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May 12, 2026

To whom it may concern:

Company Name: Yakult Honsha Co., Ltd.  
Representative: Hiroshi Narita  
President and Representative Director  
(Securities code: 2267, TSE Prime Market)

## Notice Regarding Introduction of New Stock Remuneration System Following Revision of Existing System

Yakult Honsha Co., Ltd. (the “Company”) announced that its Board of Directors, at a meeting held on February 10, 2026, resolved to revise the current stock remuneration system for directors and implement a new performance-based stock remuneration system (the “System”). The Company hereby announces that the Board of Directors has further resolved today to submit a proposal regarding this revision to the 74th Ordinary General Meeting of Shareholders (the “General Meeting of Shareholders”) scheduled for June 24, 2026, as follows:

### 1. Background and purpose of the revision

The Board of Directors resolved to replace the current stock remuneration system with the System for its directors (excluding outside and part-time directors) and executive officers (collectively, “Executives”), subject to the approval of shareholders regarding executive remuneration, and decided to submit a proposal regarding the revision to the General Meeting of Shareholders. The purpose of this transition is to provide incentives aimed at the sustainable enhancement of corporate value by further clarifying the link between the compensation of Executives and increases to the Company’s medium- to long-term corporate value and shareholder value, while also further promoting the sharing of value between Executives and shareholders.

The following terms and specific details were approved at the 71st Ordinary General Meeting of Shareholders held on June 21, 2023, and have remained in effect to this day: the total amount of monetary remuneration claims to be paid to our directors as remuneration related to restricted stock shall not exceed 300 million yen annually, and the total number of shares to be issued or disposed of shall not exceed 150,000 shares per year. This is separate from the amount of remuneration for the Company’s directors approved at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008. (The Company conducted a two-for-one stock split of its common stock effective October 1, 2023. The maximum number of shares stated above reflects the adjusted number after such stock split.) However, subject to approval at this Ordinary General Meeting of Shareholders, we will abolish the remuneration framework for directors related to the above resolution and will not allocate any new restricted stock under the existing restricted stock remuneration system in the future. Nevertheless, restricted stock that has already been allocated to directors

will remain in effect.

