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Corporate Governance Report
CORPORATE GOVERNANCE Rakuten Bank, Ltd.

Last Update: October 1, 2026

Rakuten Bank, Ltd.
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Securities code: 5838
https://www.rakuten-bank.co.jp/corp/english/

The corporate governance of Rakuten Bank, Ltd. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

At the Company, 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.

Reasons for Non-compliance with the Principles of the Corporate Governance Code Updated

【This information is based on the Corporate Governance Code (as revised in June 2021).】
The Company adopts and implements every principle defined under the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code Updated

【This information is based on the Corporate Governance Code (as revised in June 2021).】
<Principle 1.4: Cross-Shareholdings>
The Company currently does not hold any listed shares as cross-shareholdings.

<Principle 1.7: Related Party Transactions>
The Board of Directors appropriately handles conflict-of-interest transactions with Directors in accordance with the Companies Act. For related party transactions, except for those that are clearly in the interest of general shareholders, the Company verifies the business necessity and fairness of transaction terms and follows procedures based on internal regulations to ensure the soundness and appropriateness of transactions. These transactions are reported to the Special Advisory Committee, which consists of Independent Directors/Audit and Supervisory Board Members (Outside Directors and Outside Audit and Supervisory Board Members who do not have conflicts of interest with general shareholders). Additionally, decisions on management policies based on strategic requests from Rakuten Group, Inc., personnel matters related to both the Company and Rakuten Group, and transactions and actions requiring approval by the President or higher are pre-consulted with the Special Advisory Committee to ensure the sound and appropriate operation of the Company and the protection of minority shareholders.

<Supplementary Principle 2.4.1: Ensuring Diversity in the Appointment of Core Human Resources>
The Company, as part of the Rakuten Group, recruits personnel based on their abilities and follows a non-discriminatory policy. The Company employs individuals of diverse ages and backgrounds. The Company has a policy of promoting employees to managerial positions based on their abilities and aptitudes, regardless of gender, nationality, or whether they were hired as new graduates or mid-career. While the Company does not set quantitative targets for promoting foreigners or mid-career hires to managerial positions, it believes that appointing suitable candidates based on the required experience, skills, and attributes for each position is more reasonable than setting uniform targets. The Company, being relatively new, has a majority of its managerial positions filled by mid-career hires, resulting in a managerial population with more diverse backgrounds than those of traditional financial institutions. The Company has set targets to have women occupy at least 35% of managerial positions, to maintain the parental leave acquisition rate for women at 100% and achieve a rate of 64% or higher for men, and to maintain

the monthly average overtime hours for all employees at 30 hours or less by March 31, 2028. As of March 31, 2026, the actual figures were 28.1% for the percentage of female workers in managerial positions, 100% for the parental leave acquisition rate among women and 45% among men, and approximately 25 hours for average monthly overtime. The Company will continue to improve the working environment for all employees, regardless of gender, nationality, or hiring status.

<Principle 2.6: Roles of Corporate Pension Funds as Asset Owners>
The Company has not introduced defined benefit pension plans or welfare pension funds as stipulated by the Code. However, to support stable asset formation for employees, the Company has introduced a corporate defined contribution pension plan (Life Plan System).

<Principle 3.1: Full Disclosure>
(i) The Company discloses its management philosophy, management policies, and medium- to long-term vision on its website.
(ii) For the basic policy on corporate governance, please refer to I.1 “Basic Views” in this report.
(iii) Policies and procedures for determining remuneration for senior management and Directors are as follows: The President determines the remuneration of executive officers based on job content, personal evaluation, and business performance. Policies and procedures for determining remuneration for senior management and Directors are disclosed in II.1 (Director Remuneration) “Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods” in this report.
(iv) Policies and procedures for appointing and dismissing senior management and nominating Director and Audit and Supervisory Board Member candidates are as follows: When appointing executive officers, the Board of Directors selects individuals who are well-versed in the Company's operations, possess excellent character, insight, and execution ability, and are capable of fulfilling their duties. Additionally, the Board of Directors may request the resignation or dismiss an executive officer if they are found to be unsuitable according to internal regulations.
In recommending Director candidates, the Board of Directors, in accordance with the intent of the Banking Act, selects individuals who are highly insightful and socially credible. It is the Board's policy to nominate a majority of its members as Outside Directors.
In selecting candidates for Audit and Supervisory Board Members, the Audit and Supervisory Board carefully considers candidate qualifications as Audit and Supervisory Board Members, taking into consideration factors including the candidate’s ability to serve out their full term of office, ensure independence from business executors, and maintain a fair and unbiased perspective.
Further, when nominating a candidate from the Rakuten Group, the Special Advisory Committee is consulted in advance to determine whether there are any obstacles to the sound and appropriate management of the Company’s business, as well as to protect minority shareholders, as interrelated personnel matters between the Company group and the Rakuten Group.
(v) The reasons for nominating individual Director and Audit and Supervisory Board Member candidates are disclosed in the Notice of General Shareholders’ Meeting. Reasons for appointing or dismissing senior management are disclosed on the Company’s website as necessary.

<Supplementary Principle 3.1.3: Initiatives for Sustainability>
The Company’s initiatives on sustainability are disclosed on its website:
https://www.rakuten-bank.co.jp/corp/english/sustainability/
As an investment in human capital, the Company is committed to cultivating digital talent that combines high technical expertise with extensive business knowledge to drive innovation in financial services, as well as customer-oriented professionals who are capable of delivering convenient services with speed by deeply understanding user needs. To achieve this, the Company is strengthening essential financial knowledge and skills through comprehensive training programs, including e-learning and on-the-job training (OJT). Furthermore, the Company provides opportunities for employees to proactively engage in skills and career development by supporting self-directed learning through an online system, establishing assistance programs for English language learning and professional certifications, introducing career-focused training for middle management and business skills training, and implementing job rotations based on employee career surveys. Additionally, the Company regularly conducts one-on-one meetings to enhance workplace communication and maximize organizational performance, while also supporting the career development and retention of new graduates through follow-up training programs. As an investment in intellectual property, the Company enhances various security services to ensure safe and secure use of its financial services.

The Company has expressed its support for the Task Force on Climate-related Financial Disclosures (TCFD). Aiming for decarbonization across its entire value chain, the Company is steadily advancing initiatives both domestically and internationally, including supporting society’s transition to carbon neutrality through environment-related investments and financing, measuring greenhouse gas (GHG) emissions in accordance with the GHG Protocol, and pursuing the transition to 100% renewable energy.

<Supplementary Principle 4.1.1: Roles and Responsibilities of the Board>
The Board of Directors monitors the Company’s management, resolves statutory matters, determines basic policies, exchanges opinions from broad perspectives, and establishes a management control framework in an effort to enhance the fairness and transparency of business execution. The Company has established a Management Conference separate from the Board of Directors. The Management Conference serves as a deliberative body for matters to be resolved by the Board of Directors, a business execution body based on business operation policies decided by the Board of Directors, and a prior consultation body for matters authorized by the President under the authority of the Board of Directors to facilitate decision-making and provide information necessary for management monitoring with regard to proposals submitted to the Board of Directors.

<Principle 4.9: Independence Criteria and Qualifications for Independent Outside Directors>
The Company considers Directors to have sufficient independence if they do not fall under any of the following criteria and appoints all Independent Directors/Audit and Supervisory Board Members accordingly.
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 and 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

<Supplementary Principle 4.10.1: Use of Optional Approach>
The Company has selected four Outside Directors out of the seven Directors, with Outside Directors constituting the majority of the Board of Directors. The Company receives appropriate involvement and advice from Outside Directors in the deliberation of important matters.

