

ANNUAL REPORT 2026



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Message from the Chairman

Japan’s economy continues to grow steadily each year. Domestic capital investment and a strong momentum toward wage increases have firmly set the economy on a path to full-scale growth.

On the other hand, looking at the international situation, the geopolitical risks and economic security crises are growing to unprecedented levels, due to the turbulence in the free trade systems and increasingly severe division and conflict. Japan is also facing challenges that affect the foundations of the economy and society, such as an aging population and declining birthrate, increasingly severe and frequent natural disasters, as well as limited natural resources and energy.

Amid such adversity, Keidanren is resolved to build a resilient economy and society by tackling the various potential future risks and generating innovation while also creating strong economic growth in the medium to long term. To do this, businesses and employers need to transform their mindsets, and boldly and proactively invest in domestic capital equipment, research and development, and human resources including through wage increases, thereby steadily raising Japan’s potential growth rate.

Keidanren defines such an economy and society as an “investment-driven economy” and strives to establish it with a view to strengthening the foundations and autonomy of Japan’s economy and realizing a virtuous cycle of growth and distribution.

From these perspectives, Keidanren will focus on the following seven key policy areas.

First, achieving a science and technology-oriented nation where innovations continue to emerge. Keidanren will accelerate its initiatives to facilitate digital transformation and promote startups. Efforts will also be made to improve Japan’s industrial competitiveness by expanding public and private domestic investment in strategic fields such as artificial intelligence, semiconductors, and robots.

Second, promoting integrated reform of the tax, fiscal, and social security systems. This requires public-private sector collaboration to ensure dynamic economic and fiscal management that will maintain market confidence. It is also necessary to build a fair, equitable, and sustainable moderate-welfare, moderate-burden system, which includes developing a social security system oriented to all generations and reviewing the structure of benefits and burdens.

Third, labor reform aimed at expanding and facilitating investment in people. While continuing to work toward ensuring the fairness of business transactions through appropriate price pass-through across the supply chain, Keidanren will strive to ensure that the strong momentum toward wage increases takes further root. Appeals will also be made for the expansion of the discretionary labor system, among other areas.

Fourth, stimulating regional communities and economies in order to increase the resilience of the national economy and society. In addition to endeavors to realize the New Regional Bloc Concept, steps will be taken to enhance Japan’s resilience, including disaster preparedness, reduction, and response measures.

Fifth, maintaining and strengthening a free and open international order and considering economic security as a trade and investment-oriented nation. It is important to ensure a rules-based, free, and fair trade and investment environment, together with economic security through cooperation with like-minded nations. Alongside these approaches, Keidanren will promote private-sector economic diplomacy aimed at establishing a resilient economic structure that is not overly dependent on any particular country or region.

Sixth, securing an affordable and stable supply of energy as the foundation for economic activity, and promoting green transformation. It is important to enhance energy security by ensuring diverse sources of energy and stably securing natural resources and, in parallel with that, to invest in decarbonization with an approach that increases industrial competitiveness. Moreover, in order to maximize the use of decarbonized power sources, it is particularly necessary to accelerate the restart of nuclear power plants and push forward with replacement, upgrades, and new construction.

Seventh, corporate governance reform aimed at sustainable growth and appropriate value distributions to multiple stakeholders. Keidanren will work to encourage constructive dialogue with investors toward medium- to long-term improvement in corporate value.

In addition to these key policy areas, Keidanren will collaborate with the government, local authorities, local business communities, and other entities in efforts to prepare for the successful hosting of the 2027 International Horticultural Expo (GREEN×EXPO 2027).

This year marks the 80th anniversary of Keidanren’s establishment. Using this milestone as an opportunity to look back to its original goals, Keidanren will continue to implement “Policy & Action,” which entails formulating policy on the basis of fair opinions from the business community and striving to realize such policies. As Keidanren’s Chairman, I will value both the “medium- to long-term perspective” and the “perspective of Japan in the world” as I guide Keidanren’s work to fulfill its responsibility to future generations by creating a society in which each and every citizen can enjoy material comfort and mental well-being. Continued support and cooperation from all member companies will be vital to this endeavor.



KEIDANREN (Japan Business Federation)
Chairman TSUTSUI Yoshinobu

A stylized, handwritten signature in black ink, reading "Y. Tsutsui".

Keidanren Policy for Fiscal 2026

Establish an Investment-Driven Economy to Generate Strong Growth

Having secured a strong public mandate, the Takaichi administration is proactively pursuing policies toward establishing a strong economy. Amid these developments, Japan's economy is steadily on the way to shaking off the prolonged deflation and reaching a path of full-scale growth.

Turning to the international climate, with the United States adopting an America First approach and tense relations with China, the international order is at a significant turning point, and the geopolitical and trade-related risks are rising. In particular, the present instability in the situation in the Middle East has brought Japan face to face with the vulnerability of its supply chain, given that it relies on specific countries and regions for the majority of its natural resources and key commodities. The public and private sectors need to work together to take steps to promptly and flexibly avert disruptions and, in doing so, endeavor to reduce uncertainty. The international community also has the important tasks of addressing climate change and the rapid transformation of economies and societies accompanying the spread of artificial intelligence (AI).

At the same time, in Japan, multiple, intersecting crises are revealing themselves, including not only increasingly severe and frequent natural disasters but also growing economic security threats. Moreover, it is urgently necessary to take action to build a sustainable social security system and strengthen the foundations of regional communities and economies, given the limitations that the aging population and declining birthrate place on the resources supplied. Alongside this, the private and public sectors need to pursue countermeasures to the declining birthrate while also striving to ensure that, throughout the education system from elementary and secondary to higher education, efforts are made to train diverse and proactive human resources who play key roles in the future.

Keidanren will continue to pursue and actively develop upon its medium- to long-term vision "FUTURE DESIGN 2040" and, while doing so, build a resilient economy and society by tackling the various potential future risks and generating innovation, and achieve strong economic growth over the medium to long term. To that end, it is essential for businesses and employers to transform their mindsets and, while utilizing all manner of policy mechanisms, invest boldly, proactively, and autonomously in domestic capital equipment, research and development, and human resources including through wage increases, thereby steadily raising Japan's potential growth capacity. Under further collaboration between the private and public sectors, an investment-driven economy will strengthen the foundations and autonomy of Japan's economy and enable the achievement of a virtuous cycle of growth and distribution. When doing so, it will be necessary to draw up a comprehensive image of Japan's economy from a medium- to long-term perspective, including integrated reform of the tax, fiscal, and social security systems.

This year marks the 80th anniversary of Keidanren's founding. Established in August 1946 immediately after the end of World War II, Keidanren successfully endeavored to reconstruct and recover Japan's economy while also contributing to maintaining and fostering a free and open economic model. Using this as an opportunity to look back at its original goals at the time of its establishment, Keidanren will continue to implement "Policy & Action" by formulating policy on the basis of fair opinions from the business community and striving to realize such policies. As it does so, Keidanren is committed to steadily developing Japan's economy and thereby achieving a society in which each and every citizen can continue to enjoy material comfort and mental well-being.

With such goals in mind, Keidanren will fulfill its responsibility to future generations by concentrating its efforts on the following key policy areas.