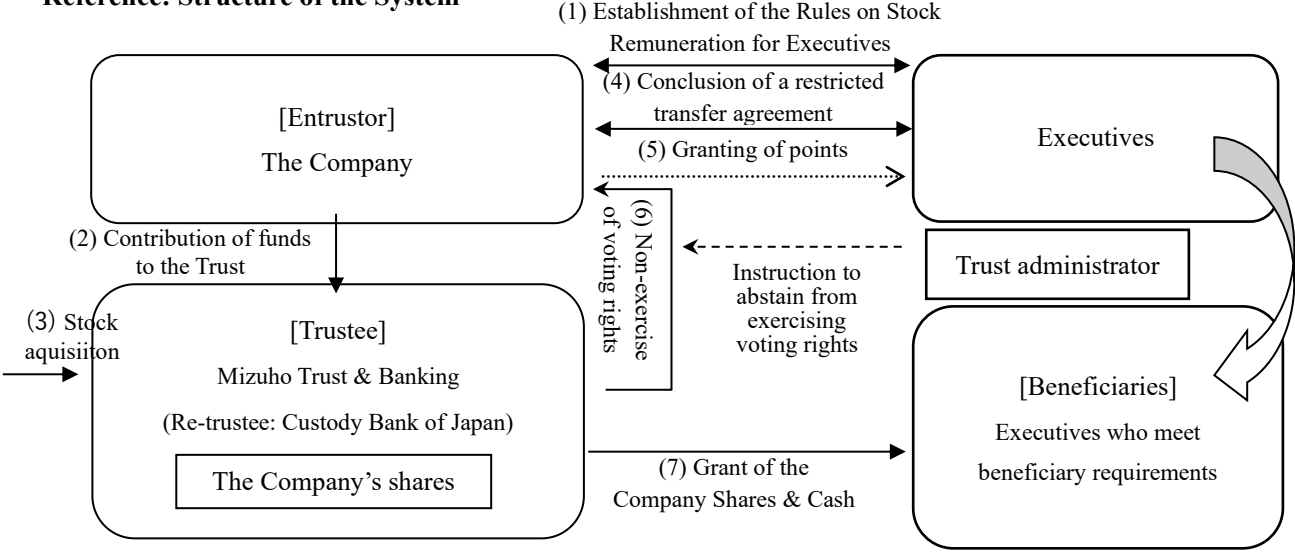
## **2. Overview the System**

### **(1) Overview of the System**

The System is a stock-based remuneration system under which the Company's shares are acquired through a trust (the trust established under the System; the "Trust") using funds contributed by the Company, and in which the Company's shares and cash equivalent to the market value of such shares ( "Company Shares and Cash") are granted to Executives through the Trust in accordance with the Company's Rules on Stock Remuneration for Executives. Under the System, shares will be granted through two types of programs: non-performance-based stock remuneration and performance-based stock remuneration. The timing of share grants to Executives will, in principle, be at a fixed time each year for non-performance-based stock remuneration, and for performance-based stock remuneration, at a specific time following the conclusion of the performance evaluation period. (The initial performance evaluation period will be the five fiscal years from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031; each performance evaluation period shall correspond to the period covered by the Company's medium-term management plan or other similar plans established by the Company. The same shall apply hereinafter.)

In addition, for both non-performance-based stock remuneration and performance-based stock remuneration, the timing of payment to Executives of an amount equivalent to the market value of the Company's shares shall, in principle, be upon their retirement. If Executives receive a grant of Company stock during their tenure, Executives shall, prior to receiving the grant, enter into a restricted transfer agreement with the Company as described in Section 3 below. Consequently, the disposal, through transfer and other means, of the Company's shares received by Executives during their tenure will be restricted until they step down from their positions.

**Reference: Structure of the System**



Acquisition of the right to receive shares

- (1) The Company will establish the Rules on Stock Remuneration for Executives within the scope of the framework approved in connection with this Proposal.
- (2) The Company will contribute funds to the Trust within the scope approved in connection with this Proposal.
- (3) The Trust will acquire the Company’s shares using the funds entrusted in (2), either through transactions on the stock exchange or by accepting the disposal of the Company’s treasury shares.
- (4) Executives will enter into a restricted transfer agreement with the Company, which provides that the Company’s shares granted to them during their term of office shall be subject to restrictions on transfer and other dispositions until their resignation or retirement, and that the agreement shall include provisions such as clauses allowing the Company to acquire such shares without compensation under certain conditions.
- (5) The Company will grant points to Executives in accordance with the Rules on Stock Remuneration for Executives.
- (6) In accordance with the instructions of an independent trust administrator, the Trust shall not exercise voting rights attached to the Company’s shares held in the Trust account.
- (7) The Trust shall grant shares of the Company to Executives who meet the beneficiary requirements set forth in the Rules on Stock Remuneration for Executives at a specified time each year and at a specified time following the end of the performance evaluation period (“Beneficiaries”), in an amount corresponding to the number of points granted to such Beneficiaries. However, if Executives meet the requirements set forth in the Rules on Stock Remuneration for Executives, a certain percentage of their points will be paid out in cash equivalent to the market value of the Company’s stock upon their retirement.

(2) Persons eligible under the System

Directors (outside and part-time directors are not eligible under the System) and executive officers

(3) Trust period

From August 2026 (scheduled) until the Trust ends (there is no specific termination date for the period of the Trust; it will continue for as long as the System remains in effect. The System will terminate upon the delisting of the Company's shares, the repeal of the Rules on Stock Remuneration for Executives, or other similar events).

(4) Trust amount

Subject to approval of this proposal, the Company will implement the System for the initial performance evaluation period (the "Initial Target Period"; the Initial Target Period and any performance evaluation periods commencing after the expiration of the Initial Target Period shall each be referred to as a "Target Period") and each subsequent Target Period. To provide Company Shares and Cash to Executives, the Company will contribute the following funds to the Trust as the source of funds for the Trust's acquisition of the Company's stock.

First, upon establishing the Trust (scheduled for August 2026), the Company will contribute to the Trust a portion of the funds estimated to be necessary for the Initial Target Period (five fiscal years). The maximum number of points to be granted to Executives under the System (each point being equivalent to one share of the Company's common stock) is 350,000 points per fiscal year, as described in (6) below. Therefore, at the time of establishing the Trust, the Company will contribute to the Trust a portion of the funds reasonably expected to be necessary to acquire up to 1.75 million shares, taking into account the closing price of the Company's common stock in regular trading on the Tokyo Stock Exchange immediately prior to that time. For reference, if a closing price of 2,906 yen as of May 11, 2026 is applied, the total amount of funds required for the Initial Target Period would be approximately 5,085 million yen (approximately 1,017 million yen per year).