<Supplementary Principle 4.11.1: Composition of the Board of Directors>
The Company's Board of Directors consists of Directors with diverse backgrounds in terms of expertise and experience, and the number of Directors is set to ensure the most effective and efficient functioning of the Board. Currently, the Board consists of seven Directors, which is considered an appropriate size for effective decision-making and supervision, with a balanced mix of knowledge, experience, and skills. The Company discloses the positions, career summaries, and reasons for selection of each Director in the Notice of General Shareholders' Meeting, indicating the roles, expertise, and experience expected of each Director. The selection of Director candidates is based on the skills possessed by each Director, with candidates decided by the Board of Directors, which has a majority of Outside Directors. The combination of skills and other attributes of the Directors is disclosed on the Company's website.
https://www.rakuten-bank.co.jp/corp/english/about/governance/corporate/

<Supplementary Principle 4.11.2: Concurrent Posts Held by Directors>
Directors and Audit and Supervisory Board Members, including Outside Directors and Outside Audit and Supervisory Board Members, devote the necessary time and effort to their duties and limit concurrent positions to a reasonable extent. The status of concurrent positions of Directors and Audit and Supervisory Board Members is disclosed on the Company's website.
https://www.rakuten-bank.co.jp/corp/english/about/management.html

<Supplementary Principle 4.11.3: Effectiveness Evaluation of the Board of Directors>
To further improve the Board of Directors' efficacy with the aim of ascertaining matters that require consideration going forward, the Company conducted a survey on the Board of Directors' operation targeting all Directors and Audit and Supervisory Board Members in April 2026 to assess the overall efficacy of the Board of Directors, and the results of this survey were reported to the Board of Directors in May 2026.

<Evaluation Method>
Evaluators: Director, Audit and Supervisory Board Members (total of 9 individuals)
Methodology: Questionnaire. The questionnaire included both questions and spaces for free-form text responses. Following the survey, strategies for improving effectiveness are reported to the Board of Directors.
Overview: Matters related to decisions on important business execution, and deliberations by the Board of Directors, etc.

<Evaluation Results>
The Company has confirmed that the effectiveness of the Board of Directors is generally ensured. In addition, the following intentions were also confirmed for further improvement of effectiveness:
- T strive for more in-depth discussions on important themes such as growth strategies based on the economic and competitive

environment, human capital strategies, and AI utilization policies.
- Regarding the submission standards for the Board of Directors, the content and volume of agenda items and reporting items are appropriate, and we will continue to work on efficient operation aimed at in-depth discussions.

<Efforts to Improve Effectiveness>
Based on the results of the effectiveness evaluation for the previous fiscal year, we implemented the following measures to further enhance Board deliberations and improve the effectiveness of the Board of Directors:
- Established time for free discussions in addition to deliberations on Board resolutions and reports, to facilitate more in-depth discussions on important themes such as management issues and growth strategies.
- Introduced written reports for routine agenda items and optimized meeting durations based on the nature of each proposal, thereby ensuring sufficient time for in-depth deliberations.

<Supplementary Principle 4.14.2: Training Policy for Directors and Audit and Supervisory Board Members>
The Company provides opportunities for Directors and Audit and Supervisory Board Members to acquire knowledge and information necessary for executing their duties, enabling them to properly fulfill their roles. Specifically, newly appointed executives have always received operational explanations from divisional general managers pertaining to the division under their jurisdiction, while the President and CEO, Outside Directors, and Outside Audit and Supervisory Board Members are, in principle, provided with opportunities to exchange opinions individually among themselves after regular Board of Directors meetings to continuously support the acquisition of information and knowledge necessary to fulfill executive roles upon appointment. The Company also covers the cost of outside seminars and other self-directed learning activities required to fulfill expected roles.

<Principle 5.1: Dialogue with Shareholders>
The Company's basic policy is to strive to enhance corporate value through timely and appropriate disclosure to shareholders and investors, as well as fair and equitable disclosure to all stakeholders, including customers, business partners, and employees, in accordance with the Banking Act, the Financial Instruments and Exchange Act, other relevant laws and regulations, and the rules on timely disclosure established by the Tokyo Stock Exchange (TSE). The following measures are implemented to achieve this:

1. The Executive Manager in charge of the Planning Division oversees general dialogue with shareholders, supported by the IR team and other departments such as planning, finance, legal, general affairs, and human resources, ensuring close coordination and information sharing.
2. In addition to individual meetings with shareholders, the Company provides opportunities to explain business performance and strategies through the General Shareholders' Meeting, financial results briefings, small meetings for analysts, and individual meetings with institutional investors. The Company also strives to provide fair and prompt information through live and on-demand streaming of financial results briefings. Furthermore, the Company enhances information provision by disclosing financial results summaries, financial results reference materials, timely disclosure materials, and press releases on its website, as well as IR-related materials such as the Notice of General Shareholders' Meeting and Integrated Report.
3. Opinions and feedback from shareholders obtained through dialogue are shared with the President, relevant Directors, departments, and the Board of Directors as necessary to ensure information sharing and utilization.
4. The Rakuten Group Code of Ethics stipulates the proper use and management of information related to the Group, including the Company, and its customers. The Company strictly manages material facts and related parties to prevent insider trading and conducts awareness-building activities for employees. To ensure fairness and prevent leaks of financial information, the Company and its parent company have established a "quiet period" during the four weeks immediately preceding the release of their quarterly results. During this period, the Company's internal rules stipulate that the Company will not make any external comments or respond to inquiries regarding information related to financial results. This stipulation does not apply to inquiries concerning facts that have already been publicly disclosed, or in the event that a fact arises during this period that should be legally disclosed or disclosed in a timely manner.

(Status of dialogue with shareholders)
Disclosed on the Company's website. Please refer to the Company's website.
https://www.rakuten-bank.co.jp/corp/english/about/governance/corporate/engagements.html

Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update Updated	August 6, 2026

Explanation of Actions

Disclosed in the financial results reference materials. For details, please refer to the Company's website.
https://www.rakuten-bank.co.jp/corp/english/investors/documents/

2. Capital Structure

Foreign Shareholding Ratio	30% or more

Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
Rakuten Group, Inc.	85,962,580	49.26
The Master Trust Bank of Japan, Ltd. (Trust Account)	12,862,000	7.37
JP MORGAN CHASE BANK 380634	4,716,600	2.70
Custody Bank of Japan, Ltd. (Trust Account)	4,013,900	2.30
J.P. MORGAN BANK LUXEMBOURG S.A. 384513	3,723,700	2.13
BNYM AS AGT/CLTS NON TREATY JASDEC	2,868,672	1.64
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT	2,678,276	1.53
GOLDMAN SACHS INTERNATIONAL	2,346,299	1.34
GOVERNMENT OF NORWAY	2,334,916	1.33
J.P. MORGAN CHASE BANK 385642	2,189,289	1.25

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	—
Name of Parent Company, if applicable	Rakuten Group, Inc. (Listed Stock Exchange: Tokyo) (Code) 4755

Supplementary Explanation

1. The above capital structure reflects the status as of March 31, 2026.
2. The amendment report to the large shareholding report publicly available as of April 3, 2026, from J.P. Morgan Asset Management (Japan) Limited, states that J.P. Morgan Asset Management (Japan) Limited and four other joint holders held the Company's common stock as follows as of March 31, 2026. However, as of March 31, 2026, we have not been able to confirm the actual ownership status, so the above major shareholders' status does not include these.
   Name / Number of Shares Held / Shareholding Ratio
   J.P. Morgan Asset Management (Japan) Limited (and four other joint holders) / 10,343,243 (including the holdings of joint holders) / 5.93%

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Business Sector	Banks
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion or more but less than ¥1 trillion

Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more but fewer than 50

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

As is stated in <Principle 1.7: Related Party Transactions>, a Special Advisory Committee, which consists of Independent Directors/Audit and Supervisory Board Members (Outside Directors and Outside Audit and Supervisory Board Members having no conflicts of interest with general shareholders), examines and verifies the appropriateness of management policies determined based on requests from the Rakuten Group pertaining to Group business strategy, and in the event of interrelated personnel matters between the Company group and Rakuten Group, or any transactions with the Rakuten Group, examines the appropriateness of the arm's length rule, conflict-of-interest and other transactions from the perspective of ensuring sound and appropriate management of bank business, as well as the necessity and appropriateness of such rules from the perspective of protecting minority shareholders.