1. Achieving a science and technology-oriented nation where innovations continue to emerge

- (1) Pursuing steps to contribute to achieving a science and technology-oriented nation, such as the expansion of public and private sector investment in research and development
- (2) Facilitating digital transformation (DX) across society, including public-private sector data linkage and utilization and ensuring cyber security
- (3) Accelerating the promotion of startups
- (4) Enhancing industrial competitiveness through the expansion of domestic investment in strategic areas, such as AI, semiconductors, robots, quantum technology, fusion energy, communications, biotechnology, space technology, and entertainment content
- (5) Promoting the development of bold tax measures that strongly support growth investment, and encouraging regulatory reform and international standardization
- (6) Developing highly skilled professionals and promoting their active participation

2. Promoting integrated reform of the tax, fiscal, and social security systems

- (1) Facilitating public-private sector cooperation to pursue dynamic economic and fiscal management and secure fiscal sustainability toward achieving an investment-driven economy and maintaining market confidence
- (2) Building a fair, equitable and sustainable, moderate-welfare, moderate-burden system through integrated reform of the tax, fiscal, and social security systems, which includes developing a social security system oriented to all generations and reviewing the structure of benefits and burdens

3. Implementing labor reform aimed at expanding and facilitating investment in people

- (1) Creating an environment that ensures that the strong momentum toward wage increases takes further root through increase and improvement in productivity and that promotes the fairness of business transactions through price pass-through across the supply chain, including small and medium-sized enterprises (SMEs)
- (2) Developing a system that contributes to actively promoting labor mobility, and introducing and enhancing support measures for reskilling and other forms of recurrent education
- (3) Expanding the discretionary labor system, alongside other forms of revision of laws on working hours that enable flexible and autonomous work styles, with the prerequisite that workers' health is protected
- (4) Promoting the active participation of diverse human resources (including women, young people, the elderly, persons with disabilities, foreign workers, and workers on fixed-term contracts)

4. Stimulating regional communities and economies in order to increase the resilience of the national economy and society

- (1) Realizing the New Regional Bloc Concept through the development of industry clusters among other approaches
- (2) Advancing Japan's resilience, including disaster preparedness, reduction, and response measures
- (3) Resolutely implementing agricultural policy reform that helps raise productivity and ensure food security
- (4) Achieving a tourism nation

5. Maintaining and strengthening a free and open international order and considering economic security as a trade and investment-oriented nation

- (1) Achieving a rules-based, free, and fair trade and investment environment
- (2) Ensuring economic security through cooperation between the public and private sectors and with like-minded nations
- (3) Promoting private-sector economic diplomacy aimed at establishing a resilient economic structure that is not overly dependent on any particular country or region
- (4) Facilitating stronger cooperation with the Global South

6. Securing an affordable and stable supply of energy as the foundation for economic activity and promoting green transformation (GX)

- (1) Giving concrete form to and steadily realizing the government's Seventh Strategic Energy Plan and GX2040 Vision
- (2) Maximizing the use of decarbonized power sources such as renewables and nuclear energy, in particular by accelerating the restart of nuclear power plants, pushing forward with replacement, upgrades, and new construction, putting advanced reactors into practical use early, and speeding up the back-end processes
- (3) Advancing steadily with the Asia Zero Emission Community (AZEC) initiative
- (4) Promoting the circular economy, securing a stable supply of key minerals that support various industries, and advancing the development of alternative materials, given the need to improve resource security and increase Japan's autonomy

7. Pursuing corporate governance reform aimed at sustainable growth and appropriate value distributions to multiple stakeholders

- (1) Encouraging constructive dialogue with investors toward medium- to long-term improvement in corporate value
- (2) Facilitating the development of legislation such as the Companies Act and the Financial Instruments and Exchange Act
- (3) Promoting management that respects human rights and broader sustainability issues

8. Ensuring the success of the 2027 International Horticultural Expo (GREEN×EXPO 2027)

- (1) Cooperating with preparations for hosting the event, through collaboration with the government, local authorities, local business communities, and other entities
- (2) Facilitating initiatives that integrate biodiversity and natural capital conservation with climate change and the circulation of resources

1 Achieving a Science and Technology-Oriented Nation through the Continuous Creation of Innovation

(1) Achieving a science and technology-oriented nation

Keidanren published “Re: Genesis—Creating the Next Generation with Science, Technology, and Innovation” (April 2025), a proposal for the government’s Seventh Science, Technology, and Innovation Basic Plan, aimed at improving the effectiveness of science, technology, and innovation policy in order to ensure the realization of a science and technology-oriented nation as set out in the Keidanren vision “FUTURE DESIGN 2040” (December 2024). The majority of this proposal was incorporated in the Basic Plan.

The Committee on Science and Technology Strategy was established in May 2025, and the “Urgent Proposal for the Achievement of a Science and Technology-Oriented Nation” followed in December 2025. Keidanren’s activities include directly presenting proposals to Prime Minister TAKAICHI Sanae at meetings of the Council for Japan’s Growth Strategy among other forums.



The first meeting of the Council for Japan’s Growth Strategy (November 10, 2025) (Source: Website of the Prime Minister’s Office of Japan)

(2) Digital transformation (DX)

With the aim of creating new value through DX, Keidanren promotes the social implementation of AI and other digital technologies, as well as data linkage and utilization.

As part of its efforts to promote data linkage and utilization, Keidanren is advancing public-private initiatives. These include working with the Digital Agency to establish the Japan Digital Ecosystem Partnership in June 2025, based on its “Second Proposal Towards the Construction of Industrial Data Spaces” (May 2025).

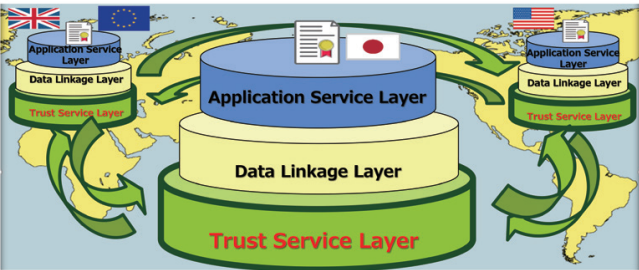


Figure: Schematic of industrial data spaces

(3) Cybersecurity

As cyberattacks targeting Japan’s critical infrastructure and corporate activities become increasingly frequent and sophisticated, Keidanren is pursuing initiatives under three main pillars: cross-industry cooperation, public-private cooperation, and international cooperation. Through these efforts, Keidanren aims to strengthen cybersecurity across the entire supply chain and help create a safe, secure, and trusted cyberspace.



Meeting with TAIRA Masaaki, then Minister in charge of Cybersecurity (July 1, 2025)

(4) Promoting startups

Keidanren seeks to stimulate the ecosystems of startups that play an important role in generating innovation by making steps toward achieving tenfold increases in both the number and level of success of startups as set out in its proposal “Vision for Startup Breakthrough” (March 2022) through approaches such as a Startup-Friendly Scoring system to prompt changes in the behavior of major corporations, Keidanren Innovation Crossing (KIX) pitching events, and KIX-Regional pitching and networking events hosted in collaboration with local business associations across Japan.



Presenters at a KIX-Regional event in Fukuoka (October 7, 2025)

(5) Strengthening competitiveness in new growth areas (enhancement of industrial competitiveness, bioeconomy, creative economy, space, defense, and international standardization)

(i) Enhancement of industrial competitiveness: Keidanren strives to enhance Japan’s industrial competitiveness, by addressing the field of robotics—a field that may hold the winning formula for the future—in its “Proposal on Approaches to Japan’s Robot (AI+) Strategy” (March 2026).

