

May 13, 2025

Company name: North Pacific Bank, Ltd.
 Listing: Tokyo Stock Exchange / Sapporo Securities Exchange
 Representative: Hironobu Tsuyama President
 Inquiries: Hitoshi Nogiwa, Managing Executive Officer of Management Planning Department
 Securities code: 8524

Notice Regarding Change in Shareholder Return Policy

North Pacific Bank, Ltd. (the “Bank”) hereby announces that its Board of Directors has resolved at a meeting held today to change its shareholder return policy as described below.

1. Details of the Change

Before change	Items	Details
	Ordinary dividends	To ensure stable dividend payments, the Company will maintain an annual dividend of ¥10 per share and maintain a dividend payout ratio of at least 30%.
	Repurchase of treasury shares	Taking into consideration the level of capital adequacy ratio, financial outlook, and external environment, the total amount of annual dividends and repurchase of treasury shares* will be set at 50% of profit attributable to owners of parent, and the repurchase of treasury shares will be administered in a flexible and agile manner.

After change	Items	Details
	Ordinary dividends	To ensure stable dividend payments, the Company will maintain an annual dividend of ¥10 per share and maintain a dividend payout ratio of at least <u>40%</u> .
	Repurchase of treasury shares	Taking into consideration the level of capital adequacy ratio, financial outlook, and external environment, the total amount of annual dividends and repurchase of treasury shares* will be set at 50% of profit attributable to owners of parent, and the repurchase of treasury shares will be administered in a flexible and agile manner.

*Total return ratio = (Total annual dividends + total repurchase of treasury shares)/ profit attributable to owners of parent

2. Reasons for the Change

To further enhance the return of profits to shareholders through dividends

3. Time of Implementation

Effective from fiscal 2025 (fiscal year ending March 2026). As a result, the annual dividend forecast for fiscal 2025 is 26 yen per share (an increase of 7 yen from the previous fiscal year).

End