



MEMBERSHIP

August 26, 2025

Company name : The San-in Godo Bank, Ltd.

Representative : Hiroshi Yoshikawa,

President and Representative Director

(Securities code: 8381, TSE Prime Market)

Inquiries : Tsuyoshi Takahasi, Executive Officer,

General Manager of Management Planning Dept.

Notice Regarding the Official Introduction of an Employee Stock Compensation Plan
and Disposal of Treasury Shares through Third-Party Allotment

At the Board of Directors meeting held today, the bank resolved to officially introduce the employee stock compensation plan, the "Stock Granting Trust (J-ESOP)" (hereinafter referred to as "the Plan"), which was announced on March 10, 2025, and to dispose of treasury shares through a third-party allotment (hereinafter referred to as "the Disposal of Treasury Shares"). We hereby inform you of this decision. The Disposal of Treasury Shares will, in formality, be conducted by allotting shares to Custody Bank of Japan, Ltd. (Trust E Account), which is the re-trustee receiving a re-trust from the trustee of the trust (hereinafter referred to as "the Trust") established under the trust agreement to be entered into with Mizuho Trust & Banking Co., Ltd. in relation to the Plan. However, in substance, this is equivalent to allocating shares to our employees as compensation for services provided to the bank.

1. Overview of the Plan

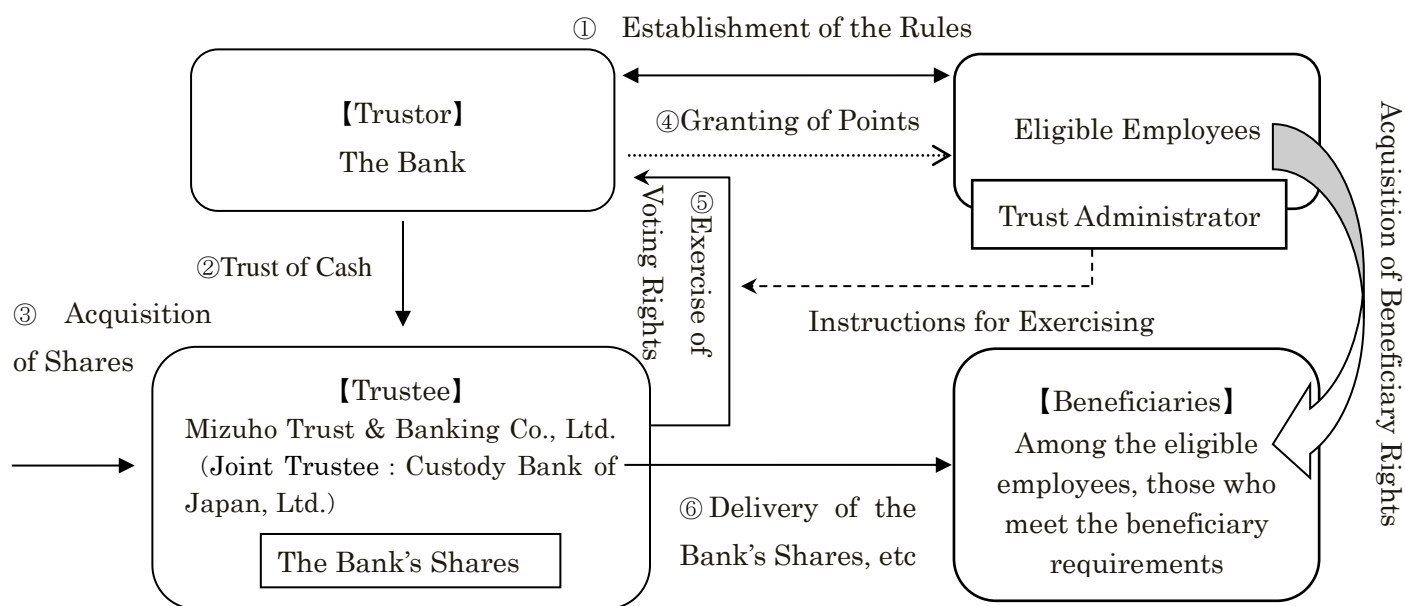
The Bank had previously announced, as of March 10, 2025, the introduction of the Plan for employees of the Bank Group. At the Board of Directors meeting held today, the bank resolved to introduce the Plan for our employees ahead of others. (The detailed rules of the Plan resolved at the same Board meeting are set forth in the "Stock Granting Rules," hereinafter referred to as "the Rules.") Please note that when the Plan is introduced for employees of group companies, we will make a separate announcement.

