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Securities code: 5838

Date of notice: June 11, 2024

Date of commencement of measures for electronic provision: June 5, 2024

To Shareholders with Voting Rights:

Hiroyuki Nagai
Representative Director,
President and CEO
Rakuten Bank, Ltd.
2-16-5 Konan, Minato-ku,
Tokyo, Japan

**NOTICE OF
THE 25TH ANNUAL GENERAL SHAREHOLDERS' MEETING**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 25th Annual General Shareholders' Meeting of Rakuten Bank, Ltd. (the "Company") will be held as described below.

In convening this General Shareholders' Meeting, we have adopted measures for electronic provision of information, including that contained in the Reference Documents for the General Shareholders' Meeting, and have posted this information on the website shown below. If you choose not to attend the meeting, please review the Reference Documents for the General Shareholders' Meeting included in the matters subject to measures for electronic provision, and refer to the Information on the Exercise of Voting Rights below, to cast your votes by 5:30 p.m. on Wednesday, June 26, 2024.

The Company's Shareholders' Meeting website:

<https://www.rakuten-bank.co.jp/corp/english/investors/stock/meeting.html>

Please access the website shown above and select the Notice of the 25th Annual General Shareholders' Meeting to view the documents.

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. Japan Standard Time
(Reception opens at 9:00 a.m.)
- 2. Venue:** The GOTENYAMA Ballroom, Tokyo Marriott Hotel
4-7-36 Kitashinagawa, Shinagawa-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and Consolidated Financial Statements for the Company's 25th Fiscal Year (April 1, 2023 – March 31, 2024) and results of audits by the Accounting Auditors and the Audit and Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 25th Fiscal Year (April 1, 2023 – March 31, 2024)
 - Proposals to be resolved:**
 - Proposal 1:** Partial Amendments to the Articles of Incorporation
 - Proposal 2:** Election of Five (5) Directors
 - Proposal 3:** Determination of the Amount and Details of Stock Option Remuneration for Directors (Excluding Outside Directors)

This information is also presented on the following Internet website.

Tokyo Stock Exchange Listed Company Search website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the website shown above, enter the Company's name or securities code to search, and click on "Basic Information" then "Documents for public inspection/PR information" to view the information.

General Shareholders Meeting Portal Site™ (Sumitomo Mitsui Trust Bank):

<https://www.soukai-portal.net>

Scan the QR code printed on the attached voting rights exercise form or enter the login ID and password for the General Shareholders Meeting Portal Site.

- Any corrections to the matters subject to measures for electronic provision will be posted on each of these websites.
- Institutional investors that have applied in advance to use the Electronic Voting Platform operated by ICJ, Inc. may also exercise their voting rights electronically through that platform.

Notes concerning the exercise of voting rights:

- If you exercise your voting rights both on the voting rights exercise form and through the Internet, etc., only the vote cast electronically shall be deemed valid.
- If you vote multiple times through the Internet, etc., only the last vote shall be deemed valid.
- If you do not indicate a vote for or against a proposal on the voting rights exercise form, it shall be treated as a vote for the proposal.

Documents sent to shareholders who requested the delivery of documents:

The following information is not included in these documents, in accordance with laws, regulations, and Article 14, Paragraph 2 of the Company's Articles of Incorporation.

- "Share Acquisition Rights," "Systems to Ensure the Properness of Operations," and "Operational Status of Systems to Ensure the Properness of Operations" in the Business Report, "Consolidated Statements of Changes in Net Assets" and "Notes to the Consolidated Financial Statements" in the Consolidated Financial Statements, and "Non-consolidated Statements of Changes in Net Assets" and "Notes to the Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

These documents were among those audited by the Audit and Supervisory Board Members and the Accounting Auditors in preparing their audit reports.

We recommend the "Smart Exercise" system as a simple and convenient way to exercise your voting rights.

You can log into the voting website without entering your voting rights exercise code or password.

1. Scan the QR Code* shown in the bottom right of the voting rights exercise form with a smartphone or other device.

* "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.

2. Follow the on-screen instructions to cast your vote.

Note: You can exercise your voting rights using the Smart Exercise system only once. If you wish to change a vote you have cast using the Smart Exercise system, you must re-scan the QR Code and enter the voting rights exercise code and password printed on your voting rights exercise form.

Information on the Exercise of Voting Rights

If you do not plan to attend the meeting in person, you can exercise your voting rights in writing or through the Internet, etc.

In writing:

Please indicate your approval or disapproval on each proposal on the enclosed voting rights exercise form and return it by post to arrive by the date and time shown below.

By electromagnetic means (through the Internet, etc.):

Please scan the QR Code or access the website shown on the voting rights exercise form and cast your votes by the date and time shown below.

Deadline for the exercise of voting rights: **5:30 p.m. Japan Standard Time on Wednesday, June 26, 2024**

Live Broadcast on the Internet (in Japanese Only)

You can view a live broadcast of the meeting by accessing the website shown below and entering your login ID and password.