(ii) Bioeconomy: Keidanren appeals to the government and makes national and international visits to promote biotechnological transformation (BX), which draws on the bioeconomy to solve social issues and ensure sustainable economic growth.

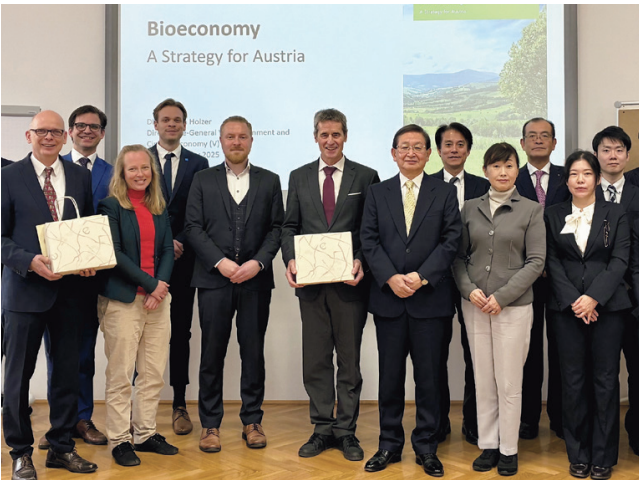
(iii) Creative economy: Keidanren seeks to enhance the competitiveness of the content industry through initiatives such as hosting a symposium (July 2025) and publishing the “Urgent Message for Expansion of Measures to Support the Content Industry” (October 2025).

(iv) Space: Keidanren engages in discussion toward revision of the Space Activities Act and further utilization and application of satellite data, with the aim of facilitating private sector participation in the space industry and establishing Japan as an independent, major spacefaring nation.

(v) Defense: Keidanren pursues activities aimed at maintaining and enhancing Japan’s defense production and technological infrastructure, such as publishing the “Proposals regarding Japan’s Approach to the Transfer of Defense Equipment and Technology” (July 2025).

(vi) International standardization: With a view to creating global markets and strengthening industrial competitiveness through the formation of rules, Keidanren seeks to enhance industry-academia-government and cross-sectoral collaboration, including the joint establishment with the Cabinet Office of a public-

private high-level forum on the basis of the government’s New International Standardization Strategy.



Bioeconomy mission to Europe: Meeting with Austrian government representatives (November 4, 2025)



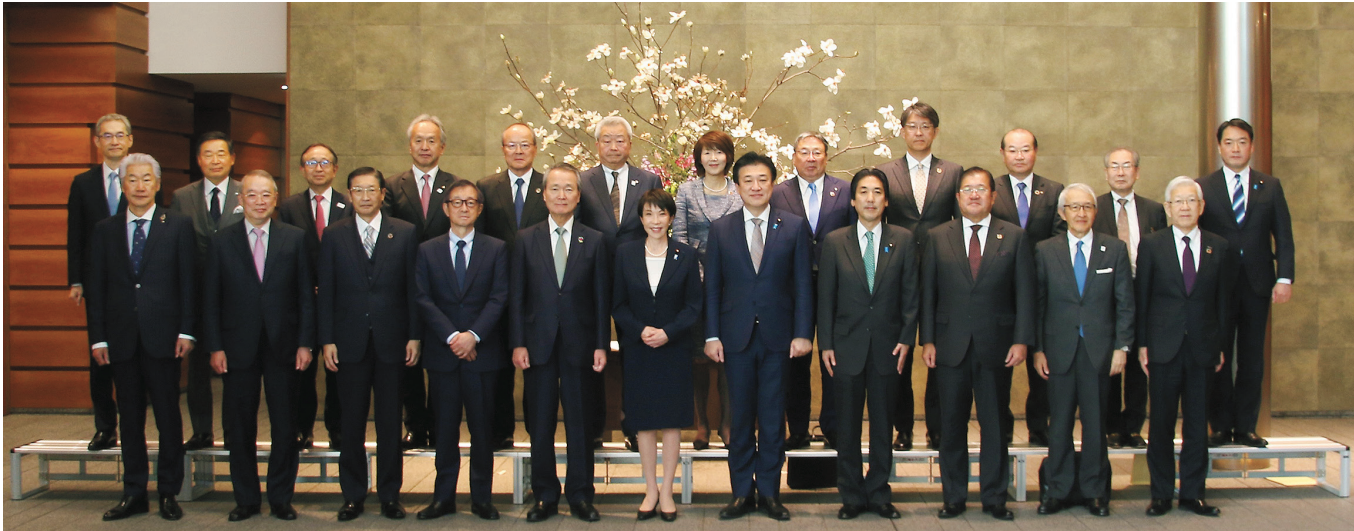
Symposium on “Further Overseas Expansion of the Content Industry” (July 29, 2025)

(6) Regulatory reform

With the understanding that regulations can be changed, Keidanren responds each fiscal year to the requests from its members for regulatory reform by urging the government to address the regulatory issues faced in business operations. These efforts have, for example, led to the relaxation of regulations on the ways in which Technical Conformity Marks are displayed under the Radio Act. Keidanren will continue to promote regulatory reform to facilitate business activities.



Presenting the proposal "A List of Regulatory Reforms Required in Fiscal 2025" to KIUCHI Minoru, Minister of State for Regulatory Reform (right) (December 19, 2025)



Meeting with Prime Minister TAKAICHI Sanae and other senior government officials (January 19, 2026)

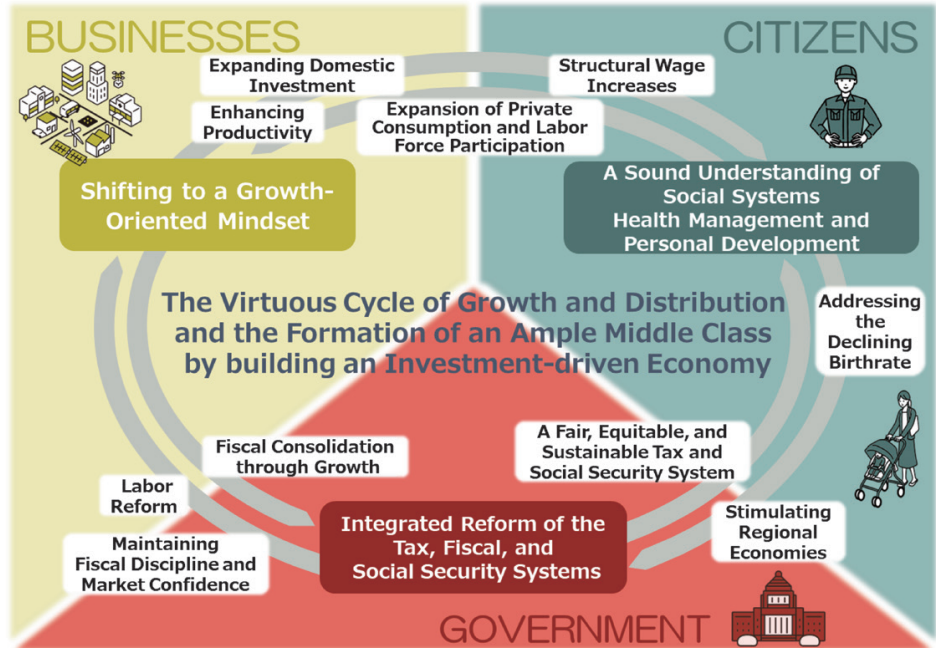
2 Promoting Integrated Reform of the Tax, Fiscal, and Social Security Systems

In order to accelerate and expand the virtuous cycle of growth and distribution by building an investment-driven economy, it is necessary to ensure both that businesses shift to a growth-oriented mindset, and that the government pursues integrated reform of the tax, fiscal, and social security systems. Doing this will allow businesses, the government, and citizens to positively influence each other and in turn enable the formation of an ample middle class.

