness and efficiency of measures
- Conduct and utilize risk awareness and fact-finding surveys as well as safety audits to gain insight into how far the policies have spread and disseminated, and improve them

### IHI Group Basic Safety Principles

1. Falls from high places
2. Falls from medium and low places
3. Pinching or entanglement in machinery or devices
4. Pinching when handling heavy objects
5. Accidents when using hand tools
6. Accidents when using grinders

### Due Diligence to Occupational Health and Safety during Projects

Concerning project execution, the IHI Group strives to identify and evaluate occupational health and safety risks in advance and take any necessary steps to reduce them. Moreover we carry out safety measures, which include IHI Group Basic Safety Principles, with our business partners.

## Labor Practice (Occupational Health and Safety)

### Investigation Procedures and Observations in the Event of an Occupational Accident

The IHI Group assesses and analyzes factors of any occupational accidents through Group-wide disaster investigation procedures. The use of standardized accident report formats allows for swift sharing of information about an accident in the Group.

An analysis and evaluation of the accident information collected helps put in place measures to prevent any recurrence of the same or similar accidents throughout the Group.

### Health Management

The IHI Group believes greater employee well-being\* helps improve individual productivity and invigorate their workplaces. That is why we strive for both physical and mental health management.

Our mental health education takes both reactive approaches, such as detailed follow-up with individuals suffering from mental illness, programs to help employees return to work, and reintegration programs, as well as active approaches, such as education to teach mental toughness to improve motivation and performance. These educational programs aim to build an enthusiastic workplace for everyone, from new employees to senior management.

We also provide additional health measures to improve lifestyle habits and prevent metabolic syndrome, smoking, and other such lifestyle illnesses and issues in addition to the spread of COVID-19.

\* Well-being: condition where body and mind are healthy, a person is able to work in a lively manner, and both employees and organization are full of vitality

### ● FY2023 IHI Group Health Care Priority Policy

**Carry out both offensive and defensive measures to improve each individual's energy and create a workplace where everyone can feel the joy of working from the perspective of physical and mental well-being, which is the foundation for everything.**

#### (1) Offense measures: Improve the energy of individuals and the organization

- Hold workshops and events for health, which forms the basis for participation and activity.  
Theme: The effect that sleep, nutrition, exercise, etc., have on energy
- Well-being activities held at each workplace (creating a workplace utilizing health surveys, etc.)
- Hold programs that increase the engagement of management

#### (2) Defense measures: Establish a system that can promptly address physical and mental illness stemming from a change of environment

- Expand a revised program that further increases coverage inside the Group and supports early response, early recovery, and second chances.

### Activities to Promote Health Management

The IHI Group is working on activities that improve the well-being of our Group employees and the organization in order for outlined in Project Change toward overcoming operating environment changes to drive value creation. In fiscal 2022, we selected workplaces for well-being improvement and promoting activities to improve the workplace with a focus on management and communication.

#### Topics Covered Under the Main Dialogue Between Employee Representatives and Management on Health and Safety

The IHI Group convenes the Central Health and Safety Committee every year to engage in a labor-management dialogue about employee health and safety.

## Labor Practice (Occupational Health and Safety)

### Health Management of Employees Involved in the Nuclear Power Business

The IHI Group has an established set of Radiation Control Standards for preventing radiation hazard to our employees. Based on these standards, we regulate the exposure of all IHI Group employees and partner company employees engaged in radiation work at nuclear power sites to evaluate radiation damage caused by exposure (exposure dose control).

These standards are stricter than the radiation protection regulations and guidelines issued by the Japan Ministry of Health, Labour and Welfare, which we use to manage exposure doses in order to promote good mental and physical health. Furthermore, IHI's industrial physicians provide health checkups along with health advice.

### Management Resilience Program

The IHI Group started a Resilience Program for its management beginning in fiscal 2021. Our industrial physicians give lectures throughout the year covering four topics where workers learn about the body (sleep, exercise, and nutrition), emotion, consideration, and spirituality and put them into practice.

The purpose of this program is not only to maintain and improve physical strength, but through these initiatives, to further build an individual and organizational vitality and strengthen cooperation among Officers. By making changes within the management class that leads our organization, we will continue making efforts to improve the health of the organization as a whole by striving for the happiness of our employees and improving the organization's corporate value.

### Preventing the Spread of COVID-19

# Diversity, Equity, and Inclusion

## Human Resource Management

### Approach/Policies

At the IHI Group, we recruit and train human resources as our most vital management resource. Our management philosophy ensures that we contribute to the development of society through technology and states that human resources are our single most valuable asset. We strive to realize a healthy, safe, work-friendly environment where everyone respects one another and prospers.

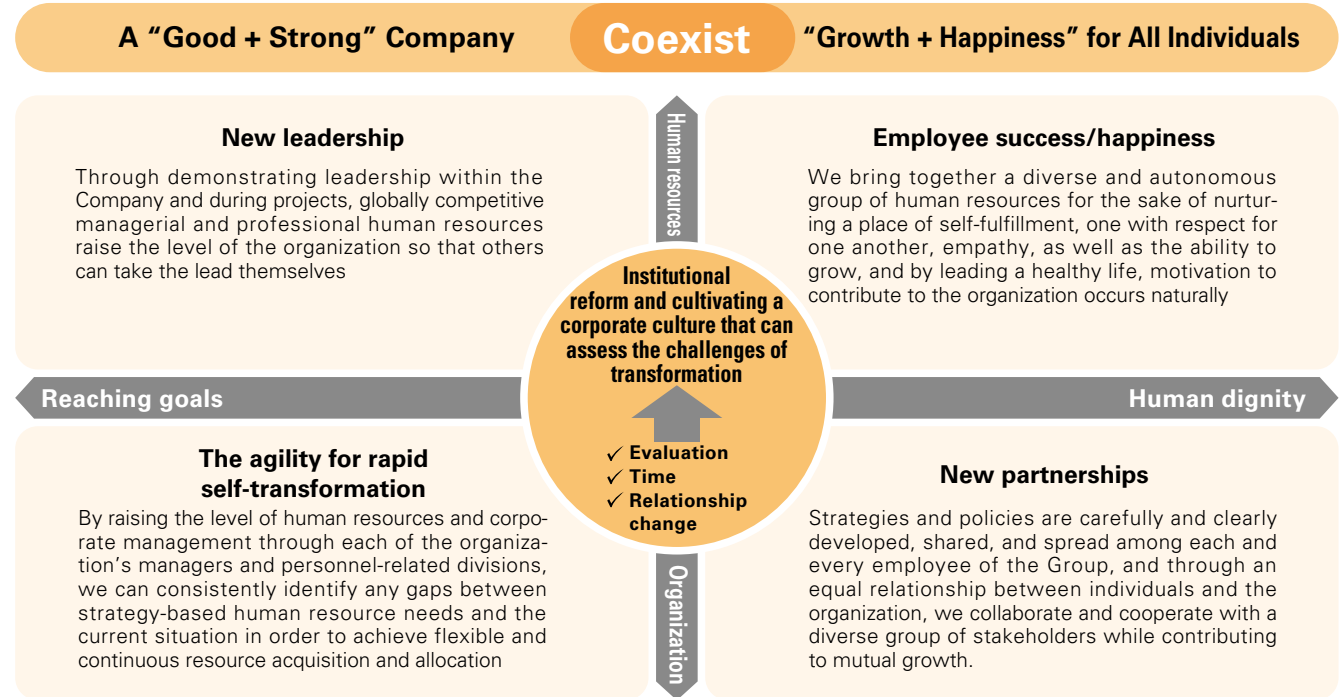
### Group Human Resource Strategy 2023

In May 2023, we announced the Group Human Resource Strategy 2023 in connection with the Group Management Policies 2023.

To accomplish this management policy, the Group Human Resource Strategy 2023 has outlined the Group's future vision to become a "Good + Strong" company as well as one realizing "Growth + Happiness" for all individuals. We are reforming our evaluation system and accordingly cultivating a corporate culture that can assess the challenges of creating change, drawing on four ideals of "new leadership," "ability for rapid self-transformation," "employee success/happiness," and "new partnerships" to achieve this.

From fiscal 2023 we have begun holding workshops for all Group employees in order to spread the goals of both the Group Management Policies 2023 and the Group Human Resource Strategy 2023.

### ● Group Human Resource Strategy 2023: Looking Toward the Future



### Education/Awareness Building

#### Global Standardization of the Human Resource Management Policy

We are using our education program for new employees and various other education and training opportunities to build awareness for the Human Resource Management Policy among all Group employees in Japan and overseas. More specifically, we have created a video in which employees from around the world discuss ideal human resource attributes during an online meeting. This video is widely used for educational purposes and recruitment activities.

