

IHI Group Basic Environmental Rules

Chapter 1 General Rules

Article 1 (Purpose)

These Rules, based on the [“IHI Group Basic Environmental Policy \(GG108-01\),”](#) define mechanisms to ensure the Group members observe the concept of considering the environment and making efforts to protect the global environment and reducing environmental burden (hereinafter “Environmental Management”), in all business activities of IHI Group.

Article 2 (Scope)

These Rules shall apply to subsidiaries of IHI and each IHI Group company that appear in the consolidated accounts (hereinafter referred to as “Subsidiaries”).

Article 3 (Definition of Terms)

The terms used in the Rules shall have the following definitions:

- (1) “Environmental activities” are those activities carried out in order to promote environmental management and performed to reduce the burden that our business activities place on the environment.
- (2) “Environmental Management Centers” are minimum units of business establishments, offices and works (except of construction site) that the Administration Div. Environmental Group (hereinafter referred to as the “Environmental Group”) gathers information about the environmental burden.

Chapter 2 Structure

Article 4 (Environmental Administrator)

1. The Chief Executive in charge of the environmental activities of IHI Group (hereinafter referred to as the “Environmental Administrator”) shall be an officer in charge of Administration Div..

Article 5 (Environment Committee)

IHI shall formulate an implementation plan for use in the environmental activities of IHI Group, and set up the Environment Committee in order to promote it. The details are set forth in “Environment Committee Rules” (Group-wide Rules 2308-11).

Article 6 (General Environmental Officer and Environmental Management Officer)

1. In order to promote environmental activities, IHI and each Subsidiary shall establish a General Environmental Officer and an Environmental Management Officer.
2. The establishment of a General Environmental Officer and an Environmental Management Officer and their duties shall be stipulated in the "IHI Basic Environmental Rules" (IHI Group-wide Rules 3401-5).
3. The establishment of a General Environmental Officer and an Environmental Management Officer in each Subsidiary, and their duties, shall be as follows:

(1) General Environmental Officer

- a. In principle, the President of each Subsidiary shall appoint a General Environmental Officer from among the company's Officers.
- b. Based on an instruction from IHI Business Areas, the General Environmental Officer shall move forward with the company's environmental activities, and report to Business Areas on the status of such activities.
- c. An Environmental Management Officer shall be appointed in each Environmental Management Center.

(2) Environmental Management Officer

Based on the instructions of the General Environmental Officer, an Environmental Management Officer shall move forward with environmental activities.

Chapter 3 Reduction of Environmental Burden and Environmental Risk

Article 7 (Collection of Information about Environmental Burden)

IHI and each Subsidiary shall gather information about environmental burden in each Environment Management Centers, basically each month, in order to effectively promote environmental activities, and provide the information stipulated in the following to the Environmental Group.

(1) Environmental burden data

Information in an Environmental Management Center on energy consumption, waste emitted, water resources used, wastewater discharged to public waters, emissions into the atmosphere, emissions of chemical substances etc.

(2) Basic environmental information

Acquisition status and audit results related to environmental management systems, environmental accidents and violations of laws and regulations, information on environment-related capital investment etc.

Article 8 (Assessment of Reduction of Environmental Burden)

1. Based on the collected information as described in the preceding Article, the Environmental Management Officer in IHI and each Subsidiary shall assess the reduction of environmental burden in each Environmental Management Center, and report thereon to each General Environmental Officer.
2. The General Environmental Officer in each Subsidiary shall compile the assessments of his or her organization that have been reported in accordance with in the preceding paragraph, and report thereon to IHI Responsible Division .
3. Each General Environmental Officer at IHI shall compile the assessment results that have been reported in accordance with the preceding paragraph, and report thereon at the Environment Committee.

Article 9 (Reduction of Environmental Risk)

In order to comply with environmental laws and regulations while reducing the risk of environmental contamination or the like, each General Environmental Officer at IHI and the relevant subsidiaries shall systematically implement improvements to operations related to environmental activities and capital expenditure in environment-related facilities.

Chapter 4 Other Matters

Article 10 (Environmentally Friendly Products)

In particular, the excellent products and services that IHI Group provides which contribute to the conservation of the global environment and reduction of environmental burden shall be certified as environmentally friendly products, and they shall be made widely known to society, in order to improve the corporate value of IHI Group. Procedures for certifying a product as an environmentally friendly product are stipulated in “Rules on Certification and Operation of Environmentally Friendly Products” (Group-wide Rules 3401-21).

Article 11 (Information Disclosure)

IHI shall aggregate information on the environmental activities of IHI Group, and disclose it to outside parties as necessary.

Supplementary Provisions

1. Date of enforcement	April 1, 2016
Amendment	April 1, 2017
	April 1, 2018
	May 1, 2020
2. Approver	Officer in charge of Administration Division
3. Responsible Division	Environmental Group, Administration Division