

Hitachi to introduce RSU program for employees and launch global ESPP to enhance long-term corporate value

Tokyo, March 23, 2026 Hitachi, Ltd. (TSE:6501, "Hitachi" or "the Company") today announced the introduction of a Restricted Stock Unit (RSU) program for employees utilizing a trust-based scheme from FY2026. In addition, Hitachi will globally launch an Employee Stock Purchase Plan (ESPP) from FY2026.

These initiatives are based on the human capital strategy under the management plan "Inspire 2027" and represent its steady execution. Hitachi positions people as the engine of sustainable growth and, by globally integrating and harmonizing its approach to investing in people, structurally links employee's performance, ownership, and long-term corporate value creation across the organization.

Through these initiatives, Hitachi aims to foster employee ownership, commitment, and enhance long-term corporate value by closely aligning management and employees with the company's sustainable growth objectives.

Strengthening leadership alignment with long-term value creation through the RSU program

RSUs will be granted to more than 1,800 leaders across more than 40 countries*¹, comprising employees of Hitachi and directors and employees of certain subsidiaries (the "Target Subsidiaries"), who are two to three levels below BU CEOs or functional leaders (the "Eligible Directors and Employees"). The program extends ownership mindset across leadership, encourages a management perspective, and aligns the Eligible Directors and Employees with shareholder interests to create long-term corporate value. In addition to increasing employee engagement, Hitachi aims to attract and retain top talent through the expansion of the program.

*¹ Residents of countries where it is difficult to deliver shares due to overseas laws and regulations will receive an amount equivalent to RSU in lieu of the delivery of the Company's shares by trust.

Expanding ownership and engagement across Hitachi group through the offer of global ESPP

Hitachi is advancing the global rollout of its Employee Stock Purchase Plan (ESPP), targeting up to 150,000 employees in major markets by FY2027, with plans to further expand it to over 50 countries in the future, subject to applicable laws and regulations. The ESPP enables employees to participate directly in the company's growth and long-term success, reinforcing engagement, well-being, and a sense of shared purpose with the company. By making the entry step of shared ownership/equity more accessible, Hitachi strengthens its global position as an employer of choice while embedding shared success more deeply across its workforce.

Trust-based scheme to support the global operation of the RSU program

To introduce the RSU program for employees, Hitachi will establish trust-type structures in collaboration with Mitsubishi UFJ Trust and Banking Corporation (MUTB), utilizing a Board Incentive Plan (BIP) Trust and an Employee Stock Ownership Plan (ESOP) Trust.