### ● Human Resource Management Policy

Ideal Human Resources	Keyword
Integrity and Trust	Group
For Customers and Society	
Innovation and Creation	Global
Teamwork	Diversity
World-class Professionals	

## Diversity, Equity, and Inclusion

### Results

#### Number of Employees

##### ● Number of Group Employees (Unit: People, Scope: IHI and consolidated subsidiaries)

Item	FY2019	FY2020	FY2021	FY2022
Consolidated number of employees	28,964	29,149	28,801	28,486
Number of IHI employees	7,741	7,796	7,779	7,768
Male	6,730	6,766	6,727	6,695
Female	1,011	1,030	1,052	1,073
Ratio of female employees	13.1%	13.2%	13.5%	13.8%

##### ● Number of Employees by Region (Unit: People, Scope: IHI and consolidated subsidiaries)

Item	FY2019	FY2020	FY2021	FY2022
Japan	21,700	21,778	21,390	21,266
Asia Pacific	4,141	4,132	4,053	3,902
Americas	1,292	1,122	1,291	1,406
Europe, Middle East, and Africa	1,831	2,117	2,067	1,912

##### ● Number of Employees by Business Area (Unit: People, Scope: IHI and consolidated subsidiaries)

Item	FY2019	FY2020	FY2021	FY2022
Resources, Energy & Environment	6,812	6,595	6,514	6,626
Social Infrastructure & Offshore Facilities	2,399	2,469	2,443	2,344
Industrial Systems & General-Purpose Machinery	10,079	10,028	9,797	9,645
Aero Engine, Space & Defense	6,684	6,765	7,062	7,010
Others	2,014	2,320	1,945	1,802
Entire company (common)	976	972	1,040	1,059

##### ● Number of Employees by Age (Male/Female)

(Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Under 30	1,612	1,520	1,401	1,452
Male	—	—	—	1,261
Female	—	—	—	191
30 to 39	2,198	2,313	2,327	2,341
Male	—	—	—	2,035
Female	—	—	—	306
40 to 49	2,119	2,078	2,086	2,090
Male	—	—	—	1,745
Female	—	—	—	345
50 to 59	1,462	1,575	1,687	1,664
Male	—	—	—	1,445
Female	—	—	—	219
60 and over	350	310	278	221
Male	—	—	—	209
Female	—	—	—	12

##### ● Number and Ratio of Employees from Abroad\*1

(Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Number of employees	81	82	74	66
Ratio of employees from abroad	1.0%	0.9%	0.9%	0.8%

\*1 As of April 1 each year.



## Diversity, Equity, and Inclusion

### Number of Employees by Employment Status

(Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Regular employees	7,410	7,447	7,400	7,358
Male	6,438	6,456	6,397	6,339
Female	972	991	1,003	1,019
Ratio of female employees	13.1%	13.3%	13.6%	13.8%
Re-hires	88	93	109	127
Male	88	92	108	124
Female	0	1	1	3
Ratio of female employees	0.0%	1.1%	0.9%	2.4%
Second by other companies	243	256	270	283
Male	204	218	222	232
Female	39	38	48	51
Ratio of female employees	16.0%	14.8%	17.8%	18.0%
Advisors and contract employees	91	107	102	117
Male	86	102	97	109
Female	5	5	5	8
Ratio of female employees	5.5%	4.7%	4.9%	6.8%
Part-time employees	496	476	453	436
Male	90	85	81	77
Female	406	391	372	359
Ratio of female employees	81.9%	82.1%	82.1%	82.3%
Fixed-term employees	101	81	35	15
Male	85	64	24	9
Female	16	17	11	6
Ratio of female employees	15.8%	21.0%	31.4%	40.0%
Temporary employees	1,330	956	986	998
Male	1,046	753	788	780
Female	284	203	198	218
Ratio of female employees	21.4%	21.2%	20.1%	21.8%

### Average Years of Service

(Unit: Year, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
All employees	15.8	15.1	16.3	16.7
Male	16.0	15.3	16.5	16.9
Female	14.5	14.2	15.5	15.8

### Turnover

#### Turnover Rate

(Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022	
Total turnover rate	3.5%	2.9%	3.1%	2.7%	
Rate of resignation due to personal reasons	2.0%	1.1%	1.6%	1.5%	
Rate of resignation due to personal reasons by age	Under 30	4.9%	3.1%	3.9%	3.7%
	30 to 39	2.3%	1.2%	2.5%	1.9%
	40 to 49	0.8%	0.3%	0.5%	0.5%
	50 to 59	2.3%	2.2%	2.4%	0.1%
60 and over	26.0%	34.8%	37.6%	26.4%	
Turnover rate within 3 years of joining the Company	6.8%	4.3%	3.4%	5.5%	

#### Turnover During 1 Year (Total Persons, Male/Female)

(Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Total turnover	271	224	248	203
Male	232	207	232	175
Female	39	17	16	28

## Diversity, Equity, and Inclusion

### ● Employees Union Membership Rate (Scope: IHI and affiliated companies in Japan)

Item	FY2019	FY2020	FY2021	FY2022
Employees union membership rate	58%	58%	59%	60%

## Engagement

### ● Number of Labor Complaints Received (Unit: Reports, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Number of labor complaints received	0	0	0	0

\* To quickly and fairly respond to labor complaints from employees, IHI established a committee in accordance with labor agreements.

### ● Ratio of Answered Employee-awareness Surveys (Scope: IHI and affiliated companies)

Item	FY2019	FY2020	FY2021	FY2022
Ratio of answered employee-awareness surveys	91.4%	88.0%	88.0%	84.0%

## Initiatives

In order to achieve the Group Human Resource Strategy 2023, the IHI Group is focusing on reforming its evaluation and treatment of human resources and corporate culture, which form the basis of its human resource strategies and measures.

### Revisions to the Human Resource Compensation and Benefits Policy

We have created uniform IHI Group conduct standards and evaluation items, including encouragement for enterprising efforts and prompt customer service, and are implementing them globally. Along with this, we are revising these again to link evaluations with employee training and treatment. This is because in order to achieve our transformation, we need to mobilize diverse individuals, teams, and organizations to take real action. Specifically, we have constrained the conventional evaluation elements based on ability and introduced human resource compensation and benefits based on position and role that incorporates market value. We are including value criteria that focus on ESG and well-being into evaluation items in stages, starting with remuneration for Officers.

### Fair and Equal Treatment

Aiming to be both a “Good + Strong” company and realize “Growth + Happiness” for all individuals, the IHI Group strives for fair and equal treatment of its employees based on a human resource strategy which focuses on encouraging employees to make efforts toward transformation. A compensation and benefits system that complies with amended legislation is also applied to irregular employees. In addition, we implement various initiatives to increase their motivation, including providing necessary educational opportunities and special time off based on standards for regular employees as well as a program for converting to regular employment.

### Employee Benefits Programs

Our employee benefits programs provide a variety of options that employees can choose from as a way of supporting their needs, including basic benefits such as residential and financial support and support for balancing work and childcare, nursing care, and medical care, as well as education, recreation, and other options.

### Employee-awareness Surveys

The IHI Group conducts employee-awareness surveys targeting employees in Japan and overseas once a year to grasp the status of the employee engagement. We use this survey to visualize the state of the organization and clarify our strengths and challenges, and then conduct analyses. Together with the new Group Management Policies 2023 and the Group Human Resource Strategy 2023 established this fiscal year, we will plan and execute the necessary measures to improve employee engagement by deploying the PDCA cycle.

**Diversity, Equity, and Inclusion**

**Human Resource Development**

**Approach/Policies**

We place cultivating ideal human resource attributes as the pillar of human resource development and create educational programs, educational curriculum, and training plans for individuals in workplaces, including on-the-job training.

In addition to the human resource development measures taken to date, we are implementing the following three priority measures in fiscal 2023 based on our Group Human Resource Strategy 2023.

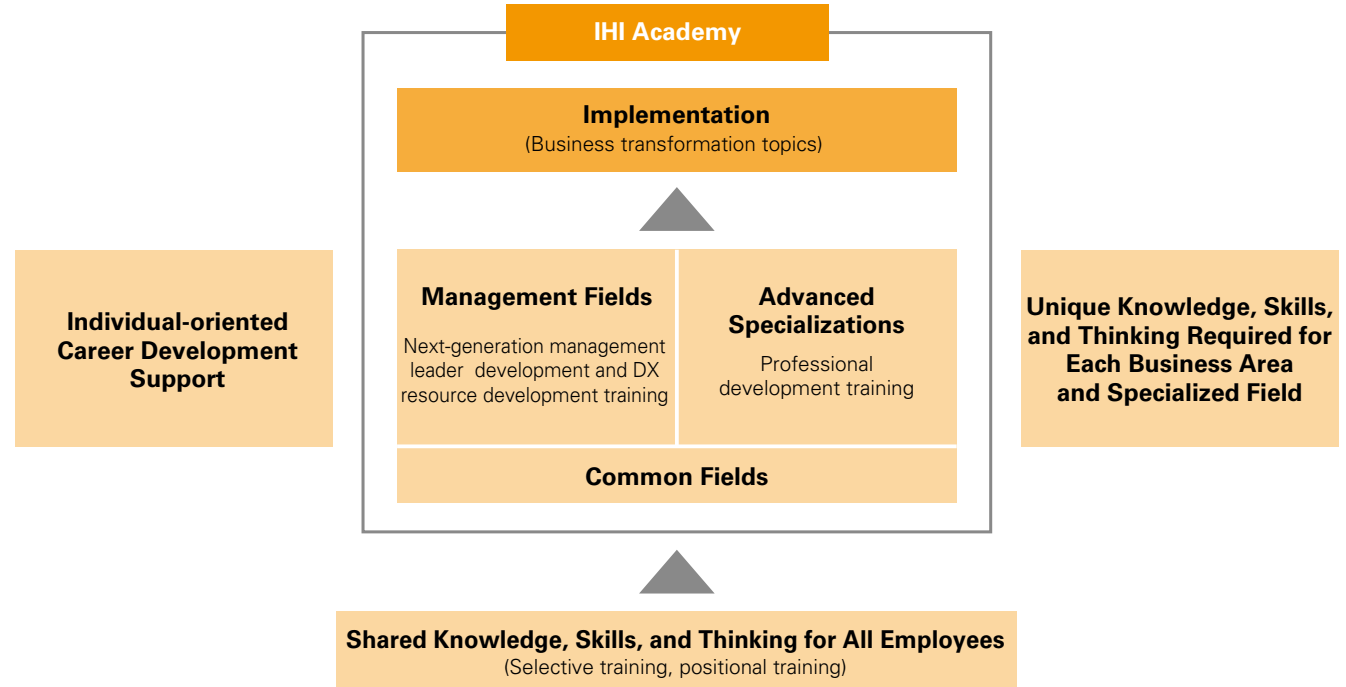
(1) Management of atypical human resources and training to recruit and retain transformational human resources and bring in expertise internally.

