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For Immediate Release

Company name	CERES INC.
Representative	Satoshi Takagi, President and Representative Director (Code: 3696 TSE Prime Market)
Contact	Yasuhiro Kobayashi, Managing Director & General Manager of Administration Division
Telephone	+81-3-6455-3756

### Summary of Results of the Board Effectiveness Evaluation

CERES INC. has conducted an evaluation of the effectiveness of the Board of Directors in order to build a more complete corporate governance system in accordance with the "Corporate Governance Code" established by the Tokyo Stock Exchange. The results of the evaluation are summarized below.

#### 1. Evaluation Method

A self-assessment questionnaire was distributed to all nine Directors. Responses were collected on a named basis, using a five-point scale for each item (5 = Strongly agree; 1 = Strongly disagree), together with free-form comments. Based on the aggregated results, the Board discussed key issues and future initiatives.

#### 2. Key Evaluation Items

The questionnaire covered the following major categories:

- (i) Board composition and structure
- (ii) Board operation and procedures
- (iii) Board discussions
- (iv) Monitoring function and collaboration with audit bodies
- (v) Sustainability and human capital

#### 3. Assessment of Initiatives to Address Issues Identified in the Previous Year

- (1) To enhance engineering capabilities, strengthen governance, and promote diversity, we appointed an additional independent outside Director with a proven track record in technology branding and technical public relations.

As a result, the category "Board composition and structure" received a high average score of 4.42, indicating that the Board is generally at an appropriate level in terms of skills and diversity.

- (2) Further enhancing discussions on management strategy

We continued efforts to secure sufficient time for deliberation on important matters and to improve the quality of discussions. The evaluation results reflected this progress, with high average scores of 4.67 for "Board operation and procedures" and 4.52 for "Board discussions."

These results confirm that adequate time is being allocated to key agenda items, enabling appropriate discussion and oversight.

#### 4. Summary of This Year's Evaluation Results

The average scores across the major categories ranged from 3.89 to 4.67, and the overall average across all 16 questions was 4.38. Based on these results, we confirmed that the effectiveness of our Board is generally being ensured at an appropriate level.

Average scores by major category (five-point scale) were as follows:

Board composition and structure: 4.42

- Board operation and procedures: 4.67
- Board discussions: 4.52
- Monitoring function and collaboration with audit bodies: 4.11
- Sustainability and human capital: 3.89

#### 5. Key Issues Identified This Year

Based on the results and free-form comments, we identified the following three priority issues to address toward the next year. We also reaffirmed that further enhancement of the Board's diversity and skill set remains an important issue.

- (1) Further upgrading the quality and rigor of discussions on critical matters
- (2) Strengthening group governance and monitoring, including subsidiaries
- (3) Further linking sustainability and human capital topics with Board agenda items

#### 6. Next Steps

In light of this evaluation, the Board will consider and implement measures—including the following—to further enhance its effectiveness and improve its functions:

- (1) Organizing assumptions, scenarios, and risks in deliberations on critical matters, and enhancing the decision-making process
- (2) Strengthening collaboration between the Strengthen coordination between the Executive Committee Meeting and the Board of Directors, and reinforcing group governance and monitoring through standardization of subsidiary reporting
- (3) Establishing a regular framework for reporting and discussion on sustainability and human capital, and strengthening monitoring mechanisms linked to quantitative KPIs
- (4) Improving both the quality and efficiency of discussions through earlier distribution of Board materials and enhanced pre-meeting input
- (5) Further enhancing the Board's skills and diversity, and upgrading the evaluation method (including consideration of using a third-party organization)

In addition to the initiatives described above, we will continue to take necessary actions to further improve Board effectiveness. We will also continue to conduct the Board effectiveness evaluation on an ongoing basis and consider improvements to the evaluation method.

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