Date and time when the live broadcast begins: **10:00 a.m. Japan Standard Time on Thursday, June 27, 2024**

Login URL for viewing: <https://5838.ksoukai.jp>

ID: Shareholder number

Password: Zip code of the address recorded on the register of shareholders

Notes:

- We will endeavor to avoid showing shareholders in the live broadcast, but it is inevitable that the video footage may show some shareholders.
- The video and audio broadcast may be unclear or temporarily disconnected due to factors such as the Internet communications environment.
- You may be unable to view the broadcast depending on your device and network environment.
- Shareholders will be responsible for all expenses related to communications devices, Internet connection charges, communications expenses, etc. required to participate in the live broadcast.
- It is forbidden to provide your login ID or password to a third party, to record or copy audio or video of the live broadcast, or to provide the same to a third party.
- We will do our utmost to ensure that the live broadcast is available for all shareholders, but participation may not be possible due to unforeseen circumstances such as a deterioration in the communications environment, system malfunction, etc. Furthermore, depending on the circumstances, it may be necessary for us to cancel the broadcast. We request your understanding in advance.

Questions in Advance (in Japanese Only)

Please access the General Shareholders Meeting Portal Site from the QR Code or URL (<https://www.soukai-portal.net>) printed on the voting rights exercise form, click on the Questions in Advance button, enter and send your question.

Deadline for questions: **5:00 p.m. Japan Standard Time on Wednesday, June 19, 2024**

Inquiries (in Japanese Only)

Inquiries regarding the use of the General Shareholders Meeting Portal Site and voting website:

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agency Web Support Helpline:

0120-652-031 (9:00 a.m. to 9:00 p.m. JST)

Inquiries on connecting to the live broadcast: (in Japanese Only)

V-cube, Inc.

03-6833-6281

(From 9:00 a.m. JST until the conclusion of the General Shareholders' Meeting, Thursday, June 27)

Dear Shareholders:

I would like to begin by thanking all our stakeholders for their continued support.

On April 21, 2023, Rakuten Bank was listed on the Tokyo Stock Exchange Prime Market. Let me take this opportunity to express our sincere gratitude for your support and patronage.

I would also like to express our sympathies for the victims of the 2024 Noto Peninsula Earthquake. We sincerely wish for a swift recovery and restoration.

Looking back on fiscal 2023, the support of our customers propelled us past several major milestones, as the number of deposit accounts passed the 15 million mark and our non-consolidated balance of deposits exceeded 10 trillion yen. This has enabled us to cement our status as the digital bank with the greatest number of accounts and largest deposit balance in Japan. We also achieved record-high consolidated ordinary income and consolidated ordinary profit. Growth in net interest income drove consolidated ordinary income for fiscal 2023 to 137.9 billion yen (up 14% year on year), while the expansion of our business scale boosted operational efficiency, leading to consolidated ordinary profit of 48.3 billion yen (up 24% year on year).

As a bank, we are fully aware of our social responsibilities and the public role. We have worked to win the unshakable trust of society and firmly establish the value of our existence through a commitment to sound and efficient business operations based on a high level of self-discipline. We have also focused on leveraging the Rakuten Group's strong customer base and our strengths as a digital bank to expand our business and enhance our earning power. As a member of the Rakuten Group, we also share the common Mission, Vision, Values and Principles. We have run a business, aiming to contribute to society while boosting corporate value and aspire to coexist with society to be a Global Innovation Company in the FinTech domain. At Rakuten Bank, we aim to provide the highest-level of digital banking services that enable customers to use convenient banking services anytime, anywhere, with no restrictions on time or location. We always listen to our customers, aiming to further enhance our level of service to be the Safe, Secure, and Most Convenient Bank. As a leading FinTech Company, we will expand our business, enhance performance and maximize corporate value to continue contributing to our shareholders. All of us at Rakuten Bank will work together for a better future by contributing to social development through our business, and we look forward to your continued understanding and support.



June 2024

Hiroyuki Nagai, President and CEO

Reference Documents for the General Shareholders' Meeting

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation

2. Reason for the amendments

The Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts came into effect on June 16, 2021, enabling listed companies, under certain conditions predesignated in their articles of incorporation, to hold general shareholders' meetings without a location (general shareholders' meetings where directors, shareholders, and others attend via the Internet or other means without establishing a physical venue; also referred to as virtual shareholders' meetings). Based on the purpose of this legal change, the Company proposes to newly establish Article 11, Paragraph 2 of the Articles of Incorporation, as it considers that it is in the interests of shareholders to expand the options available for convening the General Shareholders' Meeting to mitigate the risk posed by any possible large-scale disaster such as a pandemic or other natural disaster, and in view of the advancing digitalization of society as a whole.

The Company received authorization required for this partial amendment to the Articles of Incorporation by the Minister of Economy, Trade and Industry and the Minister of Justice based on the Article 66, Paragraph 1 of the Industrial Competitiveness Enhancement Act (Act No. 98 of 2013) on July 27, 2023.

2. Details of the amendments

The details of the amendments are as follows.