(2) Encouragement of independent career development and establishment of a reskilling program to achieve a bold and lasting resource shift.

(3) Establishment of a human resource development scheme built around new uniform evaluation and conduct standards to reform evaluation and conduct standards and our organizational culture.

**P.62 Human Resource Management**

● **Overall Image of Human Resource Development**



## Diversity, Equity, and Inclusion

## Results

### ● Number of Employees Undergoing Regular Career Development Reviews (By Male/Female)

(Scope: IHI and affiliated companies in Japan)

Item	FY2019	FY2020	FY2021	FY2022
Total	—	—	—	15,327
Male	—	—	—	13,024
Female	—	—	—	2,303

## Education Results

### ● Participants in Main Training Courses and Number of Training Hours, Training Hours per Employee

(Scope: IHI and affiliated companies in Japan)

Item	FY2019	FY2020	FY2021	FY2022
<b>Management Development</b>				
Participants (total)	94	134	132	118
Training hours	7,683	11,550	13,992	10,525
<b>Professional Development</b>				
Participants (total)	129	227	275	249
Training hours	4,037	6,988	8,443	7,615
<b>Stratified Training</b>				
Participants	3,276	1,882	672	795
Training hours	106,208	34,672	24,028	25,960
<b>Selective Training Courses</b>				
Participants (total)	3,343	1,948	17,430	37,057
Training hours	25,073	16,358	49,648	88,822
<b>Company-designated Courses</b>				
Participants (total)	—	—	253,716	282,415
Training hours	—	—	188,927	170,164
<b>Average Annual Training Hours per Employee</b>				
Training hours	19.8	13.3	12.1	14.3

\*1 Due to the COVID-19 pandemic we refrained from conducting any programs during the first half of fiscal 2020, and as a result of only making them available during the latter half, the number of participants declined compared to the previous fiscal years.

\*2 Due to reforms to the Group Human Resource Development Program in fiscal 2021, the number of participants and hours of each training course fluctuated compared to past years.

\*3 Stratified training in fiscal 2022 includes training conducted for new employee supporters (former instructors).

\*4 New management development and professional development programs were added in fiscal 2022. These programs are not included in the average annual training hours per employee for fiscal 2019 to 2021.

### ● Training Expense per Employee

(Scope: IHI and affiliated companies in Japan)

Item	FY2019	FY2020	FY2021	FY2022
Total	—	—	—	23,512 JPY

### ● Employees Certified as Master Artisans

(Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Number of employees certified	41	39	41	41
Soma	8	8	12	12
Mizuho	11	13	13	10
Tomioka	4	3	2	1
Yokohama	7	6	4	9
Aioi	4	3	3	3
Kure	7	6	7	6

\* The Takumi (Master Artisans) Certification Program was renamed to the Master Artisans Program in fiscal 2019 to certify a larger number of candidates.

**Diversity, Equity, and Inclusion**

**Initiatives**

**IHI Academy**

We launched the IHI Academy in April 2023. Here, we provide training and skills enhancement for Senior Managers and specialist human resources that are active globally and lead IHI Group transformation. In addition to standard recommendations coming from divisions, IHI Academy also accepts applications from ambitious human resources to expand opportunities for participation. We are also augmenting the training program with a focus on real-world implementation.

**Human Resource Development Program**

We are building educational programs to support each employee to shape their career, accelerate their growth, and foster ongoing learning. At the core of our educational programs are the Career Development Support Program and Voluntary/Independent Selective Training. Through these programs, we will create conditions that foster ongoing independent learning and support employees to expand the possibilities for playing an active role at work.

**Initiatives to Develop Diverse Human Resources**

We have developed shared Group educational programs that enable the growth and active participation of diverse human resources, from training programs that develop human resources into globally active Senior Managers and specialists leading our transformation to new employee training (new graduates/mid-career recruits) and stratified trainings for new key and managerial employees as well as assistant foremen.

In our global human resource development programs, employees strategically build up experience at overseas production plants and in major projects as well as take courses to acquire global communication skills and gain cross-cultural competency before taking a post overseas.

**Human Resource Development Program**

(As of April 24, 2023)

IHI Group Education and Training Programs		Elective Training	Selective Training	Stratified Training	Global Human Resource Development Training	Diversity, Equity, and Inclusion (DE&I)	
	IHI Academy		Selective Training	Career-based Training	Stratified Training	Global Human Resource Development Training	Diversity, Equity, and Inclusion (DE&I)
	Management/DX Field	Professional Field					
Managers	Practical Implementation (Business Transformation Issues) Next-Generation Management Leader Training DX Human Resource Development Training Professional Development Training		Technical Skills (Specialist Courses) Business Skills Mental Fitness and Liberal Arts	Career Management Training Career Design Seminar (By Stage of Career)		Global Communication Skills and Cultural Competency	DE&I Training (Human Rights Awareness, DE&I Understanding, Harassment Prevention, Work-Life Balance Support)
Workplace Leaders	Cross-Industry Exchanges, MBA Dispatch, Study Abroad Programs, etc. Shared Areas				New Manager Training	Global Human Resource Training (Overseas Assignments, etc.)	External Training and Cross-Industry Exchanges
Senior Employees					Foreman Training Assistant Foreman Training		
Junior Employees			Approx. 400 Courses Designated and Recommended by Corporate Divisions		New Employee Training Supporter Training		

## Diversity, Equity, and Inclusion

### Voluntary/Independent Selective Training

We have been building Voluntary/Independent Selective Training programs since fiscal 2021 as a framework for employees to choose and learn various subjects anytime, anywhere according to their career plan.

This training system provides around 400 different in-house technical, business, communication skill, and mental fitness courses designed to help employees consider and take the initiative to gain the knowledge and skills necessary to achieve their career plan.

### Relearning

We are expanding training programs for reskilling to proactively have employees acquire the knowledge and skills necessary to adapt to changes in the business environment and technological innovation.

As human resources are increasingly being shifted and optimally assigned to positions, we offer support programs to enable employees whose work duties have changed to quickly play an active role.

### Passing Down Skills to Others

IHI strives to pass down welding, machining, and other core skills at each plant, which are the foundation of our manufacturing expertise. Many of our employees are experts in each of these fields. IHI has introduced a master artisan program to encourage employees certified as master artisans to pass on their skills to new up-and-comers.

### IHI Human Resources Development & Communication Center

The I-STEP Shonan IHI Human Resources Development & Communication Center (Yokosuka City, Kanagawa) holds training and various meetings for Group employees from around the world.

The Center is a base that promotes active communication and learning and where IHI Group colleagues from each corner of the globe can come together to share our corporate philosophy and values.

### ● Voluntary/Independent Selective Training

#### Selective Training

##### Technical skills (approx. 230 courses)

Physics/Chemistry  
Materials/Structures  
Heat/Fluids/Combustion  
Turbo Systems/Mechanical Elements/Vibrations  
Production Processes  
Control/Sensing  
Project Management  
Intellectual Property  
Sales  
Procurement

##### Business skills (approx. 140 courses)

Management Policy  
Sustainability/ESG  
Quality/Compliance  
DX  
Design Thinking  
Business Models  
Marketing  
Problem Solving/PDCA  
Finance/Accounting  
Engineering and Manufacturing  
Company Basics  
Management

##### Communication skills (approx. 5 courses)

Business Communication  
Team Building  
Coaching

##### Mental fitness (approx. 30 courses)

Philosophy  
Leadership  
Motivation  
Diversity

### Career Challenge Program

We launched the Career Challenge Program (open application system within the IHI Group) in fiscal 2019 to realize optimized placement of human resources by encouraging bidirectional human resource transfers across division and corporate boundaries within the Group. As of the end of fiscal 2022, a total of 204 employees have taken advantage of this program and been matched with positions.

This program helps employees to independently shape their career and helps provide opportunities for skills development.

## Diversity, Equity, and Inclusion

### Career Development Program

We introduced the shared Group-wide Career Development Program (CDP) in fiscal 2019, which provides career development tailored to individual employees. Meetings with a supervisor based on the individual employee's career plan (future design) are held to discuss what challenges and training the employee needs to undertake to achieve their career plan.

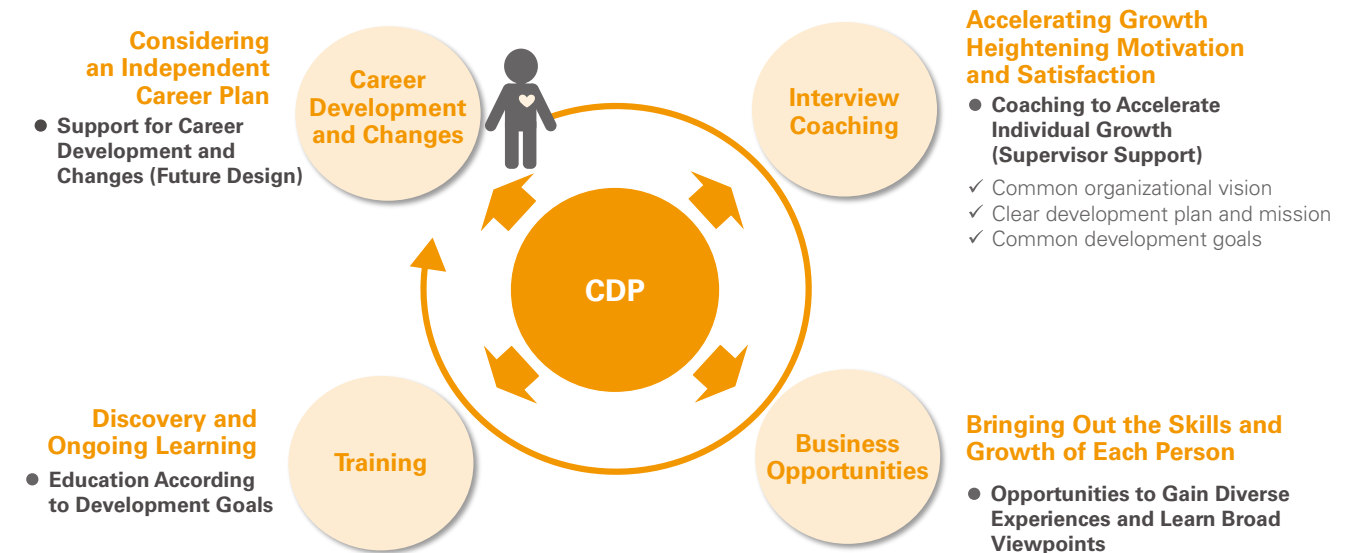
Through this initiative, we are supporting each employee to independently think about their career plan as well as supporting their growth through work and educational opportunities and ongoing learning.