Keidanren urges the government's newly established National Council on Social Security to promptly publish its forecasts

for social security on the whole, and provokes discussion toward the establishment of a fair, equitable and sustainable moderate-welfare moderate-burden system amid ongoing population aging and decline.

At the same time, while facilitating the achievement of an investment-driven economy, Keidanren calls on the Council on Economic and Fiscal Policy and other government forums to address the state of economic and fiscal management for maintaining fiscal sustainability and market confidence.



Overview of integrated reform of the tax, fiscal, and social security systems

3 Stimulating Regional Communities and Economies

(1) Building vibrant regional communities and economies (including agriculture and tourism)

Keidanren promotes self-sustaining community development – an approach under which regional development is advanced comprehensively through the participation of a diverse range of entities, including companies, universities, local governments, and organizations involved in each local region. As part of such endeavors, Keidanren seeks to generate case studies of co-creation between member companies and various regional entities on the basis of its Regional Co-creation Action Program (November 2021) and to raise awareness of the New Regional Bloc Concept proposed in FUTURE DESIGN 2040 (December 2024).

Moreover, in agriculture, a strategic field that draws on local resources, Keidanren works toward encouraging corporate participation in agriculture, promoting smart agriculture, ensuring food security, and transforming agriculture into a growth industry. In the tourism sector, Keidanren published its proposal "Towards the Realization of a Sustainable Tourism-Oriented Nation" (October 2025), to urge the government to address the various issues surrounding tourism in Japan, including responding to overtourism and attracting visitors to regional areas.



Presenting the proposal "Towards the Realization of a Sustainable Tourism-Oriented Nation" to KANEKO Yasushi, Minister of Land, Infrastructure, Transport and Tourism (left) (November 25, 2025)

(2) Natural disaster response, recovery, and preparedness

As part of efforts to support the recovery and reconstruction support of disaster-affected areas, in May 2025 Keidanren visited Iwate Prefecture and Miyagi Prefecture, areas struck by the 2011 Great East Japan Earthquake, as well as exchanging opinions with the local governments in the affected areas on effective disaster recovery support and disaster preparedness and reduction measures in the future. As the milestone of the 15th anniversary of the Great East Japan Earthquake passed, Keidanren established the portal site entitled “Festa aimed at supporting Tohoku and Noto Reconstruction” as a one-stop source of information on various events related to disaster recovery, introducing initiatives of member companies, organizations, and others to expand the consumption of products from the affected areas, promote tourism, and address reputational damage caused by misinformation.

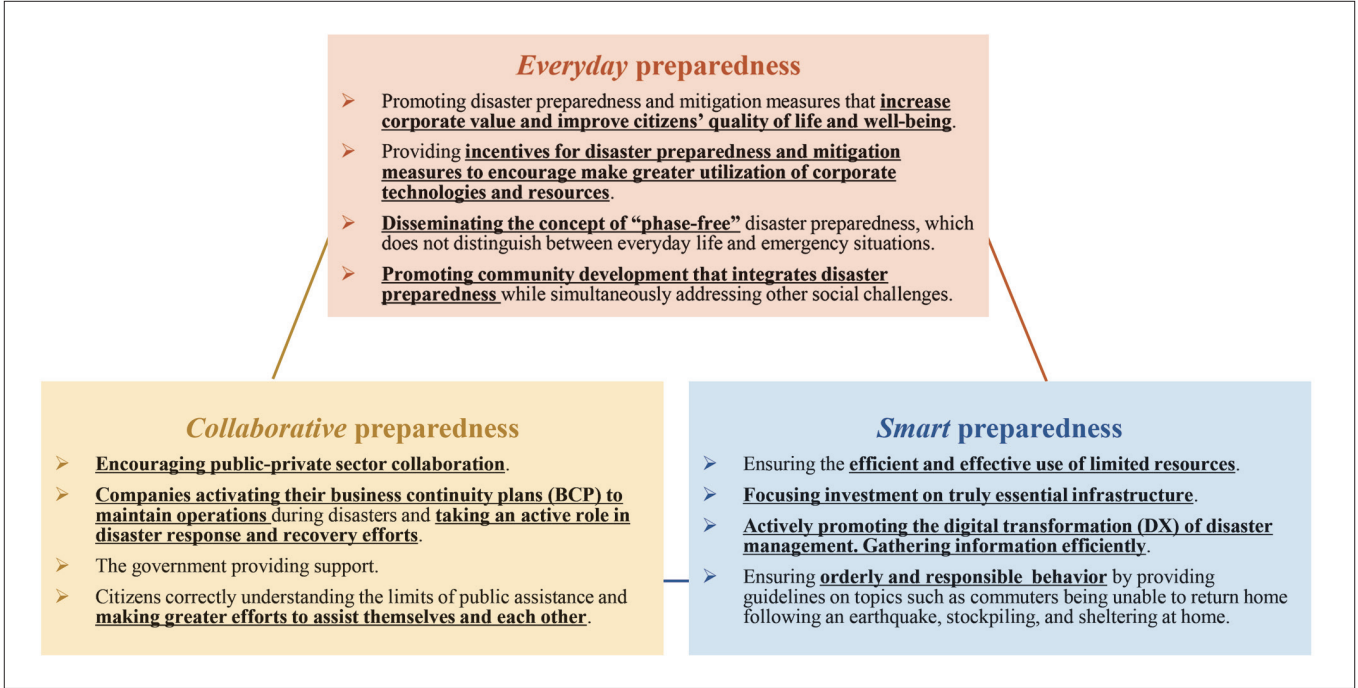
In order to prepare for potential mega-disasters, such as a Tokyo metropolitan earthquake or Nankai megathrust earthquake, Keidanren compiled the proposal “Toward Enhanced Disaster Preparedness and Mitigation for Future Mega-Earthquakes: Preparedness that is Everyday, Collaborative, and Smart” in June 2025. This proposal sets out the measures that need to be taken by businesses, including increasing the effectiveness of business continuity plans (BCP) and promoting the digital

transformation (DX) of disaster management, as well as defining the measures where assistance is expected from the local government authorities and the government, which is creating a new disaster management agency.

In addition to collaborating with volunteer organizations and other entities in the event of a disaster or humanitarian crisis in Japan and abroad, Keidanren has called on member companies to provide their support in its special issue of the Keidanren 1% Club news.



Visit to the memorial museum in Kesennuma City displaying ruins of the Great East Japan Earthquake (May 22, 2025)



4 Labor Reform

(1) Developing the environment for achieving structural wage increases

Keidanren is firmly committed to embedding the strong momentum toward wage increases as a social norm by calling for proactive consideration and steady implementation, in accordance with the fundamental principle of wage and benefit determination, which defines wage increases and the comprehensive improvement of benefits as investment in people.

In order to secure stable funds for wage increases in SMEs, Keidanren strove to promote appropriate price pass-through across the supply chain by publishing in January 2026 a joint request from Japan’s three major business associations aimed at increasing the effectiveness of the Declaration of Partnership Building with regard to the Act on Proper Transactions with Small and Medium-Sized Entrusted Business Operators (SME Transactions Act).



