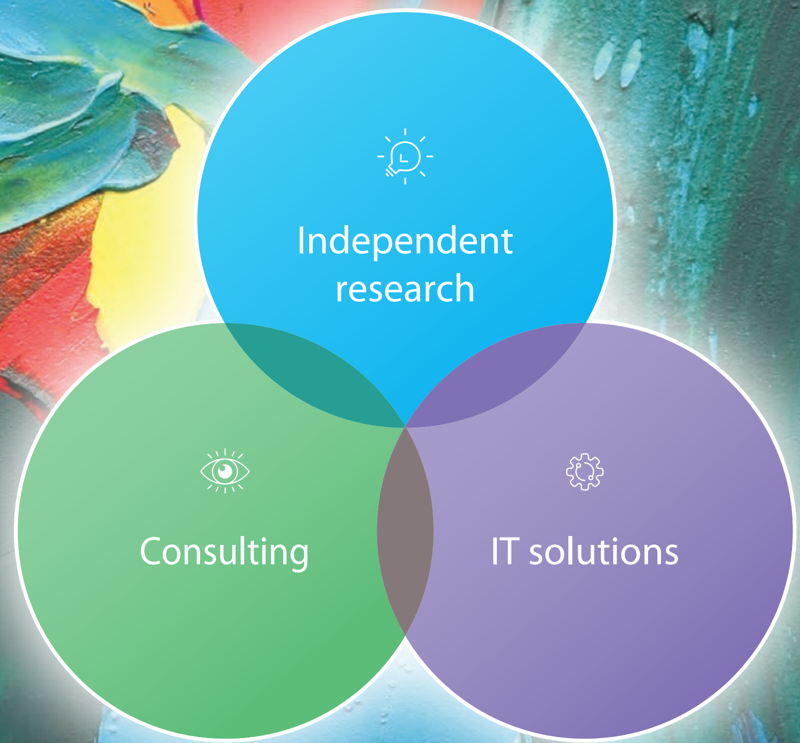
Mitsubishi Research Institute Group Report

2025

Mitsubishi Research Institute

Who We Are

We help address societal issues to achieve a prosperous and sustainable way of life for all



We, Mitsubishi Research Institute, are a Japanese think tank providing the public and private sectors with research and consulting services to support policy formation and business strategies

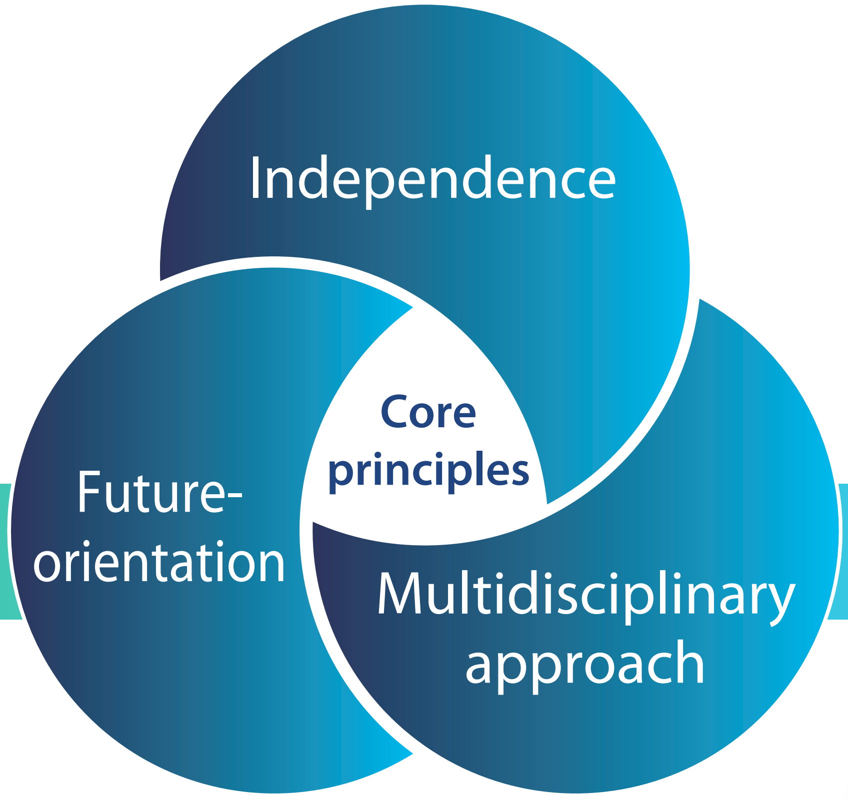
Japan needs to drive change across society to resolve the various issues that the country faces. This, in turn, calls for the integration of knowledge from a wide range of fields to create new solutions.

We, Mitsubishi Research Institute, have built a unique position as a comprehensive think tank. We do independent research and craft proposals for how the world can resolve its societal issues. This informs—and our insights are further fortified by—the contract work we do to support public-policy and business-strategy design and development. We collaborate with a wide range of stakeholders across the public and private sectors to translate into reality the solutions our research and consulting work envision. This process is how we help change the world for the better.

Our Philosophy

As the period of high economic growth in Japan drew to an end, there was a shift from an industrialized society to an information-oriented society, which brought about a more sophisticated industrial structure, a growing importance of knowledge, and a higher priority for technical research.

Established in 1970, Mitsubishi Research Institute has forged a pioneering position in the information industry and continues to maintain its core principles: independence for crafting objective proposals that prioritize social value, a multidisciplinary approach for addressing a wide range of issues through cross-sector research, and future-oriented thinking for a perspective of policy beyond the present.



1970

2020

2070

Mitsubishi Research Institute Group transcends the traditional think-tank model; we are a Think & Act Tank, with a scope of activity that extends from policy proposals through to policy implementation.

In 2005, the Group welcomed Mitsubishi Research Institute DCS, enabling us to use ICT to achieve the future scenarios to which we strive. DCS bears the mission of contributing to the development of our clients and society through future co-creation and value creation.

Our Guiding Principles, renewed in 2020, inherit the independent, multidisciplinary, future-oriented approach that has underpinned Mitsubishi Research Institute since its founding. They also incorporate our commitment to leading change, which is paramount to resolving increasingly complex societal issues and achieving a sustainable future.

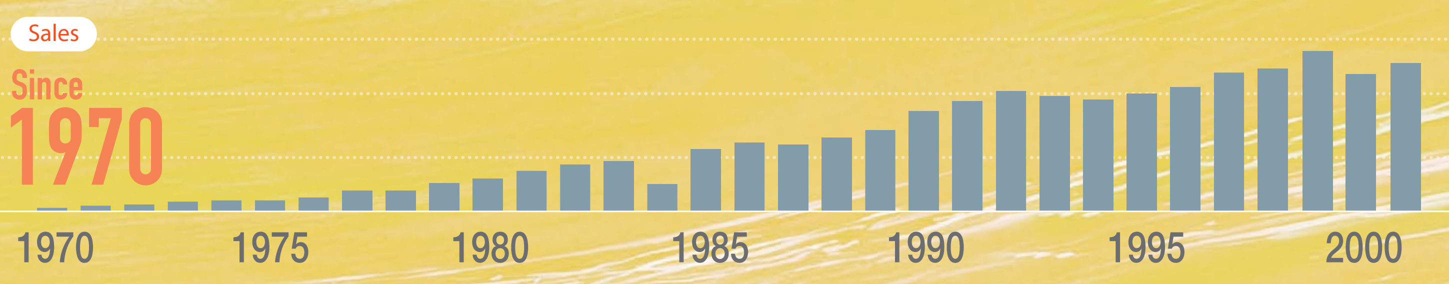
They have become a guideline for fostering greater social value through co-creation with all of our stakeholders.

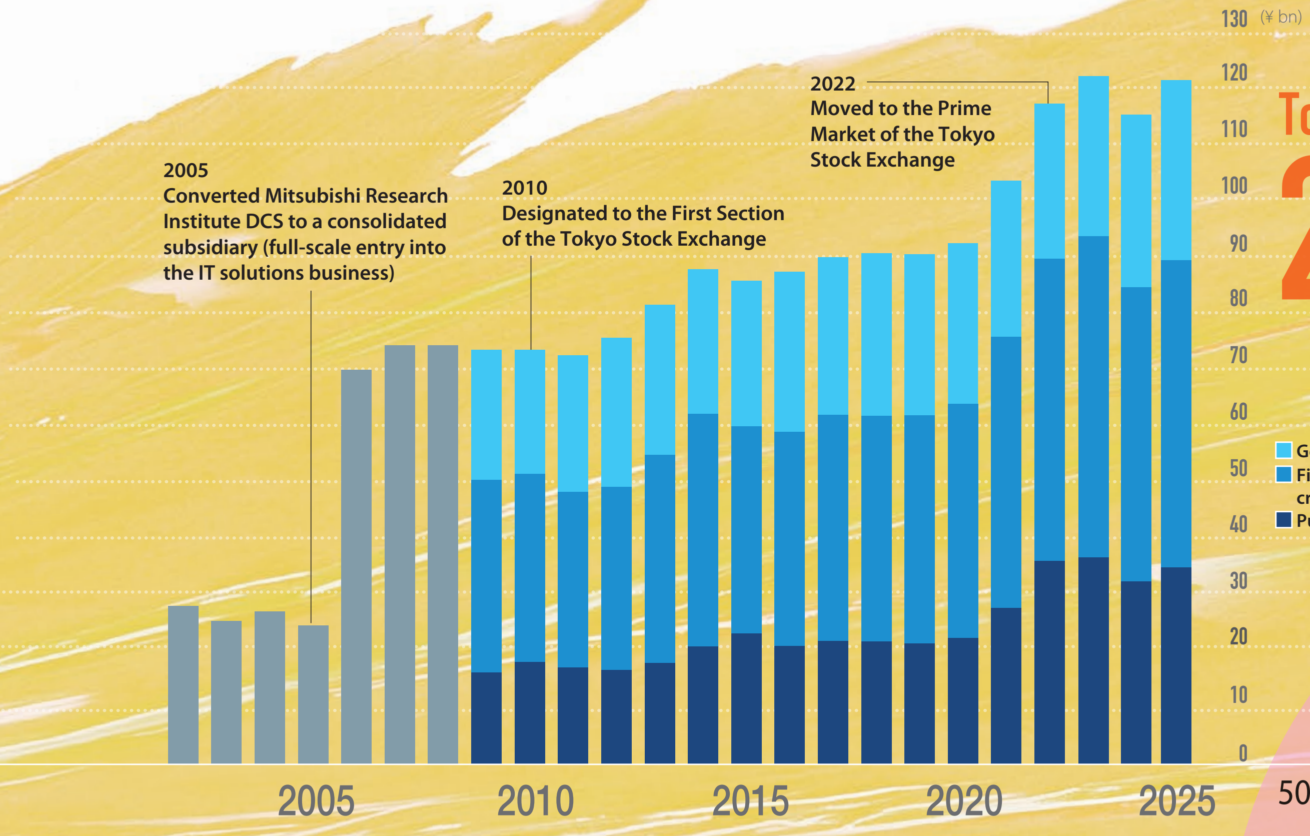
Our Guiding Principles

Devotion to growth	**Continually honing our value to society and our clients** We are devoted to providing society and our clients with the solutions necessary to resolve issues. As professionals, we will continually refine our individual value and encourage one another's growth in anticipation of the needs of our clients and of emerging trends in technology and society.
Collective knowledge	**Acting as a hub between diverse branches of knowledge** We bridge diverse branches of knowledge, while respecting individuality and differences, within the Group and society at large, in Japan and around the world. We form new combinations of existing knowledge and forge co-creation between society, clients, and partners.
A clear stance	**Using scientific insights to discern the proper path toward the ideal future** We will continually envision the ideal world of the future, conceptualizing and clearly communicating the proper path to its realization. In taking a clear stance on the proper course of action, we will be faced with objection and criticism, but we will base our position on scientific insights, values, and a collaborative spirit of co-creation.
Taking on challenges	**Transforming the world in new ways** We aim to change the world by leading the way with concrete and swift action. By taking action and going beyond simply making recommendations, we can break through the barriers delineated by stubborn precedent and thus earn the approval of society and our clients.
Reality	**Devotion to feasible recommendations and their implementation** We value practical wisdom gained through experience and strive to make realistic recommendations. We are devoted to making our recommendations a reality, collaborating with our various stakeholders along the way.

Our Progress

Founded with independence, multidisciplinary approach, and future-orientation as our core principles, our company has focused on resolving societal issues as a private, comprehensive Japanese think tank while envisioning the desirable future world. This philosophy continues to inform our actions today as we develop solutions to address the issues society faces, expanding our business domains in the process.





Toward 2070

50 years in the future

Building a prosperous and sustainable world in an era with a global population of 10 billion and lifespans of 100 years

Expansion of business functions

- Independent research and proposals
- Contracted research and consulting
- Business and system development
- Services and business operations

Projects leading to real-world applications and proven strengths built over time

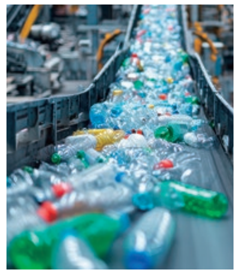
1980s–2000s

Project 1 Support for design, operation, and renewal of recycling systems — Green transformation sector

Our takeaways

Expertise developed in recycling systems enabled us to establish a continuous cycle of orders and expansion, plus horizontal development into new client segments

In the first decade of the 2000s, following legislation related to a recycling-oriented society, Japan started to improve the operation of its recycling systems. Building on expertise accumulated through support for the design of recycling systems in the 1990s, we continued to secure projects to provide backup on their operation and review while also engaging in the design of programs under product-specific recycling laws. This case study shows how our policy expertise led to a continuous cycle of orders and expansion into support fields. We also worked on urban development initiatives in Kitakyushu and elsewhere and leveraged our expertise to expand our client base from central government into local governments.



Project 2 Helping bring intelligent transport systems to Japan's expressways — Public sector

Our takeaways

Leveraged our policy expertise and networks to expand into pilot projects, standardization, and guideline development

With the nationwide rollout of electronic toll collection (ETC) in 2001, Japan entered a new phase of technological development and usage of intelligent-transportation systems. Here, we were able to expand our role beyond just contracted research: We planned collaborative projects leveraging our public–private–academia networks to launch on-road trials, developed proposals on the use of digital road maps and related research frameworks, and provided support for international standardization. Our independent research formed the basis for our proposal on international standardization of digital road maps, and we proposed proprietary solutions in addition to providing our usual policy support.

2010s onward

Project 3 Brewing Takumi AI system to help brewers develop new beer products — Business analytics and AI sector

Our takeaways

Created an on-site system that combines the expertise of master brewers with AI knowhow

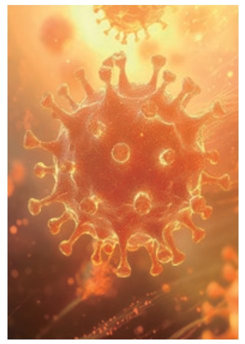
In FY9/18, we started work with Kirin Brewery (now Kirin Holdings) to jointly develop Brewing Takumi AI, an AI system to help brewers develop new beer products. We applied our expertise in AI algorithms to develop a machine learning system that employs past test-brew data and brewer knowhow. It accurately predicts the results of a test brew before it is made based on a recipe given as input to the system.

Project 4 COVID-19 AI Simulation Project — Digital transformation sector

Our takeaways

- **Functioned as secretariat and research team providing information to support decision-making during the pandemic**
- **Adapted activities in real-time to respond to rapidly evolving societal issues**

The Cabinet Office established the COVID-19 AI Simulation Project to gather and analyze data on how the spread of the novel coronavirus would impact healthcare systems and the economy; run simulations; and provide information to support policy development, business activities, and individual decision-making. We served as the secretariat for the project while also participating as a research team ourselves. We provided support for the multiple research teams involved and ran simulations with other teams. We were also responsible for building and rolling out PCR monitoring test operations for asymptomatic individuals and helped the government understand infection trends across the country.



Our Strengths

Since our start in 1970 as one of the first think tanks in Japan, we have been the only truly comprehensive think tank with expertise spanning fields from economics and sociology to science and technology. For over half a century, we have put this knowledge to work to resolve complex societal issues. Constantly fortifying our capacity to address the world's challenges, today we operate as a company dedicated to tackling them, and we are involved at all stages of the process from independent research and proposals through to the real-world implementation of the resulting solutions.

Integrated strengths

Our competitive edge comes from the combination of our highly specialized human resources and our ability to integrate knowledge across different fields and processes. It is the backbone of our independent research and proposals as well as our contracted research and analysis. Our integrated knowledge draws from our internal resources and the networks we have built with industry, government, and academia. These strengths enable us to develop structured and executable solutions to complex challenges.

Reality grounded

Our unique networks built through our policy support and independent research activities, alongside our collaborative relationships across the Mitsubishi Group, come together as one of our key intangible assets. We have direct access to the front lines of any field, whether policy design, industry, or corporate management. This allows us to develop highly executable proposals and strategies. This ability to bridge theory and practice is one of our distinct features.

Translating knowledge into practice

We take a structural approach to understanding the underlying nature of complex issues. Through our quantitative analysis, pilot projects, envisioning of the future, and integration of knowledge, we deliver independent research and proposals, policy support, and practical business solutions that get to the core of overcoming complex challenges. We stand out as a company to resolve societal issues through our power to put integrated knowledge into practice.

Track record and society's confidence

In the public sector, we have built a strong position through our track record of supporting the entire policy process, from design to implementation and evaluation. In the private sector, we provide consulting and digital-transformation support that leverages our expertise in public policy and systems, especially in public-interest fields such as power, energy, and societal infrastructure. The trust and track record we have built over time underpin our stable business foundation and the creation of new growth opportunities.

Contributions leveraging our strengths

We leverage our strengths to help drive transformation in both policy and business processes

Identifying societal issues, sharing our findings, and communicating our ideas

We share the insights from our independent research on resolving issues—including management challenges—with the world. We also communicate the results, which incorporate perspectives from both public policy and business, through our own publications and in the media.

Contributions to policy processes

Policy formation

Government support: Support for baseline analyses, forecasting, gathering stakeholder input, and testing technologies—these provide the foundation for the design of policy

Deliberation support: Operational support for councils and committees that deliberate government policy and programs, including participation of our researchers in discussions as committee members

Public involvement support: Support for fostering greater public involvement in policy formation, including gathering public input on policy and support for running town hall meetings

Policy implementation

Government transformation support: Support for the operation and adoption of new policies and programs, as well as design and implementation of the digital transformation of government organizations themselves

Policy evaluation

Policy evaluation support: Support for investigations into policy impact measurement, analysis, evaluation, and improvement

Contributions to business processes

Management strategy design

Comprehensive support for management decision-making, including analyzing internal and external factors, defining management issues, assisting business strategy development, and building intelligence platforms leveraging AI agents

Business strategy design

Support for formulating strategies by business field or by function; e.g., R&D, IP management, and marketing

Organizational and HR strategy design

Support for drafting workforce policies, hiring strategies, and training programs; support for formulating and rolling out organizational HR strategies

Support for strategy rollout and operations

Support for business project rollout and operations, including support for the implementation of AI systems and digital-transformation measures, the identification of new business partners and alliances, the development of businesses abroad, and the innovation of new businesses

Contents

Editorial policy and forward-looking statements

This report was written to provide information about our ongoing activities as a company and corporate group dedicated to value creation through the resolution of societal issues under our vision of "envisioning the future, leading change," and the relationship of those activities to our growth strategies, business results, financial position, and other aspects of business. The report also describes our environmental, social, and governance (ESG) initiatives, which are vital to our sustainable growth, as part of our integrated value-creation story.

We compiled this report with reference to various standards, including the IFRS Foundation's International Integrated Reporting Council (IIRC) framework and Japan's Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation framework.

This report is not intended to solicit investment in marketable securities issued by Mitsubishi Research Institute, Inc., or to provide any guarantees or commitments whatsoever. All opinions and estimates reflect the judgment of Mitsubishi Research Institute, Inc., at the time of compilation. We make no guarantee of or claims regarding the accuracy and completeness of the information provided. Readers should be aware that actual results may differ from forecasts.

Abbreviations

MRI: Mitsubishi Research Institute, Inc.
DCS: Mitsubishi Research Institute DCS Co., Ltd.