### Career Development Support Program

We have established the Career Development Support Program as an initiative to support career design and create workplaces where everyone can actively participate. Based on this program, we hold Career Design Seminars tailored to each career stage. They are intended to enable employees to independently consider and carry out plans for developing their skills and abilities to better advance their careers in the future.

As part of our support for career plan creation, in fiscal 2022 we launched a support desk where employees can consider their own career plan in one-on-one sessions with an in-house career advisor. To date, a total of 52 employees have used the support desk. We have also launched an intra-Group portal site, Build My Career, where we regularly release general information about career development. The purpose of the portal site is to build awareness among employees for independently designing their careers and to facilitate advancing their work careers and life careers.

### ● CDP



## Diversity, Equity, and Inclusion

### Diversity, Equity, and Inclusion

#### Approach/Policies

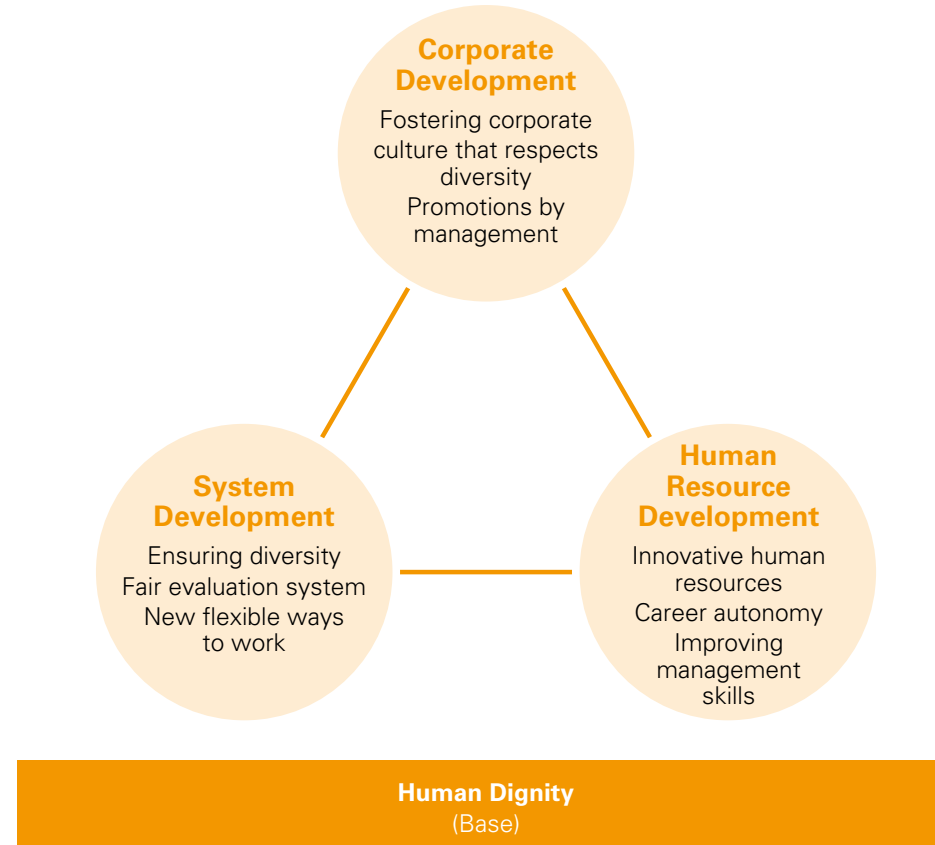
In our IHI Group ESG Management announcement made in November 2021, the IHI Group announced that we would seek out business opportunities while working to solve social issues. Social issues have become complicated amid destructive environmental changes, and in order to solve these problems, it is essential to go beyond conventional beliefs and our own framework, cooperating and collaborating with our various stakeholders. In order to create the foundation necessary for this, the IHI Group announced its Group Management Policies 2023 and Group Human Resources Strategy 2023 to foster a corporate culture that places an emphasis on diversity, and the Group's top management is committed to promoting Diversity, Equity, and Inclusion (DE&I).

Aiming to solve social issues through our business activities, we feel it necessary to incorporate perspectives from our diverse group of human resources into our practices to realize the issues and needs of consumers that make up society so that we can achieve a society offering safety, security, and prosperity. Additionally, the backgrounds, experiences, and individuality present in this diverse group bring fresh perspectives to the organization, and we believe that they will become the driving source for promoting change.

In order for them to play an active role, it is necessary to consider the differences in each person's position, living environment, gender, and so on to create fair opportunities, and to cultivate an environment in which each person's strengths are utilized. To date, the IHI Group has been incorporating equity into its efforts to promote diversity, moving toward the promotion of DE&I where our diverse human resources can play active roles, and letting the power born from this diversity lead to value creation.

#### DE&I Initiative Overview

##### Active Participation by Diverse Human Resources





## Diversity, Equity, and Inclusion

### Education/Awareness Building

#### ● Number of Participants for Diversity Education and Training

(Unit: People, Scope: IHI and affiliated companies in Japan)

Item	FY2019	FY2020	FY2021	FY2022
Empowering female employees, employees with disabilities, etc.	276	140	139	125
Work-life balance of employees raising children	134	53	125	112
Work-life balance of employees taking care of sick family	400	290	263	169

#### ● Number of Participants for Training Aimed at Developing Managers at Overseas Sites

(Unit: People, Scope: Within the region of our overseas headquarters)

Item	FY2019	FY2020	FY2021	FY2022
Number of participants	42	—*	21	19

\* Activities were not conducted in fiscal 2020 due to the impact of the COVID-19 pandemic.

### Targets and Results

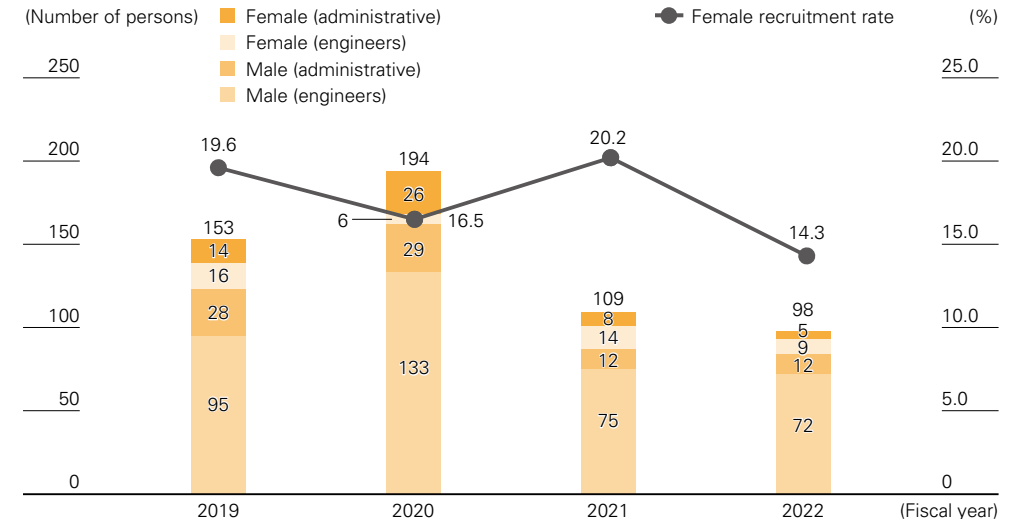
#### ● Diversity Targets and Results

KPI	Target	Target Year	FY2022 Results
Female recruitment rate	University graduates: About 20%	2026	14.3%
Ratio of female Managers	7%	2026	4.7%
Ratio of female Officers	Increasing the proportion of female Officers to exceed 30% by 2030 (Participation in Keidanren's Challenge to 30% by 2030)	2030	18%
Ratio of employees with disabilities	2.6%	2023	2.55%
Promote male employees to take paternity leave or paid time off for childcare	Promote all applicable male employees to take childcare leave of at least a week, and promote 2 or more weeks	2025	90.1%

### Recruitment Results

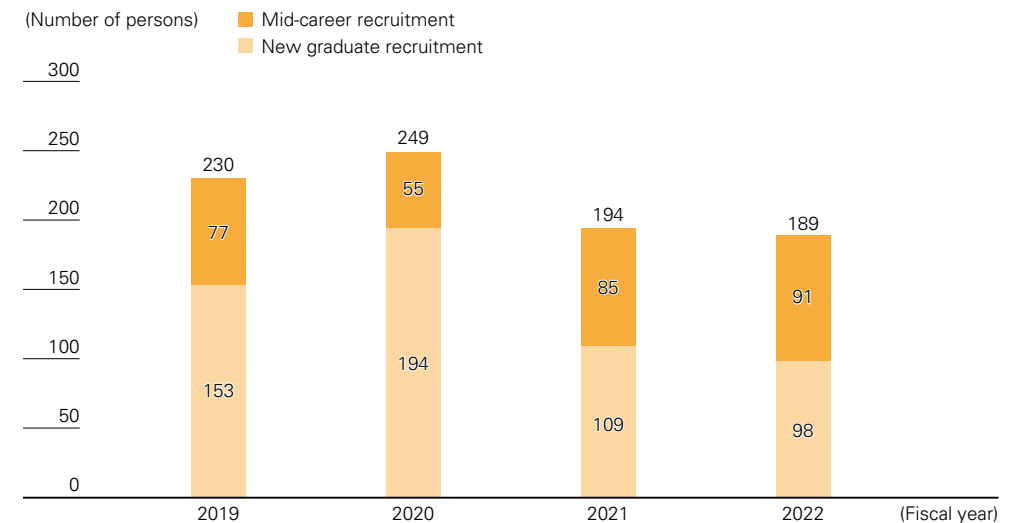
#### ● New Graduate Recruitment Results

(Scope: IHI, University graduates)



#### ● New Graduate and Mid-career Recruitment Results

(Scope: IHI)



**Diversity, Equity, and Inclusion**

**Board Diversity**

● **Number of Officers\*1**

(Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Total	16	17	17	17
Male Officers	13	14	14	14
Female Officers (outside)	3 (2)	3 (3)	3 (3)	3 (3)

\*1 As of July 1 each year, members of the Board of Directors and Audit & Supervisory Board.

