Human Capital Strategy

PLEDGES

Global human capital management

Aligned with Inspire 2027 and guided by the belief that people are the primary source of value creation, we are strengthening and unifying the capabilities of our global workforce through strategic investments in human capital. By fostering a high-performing, connected and purpose-driven organization, we aim to create greater social value as the “One Hitachi.” To support this ambition, we advance our human capital strategy through three strategic pillars—Talent Management, Total Reward and the One HR Platform—ensuring close alignment between HR initiatives and business strategy.

With distinctive strengths across IT, OT and products, underpinned by a diverse business portfolio, we recognize that attracting, developing and retaining world-class talent is fundamental to sustaining our global competitiveness. To this end, we advance globally consistent Talent Management and Total Reward frameworks that balance market competitiveness and fairness with the flexibility to address regional needs and business characteristics. As we continue our transformation to a truly global enterprise, we are also driving cultural transformation and strengthening the systems, processes and digital platforms that enable seamless collaboration across regions and businesses. Through these efforts, we seek to fully leverage the collective strengths of the Hitachi Group, accelerate innovation and achieve sustainable growth.

Connection between 3 focus areas / 6 initiatives / HR programs and KPI progress

3 focus areas	6 initiatives / HR programs	Track record and achievements	Initiatives toward FY2027	Inspire 2027 target
Talent Management	**Leadership development for sustainable growth** • Strengthening the leadership talent pipeline (for selective) **Enable talent acquisition, development, and mobility to accelerate synergy** • Empowering career ownership & growth (for all employees)	Launched a new leadership program for 550 ppl based on the new leadership model Integrated all open roles (overseas) into Hitachi Careers website Growth Mindset score improved to 69.2 pts	Providing tailored talent development program with stretch assignments Providing greater access to opportunities, development resources and career guidance	Future leader talent pool 1,000 people Employee growth mindset score: 70 points
Total Reward	**Fostering a high-performance culture** • Job-based talent management in Japan • Performance-based incentive plan **Incentivize employee to increase corporate value** • Restricted Stock Unit (RSU) • Employee Stock Purchase Plan (ESPP)	Granted RSU to over 1,800 ppl Implemented ESPP in 11 countries Revised the Executive Equity Compensation Program	Expanding RSU and ESPP coverage Accelerating the transition to job-based and performance-driven compensation	RSU for senior leaders: 1,500+ people Global ESPP offerings for all employees: 150,000+ people
One HR Platform	**Enhance global HR platform to strengthen One Hitachi collaboration** • Redesigned Hitachi Global Grading (HGG) • New Hitachi Insights (new employee survey) • Global HR operations (shared services) • One Hitachi Global digital HR platform **Strengthen AI expertise and adopt** • Workforce transformation by AI	Developed 39,000 AI professionals Delivered AI literacy training covering AI fundamentals, ethics and responsible use to 136,000 employees* Established the vision, strategy and approach for organizational transformation	Build AI foundational knowledge across the Group Develop and acquire specialized AI expertise Redesign HR work, workflows, roles and establish group HR AI agent framework	AI professional talent pool: 50,000 people Agentic AI based HR Organization

Enhancing Employee Engagement FY2027 target 80 points

*As of July 2026 (total enrollments over 164,000)

Specific initiatives of HR drivers for growth

Talent management

Hitachi is strengthening its global talent management approach to identify, develop and deploy talent in line with business needs. We support career growth and mobility, build critical capabilities and strengthen succession planning for key roles.

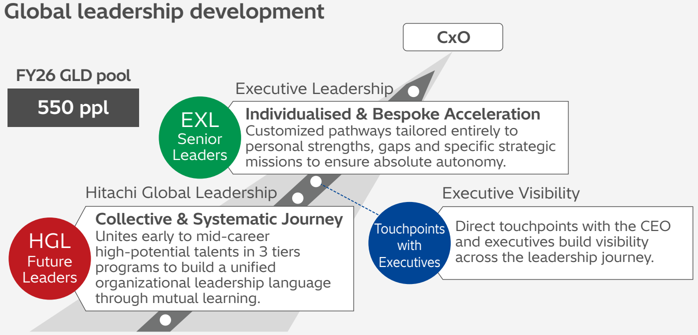
We are also developing the next generation of leaders through targeted development, stretch assignments, Individual Development Plans and executive sponsorship.