Numerical rounding

Numbers 100 million or more: Digits below 100 million truncated
Numbers 1 million or more: Digits below 1 million truncated

Period covered

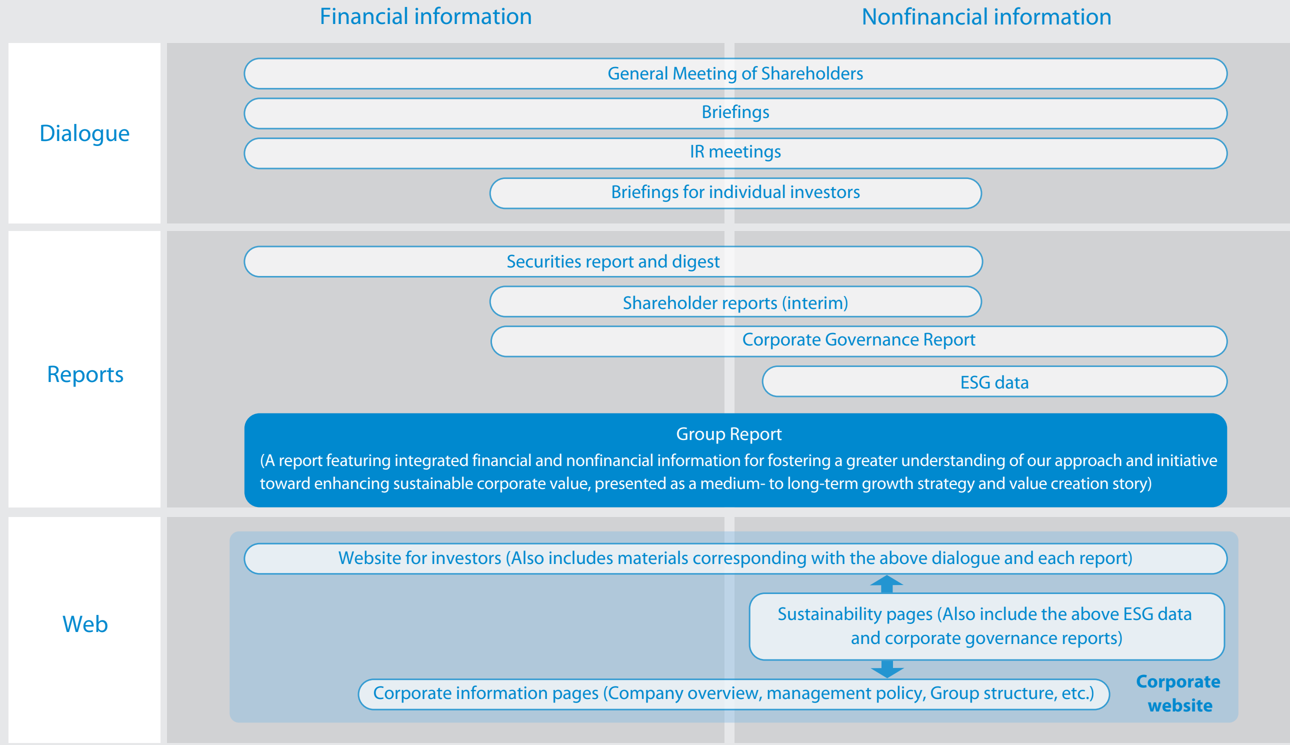
This report covers FY9/25 (1 October 2024–30 September 2025) but also includes some information pertaining to fiscal 2026. All information is current at the time of compilation.

Publication

Japanese: April 2026
English: July 2026
(Published each year as an annual report)

About the art on the cover and pages 1–8 Powerful brushstrokes dynamically express the diversity of a business in which various forms of knowledge intersect. It represents how we reexamine premises and update the role of our organization within society as we envision the future

Information disclosure system



Environment Social Governance
Guidance for Collaborative Value Creation

Symbols in the table of contents on p. 9 indicate the corresponding sections in the Guidance for Collaborative Value Creation released by the Ministry of Economy, Trade and Industry and the structure of this group report.

- A Values
- B Business model
- C Risks and opportunities (Sustainability and growth)
- D Implementation strategies
- E Results and key performance indicators (KPI)
- F Governance

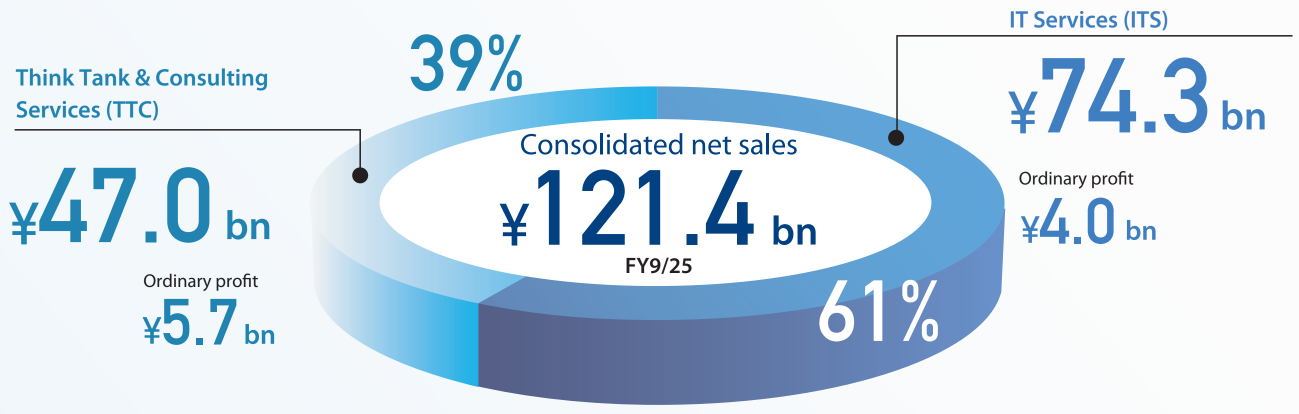
Our Current Positioning

Mitsubishi Research Institute Group comprises two segments: Think Tank & Consulting Services (TTC) and IT Services (ITS). The two segments coordinate their activities for a Group-wide value creation model featuring four distinct functions.

- Independent research and proposals: Providing society with direction for tackling its challenges
- Contracted research and consulting: Developing specific policies and strategies for resolving issues
- Business and system development: Crafting specific solutions to the issues society faces
- Services and business operations: Running services that address societal issues ourselves

Under this model, TTC operates in domains such as healthcare, welfare, energy, sustainability, business analytics, AI, public policy, management, and digital transformation. Meanwhile, ITS groups its businesses into the Industry & Public domain and the Financial and Payment & Transaction domain.

● Net sales, ordinary profit, sales composition by segment



Net sales (consolidated)

¥121.4 bn

Ordinary profit (consolidated)

¥9.7 bn

Employees (consolidated)

(as of 30 September 2025)

4,695

Independent proposals for resolving societal issues (FY9/25)

38

Think Tank & Consulting Services (TTC) | IT Services (ITS)

Independent research and proposals → Contracted research and consulting → Business and system development → Services and business operations

MRI

Think Tank Function

Through our Think Tank function, we aim to provide society with direction for tackling its challenges and achieving a desirable future. We envision the form that such a future would take and use a scientific approach to conduct independent research and craft proposals on how to get there. We integrate knowledge from within and outside the Group before proactively sharing our findings with the world. Our insights inspire action in society, and this action reverberates back into our contracted work and original services. This is how the Think Tank Function effects a positive cycle of social, nonfinancial, and financial value for the Group.

MRI

Healthcare and welfare

Our work in healthcare and welfare is based on the key concepts of evidence-based policy making (EBPM), digital transformation, and the building of public–private ecosystems. We provide comprehensive support for public policy, spanning the planning, design, societal implementation, promotion, and evaluation phases. In the private sector, we support the creation of new businesses.

Energy and sustainability

We provide comprehensive support from the design of policy for the public sector through to specific solutions and services for the private sector. We serve clients in Japan and overseas, helping them to tackle pressing issues such as resource circulation, green transformation, decarbonization, wider uptake of renewables, and power market reforms.

Business analytics and AI

We help businesses evolve and create new value through our *AI-first approach*. Here, we integrate the knowledge garnered from our think tank activities with AI technologies to build effective systems for financial institutions and the wider public sector. We foster AI able to collaborate alongside personnel as a true colleague.

Public policy

We provide comprehensive support from research and analysis through policy implementation. Our work spans the full range of policy areas including science, technology, national security, space, maritime matters, mobility, communication, infrastructure, urban planning, disaster prevention, and resilience.

Management and digital transformation

We help companies and society at large to achieve sustained growth. We do so by combining the experience and insights built through our consulting work for the public and private sectors with expertise in advanced digital technologies. Specifically, we formulate management and business strategies, organization and human resource strategies, and digital transformation strategies.

DCS

Industry & Public

Our Industry & Public business offers industry, the government, and the public sector with a range of digital-transformation solutions. We provide support for diverse needs across both sectors, including enterprise resource planning (ERP) and digital transformation solutions for general industry and digital transformation services for human resources and education.

Financial and Payment & Transaction

We offer comprehensive services to financial institutions and payment and transaction companies, from bank-system development and operations of financial systems to IT solutions for each facet of the payment and transaction process. We act as a business partner for institutions, working to resolve business issues together.

Kenji Yabuta

Representative Director,
President and Executive Officer,
Mitsubishi Research Institute, Inc.

Bolstering foundation and honing Group strengths under longer-term strategy for sustainable growth

Catching tailwinds

The year 2025 saw mounting global conflict and division. Geopolitical risks became the new normal with the America First stance of the Trump administration, ongoing conflicts in Ukraine and the Middle East, and military action by the US in Venezuela early in the following year. In Japan, following its birth in October, the Takaichi administration set out its fiscal approach centered on “responsible, aggressive” strategic budgetary measures in support of a strong economy. It bolstered its mandate with a historic landslide in the February 2026 Lower House election. On the economy, realigned supply chains blunted some of the feared impact of the Trump-administration tariffs. Led by semiconductor and AI demand, the global economy, including Japan’s, continued a moderate expansion. Worsening of the situation surrounding Iran requires our close attention as a potentially substantial future downside risk. Turning to society, we were closely involved with the Osaka–Kansai Expo (motto: Designing future society for our lives) from the initial planning stage and see its success as highly significant.

After a year of highs and lows, we see the unclear and unpredictable environment as a strong tailwind. Our clients are increasingly going on the offense in pursuit of growth and transformation, and the government’s 17 strategic sectors dovetail with our strengths. Meanwhile, the positive wage-price cycle flows directly to costs for our personnel-driven company. Appropriate pricing and expanding service-based businesses independent of headcount are urgent matters. The evolution and spread of generative AI is an opportunity and a threat for us. We work to coexist with AI while maintaining vigilance, and, by anticipating change, we aim to remain indispensable to society and our clients—I believe this is our mission.

Social value creation case study:
Osaka–Kansai Expo legacy → pp. 39–40

Reaffirming our strengths as the AI era unfolds

To coexist with AI, we are stepping up its use internally and will be using the insights gained to provide client-facing services.

Our diverse experts pose the conjectures that guide their work—from research through to real-world solutions—enabling us to create value that significantly impacts society. This fulfills our guiding principles: to resolve societal issues and co-create a sustainable, abundant future. As coexistence with AI proceeds, our strengths—this philosophy and business model—will undergird our company.

Talking with our employees, I feel that facing societal and corporate issues head on and providing solutions working with our internal experts and specialists excites and motivates them. Instilling our guiding principles and determination to do so provides power to address increasingly complicated societal issues. This is the source of our competitiveness.

Take, for example, our support for evidence-based policymaking (EBPM) during the COVID-19 pandemic. We ran simulations of disease spread and collected data from roadside PCR tests. We are proud to make significant, effective contributions to countermeasures at an unprecedented time requiring tough action.

Turning to economic security, we helped establish and operate the Semiconductor Assembly Test Automation and Standardization Research Association. It helps automate and standardize back-end processes in semiconductor manufacturing, reinforcing the vital chip supply chain.

Our annual Listings of Societal Issues helps develop problem-solving ideas. It is used for marketing and launching businesses to tackle challenges in areas like food and long-term care, and clients look forward to its annual publication. The driving force is our employees' strong commitment to addressing societal issues.

At Mitsubishi Research Institute, we operate under a unique value creation process (VCP) that starts with research and development of recommendations and culminates in the real-world implementation of solutions. We run our business on this formula; so to add depth to our society-benefitting initiatives, it is vital that every employee understands our unique value creation process, and that individuals, organizational units, and Group companies respect one another's differences while bringing their own strengths to bear. The mounting expectations of society and our clients remind us once again of just how important our initiatives are.

Our Philosophy → pp. 3–4
Our Strengths → pp. 7–8
Our Progress → pp. 5–6
Initiative for Co-Creating the Future (ICF) → p. 72
Listings of Societal Issues → p. 72
Social value creation case studies → pp. 31–40
Group Value Creation Model → pp. 21–22
Features of Our Value Creation Model → pp. 23–24

Fiscal 2025 results and review of MP2026

In fiscal 2025, revenue increased for the first time in two years; and ordinary profit, for the first time in three. Think Tank & Consulting Services (TTC), which represents the work of Mitsubishi Research Institute (MRI), made solid progress on orders and business done due to focusing of resources on its business divisions, and aided by cost cuts, it set records for revenue (¥47.0 billion) and ordinary profit (¥5.7 billion). IT Services (ITS), which represents the work of Mitsubishi Research Institute DCS (DCS), saw revenue increase to ¥74.3 billion, and ordinary profit to ¥4.0 billion. This upswing was driven by public-sector solutions and payment-and-transaction services, and it outweighed head office relocation costs and unprofitable first-half projects.

Medium-Term Management Plan 2026 (MP2026) was created with the aim of developing business through collaboration between MRI and DCS. MRI handles upstream public– and quasi-public–sector projects; and DCS, their implementation. We are starting to see results in social security, electric power systems, and other public-service segments. Public-sector digital transformation, a new area for DCS, is growing steadily as well.

Notwithstanding these successes, with two years of MP2026 behind us, we see three key issues. First is limited synergies from collaboration between MRI and DCS, which have differing specialty areas. Second, MRI and DCS face intensifying competition in the public and financial sectors, their fortes, so each needs to bolster its advantages to grow. Third, the financial targets in MP2026 appeared out of reach given progress through fiscal 2025. For ordinary profit in particular, the fiscal 2025 result was just 69% of target, so we needed to reexamine our fiscal 2026 target and business strategies.

I have always tried to steer a careful course. My priority has been my duty to explain our business to stakeholders, both internal and external. I talk to all employees about our management strategies at town halls and respond individually to day-to-day queries, providing the background to and intentions behind our policies. For investors and other external stakeholders, I set out reasons behind strategy changes and future directions at results briefings as well as via meticulous IR activities.

Our Current Positioning → pp. 11–12
Business Restructuring via Revised Medium-Term Management Plan 2026 → pp. 43–46

Business strategies harness strengths of both segments

We revised our targets for fiscal 2026 to more realistic numbers and our business strategies to address the three issues noted. This entails moving beyond MRI–DCS synergies to broaden their business development in a manner that harnesses their respective strengths.

At the Think Tank & Consulting Services (TTC) segment, we will step up investment for the next growth stage. This entails investing in human resources, using AI to streamline processes, and expanding upfront

investment for sustainable growth. Our forecasts also include the risk of a pullback from high utilization rates in 2H fiscal 2025 and resumed growth strategies that were curtailed that year. Following the end of major financial and credit-card projects, we will rebuild the IT Services segment (ITS) businesses and redeploy and reskill personnel.

We have factored in higher spending on initiatives launched last year. In light of business rebuilding and stepped-up investment plans, we see a temporary lull as we solidify our base with a view to the next growth stage. Our fiscal 2026 forecasts are for revenue of ¥122.0 billion (up ¥500 million YoY), ordinary profit of ¥9.0 billion (down ¥700 million), and net profit of ¥5.8 billion (down ¥500 million).

TTC businesses are categorized as either focus domains or general domains. Our focus domains include healthcare and welfare, electric power and energy, and business analytics and AI. Our general domains cover the public sector space and the management and digital transformation space.

We have also consolidated our organizations that were previously dispersed by client category, thus boosting their capabilities. For example, the healthcare and welfare business had been divided into support services for three areas: public policy design and evaluation, digital-transformation-driven business design and system development, and private sector companies. Following restructuring, it covers all of these regardless of service or client type. This should enable us to provide swift, wide-ranging support from policy development through commercialization and business creation.

In the three new focus domains, we have built up a knowledge base after many years of support for policy development. A winning strategy is creating businesses that harness this knowledge for the public and private sectors. In healthcare and welfare, we are developing support services for building new businesses in drug-discovery innovation. In electric power and energy, we are developing proposals and pilot studies for new distributed energy models. In business analytics and AI, we are developing support for financial sector streamlining using AI and building intelligence platforms* needed for business decision-making.

In our general domains, we harness our integrated, cross-sector knowledge[†] garnered through our think tank activities to support the public sector in its policymaking and digital-transformation efforts. We offer end-to-end services from surveys and analysis through policy design and implementation, thus upgrading government services on both the national and local levels. We are active across the spectrum of policy areas including science, technology, defense, aerospace, maritime matters, mobility, telecommunications, infrastructure, urban planning, disaster management, and resilience. In the management and digital transformation domain, we provide comprehensive support from strategy development to the implementation of solutions to help private-sector clients boost their competitiveness.

Another important task is nurturing businesses that will sustain us going forward to quickly transform our business portfolio: service-based businesses independent of workforce size[‡], collaboration with outside partners, and overseas businesses. Service businesses played a major role in improving profitability as we rolled out operations in energy and AI-related sectors and withdrew from unprofitable businesses. For fiscal 2026, we aim to achieve revenue of around three billion yen and gross profit of one billion yen.

For ITS, we will continue our select-and-focus approach in priority domains after reassessing businesses on three criteria: market scale, proposal and sales capabilities, and resources. We aim to deploy resources strategically, tap deeper into our client base, and grow orders, with particular focus on four areas: public sector and electric power, HR and education, finance, and data analytics and AI. In HR and education, we have powerful service-based businesses including PROSRV[§] for HR and salary workflows and *miraicompass*[||] for online academic applications. We intend to upgrade these offerings going forward.

These strategies go beyond fiscal 2026; they are directions our businesses are headed in over the longer term and will form the core of our next medium-term plan.

* A way to collect, analyze, and report information on changes to the external business environment. We provide this as an information-collection platform package using an AI agent incorporating our think-tank expertise to aid swift, flexible business decisions (pp. 37–38)
† Newly created knowledge that integrates insights across multiple academic disciplines and specialty areas. Allows comprehensive understanding of societal issues and better decision-making
‡ Businesses with revenue not overly dependent on personnel numbers or work hours
§ Cloud-based–outsourcing services for HR and salary workflows (a service-based business operated by DCS)
|| Online K–12 school admissions service (a service-based business operated by DCS)

Future Strategy → p. 44

Financial and Capital Strategy → pp. 47–52

Capital allocation and shareholder returns

Capital allocation is likely to come in at ¥43.5 billion versus ¥50 billion earmarked in MP2026. Through fiscal 2025, we had spent ¥22.7 billion, and for fiscal 2026 we expect to spend ¥13.9 billion: ¥7.0 billion on capex, ¥4.3 billion on growth investments, and ¥2.6 billion in dividends. We have not made strategic investments such as equity stakes or acquisitions, but we continue to look for and assess investment targets.

Our shareholder-returns policy remains unchanged: Ongoing stable dividends; striking a balance between earnings, future demand for funds, and a sound financial position; and a target dividend payout ratio of 40%. In fiscal 2025, we paid an annual dividend per share of ¥165, for the thirteenth consecutive rise, and a dividend payout ratio of 40.7%. Our fiscal 2026 forecast is ¥165 and a payout ratio of 44.8%.

Strengthening foundations: Longer-term challenges and initiatives

Human capital strategy

To cultivate human capital, we have established recruitment and training strategies for growth sectors, with a focus on bolstering our human resources. In October 2025, we redesigned our personnel systems so employees keen to resolve societal issues can build long-term careers with us. Key features are the scrapping of seniority-based promotion, allowing multi-track career paths, stabilizing income by increasing the proportion of monthly salary vs bonus, and improving compensation to encourage re-hired retirees. We have bolstered our systematic HR development arrangements centered on the MRI Academy. Opened in 2024, it offers over 400 hours of training programs and serves as ongoing support for employees' expertise and career development.

Human capital strategy in ITS entails improved compensation at DCS, workstyle reforms, and Activity Based Working* to support employees moving in and out of the head office. We are training employees in focus areas and next-generation executives at the DCS Digital Academy launched in October 2023. Going forward, we will review a range of systems and policies accompanying the head office relocation to boost productivity and become a more proactive organization.

The HR strategy and workstyle reforms described above are based on DE&I[†] concepts. Recognizing each other's differences is a must if employees are to work enthusiastically, boost individual expertise, and encourage diversity—company strengths. Key will be initiatives to raise awareness of unconscious bias. We aim to boost employee engagement with a combination of HR strategy, workstyle reforms, and DE&I measures.

Exchanges within the wider Mitsubishi Group play an important role in employee training and network expansion. Our company serves as secretariat and facilitator of training functions for the Mitsubishi Group overall, and we are promoting interpersonal exchanges and knowledge sharing within the wider Mitsubishi Group. We believe strengthening such links will reinforce our capabilities for resolving complex societal issues.