(Amended parts are underlined)

Current Articles of Incorporation		Proposed Amendments	
Chapter 3. General Shareholders' Meeting (Convocation)		Chapter 3. General Shareholders' Meeting (Convocation)	
Article 11	The Company's Annual General Shareholders' Meeting shall be held in June each year and Extraordinary Shareholders' Meetings shall be held as necessary.	Article 11	The Company's Annual General Shareholders' Meeting shall be held in June each year and Extraordinary Shareholders' Meetings shall be held as necessary.
	(Newly established)	2.	<u>The Company's General Shareholders' Meetings may be held as shareholders' meetings without a location.</u>

Proposal 2: Election of Five (5) Directors

The terms of office for five Directors, Mr. Hiroyuki Nagai, Mr. Hiroshi Mikitani, Mr. Eiji Ebinuma, Mr. Michio Kayano, and Mr. Masatsugu Nagato, will expire at the conclusion of this Annual General Shareholders' Meeting. Accordingly, the reelection of all of the five Directors, Mr. Nagai, Mr. Mikitani, Mr. Ebinuma, Mr. Kayano, and Mr. Nagato, is proposed.

The candidates for Directors are as follows:

No.	Name		Current position in the Company	Number of years in office	Attendance at meetings of the Board of Directors
1	Hiroyuki Nagai	Male [Reelection]	Representative Director, President and CEO	10 years	100% (17/17)
2	Hiroshi Mikitani	Male [Reelection]	Executive Chairman	2 years and 2 months	100% (17/17)
3	Eiji Ebinuma	Male [Reelection] [Outside] [Independent]	Outside Director	8 years	100% (17/17)
4	Michio Kayano	Male [Reelection] [Outside] [Independent]	Outside Director	2 years and 6 months	100% (17/17)
5	Masatsugu Nagato	Male [Reelection] [Outside] [Independent]	Outside Director	2 years	100% (17/17)

[New election] New candidate for election

[Reelection] Candidate for reelection

[Outside] Candidate for Outside Director

[Independent] Independent Director as prescribed by Tokyo Stock Exchange, Inc.

(Reference) Corporate Governance

Basic Approach to Corporate Governance

At Rakuten Bank, we are aware that maximizing corporate value while also meeting our public responsibilities as a bank is fundamental to the concept of corporate governance. Therefore, we have established a corporate management framework that strengthens corporate governance while maintaining efficient and fair decision-making and business management systems utilizing transparent and sound management policy decision-making processes, strengthened mutual supervision provisions, a clearly defined compliance framework and clear disclosure mechanisms.

Corporate Governance Structure

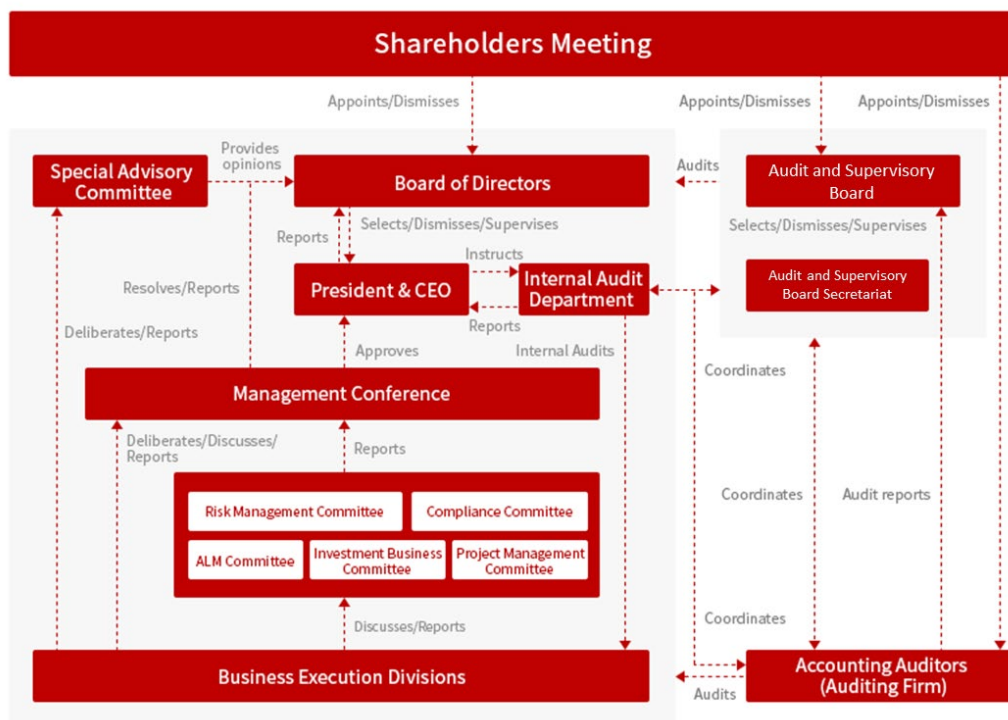
To ensure transparent and sound management policy decision-making processes and establish appropriate, efficient, and fair decision-making and business operation processes, the Company has adopted the structure of a company with an Audit and Supervisory Board based on the determination that auditing the Board of Directors from an independent standpoint by the Audit and Supervisory Board Members and the Audit and Supervisory Board is effective in ensuring the appropriateness of business execution.


