



June 20, 2025

To whom it may concern:

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Notice Concerning the Disposal of Treasury Stock as Restricted Stock Compensation

The Hachijuni Bank, Ltd. (the “Bank”) hereby announces that at the meeting of the Board of Directors held today, it made a resolution to dispose of treasury stock (hereinafter, “Disposal of Treasury Stock” or “Disposal”), as follows.

1. Overview of the Disposal

1) Date of disposal	July 18, 2025
2) Type and number of shares to be disposed of	77,702 shares of the Bank’s common stock
3) Disposal price	1,182.5 yen per share
4) Total disposal value	91,882,615 yen
5) Disposal recipients, their number, and the number of shares to be disposed of	- 20,971 shares for 3 Directors (excluding Outside Directors) of the Bank - 56,731 shares for 17 Executive Officers who do not concurrently serve as Directors of the Bank

2. Purpose and Reason for the Disposal

At the meeting of the Board of Directors held on May 10, 2024, the Bank resolved to introduce a restricted stock compensation plan (hereinafter, the “Plan”) as a new compensation plan for the Bank’s Directors (excluding Outside Directors; hereinafter, “Eligible Director(s)”) and Executive Officers who do not concurrently serve as Directors (hereinafter, collectively referred to as “Eligible Director(s), etc.”) The aim of this introduction is to raise the motivation and morale of the Eligible Directors, etc. to enhance business performance in the medium to long term and improve corporate value by sharing not only the benefits from an increase in the Bank’s stock prices but also the risks associated with a drop in stock prices with shareholders. Furthermore, in accordance with the Plan, at the 141st Annual General Meeting of Shareholders held on June 21, 2024, the approval was obtained to pay monetary receivables not exceeding 100 million yen per annum to Eligible Directors as compensation to be used as properties contributed for the acquisition of restricted stock (hereinafter, “Restricted Stock Compensation”), as well as to issue or dispose of the Bank’s common stock to an amount not exceeding 150,000 shares per annum, and to set the transfer restriction period for such Restricted Stock Compensation at thirty (30) years.

The overview of the Plan is as described below.

[Overview of the Plan]

Eligible Directors, etc., shall pay all monetary receivables paid to them by the Bank in accordance with the Plan as property contributed in kind and shall receive shares of common stock of the Bank through an issuance or disposal. The amount to be paid per share shall be an amount determined by the Board of Directors within a range that will not be particularly advantageous for the Eligible Directors, etc. who will receive the common stock, based on the closing price of the Bank’s common stock on the Tokyo Stock Exchange on the business day prior to the date of each resolution by the Board of Directors (if there are no trades on that day, the closing price on the most recent preceding trading day).

In addition, when common shares of the Bank are issued or disposed of under the Plan, a restricted stock

allotment agreement shall be concluded between the Bank and the Eligible Directors, etc. Conditions of this agreement include the following and other matters: (1) Eligible Directors, etc. shall be prohibited for a set period from transferring to a third party, use as collateral, or otherwise dispose of the shares of common stock of the Bank received under the restricted stock allotment agreement; (2) When certain circumstances have occurred, the Bank shall acquire the said common stock without compensation.

Following consultation with the Nominating and Compensation Committee and considering the objectives of the Plan, the Bank's business conditions, the scope of responsibilities of each of the Eligible Directors, etc., and other relevant circumstances, the Bank has determined that, in order to further improve the motivation of each of the Eligible Directors, etc., it shall contribute total monetary receivables of 91,882,615 yen (hereinafter, "Monetary Receivables") and shares of common stock of 77,702 shares.

With regard to the Disposal of the Treasury Stock, 20 Eligible Directors, etc., who are the intended recipients of the allotment, shall pay all Monetary Receivables to the Bank as property contributed in kind and shall receive shares of common stock of the Bank (hereinafter, "Allotted Shares") through a disposal. The overview of the restricted stock allotment agreement concluded between the Bank and the Eligible Directors, etc., (hereinafter, "Allotment Agreement") is set out in item "3." below.

3. Overview of the Allotment Agreement

(1) Transfer restriction period

From July 18, 2025 (hereinafter, "Disposal Date") to July 17, 2055

(2) Conditions and timing for lifting of transfer restrictions

On the condition that Eligible Directors, etc. continuously hold the position of a Director of the Bank or an Executive Officer who does not concurrently serve as Directors of the Bank from the date on which they begin performing their duties until immediately before the conclusion of the next General Meeting of Shareholders that is held thereafter (hereinafter, "Service Period"), the Bank shall lift the transfer restrictions on all of the Allotted Shares at the point of expiration of the transfer restriction period (However, if during the transfer restriction period, the Eligible Directors, etc., retire or resign—including due to their death—as either a Director of the Bank or an Executive Officer who does not concurrently serve as a Director of the Bank, for reasons such as the end of their tenure or any other justifiable reason (this shall not include reasons to do with the personal convenience of the Eligible Directors, etc.; the same shall apply hereinafter), the Bank shall lift the transfer restrictions immediately after the Eligible Directors, etc., retire or resign.)