5. Other Special Circumstances which May have a Material Impact on Corporate Governance Updated

<Parent Company's Views on Group Management>
Rakuten Group, Inc., the parent company of the Company, believes that in order for the Rakuten Group to continue its sustainable growth in the rapidly changing internet industry, it is important to improve the Group's competitiveness and agility by establishing a structure that enables prompt decision-making in each business while further increasing the capital efficiency of each business, taking into account the changes in the environment surrounding each business. Additionally, Rakuten Group, Inc. believes that the further enhancement of services based on the high level of expertise of each business through advanced technology and the expansion and autonomous acceleration of the Rakuten Ecosystem through increased value of each business will contribute to maximizing the Group's corporate value. Rakuten Group, Inc. has a policy of establishing and operating systems at its listed subsidiaries that are independent from the Company and giving due consideration to the protection of minority shareholders to maintain their independence.

<Parent Company's Views on the Significance of Having Listed Subsidiaries>
Rakuten Group, Inc., the parent company of the Company, believes that expanding the Rakuten Ecosystem and improving the Group's competitiveness and agility are important for the further sustainable growth of the Rakuten Group. Therefore, Rakuten Group, Inc. continuously considers all possibilities to maximize the growth and corporate value of the Group, taking into account the Group's creditworthiness and financial soundness, as well as the Group's organizational and capital structures. Listing a subsidiary is one of the options, and if the listing is expected to increase corporate value and this outweighs the disadvantages of profit outflow, it is one factor to consider listing a subsidiary.

Additionally, Rakuten Group, Inc. currently intends to maintain the Company as a consolidated subsidiary. By working in close alignment with Rakuten Card Co., Ltd. ("Rakuten Card"), and Rakuten Securities Holdings, Inc. ("Rakuten Securities HD"), the Company is able to execute its growth strategy from a more autonomous management perspective as a listed company, as well as implement various growth and financial strategies, including independent fundraising. As a result, the Company believes that it will realize the expansion of its business as a comprehensive FinTech company and the enhancement of its corporate value, thereby increasing the corporate value of the Rakuten Group as well. Furthermore, the Company provides customers with convenience and price competitiveness that differ from other internet banks by utilizing the Rakuten Ecosystem through Rakuten points, brand and name recognition, and reciprocal customer referrals with other Group companies. Given that these synergies with the Rakuten Ecosystem contribute to efficient acquisition of new customers and customer retention, the Company believes that continuing to strengthen synergies with the Rakuten Ecosystem with the Company as its subsidiary will contribute to maximizing the corporate value of the Company and the Rakuten Group.

<Segmentation of Businesses within the Rakuten Group>
The Rakuten Group is based on three business segments: Internet Services, FinTech, and Mobile. The Company belongs to the FinTech segment and operates a banking business. The FinTech segment includes, in addition to Rakuten Card, which operates the credit card business, and Rakuten Securities, Inc. ("Rakuten Securities"), other financial businesses such as Rakuten Life Insurance Co., Ltd., Rakuten General Insurance Co., Ltd., and Rakuten Payment, Inc. However, the Company does not compete with these companies, and there are no plans for future competition. The Company has a mutually beneficial relationship with these companies, including entrusting banking agency services to Rakuten Card, Rakuten Securities, Rakuten Life Insurance Co., Ltd., Rakuten General Insurance Co., Ltd., and Rakuten Mobile, Inc., using our bank accounts as withdrawal accounts for Rakuten Card and charge/source accounts for Rakuten Pay, and providing the "Money Bridge" account linkage service between our bank accounts and Rakuten Securities accounts.

<Relationship with the Rakuten Ecosystem>
The Rakuten Ecosystem, a business model that provides various services to users centered on Rakuten Group members, aims to maximize the lifetime value of each member and minimize customer acquisition costs by creating an environment where domestic and international members can continuously use multiple services such as e-commerce, FinTech, digital content, and mobile carrier services.

The Company pursues synergies with the Rakuten Ecosystem and promotes measures to acquire new customers and enhance loyalty to the Company by leveraging the strong customer base of over 100 million IDs of the Rakuten Group. The Company engages in various partnerships with Rakuten Group companies, such as the points program partnership with Rakuten Group, Inc., account linkage (Money Bridge) with Rakuten Securities, banking agency services, and financial product brokerage services with Rakuten Card, Rakuten Life Insurance Co., Ltd., Rakuten General Insurance Co., Ltd., and Rakuten Mobile, Inc. Additionally, the Company believes that providing added value to customers through banking services combined with Rakuten Group services enhances customer loyalty to the Company and the Rakuten Group.

As one of the incentive measures to enhance customer loyalty to the Company, we autonomously use Rakuten points and provide customers with convenience and price competitiveness that differ from other internet banks through the utilization of the Rakuten Ecosystem, including brand and name recognition and reciprocal customer referrals with other Rakuten Group companies. We believe that these efforts contribute to the efficient acquisition of new customers and customer retention.

As stated in <Principle 1.7: Related Party Transactions>, the Company has established a “Special Advisory Committee” composed of Independent Directors/Audit and Supervisory Board Members (Outside Directors and Outside Audit and Supervisory Board Members who do not have conflicts of interest with general shareholders). This committee verifies the appropriateness of management policies based on requests from Rakuten Group, Inc. for group business strategies, mutual personnel matters related to our bank group and Rakuten Group, and transactions and actions with Rakuten Group from the perspective of ensuring the sound and appropriate operation of the Company’s business and protecting minority shareholders. The committee must be consulted in advance or reported to afterward to verify the appropriateness of various partnerships, ensuring that the Company’s independence is not compromised, and the interests of minority shareholders are not harmed.

<Basic Management Agreements with the Parent Company and subsidiaries >
The Company has entered into a “Basic Management Agreement” with its parent company, Rakuten Group, Inc., and its subsidiary, Rakuten Card. In addition, the Company has entered into a separate “Basic Management Agreement” with its parent company, Rakuten Group, Inc., its subsidiary, Rakuten Securities HD, and its sub-subsidiaries, Rakuten Securities and Rakuten Investment Management, Inc. These agreements define the basic relationship among the respective parties to each agreement. These agreements stipulate compliance with the “Rakuten Shugi (Rakuten principles),” the “Core Policies” as the fundamentals of the Group’s governance, and the “Rakuten Group Code of Ethics” as the fundamentals to be adhered to by Directors and employees. They also stipulate that the independence required from the perspective of public interest and the independence required of listed subsidiaries and their subsidiaries will be respected. Rakuten Group, Inc. respects the establishment of a system in which appropriate checks are made on governance by actively appointing Directors from outside the Group and respects the personnel rights of all employees of the Company and its subsidiaries. The agreements do not include any arrangements regarding the appointment of the Company’s and its subsidiaries’ officers or executive officers by Rakuten Group, Inc. The agreements do not stipulate prior approval from or prior consultation with Rakuten Group, Inc., and the Company and its subsidiaries report to the parent company as necessary and within the bounds of laws and regulations. Furthermore, Rakuten Group, Inc. will take necessary measures to ensure the sound and appropriate management of the Company’s and its subsidiaries’ business if the Company’s and its subsidiaries’ business conditions deteriorate, and Rakuten Group, Inc. will not request capital injection, loans, or other support from the Company and its subsidiaries if Rakuten Group, Inc.’s business conditions deteriorate. These provisions ensure the independence of the Company’s management.

The Special Advisory Committee was consulted in advance on these agreements, and no committee members in attendance expressed any objections.

<Views on the Appointment of Rakuten Group Personnel as Officers of the Company>
The Company’s “Board of Directors Regulations” stipulate that, in principle, half of the Directors should be appointed from outside the Rakuten Group. As mentioned above, the Basic Management Agreement also stipulates that Rakuten Group, Inc. respects the active appointment of Directors from outside the Rakuten Group. Therefore, the Company actively appoints Directors from outside the Rakuten Group. The Board of Directors of the Company consists of seven Directors, with a majority of four being Outside Directors, all of whom are considered sufficiently independent based on the independence criteria described in <Principle 4.9: Independence Criteria and Qualifications for Independent Outside Directors>.

When nominating candidates from the Rakuten Group, the Company considers whether the appointment will contribute to the pursuit of further synergies between the Rakuten Group and the Company and the expansion of the Company’s business foundation outside the Rakuten Group. As stated in <Principle 3.1: Full Disclosure> (iv), the Company consults with the Special Advisory Committee in advance to ensure that the appointment does not hinder the sound and appropriate operation of the Company’s business and the protection of minority shareholders.