Publishing the 2026 Report of the Committee on Management and Labor Policy (January 20, 2026)

(2) Promoting diverse work styles and educational reforms (DEI, worker productivity, and educational reform)

With the aim of achieving a society that enables women’s participation and allows anyone to play an active role, Keidanren applies the values of diversity, equity, and inclusion (DEI) as it seeks to ensure organizational change and social system development that allows diversity to be drawn on as a source of strength, and improvements in women’s health and well-being, among other areas. Keidanren also published the opinion paper “Promotion of Management That Respects Human Rights” (September 2025) to promote initiatives regarding business and human rights.

In order to improve and increase corporate productivity, Keidanren is committed to refining work-style reforms to ensure that they focus on maximizing added value while also seeking to improve labor input efficiency. In particular, Keidanren has requested the government to expand the discretionary labor system, with the aim of ensuring environments that allow workers greater flexibility and autonomy in their work. Moreover, Keidanren strives to support workers to balance work with childcare or long-term family care responsibilities, through steps such as disseminating information on best practices.

Keidanren published the proposal “Enhancing Industry-Academia Collaboration and Human Resources Exchange with a Focus on Social Implementation” (February 2026), with the aim of ensuring greater activity in human resources exchange between industry and academia. The Keidanren-Academia Forum on Doctoral Talent also published its report compiling its future vision and specific initiatives for promoting the development and advancement of Doctoral Talent (February 2026).



Symposium of the Keidanren-Academia Forum on Doctoral Talent (March 7, 2026)

(3) Migration policies

As public interest in migration policies continues to grow, Keidanren published its proposal, “Migration Policies at a Crossroads: Attracting Migrants and Creating an Inclusive Environment,” in December 2025. Through this proposal, Keidanren encouraged the government and political parties to implement its recommendations, aiming to improve the migration regime based on evidence and to support social integration.

Keidanren also shared its views at government expert meetings and other policy discussions on topics such as the next Basic Plan for Immigration Control and Residency Management and the design of the Employment for Skill Development Program. In addition, Keidanren visited companies to learn from successful examples of hiring and supporting migrant workers.



Visit to Ueda City, Nagano Prefecture, to meet with FB Care Service, a nursing care provider (October 22, 2025)

(2) Promoting private-sector economic diplomacy proactively

Keidanren actively engages in economic diplomacy through dialogue and interaction with governmental leaders and business associations worldwide.

During fiscal 2025, Keidanren met with world’s leading figures visiting Japan for the World Expo 2025 in Osaka, Kansai. Keidanren also held joint meetings with business representatives from Mexico, Ukraine, Brazil, Hong Kong, Türkiye, Korea, Thailand, and Taiwan; and in addition to dispatching missions to the US, Canada, the UK, the European Commission, Thailand, and Malaysia, hosted the Asian Business Summit and the India-Japan Business Leaders Forum and participated in the Ninth Tokyo International Conference on African Development (TICAD 9).

To achieve a Free and Open Indo-Pacific (FOIP), Keidanren formulated the proposal “Strengthening Cooperation with the Global South: Key Topics and Action Plan” (December 2025) and urged engagement in diplomacy.



Handing the proposal “Strengthening Cooperation with the Global South” to Prime Minister TAKAICHI Sanae (January 9, 2026)

5 Maintaining and Strengthening a Free and Open International Order and Promoting the SDGs

(1) Calling for efforts to maintain and strengthen a rules-based international order

To maintain and strengthen a rules-based, free, and open international order, Keidanren visited the World Trade Organization (WTO) to propose “Establishing the WTO 2.0: Keidanren’s Proposal towards WTO Reform/Reposition” (October 2025). Also, to encourage multilateral policy coordination, Keidanren participated in the B7 Summit in Ottawa and the B20 Summit in Johannesburg. Collaborating and cooperating with governments, business associations, and other stakeholders both domestic and international, Keidanren has been campaigning for WTO reform and the conclusion of economic partnership agreements, investment agreements, tax conventions, and joint credit mechanisms and other such initiatives.

To pursue business activities without adversely affecting national security, Keidanren engaged to reflect business views in the security clearance scheme and revision of the Economic Security Promotion Act.



Handing the proposal “Establishing the WTO 2.0” to WTO Director-General Dr. Ngozi Okonjo-Iweala (Geneva, October 23, 2025)
(Photo courtesy of the WTO)



Reporting to the Indian and Japanese Prime Ministers on the developments at the 12th India-Japan Business Leaders Forum (August 29, 2025)

(3) Initiatives for the SDGs and the post-SDGs world

In order to contribute to achieving the United Nations Sustainable Development Goals (SDGs) and a sustainable society beyond 2030, Keidanren published the document “Working Toward the Achievement of the SDGs and the Post-SDGs World” (June 2025) that summarizes future issues and approaches for initiatives. In October 2025, Keidanren dispatched an SDGs mission to the US and shared the work of Japan’s business community with the United Nations, international organizations, and business associations, while also confirming the enhancement of collaboration and cooperation toward solving issues.



Meeting with Amina J. Mohammed, Deputy Secretary-General of the UN as part of the SDGs mission (October 7, 2025)

With regard to the circular economy, Keidanren dispatched a mission to Finland and Germany (January 2026) and, based on the findings, published the “Proposal for Implementation of a Circular Economy that Will Contribute to Resource Security” (March 2026). In addition, Keidanren sought to ensure that the views of the business community are reflected in discussions on issues such as the revision of the Waste Management Act and the Act on the Promotion of Effective Utilization of Resources.

Regarding nature, looking ahead to the measures to be taken after the assessment of progress on the 2030 targets that will be conducted at the Seventeenth meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP17) in 2026, Keidanren published the “Proposal for Integrating Biodiversity and Natural Capital Conservation with Sustainable Economic Growth” and “Examples of Integrated Actions for Biodiversity and Natural Capital Conservation” (November 2025), which incorporate (i) making conservation of biodiversity and natural capital a source of new growth and (ii) facilitating actions integrated with climate change and other such measures.



Presenting “Proposal for Integrating Biodiversity and Natural Capital Conservation with Sustainable Economic Growth” (November 2025) to ISHIHARA Hirotaka, Minister of the Environment (right) (December 4, 2025)

6 Securing an Affordable and Stable Clean Energy Supply and Advancing Green Transformation (GX)

(1) Securing an affordable and stable clean energy supply

Amid the recent growing geopolitical risks, Keidanren is striving to secure a stable energy supply that combines both economic efficiency and decarbonization. Given the prediction of a massive rise in the demand for electricity due to the rapid spread of generative AI among other factors, it is essential to secure an affordable and stable clean energy supply in order to ensure sustainable economic growth and improve the

day-to-day lives of citizens. Toward achieving this, Keidanren advocates the use of renewable energy as the major power source and the use of nuclear energy provided safety is ensured and those living in the area are in agreement. Keidanren also calls for the development of an environment that encourages major investment in power plants and power grids.

(2) Green transformation (GX)

Keidanren advances GX with the aim of achieving carbon neutrality while at the same time ensuring greater economic growth and industrial competitiveness. Further efforts have been made to pursue the Keidanren Carbon Neutrality Action Plan, and engage in government discussions on such matters as designing an emissions trading system that contributes to economic growth, creating a GX market, facilitating transition finance, and sustainability disclosure. Internationally, Keidanren cooperated with the Asia Zero Emission Community (AZEC) stakeholders, including the Japanese government, with the aim of giving concrete shape to the AZEC initiative, by presenting a proposal to Prime Minister TAKAICHI Sanae and participating in the AZEC Ministerial Meeting.