(3) Treatment upon retirement or resignation of Eligible Directors, etc., due to the end of their tenure or any other justifiable reason during the Service Period

1) Timing for lifting of transfer restrictions

If Eligible Directors, etc. retire or resign—including due to their death—as either a Director of the Bank or an Executive Officer who does not concurrently serve as a Director of the Bank, for reasons such as the end of their tenure or any other justifiable reason, the transfer restrictions shall be lifted immediately following their retirement or resignation.

2) Number of shares subject to lifting of transfer restrictions

The number of shares subject to lifting of transfer restrictions shall be calculated by multiplying the number of Allotted Shares held as of the point of retirement or resignation of the Eligible Directors, etc., set out in 1) by the Service Period (the number of months from the month that includes the Disposal Date to the month in which the Eligible Directors, etc. retire or resign) divided by 12 (if that number exceeds 1, it shall be set to 1.) (However, any fractional shares resulting from the calculation will be rounded down.)

(4) Acquisition without compensation by the Bank

If, during the transfer restriction period, an Eligible Director, etc., commits any act that violates laws or regulations or meets any other conditions specified in the Allotment Agreement, the Bank shall automatically acquire all of the Allotted Shares held by the said Eligible Director, etc., at that point in time without compensation. In addition, the Bank shall automatically acquire without compensation any Allotted Shares for which the transfer restrictions remain in place as of the expiration of the transfer restriction period or as of the time for lifting of transfer restrictions specified in 3) above.

(5) Treatment in case of organizational restructuring, etc.

If during the transfer restriction period, a merger agreement where the Bank will be the non-surviving company, share exchange agreement or share transfer plan where the Bank will become a wholly owned subsidiary or other item related to organizational restructuring, etc. are approved at an Annual General Meeting of Shareholders of the Bank (however, this shall be the Board of Directors of the Bank if the organizational restructuring, etc. does not require approval by the General Meeting of Shareholders of the Bank), the Bank shall, by a resolution of the Board of Directors, lift the transfer restrictions immediately before the business day prior to the effective date of the organizational restructuring, etc., for shares calculated by multiplying the number of Allotted Shares held as of that point by the Service Period (the number of months from the month that includes the Disposal Date to the month in which the approval for the organizational restructuring is granted) divided by 12 (if that number exceeds 1, it shall be set to 1.) (However, any fractional shares resulting from the calculation will be rounded down.) In addition, the Bank shall automatically acquire all Allotted Shares without compensation for which transfer restrictions have not been lifted immediately after the lifting of transfer restrictions.

(6) Malus and clawback system

The Bank shall establish a system to acquire without compensation all or a portion of the Allotted Shares allotted to the Eligible Directors, etc., or the common stock of the Bank for which the transfer restrictions have been lifted, or to be paid an amount equivalent to the value of the Allotted Shares or the common stock of the Bank for which the transfer restrictions have been lifted, in cases where the Board of Directors of the Bank recognizes that an Eligible Director, etc., has violated laws, regulations, or internal rules, etc., in any material respect during the transfer restriction period or after the lifting of the transfer restrictions, and when certain circumstances determined by the Board of Directors have occurred, including serious accounting irregularities or large losses.

(7) Stock management

Allotted Shares will be managed throughout the transfer restriction period in dedicated accounts opened by Eligible Directors, etc. with Nomura Securities Co., Ltd. so as to ensure that the Allotted Shares may not be transferred, used as collateral, or otherwise disposed of during the transfer restriction period. In order to ensure the effectiveness of the transfer restrictions, etc. on Allotted Shares, the Bank has concluded a contract with Nomura Securities Co., Ltd. pertaining to the management of the accounts of the Allotted Shares held by the respective Eligible Directors, etc. Eligible Directors, etc., shall agree to the details of the management of these accounts.

4. Basis for Calculation of the Amount to be Paid and Specifics

The disposal of treasury stock intended for allocation will be made in the form of monetary receivables as property contributed in kind paid through the restricted stock compensation plan for the Bank's 143rd fiscal year in accordance with the Plan. To ensure a price free of arbitrariness, the disposal price has been set at 1,182.5 yen, which is the closing price of the Bank's common stock on the Tokyo Stock Exchange Prime Market on June 19, 2025 (the business day prior to the date of the resolution of the Board of Directors). This represents the market price of the Bank's shares immediately before the resolution of the Board of Directors and is considered reasonable, without being particularly advantageous.