Leadership development

The New Hitachi's Global Leadership Development program accelerates the readiness of 550 next-generation leaders, 60% of whom are newly selected. Drawn from across our global businesses and regions, the cohort brings diverse perspectives to the leadership pipeline. It combines personalized executive development with a structured group program that builds shared leadership capabilities and a common leadership language* across Hitachi.

*A framework of leadership values and behaviors

Global leadership development



Total reward

Our compensation program is designed around the principles of transparency, fairness and market competitiveness. We strive to create a positive cycle between employee growth and corporate value creation by aligning rewards more closely with employees' performance, based on roles and responsibilities.

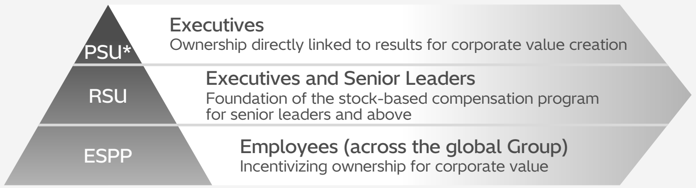
Restricted Stock Unit (RSU) for senior leaders

We began granting Restricted Stock Units (RSU) for approximately 1,800 senior leaders across approximately 40 countries, targeting those who are two to three levels below BU CEOs or functional leaders. We will further broaden eligibility for the program, which aligns leaders' performance with the creation of medium- to long-term corporate value.

Employee Stock Purchasing Plan (ESPP)

We introduced the Employee Stock Purchase Plan (ESPP) to support employee asset building and strengthen employee ownership. Since fiscal 2026, we have accelerated the global rollout, launching the program in 11 countries. We will continue expanding participation with the target of making the program available to approximately 150,000 employees world-wide.

Fostering ownership for enhancing corporate value



* PSU: performance-linked restricted Stock Units

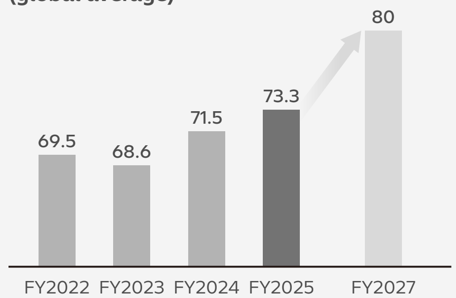
Enhancing employee engagement

Employee engagement is an important driver of innovation, productivity and sustainable growth. We strengthen engagement through a range of people and organizational initiatives while measuring progress through the Hitachi Insights employee engagement survey. In fiscal 2025, the survey response rate reached 90.5%, and the engagement score improved from 71.5 to 73.3.

In addition to the annual survey, we gather employee feedback through channels such as town hall meetings and internal social platforms. These insights are reflected in management decisions and organizational improvement initiatives. Beginning in fiscal 2026, we will further enhance this approach by collecting feedback across key employee milestones and applying AI-powered analytics to identify priorities and accelerate action.

Through this continuous cycle of listening to employees, understanding insights and acting on them, we seek to strengthen employee engagement and achieve engagement scores of 75 as the base target and 80 as the ambitious target in fiscal 2027, contributing to sustainable corporate value creation.

Engagement score trends and target (global average)*



*Ambitious target of 80 points is set, which exceeds global competitors (base target is 75 points)

One HR Platform

As a core pillar of our human capital strategy, the One HR Platform globally integrates people data, processes and experiences across the organization. One HR platform enables greater transparency of our workforce capabilities and supports data-driven decision-making, allowing us to manage talent more effectively in line with strategic priorities. Our common digital HR foundation strengthens global consistency, enhances organizational agility, and enables locally relevant execution across diverse markets and businesses. Approximately 275,000 employees have been onboarded on our digital HR platform so far.

Toward a future Hitachi organization enabled by AI agents

We view AI as an amplifier of human potential, enabling employees to innovate more effectively by AI. In fiscal 2025, we strengthened AI readiness through AI literacy training to approx. 160,000 employees, with more than 83% completing the program. We also launched a pilot involving approximately 2,000 employees to assess AI's impact on work, identify skill gaps and develop our AI agent adoption strategy. In fiscal 2026, we will begin pilots within HR to redesign work and roles and establish a foundation for scaling adoption across the Hitachi Group.