Members of the circular economy mission to Europe with Sari Multala, Finland’s Minister of Climate and the Environment (front row, second from the right) (January 26, 2026)



Presenting the business community’s joint proposal at the third AZEC Ministerial Meeting (October 17, 2025) (Photo courtesy of the Ministry of Economy, Trade and Industry)

7 Corporate Governance Reform and Development of Company Legislation toward Sustainable Growth

In addition to encouraging constructive dialogue between businesses and investors through engagement with institutional investors in Japan and abroad, Keidanren is pursuing investment chain reform aimed at the achievement of sustainable capitalism, such as working to expand impact investing and financing. Keidanren compiled the opinion paper “Toward Corporate Governance for Sustainable Growth” (December 2025), setting out approaches to corporate governance that contribute to enhancing corporate value in the mid- to long term, as well as striving to ensure that the views of the business community are reflected in the recent revision of Japan’s Corporate Governance Code.

Keidanren has also actively presented its opinions on amendments to the Companies Act that will contribute to the growth of companies, at the Legislative Council of the Ministry of Justice since April 2025. In light of the shifts in the social and economic conditions in recent years, Keidanren participates in discussions aimed at achieving amendments to the system with regard to reviewing discipline on approaches to stock issuance, general shareholders’ meetings, corporate governance, and other matters.

8 Partnership between Business and Politics

In order to respond to the international climate with its increasingly uncertain future, and to transition the Japanese economy to an investment-driven economy, it is necessary for politics and business to join forces to ensure the implementation of policies in and outside of Japan. Keidanren does this by

strengthening its partnership with politics to support its efforts to (i) propose policies, (ii) communicate with political parties and politicians, and (iii) engage in collaborative public-private economic diplomacy efforts.



i. TAKAICHI Sanae, Prime Minister, Meeting of Councillors of Keidanren (December 25, 2025)



ii. ASO Taro, Liberal Democratic Party Vice-President, Reception hosted by the Keidanren Political Forum (December 18, 2025)



iii. SUZUKI Shunichi, Liberal Democratic Party Secretary-General, Reception hosted by the Keidanren Political Forum (December 18, 2025)

9 Supporting Major National Events

The World Expo 2025 in Osaka, Kansai, exploring the theme “Designing Future Society for Our Lives,” concluded successfully in 2025. In 2027, the International Horticultural Expo (GREEN×EXPO 2027) will be held in Yokohama, presenting “Scenery of the Future for Happiness.” Keidanren is actively cooperating to ensure that GREEN×EXPO 2027 achieves the success seen at the World Expo 2025 in Osaka, Kansai, through efforts to encourage momentum toward the event throughout the entire country in collaboration with the government, local authorities, business communities, and other entities.



The traditional ground-breaking ritual at the groundbreaking ceremony for the Japanese government pavilion (November 2, 2025)
(Source: Ministry of Land, Infrastructure, Transport and Tourism website)

10 Combining the Expertise of the Business Community and Academia

The various issues facing the world influence each other and interconnect to create a complex nested structure. Solving these difficulties will require the wisdom to combine diverse policy measures from versatile viewpoints. On this basis, Keidanren Policy Research Institute not only analyzed the latest trends in major countries and regions such as the US, China,

Europe, and the Republic of Korea, but also drew connections with diverse topics including capitalism, democracy, AI and other digital technology, and economic security, combining insights from both the economic world and academia and sharing the results.

Keidanren Policy Research Institute Research Projects (Fiscal 2025)

Research Projects	Principal Researchers	
Capitalism and Democracy	Nakajima Takahiro Director and Professor, Institute for Advanced Studies on Asia, the University of Tokyo	Principal Research Director
United States Studies	Kubo Fumiaki President, National Defense Academy of Japan	Principal Research Director
	Maeshima Kazuhiro Professor, Faculty of Global Studies, Sophia University	Deputy Research Director
Europe Studies	Ito Sayuri Executive Director, Economic Research Department, NLI Research Institute	Research Director
China Studies	Kawashima Shin Professor, Department of International Relations, the Graduate School of Arts & Sciences, the University of Tokyo	Principal Research Director
Korea Studies	Fukagawa Yukiko Professor, Economic Development, Department of political science and Economics, Waseda University	Principal Research Director
New Territories	Suzuki Kazuto Professor, Graduate School of Public Policy, The University of Tokyo / Director, Institute of Geoeconomics	Executive Visiting Research Fellow
	Sahashi Ryo Professor, International Politics , Institute for Advanced Studies on Asia, The University of Tokyo	Visiting Research Fellow
Economic Security and Intellectual Property	Watanabe Toshiya Vice President, Institute of Science Tokyo	Principal Research Director
International Taxes	Watanabe Tetsuya Professor, Faculty of Law, Waseda University	Principal Research Director

Proposals and Reports Published in Fiscal 2025

2025

April 15

- Proposal: Infrastructure and Traffic Policy Approaches Looking Ahead to 2030
- Re: Genesis—Creating the Next Generation with Science, Technology, and Innovation: Proposal for the Next Science, Technology, and Innovation Basic Plan

May 9

- Request: Facilitating the International Exchange of Researchers for a Science and Technology–Oriented Nation
- Fiscal 2024 Report of the Keidanren-Academia Council for Future of Higher Education and Recruitment

May 13

- Second Proposal Towards the Construction of Industrial Data Spaces

May 16

- B7 Summit 2025 Joint Statement

May 31

- Keidanren Policy for Fiscal 2025: Achieve a Virtuous Cycle of Growth and Distribution to Build a Fair, Equitable, and Sustainable Economy and Society

June 17

- Proposal: Toward Enhanced Disaster Preparedness and Mitigation for Future Mega-Earthquakes: Preparedness that is Everyday, Collaborative, and Smart
- Proposal: Preparing for the Ninth Tokyo International Conference on African Development—The Proactive Stance That Japan Must Now Demonstrate to Support the Self-Sustaining and Sustainable Development of Africa
- Report: Working Toward the Achievement of the SDGs and the Post-SDGs World

July 4

- The 14th Asian Business Summit Joint Statement

July 15

- Recommendations regarding Japan’s Approach to the Transfer of Defense Equipment and Technology: Achieving a Desirable Security Environment through Public-Private Sector Cooperation

July 25

- Summary of the Keidanren Summer Forum 2025: Vision for the Future of Japan’s Economy and Society Driven by Sustainable Value Creation

August 29

- Joint Statement of the 12th India-Japan Business Leaders Forum

September 9

- Joint Statement of the 26th Brazil-Japan Business Council Plenary Meeting

September 16

- Proposal for FY2026 Tax Reform: Toward Establishing a Virtuous Cycle of Growth and Distribution
- Second Set of Recommendations for Advancing the AZEC Initiative
- Opinion Paper: Promotion of Management That Respects Human Rights—Keidanren’s Position and Expectations of Government regarding Business and Human Rights
- Proposal: A List of Regulatory Reforms Required in Fiscal 2025

October 4

- Views on Promoting Partnership between Business and Politics

October 8

- Joint Statement of the 28th Türkiye-Japan Joint Business Committee

October 14

- Establishing the WTO 2.0: Keidanren’s Proposal towards WTO Reform/Reposition
- Proposal: Approaches to Distribution Looking Ahead to 2030
- Towards the Realization of a Sustainable Tourism-Oriented Nation: Recommendations for the Next Tourism Nation Promotion Basic Plan
- Views on Promoting Partnership between Business and Politics
- Evaluation of Major Political Parties’ Policies (2025)