Hiroshi Mikitani, the Chairman of the Company’s Board of Directors, concurrently serves as Representative Director, Chairman, President and CEO of Rakuten Group, Inc. and concurrently holds officer positions at its major subsidiaries. His extensive track record, experience, and broad network are considered beneficial for pursuing further synergies between the Rakuten Group and the Company and expanding the Company’s business foundation outside the Rakuten Group. His appointment was made after consulting with the Special Advisory Committee in advance, and all committee members in attendance expressed no objections. Furthermore, Mr. Hiroshi Mikitani concurrently serves as Chairman of the Board for Rakuten Card and Rakuten Securities HD. This arrangement is intended to reinforce the Company’s oversight structure for FinTech business and to heighten the agility of the Company’s group management.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board*

*Referred to as "Company with *Kansayaku* Board" in the Corporate Governance Code reference translation

Directors

Number of Directors Stipulated in Articles of Incorporation	13
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	7
Election of Outside Directors	Elected
Number of Outside Directors	4
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Masatsugu Nagato	From another company											
Kayoko Kawamura	From another company								△			
Satoshi Kawai	Lawyer								○			
Mari Kogiso	From another company											

*Categories for "Relationship with the Company".
(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for or a non-executive director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/Audit and Supervisory Board Member
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Masatsugu Nagato	○	—	Held important positions such as Director and President and Representative Executive Officer of Japan Post Bank Co., Ltd. and Japan Post Holdings Co., Ltd., and possesses a wealth of experience and insight nurtured while serving as a corporate manager. Appointed as an Outside Director, expected to provide advice and opinions from an objective perspective based on the aforementioned knowledge and experience, and to incorporate this experience and insight and further enhance the Company's corporate governance. Designated as an independent officer, as sufficient independence is maintained in accordance with the Company's internal criteria, which are established in alignment with the standards set by the Tokyo Stock Exchange.
Kayoko Kawamura	○	Ms. Kayoko Kawamura previously served as a Director at IBM Japan, Ltd. While the Company has business transactions with IBM Japan, Ltd., the transaction amount is minimal, representing less than 1% of the Company's ordinary expenses.	Served as systems engineer for financial institutions and head of application development at IBM Japan, Ltd. and is currently mainly responsible for supporting digital transformation (DX) at client companies. Possesses a wealth of knowledge and experience relating to DX. She also has experience in managing corporate organizations as a non-executive Director. Appointed as an Outside Director, expected to provide advice and make other contributions from an objective viewpoint based on this knowledge and experience, and to utilize these qualities to reinforce the Company's strengths as a digital bank and further enhance the Company's corporate governance. Designated as an independent officer, as sufficient independence is maintained in accordance with the Company's internal criteria, which are established in alignment with the standards set by the Tokyo Stock Exchange.
Satoshi Kawai	○	Mr. Satoshi Kawai is a partner at Mori Hamada & Matsumoto. While the Company has business transactions with Mori Hamada & Matsumoto, the transaction amount is minimal, representing less than 1% of the Company's ordinary expenses.	Possesses professional knowledge and experience as an attorney-at-law and a wealth of experience and insight nurtured during his tenure as Special Member of the Dispute Reconciliation Committee for Nuclear Damage, Ministry of Education, Culture, Sports, Science & Technology, and Member of Subcommittee for Reform of Incorporated Administrative Agencies, Counsel for Promotion of Administrative Reform, Headquarters for Promoting Administrative Reform of the Cabinet Secretariat, among other positions. Appointed as an Outside Director, expected to provide advice and make other contributions from an objective viewpoint based on his knowledge and experience, and to utilize the experience and insight to further enhance the Company's corporate governance. Designated as an independent officer, as sufficient independence is maintained in accordance with the Company's internal criteria, which are established in alignment with the standards set by the Tokyo Stock Exchange.
Mari Kogiso	○	—	Possesses diverse experience as an entrepreneur and senior manager, in addition to experience at financial institutions. Also brings a wealth of experience serving in key positions in global organizations, as well as extensive experience as an

			Outside Director or Audit and Supervisory Board Member at various companies. Appointed as an Outside Director, expected to provide advice and make other contributions from the diverse viewpoints cultivated through this experience, and to utilize this experience and insight to further enhance the Company's corporate governance in pursuit of sustainable growth. Designated as an independent officer, as sufficient independence is maintained in accordance with the Company's internal criteria, which are established in alignment with the standards set by the Tokyo Stock Exchange.

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Not Established

Audit and Supervisory Board Member*

*Referred to as "*kansayaku*" in Corporate Governance Code reference translation

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	4
Number of Audit and Supervisory Board Members	3 Updated

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The head of the Internal Audit Department participates in monthly Audit and Supervisory Board meetings, during which internal audits are reported and opinions are exchanged as needed. Audit and Supervisory Board Members, the head of the Internal Audit Department, and Department staff also exchange opinions on audits by Audit and Supervisory Board Members and internal audits on a daily basis.
Audit and Supervisory Board Members and the Internal Audit Department exchange audit plans and explain and report on them, sharing information on the audit environment and other issues specific to the Company.
The Company's accounting audits are conducted by Ernst & Young ShinNihon LLC. The Company exchanges opinions, shares information, and provides the results of internal audits and audits by Audit and Supervisory Board Members with the accounting auditors as necessary.
Audit and Supervisory Board Members and accounting auditors exchange audit plans, explain and provide reports as necessary, and share information on the audit environment and other issues specific to the Company.
In addition, three-way audit meetings are held comprising Audit and Supervisory Board Members, accounting auditors, and the Internal Audit Department, where opinions are exchanged among the three parties.

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board Members	3 Updated
Number of Independent Audit and Supervisory Board Members	3 Updated

Outside Audit and Supervisory Board Members' Relationship with the Company (1) Updated

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Jun Ikeda	From another company													
Shinnosuke Yamada	CPA													
Kiyoko Ohora	From another company													

*Categories for "Relationship with the Company".
(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. A non-executive director or an accounting advisor of the Company or its subsidiaries
c. Person who executes business for or a non-executive director of the Company's parent company
d. An Audit and Supervisory Board Member of a parent company of the Company
e. Person who executes business for a fellow subsidiary
f. Person/entity for which the Company is a major client or a person who executes business for said person/entity
g. Major client of the Company or a person who executes business for said client
h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/ Audit and Supervisory Board Member
i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
j. Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor him/herself only)
k. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to the director/auditor him/herself only)
l. Person who executes business for an entity receiving donations from the Company (applies to the person him/herself only)
m. Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2) Updated

Name	Designation as Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Jun Ikeda	○	—	Held key positions in financial administration, fiscal policy, and organizational management at the Ministry of Finance, the Financial Services Agency, the Deposit Insurance Corporation, and other bodies, and possesses exceptional insight. In addition, he has practical experience in finance and investment management, as well as serving as a full-time auditor at private-sector companies, and possesses deep insight into concrete and effective auditing methods grounded in the realities of corporate operations. Appointed as an Outside Audit and Supervisory Board Member to utilize his outstanding expertise in the financial sector and his management oversight capabilities, backed by practical experience, within the Company's audit framework, to contribute to the Company's sustainable growth and the enhancement of corporate value. Designated as an independent officer, as sufficient independence is maintained in accordance with the Company's internal criteria, which are established in alignment with the standards set by the Tokyo Stock Exchange.

Shinnosuke Yamada	○	—	Possesses professional expertise as a certified public accountant and a wealth of experience and insight gained through his previous roles, including Chairman of the employee meeting of KPMG AZSA LLC, Director (Audit Committee Member) of T&D Holdings, Inc., and outside corporate Auditor of EXIO Group, Inc. Appointed as an Outside Audit and Supervisory Board Member to utilize this experience and insight cultivated to supervise the Company's management, further enhancing the Company's governance framework. Designated as an independent officer, as sufficient independence is maintained in accordance with the Company's internal criteria, which are established in alignment with the standards set by the Tokyo Stock Exchange.
Kiyoko Ohora	○	—	Served as an Executive Officer at S&P Global Ratings Japan Inc., supporting management decision-making while leading efforts to coordinate with regulatory authorities and establish and operate internal controls in collaboration with the compliance department. Furthermore, with many years of experience in credit rating analysis for financial institutions, she possesses advanced analytical skills in the assessment of both financial and non-financial risks, as well as deep insight into the importance of corporate governance in business management. Appointed as an Outside Audit and Supervisory Board Member to utilize this experience and expertise to strengthen the Company's audit framework. Designated as an independent officer, as sufficient independence is maintained in accordance with the Company's internal criteria, which are established in alignment with the standards set by the Tokyo Stock Exchange.

Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members	7	Updated

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

As stated in <Principle 4.9: Independence Criteria and Qualifications for Independent Outside Directors>, the Company considers Directors to have sufficient independence if they do not fall under any of the following criteria and appoints all Independent Directors/Audit and Supervisory Board Members accordingly.
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 and 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

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Stock Options

Supplementary Explanation for Applicable Items

Since the value of the stock acquisition rights is linked to the Company’s stock price, we believe that by granting these stock acquisition rights to the Company’s Directors, the Directors will share the benefits of a rise in the stock price and the disadvantages of a fall in the stock price with shareholders, thereby increasing their motivation to contribute to the improvement of the Company’s performance and the rise in its stock price.
These stock acquisition rights can be exercised only within 10 days from the day following the day of retirement from the Company, its subsidiaries, and affiliates. We believe that making such stock acquisition rights exercisable in this manner will contribute to the long-term improvement of the Company’s performance and stock price, as well as the retention of existing excellent human resources.
Thus, in order to continuously improve the corporate value and shareholder value of the entire Company by attracting and retaining excellent human resources and increasing the motivation of the Company’s Directors, we are implementing a stock option system targeting the Company’s Directors.

Persons Eligible for Stock Options	Inside Directors / Employees / Subsidiaries’ Directors

Supplementary Explanation for Applicable Items

By granting stock acquisition rights to the officers and employees of the Company's group, we believe that the officers and employees will share the benefits of a rise in the stock price and the disadvantages of a fall in the stock price with shareholders, thereby increasing their motivation to contribute to the improvement of the Company's performance and the rise in its stock price. The purpose of implementing the stock option system is to continuously improve the corporate value and shareholder value of the entire Company by attracting and retaining excellent human resources and increasing the motivation of the recipients.

Director Remuneration

Status of Disclosure of Individual Director's Remuneration	No Disclosure for any Directors

Supplementary Explanation for Applicable Items

1. Total amount of remuneration by type, and Number of Recipients
(From April 1, 2025, to March 31, 2026)

(1) Directors (excluding Outside Directors)

Total Amount of Remuneration, etc.:	131 million yen; Number of Recipients: 3
(Details) Fixed Remuneration:	60 million yen
Performance-Linked Remuneration:	70 million yen
Stock Options:	–
Retirement Allowance:	–

(2) Audit and Supervisory Board Members (excluding Outside Audit and Supervisory Board Members)

Total Amount of Remuneration, etc.:	15 million yen; Number of Recipients: 1
(Details) Fixed Remuneration:	15 million yen
Performance-Linked Remuneration:	–
Stock Options:	–
Retirement Allowance:	–

(3) Outside Officers

Total Amount of Remuneration, etc.:	50 million yen; Number of Recipients: 7
(Details) Fixed Remuneration:	50 million yen
Performance-Linked Remuneration:	–
Stock Options:	–
Retirement Allowance:	–

(Note) The amount of remuneration, etc., and the number of recipients include retired Directors and non-remunerated Directors.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

1. Basic Policy
With an awareness of our social responsibility and public role as a bank, the executive remuneration system is designed in line with our management philosophy of working to win the unshakable trust of society and firmly establish our value through our commitment to sound and efficient business operations based on a high level of self-discipline.
Remuneration levels are determined on the basis of economic and social conditions, industry trends, and the Company's business environment and performance, among other factors, to ensure appropriateness as an incentive for Directors to maximize their roles, as well as remuneration commensurate with responsibilities and achievements.

2. Remuneration Structure
Executive Director remuneration consists of fixed remuneration (basic remuneration) and variable remuneration (performance-linked remuneration and non-monetary remuneration (Stock Options)). To achieve sustainable growth through the achievement of management targets and enhance corporate value over the medium- to long-term, the Company has adopted a remuneration system in which variable remuneration (performance-linked remuneration and non-monetary remuneration (Stock Options)) accounts for a higher proportion of overall remuneration.
Non-executive Directors receive fixed remuneration in light of their role in supervising the Company's management from an objective and independent standpoint. The policies for determining each type of remuneration are as follows.

Fixed remuneration (monthly payments)
Executive Director fixed remuneration is determined based on comprehensive consideration of their duties as executive officers, character evaluation, length of tenure, and past contributions to Bank performance and enhancement of corporate value.
Non-executive Director fixed remuneration is determined based on consideration of each non-executive Director's character evaluation, knowledge, experience, and contributions to Bank management through past proposals, as well as expected contributions to Bank management through future proposals.

Variable remuneration (annual payment)
Executive Director variable remuneration is determined based on consideration of Bank performance in the relevant fiscal year and the degree to which the Executive Director contributed to that performance, and contributions to efforts in the relevant fiscal year aimed at enhancing the Company's future corporate value.

3. Remuneration Determination Process
The specific amount of remuneration for each Director is determined by a resolution of the Board of Directors and authorized by the President and CEO. All Outside Directors review and determine the proposed remuneration for each Director within the maximum scope of remuneration approved by the General Shareholders' Meeting and in accordance with the intent of the policy for determining Director remuneration.
The President and CEO determines remuneration for each Director, respecting to the maximum extent possible the remuneration proposals for each Director reviewed and determined by all Outside Directors.

Support System for Outside Directors (and/or Outside Audit and Supervisory Board Members)

The Company provides support to Outside Directors and Outside Audit and Supervisory Board Members by offering explanations of the operations of each department from the respective department heads upon their appointment. Additionally, after regular board meetings, we generally arrange individual opportunities for the President and Outside Directors and Outside Audit and Supervisory Board Members to exchange opinions. This ensures that they continuously acquire the information and knowledge necessary to fulfill their roles. Furthermore, board meeting materials are distributed, in principle, two business days before the meeting to give Outside Directors and Audit and Supervisory Board Members sufficient time to review them. If an Outside Director notifies us in advance of their absence, we provide explanations of the agenda and seek their opinions and share the minutes after the meeting to ensure information is shared. For Outside Audit and Supervisory Board Members, the full-time Audit and Supervisory Board Members share information related to audits. Additionally, we have established an Audit and Supervisory Board Secretariat with dedicated staff to assist all Audit and Supervisory Board Members, including Outside Audit and Supervisory Board Members, in their audit duties.

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) Updated

The Company has adopted the form of a company with an Audit and Supervisory Board, as we believe that having the Audit and Supervisory Board audit the Board of Directors from an independent standpoint is effective in ensuring the appropriateness of business execution. This structure helps ensure the transparency and soundness of the decision-making process for management policies and establishes a fair, efficient, and appropriate decision-making and business operation process.

In addition to the General Shareholders' Meeting, the Board of Directors, and the Audit and Supervisory Board, the Company has established a Management Conference. To facilitate decision-making by the Board of Directors and the Management Conference, or to provide necessary information for management oversight, we have also established various committees, including the Risk Management Committee, Compliance Committee, ALM Committee, Investment Committee, and Project Management Committee. As stated in <Principle 1.7: Related Party Transactions>, the Company has established a "Special Advisory Committee" composed of Independent Directors/Audit and Supervisory Board Members (Outside Directors and Outside Audit and Supervisory Board Members who do not have conflicts of interest with general shareholders). This committee verifies the appropriateness of management policies based on requests from Rakuten Group, Inc. for group business strategies, mutual personnel matters related to our bank group and Rakuten Group, and transactions and actions with Rakuten Group from the perspective of ensuring the sound and appropriate operation of the Company's business and protecting minority shareholders. The committee must be consulted in advance or reported to afterward to verify the appropriateness of various partnerships, ensuring that the Company's independence is not compromised and the interests of minority shareholders are not harmed.