* A workstyle that allows employees to choose their work location and hours based on the nature and purpose of work
† Diversity, equity, and inclusion. Initiatives to create a fair environment empowering diverse human resources to perform within the organization

Strategy for Strengthening Our Human Foundation → pp. 75–82

Think Tank DX → p. 70

Co-creating and developing services with AI

AI will undoubtedly replace some research and routine work that is part of our core consulting services. In our next medium-term plan, we look to position it at the core of our management in an AI-first approach. The upcoming plan will identify workstyles for co-creating with AI and the requisite business model.

We assume we will be deploying generative AI across the board internally and use the results to develop client-facing services. To date, using this technology we have reduced workflows by a cumulative 70,000 hours. We are thus developing several AI-related services to offer clients. We are also preparing guidelines including rules for the safe and secure use of generative AI to ensure against loss of trust in our products, security breaches, and copyright infringement.

We have started fiscal 2026 with the assignment of a director to spearhead companywide policies and accelerate these initiatives. By expanding relevant workflows from front-office activities to include middle- and back-offices, we want to boost productivity and value-added in all our employees. During the year, we plan to train generative AI on our proprietary intellectual property, so all our people can use it.

R&D and upfront investment

Our R&D activities pave the way for longer-term growth. We are stepping up R&D in focus and general domains with a view to future commercialization. For example, in electric power and energy, we are developing consulting services using our service-based businesses; in healthcare and welfare, we are looking for new digital-transformation businesses; and in business analytics and AI, we are working to shore up the capabilities of clients' intelligence platforms. For the public sector, we are developing watt–bit integration* businesses; in management and digital transformation, we are developing HR services; and we are also enhancing AI chatbot services for local governments.

Boosting research and proposal activities

We recognize the need to strengthen our research and proposal activities, the riverhead of the Group's value chain. We generate society-wide discourse designed to help bring about a future informed by our research and proposals, thus boosting the social value of the entire Group. Our recent organizational overhaul positions research and proposal functions as companywide in nature. With this, we are fortifying relevant capabilities via moves evinced by our newly established office of Research Fellows.

In fiscal 2026, we will take opportunities to develop important policies from a longer-term perspective to generate an impact through planned, timely communication. For example, we are undertaking research and proposals into what Japan would look like under physical AI† and to see what sort of future digital transformation will carve out in the domains of strategy, healthcare, human resources, energy, the environment, information and telecommunications, food and agriculture, and resilience.

Only a comprehensive think tank has the capacity to conduct research and make proposals spanning such a wide range of fields. We are stepping up activities that will promote Mitsubishi Research Institute as an expert in technology. Based on a combination of our research and proposal capabilities, our office of Research Fellows, and collaboration with business divisions, we will roll out multilayered activities before and after proposals and work to improve the specificity and persuasive power of our pitches to government ministries and business executives.

* An approach designed to optimize green transformation and digital transformation using generative AI by linking electricity and telecommunications infrastructure

† AI technology that performs the ideal action based on advanced analysis of data from sensors and real-world information

Our independent research and proposals → p. 68

Risk management and governance for sustainable management

We have constructed a Plan, Do, Check, Act (PDCA) cycle using our Advanced Risk Management System (ARMS), a proprietary and comprehensive risk-management system, to reduce risks. ARMS assesses the likelihood and impact of risks the Group's businesses face, and we consider and take action to lower their likelihood. When signs emerge of an unfolding or actual emergency per the guidelines, we shift to a crisis-management footing with the president or a competent executive at the head.

On the governance front, we have ongoing moves to diversify the Board of Directors. Two years ago, we took on individuals with expertise in digital technologies, legal affairs, and risk management to strengthen the team. We have seen significant benefits to the Board in improved effectiveness, and we will work to put together the ideal Board for our business environment and corporate strategy.

We also see bringing up in-house talent as important. Currently, all our business division heads and executives in charge have already had extensive careers in the Group, and so does one of our four inside directors—a sign that our management training initiatives are bearing fruit.

Our Board and Governance Advisory Committee actively debates the requirements for future presidents and management teams. The Board receives reports on candidates as needed, and we have developed succession and long-term training plans as we develop systems that will enable us to nominate our leaders from a pool of candidates that includes long-term employees of the Group.

Risk Management → pp. 99–100

Corporate Governance → pp. 89–100

To our stakeholders

Fiscal 2026 marks the final year of MP2026. That makes it extraordinarily important as we will be formulating and launching our next medium-term plan. Developing the next plan involves all employees envisioning how our company will provide value to society and forge the future. The Group aims to resolve societal issues and has identified three important areas to improve social value: digital transformation, green transformation, and human resource and healthcare transformation. We aim to improve our corporate value by creating a virtuous cycle of financial, nonfinancial, and social value. Based on this approach, and via collaboration with many partners in Japan and abroad, we hope to create even greater social value and a prosperous, sustainable future together. We ask our stakeholders for their continued support, and I hope you will look forward to even greater results from the Group down the road ahead.

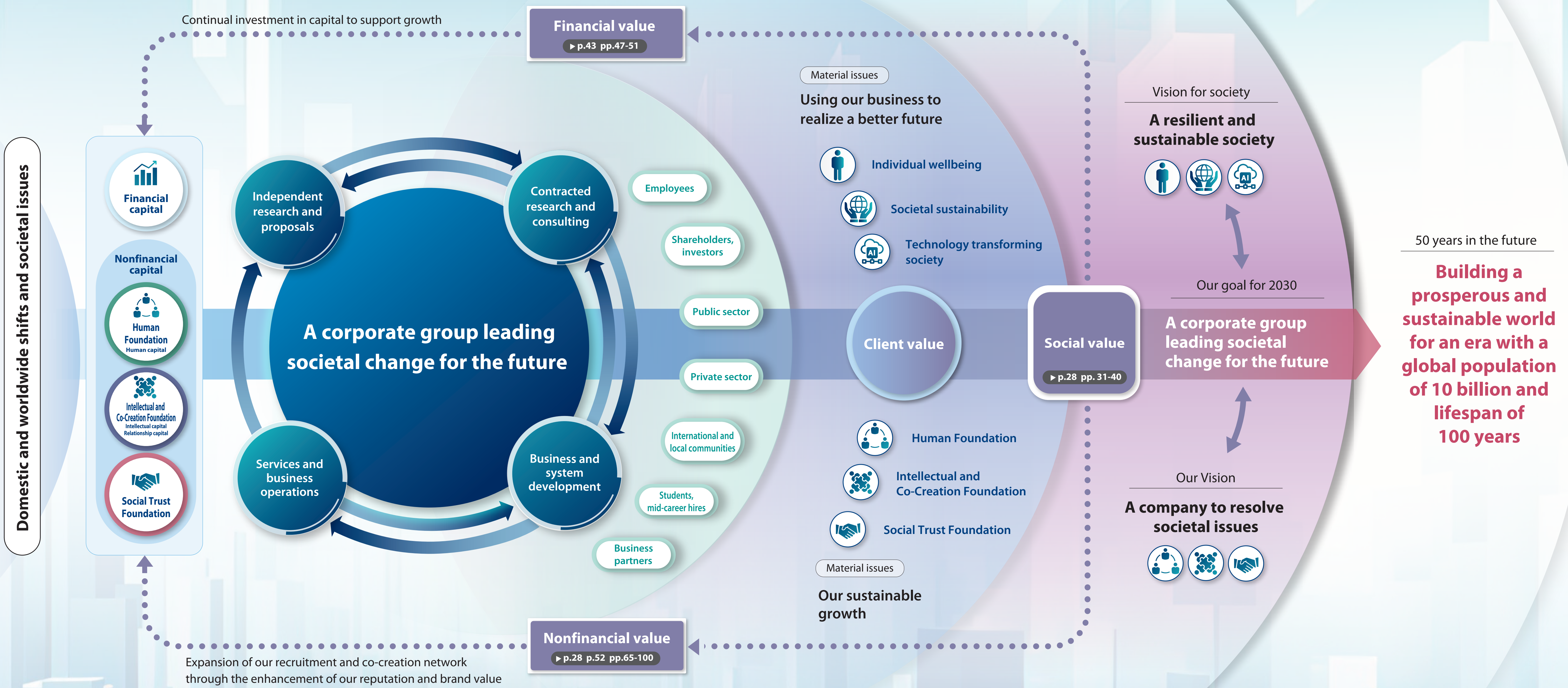
Material Issues, Sustainability Management → pp. 27–30

Kenji Yabuta

Representative Director,
President and Executive Officer,
Mitsubishi Research Institute, Inc.

Group Value Creation Model

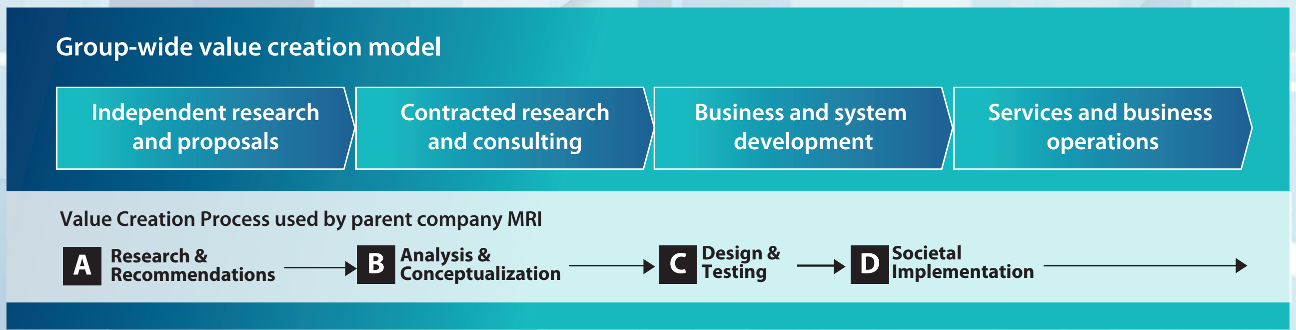
Fulfilling our mission to resolve societal issues and co-create a sustainable, abundant future



Mitsubishi Research Institute Group comprises two segments: the Think Tank & Consulting Services segment, led by Mitsubishi Research Institute (MRI) proper, and the IT Services segment, led by DCS. MRI also heads the Group as a whole. The Group features a value creation model that integrates four functions shared between the segments.*

Along with the four value-creation-model functions, these businesses serve as the framework through which we craft our expertise in policy, programs, and management strategy as well as accompanying solutions and services. Our work in turn facilitates a positive cycle of social, nonfinancial, and financial value while at the same time enhancing each facet. Based on this cycle, we make concrete steps toward our goals for 2030, our vision of society in 2030, our aspirations for the Group's future, and the bright future we forecast and propose 50 years out.

* The Group-wide value creation model is based on the similarly-named Value Creation Process (VCP) used within parent company MRI



Features of Our Value Creation Model

We have built a business model that integrates the functions of our Think Tank & Consulting Services and IT Services segments to cover our entire value chain. Through collaboration with clients, partners, and Group companies, we design policies and business strategies based on long-term forecasts and cross-sectoral research and proposals, handling everything from implementing systems and services to operations.

Currently, we are enhancing our activities in each process so that we can better effect societal change. We aim to resolve societal issues by feeding the insights gained throughout the value chain back into our independent research and proposals before focusing our contracted research and consulting work on projects that link to the deployment of real-world solutions.

VCP management at Mitsubishi Research Institute

Greater outcomes via integrated value chain

Mitsubishi Research Institute has operated under its internal Value Creation Process (VCP) management (pp. 21–22). VCP Management is an approach that aims to generate greater outcomes by building an integrated value chain spanning the institute's four business phases: A) Research & Recommendations, B) Analysis & Conceptualization, C) Design & Testing, and D) Societal Implementation. The efforts of VCP Management at Mitsubishi Research Institute serve as the driving force behind the Group-wide value creation model.

VCP Management features both vertical and horizontal facets: Vertically, we link the full suite of processes from research to solutions for a given domain. Horizontally, we undertake the work of a given facet in multiple domains. Our VCP Managers (VMs) lead such collaboration as a company-wide initiative. At the VCP Management Committee and in each business unit, our leaders discuss specific measures for our matrix-style of collaboration.

Strengthening VCP Management

Solutions to operational issues, selection of and focus on priority domains

The essence of VCP Management is to contribute to resolving societal issues through business activities, to provide value to society, and to expand our business. It also serves to further strengthen these efforts.

Through our activities to date, our employees have taken up the fundamental principles behind VCP, resulting in awareness of and activities effectively connecting the proposed value chain. On the other hand, operational issues have become apparent, such as overlapping functions due to matrix-type organizational management and increased internal burdens related to reporting and sharing.

Moving forward, we will fortify our operations based on three perspectives in order to accelerate the development of business and expand our revenue scale under the scheme, thus further advancing VCP Management.

In FY9/25, the VCP Committee became the VCP Management Committee. We further strengthened our business from a company-wide perspective through the promotion of VCP Management while responding to cross-departmental business issues. In FY9/26, we will further ramp up VCP Management by sharing positive case studies and factors behind their success within and outside the Group.

1 Organization

We will further integrate VCP activities and departmental plans to give our leading businesses a boost

2 Selection of and focus on priority domains

We will focus on expanding and strengthening the value chain to create new business domains and improve competitiveness

3 Addressing complex issues

The VCP Management Committee will handle complex societal issues that span multiple divisions. For example, we are considering enhancing our AI business on a company-wide level and fortifying our sales structure and strategy.

Value creation as a think tank in the AI era

Yasuteru Hirai
Representative Director,
Executive Vice President and Executive Officer,
Officer in Charge of Think Tank and Business Strategy

Redefining value creation in the AI era

Advances in and uptake of generative AI are driving big changes in the think tank and consulting industry. Mitsubishi Research Institute has long been working on its own think-tank digital transformation (*Think Tank DX*, p. 70) since FY9/20, using digital technologies, including generative AI, to enhance business processes and make them more efficient. However, with advances in AI accelerating, we recognize the need to urgently redefine the value we provide beyond AI alone and map out how we will maintain and strengthen our business capabilities.

Unchanging principles and our value creation base

Since our 1970 establishment, we have built a track record and earned trust under the banner of resolving societal issues. Our mission is to do just that, co-creating a prosperous and sustainable future in the process. Under our unique Value Creation Process (VCP) management, we provide a complete value chain from Research & Recommendations to Societal Implementation, translating social value into earnings. Founded on this concept and through our efforts to build on existing strengths and create new capabilities, we aim to create value with societal impact.

Integration of knowledge: Building and redefining our core strengths

We have a wealth of knowledge spanning a wide range of specialist domains and have developed the expertise to integrate this knowledge. We leverage this integrated knowledge to define key questions to address, design executable solutions, and see them through in their real-world application. This value creation could not be achieved simply with AI.

For example, the Listings of Societal Issues that we publish is original content providing an exhaustive analysis and categorization of societal issues from a macro-level perspective. It helps readers define key questions to address, while also stimulating ideas and insights for solutions. By publishing policy recommendations based on our independent research, we take a leading role in shaping how challenges are resolved in numerous fields. By linking and further enhancing these initiatives, and by continuously verifying how their outcomes contribute to the actual solution of societal challenges, we will continue to refine our core strengths.

Forging new strengths, driving future-oriented innovation

By co-creating with AI, we aim to improve operational efficiency and output quality, create societal impact, drive breakthrough innovations, and implement them in real-world settings. Specifically, we will articulate big-picture, practical solutions ahead of others and lead transformation by engaging stakeholders. Moreover, we will leverage our existing domains and actively explore emerging business opportunities at the periphery, thereby building collaborations with business partners. We believe embodying Our Vision, "Envisioning the future, leading change," will enable us to develop new sources of strength in the AI era.

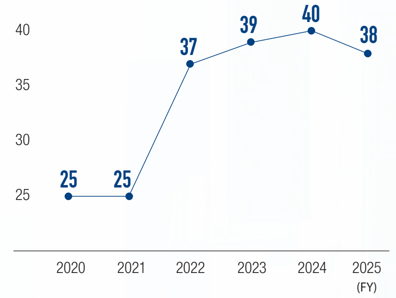
Accelerating value creation for the next growth phase

The integration of generative AI into business operations and process reforms are a given. On this basis, we will contribute to society by creating value that cannot be achieved with AI alone. Put another way, we want to enhance our brand and the public's trust in us by contributing to society by creating value through societal solutions. We therefore integrated the former Think Tank Unit and Corporate Administration Unit and established the Innovation and Corporate Function in October 2025.

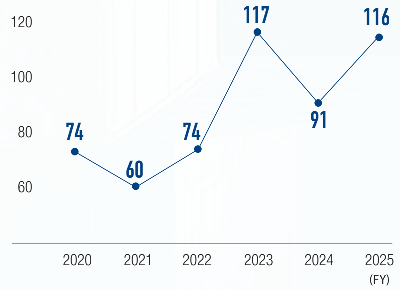
The new function will serve as central command for the entire company. In this context, as Executive Vice President, I oversee our independent research and proposals function (the Center for Policy and the Economy, the Center for Advanced Technology, and the Research Fellow Office) and our business-strategy planning function (the Strategy Planning Division). I am working to accelerate value creation through these two pillars.

● Independent policy proposals and publications for addressing societal issues

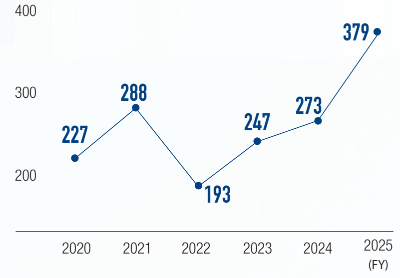
□ Independent proposals published



□ Independent research articles published



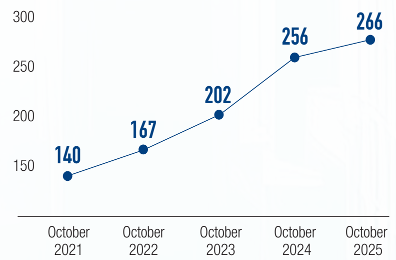
□ Number of media interviews
(Shaping society-wide discourse through our independent research and proposals)



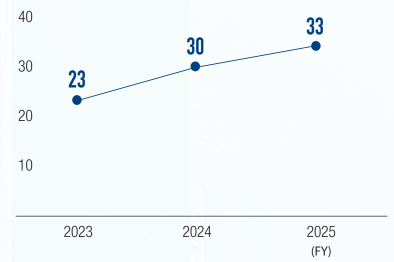
* Number of independent policy proposals derived by counting press releases (on research results, policy proposals, forecasts, outlooks, pilot businesses, etc.) and research articles published on our official website

● Networks for resolving societal issues

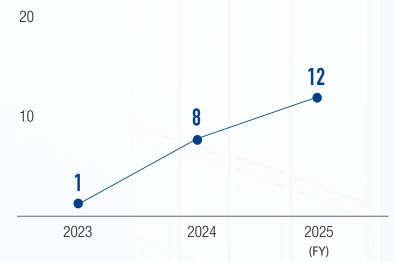
□ Number of startups with membership in the Initiative for Co-Creating the Future (ICF) (p. 72)



□ Collaborations for joint research



□ Collaborations with startups



Independent research and proposals in the green transformation, human resource and healthcare transformation, and digital transformation domains

As a think tank, Mitsubishi Research Institute publishes independent research and recommendations in various fields. For example, in human resource and healthcare transformation, we published two policy proposals in September 2025. One covered how strategies for digital-transformation–oriented talent must be redefined in light of generative AI. The other addressed the importance of an evidence-based approach to achieving healthcare and long-term care system reforms in full.

We also published proposals on watt–bit integration, the green transformation domain (p. 68), and on AI robotics, the digital transformation domain (p. 69). We aim to shape the direction of society through such work and will continue to actively pursue our independent research and proposal activities.

生成AIが再定義するDX人材戦略 [Strategies for digital-transformation–oriented talent in light of generative AI]
https://www.mri.co.jp/knowledge/insight/policy/20250925.html

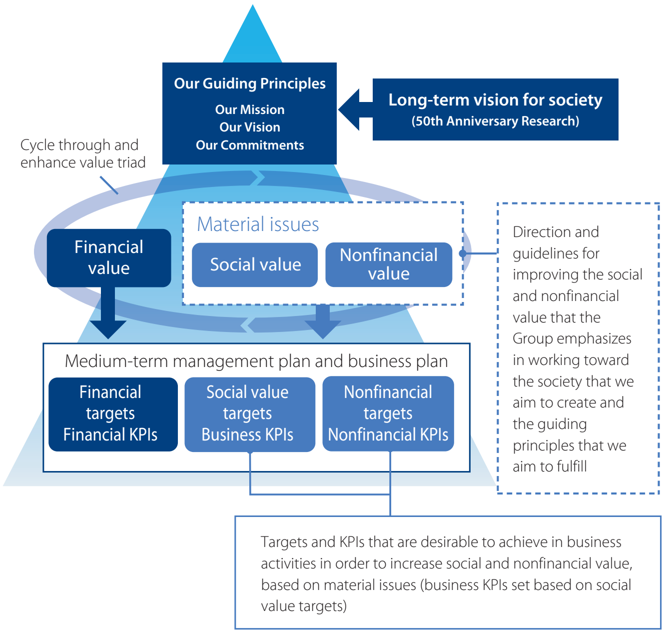
エビデンスがつなぐ、医療・介護制度改革のラストマイル [Evidence-based approach to achieve healthcare and long-term-care system reforms in full]
https://www.mri.co.jp/knowledge/insight/policy/20250912.html

Material Issues

Overview

We identify material issues as the basis for the policies governing management and business activities as part of our efforts to circulate and expand our value triad.