● **Ratio of Female Officers\*2**

(Scope: IHI)

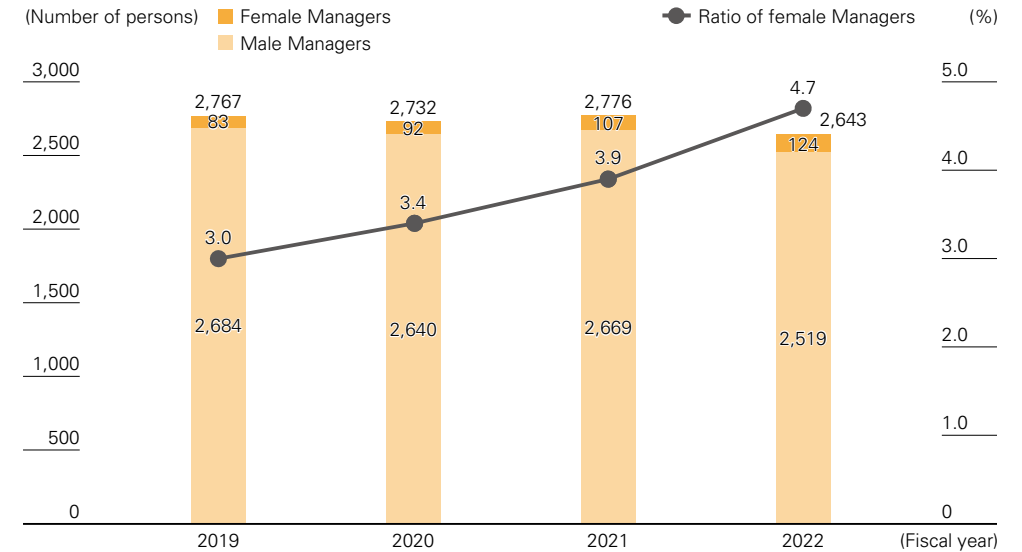
Item	FY2019	FY2020	FY2021	FY2022
Ratio of female Officers	19%	18%	18%	18%

\*2 As of July 1 each year, members of the Board of Directors and Audit & Supervisory Board.

**Management Diversity**

● **Number of Managers\*3**

(Unit: People, Scope: IHI)



\*3 As of April 1 each year.

● **Ratio of Female Managers\*4**

(Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Ratio of female Managers	3.0%	3.4%	3.9%	4.7%
Ratio of general Managers	0.8%	0.8%	1.1%	1.4%
Ratio of section Managers	2.2%	2.5%	2.7%	3.3%

\*4 As of April 1 each year.

● **Number of Managers That Joined IHI Mid-career\*5**

(Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Number of Managers	220	234	230	253

\*5 As of April 1 each year.

## Diversity, Equity, and Inclusion

### ● Managers from Abroad (General Manager or Higher) (Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Number of Managers	10	13	14	16
General Manager level	2	3	3	3

### ● Local Managers at Overseas Sites\*<sup>6</sup> (Unit: People, Scope: China, Singapore, and USA)

Item	FY2019	FY2020	FY2021	FY2022
Total	23	22	25	26
China	4	5	6	6
Singapore	7	6	5	11
United States	12	11	14	9

\*<sup>6</sup> As of April 1 each year.

## Ratio of Employees

### ● Ratio of Employees with Disabilities\*<sup>7</sup> (Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Ratio of employees	2.39%	2.35%	2.39%	2.55%
Target	—	2.3%	2.3%	2.4%

\*<sup>7</sup> As of June 1 each year.

### ● Re-employment Rate of Employees at Retirement Age (Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Re-employment rate of employees at retirement age	81%	81%	78%	100%

## Work-life Balance

### ● Work Hours (Unit: Hours, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Monthly average overtime	21.10	13.00	18.90	21.60
Annual work hours	1,967.8	1,797.9	1,948.3	1,984.5

### ● Average Annual Paid Vacation Days Taken (Unit: Days, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Average annual paid vacation days taken	19.40	18.73	17.37	18.65

### ● Leave Acquisition Rate (Unit: People, Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Employees who have used the reduced work hour program	161	139	158	140
Employees who have taken childcare leave	779	768	935	1,010
Employees who have taken parental leave	131	137	128	198
Male	21	31	60	78
Female	110	106	68	120
Percentage of employees who return to work after parental leave	99.2%	100%	100%	99.6%
Employees who have taken nursing care leave	7	2	6	3

### ● Ratio of Male Employees who Took Paternity Leave or Paid Time Off for Childcare (1 Week or More) (Scope: IHI)

Item	FY2019	FY2020	FY2021	FY2022
Ratio that took leave	28.6%	26.5%	70.8%	90.1%

## Diversity, Equity, and Inclusion

### Initiatives

#### **Supporting the Active Participation of Diverse Human Resources**

##### **Mid-career Recruitment**

To achieve its Group management policy, the IHI Group is actively pursuing mid-career candidates with skills difficult to find within the Company as diverse human resources who possess the necessary expertise for building new business models. Maintaining flexible and timely employment of human resources who have the capabilities demanded of our businesses and technological strategies is crucial in an ever-changing business environment. Our avenues to recruit human resources go beyond the regular hiring of new graduates to a variety of other channels.

##### **Empowering Female Employees**

The IHI Group executes a wide range of initiatives to help better develop the careers of all female employees. These initiatives not only recruit and develop key human resource roles to promote to middle and top management but also define various goals to build a workplace environment where everyone can actively participate. As part of our training, we set up career development opportunities for female Managers by dispatching them to seminars outside of the Company, in addition to supervisor instruction and coaching.

We also endorse the Cabinet Office's Declaration on Action from the Male Leaders Coalition for Empowerment of Women.

##### **Empowering Employees from Abroad**

The IHI Group strives to create workplaces motivating fantastic employees to fully realize their potential regardless of their nationality. This includes broad assistance for foreign nationals working in the IHI Group. We offer a variety of training opportunities to enhance communication skills in Japanese while events such as those to encourage multicultural exchanges build broader professional networks. These are just some of the many things IHI does to promote work-friendly environments where foreign nationals can utilize all of their skills. Employees from abroad also encounter problems unique to foreign nationals. That is why IHI has put in place consultation services for employees from abroad.

##### **Empowering Local Employees Overseas**

The IHI Group is working to accelerate global expansion. Overseas, we recruit and nurture human resources with roots in the community according to the Group Human Resource Management Policy while considering the unique labor market and practices of each country. Our human resource development programs offer training to cultivate local Managers, which also strengthens our Group management capabilities. Moreover, we emphasize the development of global procurement Officers and advance training programs for local staff. In fiscal 2022 we implemented a human resource development program for management in the Asia-Pacific region in addition to a selling power improvement training program in China. In the future, we will promote even more active participation by cultivating diverse human resources throughout the Group worldwide.

##### **Empowering Employees with Disabilities**

The IHI Group strives to empower employees with disabilities, aware that everyone can reach their full potential with the right support and understanding in the workplace. For employees with disabilities in need of special assistance, we have assistance programs in place, such as specialized support staff, covering work and general aspects of company life. We also support career advancement of each employee by providing an environment conducive to growth and success.

IHI has been a member of the Accessibility Consortium of Enterprises (ACE) since fiscal 2013, and through sharing its recruitment guidelines and examples of employment with other ACE member companies, is able to resolve problems faced by employees with disabilities while helping to implement better measures regarding personnel and support corporate affiliates.

##### **Building an Inclusive Workplace Regardless of Sexual Orientation or Gender Identity**

The IHI Group is creating a working environment where LGBTQ+ employees can reach their full potential. As part of our support for gender minorities, we provide employment programs, corporate dormitories, and other benefits in addition to raising awareness about gender minorities (LGBTQ+) through an ally\* program and other networking and enlightenment opportunities.

In fiscal 2022, we conducted an e-learning program titled LGTBQ—Aiming for Total Allyship. The number of allies in the IHI Group has increased to over 3,500.

In addition, IHI promotes the existence of gender minorities in society, and is a co-sponsor of the Tokyo Rainbow Pride 2023 event, which celebrates gender and lifestyle diversity.

\*Ally: Allies refer to people who offer understanding and support to LGBTQ+. Anyone can be an ally, even if they do not identify as LGBTQ+.

## Diversity, Equity, and Inclusion

### Empowering People Over 60

The IHI Group promotes the active participation of employees at retirement age in many different ways. We have adopted a program for each employee to decide when to retire between the ages of 60 to 65. Many senior employees are also taking advantage of a program that enables promotion of employees over the age of 60 to encourage people to persevere regardless of age. Programs to capitalize on the high level of expertise and skill also create a framework to better encourage employees at retirement age to play a greater role.