Furthermore, even after the Initial Target Period has expired, until the System ends, the Company will, in principle, reasonably estimate the number of shares required to make payments to Executives under the System for each Target Period, and will make additional contributions to the Trust in an amount deemed necessary for the Trust to acquire such shares in advance. However, if such additional contributions are made, and there are any remaining shares of the Company (excluding shares of the Company corresponding to the number of points granted to Executives for each Target Period up to the immediately preceding period, for which benefits to such Executives have not yet been paid) and cash ("Remaining Shares and Cash") within the Trust property, the Remaining Shares and Cash shall be allocated as the source of funds for benefits under the System during subsequent Target Periods, and the amount of the additional contribution shall be calculated after taking the Remaining Shares and Cash into account. The Company may make contributions to the Trust in multiple installments during the Target Period. Should the Company decide to make additional contributions, it will disclose such information in a timely and appropriate manner.

Note: The amount of funds that the Company will actually contribute to the Trust consists of the funds for the acquisition of the shares mentioned above, plus the estimated amount of necessary expenses such as trust fees.

(5) Method and number of Company shares to be acquired by the Trust

The acquisition of the Company's shares by the Trust shall be carried out using the funds contributed pursuant to (4) above, either through the stock exchange or by subscribing to the Company's disposal of treasury shares.

As the maximum number of points that may be granted to Executives is 350,000 points per fiscal year, as set forth in (6) below, the maximum number of shares of the Company's stock that the Trust may acquire for each Target Period shall be the number of fiscal years comprising the Target Period multiplied by 350,000 shares (provided, however, that following the approval of this proposal, in the event of a stock split, a bonus allotment, or a reverse stock split, etc., the conversion ratio shall be reasonably adjusted in accordance with such ratios.) Details regarding the acquisition of the Company's shares by the Trust will be disclosed in a timely and appropriate manner.

(6) Maximum number of Company Shares and Cash granted to Executives

With regard to non-performance-based stock remuneration, Executives are awarded a number of points for each fiscal year, determined according to their position in accordance with the Rules on Stock Remuneration for Executives. In addition, regarding performance-based stock remuneration, Executives are awarded a certain number of points for the performance evaluation period, determined in accordance with the Rules on Stock Remuneration for Executives based on factors such as their position and the degree to which performance targets were met. The total number of points awarded to directors per fiscal year shall not exceed 250,000 points for directors (excluding outside and part-time directors), and 350,000 points for all Executives. This decision was made after comprehensively considering the current level of executive remuneration, trends in the number of directors, and future projections, and we believe it is appropriate.

Points granted to Executives will be converted at a rate of one point per one share of the Company's common stock upon the grant of Company Shares and Cash, as described in (7) below (provided, however, that if, after the approval of this proposal, a stock split, a bonus allotment, or a reverse stock split, etc., is conducted with respect to the Company's stock, reasonable adjustments shall be made to the maximum number of points, the number of points already granted, or the conversion ratio in accordance with the applicable ratios, etc.).

In addition, the number of voting rights associated with the shares corresponding to the maximum number of points granted per fiscal year to directors (excluding outside and part-time directors)—2,500 voting rights—represents approximately 0.086% of the total number of voting rights associated with the total number of issued shares, which is 2,902,012 voting rights (as of March 1, 2026).

The number of points for Executives that serves as the basis for the grant of Company Shares and Cash, described in (7) below shall, in principle, be the number of points granted to such Executives by the time the benefit rights described in (7) below are vested (hereinafter, the points calculated in this manner shall be referred to as "vested points").

(7) Grant of Company Shares and Cash

Executives who meet the beneficiary requirements will, upon completing the prescribed beneficiary determination procedures, receive a grant of Company stock from the Trust at specific times each year and at a specific time following the end of the performance evaluation period, in an amount corresponding to the vested points established in accordance with the provisions set forth in (6) above. However, if the conditions

set forth in the Rules on Stock Remuneration for Executives are met, a certain percentage of the award will, in principle, be paid in cash equivalent to the market value of the Company's stock at the time of retirement, rather than in the form of stock. In order to make cash payments, the Trust may sell Company stock.

Furthermore, if Executives receive a grant of Company stock during their tenure, they shall enter into a restricted transfer agreement with the Company prior to the grant of such shares, as described in Section 3 below. Consequently, the disposal of the Company's shares received by Executives during their tenure will be restricted until they step down from their positions.

Even if Executives have been awarded points, if they are removed from office by a resolution of a general meeting of shareholders or the Board of Directors, or they shall not be entitled to receive all or part of the benefits if they resign due to certain misconduct during their tenure, or if they engage in inappropriate conduct or other actions that cause damage to the Company during their tenure.