To realize our goal of building a prosperous and sustainable world through our business, we place particular emphasis on social value and nonfinancial value. This means we are focused on creating a positive impact on society by strengthening our capacity to resolve societal issues. We position material issues as a guide for the direction of the Group's social value creation and for enhancing our human foundation, intellectual and co-creation foundation, and social trust foundation, which are essential to generating social value.



Material issues garnered from societal issues

Material issues are structured around two frameworks: social value and nonfinancial value. Social value is a long-term focus for the Group and comprises three areas of social value, namely individual wellbeing, societal sustainability, and technology transforming society. These link to our goal of building a prosperous and sustainable world through our business. Nonfinancial value comprises our human foundation, intellectual and co-creation foundation, and social trust foundation. These enhance the Group's sustainability, improve our ability to resolve societal issues, and create social value.

Material issues		Examples of our initiatives		Relationship to the SDGs
Building a prosperous and sustainable world through our business	**Individual wellbeing** Ensuring health, self-fulfillment, and connection	● Healthcare business ● Human resources business ● Regions and communities business	● Service-based businesses ● Contracted research and consulting ● Independent research and proposals	3, 4, 8, 9, 11
	Societal sustainability Ensuring safety, security, and global sustainability	● Financial and credit card business ● ICT business ● Energy and circularity business ● Food and agriculture business ● Resilience business		2, 6, 7, 11, 12, 13, 14, 15
	Technology transforming society Societal implementation of innovative technologies, transformation of companies and society	● Digital transformation business ● Research into cutting-edge technologies ● Focused development of societal implementation business		9
Sustainable growth of the Group	**Human foundation** Sustainable improvement of our people and the organization	● Recruiting and training human resources, running the FLAP Cycle® ● Work–life balance, health-focused management ● Diversity, equity, and inclusion ● Changing the organizational culture		3, 5, 8
	Intellectual and co-creation foundation Utilizing the value of collective knowledge and our co-creation foundation	● Independent research and proposals, accumulation of intellectual property, use of AI ● Client and business-partner network development ● Group management		9, 17
	Social trust foundation Maintaining and improving social trust in the Group	● Risk management and information security ● Corporate governance ● Our efforts to decarbonize		12, 13, 16

Social value

Social value	Approach to setting indicators based on MP2026	Category	Indicator	2025 results	2026 targets
Social value targets based on material issues	We have used the three themes from our material issues as concrete targets to realize a prosperous and sustainable world. Our purpose is to identify and maximize the social value provided to clients through our business activities. We have chosen three main business fields as good matches for pulling this off: human resources and healthcare, green transformation, and digital innovation.	Individual wellbeing	HR and healthcare sales (¥bn)	13.8	15.0
		Societal sustainability	Green-transformation sales (¥bn)	6.9	7.5
		Technology transforming society	Digital-innovation sales (¥bn)	30.9	35.0
Social value created by Group strengths	Mitsubishi Research Institute Group works to increase the social value it creates, which we define as belonging to three coherent groups. The first is the value we provide through our knowledge of policy. This is indicated by the net sales of our public-sector business. The second is how we will change the direction of society through our policy proposals and communications, evident in the amount of media coverage we receive. The third is our development of startups via co-creation, evident in the number of startups we cultivate. We will work to increase our social value.	Knowledge of policy	Public sector revenue (¥bn)	34.8	Not disclosed
		Policy proposals and communications	Number of media interviews (yearly)	379	300
		Co-creation	Number of startups we have guided (cumulative)	49	60

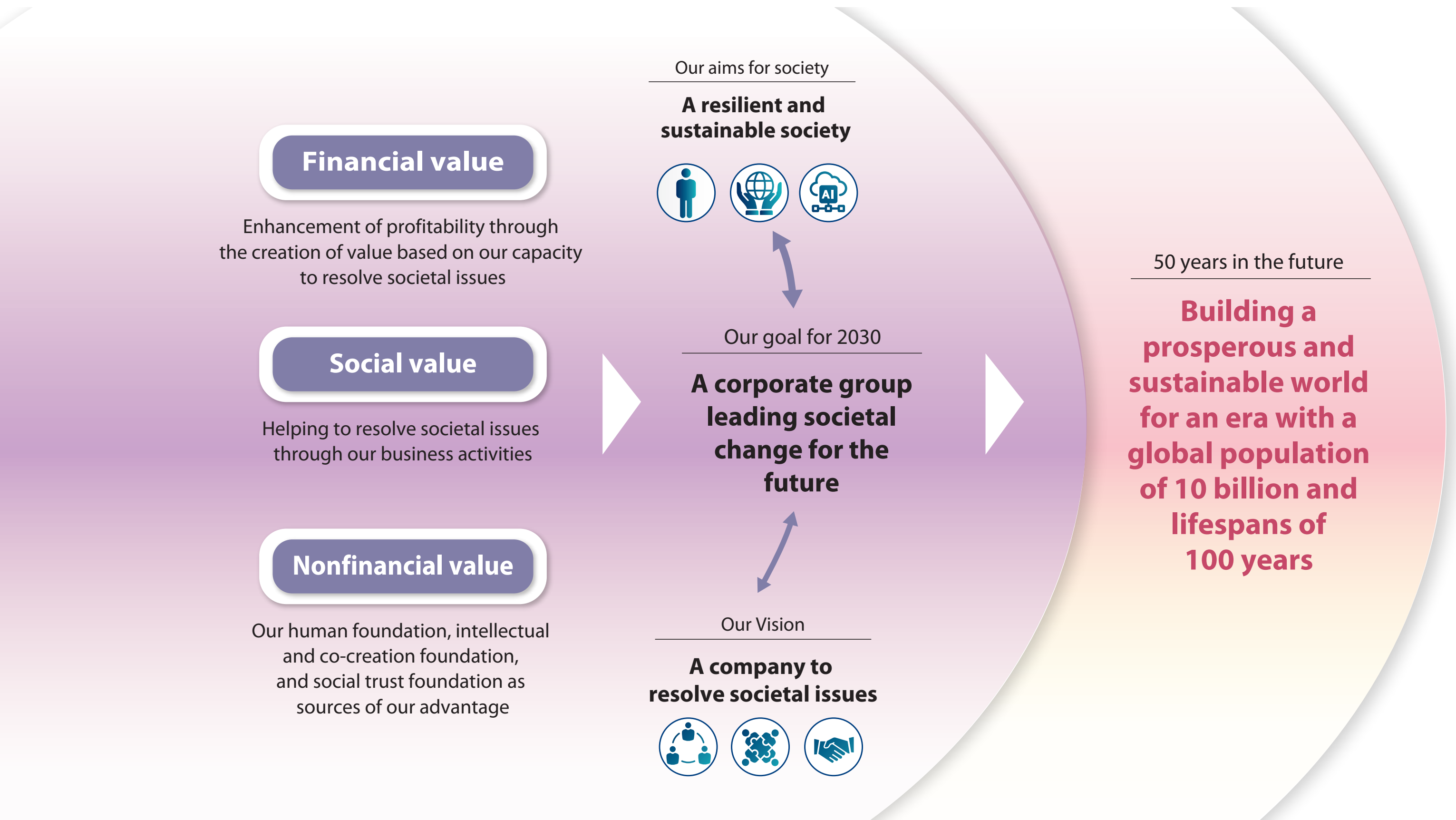
Nonfinancial value fortifying our business model

Nonfinancial value	Approach to setting indicators as per MP2026	Category	Indicator	2025 results	2026 targets
Human foundation	**Cultivation of human capital** To secure talented individuals and develop our workforce, we are cultivating our human capital by encouraging employees to take advantage of quality training programs.	Training	Average training sessions per person*	3.37	2.7
	Maximizing our people's potential We actively promote diversity, equity, and inclusion (DE&I), including measures to support the success of women and to maintain a high level of individual engagement.	Diversity	Women among new hires†	29.8%	34%
		Engagement	Engagement score	73.4	Maintain 70 or above
Intellectual and co-creation foundation	**Increasing our intellectual capital** We aim to actively use our intellectual capital to participate in government councils, including those of the Prime Minister's Office and deliberation committees, so that we can point society on the proper path to achieving an ideal future. We also strategically assert the intellectual property rights to our intellectual assets.	Research and policy proposals	Committee member appointments	175	Year-on-year increase
		Intellectual property	Number of patent applications and registrations	Applications: 13 Registrations: 10	Applications: 13 Registrations: 10
	Broadening our co-creation platform We are broadening our platform for co-creation by searching for startups working to cultivate future businesses and deepening collaboration with our business partners.	Collaboration and partnership with startups‡	Startups in Initiative for Co-Creating the Future	266	250
			Partnerships	12	10
		Alliances and joint research with universities, research institutes, and business partners	Joint research contracts	33	35
Social trust foundation	**Contributing to the global environment** The Group will continue to fulfill its corporate social responsibility to help build a prosperous and sustainable world and establish sustainable growth for the Group. Advancing initiatives for decarbonization is a central part of our activities to contribute to the global environment.	Achieve carbon neutrality	Renewable energy ratio	44.0%	45%
			GHG emissions	5,974 tCO_2e	6,400 tCO_2e
	Fortifying governance We continually seek to fortify governance within the Group by promoting compliance and improving our risk management.	Risk and compliance	Serious legal violations	0	0
	Brand and trust We maintain the highest standards in order to maintain trust in the Group and the reputation of our brand.	Client trust	Client satisfaction	4.57	4.5 or higher

* Group-led training sessions only. Excludes voluntary participation. Includes in-person and online sessions
† Percentage of women among new university graduates hired by the Group on April 1 of each year
‡ Set to transfer management of related initiatives (including our membership organization for startups) to an external organization in FY9/26

Sustainability Management

Our commitment to sustainability

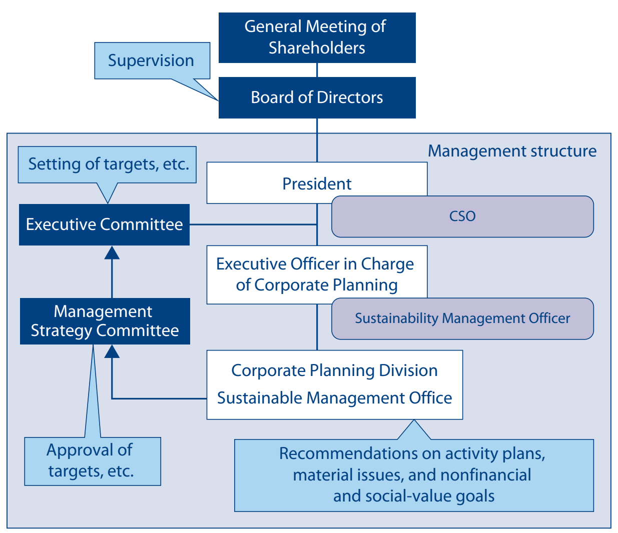


* The above figure is a simplified version of the Group value creation model delineated on pp. 21–22

We are committed to creating a prosperous and sustainable future when the global population reaches 10 billion and enjoys century-long lifespans. We aim to realize this vision through the circulation and expansion of our value triad: social value, nonfinancial value, and financial value.

We create social value by expanding client value through our business activities and by resolving societal issues through co-creation with a variety of partners. This is driven by our nonfinancial value consisting of our human foundation, intellectual and co-creation foundation, and social trust foundation—the sources of our competitive advantage. The value we have created for our clients and society translates into our financial value. It is the source of investment in future growth.

The core focus of our sustainability management is to achieve and enhance the sustainability of both the Group and society, by circulating and expanding these three types of value.



Sustainability Promotion Structure

The tasks of the Sustainable Management Office within the Corporate Planning Division include the planning of sustainability activities, the identification and review of material issues, and the formulation and administration of targets for nonfinancial value and social value. The general manager of the Corporate Planning Division proposes items requiring deliberation and decision. After approval by the general manager of the Corporate Administration Unit (who also serves as the Sustainability Management Officer), the president as Chief Sustainability Officer (CSO), and the Management Strategy Committee, decisions on these matters are made by the Executive Committee. The Board of Directors oversees these processes through the reports that it receives concerning basic sustainability policies and progress on regular plans.

Integration of sustainability and business: Focus areas toward 2050 goals

We have defined three areas as specific targets for sustainability management. The first, individual wellbeing, entails ensuring health, self-fulfillment, and personal connection. The second, societal sustainability, entails ensuring safety, security, and global sustainability. The third, technology transforming society, entails societal implementation of innovative technologies as well as the transformation of companies and society.

We identified eight priority domains in our previous medium-term management plan (MP2023) and launched initiatives that transcended our traditional organizational boundaries. However, while the initiatives were in domains in which the Group excels, at times our business scale meant resources for these new initiatives were spread thin. In light of this, for Medium-Term Management Plan 2026, we selected three domains that are expected to create greater social value, to generate larger impact, and for which progress can be evaluated in a quantitative manner. They are human resource and healthcare transformation (HX), green transformation (GX), and digital transformation (DX), and they are congruent with our three social-value material issues.

Human resource and healthcare transformation (HX)

Healthcare and Welfare Unit

Building systems for human resources and healthcare domains

In human resources, we are working to bring human-capital management to a wider audience. Progress in the green and digital transformations will significantly shift the human resource requirements of companies going forward. Mismatch between the supply and demand of personnel is likely to intensify, so we are working to craft policy proposals and services to help. For example, we have published ideas for accelerating reskilling and the movement of human resources, designed policy for disclosing workplace information required for promoting such movement, and conducted research and proof-of-concept projects on human-capital management.

In the healthcare domain, we help implement the systems that function as the foundation for Japan's medical digital transformation. This spans the gamut of related policy domains including insurance for medical and long-term care, welfare for those with disabilities, and control of infectious and intractable diseases. We aim to build a sustainable society featuring long, healthy lifespans, and we are helping by building sustainable programs. Here, we support policy evaluation, including the optimization of healthcare and long-term care costs, and the design of care delivery systems leveraging big data developed through digital transformation efforts in the field.

Green transformation (GX)

Energy and Sustainability Unit

Proposing a model fusing carbon neutrality and circular economy, and supporting policy design for its implementation

To achieve carbon neutrality by 2050, the world must use renewable energy as its main power source and transition to a circular-economy model as soon as possible. We have proposed a model for the future that fuses carbon neutrality and the circular economy. We also support the development of technologies required for green transformation such as distributed energy sources like storage batteries, advanced operations for solar power systems, offshore wind power, and hydrogen. This accompanies our policy-design, feasibility-assessment, and circular-economy agenda-setting work.

Digital transformation (DX)

Public Policy Unit

Management and Digital Transformation Unit

End-to-end digital-transformation support through our DX Journey® approach

We find ourselves in times of ever-mounting volatility, uncertainty, complexity, and ambiguity (VUCA). Management must take into account changing and increasingly complex external factors. Digital technology is becoming evermore critical for addressing these rapid changes. We help clients develop their digital transformation in ways that match their needs. What enables us to do this is our Group-wide vertically integrated knowledge of policy, regulations, industry, supply, and demand combined with our abilities in management analysis, AI integration, and digital implementation. Our proprietary DX Journey® approach underpins these capabilities, allowing us to support our clients from strategy development to implementation.

Group Value Creation Model

How We Create Social Value

Our comprehensive support spans independent research and proposals through to the implementation of policy and solutions. We then share our insights for even greater societal impact

Yoshihiko Ito
Director, Senior Managing Executive Officer,
Officer in Charge of Consulting Service,
Officer in Charge of VCP

Social value creation case studies

Under the VCP Management (pp. 21–24) framework, Mitsubishi Research Institute works to resolve societal issues while improving sustainable corporate value. Specifically, this entails integrated services from independent research and proposals through to the implementation of policies, programs, and solutions. We strive for the results of our work to spread across a wide range of entities and effect greater societal impact. By creating social value through our business activities like this, we are stimulating the transformation of society.

The Healthcare and Welfare Unit, Energy and Sustainability Unit, and Business Analytics and AI Unit offer case studies of such work in our focus domains, and the Public Policy Unit offers examples in our general domains.

Case / 1

Creating a sustainable social security system through support spanning policy development, digital transformation, and societal implementation

Healthcare and Welfare Unit

Societal issue	Our services	Outcome
Closing the gap between a changing socioeconomic situation and the social security system; Acquiring appropriate resources needed to execute and implement policies	Comprehensive support for policy from planning to program design, societal implementation, promotion, uptake, and evaluation	A social security system that helps residents live secure and stable lives while ensuring fiscal and economic sustainability

Summary The social security system needs to keep up with a changing socioeconomic situation, requiring structural changes and sufficient resources. We provide comprehensive support spanning policy planning and program design, digital transformation, the real-world application of solutions, and the evaluation of initiative outcomes. These help ensure that the lives of residents are secure and stable while the system and its finances are sustainable.

Case / 2

Boosting Japan's renewable-energy ratio through MERSOL—our support services for storage battery operators

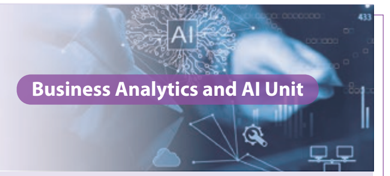
Energy and Sustainability Unit

Societal issue	Our services	Outcome
Ensuring sustainability of storage battery operations, a linchpin for expanding renewable energy use	Providing business feasibility assessments and support services for the day-to-day operations of storage batteries in line with Japan-specific market conditions	Shore up the electric power market as a whole by aligning policies, government programs, and the diverse needs of those operating storage batteries

Summary Storage batteries play a crucial role in covering grid-destabilizing supply–demand mismatches, which are more likely as use of renewables expands. MERSOL offers feasibility assessments and support for the practical operation of projects, and this helps to align policies, government programs, and the diverse needs of those operating storage-batteries—the result, ultimately shoring up the electric power market as a whole.

Case / 3

Optimizing decision-making with AI-embedded intelligence platforms



Business Analytics and AI Unit

Societal issue	Our services	Outcome
Shortage of workforce and knowhow in business intelligence, essential in assessing constantly changing externalities	Implementing and operating on-premise intelligence platforms at client companies using AI agents with our original analytical processes baked in	Improved resilience of supply chain and industry overall via optimized management decision-making

Summary Amid a rapidly changing world, businesses best base their decision-making processes on information that accurately apprehends shifting externalities. We provide the information infrastructure that they need as an AI-embedded intelligence platform. With it, companies can optimize their activities and improve their resilience.

Case / 4

Ensuring the legacy of Expo 2025 lives on by co-creating its vision of a diverse future society

Public Policy Unit

Societal issue	Our services	Outcome
Ensuring that co-creation under the World Expo leads to innovation and the societal implementation of solutions	A central role in designing the World Expo as a place that accelerates innovation; Support for co-creation that stimulates exchange of ideas between companies	Enduring technologies and public–private networks oriented toward real-world deployment of solutions

Summary We helped design Expo 2025 as a place that accelerates innovation and fosters co-creation. The legacy of our work lives on in the public–private networks forged through co-creation. By continuing to progress these activities, we seek to make the Expo-envisioned future a reality.

Creating a sustainable social security system through support spanning policy development, digital transformation, and societal implementation

Societal issue	Our services	Outcome
Closing the gap between a changing socioeconomic situation and the social security system; Acquiring appropriate resources needed to execute and implement policies	Comprehensive support for policy from planning to program design, societal implementation, promotion, uptake, and evaluation	A social security system that helps residents live secure and stable lives while ensuring fiscal and economic sustainability

Societal issue

Ensuring a sustainable social security system for people of all ages

Japan's current social security system was designed before the acceleration of trends such as population aging and a low birth rate. For this reason, it fails to fully adapt to recent changes in demographics and the requirements of services. Also, the approach to resolving societal issues has become more complex: The values and lifestyles of residents have become more diverse while there is a shortage in labor and skills among insurers and businesses. Insurers are responsible for implementing policies and include health insurance societies and local governments. Businesses are wide-ranging and include healthcare providers, long-term care services, and the private sector in general. We support the formation of a sustainable social security system for people of all ages from three perspectives—policy, industry, and individuals.

