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July 24, 2026

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(Securities code: 8345; TSE Prime Market)
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# Notice of Disposal of Treasury Shares as Restricted Stock Compensation

The Bank of Iwate, Ltd. (the "Bank") hereby announces that at a meeting of the Board of Directors held today, it resolved to dispose of its treasury shares as restricted stock compensation (the "Disposal of Treasury Shares"), as described below.

## 1. Overview of the disposal

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| (1) Payment date | August 24, 2026 |
| (2) Class and number of shares subject to disposal | Common shares of the Bank<br>13,800 shares |
| (3) Disposal price | 2,243 yen per share |
| (4) Total value of disposal | 30,953,400 yen |
| (5) Planned allottees | Directors: 4 persons,11,800shares<br>Senior Managing Executive Officers: 2 persons,2,000shares<br>* Excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors |

## 2. Purpose and reasons for the disposal

The Bank at a meeting of the Board of Directors held on May 14, 2024 resolved to adopt a restricted stock compensation plan (the "Plan") as a new compensation plan for the Directors of the Bank (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors, hereinafter the same shall apply) with the objective of giving an incentive to work for the sustainable enhancement of the Bank's corporate value and promoting the further sharing of value with shareholders.

Furthermore, at the 142nd Annual General Meeting of Shareholders held on June 26, 2024, the Bank obtained shareholder approval for (1) the payment of compensation for the granting of restricted stock or the granting of restricted stock to the Directors, under the restricted stock compensation plan, and the transfer restriction period to be the period from the date of delivery of such shares until the date on which such Director has retired or resigned from the position of Director or other position stipulated by the Board of Directors of the Bank; (2) the method of granting restricted stock, in which either the common shares of the Bank are issued or disposed as compensation, etc. for the Directors without the need for the pay-in of cash, etc., or the commons shares of the Bank are issued or disposed in exchange for the monetary compensation claims paid to the Directors in their entirety as investment-in-kind assets; and (3) the total number of common shares of the Bank to be issued or disposed of under the restricted stock compensation plan to not exceed 200,000 shares (*) per annum, and such total amount to not exceed 80 million yen per annum, separate from the existing amount of monetary compensation.

Additionally, with the objective of giving an incentive to work for the sustainable enhancement of the Bank's corporate value and promoting the further sharing of value with shareholders, the Bank resolved to adopt a restricted stock compensation plan similar to that intended for the Directors for the Managing Executive Officers of the Bank (hereinafter, together with the restricted stock compensation plan intended for Directors shall be collectively referred to as the “Plan”).

At a meeting of the Board of Directors held today, the Bank resolved to pay four (4) Directors of the Bank (the “Eligible Director(s)”) and two Managing Executive Officers of the Bank (the “Eligible Executive Officer(s)” and hereinafter, together with the Eligible Directors shall be collectively referred to as “Eligible Officer(s)”) a total of 30,953,400 yen in monetary compensation claims, in light of the purpose of the Plan and the scope of responsibilities of each Eligible Officer and other circumstances. The monetary claims will be contributed to the Bank as an investment-in-kind, in exchange for the disposal of 13,800 common shares of the Bank as restricted stock.

The number of treasury shares to be disposed of under the Disposal of Treasury Shares will account for 0.02% of the total number of outstanding shares (as of March 31, 2026), which is insignificant. Thus, in light of factors including the objective of granting restricted stock, the Bank has deemed it reasonable.

(*) The Bank conducted a four-for-one stock split of its common stock, effective April 1, 2026. Accordingly, the number of shares stated indicates the number of shares after this stock split.

**<Overview of the restricted stock allotment agreement>**

In conjunction with the Disposal of Treasury Shares, the Bank concluded a restricted stock allotment agreement (the “Allotment Agreement”) with each Eligible Officer, an overview of which is as follows.

(1) Transfer restriction period

Eligible Officers may not transfer, create a security interest on, or otherwise dispose of the common shares of the Bank received by allotment under the Allotment Agreement (the “Allotted Shares”) during the period from August 24, 2026 (the payment date) until the date on which he or she retires from the position of Director or Executive Officer of the Bank.

(2) Conditions for removing the transfer restrictions

On the condition that the Eligible Officers have occupied (1) the position of Director of the Bank, in terms of Eligible Directors, or (2) the position of Managing Executive Officer of the Bank, in terms of Eligible Executive Officers, continuously during the period from the date of the Bank’s Annual General Meeting of Shareholders held immediately preceding the payment date to the date on which the Bank’s Annual General Meeting of Shareholders is held in the following fiscal year (the “Service Provision Period”), transfer restrictions on all of the Allotted Shares shall be removed at the time of the expiration of the transfer restriction period. However, if any Eligible Officer retires from the position of Director of the Bank, in terms of Eligible Directors, or from the position of Managing Executive Officer of the Bank, in terms of Eligible Officers, due to death or for any reason recognized as legitimate by the Board of Directors of the Bank during the Service

Provision Period, transfer restrictions shall be removed on all such shares at the time immediately following the expiration of the transfer restriction period.

(3) Acquisition by the Bank without compensation

The Bank shall rightfully acquire, without compensation, any Allotted Shares for which the transfer restrictions have not been removed at the time of the expiration of the transfer restriction period.

(4) Administration of shares

To prevent any Eligible Director from transferring, creating a security interest on, or otherwise disposing of the Allotted Shares during the transfer restriction period, the Allotted Shares will be administered in a dedicated account for the restricted stock at Daiwa Securities Co. Ltd. opened by each Eligible Director during the transfer restriction period.

(5) Treatment in the event of organizational restructuring

If, during the transfer restriction period, a merger agreement whereby the Bank will be the non-surviving party to the merger, or a share exchange agreement or share transfer plan whereby the Bank will become a wholly owned subsidiary of another party, or otherwise any matter concerning organizational restructuring, etc. is approved at the Annual General Meeting of Shareholders of the Bank (or by the Board of Directors of the Bank if such organizational restructuring, etc. does not require approval at the Annual General Meeting of Shareholders of the Bank), the Bank shall remove the transfer restrictions for all of the Allotted Shares on the business day immediately preceding the effective date of that organizational restructuring, etc.

## 3. Basis of calculating the amount to be paid in and other specific details

The Disposal of Treasury Shares shall be funded by the monetary compensation claims contributed by the planned allottees who have been paid the monetary compensation claims under the Plan. To avoid any arbitrary pricing, the amount to be paid in shall be set at 2,243 yen, the closing price of the Bank's common shares on the Tokyo Stock Exchange on July 23, 2026 (the business day immediately preceding the resolution of the Board of Directors). This is the market share price immediately preceding the date of the resolution of the Board of Directors, and the Bank judges this as a reasonable price that properly reflects the Bank's corporate value, given that there are no exceptional circumstances to prevent reliance on the latest stock price, and does not represent a particularly advantageous price for the Eligible Directors.