Furthermore, even if Executives have received such benefits, if they are removed from office by a resolution of a general meeting of shareholders or the Board of Directors, or if they engage in misconduct or other inappropriate conduct during their tenure that causes damage to the Company, they may be required to return all or part of the economic value equivalent to the shares and cash received.

#### (8) Exercise of voting rights

Voting rights attached to the Company's shares held in the Trust account shall not be exercised, in accordance with the instructions of the trust administrator. By adopting this approach, the aim is to ensure neutrality with respect to the Company's management regarding the exercise of voting rights attached to the Company's shares held in the Trust account.

#### (9) Handling of dividends

Dividends on the Company's shares held in the Trust account will be received by the Trust and used to cover the purchase price of the Company's shares and the trustee's trust fees related to the Trust. In the event that the Trust is terminated, any remaining dividends and other distributions within the Trust will be distributed pro rata to Executives in office at that time, in accordance with the provisions of the Rules on Stock Remuneration for Executives, based on the number of points held by each individual.

#### (10) Handling upon termination of the Trust

The Trust will terminate upon the occurrence of events such as the delisting of the Company's shares or the repeal of the Rules on Stock Remuneration for Executives. Upon the termination of the Trust, the Company plans to acquire all of the Trust's residual assets consisting of the Company's shares (excluding shares to be distributed to Executives as described in [7] above) without consideration and to cancel them pursuant to a resolution of the Board of Directors. Of the residual assets of the Trust at the time of its termination, any monetary amounts, excluding those paid to Executives pursuant to (9) above, shall be paid to the Company.

### **3. Summary of the restricted transfer agreement regarding Company shares granted to Executives**

If Executives receive an allocation of the Company's shares during their term of office, the Executives shall, prior to receiving such allocation, enter into a restricted transfer agreement (the "Restricted Transfer Agreement") with the Company that includes, in summary, the following provisions (Executives shall receive

the allocation of the Company's shares on the condition that they enter into the Restricted Transfer Agreement). However, in cases where Executives have already resigned at the time of the stock grant, the Company may grant its shares without entering into the Restricted Transfer Agreement.

(1)Details of the transfer restriction

Executives may not transfer, create security interests, or otherwise dispose of Company shares received from the date of receipt until the date of their resignation from the Company.

(2)Acquisition by the Company at no cost

In the event of certain violations or if the requirements for lifting the transfer restrictions described in (3) below are not met, the Company shall acquire such shares without compensation.

(3)Lifting of transfer restrictions

If Executives resign from all of their positions as an officer of the Company for just cause or cease to hold such positions due to death, the transfer restrictions shall be lifted as of that date.

(4)Handling in organizational restructuring

If a merger agreement in which the Company becomes the dissolving company, or any other matters relating to a reorganization, is approved at a general meeting of shareholders of the Company or similar meeting during the transfer restriction period, the transfer restriction shall be lifted as of the time immediately prior to the business day preceding the effective date of such reorganization, by resolution of the Company's Board of Directors.

The Company's shares subject to the transfer restrictions under the Restricted Transfer Agreement are scheduled to be held in a dedicated account opened by the relevant Executives at a securities firm designated by the Company during the transfer restriction period, so as to prevent their transfer, the creation of security interests, or any other disposition during that period.

In addition to the foregoing, the methods for expressing intent and providing notice under the Restricted Transfer Agreement, the procedures for amending the Restricted Transfer Agreement, and any other matters determined by the Board of Directors shall constitute the terms of the Restricted Transfer Agreement.

**Outline of the Trust**

- 1. Name: Board Benefit Trust-Restricted Stock (BBT-RS)
- 2. Entrustor: Yakult Honsha Co., Ltd.
- 3. Trustee: Mizuho Trust & Banking Co., Ltd.  
(Re-trustee: Custody Bank of Japan, Ltd.)
- 4. Beneficiaries: Executives who meet beneficiary requirements set forth in the Rules on Stock Remuneration for Executives
- 5. Trust administrator: To be selected from independent third parties with no vested interest in the Company
- 6. Type of trust: Trust of money other than money trusts (third-party beneficiary trust)
- 7. Execution date of this trust agreement: August 2026 (scheduled)
- 8. Date of entrustment of money: August 2026 (scheduled)
- 9. Trust period: From August 2026 (scheduled) to the termination of the Trust  
(There is no specific termination date for the period of the Trust; it will continue for as long as the System remains in effect.

End