Domain	Societal issue	Support	Goal
Policy	Building a social security system for people of all ages	Design of effective and efficient policy and programs based on digital transformation and evidence-based policymaking (EBPM)	Sustainable social security, economy, and public finance
Industry	Better business foundations and industrial competitiveness	Support for innovation, commercialization, and cross-sector market entry	
Individuals	Longer healthy lifespans	Behavior change for the better through our work with insurers	

> "Our competitiveness comes from how we can keep an eye on both the planning and the operational sides of policy."

Takeshi Fukuda
Healthcare and Welfare Unit

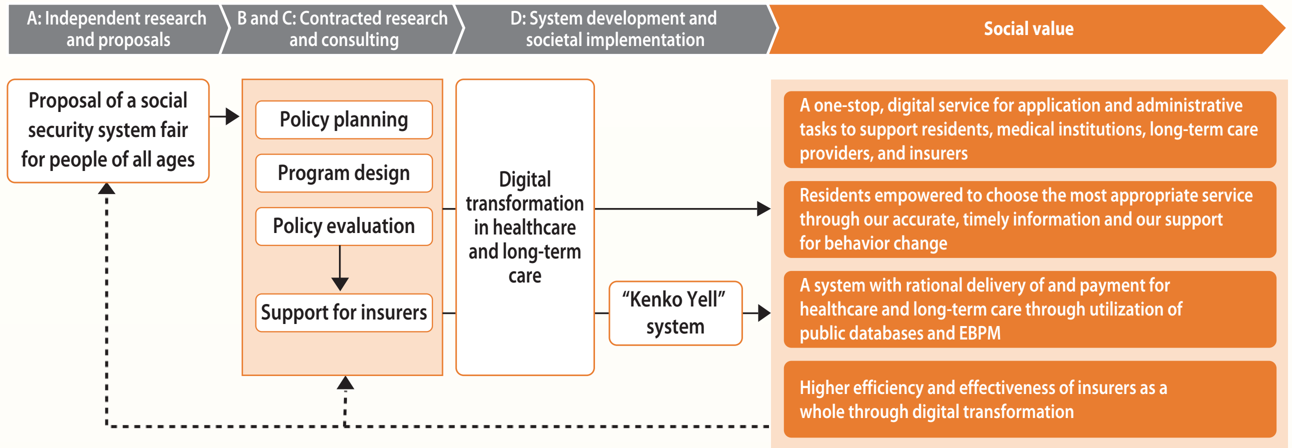
Our services

Our work covers the full range of activities, from policy planning to support for operations in the field

We provide comprehensive support in the healthcare and long-term care domain from policy planning to program design and evaluation. We also help insurers with their business operations. Innovation, where we cultivate startups in Japan and around the world, is another of our strengths. It subsequently informs our consulting for commercialization too.

Informing policymaking with insights from the frontlines: Perspectives from the societal implementation of policy in line with system reforms

Fees for healthcare and long-term care, the basis of payment for these, are revised every two to three years to reflect a changing socioeconomic climate and technological progress. Effective implementation throughout society requires accurately tracking these changes. Clients can tap into the true intent behind policies and programs by making effective use of our knowledge and knowhow. We also input the insights gained from our work with partners in the field back into the next round of policymaking, from new issues and needs to novel data.



Outcome

A sustainable social security system and longer healthy lifespans

A social security system underpins the safety and stability of residents' lives. It is a foundation that supports a sustainable economy and society. We craft, and put into practice, comprehensive proposals to help build a sustainable system and achieve longer healthy lifespans for all. Specifically, we develop the commensurate policies, guide digital-transformation initiatives, and make sure solutions see the light of day. Throughout the process, policy, industry, and individual considerations guide our efforts and enable us to resolve diverse societal issues.

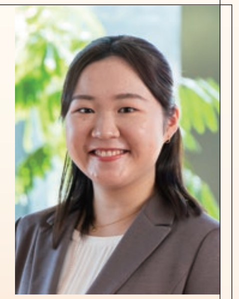
Case Study

Service prompts behavior change

Mitsubishi Research Institute provides a service that uses the popular LINE messaging app to support insurers' health businesses ("Kenko Yell"). Using LINE, which is a part of everyday life in Japan, to deliver information from insurers creates a new touchpoint between insurers and enrollees. The system also features delivery of messages based on principles from behavioral economics, helping to inspire subscribers to change their behavior and build health awareness.

Harnessing knowledge and feedback gained from the field to implement solutions that help people improve their health

I am involved in a service (see exhibit above) that supports communication between health insurance enrollees, numbering in the several hundred thousands, and their insurers. The service packages our strengths—designing and consulting on healthcare and long-term care policy—into a solution for society at large. My role is to listen to feedback from insurers, such as health insurance societies and local governments, and enrollees and to bring it into how we operate the service and how we help clients succeed. The service both streamlines insurers' work processes and helps improve enrollees' health literacy and health-examination attendance. Playing a part in supporting this process of resolving a societal issue is rewarding and meaningful. Going forward, I'd like to apply the takeaways from our solution to the development of new services and policy support backed by objective data and evidence. This is how I do my part to build a sustainable social security system.



Risa Arai
Business Development Group, Healthcare and Welfare DX Division, Healthcare and Welfare Unit

Boosting Japan's renewable-energy ratio through MERSOL—our support services for storage battery operators

Societal issue
Ensuring sustainability of storage battery operations, a linchpin for expanding renewable energy use

Our services
Providing a support service for business feasibility assessments and practical operation of distributed energy resources based on Japan's unique market conditions

Outcome
Shore up the electric power market as a whole by aligning policies, government programs, and the diverse needs of those operating storage batteries

Akihiko Sugitani
New-Business Development Center, Energy and Sustainability Unit

Societal issue

Promoting greater uptake of renewables through battery energy storage systems

Renewable energy uptake is on the rise as we work toward achieving carbon neutrality by 2050. However, renewables come with risks such as supply–demand mismatch and grid instability due to the difficulty of controlling how much power is generated. Battery energy and storage systems (BESS) play an important role in addressing these problems, but it can be a challenge for businesses to move into the field due to the need for lengthy feasibility assessments and the planning of charge cycles for practical operations.

> "We are confident our services address the complex needs of Japan's unique market."

Our services

Support for storage battery businesses that is in sync with the unique needs of Japan's electric-power market

MERSOL is our service for taking on these challenges, supporting business feasibility assessments and the formulation of optimal bidding plans in practical operations to support profitability improvement of BESS businesses. A key feature of MERSOL is that it incorporates the complex structure of Japan's electric-power market and is therefore capable of providing services that closely reflect real business conditions.

Substantial track record and advanced technological experts in the energy field

Our MERSOL service is possible thanks to the depth of expertise in the electric-power market that we have built up through years of providing comprehensive services in the field. Here, we cover all aspects from putting together policy proposals to bringing the solutions envisioned in them to the real world. We started out by first helping the private sector use distributed energy resources effectively through government-subsidized projects. From these, we concluded that the biggest barrier to private-sector entry into the BESS field was the difficulty in judging business viability. We developed MERSOL to address this problem by providing business-viability assessments. We then added operation-plan development features to the service to further provide practical support to operators.

Organizational collaboration and our expert personnel are also important foundations of the service. Multiple specialists in our energy-related divisions collaborate across the organization to support consulting services and system development. We employ many people with expertise in electric-power engineering, mathematical models, and machine learning, enabling us to build the sophisticated logic that MERSOL requires. We integrate knowledge and combine technologies in optimal ways through internal collaboration. This drives the quality that MERSOL delivers.

Mitsubishi Research Institute
- Knowledge of policies, technologies, and businesses related to the utilization of distributed-energy resources (DER)
- ×
- Modeling techniques such as machine learning and mathematical optimization

▶

MERSOL
- Simulation models to estimate optimal DER operations
- ×
- Comprehensive support for DER businesses from feasibility assessments to practical operations

Outcome

Multifaceted services benefiting entire electric-power market

We offer services for the electric-power market beyond MERSOL. Our MPX and BlueGrid services enable us to provide multifaceted support aligned with both policy and the perspective of the nation's utilities. We will continue to play a part in the development of the electric-power market as a whole by creating new products and implementing services.

Helping clients make decisions as an expert in electric-power policy and technologies

I am involved in the development of MERSOL as both a service and a business. MERSOL offers functionality from business feasibility assessments to operational planning for distributed energy resources. I develop the mathematical models for forecasting electricity-market prices and for optimizing operations.

The policy and regulatory frameworks governing the electric-power industry are complex and fast-changing, which can make business decision-making full of uncertainty. We must be able to explain appropriately to clients the assumptions behind our models and the validity of results so that they can make effective use of the insights in their decision-making. We craft our models collaboratively; they are based on extensive discussions among researchers knowledgeable in both the policy and the technologies governing electric power in Japan. As such, our models excel in their explainability as well as practicality. I find it especially rewarding when I am able to craft a model based on a deep understanding of the issues a client is experiencing in the field. This is how I deliver truly practical value.

Yoshiki Tani
New-Business Development Center, Energy and Sustainability Unit

Optimizing decision-making with our AI-embedded intelligence platforms

Societal issue

Shortage of workforce and knowhow in business intelligence, essential in assessing constantly changing externalities

Our services

Implementing and operating on-premise intelligence platforms at client companies using AI agents with our original analytical processes baked in

Outcome

Improved resilience of supply chain and industry overall via optimized management decision-making

Akinori Takahagi
AI Consulting Division, Business Analytics and Artificial Intelligence Unit

Societal issue

Growing importance of business intelligence in turbulent times

Fluctuations in externalities are becoming more varied and complex than ever, including shifts in international affairs, policy, regulatory trends, macroeconomic factors, and technological progress. Strengthening *intelligence*—the gathering, analyzing, and assessing of external data to guide strategic decision-making—is critical to companies' continued growth. However, a major bottleneck is the shortage of specialists and knowhow for gathering data from around the world 24/7 and analyzing how it impacts businesses and their strategies.

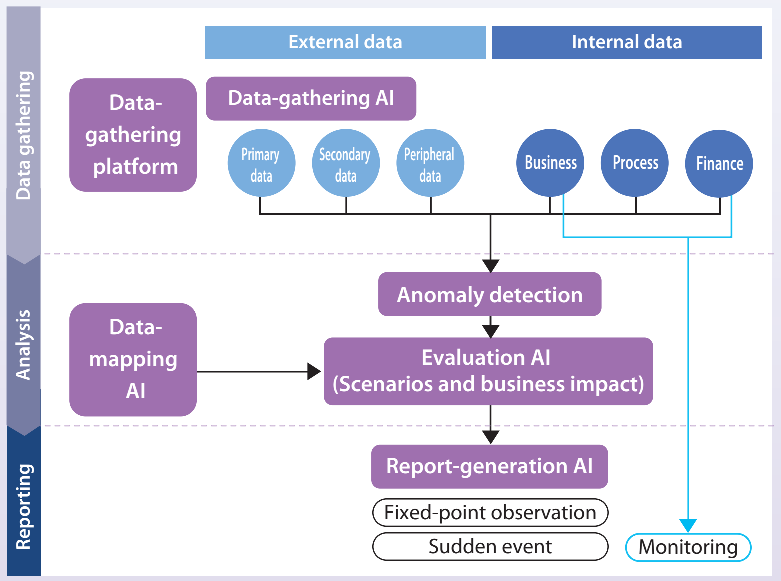
> "We possess vast data and expertise by nature as a comprehensive think tank, and we set ourselves apart in our ability to effectively tap into these troves."

Our services

Intelligence platforms built around AI agents

We craft intelligence platforms leveraging AI agents. Our platforms offer insights with direct implications for decision-making by gathering and analyzing data on international affairs, policies, legal frameworks, regulations, the economy, technological trends, and more. We tailor our consulting services, AI agents, and data-gathering platforms to fit the specific business conditions and management contexts of our clients.

● Overview of an example intelligence-platform package



Original value born of our strengths as a think tank

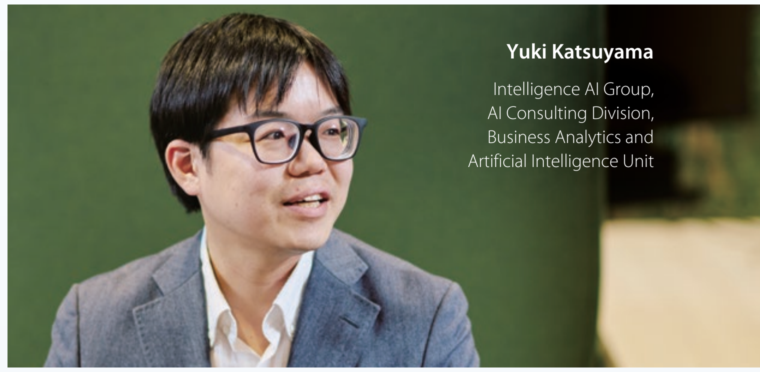
Suitably designed processes and quality data are essential for producing reports that inform management decisions. We have a repository of knowledge collected over decades through both our independent research and proposals and our contracted research and consulting for the public and private sectors. Moreover, we have an effective internal platform for accessing it.

Our unique analytical methodologies provide a comprehensive and structured picture of externalities, while also assessing their effects on business. We have been building our deep knowledge of and capabilities in implementing AI since the 1980s. We harness these strengths to help clients improve the speed and accuracy of their risk–opportunity analyses and strategic decisions.

> "We intend to increase the use of intelligence platforms to uncover analytic processes, standardize them, and design AI-driven operations."

Features of our intelligence platforms

1. Utilize our own data sources and knowledge acquired as a comprehensive think tank
2. Deep integration with client decision-making processes via support across the lifecycle—from conceptual design (i.e., the kind of data to be gathered and how it is to be analyzed) and deployment to operations and improvement
3. High rates of use and intended effects achieved by bundling consulting services and AI-agent technologies



Yuki Katsuyama
Intelligence AI Group, AI Consulting Division, Business Analytics and Artificial Intelligence Unit

Outcome

Improved resilience in an intelligence-dependent world

Our intelligence platforms represent a high-value-added and perpetual service for the Group. They combine our consulting capabilities with system development and operations. In the longer term, we aim to develop the service into one that continuously helps clients optimize their corporate activities. We will do so by expanding into the business administration side, including resource allocation and investment decisions. With a solid client base, we will be able to help build a nimbly responsive socioeconomic environment as use of the service propagates through supply chains to benefit industry as a whole.

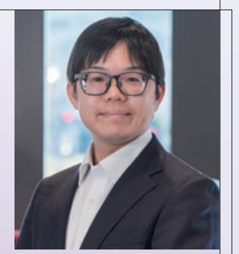
Enhanced organizational capabilities and an AI-oriented workforce

Intelligence platforms also play a key role in strengthening our own capabilities and workforce training. Designing AI agents will teach us how to standardize analytical processes across the company. We will also use the platform to establish new workflows using embedded AI agents. One avenue of focus is the training of consultants to co-create with AI agents. Embedding AI in business processes will allow us to cultivate an organization and a workforce for which AI utilization is the default.

Creating systems for intelligence operations by combining advanced AI technologies with consulting knowledge

I develop new technologies and systems for intelligence platforms that use AI to gather and analyze data. Our platforms present a solution that automatically gathers and organizes open data, combines it with clients' internal data, and creates reports detailing insights from analysis of the complete informational stock. AI drives these processes and sheds light on both the state of changing externalities and how they impact business strategies.

I develop and test the cutting-edge AI-agent technologies used in analyzing diverse sets of data. I also work on user experience (UX) design and define technical specifications so that clients find our solutions intuitive to use. Being able to work on cutting-edge technologies while also working directly with clients to overcome their business issues is highly motivating for me.



Yuki Katsuyama
Intelligence AI Group, AI Consulting Division, Business Analytics and Artificial Intelligence Unit

Ensuring the legacy of Expo 2025 lives on by co-creating its vision of a diverse future society

Societal issue	Our services	Outcome
Ensuring that co-creation under the World Expo leads to innovation and the societal implementation of solutions	A central role in designing the World Expo as a place that accelerates innovation; Support for co-creation that stimulates exchange of ideas between companies	Enduring technologies and public–private networks oriented toward real-world deployment of solutions

Societal issue

Ensuring the World Expo showcases the future as imagined by a diverse world

The World Expo offers an occasion to discover cultures and technologies from around the world. It also brings together the world's knowledge, such as cutting-edge technologies for innovation, and provides a venue to co-create the future. The theme of Expo 2025 Osaka, Kansai was "Designing future society for our lives." Our priority in supporting the Expo was to design spaces that would enable visitors to use the event as an opportunity to expand co-creation in technological development and businesses that contribute to future societies.

Our services

Co-creation support oriented toward the basic plan at the core of the Expo

We provided support to help generate momentum for the Expo's success. This included a regular survey of awareness of the event, formulating a basic plan, drafting a venue operation plan, and designing actual opportunities and programs for co-creation. This work defined the framework of the Expo, providing a detailed plan for deployment of a forward-looking future society, and helped build frameworks to encourage corporate participation and co-creation.

We were previously involved in planning at Expo 2005 Aichi, helping develop the event as an opportunity to accelerate innovation. Some specific work included business feasibility analysis based on attendance forecasting and support for the introduction of advanced environmental technologies in pavilions. When designing venues and programs for co-creation, it is important to envision a future that is likely to become reality. Marshalling our broad specialist knowledge as a comprehensive think tank, we were able to present a vision of a future characterized by a high degree of becoming reality.

> "Our role was to develop the event's overarching concept in the pre-planning stage and to guide subsequent real-world initiatives toward that goal."

Manabu Uoji

Urban and Infrastructure DX Group, Infrastructure, Urban, and Regional Policy Division, Public Policy Unit

Column

Expo Future Working Group

We launched the Expo Future Working Group as a new forum for spawning innovation where companies can trade ideas as they explore ways to co-create and deploy technologies. Acting as the secretariat, we worked to facilitate exchanges on how to deploy key technologies to resolve societal issues, such as those in renewable energy, resource circularity, mobility as a service (MaaS), and automated ships. The goal was to encourage collaboration between companies and investment in key technologies. Post-Expo, the initiative will continue to function as a foundation for creating new businesses.

Outcome

A fortified Expo 2025 legacy

The greatest legacy of the Expo is the public–private network formed by co-creation. Collaboration and business creation continuing beyond the Expo represents solid progress toward achieving the future envisioned. For example, self-driving buses, wireless charging of moving vehicles, flying cars, and the nature-positive concept have all moved closer to realization. We will continue to serve society in this way, pioneering both conceptualization of and actions toward the future.

Conceptual depiction of on-the-move wireless charging

From Expo to society: Pioneering wireless charging while driving—the future of EVs

We envision quiet, environmentally friendly, and comfortable travel across society in a sustainable form. In pursuit of this vision, we test promising technology, support commercialization, and work on programs to bring wireless charging and charging while driving electric vehicles (EVs) to the real world.

Wireless charging technology makes it possible to replenish EV batteries without connecting cables as well as charging without parking. This boost in convenience should help to increase EV ownership and use while also leading to smaller in-car batteries and reduced resource restrictions.

In June 2024, we launched the Wireless EV Alliance alongside four other companies. Its goal is to encourage the use of and educate the public about wireless EV charging. We also participated in demonstration trials at Expo 2025 to showcase the societal significance and the technology's potential for implementation. I find constant inspiration in working to ensure that the knowledge and connections gained at these trials are leading to the technology's real-world application.

Kaori Takahashi

Mobility Strategy Group, Mobility and Communications Policy Division, Public Policy Unit

Our select-and-focus approach for longer-term growth

Longer-Term Strategy

Progress on Medium-Term Management Plan 2026

Review of quantitative targets and business strategies

We aim to differentiate the Group by resolving societal issues. We formulated Medium-Term Management Plan 2026 (MP2026) in October 2023, setting out our goals for 2030, to solidify our presence in the market. We will expand financial, nonfinancial, and social value; increase scale via digital-transformation business growth; boost profitability through qualitative reforms in our core businesses; and accelerate business portfolio transformation to nurture and expand next-generation businesses. To this end, we set business, foundational, and value creation strategies.

However, in the rapidly changing IT and consulting industries, after two years of MP2026, we realized we needed to review our plan, business strategies, and goals as we had not fully benefited from the buoyant market. The financial targets were out of reach, given progress through FY9/25; ordinary profit was just 69% of the plan.

We set more realistic numerical targets. We realized it was more important that Mitsubishi Research Institute proper (MRI) and DCS each develop growth strategies and business development plans leveraging their own strengths, as synergies between them fell short of our initial expectations.

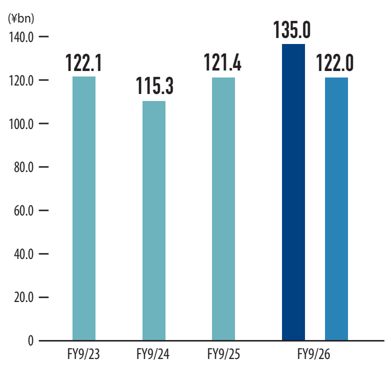
The situation as it stands today is shown below.