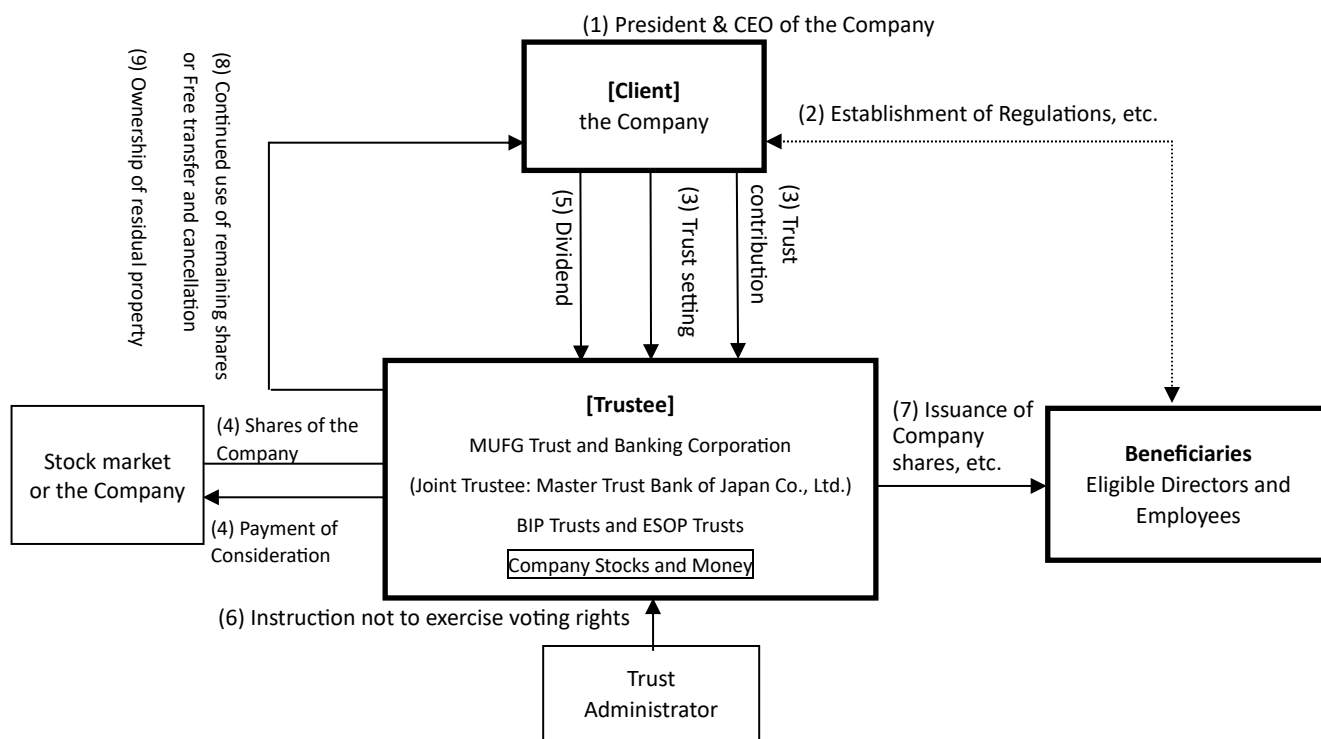
Through these structures, Hitachi will ensure governance integrity and robustness of program operations, while operating the program for the acquisition and delivery of company shares in accordance with the predefined Stock Delivery Regulations (the "Regulations").

Overview of the Trust

Under the RSU program to be introduced, the Company will use mechanisms referred to as the BIP Trust and the ESOP Trust to deliver or provide (the "Deliveries") shares of the Company and/or cash in an amount equivalent to the proceeds from the conversion and disposition of the Company's shares (the "Company Shares, etc."), in accordance with the Regulations, in collaboration with MUTB. Deliveries will be made from the BIP Trust to directors of the Target Subsidiaries, and from the ESOP Trust to employees of the Company and the Target Subsidiaries.

The BIP Trust and the ESOP Trust will acquire in advance, either from the stock market or from the Company, the number of shares of the Company expected to be delivered to the Eligible Directors and Employees. Since the Company and the Target Subsidiaries will bear all costs necessary for such acquisitions and operation of the program, the Eligible Directors and Employees will not bear any cost.

Structure of the BIP Trust and the ESOP Trust



- (1) In connection with the introduction of the RSU program, the Company will obtain a resolution of the President & CEO to which authority has been delegated by the Board of Directors, and each Target Subsidiary will obtain resolutions of its general meeting of shareholders and board of directors as necessary.
- (2) The Company will establish the Regulations related to the RSU program .
- (3) The Company will establish the BIP Trust and the ESOP Trust by entrusting a certain amount of money to the trustee as the source of remuneration for the Eligible Directors and Employees of the Company and each Target Subsidiary, and the Eligible Directors and Employees who satisfy the beneficiary requirements will become beneficiaries.

- (4) In accordance with instructions from the trust administrator, the BIP Trust and the ESOP Trust will acquire the Company's shares on the stock market or from the Company using the funds contributed in (3).
- (5) Dividends on the Company's shares held in the BIP Trust and the ESOP Trust will be paid in the same manner as dividends on other shares of the Company.
- (6) Voting rights for the Company's shares held in the BIP Trust and the ESOP Trust will not be exercised throughout the trust period.
- (7) During the trust period, the Eligible Directors and Employees will receive a certain number of RSUs each year in accordance with the Regulations, and based on RSUs that vest in three equal installments over three fiscal years following each grant, will receive Deliveries of Company Shares, etc. from the BIP Trust or the ESOP Trust.
- (8) If there are remaining shares at the end of the trust period, the Company will either continue to use the BIP Trust and the ESOP Trust as a share delivery scheme of the same type as the RSU program, or, if the BIP Trust and the ESOP Trust are terminated, the Company will receive the remaining shares from the trusts free of charge and plans to cancel such shares.
- (9) Any remaining cash in the BIP Trust and the ESOP Trust at the end of the trust period will be used as funds for share acquisition, etc. if the trusts are continued; if the trusts are terminated, the portion exceeding the trust expense reserve is expected to be donated to an organization with no interest in the Company.

