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For Immediate Release

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Notice Regarding Revision of Directors' Compensation Plan

CERES INC. (the "Company") hereby announces that, at a meeting of its Board of Directors held on February 24, 2026, it resolved to revise its restricted stock remuneration plan (the "Plan") and to submit to the Company's 21st Ordinary General Meeting of Shareholders scheduled to be held on March 30, 2026, a proposal regarding the revision of compensation for Directors subject to the Plan (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors; "Eligible Directors"), as described below.

I. Revision of Directors' Compensation

(1) Reasons for the Revision

To achieve its medium-term management plan and realize sustainable enhancement of corporate value, the Company positions sustainability as a key management priority. Accordingly, the Company will revise the Plan by introducing the CDP¹ Climate Change score and the EcoVadis² rating—international evaluation indicators related to climate change and supply chain sustainability—as performance metrics for directors' remuneration. By linking ESG initiatives with directors' remuneration, the Company aims to further enhance the effectiveness of sustainability management and to more strongly align directors' incentives with mid- to long-term corporate value enhancement and value sharing with shareholders.

In addition, by increasing the proportion of share-based compensation, the Company will further clarify directors' commitment to enhancing shareholder value and will promote sustainable growth and corporate value enhancement.

(2) Details of the Revision

At the 16th Ordinary General Meeting of Shareholders held on March 24, 2021, shareholders approved that the amount of remuneration for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) would be up to ¥500 million per year (including up to ¥30 million per year for Outside Directors), and that the monetary remuneration claims (the "Monetary Remuneration Claims") to be paid for the grant of restricted stock to Eligible Directors would be up to 20,000 shares per year and up to ¥200 million per year.

In connection with the revision of the Plan, the Company plans to seek shareholder approval to revise the total amount of Monetary Remuneration Claims to be paid for the grant of restricted stock to up to 50,000 shares per year and up to ¥300 million per year. The above remuneration amounts do not include the employee salary portion for Directors who concurrently serve as employees.

2. Overview of the Plan

Under the Plan, the Company will grant Monetary Remuneration Claims to Eligible Directors with the aim of providing incentives to sustainably increase corporate value and further share value with shareholders. Eligible Directors will contribute the full amount of such Monetary Remuneration Claims as property contributed in kind, and the Company will issue or dispose of its common shares.

The number of shares to be granted and the amount to be paid will be determined based on the achievement level of the Company Group's performance indicator (consolidated net income) and, as non-financial indicators, the degree of achievement of the CDP^{*1} Climate Change score and the EcoVadis^{*2} rating. This remuneration framework will take into account both financial and ESG indicators. The specific timing of grants and allocation to each Eligible Director will be determined by the Board of Directors following deliberation by the Nomination and Compensation Advisory Committee.

*1 CDP: Carbon Disclosure Project

An international non-profit organization that promotes disclosure of environmental information by companies and local governments. It requests responses to detailed questionnaires on issues such as climate change, water, forests, biodiversity, and plastics, and assigns scores based on the quality of responses.

*2 EcoVadis

An international rating organization that evaluates supply chain-wide risk and performance across four areas: "Environment," "Labor & Human Rights," "Ethics," and "Sustainable Procurement." (As of April 2025, it evaluates more than 150,000 companies across 185 countries and over 250 industries.)

3. Effective Date

The revision of the Plan is conditional upon approval of this proposal at the 21st Ordinary General Meeting of Shareholders scheduled to be held on March 30, 2026, and is expected to become effective on March 31, 2026.

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