

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

June 25, 2025

Company name: Rakuten Bank, Ltd.
 Name of representative: Tomotaka Torin, President & CEO
 (Securities code: 5838, Prime Market, Tokyo Stock Exchange)
 Inquiries: Hirokazu Okazaki, General Manager,
 Planning Division
 (Telephone: +81-(0)50-5581-6120)

Matters Concerning Controlling Shareholder, Etc.

Rakuten Bank, Ltd. (the “Company”) hereby announces that, with regard to Rakuten Group, Inc., the parent company of the Company, the matters concerning controlling shareholders, etc. are as described below.

1. Trade name, etc. of parent company, controlling shareholder (excluding parent company), other affiliated company or parent company of other affiliated company

(As of March 31, 2025)

Name	Attribute	Ratio of voting rights held (%)			Financial instruments exchange, etc. on which the issued shares, etc. are listed
		Voting rights directly held	Voting rights subject to aggregation	Total	
Rakuten Group, Inc.	Parent company	49.27	0.00	49.27	Prime Market Tokyo Stock Exchange

(Note) The ratios of voting rights are truncated to the second decimal place.

2. Positioning of the Company in the corporate group centering on the parent company, etc. and the relationships between other listed companies and the parent company, etc.

- (1) Position of the Company within the Rakuten Group; transactions, personnel, and capital relationships with Rakuten Group and its subsidiaries

Rakuten Group, Inc. is the parent company of the Company, holding 49.27% of its voting rights.

Rakuten Group, Inc. leads the Rakuten Group, which is driven by its mission to “contribute to society by creating value through innovation and entrepreneurship” and its vision to be a “Global Innovation Company.” Rakuten Group aims to advance and enrich society by providing high-quality services that help its users and partners grow, and by fostering the development of individuals. Rakuten Group’s 70+ businesses span a broad range of online and offline services, and by linking these diverse services through a common membership and loyalty program, Rakuten Group has created one of the world’s most unique and robust “Rakuten Ecosystem”. As an internet bank within the Rakuten Ecosystem, the Company is part of the Rakuten Group's FinTech segment, along with Rakuten Card Co., Ltd., Rakuten Securities, Inc., Rakuten Life Insurance Co., Ltd., Rakuten General Insurance Co., Ltd., Rakuten Payment, Inc., Rakuten Edy, Inc., and other companies.

The Company has a license agreement with Rakuten Group, Inc. regarding the use of the Rakuten brand's logos, domains, etc.

Also, Rakuten Group promotes personnel exchanges within its group companies to enhance operational efficiency, address business necessity, foster employee development, and support career path planning. The Company accepts seconded employees from other Rakuten Group companies, including Rakuten Group, Inc. However, to ensure management independence and stability, the Company's policy prohibits individuals in department manager positions or above from holding concurrent positions at other Rakuten Group companies. Currently, no seconded employees from Rakuten Group, Inc. hold positions as department manager or above at the Company.

Secondments between the Company and Rakuten Group, Inc., as well as secondments from the Company to other Rakuten Group companies, are implemented only when deemed necessary for business operations.

The concurrent positions held by the Company's directors at the parent company, etc., are as follows:

(As of March 31, 2025)

Position at the Company	Name	Position at Parent Company, etc.	Reason for Appointment
Executive Chairman (part-time)	Hiroshi Mikitani	Representative Director, Chairman, President and CEO Rakuten Group, Inc	To utilize his extensive track record, experience in the management of the Company

- (2) Business constraints, risks, and benefits of belonging to the Rakuten Group; impact on management and business activities from transactions, personnel, capital, and other relationships with Rakuten Group, Inc. and its subsidiaries

Rakuten Group, Inc. operates various internet services, including the “Rakuten Ichiba” online shopping mall, and oversees the entire Rakuten Group. In contrast, the Company, as an internet bank, has a clearly distinct role within the group compared to Rakuten Group, Inc.