The Board of Directors consists of five members, including three Outside Directors who have extensive business experience and are capable of evaluating and auditing the business results from an objective point of view.

The independent Audit and Supervisory Board Members consists of four members, including three Outside Audit and Supervisory Board Members, comprising highly experienced specialists possessing extensive knowledge from the finance industry to effectively monitor and audit management.





Structure Chart




No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	 <p data-bbox="236 611 440 674">Hiroyuki Nagai (October 4, 1964)</p> <p data-bbox="268 696 408 728">[Reelection]</p> <p data-bbox="240 757 435 788">10 years in office</p> <p data-bbox="204 817 472 902">Attendance at meetings of the Board of Directors: 100% (17/17)</p>	<p data-bbox="485 297 1265 356">Apr. 1987 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="485 360 1251 445">Sep. 2008 Joined Rakuten, Inc. (currently Rakuten Group, Inc.) Seconded to Rakuten KC Co., Ltd. (currently Rakuten Card Co., Ltd.)</p> <p data-bbox="485 450 1123 481">Dec. 2008 Executive Officer of Rakuten KC Co., Ltd.</p> <p data-bbox="485 486 1134 517">Mar. 2009 Managing Director of Rakuten KC Co., Ltd.</p> <p data-bbox="485 521 1241 580">Jan. 2013 Seconded to the Company, serving as Executive Vice President</p> <p data-bbox="485 584 1241 642">May 2013 Director of Japan Multi-Payment Network Promotion Association (current position)</p> <p data-bbox="485 647 1209 678">June 2014 Representative Director, President and CEO of the Company (current position)</p> <p data-bbox="485 683 1241 741">Sep. 2014 Director of The Trans Value Trust Company, Limited (currently Rakuten Trust Co., Ltd.) (current position)</p> <p data-bbox="485 745 1225 804">Apr. 2015 Senior Executive Officer of Rakuten, Inc. (currently Rakuten Group, Inc.)</p> <p data-bbox="485 808 1265 866">Apr. 2016 Managing Executive Officer of Rakuten, Inc. (currently Rakuten Group, Inc.)</p> <p data-bbox="485 871 1281 911">May 2020 Director of Rakuten International Commercial Bank Co., Ltd. (current position)</p>	5,000
<p data-bbox="204 920 778 952">Reason for nomination as a candidate for Director:</p> <p data-bbox="204 956 1463 1135">Mr. Hiroyuki Nagai has many years of experience spanning a diverse range of banking operations. Since joining the Rakuten Group, he has served in important positions such as Senior Executive Officer of Rakuten Group, Inc. and Managing Executive Officer of Rakuten Card Co., Ltd. He was appointed President of the Company in 2014, and has directed all aspects of the Company's management for over a decade, achieving steady and substantial growth within a short period. The Company proposes his reelection to bring about further growth and rapidly boost its corporate value.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	 <p data-bbox="233 913 440 972">Hiroshi Mikitani (March 11, 1965)</p> <p data-bbox="268 1003 408 1032">[Reelection]</p> <p data-bbox="201 1059 472 1120">2 years and 2 months in office</p> <p data-bbox="201 1146 472 1234">Attendance at meetings of the Board of Directors: 100% (17/17)</p>	<p data-bbox="483 264 1270 324">Apr. 1988 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="483 324 1166 353">May 1993 Received MBA from Harvard Business School</p> <p data-bbox="483 353 1270 441">Feb. 1996 President and Representative Director (currently Representative Partner) of Crimson Group, Inc. (currently Crimson Group, LLC) (current position)</p> <p data-bbox="483 441 1246 501">Feb. 1997 Founder and President and Representative Director of MDM, Inc. (currently Rakuten Group, Inc.)</p> <p data-bbox="483 501 1270 589">Feb. 2001 Chairman, and President and Representative Director of Rakuten, Inc. (currently Rakuten Group, Inc.) (current position)</p> <p data-bbox="483 589 1214 649">Mar. 2004 Chief Executive Officer of Rakuten, Inc. (currently Rakuten Group, Inc.) (current position)</p> <p data-bbox="483 649 1278 732">Apr. 2006 Chairman and Representative Director of Crimson Football Club, Inc. (currently Rakuten Vissel Kobe, Inc.) (current position)</p> <p data-bbox="483 732 1270 819">Feb. 2010 Representative Director of Japan e-business Association (currently Japan Association of New Economy) (current position)</p> <p data-bbox="483 819 1230 880">Oct. 2011 Chairman of Tokyo Philharmonic Orchestra (current position)</p> <p data-bbox="483 880 1254 940">Aug. 2012 Chairman and Representative Director and team owner of Rakuten Baseball, Inc. (current position)</p> <p data-bbox="483 940 1246 1023">July 2016 Group President of Group Company