1 Synergies from collaboration between our core Group companies, MRI and DCS, are limited

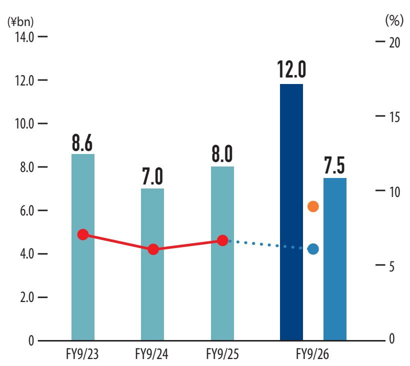
2 MRI and DCS each needs to redouble its strengths and grow in the public and financial sectors, their respective fortes, as competition is intensifying

3 Given earnings progress through FY9/25, the targets in MP2026 look unreachable, so they have been revised

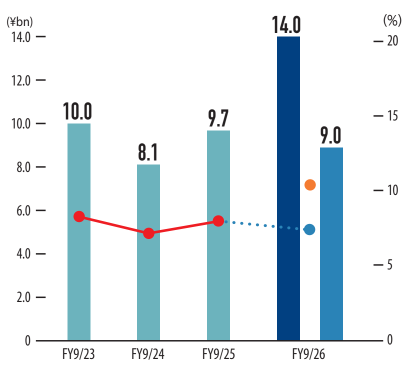
● Consolidated revenue



● Operating profit, operating profit margin



● Ordinary profit, ordinary profit margin



MP2026 | Actual | FY9/26 forecast
% (MP2026) | % (Actual) | % (FY9/26 forecast)

Note: All figures are consolidated and are estimates

Future strategy

Select and focus, invest upfront with view to next medium-term plan

Business restructuring

We narrowed our focus to areas where synergies from collaboration between MRI and DCS can be maximized. We are leaning into the strengths of each, aiming at growth, restructuring businesses in a select-and-focus approach as market competition intensifies.

We have revised the strategy and some targets for FY9/26, the last year in MP2026, and will concentrate investing resources in select growth areas of promise. We will lay the groundwork for the next medium-term plan as we prepare for steady growth into the future, aiming to secure a reasonable level of profits. We will prioritize the swift solution of current issues as we lay the foundation for longer-term growth via these strategies.

We view FY9/26 as a year of business restructuring, with the four strategies shown on the right. We will consider our next medium-term plan aimed at sustainable growth as we roll out and verify these strategies.

Main strategies

1 Focus on business restructuring in fiscal 2026 in a thorough select-and-focus approach

2 Narrow in and focus management resources on areas with maximum synergy between the Think Tank & Consulting Services segment (TTC) and the IT Services segment (ITS)

3 Selectively invest business resources for both segments in promising areas and operate efficiently

4 Invest upfront in growth platform for next medium-term plan and set realistic targets

Priority issues

Strengthening human capital management

Human resources are vital assets underpinning the competitiveness and growth of the Group. We will cultivate an optimal workforce by hiring the talent required of our business strategies. To fill gaps in our workforce, we will improve compensation and strengthen personnel in a focused manner, enabling each employee to bring their strengths to bear.

Stepping up research and proposal activities, aggressive use of generative AI

Independent research and proposals are the front of our Group's value chain. We will contribute to key public-sector initiatives and corporate-strategy development via enhanced proposals and implementation based on timely scientific findings. The dramatic advance of generative AI could shake our business model to the core. Taking this as an opportunity, we are using the technology across workflow scenarios to improve our overall productivity and value to our clients.

Bolstering resilience to risk

Risk management is increasingly important as our businesses expand, grow, and roll out new initiatives. We are using key risk indicators (KRIs) to enhance risk prediction and management. We are also strengthening project management and legal functions in our systems-development work and bolstering information security across the Group.

Business strategies

Think Tank & Consulting Services segment

In our Think Tank & Consulting Services segment (TTC), we intend to further strengthen our research and consulting business, focusing on reinforcing the value chain from our independent research and proposals through our contracted research, proof-of-concept trials, and societal implementation. Our focus domains are electric power and energy, healthcare and long-term care, and business analytics (BA) and AI.

With our wide-ranging strengths as a comprehensive think tank, we will step up efforts in policy for the public sector, management for the private sector, and digital transformation for both. Investment in service-based businesses* will focus on electric-power services, healthcare and long-term care services, intelligence AI, loan-business AI, and workflow-embedded AI† .

Our focus domains and general domains

Note: Expanding investment in focus areas

Category	Domain	Specific strategic areas
Focus	Healthcare and long-term care	Digital transformation of and services in the healthcare and long-term care fields; drug discovery and health ecosystems
	Electric power and energy	Research, consulting, proof-of-concept trials, and digital transformation of and services in the electric-power field
	BA and AI	Business-intelligence AI, loan-business AI, workflow-embedded AI
General	Policy and programs (Public sector)	Science and technology, security, societal infrastructure, resilience, and policy innovation
	Management and digital transformation (Private sector)	Strategy, operations, organizations, and HR
	Digital transformation (Public sector)	Public policy for the digital realm, societal implementation

* Service-based businesses: Businesses that aim at higher margins by using a pricing plan based on usage period for predetermined standard services
† Workflow-embedded AI: AI built into tools to enhance workflow efficiency as it is used more frequently day-to-day

IT Services segment

In the IT Services segment (ITS), we will evaluate, select, and focus on businesses using three criteria: market size, proposal and sales capabilities, and resources. As shown in the following figure, after specifying the businesses to be expanded in each area, we will deploy resources and foster new clients to grow orders. We have identified and will focus on four growth areas.

In areas deemed *core* , we are operating businesses of a sufficient size and client base, which we will continue to assess and realign as necessary.

Themes by business

Business		Details
Growth	Public sector, power sector	Focus on leveraging track record in major SI projects
	HR, education	Expand offering as core service; explore collaboration, M&A
	Finance	Step up sales and services to expand coverage and client base
	Data analytics and AI	Invest resources selectively to tap into robust demand, step up headcount and skills, build services
Core	Transactions	Focus business resources on specific strategically-valuable targets
	Enterprise resource planning	Strengthen sales through high-touch collaborations* , consulting leads† , cross-selling
	Industry	Execute existing projects
	Credit cards	Prioritize integration, restructure for shrinking business

* High-touch collaboration: Collaborate with product providers and sellers to increase direct sales contact with clients
† Consulting leads: Aim at winning systems-development projects while providing consulting services to clients

Foundational strategy

Think Tank & Consulting Services segment

1	**Human capital management**	Expand our human capital, the source of our competitiveness, and improve employee engagement while creating a personnel portfolio linked to business strategy
2	**Group collaboration**	Focus resources on areas needing improved collaboration (e.g., public-sector and power-sector digital transformation, data analytics and AI), look for consulting and societal implementation synergies
3	**Upfront investments**	Planned investment in personnel for sustainable growth (i.e., hiring and training), in R&D (i.e., research, proposals, and new business development), and in capex
4	**Productivity**	Expand the use of generative AI to the entire company, including the back office. Revamp middle office to improve support functions for business divisions
5	**Risk management**	As Group business expands and develops based on technologies like AI, upgrade risk-management systems and roll out and strengthen Group-wide functions such as systems-development project management, legal functions, and IT security
6	**Enhancing social, nonfinancial, and brand values**	From three perspectives—creating social discourse, communications, and co-creating the future—we will strengthen our research and proposal capabilities as we expand the three values based on our guiding principles. We will also examine our marketing approach to social and nonfinancial values and work to improve the Group's brand value

IT Services segment

1	**Technological foundation**	We aim to strengthen both cloud computing and operational technological capabilities while boosting development productivity using AI
2	**Business foundation**	We will reinforce our platform in five areas: sales capabilities, external collaboration, consulting, one-stop products, and regional strategies
3	**Management foundation**	We aim to reform workstyles, boost productivity, and streamline corporate workflows following the relocation of DCS's HQ and adoption of new internal systems

Homing in on further corporate value enhancement via dialogue with stakeholders

Jun Nobe
Managing Executive Officer,
Officer in Charge of Corporate Planning,
General Affairs, and Human Resources,
Officer in Charge of Corporate Planning

Steps toward management conscious of capital cost and share price

In accordance with Tokyo Stock Exchange requirements established in March 2023 to disclose information on "management that is conscious of cost of capital and stock price", we disclosed relevant data in April 2024 and update as needed.

Our cost of capital is 7–9% under the CAPM (capital asset pricing model). Talks with investors and others suggest the stock market is looking for about 9–10%. Our end-FY9/25 ROE was 9.2%, above the cost of capital, but below our peers, so it has scope to improve. Our PBR (price-to-book ratio) is around 1x (as of September 2025), meaning we are not highly rated by the equities market.

I think that higher sales growth and margins are prerequisites to better corporate value. In light of the revised Medium-Term Management Plan 2026 (MP2026) targets, we are tentatively aiming at double-digit ROE. We plan to look into specific figures over FY9/26 and incorporate them in the next medium-term plan to kick off the following year.

Consolidated results (YoY)

(¥mn)

	FY9/24	FY9/25	Year-on-year change		
			Amount	Rate	Change in rate
Net sales	115,362	**121,458**	+6,095	+5.3%	
Gross profit	25,419	**28,739**	+3,319	+13.1%	+1.7ppt
Gross profit margin	22.0%	**23.7%**			
SG&A expenses	18,358	**20,728**	+2,369	+12.9%	+1.2ppt
Operating profit	7,060	**8,010**	+949	+13.5%	+0.5ppt
Operating profit margin	6.1%	**6.6%**			
Ordinary profit	8,147	**9,734**	+1,586	+19.5%	+0.9ppt
Ordinary profit margin	7.1%	**8.0%**			
Profit attributable to owners of parent	5,003	**6,386**	+1,382	+27.6%	+1.0ppt
Basic earnings per share (yen)	316.44	**405.55**	+89.11		
ROE (return on equity)	7.5%	**9.2%**			+1.7ppt

Capital policy

Our capital policy in MP2026, history, and FY9/26 forecast are shown in the figure below.

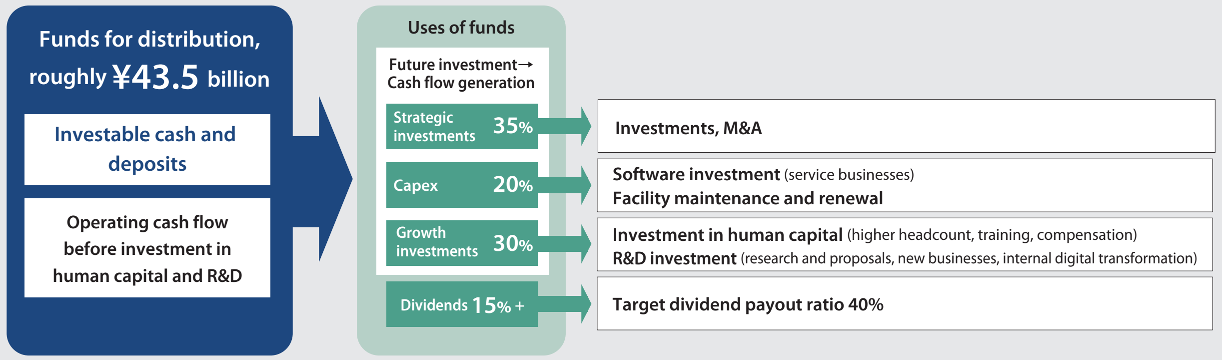
The approach to capital allocation is largely unchanged from when MP2026 was formulated, but allocation is likely to be ¥43.5 billion (including FY9/26 forecast) versus the initial ¥50 billion earmarked.

In FY9/24 and FY9/25, we spent ¥22.7 billion, 45% of the initial plan. For FY9/26, we expect to spend ¥13.9 billion: ¥7.0 billion on capex, ¥4.3 billion on growth investments, and ¥2.6 billion in dividends.

In the cumulative three years, growth investments and dividends are largely in line with the plan, capex is above, and strategic investments in equities and M&A targets are significantly below. The main capex items are the relocation of the DCS headquarters and data center equipment renewal. In terms of strategic investments, in FY9/26, we will keep looking for and assessing investment targets.

Capital policy

- ○ Aggressively invest about 85% of funds
  - Strategic investments: Acquiring advanced technologies, knowledge, and resources in priority growth areas (shareholdings, M&A)
  - Capex: Business infrastructure, service platforms (software, facility maintenance and renewal)
  - Growth investments: HR investment, independent research and proposal capabilities, business development, internal digital transformation, and higher headcount (500+ by FY9/26 vs. FY9/23)
- ○ Targeting stable dividends based on 40% payout ratio



Notes
- Following partial sale, strategic shareholdings account for 8% of net assets. Will continue to reduce and replace, with eye on business impact
- Cash and deposits will be deployed to other future investments and returns after cash on hand equivalent to 2–3 months of net sales is set aside

● Actual and FY9/26 forecast investment (capital policy)

		Actual spend through FY9/25	Forecast spend for FY9/26	Total / Forecast allocation	Uses
Funds for distribution, roughly ¥50 billion ▼ Estimated funds through FY9/26 ¥43.5 billion (87% of plan)	Strategic investments 35%	¥200 million	¥X million	¥200 million + X / ¥15.2 billion	●Ongoing search for investments, M&A targets
	Capex 20%	¥9.8 billion	¥7.0 billion	¥16.8 billion / ¥8.7 billion	●Software investment (Service businesses) ●Equipment maintenance and renewal (Relocation of DCS HQ, data center equipment renewal)
Investable cash and deposits + operating cash flow before investment in human capital and R&D	Growth investments 30%	¥7.5 billion	¥4.3 billion	¥11.8 billion / ¥13.0 billion	●Investment in human capital (Increase in headcount, training, compensation) ●R&D investment (Research and proposals, new businesses, internal DX)
	Dividends 15% +	¥5.1 billion	¥2.6 billion	¥7.7 billion / ¥6.5 billion	●Target dividend payout ratio 40%
	Total	¥22.7 billion Progress: 45%	¥13.9 billion + X	¥36.6 billion + X / ¥43.5 billion	

Note: All numbers estimates

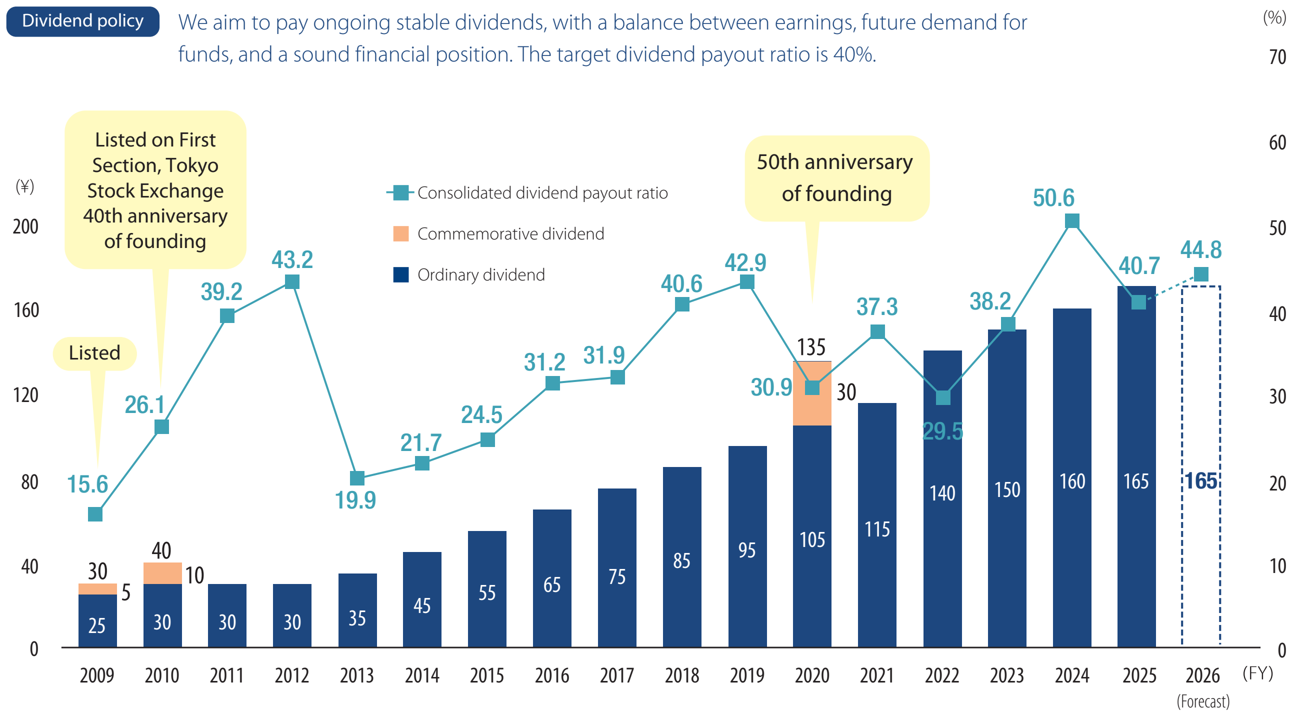
Dividend policy

Our shareholder returns policy is unchanged: we aim to pay ongoing stable dividends, with a balance between earnings, future demand for funds, and a sound financial position. The target dividend payout ratio is 40%.

In FY9/25, we paid an annual dividend per share (DPS) of ¥165, for the thirteenth consecutive rise, and a dividend payout ratio of 40.7%. We paid an interim DPS of ¥80 and raised the year-end payment by ¥5 to ¥85 in light of our dividend policy and the previous year's results.

For FY9/26, we forecast an interim dividend of ¥80 and a year-end dividend of ¥85 for an annual DPS of ¥165 and a payout ratio of 44.8%.

● FY9/26 dividend forecast



Dialogue with stakeholders

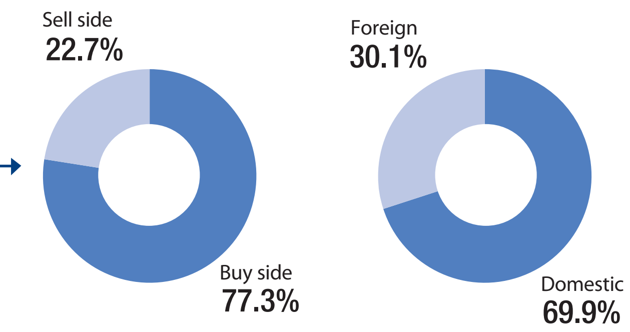
We value dialogue with stakeholders, including shareholders, investors, and analysts, and we work to generate sustainable growth and improve our corporate value by incorporating their feedback into our management.

We hear directly from our shareholders at the annual General Meeting of Shareholders and via questionnaires. We are proactive in disclosing information via interim reports, convocation notices, and business reports. In addition to results briefings for investors, we have one-on-one IR interviews with institutional investors and analysts, with a total of 64 meetings in FY9/25.

The IR Office in the Corporate Planning Division under the President handles dialogue, liaising with other departments as necessary. Results of our talks are reported regularly to the Group senior-executive team, Board of Directors, and Executive Committee (see figure on right).

Activities	Actual (FY2025)	Main participants
General Meeting of Shareholders	One time (December 2024)	All directors and auditors
Results briefings	Two times	Representative Director, President and Executive Officer Senior Managing Executive Officer General Manager, Corporate Planning Division
Small meetings	One time	President and Executive Officer
IR/SR interviews	Total of 64 times	(General Manager, Corporate Planning Division) IR Office
Briefings for individual investors	One time (Online)	General Manager, Corporate Planning Division IR Office
Survey of individual investors	One time	Findings reported to Board of Directors

● Attributes of those we communicated with



● IR structure

- Active involvement in IR activities by the Representative Director, President and Executive Officer
- IR Office a part of Corporate Planning Division
- IR Office collaborates with all corporate-administration divisions (e.g., Accounting and Finance Division, General Affairs Division, Corporate Communications Division) as well as business divisions and affiliated companies

Main topics, opinions, and requests

Feedback from shareholders, investors, and questionnaire respondents is shared with Group executives and considered when operating our businesses. They are also summarized in this report.

Typical questions from shareholders and investors

- What are the initiatives to improve margins and the longer-term growth strategy?
- I would like to know about the business strategy for the IT Services segment, e.g. replacement for major projects following completion
- What is your thinking on how to use the company's cash and deposits?
- What is your policy regarding equity method affiliates and strategic shareholdings going forward?
- The Mitsubishi Group comprises a large number of shareholders. What is the outlook?