Furthermore, Rakuten Group, Inc. also owns Rakuten Europe Bank S.A., a commercial bank operating in Europe and based in Luxembourg. While Rakuten Europe Bank S.A. engages in commercial banking operations similar to those of the Company, there is no competition between the two, as the Company's market area is Japan and Taiwan, whereas Rakuten Europe Bank S.A.'s market area is Europe.

The Company pursues synergies with the Rakuten Ecosystem and benefits from being able to acquire new customers by leveraging the Rakuten Group's strong customer base of over 100 million IDs. Rakuten Group customers (Rakuten members) exhibit high loyalty to Rakuten services. By building upon this existing trust, the Company is able to acquire a large number of new customers in a short period. Furthermore, by offering banking services in combination with Rakuten Group services, the Company provides unique value to customers that is unavailable from other banks, thereby further enhancing customer loyalty to both the Company and the Rakuten Group.

- (3) Approach to securing independence from the parent company, and measures

As of March 31, 2025, one of the Company's five Directors concurrently holds a position at Rakuten Group, Inc. However, the Company is able to exercise its own independent management judgment because three Outside Directors, exceeding this number and constituting a majority of the board, are in place.

Also, the Company has established a Special Advisory Committee consisting of Independent Directors and Auditors (Outside Directors and Outside Audit and Supervisory Board Members with no conflicts of interest with general shareholders). The Special Advisory Committee determines management policies 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, the Committee examines the appropriateness of the arm's length rule, conflict-of-interest transactions, and other transactions. This examination is conducted from the perspective of ensuring sound and appropriate management of the Company's business, as well as assessing the necessity and appropriateness of such rules from the perspective of protecting minority shareholders.

Furthermore, the Company verifies the business necessity and fairness of transaction terms regarding related party transactions, and has established a system to comprehensively identify and verify transactions with related parties in order to ensure the effectiveness of this verification, based on the “Transactions with Specified Related Parties and Affiliates Regulations” and the “Related Party Transaction Administration Standards.”

- (4) Status of ensuring a degree of independence from the parent company

The Company will continue to collaborate with Rakuten Group, Inc. to enhance corporate value. However, the Company recognizes that its independence is ensured, as management decisions are made independently.

It should be noted that the Financial Services Agency's Supervisory Guidelines stipulate that the management independence of subsidiary banks must be supervised at the time of obtaining approval from major bank shareholders and continuously thereafter to ensure the soundness of their management. Rakuten Group, Inc. has entered into a Basic Management Agreement with the Company, which stipulates that Rakuten Group, Inc. respect the independence of the Company's strategic decision-making and personnel rights, as required of major bank shareholders. Rakuten Group, Inc. will obtain timely disclosure information and information necessary for building a consolidated governance system within the scope defined as matters for prior and post reporting. Rakuten Group, Inc. will continue to respect the independence of the Company's strategic decision-making and personnel rights.

Furthermore, the Company's Board of Directors consists of five Directors, with Outside Directors constituting a majority of the board. The Company recognizes that this structure ensures mutual oversight within the Board of Directors and the transparency and fairness of decision-making.

3. Matters concerning transactions with controlling shareholder, etc.

Fiscal year from April 1, 2024, to March 31, 2025

Not applicable.

4. Status of implementation of measures to protect minority shareholders in transactions, etc. with controlling shareholders

The Company has established a Special Advisory Committee consisting of Independent Directors and Auditors. The Special Advisory Committee determines management policies 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 the Rakuten Group, or any transactions with the Rakuten Group, the Committee examines the appropriateness of the arm's length rule, conflict-of-interest transactions, and other transactions. This examination is conducted from the perspective of ensuring sound and appropriate management of the Company's business, as well as assessing the necessity and appropriateness of such rules from the perspective of protecting minority shareholders.

There has been no case where doubts were expressed about the appropriateness of transactions with the Rakuten Group during the consolidated fiscal year from April 1, 2024, to March 31, 2025.

(end)