Division of Rakuten, Inc. (currently Rakuten Group, Inc.) (current position)</p> <p data-bbox="483 1023 1270 1111">July 2017 Chairman and Representative Director of Rakuten Aspyrian Japan K.K. (currently Rakuten Medical, K.K.) (current position)</p> <p data-bbox="483 1111 1214 1146">Feb. 2020 Director of AST & Science, LLC (current position)</p> <p data-bbox="483 1146 1206 1207">Mar. 2022 Representative Director and Chairman of Rakuten Mobile, Inc. (current position)</p> <p data-bbox="483 1207 1270 1267">Mar. 2022 Executive Chairman of Rakuten Card Co., Ltd. (current position)</p> <p data-bbox="483 1267 1262 1303">Apr. 2022 Executive Chairman of the Company (current position)</p> <p data-bbox="483 1303 1222 1364">Apr. 2022 Vice Chairman of the Board & Co-CEO of Rakuten Medical, Inc. (current position)</p> <p data-bbox="483 1364 1254 1424">June 2022 Executive Chairman of Rakuten Payment, Inc. (current position)</p> <p data-bbox="483 1424 1278 1485">July 2022 Executive Chairman of Rakuten Insurance Holdings Co., Ltd. (current position)</p> <p data-bbox="483 1485 1230 1545">Oct. 2022 Executive Chairman of Rakuten Securities Holdings, Inc. (current position)</p> <p data-bbox="483 1545 1270 1581">Aug. 2023 Representative Director, Chairman and CEO of Rakuten Symphony, Inc. (current position)</p>	0
<p data-bbox="201 1585 778 1615">Reason for nomination as a candidate for Director:</p> <p data-bbox="201 1615 1455 1800">Since founding what is now the Rakuten Group in February 1997, Mr. Hiroshi Mikitani has directed the management of the Group as its Representative Director, establishing the unique Rakuten ecosystem, an innovative and unprecedented business model. He concurrently serves as Chairman and Representative Director of Rakuten Group, Inc., Executive Chairman of Rakuten Card Co., Ltd., and Representative Director and Chairman of Rakuten Mobile, Inc. The Company considers that his extensive achievements and experience will contribute to strengthening the Company's function, and therefore proposes his reelection.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	 <p data-bbox="256 595 419 656">Eiji Ebinuma (July 3, 1957)</p> <p data-bbox="256 685 419 770">[Reelection] [Outside] [Independent]</p> <p data-bbox="245 799 430 831">8 years in office</p> <p data-bbox="204 860 472 943">Attendance at meetings of the Board of Directors: 100% (17/17)</p>	<p data-bbox="485 266 1270 327">Apr. 1980 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="485 327 1270 387">Sep. 2000 Seconded to Mizuho Holdings, Inc., serving as Counselor of Human Resources Planning Department</p> <p data-bbox="485 387 1270 448">Apr. 2003 Head of President's Office and General Planning Office of Olympic Corporation</p> <p data-bbox="485 448 1270 508">Dec. 2008 Registered as an attorney-at-law (Tokyo Bar Association)</p> <p data-bbox="485 508 1270 568">Joined Toranomom Sougoh Law Firm</p> <p data-bbox="485 568 1270 629">Jan. 2013 Partner of Tanabe & Partners (current position)</p> <p data-bbox="485 629 1270 689">June 2014 Director of MIRAIT Holdings Corporation (currently MIRAIT ONE Corporation)</p> <p data-bbox="485 689 1270 750">June 2016 Outside Director of the Company (current position)</p> <p data-bbox="485 750 1270 810">Mar. 2019 Outside Auditor of SymBio Pharmaceuticals Limited</p> <p data-bbox="485 810 1270 871">June 2019 Outside Company Auditor of TOKO ELECTRICAL CONSTRUCTION CO., LTD.</p> <p data-bbox="485 871 1270 931">Mar. 2021 Outside Director of SymBio Pharmaceuticals Limited (current position)</p>	0
<p data-bbox="204 949 1091 981">Reason for nomination as a candidate for Outside Director and expected roles:</p> <p data-bbox="204 981 1455 1285">Mr. Eiji Ebinuma possesses professional knowledge and experience as an attorney-at-law and a wealth of experience and insight nurtured during his tenure as Counselor of Human Resources Planning Department of Mizuho Holdings, Inc. and Head of President's Office and General Planning Office of Olympic Corporation, among other positions. The Company expects Mr. Ebinuma to provide advice and make other contributions from an objective viewpoint based on the knowledge and experience. Furthermore, the Company believes that he will be able to utilize the experience and insight to further enhance the Company's corporate governance. The Company therefore proposes the reelection of Mr. Ebinuma as Outside Director. Although Mr. Ebinuma has never been involved in corporate management except as an outside director or auditor, the Company believes he is able to appropriately fulfill his duties as Outside Director based on the reasons described above and his achievements