October 17

- Joint Statement of the 32nd Business Summit between Keidanren and the Federation of Korean Industries

November 10

- Action Plan for Achieving Proactive Encouragement of Labor Mobility
- The Stance of Keidanren regarding Regulations on Working Hours

November 17

- Keidanren’s Request to the Takaichi Administration

November 18

- Proposal for Integrating Biodiversity and Natural Capital Conservation with Sustainable Economic Growth

November 27

- Joint Statement by Keidanren and CBI

December 16

- Urgent Proposal for the Achievement of a Science and Technology–Oriented Nation
- Proposal: Migration Policies at a Crossroads: Attracting Migrants and Creating an Inclusive Environment—
- Proposal: Toward Corporate Governance for Sustainable Growth
- Strengthening Cooperation with the Global South: Key Topics and Action Plan

2026

January 1

- Toward a Transition to an Investment-Driven Economy: New Year Message from the Chairman of Keidanren

January 15

- Joint Request from the Three Major Business Associations: Increasing the Effectiveness of the Declaration of Partnership Building—Using the Enforcement of the SME Transactions Act as an Opportunity to Establish the Business Practice of Price Pass-Through across Society

January 20

- 2026 Report of the Special Committee on Management and Labor Policy: Further Establishment of the Strong Momentum toward Wage Increases

February 10

- Report of the Keidanren-Academia Forum on Doctoral Talent: A Vision and Specific Initiatives for Realizing a Society Where Doctoral Talent Can Play Active Roles

February 17

- Proposal: Enhancing Industry-Academia Collaboration and Human Resources Exchange with a Focus on Social Implementation
- Position on the United States-Mexico-Canada Agreement Review

March 12

- Joint Statement of the 53rd East Asia Businessperson’s Conference

March 17

- Proposal for Implementation of a Circular Economy that Will Contribute to Resource Security
- Proposal on Approaches to Japan’s Robot (AI+) Strategy

March 31

- Case Studies of Support for Balancing Work with Childcare: Facilitating the Engagement of Men in Housework and Childcare

Officers (As of July 23, 2026)

Chairman



TSUTSUI Yoshinobu

Executive Advisor
Nippon Life Insurance Company

Vice Chairs

SAWADA Jun
Executive Chairman
NTT, Inc.

TOKITA Takahito
Representative Director, CEO
FUJITSU LIMITED

KAKIUCHI Takehiko
Chairman of the Board
Mitsubishi Corporation

KIHARA Masahiro
President & Group CEO
Mizuho Financial Group, Inc.

IZUMISAWA Seiji
Chairman of the Board
Mitsubishi Heavy Industries, Ltd.

SATO Koji
Vice Chairman, Chief Industry Officer
Toyota Motor Corporation

NODA Yumiko
Chairman & Director
Veolia Japan GK

FUKASAWA Yuji
Chairman
East Japan Railway Company

KAMEZAWA Hironori
Member of the Board of Directors,
Chairman
Mitsubishi UFJ Financial Group, Inc.

IWATA Keiichi
Chairman of the Board
SUMITOMO CHEMICAL Co., Ltd.

NAGASAWA Hitoshi
Chairman, Director
Nippon Yusen Kabushiki Kaisha

URUMA Kei
Representative Executive Officer,
President & CEO
Mitsubishi Electric Corporation

TAKASHIMA Makoto
Chairman of the Board
Sumitomo Mitsui Financial Group, Inc.

KOMIYA Satoru
Chairman of the Board
Tokio Marine Holdings, Inc.

HYODO Masayuki
Chairman of the Board of Directors
SUMITOMO CORPORATION

OKUDA Kentaro
President and Group CEO
Nomura Holdings, Inc.

YOSHIDA Kenichiro
Executive Chairman
Sony Group Corporation

AKIIKE Reiko
Managing Director & Senior Partner
Tokyo
Boston Consulting Group

OGAWA Hiroyuki
Chairman of the Board
Komatsu Ltd.

KUBOTA Masakazu
Keidanren

President

FUJIWARA Kiyooki
Keidanren

Chairman of the Board of Councillors



KATANOZAKA Shinya

Member of the Board, Chairman
ANA HOLDINGS INC.

Vice Chairs of the Board of Councillors

KOMODA Masanobu
Chairman of the Board
Mitsui Fudosan Co., Ltd.

TSUGIHARA Etsuko
President
SUNNY SIDE UP GROUP Inc.

YASUNAGA Tatsuo
Representative Director, Chair of the
Board of Directors
Mitsui & Co., Ltd.

KITO Shunichi
Director and Chairman
Idemitsu Kosan Co., Ltd.

HIGASHIHARA Toshiaki
Director, Executive Chairman,
Representative Executive Officer
Hitachi, Ltd.

KUSUMI Yuki
Representative Director,
President, Group CEO
Panasonic Holdings Corporation

HASHIMOTO Eiji
Representative Director,
Chairman and CEO
NIPPON STEEL CORPORATION

KANEHANA Yoshinori
Chairman of the Board
KAWASAKI HEAVY INDUSTRIES, LTD.

NAMBA Tomoko
Founder, President & CEO
DeNA Co., Ltd.

OHYA Mitsuo
President and Chief Executive Officer
Toray Industries, Inc.

HARA Noriyuki
Chairman & Director,
Chairman Executive Officer
MS&AD Insurance Group Holdings, Inc.

OSHIMA Taku
Chairman
NGK Corporation

KAKINOKI Masumi
Chairman of the Board
Marubeni Corporation

YAMASHITA Yoshinori
Director, Chairperson
Ricoh Company, Ltd.

INAGAKI Seiji
Director, Chair of the Board
Daichi Life Group, Inc.

TESHIROGI Isao
Chief Executive Officer
Shionogi & Co., Ltd.

UCHIDA Takashi
Director, Chairperson of the Board
Tokyo Gas Co., Ltd.

MORITA Takayuki
President and CEO
NEC Corporation

INOUE Kazuyuki
Chairman of the Board and
Representative Director
SHIMIZU CORPORATION

TOTTORI Mitsuko
Representative Director, President
Japan Airlines Co., Ltd.

NAKATA Seiji
Chairman of the Board
Daewa Securities Group Inc.

ISHIKAWA Koji
President,
Representative Director and CEO
Sampo Japan Insurance Inc.

ISHII Keita
President & COO
ITOCHU Corporation

Organization Chart



Financial Report and KEIDANREN’s History

Condensed Balance Sheet

(As of March 31, 2026)
(Millions of yen)

Items	Amount
I Assets	
1 Current assets	
Total of current assets	5,754
2 Non-current assets	
(1) Specific assets	
Accumulated assets for replacement of office facilities	15,858
Accumulated assets for replacement of conference room facilities	6,352
Total of specific assets	22,210
(2) Other non-current assets	
Buildings	4,305
Land	3,493
Other	7,723
Total of other non-current assets	15,521
Total of non-current assets	37,731
Total of assets	43,485
II Liabilities	
1 Current liabilities	
Total of current liabilities	658
2 Non-current liabilities	
Total of non-current liabilities	994
Total of liabilities	1,652
III Net assets	
General net assets	41,833
(of which the amount appropriated to specific assets)	(22,209)
Total of net assets	41,833
Total of liabilities and net assets	43,485

Statement of Changes in Net Assets

(From April 1, 2025 to March 31, 2026)

In FY 2025, Keidanren’s ordinary income was 7,673 million yen. Ordinary expenses were 6,419 million yen, the breakdown of which was 4,429 million yen for project expenses and 1,990 million yen for administration expenses. The amount of the ordinary accounts balance calculated by taking into account the gain/loss on valuation of assets and others was 930 million yen. The ordinary accounts balance is appropriated to the accumulation of specific assets for the maintenance/ replacement of facilities, etc.

