

(English Translation)

May 21, 2025

To whom it may concern,

IHI Corporation

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Hiroshi Ide, Representative Director,
President, and Chief Executive Officer
(Securities Code 7013)

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Notice Regarding Introduction of Restricted Stock Remuneration Plan for IHI Executives

IHI Corporation (hereinafter “IHI”) hereby announces that its Board of Directors meeting held today resolved to submit a proposal regarding the introduction of a restricted stock unit plan for directors of IHI (excluding independent directors, the same as below) to the 208th Annual General Meeting of Shareholders (hereinafter referred to as the “AGM”) to be held on June 25, 2025, as follows:

1. Purpose

At the 200th AGM held on June 23, 2017, IHI introduced a performance-linked stock remuneration plan, “Board Benefit Trust” (hereinafter referred to as the “Performance-Linked Stock Remuneration”) for the directors.

On this occasion, IHI would like to introduce a new stock remuneration plan “Restricted Stock Remuneration Plan” (hereinafter the “Plan”), separate from the Performance-Linked Stock Remuneration, for the purpose of encouraging the directors to hold the company’s shares, to provide an incentive to aim for an increase in IHI’s medium- to long-term operating performance and corporate value, while further strengthening the sharing of a sense of values with shareholders and other stakeholders. After the introduction of the medium- to long-term incentive incentives will consist of Performance-Linked Stock Remuneration and this Plan. It should be noted that the total limit for medium- to long-term incentives, combining both, remains the same as before.

IHI plans to resolve at the Board of Directors meeting following the conclusion of the AGM to introduce a plan with the same purpose for IHI executive officers.

2. Overview of the Plan

The Plan is a system in which IHI will provide the directors with shares of IHI’s ordinary shares (hereinafter the “IHI Shares”) and cash equivalent to the market value of IHI Shares (hereinafter collectively with IHI

Shares, the “IHI Shares, etc.”) through a trust set up by IHI (hereinafter the trust to be established based on the Plan shall be referred to as the “Trust”), separately from the trust pertaining to the Performance-Based Stock Remuneration.

IHI will grant the directors points for the purpose of transferring IHI Shares, etc. each fiscal year in accordance with the regulations for restricted stock transfer prescribed by IHI (hereinafter referred to as the “Stock Transfer Regulations”) and transfer IHI Shares equivalent to some of the points in such fiscal year.

In the event that IHI transfers the IHI Shares to a director currently in office, IHI will first enter into a transfer restriction agreement with said director, as described in 4. Consequently, there are restrictions on disposal through transfers, etc. of the IHI Shares received by the directors during the period until such director retires.

In addition to the transfer of the IHI Shares, IHI will pay the directors an amount of money equivalent to the market value of the IHI Shares, corresponding to a portion of the points, when they retire from their positions as officers.

3. Details and Calculation Method of Remuneration, etc. Pertaining to the Plan

(1) Details of remuneration, etc.

The details of remuneration, etc. transferred to the directors under the Plan are as follows:

(i) Eligible persons

Directors of IHI (excluding independent directors)

(ii) Details of remuneration, etc.

IHI Shares and cash equivalent to the market value of the IHI Shares

(iii) Timing of remuneration payment, etc.

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| (a) IHI Shares: | A fixed period each year |
| (b) Transfer of cash equivalent to the market value of IHI Shares: | In principle, when the directors resign from their position |

(2) Method of calculating and paying remuneration etc. related to the Plan

IHI grants the directors points calculated in accordance with their position each year and then, transfers the directors with IHI Shares, etc. equivalent to one IHI Share for each point. The maximum amount of funds contributed by IHI to the Trust shall be 450 million yen per fiscal year (provided, however, that the amount of funds contributed to the trust for the Performance-Linked Stock Remuneration for each fiscal year shall be deducted accordingly). Additionally, the total number of points granted to the directors per fiscal year shall be capped at 150,000 points (provided, however, that the maximum number of points granted as Performance-Linked Stock Remuneration for each fiscal year shall be deducted accordingly).

However, in the event of a stock split, an allotment of shares without contribution, a stock consolidation, or others in relation to the IHI Shares following the approval of the introduction of the Plan at the AGM, in accordance with the relevant ratio, the maximum number of points and the number

of points already granted, or the conversion ratio will undergo a rational adjustment.