at the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	 Michio Kayano (July 22, 1954) [Reelection] [Outside] [Independent] 2 years and 6 months in office Attendance at meetings of the Board of Directors: 100% (17/17)	Apr. 1977 Joined Mitsui Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation) Apr. 2001 Deputy General Manager of Information Systems Planning Department of Sumitomo Mitsui Banking Corporation June 2005 General Manager of Banking System Division I of The Japan Research Institute, Limited June 2006 Executive Officer and General Manager of Banking System Division I of The Japan Research Institute, Limited July 2010 Managing Executive Officer and Head of First Development Section of The Japan Research Institute, Limited July 2015 Senior Managing Director and Director of Development Promotion Division / Infrastructure Development Division of The Japan Research Institute, Limited June 2017 Senior Advisor of The First Bank of Toyama, Ltd. June 2018 Outside Audit and Supervisory Board Member of the Company May 2021 System Advisor of the Japan Pension Service Dec. 2021 Outside Director of the Company (current position)	0
Reason for nomination as a candidate for Outside Director and expected roles: Mr. Michio Kayano possesses a wealth of experience and insight nurtured during his tenure as Deputy General Manager of Information Systems Planning Department of Sumitomo Mitsui Banking Corporation and Senior Managing Director of The Japan Research Institute, Limited, among other positions, as well as Outside Audit and Supervisory Board Member of the Company. The Company expects Mr. Kayano to provide advice and make other contributions from an objective viewpoint based on the knowledge and experience. Furthermore, the Company believes that Mr. Kayano will be able to utilize the experience and insight to further enhance the Company's corporate governance. The Company therefore proposes the reelection of Mr. Kayano as Outside Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	 Masatsugu Nagato (November 18, 1948) [Reelection] [Outside] [Independent] 2 years in office Attendance at meetings of the Board of Directors: 100% (17/17)	Apr. 1972 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) June 2000 Executive Officer and General Manager of Sales Department II (Automobiles / Electric Appliances) of The Industrial Bank of Japan, Limited June 2001 Managing Executive Officer and General Manager of Research Department of The Industrial Bank of Japan, Limited Apr. 2002 Managing Executive Officer (in charge of branch sales) of Mizuho Bank, Ltd. Apr. 2003 Managing Executive Officer overseeing the Americas region of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) June 2006 Corporate Executive Vice President of Fuji Heavy Industries, Ltd. June 2007 Director, Corporate Executive Vice President in charge of the entire overseas sales of Fuji Heavy Industries, Ltd. June 2010 Representative Director and Executive Vice President of Fuji Heavy Industries, Ltd. June 2011 Director and Deputy Chairman of Citibank Japan, Ltd. Jan. 2012 Director and Chairman of Citibank Japan, Ltd. May 2015 Director, President and Representative Executive Officer of Japan Post Bank Co., Ltd. June 2015 Director of Japan Post Holdings Co., Ltd. Apr. 2016 Director, Representative Executive Officer, President and CEO of Japan Post Holdings Co., Ltd. Director of Japan Post Co., Ltd. Director of Japan Post Bank Co., Ltd. June 2016 Director of Japan Post Insurance Co., Ltd. Oct. 2018 Councillor of the Gakushuin School Corporation (current position) Jan. 2021 Senior Advisor of McKinsey & Company Incorporated (current position) Feb. 2021 Senior Advisor of Insight Partners (current position) Feb. 2022 Director of The Industry Club of Japan (current position) June 2022 Outside Director of the Company (current position)	0
Reason for nomination as a candidate for Outside Director and expected roles: Mr. Masatsugu Nagato held prominent positions, including Director, President and Representative Executive Officer of Japan Post Bank Co., Ltd. and Director, Representative Executive Officer, President and CEO of Japan Post Holdings Co., Ltd., and possesses a wealth of experience and insight nurtured while serving as a corporate manager. The Company expects Mr. Nagato to provide advice and make other contributions from an objective viewpoint based on the knowledge and experience. Furthermore, the Company believes that Mr. Nagato will be able to utilize the experience and insight to further enhance the Company's corporate governance. The Company therefore proposes the reelection of Mr. Nagato as Outside Director.			