### Hiring Fixed-term Employees as Regular Salaried Employees

IHI has put in place a system to hire fixed-term workers as regular salaried employees. This program lays a path for fixed-term employees who satisfy certain criteria to request a regular salaried position.

### Providing Opportunities to Gain Diverse Experience

The IHI Group continually enhances the workplace to ensure that human resources with diverse backgrounds, experience, and views have a means to fully leverage their skills. We offer programs to nurture broader experiences and open minds as well as a wide range of opportunities.

#### Employment

The IHI Group clearly defines the type of work and human resources critical to business and technical strategies that will realize its long-term business vision. This demands a strategic mix of new graduate and mid-career recruitment. We hire around the globe throughout the year while expanding the scope of our recruitment channels.

#### Transfer

The IHI Group rotates staff between departments, and dispatches employees to external training programs as well as to partner companies, government agencies, and startups. Our staff members also participate in joint development projects with other companies, universities, and research institutes, which are just some of the many ways in which IHI provides access to a variety of experiences and differing viewpoints.

To help facilitate the career development plans defined by each employee, we also recruit constantly from within the Group (career challenge).

#### Training

The IHI Group provides opportunities to gain broader experiences and an open mind through active human resource exchanges outside the organization, such as external training and events as well as participation in various academic societies.

### Concurrent In-house Positions and Side Businesses Outside IHI

The IHI Group encourages everyone to gain broad experience both inside and outside the organization. We support employees to have concurrent positions inside IHI and side businesses (second jobs) outside of it in the hope of leveraging diverse viewpoints and ideas in management. For example, some of these activities include those related to participation in universities and research institutes or administrative agencies and start-ups for side businesses outside of the Company, and for concurrent in-house positions, developing and sharing applications that contend with internal and external problem-solving as well as data collection and analysis. As of fiscal 2022, our employees have registered approximately 110 different side businesses, 55 concurrent positions, and a total 130 activities.

### Work-life Balance Programs and Consultation Services

The IHI Group has put in place various career-compatible programs to help employees actively participate in the Company while raising children, taking care of sick family, or undergoing treatment for an illness of their own. Examples include publishing handbooks and leaflets to raise awareness and promote use of these support programs, holding seminars by external lecturers, and setting up a consultation desk with outside experts who can provide support based on the circumstances and needs of each individual.

In addition, to strengthen our efforts regarding men's childcare leave we are in the process of developing a handbook on balancing work and raising children that focuses on male employees. Furthermore, in support of employees wishing to have children we are distributing leaflets to raise awareness about a program that supports fertility treatment.

# Work-style and Operational Process Reforms

## Approach/Policies

The IHI 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.

## Structure

The IHI Group established the Smart Work Empowerment Division in April 2021 in an effort to create new work styles (smart work) and aimed to achieve Group growth alongside fulfilling employee lifestyles and growth. Working in collaboration with related divisions across the IHI Group has led to an awareness of and initiatives for work-style reforms taking root throughout the organization.

The organization was altered in April of fiscal 2023 in order to further expand the knowledge gained and the initiatives implemented by the Smart Work Empowerment Division. We have incorporated previous operations into the Human Resources Division and the Corporate Planning Division, and have enhanced the promotion structure for both work-style reform and operational process reform.

## 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.

We have started workshops targeting all Group employees regarding Group Management Policies 2023 (including ESG management) and human resource strategies, and are using this as a platform for the aforesaid actions.

## Initiatives

### 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. We offer programs and systems for everyone working at IHI 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)

Until fiscal 2022, the IHI Group focused on improving productivity through various activities so that each organization and individual could concentrate on high-value work. In addition, IHI has ramped up efforts to build communities to inspire sustainable creation of new value and innovation and to revitalize interactions between human resources.

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

# Customer Relationships

## Quality and Product Safety

### Approach/Policies

The IHI Group conducts its business based on the premise of contributing to the development of society by providing socially useful products and services that earn the satisfaction and trust of our customers, while paying sufficient attention to safety. The quality of our products and services is the bond of trust that connects the IHI Group with our customers and society, and we believe that ensuring quality is fundamental to our social mission and existence as a company.

### IHI Group Quality Declaration

The IHI Group has indicated in the IHI Group Quality Declaration that quality is as equally important as safety. This reiterates our basic approach to manufacturing and our actions and awareness of quality.

### ● IHI Group Quality Declaration

We, the IHI Group, shall:

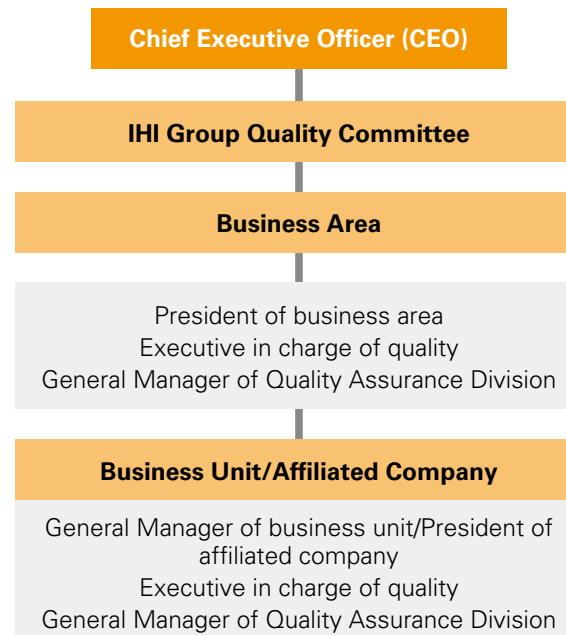
1. Always put quality first.
2. Continue improving quality via Sangen-Shugi and communication.
3. Listen sincerely to issues, swiftly take action and share accurate information.
4. Provide quality assurance through compliance with rules and working appropriately.
5. All strive for the satisfaction of our customers.

## Structure

### Quality Assurance Framework

The IHI Group established the IHI Group Quality Committee as a Group-wide committee on quality. The Committee confirms that important policies related to quality are being developed as specific initiatives. The Officer in charge of overall Group Quality Assurance acts as the Committee chairperson. Committee members consist of a business area President, an Executive in charge of quality from each business area, and an Executive from each corporate division. The Committee also deliberates on the quality policy for the next year with implementation results and quality issues that occurred during the year in consideration.

### ● Quality Improvement Promotion System



### ● IHI Group Quality Committee

<b>Chairperson</b>	Officer in charge of overall Group Quality Assurance
<b>Secretariat</b>	Monozukuri System Strategy Planning
<b>Members</b>	President of a business area, Executive in charge of quality for business area, and Executives of the corporate divisions
<b>Number of meetings convened in FY2022</b>	2

## Customer Relationships

### Education/Awareness Building

#### Employee Training and Education

The IHI Group provides education and training tailored to each employee's career and job position, with the aim of raising employee awareness of the importance of product and service quality and safety.

Training is provided for new employees to help them understand the IHI Group Quality Declaration. Training for senior employees focuses on ethics, the environment, and safety in a manufacturing company. In addition to yearly e-learning programs on internal regulations and important laws, each business area has established its own education and training system.

#### ● Training Participants

(Unit: People, Scope: IHI and affiliated companies in Japan)

Item	FY2019	FY2020	FY2021	FY2022
IHI Group Quality Declaration	—	519	288	262
Internal auditor programs	74	31	29	44
Basic quality management and proceeding with product safety risk assessment	314	211	81	50
Training seminars for manufacturing divisions focused on problem-solving and addressing issues in quality management	316	136	123	117
Professional Quality Training	6	7	6	6
Quality Assurance Division Manager Training	—	—	182	40

### Results

#### ● Number of Law Violations

(Unit: Incidents, Scope: IHI and consolidated subsidiaries)

Item	FY2019	FY2020	FY2021	FY2022
Laws/regulations relating to PR activities	0	0	0	0

### Initiatives

#### Quality Assurance Activities

In fiscal 2022, the IHI Group aimed to promote the understanding and establishment of the IHI Group Quality Declaration among employees. We explained the intent of the Quality Declaration with illustrations, and developed activities to collect opinions that agree and disagree with the Declaration.

In order to strengthen quality assurance, we conducted Quality Assurance Division Manager Training and a weekly quality assurance liaison meeting between corporate and business areas throughout the year to increase mutual understanding.

#### Ensuring Product Safety

The IHI Group conducts life-cycle risk assessments during product development and implements design measures to reduce risk as much as possible. We then provide residual risk information to our customers.

### Disclosure of Information about Products and Services

The IHI Group discloses information about its products and services through various mediums, such as television and newspaper advertisements and the Company website. This information helps familiarize the public at large about our business operations. We cooperate with all relevant internal departments to provide accurate information in accordance with copyrights, trademarks, and all other relevant laws and industry regulations. The effectiveness of these advertisements is evaluated to examine opportunities on areas of improvement.

#### Customer Satisfaction Surveys

The IHI Group conducts customer satisfaction surveys through questionnaires and interviews. Survey items are decided according to the characteristics of the business. The results are analyzed and shared with related divisions, leading to developing activities to further improve customer satisfaction.



# Supply Chain Management

## Approach/Policies

The IHI Group Procurement Policy guides procurement activities around three main principles: practicing fair and impartial procurement, establishing mutually beneficial partnerships, and complying with laws and regulations and fulfilling our social responsibilities.

In line with these three principles, the IHI Group specifies in the IHI Group Code of Conduct for Business Partners that each business partner and its supply chain drive CSR activities eyeing human rights/labor, health and safety, the environment, fair trade/ethics, information security, responsible procurement of mineral resources, and so on, on top of basic requirements such as legal compliance, quality, price, and delivery.

Furthermore, each procurement department of the IHI Group conducts its procurement activities following the Basic Rules of Procurement for the IHI Group enacted in accordance with the IHI Group Procurement Policy. It is through these rules that we fulfill our social responsibility by building sustainable supply chains.