Key feedback from individual-shareholder questionnaires

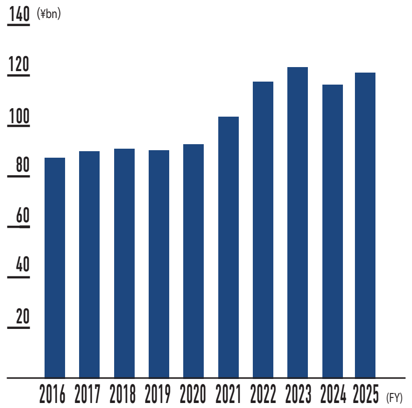
- I understand you are involved in societally significant projects. Do these contribute to earnings?
- You are not well known. Please explain your business in an easy-to-understand manner to the general public
- I want you to press on with resolving societal issues

Attributes of individual-shareholder respondents

- Long-term holders (over five years) comprise 80%
- Key criteria to remain holders are dividends, business stability, share price, shareholder returns, and earnings

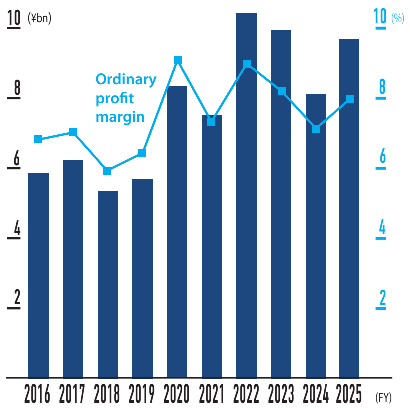
Financial highlights

Net sales



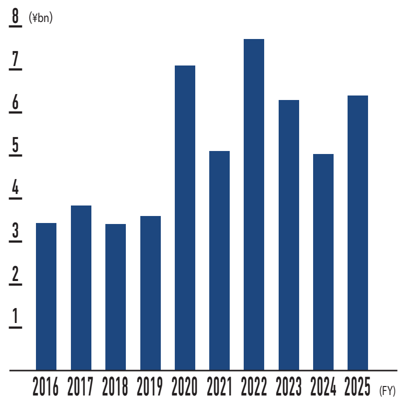
Net sales increased for the first time in two years on strong orders and increased billable utilization for Think Tank and Consulting Services (TTC), and growth in public sector, payment domain, and general industry projects for IT Services (ITS).

Ordinary profit and ordinary profit margin



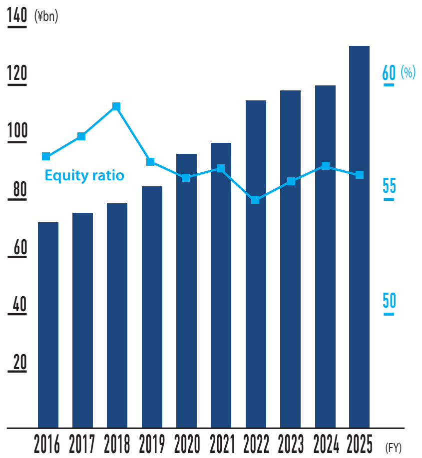
In addition to sales growth, TTC benefited from higher equity-method investment profit, and ITS from growth in industrial and public projects and a one-time gain on retirement benefits, for the first profit growth in three years and higher ordinary profit margin.

Net income



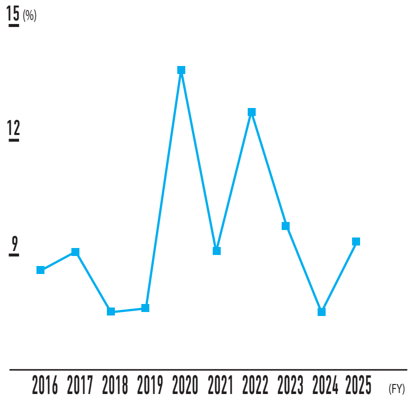
Despite abnormal losses on withdrawal from projects and DCS HQ relocation, profit grew on the sale of some equity-method affiliate shares.

Total assets and Equity ratio



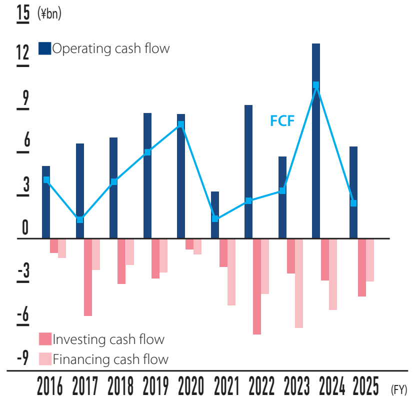
Total assets increased on higher accounts receivable and assets acquired in DCS HQ relocation, and net assets rose with net profit. The equity ratio was largely steady.

ROE



ROE rose by 1.7ppt YoY to 9.2% due to sales and profit growth. Our cost of capital is 7–9%, but the stock market is looking for about 9–10%, so we are aware of the need to improve.

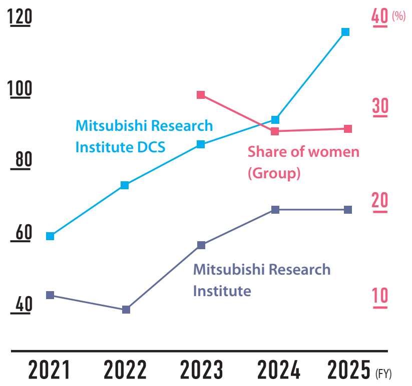
Cash flow and FCF



Free cash flow declined on lower operating cash inflows due to increased accounts receivable, contract assets, and tax payments and higher investing outflows to purchase tangible fixed assets.

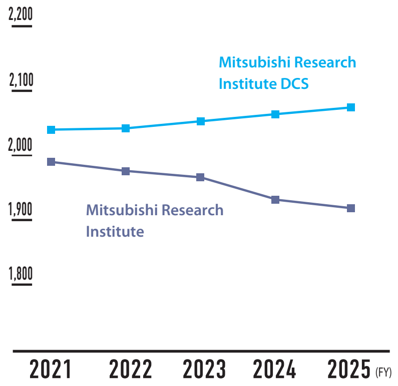
Nonfinancial highlights

New-graduate hires and women's share



We are stepping up recruitment of personnel, the source of competitiveness. The ratio of women among new hires is a nonfinancial KPI, and part of our diversity initiatives. Despite improvement YoY in FY9/25, to 29.8%, it was short of our 33% target. We will press on with DE&I initiatives on multiple fronts.

Working hours



Working hours increased in FY9/21, primarily due to pandemic-driven workstyle changes. While they declined at MRI in FY9/24, we will continue to work toward optimization.

Engagement Score

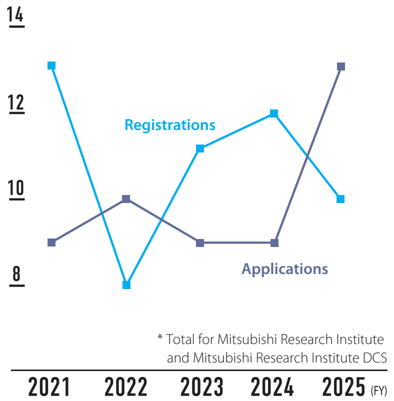
FY9/24
72.1

FY9/25
73.4

The Group runs a yearly employee engagement survey and has a KPI to maintain an engagement score of at least 70. The 73.4 result in FY9/25 was in line with the target.

▶ Details on p. 82 Initiatives and challenges in enhancing engagement

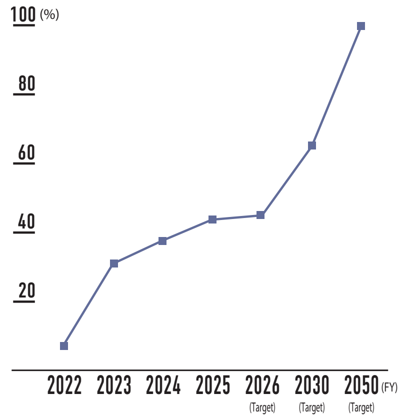
Patent applications and registrations



The number of patent applications and registrations are Group KPIs aimed at strengthening our intellectual foundation. We filed 13 applications and registered 10 in FY9/25, with both figures above target. We actively explore ways to utilize our patents.

▶ Details on p. 69, Developing and utilizing patents born from our societal implementation businesses

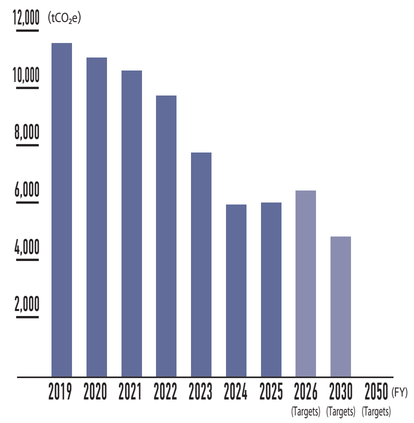
Renewable energy ratio



We have set the renewable energy ratio as a social trust KPI. We again exceeded our target for FY9/25 by using power with non-fossil certificates at our data centers, which account for around 80% of the Group's electricity usage. We will continue raising our renewable energy ratio.

▶ Details on p. 86–87, Actions based on TCFD recommendations

GHG emissions



We continued to meet GHG emissions targets in FY9/25, expanding measurements to cover the entire Group. We will keep raising our renewable energy ratio, improving operating efficiency with workstyle reforms, and upgrading energy-saving equipment to achieve net-zero emissions by 2050.

▶ Details on p. 86–87, Actions based on TCFD recommendations

Structure of the Group

Spearheading societal change for the future, we provide services from independent research and proposals through IT implementation. Our companies have advanced technological capabilities, including extensive knowledge and expertise gained through think tank activities.

Features of Group structure

The Think Tank & Consulting Services segment (TTC), centered on Mitsubishi Research Institute proper, provides research and consulting services, harnessing think tank strengths such as policy expertise and analytical capabilities in societal issues, science, and technology. Mitsubishi Research Institute DCS is the heart of the IT Services segment (ITS), which provides systems development in addition to operations and outsourcing services.

Mitsubishi Research Institute Group structure

Company name	Role	Description
Mitsubishi Research Institute	Works to drive innovation and resolve societal issues, supporting new technology development via policy recommendations, economic analysis, and consulting	With wide-ranging expertise and diverse analytical methods, contributes to sustainability by leveraging an extensive network spanning industry, government, and academia
Mitsubishi Research Institute DCS	Provides systems development and IT solutions to support clients' operational efficiency and IT strategies	As well as designing, developing, and operating systems for megabanks and other financial institutions, has strengths in business-process outsourcing. Incorporates new technologies such as AI and data analytics to meet the needs of various industries
MRI Business	Supports back-office operations, accounting, general affairs, and human resources	As a functional subsidiary of Mitsubishi Research Institute, enhances and expands services with about 250 partners
MRI Research Associates	A technological partner that helps plan, implement, and assess policies needed to develop, maintain, and enhance societal infrastructure	Nimbly applies strengths in advanced simulation and analytics to help resolve societal issues
MPX	Provides analysis platform for wholesale electric-power markets, and services such as market risk management for electricity businesses and valuation of renewable power sources	Uses original, advanced modeling technology and solutions to support clients' power businesses
MRI Value Consulting & Solutions (MRVS)	Helps resolve management issues, primarily ERP and digital-transformation related, to assist clients' transformation and growth	With strength in enterprise resource planning, it offers comprehensive, one-stop IT and consulting solutions for workflow reform and digital transformation
IT-One	Systems integrator providing comprehensive support from platform design through development and operations to industries that require high reliability	Has advanced platform technology capabilities (mainly financial), offering cloud, AI, and other cutting-edge technologies for systems development
MD Business Partner (MDBP)	Supports clients' workflows through range of outsourcing services for IT operations and business processes	Provides high-quality outsourced–business-process and IT-operations services using the Group's infrastructure
Japan Business Systems*	Provides cloud services and IT infrastructure development, supporting companies' digital transformation	Excels in development and operations management of multi-cloud environments, meeting diverse client needs with advanced technical and rapid-response capabilities
INES*	Provides systems integration and outsourcing services to support companies' operational efficiency and IT strategies	With strengths in information systems for local governments, provides reliable, stable services with advanced technical capabilities

* Japan Business Systems and INES are equity method affiliates

IT and digital transformation to help resolve issues faced by clients and society

Hiroki Kameda
President & CEO,
Mitsubishi Research Institute DCS Co., Ltd.

Mitsubishi Research Institute DCS has grown as a systems developer and service provider with the support of many clients. We became a core company of the Group in 2004 and aim to truly contribute to the solution of client and societal issues by implementing IT and digital-transformation solutions.

We marked our 55th year in 2025. To date, we have developed systems for the financial industry and a wide range of services such as PROSRV® (for HR payrolls), miraicompass® (online school applications), and FQ Smart+ (integrated cloud utilization). We also have a solid track record in business-process outsourcing and administrative services that use our data centers, with data analytics a key strength. We have a level 5 ranking on the Capability Maturity Model Integration (CMMI) model, delivering quality services with excellent project-management capabilities.

Recently we have been building on our existing strengths, tackling digital transformation, AI, and data utilization in the industrial and public sectors, and other new areas. As befits our being a technology group, we leverage AI for data analytics, development, and streamlining workflows. We are boosting our consulting services to take issues head-on and develop IT effectively—all the while enhancing our capabilities via strategic collaboration with business partners along the way.

We are devoted to cultivating our greatest asset, our talent, and run reskilling programs to respond to shifting externalities centered on the Digital Academy we set up in 2023. We moved headquarters to Mita, Tokyo, in June 2025, a chance to provide flexible workstyles and office environments as well as DE&I initiatives.

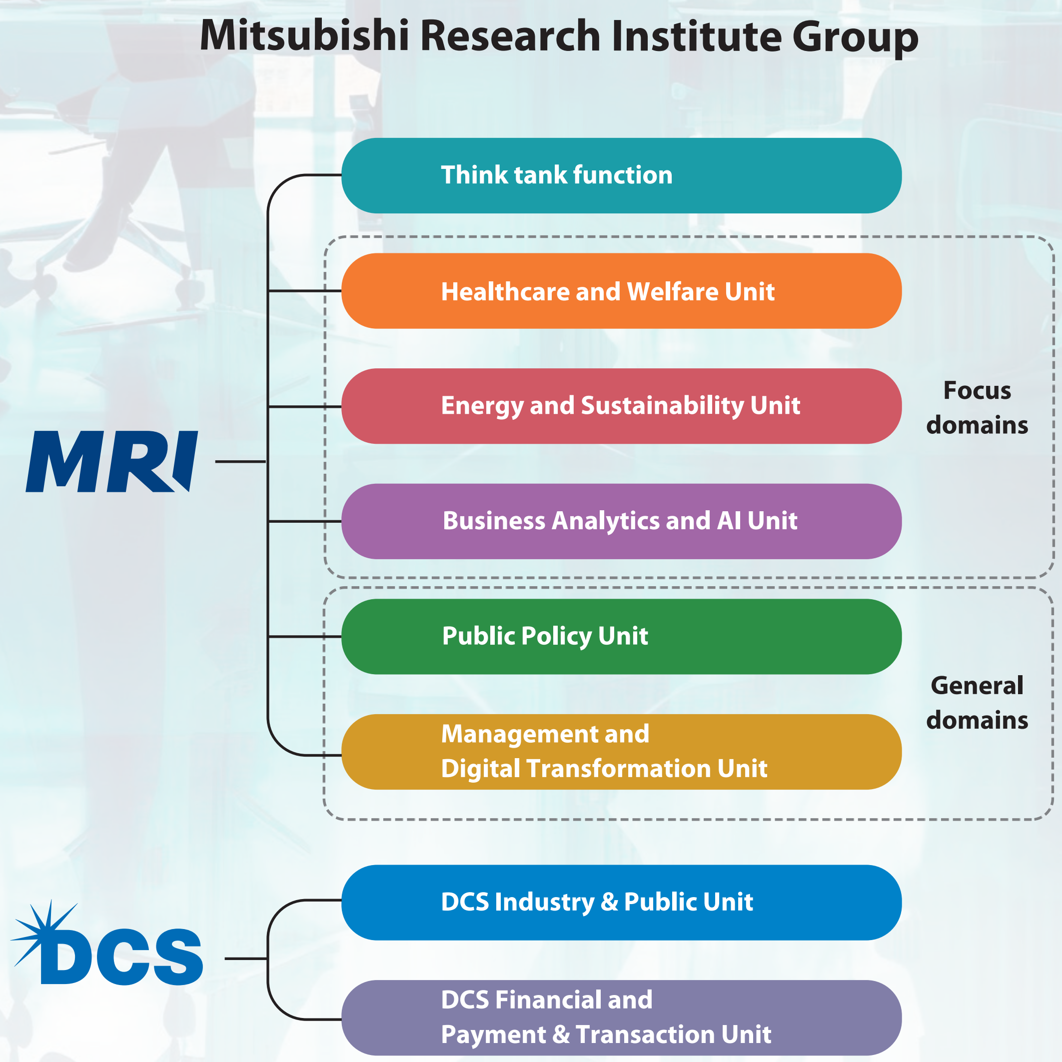
We will continue to seek new growth avenues. We have identified areas where we can truly generate synergies with Mitsubishi Research Institute and will seek growth independently in others. Our corporate purpose is "Creating new possibilities for everyday life and business." The need for a fresh, unconventional approach is clear amid changes and challenges in the social, economic, and business environment. Technological advances in realms such as the cloud and AI necessitate this too. We included the terms "daily life" and "business" in our Purpose with a purview beyond our direct clients—to broaden our perspective to include the daily lives of our clients' customers and identify issues in domains other than our legacy areas and industries. This entails expanding sideways into new areas and delving deeper into existing ones. Our thought process too must avoid the constraints of conventional frameworks, proactively adopting new perspectives and ideas. It is our commitment to give them new form through the combination of two concepts: grasp of the spirit and skills to anticipate client needs and lead industry; and aiming to provide not only conventional services and system development, but also form that encompasses ideas and major mechanisms. These two concepts are encapsulated in the words "new form."

IT and digital transformation will be indispensable in further developments at our clients and creating a prosperous future. We are proud to support the IT infrastructure underpinning our daily lives and society as a whole. We will continue taking on challenges and make a genuine contribution by generating convenience and excitement with IT, fueled by our fervent wish to create the future with technology.

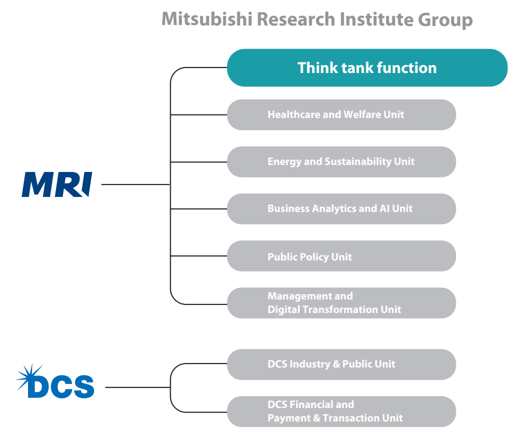
Reorganization of the Group

We are reorganizing both the Think Tank & Consulting Services segment (TTC) and the IT Services segment (ITS) in a select-and-focus approach to cope with changes in the market environment. TTC took on its new form in October 2025 as shown in the diagram below. The think-tank function drives research and proposals and integrates multidisciplinary knowledge from across the company. It also uncovers insights on priority domains for the firm's unique value creation process (VCP). These serve as the starting point for our subsequent work. The consulting-services function covers both *focus domains*, with prospects for high growth from concentrating resources, and *general domains*, with wide-ranging themes where we can apply our unique capabilities as a comprehensive think tank. Our business units in the focus domains are the Healthcare and Welfare Unit, the Energy and Sustainability Unit, and the Business Analytics and AI Unit. For general domains, we have the Public Policy Unit and the Management and Digital Transformation Unit.

■Main business units of the Group



Think tank function



Minoru Sonoyama
Executive Officer, Officer in Charge of Independent Research and Proposals

Role

Independent research, proposals, and communications to resolve societal issues

Our think-tank function does independent research, the source of our VCP management, to help build a prosperous and sustainable world.

We have six key research areas in economics, advanced technologies, and societal issues: healthcare, human resources, energy and circularity, telecommunications, food and agriculture, and resilience. Research is undertaken with a longer-term, multidisciplinary perspective informed by collaboration among our research fellows and business divisions.

Aims

Inspiring society-wide discourse with innovative research and ideas

We occupy a unique position in and outside the Group as an opinion leader for addressing societal issues.

We provide pioneering research and proposals leveraging our three strengths to direct society-wide discourse toward a desirable future. This increases our social and nonfinancial value as well as enhances our brand and competitiveness in the market for talent.