Through the Trust, IHI will transfer the directors with IHI Shares equivalent to a portion of the granted points each fiscal year. In addition, upon retirement of a director, IHI will transfer them with cash equivalent to the market value of the amount of IHI Shares, corresponding to the remnant of the points granted, as of the date of retirement.

However, if a director who has been granted points resign due to certain wrongful acts committed during or engage in inappropriate actions during their term of office that cause damage to the company, they will not acquire the right to receive the granted shares. Additionally, if the directors commit acts that violate laws or regulations, IHI will require them to return the remuneration that has been provided.

In the case that a director is a non-resident, all the points shall be transferred in the form of cash equivalent to the market value as of the date of retirement.

(3) The amount of trust funds contributed by IHI

IHI will introduce the Plan for the three fiscal years from the fiscal year ending March 31, 2026 (FY2025) to the fiscal year ending March 31, 2028 (FY2027) (hereinafter referred to as the "Initial Target Period") and for subsequent target periods (each three-fiscal-year period starting after the Initial Target Period, collectively referred to as "Target Periods"). During these periods, IHI will contribute the following funds to the Trust to transfer IHI Shares, etc. to the directors as remuneration for their execution of duties in each fiscal year.

First, at the time of establishing the Trust (scheduled for August 2025), IHI will contribute an amount of funds reasonably estimated to cover the necessary funds for the Initial Target Period up to a maximum amount of 450 million yen per fiscal year (provided, however, that the amount of funds contributed to the trust for the Performance-Linked Stock Remuneration for each fiscal year shall be deducted accordingly). The total number of points granted to the directors per fiscal year shall be capped at 150,000 points (provided, however, that the maximum number of points granted as Performance-Linked Stock Remuneration for each fiscal year shall be deducted accordingly), and therefore, funds will be contributed to this trust that reasonably estimated to be necessary for acquiring up to 150,000 shares, based on the closing price of the company's common stock in regular trading on the Tokyo Stock Exchange immediately before the trust is established.

Furthermore, after the Initial Target Period ends, and as long as the Plan remains in place, IHI will, in principle, contribute additional funds to the Trust for each Target Period. These funds will be reasonably estimated to acquire the number of shares required to provide remuneration to the directors under the Plan during each period. However, if there are remaining shares and funds in the Trust (shares corresponding to points allocated to the directors excluding shares yet to be provided, and funds, collectively referred to as "Remaining Shares and Funds") related to Target Periods that have already ended, the Remaining Shares and Funds will be utilized as the source for providing remuneration under the Plan for subsequent Target Periods. Taking the Remaining Shares and Funds into account, the

amount of additional contributions will be calculated. If IHI resolves to make additional contributions, it will disclose the information timely and appropriately.

The funds that IHI contributes to the Trust are expected to include acquisition costs for shares to be provided to the directors, as well as trust fees and other related expenses.

4. Details of the transfer restriction agreement

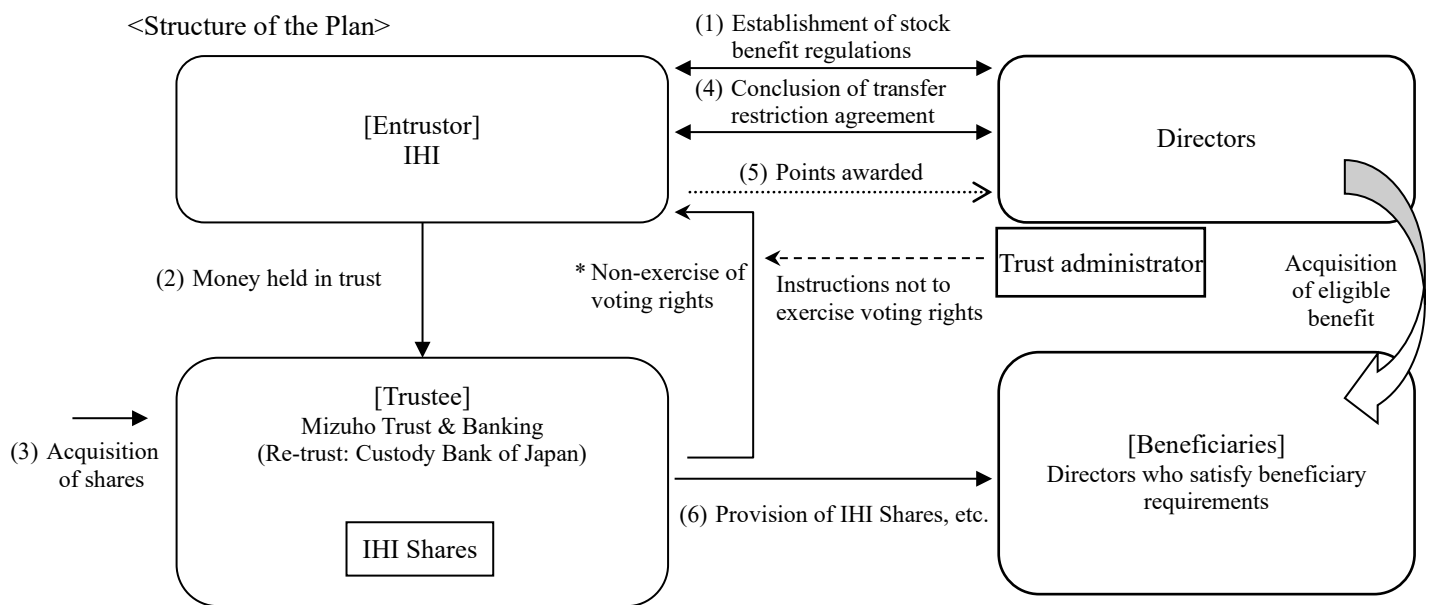
The details of the agreement to be executed by IHI and the directors in the event that a director receives IHI Shares as a benefit while in office are as follows.