### Overseas Procurement Network



### IHI Group Procurement Policy

The IHI Group conducts procurement activities in accordance with the “Basic Code of Conduct for the IHI Group” as set forth below.

#### Article 1. Fair and Impartial Procurement

We provide business opportunities in an open manner to business partners from around the world, and welcome working with creative and competitive business partners. We also evaluate and select business partners in a comprehensive and fair manner based on factors such as quality, price, delivery schedule, technology development capabilities, and financial conditions.

#### Article 2. Mutually Beneficial Partnership with Our Business Partners

We regard our business partners as value creators, and through seeking to realize optimal levels for quality, price and delivery, together with procurement reliability, we aim to establish relationships of trust with our business partners and bring about the mutual enhancement of competitiveness and prosperity with them.

#### Article 3. Approach to Compliance and Social Responsibility

We comply with the related laws that govern our local and global businesses. To fulfill our social responsibility, we shall conduct CSR procurement with due consideration not only of basic requirements such as quality, price and delivery, but also of human rights, labor conditions, health and safety, the environment, and information management.

#### To Our Business Partners

We, as the IHI Group, work hard on CSR procurement in our business activities, undertaking our social responsibilities in collaboration with our business partners. Our mission is to fully pay attention to due consideration not only for basic requirements such as quality, price and delivery commitments, but for human rights and labor, health and safety, environment, and information security. With our intent above in mind, we ask for your kind cooperation to drive your own proactive CSR activities in line with the attached “IHI Group Code of Conduct for Business Partners.”

We highly appreciate your understanding that we could confirm progress on your own CSR activities.

## Supply Chain Management

### Education/Awareness Building

The IHI Group prioritizes training and internal audits related to laws and regulations relevant to security trade control and procurement to continually strengthen compliance.

We conduct a variety of professional procurement and other training programs aimed at not only our IHI Group procurement departments but also all other departments with a need to understand procurement-related laws, and from fiscal 2023 have been conducting new educational lectures on security trade control for our procurement departments. Regarding our e-learning programs, the content is designed so that every employee in charge of IHI Group procurement can acquire the knowledge necessary for conducting their work, including the Subcontract Act, mandate and quasi-mandate contracts, basic agreements via electronic signature, proper import declarations, and so on. Each IHI Group procurement department voluntarily reviews the Subcontract Act on a monthly basis and import declarations on an annual basis to ensure proper practices and to promote improvements. In addition, internal audits provide guidance regarding areas of improvement.

#### ● Participants in Procurement Training

(Unit: People, Scope: IHI and affiliated companies in Japan)

Item	FY2020	FY2021	FY2022
Lecture on Subcontract Act*1	38	143	379
Lecture on Construction Business Act*1	40	98	354
Lecture on Overseas Procurement*1	78	82	112
Professional Procurement Training*2, *3	233	642	1,367

\*1 These three lectures are part of the Professional Procurement Training and the numbers of participants are included in the numbers of participants for the Professional Procurement Training.

\*2 Professional Procurement Training was held only for the second half of fiscal 2020 due to COVID-19.

\*3 Lectures on security trade control were added from fiscal 2022.

### Initiatives

#### Strengthen Supply Chains

The IHI Group is promoting activities to strengthen the supply chain globally including those that prevent delayed production and business activity due to natural disasters, infectious diseases, conflicts, and other incidents that have occurred in recent years.

Specifically, we are looking into confirming the scope of impact from the prolonged delivery time of electrical components due to a lack of semiconductors and implementing measures for handling this Group-wide, such as securing multiple suppliers, changing to specifications that have higher interchangeability, and securing appropriate stock in response to the increased time for delivery.

#### Mutually Beneficial Business Partnership

In September 2020, the IHI Group announced the registration of its Declaration for Building Partnerships. Based on this, the Group aims for mutually beneficial partnership with its business partners.

As an example of its joint improvement activities with business partners, the Group has implemented bottleneck process improvement and technological activities to reduce manufacturing costs through a relaxation of tolerances and requirement changes with consideration to actual process conditions. The Group shares these benefits. The IHI Group considers its business partners as partners with whom the Group advances its business together, and by valuing open dialogue and cooperation, the Group desires to work together to strengthen competitiveness and prosperity in a way that is mutually beneficial.

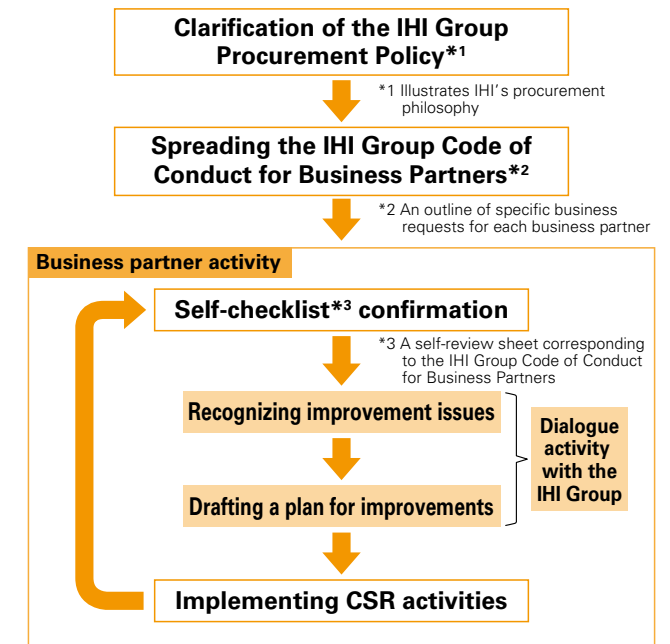
#### CSR Procurement Monitoring

The IHI Group developed a self-checklist for all our business partners based on the IHI Group Code of Conduct for Business Partners. Through this self-checklist, the Group asks its business partners to recognize issues to

be addressed and to drive CSR activities.

The IHI Group will confirm ESG risks by proactively supporting, through dialogue, its business partners' CSR activities

#### ● CSR Activity Promotion Process



#### Responding to Anti-social Forces and Anticorruption

The IHI Group contractually requires business partners to prohibit all relationships with anti-social forces and commit no acts of bribery toward foreign government officials as prohibited by the Penal Code and the Unfair Competition Prevention Act or against the laws enacted in the particular country. If any business partner is found guilty of such acts, they are required to cooperate in the reporting and investigation process.









# Corporate Citizenship

## Approach/Policies

The IHI Group strives to contribute to society, as we believe corporate social responsibility means fulfilling the expectations of society.

Concerning our social contribution activities in regions where we operate businesses and construction sites, we have established target priorities based on their relevance to our business and Sustainable Development Goals (SDGs).

### Material Issues of Social Contribution Activities

Material Issues	Relevance to Business	SDGs
Coexistence with local communities	Establishing and maintaining good relationships with local communities is essential for smooth business expansion.	 
Development of next-generation professionals	Developing next-generation professionals in the manufacturing field and supporting research regarding future science and technology fields are essential to solidify the foundation for the coming industries, to drive IHI brand recognition, and to guarantee business continuity.	  
Conservation of the global environment	Supporting activities concerning preservation of the ecosystem, measures to combat extreme climate change, cultivation of natural bounties, and protection of our planet are essential for a sustainable business. This will consequently assist in raising employee awareness regarding environmental issues.	  

## Targets and Results

The IHI Group dedicates approximately 1% of its net income to social contribution activities. In fiscal 2022, we invested a total of ¥489 million, approximately 0.87% of net income of the fiscal year, into activities concerning social contribution.

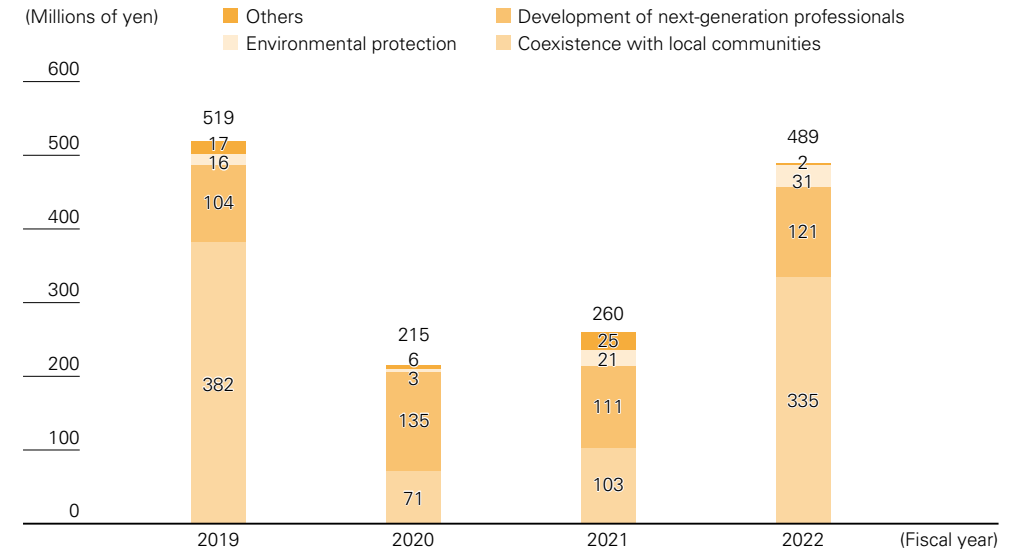
### Breakdown of Social Contribution Expenditure

(Unit: Millions of yen, Scope: IHI and consolidated subsidiaries)

	Item	FY2020	FY2021	FY2022
Breakdown by expenditure	Cash investment	156	120	251
	Time investment	40	87	94
	Goods donations and site costs	19	53	144
Reference	Membership fees for local organization	14	13	15
	Operating costs	117	110	106

### Social Contribution Expense

(Scope: IHI and consolidated subsidiaries)



### Activity Results

(Scope: IHI and consolidated subsidiaries)

Material Issues	Index	FY2020	FY2021	FY2022	
Coexistence with local communities	Business interests*	Visitors to events	632	645	1,535
	Social/environmental interests*	Investments to local communities	71 million JPY	103 million JPY	335 million JPY
Development of next-generation professionals	Business interests*	Participants in science (manufacturing) classes	1,356	5,297	6,468
	Social/environmental interests*				
Conservation of the global environment	Business interests*	Participants in hosted events	60	254	156
	Social/environmental interests*	Environment protection area	12,652 m <sup>2</sup>	12,652 m <sup>2</sup>	112 m <sup>2</sup>

\* The indicators above for business and social/environmental interests defined by RobecoSAM are as follows.