<Board of Directors>
The Board of Directors monitors the Company's management, resolves statutory matters, determines basic policies, exchanges opinions from broad perspectives, and establishes a management control framework in an effort to enhance the fairness and transparency of business execution. The Board of Directors consists of seven members, including four Outside Directors who are experienced executives and practitioners from the business world, providing an objective evaluation and supervision of the management's business execution. The Board of Directors meets, in principle, once a month and as needed. In fiscal 2025, the Board of Directors met 18 times, with the attendance of each Director as follows:

Tomotaka Torin: 13/13
Hiroshi Mikitani: 16/17
Eiji Ebinuma: 18/18
Masatsugu Nagato: 18/18
Kayoko Kawamura: 14/14

(Note)
1. Mr. Tomotaka Torin was appointed at the 26th Annual General Shareholders' Meeting held on June 25, 2025. His attendance at meetings of the Board of Directors only includes meetings held after his appointment. Additionally, Mr. Tomotaka Torin served as Managing Executive Officer of Rakuten Group, Inc., the controlling shareholder of the Company, until March 2025. Therefore, from the perspective of ensuring fairness, he does not participate in deliberations and resolutions concerning the reorganization of the FinTech Business, and the denominator of his attendance at meetings of the Board of Directors is reduced by the number of meetings he does not participate in as a result.
2. Mr. Hiroshi Mikitani concurrently serves as Representative Director, Chairman, President and CEO of Rakuten Group, Inc., the controlling shareholder of the Company. His attendance at meetings of the Board of Directors differs from that of the other Directors as he does not participate in the deliberations and resolutions in which he has a special interest.
3. Ms. Kayoko Kawamura was appointed at the 26th Annual General Shareholders' Meeting held on June 25, 2025. Her attendance at meetings of the Board of Directors only includes meetings held after her appointment.

Specific matters discussed by the Board of Directors in fiscal 2025 included:
(Resolutions)
Based on the criteria for matters to be submitted to the Board of Directors as stipulated in the Board of Directors Regulations, important management decisions were made. Major initiatives included the formulation of management plans, the development and implementation of compliance programs, approval of the Company's financial statements, decisions and revisions of policies and regulations, decisions on important investments and loans, issuance of stock options, and resolutions on matters necessary for discussions with Rakuten Group, Inc. regarding the reorganization of the Rakuten Group's FinTech business.
(Reports)
Based on the reporting criteria of the Board of Directors Regulations, regular reports and necessary reports from the perspective of management oversight were provided. Major initiatives included progress reports on management plans and projects, reports on the evaluation of the effectiveness of the Board of Directors, reports on audits by Audit and Supervisory Board Members, internal audits, and accounting audits, reports on the financial status of the Rakuten Group, reports on self-assessment results, reports on bad debt write-offs and provisions, and reports on IR activities.

<Audit and Supervisory Board>
The Audit and Supervisory Board receives reports on, discusses, and resolves important matters related to audits. It also meets regularly with the President and CEO to exchange opinions on issues to be addressed by the Company, risks surrounding the

Company, the state of the audit environment for Audit and Supervisory Board Members, and important audit issues, in an effort to deepen mutual recognition and trust with the President and CEO.

The Audit and Supervisory Board consists of three Outside Audit and Supervisory Board Members who are experts with extensive experience and knowledge in the financial industry, enhancing the function of monitoring and supervising the management. The Audit and Supervisory Board meets, in principle, once a month and as needed. In fiscal 2025, the Audit and Supervisory Board met 17 times, with the attendance of each Audit and Supervisory Board Member as follows. Mr. Toru Mimura resigned as Audit and Supervisory Board Member, as of September 30, 2026.

Takeo Shikado: 17/17
Shinnosuke Yamada: 17/17
Tadamichi Shibano: 17/17
Toru Mimura: 17/17

<Internal Audit>
The internal audit of the Company is conducted by the Internal Audit Department, which reports directly to the President. The Internal Audit Department conducts internal audits independently of all organizations subject to audit. The results of the audits are reported to the President and also to the Board of Directors and the Audit and Supervisory Board. The Board of Directors and the Audit and Supervisory Board have a system in place to allow the head of the Internal Audit Department to provide information directly.

The Internal Audit Department verifies the appropriateness and effectiveness of the internal control and risk management systems in overall business operations, taking into account the characteristics of operating as an internet bank, and identifies, points out, and suggests improvements.

Internal audits are conducted annually based on the medium-term audit plan and annual audit plan approved by the Management Conference and the Board of Directors. When formulating the audit plan, risk assessments are conducted based on the recognition of external and internal environments, and audit themes are determined using a risk-based approach. High-risk audit items form the basis of key audit items, but low-risk audit items are not uniformly excluded from the audit scope, and past audit results and rotation are considered to create a balanced plan.

Given that the Company is an internet bank, we place a strong emphasis on system audits. We assign Audit and Supervisory Board Members responsible for system audits and conduct annual system audits, as well as periodic evaluations of the system risk management system by external third parties every three years.

Additionally, the Company has established in its articles of incorporation that it can enter into liability limitation agreements with Directors (excluding those who are Executive Directors, etc.) and Audit and Supervisory Board Members to limit their liability for damages to the amount stipulated by law, based on Article 427, Paragraph 1 of the Companies Act. We have entered into such agreements with all Directors (excluding those who are Executive Directors, etc.) and Audit and Supervisory Board Members.

3. Reasons for Adoption of Current Corporate Governance System

As stated in 2 above, 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. This decision is based on the determination that having the Audit and Supervisory Board Members and the Audit and Supervisory Board audit the Board of Directors from an independent standpoint is effective in ensuring the appropriateness of business execution.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The notice of convocation for the 27th Annual General Shareholders' Meeting, held on June 24, 2026, was dispatched on June 8, 2026. Prior to this, it was posted on the Company's website on May 28, 2026 and filed with the Tokyo Stock Exchange.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The 27th Annual General Shareholders' Meeting was held on June 24, 2026.
Electronic Exercise of Voting Rights	We enable the exercise of voting rights via the internet.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company participates in the "electronic exercise of voting rights platform" operated by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The Company discloses the Convocation Notice in English on the Company website, "the electronic exercise of voting rights platform" and it is also submitted to the Tokyo Stock Exchange.
Other	We strive to promote a better understanding of our business performance and status by, for example, providing a narrated business report at the Annual General Shareholders' Meeting. To facilitate the smooth exercise of voting rights, we have introduced a system that allows shareholders to vote via smartphones, in addition to the standard internet voting platform. Furthermore, we provide live streaming of the meeting via the internet and accept questions from shareholders in advance through our website.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	We publish our disclosure policy on our website. https://www.rakuten-bank.co.jp/corp/english/investors/policy/ir-policy.html	
Regular Investor Briefings held for Individual Investors	For individual investors, we strive to promote a better understanding of our business performance and status by, for example, providing a narrated presentation of the business report at the Annual General Shareholders' Meeting. Additionally, we provide live streaming of the meeting via the internet and accept questions from shareholders in advance through our website. Furthermore, we hold quarterly financial results briefings where the President and executive managers explain our performance and business strategies. These briefings can be viewed via live streaming, and the materials are posted on our website a few days after the briefings.	Held
Regular Investor Briefings held for Analysts and Institutional Investors	In addition to holding quarterly financial results briefings, we arrange meetings and other opportunities based on requests from analysts and institutional investors, where the President and executive managers explain performance and business strategies.	Held
Regular Investor Briefings held for Overseas Investors	Based on requests from overseas investors, we arrange individual meetings between the management and major overseas institutional investors, and participate in conferences hosted by securities companies, where the President and executive managers explain performance	Held