Under the Rules, points will be granted to our employees based on their individual performance contributions and the achievement level of the bank's overall performance. The points granted will be converted into shares of the bank's common stock or cash equivalent to the market value of the bank's shares (hereinafter referred to as "the Bank Shares, etc.") at the time of granting, with one point corresponding to one share of the bank's common stock. However, in the event of a stock split, gratis allotment of shares, or consolidation of shares, etc., reasonable adjustments will be made to the number of points granted or the conversion ratio according to the relevant proportion.

Employees who meet the beneficiary requirements stipulated in the Rules (hereinafter referred to as "Beneficiaries") will, upon completing the prescribed beneficiary determination procedures, receive the number of shares of the bank corresponding to their points from the Trust. However, if certain requirements specified in the Rules are met, a certain portion may be provided as cash equivalent to the market value of the bank's shares instead of shares.

The shares of the bank allotted to Custody Bank of Japan, Ltd. (Trust E Account) through the Disposal of Treasury Shares will be held by Custody Bank of Japan, Ltd. (Trust E Account) until the bank's employees receive their grants. Even employees who have been granted points will not be able to transfer or otherwise dispose of the corresponding shares until they have actually received the grant.

【Overview of the Plan】



- ① Upon introducing this plan, the bank will establish the Rules.
- ② In accordance with these Rules, the bank will entrust funds (beneficiary trust) to Mizuho Trust & Banking Co., Ltd. (re-trustee: Custody Bank of Japan, Ltd.) in order to acquire in advance the shares to be granted to eligible employees in the future.
- ③ The Trust will use the funds entrusted in ② as the source to acquire shares of the bank, either through market transactions on the stock exchange or by subscribing to the Disposal of Treasury Shares by the bank.
- ④ The bank will grant points to eligible employees in accordance with these Rules.
- ⑤ The Trust will exercise voting rights based on instructions from the trust administrator.
- ⑥ The Trust will grant the Bank Shares, etc. corresponding to the number of points awarded to beneficiaries (employees who meet the beneficiary requirements stipulated in the Rules) among the eligible employees. However, if employees meet certain requirements specified in the Rules, a certain portion of the points will be granted as cash equivalent to the market value of the Bank Shares.

2. Overview of the Trust

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|-------------|---|
| (1) Name | : Stock Grant Trust (J-ESOP) |
| (2) Trustor | : The Bank |
| (3) Trustee | : Mizuho Trust & Banking Co., Ltd.
(Re-trustee: Custody Bank of Japan, Ltd.) |

- (4) Beneficiaries : Among the Bank's employees, those who meet the beneficiary requirements stipulated in the Stock Compensation Rules
- (5) Trust Administrator : Selected from among the Bank's employees
- (6) Type of Trust : Trust of cash other than a money trust (trust for the benefit of a third party)
- (7) Purpose of the Trust : To deliver the Bank's shares, etc. held as trust assets to beneficiaries in accordance with the Stock Compensation Rules
- (8) Date of Trust Agreement Execution : September 11, 2025
- (9) Date of Cash Trust : September 11, 2025
- (10) Trust Period : From September 11, 2025 until the termination of the trust
(No specific termination date is set; the trust will continue as long as the Plan remains in effect.)