Notes: 1. Mr. Eiji Ebinuma, Mr. Michio Kayano, and Mr. Masatsugu Nagato are candidates for Outside Directors.

2. Liability limitation agreements with Directors

The Articles of Incorporation of the Company stipulate that the Company may enter into an agreement with each of its Directors (excluding those who are executive directors, etc.) to limit their liability for damages to the Company within a certain range.

Mr. Hiroshi Mikitani, the candidate for non-executive director, is currently a non-executive director of the Company. Mr. Eiji Ebinuma, Mr. Michio Kayano, and Mr. Masatsugu Nagato, the candidates for Outside Directors, are currently Outside Directors of the Company. The Company has already entered into a liability limitation agreement with each of them and plans to renew the liability limitation agreements if they are reelected to the office of Director.

An outline of the content of the liability limitation agreements is as follows:

- (i) In the event that the Director incurs liability for damages to the Company due to negligence of his duties, his liability shall be limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
 - (ii) The aforementioned liability limitation shall be applied only to cases where the Director performed his duties that gave rise to such liability in good faith and without gross negligence.
3. Indemnity agreements with Directors
- The Company enters into an agreement with each of its Directors under which the Company shall indemnify the Directors against the expenses stipulated in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the loss stipulated in Paragraph 1, Item 2 of the same article to the extent specified by laws and regulations. The Company has already entered into indemnity agreements with Mr. Hiroyuki Nagai, Mr. Hiroshi Mikitani, Mr. Eiji Ebinuma, Mr. Michio Kayano, and Mr. Masatsugu Nagato, the candidates for Directors, and plans to renew the agreements with each of them if they are reelected to the office of Director.
4. Directors and officers liability insurance agreement for Directors
- The Company has entered into a directors and officers liability insurance agreement with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act to insure all of its Directors. The agreement will cover damage that may arise when insured Directors incur liability in the course of executing their duties or receive a claim for such liability. However, there are certain grounds for exemptions. For example, damage caused intentionally or due to gross negligence will not be covered. If the candidates for Directors are reelected to the office of Director, they will be insured under the agreement, and the Company plans to renew the agreement during their tenure.
5. Numbers of years since the candidates for Outside Directors assumed the office of Outside Director
- The numbers of years since the candidates for Outside Directors, who are currently Outside Directors of the Company, assumed the office of Outside Director as of the conclusion of this Annual General Shareholders' Meeting will be as follows:
- | Name | Date of assumption of office | Years of service |
|------------------|------------------------------|--------------------------|
| Eiji Ebinuma | June 29, 2016 | Eight years |
| Michio Kayano | December 27, 2021 | Two years and six months |
| Masatsugu Nagato | June 27, 2022 | Two years |
6. If the reelection of Mr. Eiji Ebinuma, Mr. Michio Kayano, and Mr. Masatsugu Nagato is approved, the Company plans to appoint them as Independent Directors as prescribed by Tokyo Stock Exchange, Inc.

Independence Criteria and Qualities of Independent Outside Directors

As a rule, Directors who do not fall under any of the criteria below shall be deemed to possess sufficient independence and shall all be elected as Independent Directors.

- A. A person for whom the Company is a major trading partner, an executive*¹ of a company for which the Company is a major trading partner, or a major trading partner of the Company or an executive*¹ thereof;
- B. A consultant, accounting or legal specialist, or a member of a group thereof, that receives substantial monetary payments or other property from the Company, other than remuneration as a corporate officer;
- C. A major shareholder of the Company or an executive of a major shareholder of the Company;
- D. A person who recently*² fell under criteria A, B, or C;
- E. A person who fell under criteria (i) or (ii) below within ten years before election as Director:
 - (i) An executive or non-executive Director or Audit & Supervisory Board Member of Rakuten Group, Inc. (limited to cases where an Outside Audit and Supervisory Board Member is designated as an Independent Audit and Supervisory Board Member); or,
 - (ii) An executive at a company for which Rakuten Group, Inc. is the parent company;or,
- F. A relative within the second degree of kinship of a person falling under (i), (ii), or (iii) below (excluding those who are not significant):
 - (i) A person falling under any of A to E above;
 - (ii) An executive or non-executive director of a subsidiary of the Company (limited to cases where an Outside Audit and Supervisory Board Member is designated as an Independent Audit and Supervisory Board Member); or,
 - (iii) A person who recently fell under F. (ii) above or was recently an executive of the Company (in case an Outside Audit and Supervisory Board Member is designated as an Independent Audit and Supervisory Board Member, non-executive Directors shall be included).

*1 “Executive” as defined under Article 2, Paragraph 3, Item 6 of the Regulations for Enforcement of the Companies Act, including not only executive directors but also employees.

*2 “Recently” refers to the timing considered to be substantially the same as present, such as where the person fell under criteria A, B, or C at the time when a resolution for election as an Outside Director or Outside Audit and Supervisory Board Member was adopted by the General Shareholders’ Meeting.

(Reference) Skills Matrix of Directors and Audit and Supervisory Board Members

Position	Name	IT	Finance	Management	Legal Affairs	Financial affairs and Accounting
Director	Hiroyuki Nagai	●	●	●		
Director	Hiroshi Mikitani	●	●	●		
Outside Director	Eiji Ebinuma		●		●	
Outside Director	Michio Kayano	●	●	●		
Outside Director	Masatsugu Nagato		●	●		
Audit and Supervisory Board Member	Takeo Shikado		●	●		
Outside Audit and Supervisory Board Member	Shinnosuke Yamada					●
Outside Audit and Supervisory Board Member	Tadamichi Shibano	●				
Outside Audit and Supervisory Board Member	Toru Mimura		●		●	

Note: The skill matrix shown above is current at the time of this Annual General Shareholders' Meeting.