- (i) Transfer restriction period for IHI Shares: Until retiring from all executive positions at IHI
- (ii) Conditions for lifting transfer restrictions: IHI executive retires for a valid reason or due to his/her death, However, in the event that matters related to a merger agreement under which IHI becomes an absorbed company or other organizational restructuring are approved at the IHI's general meeting of shareholders, etc., the transfer restrictions may be lifted by resolution of the Board of Directors.
- (iii) Conditions for acquisition without consideration by IHI: In the event that certain circumstances prescribed in the transfer restriction agreement apply, such as in the event of holding IHI Shares that do not meet the conditions for lifting transfer restrictions at the expiration of the transfer restriction period or in the event of any violation by the directors.

[Outline of the Trust]

(i) Name:	Board Benefit Trust (BBT-RS)
(ii) Entrustor:	IHI
(iii) Trustee:	Mizuho Trust & Banking Co., Ltd. (Re-trustee: Custody Bank of Japan, Ltd.)
(iv) Beneficiaries:	The directors who meet the beneficiary requirements set out in the Stock Benefit Regulations
(v) Trust administrator:	Plan to select a third party with no vested interest in IHI
(vi) Type of trust:	Trust of money other than money trust (third-party benefit trust)
(vii) Date of conclusion of the trust agreement:	August 2025 (scheduled)
(viii) Date on which money is entrusted:	August 2025 (scheduled)
(ix) Trust period:	From August 2025 (scheduled) until the end of the trust (No specific termination date is set and the trust will continue as long as the Plan continues.)

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- (i) After a resolution on the introduction of the Plan at the Annual General Meeting of Shareholders, IHI will establish Stock Benefit Regulations within the framework approved at the Annual General Meeting of Shareholders.
- (ii) IHI will entrust money to the extent approved by the resolution of the Annual General Meeting of Shareholders in (i).
- (iii) The Trust will use the money entrusted to it in (ii) to acquire IHI Shares through the stock exchange or by subscribing for treasury shares disposed of by IHI.
- (iv) The Directors will enter into a transfer restriction agreement with IHI to restrict the disposal by transfer, etc. of IHI Shares that they received during their term of office until their retirement from office, which includes a clause allowing IHI to acquire the shares without compensation to them.
- (v) IHI shall grant points to the Directors in accordance with the Stock Benefit Regulations.
- (vi) At a certain time each year, the Trust will provide IHI Shares to the Directors who meet the beneficiary requirements set forth in the Stock Benefit Regulations (hereinafter referred to as “Beneficiaries”) according to the number of points granted to the Beneficiaries. Additionally, when the Directors resign, the Trust will provide them with cash equivalent to the market value of IHI Shares at the time of resignation.
- (vii) The Trust shall follow the instructions of the trust administrator, who is independent from IHI, and shall not exercise voting rights relating to the IHI Shares held in the Trust account.