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
	and business strategies.	
Online Disclosure of IR Information	We promptly publish various IR information on our website after it is publicly disclosed. The main types of disclosure include: annual securities reports, semi-annual reports, financial results summaries, financial results briefing materials, data books, integrated reports, credit rating information, analyst coverage, timely disclosure materials, press releases, notices of General Shareholders' Meetings, etc. In addition to video streaming of financial results briefings, we post transcripts of major Q&A sessions, and also post transcripts of major Q&A sessions from small meetings for analysts. Furthermore, we provide these materials in English on our website for overseas investors.	
Establishment of Department and/or Placement of a Manager in Charge of IR	The officer in charge of the division responsible for disclosure is designated, in accordance with internal regulations, as the Information Manager responsible for ensuring the timely and appropriate disclosure of information regarding the Rakuten Bank Group, and this designation has been notified to the Tokyo Stock Exchange. For dialogue with shareholders and investors, in addition to the Information Manager, we have appointed dedicated IR personnel in the IR Department to communicate with the stock market as appropriate. The Information Manager, dedicated IR personnel, and other relevant parties work closely with related departments to ensure that the business situation is always properly understood, and have established a system to ensure the timely and fair disclosure of quarterly financial results and material facts required to be disclosed under the timely disclosure rules of financial instruments exchanges. Additionally, we have set up a dedicated contact point for IR inquiries on our IR website.	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The Rakuten Group, to which the Company belongs, has established ethical standards for stakeholders in the "Rakuten Group Code of Ethics." Based on this, the Company has established an "Ethics Code" and ensures that officers and employees comply with laws and regulations, as well as social norms, and act fairly based on a solid sense of ethics.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	The Company leverages the characteristics of an internet bank to promote paperless procedures for account opening and other banking services. The Company has also expressed its support for the TCFD and works on conserving natural resources and addressing climate change issues to achieve a sustainable society. The Company discloses its sustainability initiatives, including these environmental conservation and CSR activities, on its website. https://www.rakuten-bank.co.jp/corp/english/sustainability/
Formulation of Policies, etc. on Provision of Information to Stakeholders	Formulation of Policies for Providing Information to Stakeholders: The Company's "Ethics Code" stipulates that ensuring the transparency of management by actively and appropriately disclosing corporate information, with a primary focus on enhancing capital adequacy and financial soundness, is a behavioral standard for officers and employees.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

The Company's Board of Directors has resolved the "Basic Policy on the System and Operation of Internal Controls." The outline is as follows:

1. System for Ensuring Directors and Employees Comply with Laws, Regulations and the Articles of Incorporation
The Company, in accordance with its "Management Philosophy and Policies," not only complies with laws and regulations but also engages in business activities with a high sense of ethics. The Board of Directors has established a "Compliance Code" and an "Ethics Code" and has developed a compliance manual as a specific guide to achieve compliance. At the beginning of each fiscal year, we formulate a compliance program, which is a specific action plan to achieve compliance. We have also established a department responsible for overseeing compliance and follow up on the progress of the compliance program. We take a firm stance against anti-social forces that threaten the order and safety of civil society and sever all relationships with them. The Internal Audit Department, an independent organization reporting directly to the President, conducts regular audits of the execution of duties by Directors and employees. The Compliance Committee and other bodies promote compliance efforts to ensure proper execution of duties. Additionally, Outside Directors and Audit and Supervisory Board Members thoroughly supervise the execution of duties by Directors. The department responsible for overseeing compliance conducts compliance education for all officers and employees to foster the necessary knowledge and ethics as members of the Company and the Rakuten Group. It also promotes the early detection of fraud and the prevention of scandals by establishing a compliance hotline and ensuring appropriate operation in accordance with the Whistleblower Protection Act.

2. System for Managing and Protecting Information Related to the Execution of Duties by Directors
Documents, electronic records, and other information related to the execution of duties by Directors at the Company are stored and managed appropriately and legally in accordance with internal regulations such as the "Document Management Regulations" and "Approval Regulations." Directors and Audit and Supervisory Board Members can access this information at any time. Important company information is disclosed in a timely manner based on the "Company Information Disclosure Regulations" resolved by the Board of Directors. Each department complies with the Banking Act, Companies Act, Financial Instruments and Exchange Act, and other laws and internal regulations to ensure that company information is disclosed according to the basic principles of disclosure.

3. System for Risk Management
Various risks arising from business activities are appropriately addressed by each responsible department based on internal regulations and detailed rules. Risks related to information management are thoroughly managed by the department responsible for information security risk management to minimize such risks. We also promote the rapid consolidation of various risk information by strengthening the emergency reporting system. For business-related risks, decisions on matters exceeding a certain amount require a resolution by the Board of Directors to ensure proper supervision of the execution of duties by Directors. We also ensure thorough reporting on business execution risks at Management Conference, Project Management Committees, and Risk Management Committees to consolidate risk information and ensure thorough risk management. In the event of a situation that causes significant damage, we have established and operate response plans to minimize the damage and continuously review our business continuity policies. Internal audits are conducted based on the "Internal Audit Regulations" resolved by the Board of Directors. The Internal Audit Department verifies the appropriateness and effectiveness of internal control and risk management systems in overall business operations. Important matters identified in the audit results are reported to the Board of Directors and the Audit and Supervisory Board.

4. System Allowing Directors to Efficiently Carry Out their Duties
The execution of duties by Directors is appropriately defined by internal regulations such as the "Directors Regulations," "Organizational Management Regulations," and "Division of Duties and Authority Regulations," establishing an appropriate and efficient decision-making system. We also promote the digitization of various internal procedures to clarify and expedite decision-making. Important matters related to business execution are discussed ahead of time at the Management Conference to ensure the efficiency of deliberations at the Board of Directors. The execution of duties based on decisions is carried out by officers appointed by the Board of Directors, promoting agile execution of duties. The Board of Directors formulates medium-term and annual management plans based on the "Management Plan Management Regulations" resolved by the Board of Directors and regularly verifies the status of duty execution.

5. System to Report Financial Information Appropriately
Regarding financial reporting related to the disclosure of management and financial information, we establish a system to ensure the appropriateness of operations, conduct appropriate accounting processing and timely disclosure, and evaluate the effectiveness of internal controls related to financial reporting in accordance with the "Standards for Evaluation and Auditing of Internal Control over Financial Reporting" based on the Financial Instruments and Exchange Act.

6. System to Ensure Proper Operations within the Corporate Group
Based on the "Board of Directors Regulations," "Regulations for Ensuring the Soundness of Banks within the Rakuten Group," and "Subsidiary and Affiliate Management Regulations" resolved by the Board of Directors, the departments responsible for managing group companies and business departments oversee the management and business operations of

subsidiaries and affiliates. Additionally, based on the “Regulations on Transactions with Specific Related Parties” resolved by the Board of Directors, we comply with the arm’s length rule stipulated by the Banking Act to ensure that transactions with group companies do not cause mutual disadvantages. Furthermore, based on the “Internal Audit Regulations” resolved by the Board of Directors, the Internal Audit Department conducts internal audits of the Company and its subsidiaries, and important matters identified in the audit results are reported to the Board of Directors and the Audit and Supervisory Board.

7. System to Ensure Proper Relationship with Rakuten Group, Inc.
We have entered into a “Basic Management Agreement” with Rakuten Group, Inc., which stipulates that Rakuten Group, Inc. respects the management independence required from the perspective of public interest and the independence required of listed subsidiaries. Rakuten Group, Inc. also respects the establishment of a system in which appropriate checks are made on governance by actively appointing Directors from outside the Group and respects the personnel rights of the Company’s employees. The agreement does not stipulate prior approval or prior consultation with Rakuten Group, Inc., and reports are made as necessary and within the bounds of laws and regulations. Management policies based on requests from Rakuten Group, Inc. for group business strategies, mutual personnel matters related to our bank group and Rakuten Group, and transactions and actions with Rakuten Group that exceed the authority of the President as stipulated in the division of duties and authority table are pre-consulted with the Special Advisory Committee to ensure that they do not hinder the sound and appropriate operation of the Company’s business and the protection of minority shareholders.

8. Requests from Audit and Supervisory Board Member for Employees’ Assistance and Employees’ Independence from Directors
To assist Audit and Supervisory Board Members in their duties, we have established an Audit and Supervisory Board Secretariat. Employees belonging to the Audit and Supervisory Board Secretariat do not receive instructions from Directors regarding their duties. These employees must follow the instructions of the Audit and Supervisory Board Members. Matters related to the independence of these employees require the consent of the Audit and Supervisory Board.

