

Targets and Results Regarding Material Issues

Environment



Material Issues	Vision	Metrics and Targets	Main Results for FY2025
Climate change	• Reduce the environmental impact of the entire social system	2050: Achieve carbon neutrality throughout the entire value chain - FY2030: Reduce GHG emissions (Scope 1, 2) in half compared to FY2019 - FY2025: Reduce GHG emissions (Scope 1, 2) by 12,000 t-CO₂e compared to FY2022 - FY2025: Reduce energy consumption intensity by 3% compared to FY2022	- GHG emissions (Scope 1, 2): 158,073 t-CO₂e, reduced by 57,680 t-CO₂e (compared to FY2022) - Energy consumption intensity: 13.3 TJ/10 billion JPY, reduced by 21.5% (compared to FY2022)
Conservation of the global environment		- Environmental accidents: 0 - Environmental law violations: 0	- Environmental accidents: 0 - Environmental law violations: 0
Circular economy		- FY2025: Reduce waste emissions by 3% or more compared to FY2022 - FY2025: Reduce water withdrawal by 3% or more compared to FY2022 - FY2025: Determine final disposal amount of more than 90 wt% of all waste	- Waste emissions: 20,254 t, reduced by 12.1% (compared to FY2022) - Reduction in water withdrawal: 4,289 thousand m³, increased by 6.3% (compared to FY2022) - Definition of a new management indicator to replace the recycling rate completed

Society



Material Issues	Vision	Metrics and Targets	Main Results for FY2025
Diversity, equity, and inclusion	- Employees are fully able to demonstrate their talents based on common values - Connecting the power of diversity to value creation	- FY2030: Increase the ratio of female Officers to 30% or higher - FY2030: Increase the ratio of female Managers to 15% - FY2026: Increase the ratio of female hires to approximately 20% among university graduates - FY2026: Increase the employment rate of people with disabilities to 2.7%	- Ratio of female Officers: 29% - Ratio of female Managers: 6.1% - Ratio of female hires (university graduates): 17.5% - Employment rate of people with disabilities: 2.64% - Employee engagement: 59 points (improved by 4 points compared to FY2024)
Work-style and operational process reforms	Improving productivity within the entire organization		
Occupational health and safety	Ensure workplace environment in which all employees can work safely and in good health	FY2025: Occupational health and safety rate Less than 0.6 (works divisions) Less than 1.2 (construction divisions)	- Cases of occupational accidents (injuries with no time lost or higher, in Japan): 50 - Occupational health and safety rate: 0.55 (works divisions), 2.80 (construction divisions)
Human rights	Proactively fulfill the responsibility toward respecting human rights for all people	—	Conducted follow-up assessments at 9 sites to review the status of measures implemented at IHI Group sites worldwide from FY2022 through 2024
Supply chain management	Build sustainable supply chains	—	Selected 510 important first-tier business partners (covering 41% of the total procurement amount among 8,970 first-tier business partners)
Corporate citizenship	Engage in social contribution activities that enhance the value of the IHI Group while helping to foster the creation of a habitable and prosperous world	—	Total expenditure for social contribution activities: 547 million JPY (64 million JPY increase compared to the previous fiscal year)
Customer relationships	Pay full attention to the safety of the products and services and continue to improve the quality level of the products and services by confirming whether they satisfy customers and users	—	QMS certification acquisition rate for IHI and subsidiary companies in Japan and overseas: 80% (49 out of 61 target locations)

Governance



Material Issues	Vision	Main Results for FY2025
Securing and maintaining stakeholder trust	Corporate governance	- To earn the trust and support of the IHI Group's shareholders over the long term - Ratio of Independent Directors: 50%
	Compliance	- Not only complying with laws and regulations, but also accurately understanding the changing values and demands of society and fulfilling its expectations - Compliance hotline reports: 242 (including 6 compliance violations) - Competition law violations: 0 - Anti-corruption law violations: 0
	Risk management	- Ensuring business continuity and the safety of Officers, employees, and their families; securing, preserving managerial resources, and maintaining public trust - Continued risk management activities in accordance with the Key Policies for Risk Management in FY2025
	Innovation management	- Keep providing solutions that help solve social issues through the engineering capabilities centering on "Monozukuri" technology - Utilizing intellectual property as a key management resource in the business activities to help solve social issues and increase customer value - Research and development expenses: 39.6 billion JPY - Patent acquisitions: 505 - Patents held: 8,154 (4,097 in Japan, 4,057 overseas)
	Information security	- Ensure the confidentiality of customer and business partner information, along with company management and technical information, etc. - Information security measures evaluation: 4 (out of 5)
	Timely and proper disclosure	- Honestly fulfill accountability for management direction and major operations - Dialogue conducted with investors: 625 companies (231 Japanese investors, 394 overseas investors)