History of KEIDANREN

Japan Federation of Economic Organizations (Keidanren) was established in August 1946, immediately after the end of World War II, with the aim of reconstruction and recovery of the Japanese economy. Keidanren’s first Chairman was ISHIKAWA Ichiro (1946–56). In April 1948, Japan Federation of Employers’ Associations (Nikkeiren) was launched with the objective of establishing appropriate relations between labor and management, with the motto “Employers, be righteous and strong.” Nikkeiren’s first Representative Executive Director was MOROI Kanichi (1948–68).

Since then, the two organizations have contributed to the development of the Japanese and global economies through maintaining and stimulating a free and open economic model and taking on internal and external challenges that the business community faced, such as promotion of free competition, liberalization of trade, promoting measures for addressing energy and environmental issues, promotion of private-sector economic diplomacy, wage negotiations, and establishment of stable labor-management relations. Keidanren’s Chairman ISHIZAKA Taizo (1956–68) emphasized that the business community must take the high road of liberalization, and helped achieve liberalization of capital.

In 1966, the original Keidanren Kaikan building was completed, and the organization continued its further development. Keidanren Chairman DOKO Toshio (1974-80) used his experience gained through work on the streamlining of factory production to streamline government (administrative reform). Since the tenures of Keidanren Chairman Doko, Nikkeiren Chairman OTSUKI Bunpei (1979–87), and Nikkeiren Chairman SUZUKI Eiji (1987–91), the major roles of Keidanren and Nikkeiren in contributing to administrative and fiscal reforms have become common knowledge amongst the Japanese public.

Although Japan achieved economic growth, an era of trade friction arrived. Keidanren introduced concepts such as the “Philosophy of Endurance” of Keidanren Chairman INAYAMA Yoshihiro (1980–86), the “Open Keidanren” of Keidanren Chairman SAITO Eishiro (1986–90), the “Need for Co-existence” of Keidanren Chairman HIRAIWA Gaishi (1990–94), and “Attractive Japan” as advocated by Keidanren Chairman TOYODA Shoichiro (1994–98), so that Japanese companies would be accepted as good corporate citizens within international society.

Amid a declining birthrate and an aging population, as well as diversification in Japanese people’s mindsets and values, structural reforms of the social security system, labor market, and educational system have become indispensable for enhancing business competitiveness. Therefore, in 2002, under the leadership of Keidanren Chairman IMAI Takashi (1998–2002) and others, Keidanren and Nikkeiren merged to form the Japan Business Federation, as a new comprehensive economic organization to address crosscutting issues. The first Chairman of the new Keidanren was OKUDA Hiroshi (2002–06).

In 2009, the new Keidanren Kaikan building was completed. In 2012, following changes in the legal framework around nonprofit organizations, Keidanren transitioned from an incorporated association to a general incorporated association.

Ever since Chairman Okuda became a private-sector member of the Council on Economic and Fiscal Policy, Keidanren’s Chairmen—MITARAI Fujio (2006–10), SAKAKIBARA Sadayuki (2014–18), NAKANISHI Hiroaki (2018–21), and TOKURA Masakazu (2021–25)—have been private-sector members at important government meetings to participate in government policy discussions. Keidanren’s proposals have been reflected in government policy documents such as annual Basic Policy on Economic and Fiscal Management and Reform. This is one of a number of ways in which Keidanren has helped to shape Japan’s major policies across a wide range of fields, including the economy, government finance, industry, and science and technology.

In addition to formulating recommendations on specific policy issues, Keidanren has released comprehensive proposals setting out visions for the long-term future of Japan’s economy and society with a wide audience in and outside Japan. These include: “Envisioning a Vibrant and Attractive Japan” (Chairman Okuda, 2003), “Land of Hope, Japan” (Chairman Mitarai, 2007), “Sunrise Report” (Chairman Yonekura, 2010), “Toward the Creation of a More Affluent and Vibrant Japan” (Chairman Sakakibara, 2015), “. The NEW Growth Strategy” (Chairman Nakanishi, 2020), and “FUTURE DESIGN 2040” (Chairman Tokura, 2024).

Of late, the international climate is becoming increasingly fluid and global-scale issues, especially rising inequality and climate change, are growing ever more severe. Amid these developments, Keidanren resolutely tackles major societal shifts such as digital transformation (DX) and green transformation (GX), and at the same time actively engages in private-sector economic diplomacy with countries and regions around the world as representative of Japan’s business community.

About KEIDANREN

KEIDANREN (Japan Business Federation) is a comprehensive economic organization with a membership comprised of representative companies of Japan, nationwide industrial associations and the regional economic organizations for all prefectures.

Its mission as a comprehensive economic organization is to draw upon the vitality of corporations, individuals and local communities to support corporate activities which contribute to the sustainable development of the Japanese economy and improvement in the quality of life for the Japanese people.

For this purpose, KEIDANREN establishes consensus in the business community on a variety of important domestic and international issues for their steady and prompt resolution. At the same time, it communicates with a wide range of stakeholders including political leaders, administrators, labor unions and citizens. It encourages its members to adhere to the Charter of Corporate Behavior in an effort to establish and maintain public confidence in the business community. It also strives for the resolution of international issues and the development of closer economic relations with various countries through policy dialogue with the governments and economic associations of each country as well as international organizations.

- **Name:**
Ippan Shadan Hojin Nippon Keizai Dantai Rengokai
KEIDANREN (Japan Business Federation)

■ **Objectives (Article 3 of the Articles of Incorporation):**
The objectives of Keidanren as a comprehensive economic organization are to contribute to the self-sustained development of the Japanese economy and the improvement of the lives of citizens, by drawing out the dynamism of corporations as well as that of the individuals and communities that support them.

■ **Established:** August 16, 1946

■ **Authorized as an incorporated association:** June 29, 1961

■ **Transition to a general incorporated association:** March 30, 2012

■ **Representative Directors:**
TSUTSUI Yoshinobu, Chairman
FUJIWARA Kiyooki, President

■ **Directors:** 26

■ **Auditors:** 2

■ **KEIDANREN is a corporation with an Accounting Auditor**

■ **Membership:**
Corporate members: 1,580, Group members: 150, Special members: 33,
Total: 1,763 members (as of April 1, 2026)

■ **Secretariat:**
Staff members: 229 (including temporary staff, as of April 1, 2026)
- **Access:**
**Ippan Shadan Hojin Nippon Keizai Dantai Rengokai
KEIDANREN (Japan Business Federation)**
Keidanren Kaikan, 1-3-2, Otemachi, Chiyoda-ku,
Tokyo 100-8188
<https://www.keidanren.or.jp/>

Kansai Office
Nakanoshima Dai Building, 3-3-23 Nakanoshima,
Kita-ku, Osaka 530-6108

Keidanren USA
1200 17th Street, NW, Suite 201, Washington DC
20036 U.S.A.
<https://keidanren.us/>