Business interests: Factors directly related to product development, brand improvement, human resource development, and other such business interests.

Social/environmental interests: Factors linked to SDGs and other social/environmental interests.

## Corporate Citizenship

### Initiatives

#### Major Activities in FY2022

As a material issue regarding its social contribution activities, the IHI Group worked to coexist with local communities, develop next-generation professionals, and protect the environment in fiscal 2022 with the utmost caution taken to prevent the spread of COVID-19. A variety of other unique activities were conducted on each business site.

Moreover, as a preventative measure against COVID-19, we donated temperature screening devices as well as ozone deodorizing and disinfecting devices developed by our IHI Group companies to local governments and medical institutions near Group business sites.

#### Significant Indirect Economic Impact (International Cooperation and Educational Support)

The IHI Group donated to the construction of the Expo 2025 Osaka, Kansai venue, as well as to victims of the earthquake which occurred in Southern Turkey in February 2023.

Additionally, we held visiting seminars on STEAM and environmental education for 6,624 students at 48 locations, mainly at schools and public facilities near our business sites.

#### Joint Environmental Conservation Activities with Government and NGOs (Biodiversity Protection and Awareness-raising Activities)

The IHI Group conducts visiting seminars about the functions of the forests and soil for elementary school students near our business sites.

This seminar was a joint development between Ochanomizu University and the IHI Group. Soil samples were taken from schoolyards and greenery areas on IHI Group business sites, which offered a chance to learn and

discover about various organisms and microbes living in the soil which are invisible to the naked eye.

In fiscal 2022, we held visiting seminars with 156 students at five schools and public facilities near the Soma, Yokohama, and Kagoshima Works.

To realize a sustainable society, the IHI Group will continue to conduct this seminar at a wide range of schools to share the importance of conserving a nature-rich environment and rich ecosystems, which will raise awareness about environmental issues.

#### Coexistence with Local Communities

##### Participation in the Soma Nomaoui Festival

Our IHI Soma Works has been a participant in the Soma Nomaoui (Soma Wild Horse Chase) Festival since 2005. A traditional event of the Soma region that gives color to the summers of Tohoku, the Nomaoui is a Shinto ritual cherished by its citizens, where the entire city is unified under the color of the Nomaoui on the day of its celebration.

In July 2022, the Soma Nomaoui was able to proceed as usual for the first time in three years. The Director of our IHI Soma Works participated as a cavalry warrior guarding the mikoshi (a portable shrine). In addition, approximately 70 IHI Group employees were placed in charge of the Nakamura-jinja Shrine's mikoshi and sacred tree box, carried flags, and led prayer. We were given words of praise from the Nakamura-jinja Shrine and its parishioners for the dignified appearance of youth our members displayed.

Our IHI Soma Works will continue to participate in the Soma Nomaoui Festival as part of its contribution to the local community.

##### Support for the Japan Wheelchair Basketball Federation

Since fiscal 2015, the IHI Group has supported the Japan Wheelchair Basketball Federation as an officially signed

sponsor. In order to spread the excitement of wheelchair basketball, we hold sessions at various locations where people can experience wheelchair basketball for themselves.

During fiscal 2022, we held events in October at the Tomioka City gymnasium in Gunma Prefecture and in November at the Niigata City gymnasium in Niigata Prefecture, with the participation of local residents, IHI Group employees, and their families, by holding an exhibition match featuring local athletes and offering participants a chance to play in game with wheelchairs themselves. Approximately 150 residents of Tomioka and 100 residents of Niigata took part, where Matsuhama Taiko drumming, a local performance art of Kita-ku in Niigata City and others were performed. We were able to obtain a variety of feedback from those who participated. The IHI Group will continue to promote harmonious coexistence with local communities through our activities to help popularize wheelchair basketball.

##### Participating in the Aioi Peron's 100th Anniversary

In light of the Aioi Peron celebrating its 100th anniversary in 2022, our IHI Aioi Works provided the winning flag and other items for this special 100th anniversary boat racing exhibition event.

The Aioi Peron is a tradition originally passed down to Aioi by a Nagasaki-born employee of its Harima Dock Co., Ltd. (later known as Harima Shipbuilding & Engineering Co., Ltd.) in 1922. In May 2022, the Aioi Peron Festival was held for the first time in three years since being canceled in the wake of the COVID-19 outbreak from 2020. A total of 39 teams from within and outside of the prefecture took part. Six teams from our IHI Aioi Works were among those that participated, as lively sounds of gongs and drums echoed across Aioi Bay. Our IHI Aioi Works will continue to take part in the Aioi Peron Festival, boosting the local community and showing appreciation for the region's traditional culture.

## Corporate Citizenship

### **Development of Next-generation Professionals**

#### **SDGs Education for Local Elementary School Students**

At our Soma IHI Green Energy Center (SIGC), in joint operation with Soma City in Fukushima Prefecture, IHI is working to organize a demonstration project to develop a recycling-oriented community. This project aims to contribute to local production and consumption of renewable energy as well as regional promotion and development.

In fiscal 2022, we invited local Soma elementary school students and focused on introducing IHI's business and decarbonization initiatives at SIGC in relation to SDGs. By allowing students to visit a facility that actually runs on renewable energy and giving them the opportunity to play with RC cars running on green hydrogen, we were able to familiarize them with the IHI Group's efforts toward achieving the SDGs.

IHI will continue to provide learning opportunities with the goal of developing the next generation of professionals.

### **Return Capsule Exhibition for the Asteroid Explorer Hayabusa 2**

In October 2022, the IHI Group held an exhibition as part of an extracurricular class aimed at local elementary and junior high schools at our IHI head office, borrowing the Japan Aerospace Exploration Agency's Hayabusa 2 asteroid explorer's return capsule.

As one of our social contribution activities, we welcomed approximately 1,200 participants to our facility, which mainly included elementary and junior high school students from the Toyosu area, IHI employees, and their families. Through observing the Hayabusa 2 return capsule, which incorporated many IHI Group technologies, it gave them an opportunity to experience the excitement of exploring the mysteries of the universe, pursuing an interest in science and technology, and approaching new challenges through teamwork.

We received feedback from visiting elementary and junior high school students with comments about how seeing the sand on the Ryugu asteroid made them realize how incredible space is and their desire to learn more about the Hayabusa 2.

The IHI Group will continue to make active efforts toward developing professionals who will be responsible for future manufacturing.

### **Learning to Fulfill the Dreams of Children**

The IHI Group hopes to make the universe a stage for learning for children to recognize themselves as earthlings and cultivate a passion for life.

We work with elementary, junior, and senior high schools near Mizuho Aero-Engine Works to create art to deliver to the stars, such as cosmological couplets and five-verse poems, through general, language, science, and ethics education. The children's art is launched with an aerospace instrument, such as a private craft, rocket, spaceship, or international space station, in order to deliver them to the stars twinkling in the sky. Roughly 70,000 children have participated in the program over the past 22 years.

In fiscal 2022, online art was created by approximately 5,000 children from 31 local schools in seven countries and regions. The IHI Group continues to offer and promote opportunities for children to write cosmological couplets to encourage one another beyond countries and regions.

Additionally, as a way to try and create dialogue going beyond generations, we held activities where adults (including IHI top management) participated in making cosmological couplets, DX promotion (a video letter crossing over time zones), making memories of closing schools, and so on. We plan to launch these art pieces in summer 2023.

The IHI Group will continue to grow alongside elementary, junior high, and high school students through learning experiences to fulfill the dreams of children.

## Corporate Citizenship

### **Environmental Protection**

#### **Incorporating NICO NICO Nadeshiko Activities**

Since fiscal 2016, NICO Precision Co., Inc. has organized NICO NICO Nadeshiko activities in order to promote the active participation of women.

As part of this, we have been carrying out social contribution activities since fiscal 2019, and fiscal 2022 marked the fourth year of these activities. Divided into four groups, these activities include collecting Bellmark points, used stamps, PET bottles, and old clothing. Used stamps are donated to Minami-Uonuma City's Council of Social Welfare, PET bottles are used to help administer polio vaccines to children around the world, and used clothing is cut and reused for rags at work sites.

In fiscal 2022, we received cooperation and advice not only from our own employees, but also from IHI Group companies and business partners. While devising work strategies based on past experience, we made efforts to reach annual target collection goal.

As a part of environmental conservation, NICO Precision will continue conducting activities that can help the world by reusing old items close at hand.

### **Participation in Beach Cleaning Activities**

The Setouchi Seaside Network Promotion Council, made up of municipalities along the coast of the Seto Inland Sea and local organizations belonging to the Ministry of Land, Infrastructure, Transport and Tourism, holds Refresh Setouchi beach cleaning activities to protect the beautiful Setouchi sea.

IHI Aioi Works is an active participant in Refresh Setouchi each year.

In fiscal 2022, approximately 75 participants contributed to bettering the environment around the Setouchi area by collecting garbage near the wharf that neighbors the Works.

The IHI Aioi Works will continue to take part in environmental protection activities in cooperation with local governments.