Proposal 3: Determination of the Amount and Details of Stock Option Remuneration for Directors
(Excluding Outside Directors)

In order to further share the benefits and risks of stock price fluctuations with our shareholders and to increase the directors' motivation and morale to improve the Company's performance and corporate value, we are requesting your approval to set the maximum amount of remuneration in the form of stock acquisition rights, as stock options, at up to 200 million yen per year. This is in addition to the remuneration approved at the 7th Annual General Shareholders' Meeting held on June 9, 2006, in accordance with the provisions of Article 361 of the Companies Act. We also seek your approval for the details of the stock options as described below.

In addition to the purpose of the aforementioned stock options, the amount and specific details of the remuneration in the form of stock acquisition rights will be determined by comprehensively considering various factors such as the status of the directors' execution of duties and their contributions. Furthermore, the proportion of shares issued upon the exercise of these stock options relative to the total number of issued shares is low, resulting in minimal dilution. Therefore, we believe that the content of the directors' remuneration is appropriate.

Currently, our Board of Directors consists of five members (including three Outside Directors). If Proposal 2 (Election of Five Directors) is approved as originally proposed, the Board will continue to consist of five members (including three Outside Directors).

The upper limit and details of the stock acquisition rights are as follows.

1. Number of stock acquisition rights

The maximum number of stock acquisition rights to be issued in each fiscal year shall be 2,000.

2. Class and number of shares to be issued upon exercise of stock acquisition rights

The type of shares to be issued upon exercise of stock acquisition rights shall be common stock of the Company, and the number of shares to be issued upon exercise of each stock acquisition right (hereinafter referred to as the "Number of Granted Shares") shall be 200,000 shares. In the event that the Company conducts a stock split (including a gratis allotment of shares of common stock of the Company) or a consolidation of shares after the allotment date of the stock acquisition rights (hereinafter referred to as the "Allotment Date"), the Number of Granted Shares shall be adjusted in accordance with the following formula, and any fraction less than one share resulting from the adjustment shall be rounded down.

Number of shares after adjustment

$$= \text{Number of shares before adjustment} \times \text{Ratio of split or consolidation}$$

In addition, if the Company carries out a merger, a company split, share exchange, share transfer, or other action that makes it necessary to adjust the number of shares (hereinafter collectively referred to as "Merger, etc."), the number of shares may be adjusted within a reasonable range, taking into account the conditions and other relevant details of the Merger, etc.

3. Amount of cash to be paid in exchange for stock acquisition rights

No cash payment is required in exchange for the issuance of the stock acquisition rights.

4. Value of the assets to be contributed upon exercise of stock acquisition rights

One yen per stock acquisition right

5. Exercise period of stock acquisition rights

The exercise period will be from the date on which stock acquisition rights are issued (hereinafter referred to as the "Date of Issuance") until the date on which 40 years have passed from the Date of Issuance. If the first day or final day of the exercise period falls on a holiday of the Company, the first

day will be changed to the immediately following business day and the final day will be changed to the immediately preceding business day.

6. Matters concerning capital and capital reserves to be increased in the event of the issuance of shares upon the exercise of stock acquisition rights

(i) The amount of capital to be increased in the event of the issuance of shares upon the exercise of stock acquisition rights shall be half of the maximum amount of increase in capital, etc., as calculated in accordance with Article 17, Paragraph 1 of the Ordinance on Company Accounting, with any fraction of less than one yen resulting from the calculation being rounded up to the nearest one yen.

(ii) The amount of capital reserve to be increased in the event of the issuance of shares upon the exercise of stock acquisition rights shall be the amount obtained by subtracting the amount of capital to be increased as set forth in (i) above from the maximum amount of increase in capital, etc. as set forth in (i) above.

7. Conditions for exercise of stock acquisition rights

(i) Those who hold the stock acquisition rights (hereinafter “Holders”) may exercise such rights within ten days from the date following the date on which they cease to hold any position as director, executive officer, company auditor, or employee of the Company and its subsidiaries.

(ii) Stock acquisition rights may not be inherited; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors in consideration of circumstances.

(iii) Other conditions for the exercise of rights shall be as set forth in the stock acquisition right allotment agreement to be entered into between the Company and the Holders based on a resolution of the Company's Board of Directors.

8. Conditions for acquisition of stock acquisition rights

(i) The Company may acquire the stock acquisition rights without compensation if the Holders no longer meet the conditions for exercising the stock acquisition rights as set forth in 7 above.

(ii) The Company may acquire stock acquisition rights without compensation on a date separately determined by the Board of Directors if a merger agreement under which the Company is to be absorbed, a company split agreement or plan under which the Company is to be split, or a share exchange agreement or share transfer plan under which the Company is to become a wholly owned subsidiary, is approved at a general shareholders’ meeting (or resolved by the Board of Directors if approval at a general shareholders’ meeting is not required).

9. Restriction on acquisition of stock acquisition rights by transfer

Acquisition of stock acquisition rights by transfer shall require approval by a resolution of the Company's Board of Directors.

10. Other details of the stock acquisition rights

Other details concerning the stock acquisition rights shall be left to the complete discretion of the Representative Director.