3. Overview of the Disposal of Treasury Shares

(1) Disposal Date	Thursday, September 11, 2025
(2) Type and Number of Shares to be Disposed	365,200 shares of common stock
(3) Disposal Price	1,369 yen per share
(4) Total Disposal Amount	499,958,800 yen
(5) Scheduled Allottees	Employees of the Bank 2,581 persons 365,200 shares (Notes 1, 2)
(6) Other	An Extraordinary Report regarding the Disposal of Treasury Shares will be submitted in accordance with the Financial Instruments and Exchange Act.

(Notes 1) The formal allottee of the Disposal of Treasury Shares is Custody Bank of Japan, Ltd. (Trust E Account). Custody Bank of Japan, Ltd. (Trust E Account) is the trust account established by entering into a trust agreement (hereinafter referred to as the "Trust Agreement") between the Bank (as trustor) and Mizuho Trust & Banking Co., Ltd. (as trustee, with Custody Bank of Japan, Ltd. as re-trustee). On the other hand, since the Disposal of Treasury Shares is conducted for the purpose of delivering shares to the Bank's employees under the Plan, it is, in substance, equivalent to the case where shares are allotted to the Bank's employees as compensation for services provided to the Bank. Therefore, the scheduled allottees are described as the Bank's employees.

(Notes 2) Under the Plan, points will be granted to the Bank's employees based on their individual performance contributions and the Bank's achievement of performance targets, and when certain conditions are met and beneficiary rights are acquired, the Bank's shares, etc. corresponding to the granted points will be delivered. Accordingly, the number of shares stated above is the maximum number, and the actual number of the Bank's shares, etc. to be delivered to the Bank's employees will vary depending on each employee's individual performance contribution and the Bank's achievement of performance targets.

4. Purpose and Reason for the Disposal

The Disposal of Treasury Shares is being conducted through a third-party allotment to the Trust E Account established at Custody Bank of Japan, Ltd., for the purpose of holding and disposing of the bank's shares in the

operation of the Plan. While, in formality, the disposal is made to Custody Bank of Japan, Ltd. (Trust E Account) as the allottee, in substance, it is equivalent to allocating shares to the bank's employees as compensation for services provided to the bank.

The number of shares to be disposed of corresponds to the number of shares expected to be granted to employees during the trust period, based on the Rules established above (covering the three fiscal years from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028). This represents 0.23% of the total number of issued shares as of March 31, 2025 (156,977,472 shares), and 0.24% of the total number of voting rights as of March 31, 2025 (1,526,121 voting rights), both rounded to the third decimal place.

The number of shares to be disposed of is considered reasonable in terms of the scale of dilution, in light of the purpose of the Plan as described in the "Notice Regarding the Introduction of an Employee Stock Compensation Plan" dated March 10, 2025, and corresponds to the number of shares expected to be granted to employees during the trust period (covering the three fiscal years from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028), as stipulated in the Rules.

5. Basis and Details of the Calculation of the Disposal Price

The disposal price has been set at 1,369 yen, which is the closing price of the bank's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors resolution regarding this disposal of treasury shares.

The reason for using the closing price on the business day immediately preceding the Board resolution is that it reflects the fair corporate value of the bank in the stock market and is considered reasonable.

Furthermore, the disposal price of 1,369 yen represents 103.95% of the average closing price for the most recent one-month period prior to the business day immediately preceding the Board resolution (rounded down to the nearest yen), 108.31% of the average closing price for the most recent three-month period (rounded down to the nearest yen), and 109.17% of the average closing price for the most recent six-month period (rounded down to the nearest yen). Based on the above, the disposal price for the Disposal of Treasury Shares is not considered to be particularly advantageous and is deemed reasonable.

Additionally, the Audit and Supervisory Committee has expressed its opinion that the above disposal price does not constitute a particularly advantageous price.

6. Matters Related to Procedures under the Corporate Code of Conduct

The Disposal of Treasury Shares does not require obtaining an opinion from an independent third party or confirming the intention of shareholders as stipulated in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, because ① the dilution ratio is less than 25%, and ② it does not involve any change in the controlling shareholder.