9. System for Directors and Employees to Report to Audit and Supervisory Board Members
Directors, employees, and equivalent personnel of subsidiaries, including Directors and Audit and Supervisory Board Members, report statutory matters to the Audit and Supervisory Board Members and provide necessary reports and information upon request from the Audit and Supervisory Board Members. If significant facts that may cause substantial damage to the Company or our bank group, fraudulent acts, or serious violations of laws and regulations or the articles of incorporation are discovered, they must be reported to the Audit and Supervisory Board Members immediately. Based on the “Compliance Code” resolved by the Board of Directors, those who report are not subject to unfair treatment for making such reports.

10. Other Systems to Ensure Effective Audits by Audit and Supervisory Board Members
To ensure the effectiveness of audit operations, Audit and Supervisory Board Members can request reports from accounting auditors, Directors, the Internal Audit Department, and others as necessary. Audit and Supervisory Board Members can attend meetings of the Board of Directors, the Management Conference, and other important committees. Directors and employees cooperate with investigations or hearings requested by Audit and Supervisory Board Members and respect the “Audit and Supervisory Board Regulations,” “Audit and Supervisory Board Audit Detailed Rules,” and “Internal Control System Audit Detailed Rules.” If Audit and Supervisory Board Members request necessary expenses for the execution of their duties, the Company bears those expenses.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

<Basic Policy on Eliminating Anti-Social Forces>
Based on the Rakuten Bank group's belief that it is essential to take a resolute stance against and eliminate any association with anti-social forces in order to maintain public trust in financial institutions and ensure appropriate and sound business operations, the group has established internal rules stipulating the promotion of a system for handling anti-social forces as an important part of the Company's business operations and specifying details regarding how to respond to anti-social forces. The group strives to ensure that all employees are fully aware of these rules and that appropriate systems are in place. In addition, the "Basic Policy for Responding to Anti-social Forces" is published on the Company's website (Japanese only).
https://www.rakuten-bank.co.jp/policy/anti-social.html

<Systems for Eliminating Anti-Social Forces>
The Company formulates plans for promoting efforts to eliminate anti-social forces within the Compliance Program, which is a specific, Bank-wide practical plan for realizing an effective compliance framework. These plans are resolved by the Board of Directors at the beginning of each fiscal year, and plan progress is reported to the Board of Directors on a quarterly basis.
The Compliance Division is responsible for the development of a system to eliminate anti-social forces. To ensure the Company responds to anti-social forces in an integrated manner, the President and CEO designates a person in charge of responding to anti-social forces in accordance with internal rules. This person is tasked with responding to anti-social forces and educating persons in charge of responding to anti-social forces.

We have also formulated and implemented internal rules and regulations aimed at eliminating anti-social forces in accordance with business operations. In addition to conducting periodic compliance training and internal education, we provide explanations to new employees upon joining the Company to ensure they are fully aware of the importance of compliance.
The Rakuten Bank group collaborates with outside specialized organizations including the Tokubouren and Anti-Organized Crime Campaign Center of Tokyo, as well as law firms with expertise in dealing with anti-social forces. In the event that anti-social forces are discovered among existing business partners, the group requests that its lawyers take countermeasures and cooperate with the police to respond to the threat.

The contracts that the Rakuten Bank group enters into and the terms and conditions that it presents to customers include a clause for the exclusion of anti-social forces, which states that the group may terminate the contract if it is found that a counterparty or customer is associated with an anti-social force.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items
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2. Other Matters Concerning the Corporate Governance System

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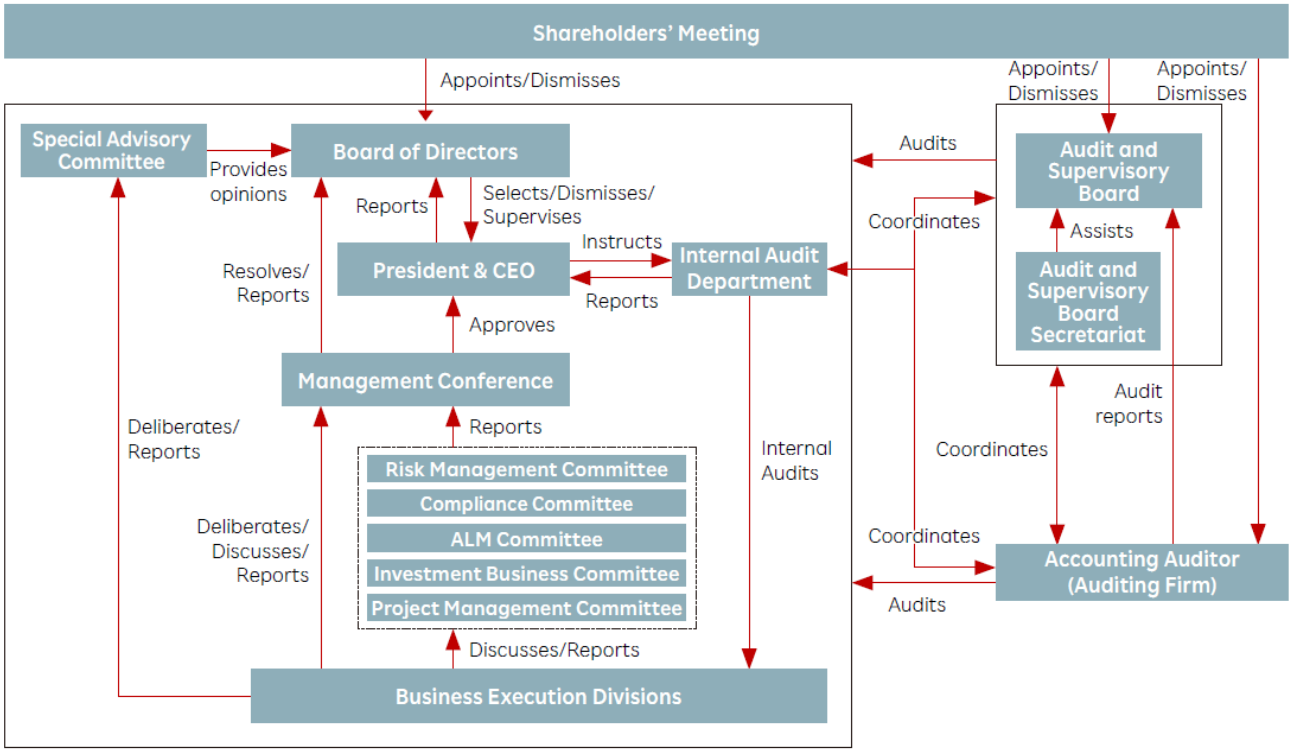
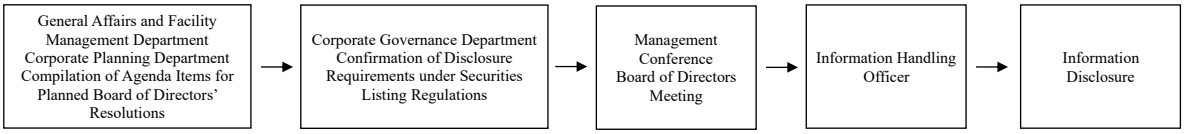
(Overview of Corporate Governance System)



(Overview of the Timely Disclosure System (Schematic Diagram))

<Information on Decisions and Financial Results Related to the Company>



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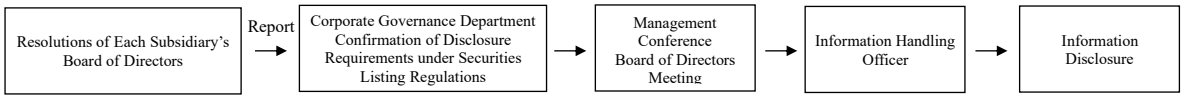

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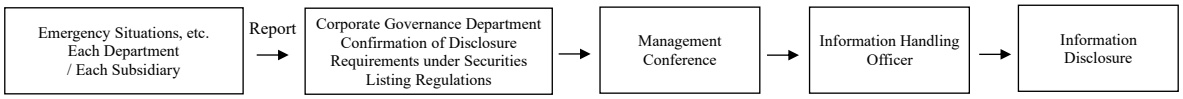

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