If, due to the delivery of shares to the Eligible Directors and Employees, no Company shares remain in the BIP Trust or the ESOP Trust, the BIP Trust and the ESOP Trust will be terminated even prior to the end of the trust period. However, the Company may also acquire additional Company shares through the BIP Trust and the ESOP Trust by entrusting additional funds.

Outline of the Trust Agreement (Planned)

No.	Item	Details
(1)	Type of Trust	Trust of money other than a money trust for specific sole management
(2)	Purpose of Trust	Provision of incentives to Eligible Directors and Employees
(3)	Trustor	The Company
(4)	Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
(5)	Beneficiaries	Eligible Directors and Employees who satisfy the beneficiary requirements
(6)	Trust Administrator	A third party professional with no interest in the Company or its subsidiaries
(7)	Trust Agreement Date	April 7, 2026
(8)	Trust Term (initial trust period)	April 7, 2026 to end of June, 2031
(9)	Plan Start Date	April 1, 2026
(10)	Exercise of Voting Rights	Not exercised
(11)	Class of Shares to be Acquired	Common stock of the Company
(12)	Total Acquisition Amount	65,000 million yen

(13)	Method of Share Acquisition	To be acquired from the Company
(14)	Timing of Share Acquisition	April 2026
(15)	Residual Interest Holder	The Company
(16)	Residual Property	Residual assets receivable by the Company as the residual interest holder shall be within the trust expense reserve.

Cautionary Statement

Certain statements found in this document may constitute “forward-looking statements” as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such “forward-looking statements” reflect management’s current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as “anticipate,” “believe,” “expect,” “estimate,” “forecast,” “intend,” “plan,” “project” and similar expressions which indicate future events and trends may identify “forward-looking statements.” Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the “forward-looking statements” and from historical trends. Certain “forward-looking statements” are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on “forward-looking statements,” as such statements speak only as of the date of this report.

Factors that could cause actual results to differ materially from those projected or implied in any “forward-looking statement” and from historical trends include, but are not limited to:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi’s major markets, as well as levels of demand in the major industrial sectors Hitachi serves;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi’s assets and liabilities are denominated;
- uncertainty as to Hitachi’s ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities, declines in which may require Hitachi to write down equity securities that it holds;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- credit conditions of Hitachi’s customers and suppliers;
- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to Hitachi’s ability to respond to tightening of regulations to prevent climate change;
- uncertainty as to Hitachi’s ability to maintain the integrity of its information systems, as well as Hitachi’s ability to protect its confidential information or that of its customers;
- uncertainty as to Hitachi’s ability to attract and retain skilled personnel;
- uncertainty as to Hitachi’s ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- the possibility of disruption of Hitachi’s operations by natural disasters such as earthquakes and tsunamis, the spread of infectious diseases, and geopolitical and social instability such as terrorism and conflict;
- estimates, fluctuations in cost and cancellation of long-term projects for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- increased commoditization of and intensifying price competition for products;
- fluctuations in demand of products, etc. and industry capacity;
- uncertainty as to Hitachi’s ability to implement measures to reduce the potential negative impact of fluctuations in demand of products, etc., exchange rates and/or price of raw materials or shortages of materials, parts and components;
- uncertainty as to the success of cost structure overhaul;
- uncertainty as to Hitachi’s ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of acquisitions of other companies, joint ventures and strategic alliances and the possibility of incurring related expenses;
- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness;
- the potential for significant losses on Hitachi’s investments in equity-method associates and joint ventures;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity-method associates and joint ventures have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- uncertainty as to Hitachi’s access to, or ability to protect, certain intellectual property; and

- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its employee benefit-related costs.

The factors listed above are not all-inclusive and are in addition to other factors contained elsewhere in this report and in other materials published by Hitachi.

* This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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