Strengths

We leverage the following strengths

1. **Consolidation of knowledge: We integrate diverse internal and external expertise to tackle societal issues**
2. **Clear proposals: We draw on objective data and scientific thinking to point society toward a desirable future**
3. **Realistic solutions: We present starting points for the real-world application of solutions grounded in reality, a goal of the Group**

Approach

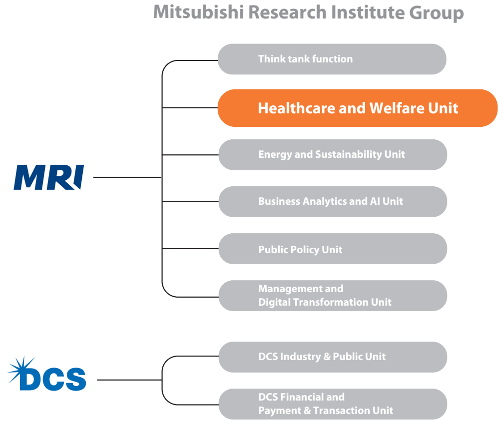
Promptly sharing impactful findings

We tackle impactful themes and accurately identify societal turning points, promptly sharing our findings in the quest for a sustainable, abundant future. This is how we guide wider discourse.

Our task is to assist the development of policies and corporate strategy. In healthcare, energy, and circularity, we will step up collaboration to foster internal and external communication and the implementation of solutions envisioned through our work. This will also strengthen our foundations to underpin the Group's business growth.

We focus on training our researchers and making use of our domestic and international networks. This shores up our research capabilities synergistically and effects sustainable, progressive gains.

Healthcare and Welfare Unit



Role

Tapping into growth opportunities in healthcare

- We consolidate functions for the development, societal implementation, promotion, and evaluation of policy in the healthcare area. Covering a companywide focus domain, we aim to achieve both business growth and the sustainability of the healthcare and long-term care systems
- The unit has two divisions: the Healthcare and Welfare DX Division and the Medicine and Health Ecosystem Division. The former is responsible for the design, digital-transformation–driven implementation, promotion, and evaluation of policy. The latter is in charge of policy design, policy implementation, and private sector business in the drug discovery and health ecosystem fields

Strengths

We leverage the following strengths

1. **Policy expertise from our long track record**
2. **Expertise on the national medical-data platform public databases in healthcare and long-term care**
3. **A diverse workforce and industry–government–academia networks in Japan and abroad**
4. **One-stop capabilities from policy development and system design through digital transformation, societal implementation, and evaluation**

Yasutaka Kashitani
General Manager

Aims

Societal implementation and business growth

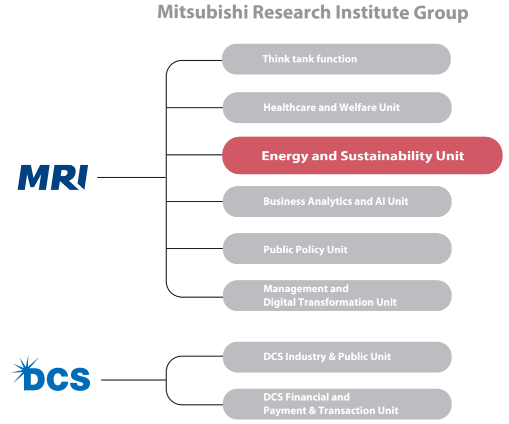
- Japan's healthcare and long-term care systems are at an inflection point. The current social security system was formed during the high-growth era but needs reform due to the rapid aging of society
- Digital transformation and public–private ecosystems drive the unit in its work bridging stakeholders in healthcare and long-term care. In these spaces too, we push real-world implementation of policies forward to address societal issues

Approach

Implementing solutions in society and boosting workforce capabilities

- We help build efficient, effective healthcare and long-term care systems via digital-transformation policy planning, societal implementation, development of the national medical-information platform, and policy evaluation using public databases
- The Medicine and Health Ecosystem Division aims to spur innovation and societal implementation in drug discovery, clinical trials, health, women's empowerment, and children's policies. We hope to expand our fields in collaboration with partners and to boost our ability to create businesses that bring together industry, government, and academia
- We will create and develop new businesses in areas where we can bring our strengths to bear
- In addition to sustainable growth, bolstering our workforce, and training our talent, we will use AI to boost our analytical capabilities

Energy and Sustainability Unit



Role

Self-sufficiency and circulation of energy and resources

- We help public and private sector clients in Japan and overseas work toward ensuring the sustainability of society. We do this by assisting clients with major challenges in resource circularity, green transformation (GX), decarbonization, the large-scale uptake of renewables, and power-market reform
- In these fields, we offer policy proposals, design programs, evaluate technologies, test and commercialize solutions, support digital transformation, and provide solutions ourselves

Strengths

We leverage the following strengths

1. **Digital transformation of the electric power sector and overseas business rollouts, leveraging our think-tank expertise in policy and program development and implementation**
2. **Original solutions that we provide ourselves, and the insights gleaned from these and our other business investments**
3. **An army of over 180 consultants; industry–government–academia networks in Japan and around the world**

Hiroshi Tanaka
General Manager

Aims

Vision: Compass for green future

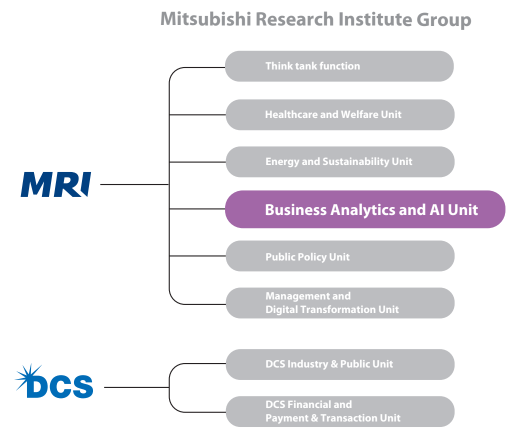
- The Energy and Sustainability Unit's mission is to contribute to developing a sustainable economy, creating for future generations a secure society through energy and resource circulation and autonomy
- We offer one-stop services in policy development, technology implementation, and business creation, deepening our collaboration with industry, government, and academia at home and abroad. We will ensure our leading position in Japan by creating new growth opportunities via green transformation and digital transformation in the electric-power sector

Approach

Build unique business models

- The unit has twin aims—carbon neutrality and a circular economy. Our research and consulting arm in decarbonization and renewable-energy uptake serves as the foundation of our business. We are expanding into fields such as the digital transformation of the power sector, solutions businesses, proprietary services, climate-change measures in Southeast Asia and the Middle East, and waste-management policy and technology implementation
- In addition to unique services such as MERSOL (optimizes storage battery operations) and BlueGrid (transmission-equipment planning, construction, and grid operations), we are diversifying our earnings via collaboration with affiliate MPX and investments in renewable energy
- As we hone our expertise through the use of AI and data, we are contributing to the spread of clean energy and sustainability as a hub for public–private partnerships and international cooperation

Business Analytics and AI Unit



Role

Combining business analytics and AI to spark transformation

- We enhance clients' competitiveness and development with backup deploying the AI-first approach, where people and AI work collaboratively side-by-side
- Our unit comprises two divisions: the Financial Business Analytics Consulting Division and the AI Consulting Division. The former provides financial institutions with data analytics, systems development, AI deployment, and cloud installation. The latter uses business analytics and AI technologies to develop solutions for nonfinancial enterprises and helps them make the transition to AI-driven processes

Aims

Value creation through collaboration between humans and AI

- We build and deploy AI-first infrastructure, positioning AI as a means for generating new knowledge through collaboration with humans rather than merely a streamlining tool
- We contribute to clients' competitiveness and sustainable growth by helping them partner with AI for making decisions and creating new value

Strengths

We leverage the following strengths

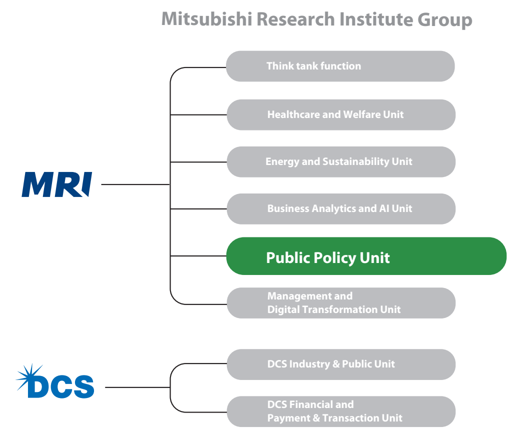
1. Capabilities in data analytics, systems development, and AI-technology development drawing on understanding of financial practices
2. Consulting capabilities grounded in big-data analytics applicable in business
3. Development and deployment of AI solutions leveraging workflow knowledge and think tank expertise

Approach

Integration of think-tank expertise and AI technologies

- With wide-ranging strengths in data analytics spanning finance, manufacturing, logistics, and energy, we analyze management, workflows, and systems issues for highly effective AI solutions. We collaborate with partners to provide end-to-end support covering the gamut from building strategy and reforming workflows to developing and operating systems to enterprises pursuing generative AI-infused, cloud-anchored AI-first approaches
- Tapping into intelligence expertise gleaned from our think-tank activities and our understanding of client workflows, we develop bespoke AI solutions that enhance operational efficiency and competitiveness
- We help clients craft original AI solutions through AI governance and platform development for smooth AI deployment. We work to increase the share of recurring-revenue business to develop a stable earnings base

Public Policy Unit



Role

Integrated knowledge powering the development and rollout of policy

We provide research and analysis, design, and rollout for major national policy in science, technology, security, space and maritime matters, mobility, telecommunications, infrastructure, urban planning, disaster mitigation, and resilience. We offer effective solutions to increasingly diverse societal issues grounded in accurate knowledge of policy and programs across all sectors.

Aims

Driving improvements in policy quality

In the longer term, we aim to serve as a partner in the implementation of policy. This would enable us to seamlessly link the full policy process, from conceptualization and program design through to real-world implementation. We work to enhance policy quality as the environment changes, combining EBPM and integrated knowledge to promote industry–government–academia collaboration and boost effectiveness nationwide.

Strengths

We leverage the following strengths

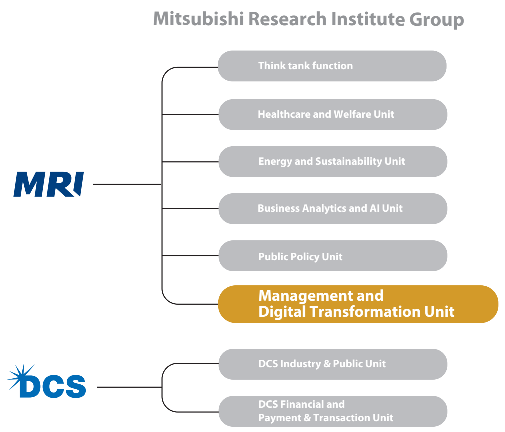
1. Deep expertise across the spectrum of policy areas including security, space, telecommunications, and infrastructure
2. Policy development capabilities based on extensive knowledge of policy and programs
3. Integrated cross-sector knowledge required by complex societal issues
4. Trust earned over more than five decades of applying policy work with capabilities from the design of programs through to their rollout

Approach

Deeper value creation in key policy areas

We will tap into business opportunities in the key policy areas defined by our role above. In light of emerging long-term issues, we will craft practical, effective ideas and programs drawing on EBPM principles and our decades worth of knowledge. To build a better-bolstered policy foundation, we will step up industry–government–academia collaborations and streamline coordination between entities. We will expand training for our workforce and management of our organizations in a way conducive to the sustained creation of value from a policy perspective.

Management and Digital Transformation Unit



Koichiro Uozumi
Executive Officer,
General Manager

Role

We offer companies and public sector entities consulting on management, business, organizational, human-resources, and digital-transformation strategies.

1. Business consulting: Management, business, innovation, and operational strategies
2. Organizational and human-resources consulting: Policies for hiring, performance, and training; organizational and human-resources strategies
3. Industrial digital-transformation consulting: Digital-transformation strategies for the private sector
4. Public digital-transformation consulting: Digital-transformation strategies for the public sector

Strengths

We leverage the following strengths

1. **Seamless support from strategy formulation through to implementation and transformation**
2. **Ability to resolve and assist with corporate-management and workplace issues**
3. **Expertise in public policy and programs (e.g., employment, labor issues, training, HR development, and public digital infrastructure)**
4. **Knowledge and track record in resolving societal and corporate issues via public–private partnerships**
5. **Knowledge of advanced technologies such as those used in digital transformation and AI**

Aims

In our capacity as a consulting firm, we endeavor to be a consulting firm that drives the solution of issues facing and the transformation of businesses and society. We look to help private-sector clients enhance their competitiveness in the management, business, organizational, HR, digital-transformation, and AI realms. We will help public-sector clients digitalize before facilitating the more-comprehensive digital transformation of their services across the board. And we will support the sustainable growth of companies and the world at large through a fusion of private and public-sector consulting experience, expertise, and knowledge of advanced digital technologies.

Approach

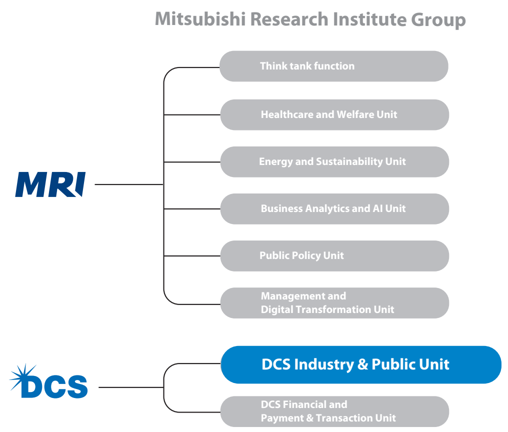
1 Strengthen collaborative consulting across all areas of work

Our unit integrates consulting-business teams involved in management, business, organizational, HR, and digital-transformation strategy. We provide integrated consulting—from crafting strategies to resolve business and policy issues through organizational and HR transformation as well as the digital-transformation and AI deployment needed for execution.

2 Strengthen digital-transformation consulting for public and private sectors

We support digitalization across society through a combination of advanced digital-transformation knowledge in public and private sector areas. For the public sector, we also work on digital-government initiatives, supporting system reform and social services upgrades. For the private sector, our digital-transformation consulting serves to upgrade management platforms and boost competitiveness by strengthening management intelligence, reforming operations and supply chains, boosting use of data, and deploying AI.

DCS Industry & Public Unit



Shoji Kimoto
Executive Office,
Managing Director and Industry & Public Head,
Mitsubishi Research Institute DCS

Role

Support for carrying out digital transformation

The Industry & Public Unit runs various digital-transformation solution businesses, working with clients in the public and private sectors. We provide a broad range of businesses, such as enterprise resource planning (ERP) and digital-transformation solutions for industry and digital-transformation services in the HR and education fields. We seek to continue growing our business to quickly identify a wide range of corporate and public-sector digital-transformation needs and to enhance our ability to be proactive in proposing projects.

Strengths

We leverage the following strengths

1. **Capabilities to launch large-scale system development projects and to manage operations and maintenance reliably with a strong focus on quality**
2. **Provision of one-stop services from consulting and implementation through to ongoing support and embedding into operations**
3. **Offering PROSRV® services since our founding and miraicompass® services that boast top domestic share**

Aims

A true partner that uses digital transformation to tackle challenges

We strive to be a *true partner*, one that works alongside both clients and collaborators, to resolve the issues faced by clients and society through digital transformation and AI. We will do so by drawing on our strengths in consulting, providing integrated solutions based on client issues, and running our own service investments to expand our business. Positioning our public-sector business as a growth opportunity, we will also further accelerate integration of Mitsubishi Research Institute's knowledge and DCS's system-development capabilities.

Approach

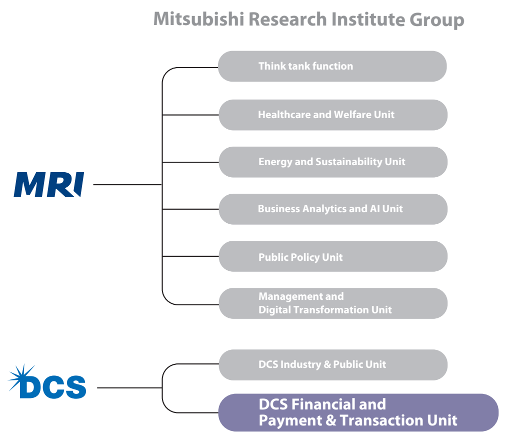
Accelerate business expansion in the public sector, a pillar of our growth strategy

The digital-transformation business in the public and semi-public sector is a pillar of our growth strategy. We are booking strong orders and steadily building up and expanding this area. We will leverage synergies with Mitsubishi Research Institute to make progress in government policy realization and societal implementation.

For the private sector, we will work to resolve management issues primarily for clients in the manufacturing and logistics industries. We will develop our business outwards from our core competencies in consulting through ERP solutions and into peripheral areas, making operational processes more efficient and visible.

For the services we provide in HR and education, we will work to improve customer satisfaction, increase market share, and evolve our business model.

DCS Financial and Payment & Transaction Unit



Masafumi Nakagoe

Managing Director and Financial and Payment & Transaction Head, Mitsubishi Research Institute DCS

Role

Core unit underpinning the financial and payment & transaction domain

Our offerings range from the development of bank systems to various payment and transaction solutions for clients in the financial and payment & transaction business, particularly Mitsubishi UFJ Financial Group (MUFG). We are working to maintain and expand projects with our long-standing client base. We also aim to leverage our extensive systems and operational expertise to win new clients and establish a new business model.

Strengths

We leverage the following strengths

1. **In-depth expertise built up over time in financial systems development**
2. **Development capabilities spanning a wide range of technologies from mainframe systems to open-source, data-analytics, and AI systems**
3. **Skills in project management, project execution, and quality control honed through large-scale systems projects**

Aims

To be a solution partner to financial and payment & transaction businesses

Our unit has established a solid position as the main vendor for our clients by building trusting relationships. We aim to act as a business partner not only for developing and operating financial systems but also for resolving business issues. To achieve this, we will work to link each process and provide our clients with total solutions, from our strengths in upstream processes through to design, development, operations, and maintenance.

Approach

Laying the foundations for growth and restructuring our businesses

In FY9/26, we will complete a number of large-scale system projects in the credit-card business. We will also lay the foundations for sustained growth and restructure our businesses. For the former, we will position host systems, data analytics, AI, customer relationship management, cloud, and security as growth drivers and work to expand our businesses. To enhance development-management governance, we are establishing a project-management follow-up system and strengthening quality control. These efforts will allow us to enhance project-management capabilities and personnel training together, prevent issues from arising, and establish a system for sustainable development. In terms of business restructuring, we will modernize the development environments in our core system-integration business. We also look to evolve our technologies through AI applications, agile methodologies, and offshore resources to improve quality and productivity.

Furthermore, to move away from conventional business structures that are overly reliant on workforce effort, we will create new services and solutions and establish them as revenue streams that will carry forward into the next medium-term plan.

Integral support functions

MRI Research Associates

Tetsuya Hanyu

President and Representative Director, MRI Research Associates

Role

Our specialist and technical capabilities enhance the value delivered by the Group

Our unique simulations and other technologies augment and expand the policy expertise and IT implementation capabilities of the Group, thereby enhancing the value delivered by the Group.

Aims and basic policy

FY9/25 results Net sales ¥4.176 billion Ordinary profit ¥778 million

Using technology to resolve societal issues and help realize a prosperous world

Evidence-based policy making (EBPM) is becoming a core feature of efforts by public institutions to address the increasing complexity of societal issues. We aim to realize a prosperous and sustainable world by coming up with and establishing our own businesses that draw on the strengths of our unique technologies such as simulation and data analytics and our skills in independent research and analysis of government policy and business.

MPX

Gen Arao

President and Representative Director, MPX

Role

Operating an online information service for power trading

We have combined Mitsubishi Research Institute's industry expertise with the value model of partner company KYOS to offer price information for power trading.

Aims and basic policy

FY9/25 results Net sales ¥977 million Ordinary profit ¥357 million

Promoting investment in renewable energy and helping to accelerate green transformation by stimulating market activity

We have supported the growth of electric-power trading by providing information on power forward curves. In the future, we will provide fair prices for renewable energy, derivatives, and various other assets and contracts in order to promote investment in renewable energy and shared risk through power trading. This will expedite the green transformation of the power industry.

DCS Technology Unit

Yuji Nagami

Managing Director and Technology Head, Mitsubishi Research Institute DCS

Role

Our role is to elevate technological capabilities across the company and maximize value provided

We are advancing infrastructure development for cloud and mainframe systems, delivering high-quality operations services, and promoting advanced data and AI utilization services.

Aims and basic policy

Strengthening our business and creating added value through advanced technological capabilities

We are responsible for delivering a wide range of infrastructure services from mainframe to cloud. We also offer consulting and services leveraging our operational experience and track record. Development driven by data analytics and AI is another field in which we offer support. Our end-to-end support provides new value and spans the full IT lifecycle from strategy and planning through to operations and improvements.

Foundations underpinning our sustainable growth as a company dedicated to resolving societal issues

Approach to intellectual and co-creation foundation

The main elements of the Group's intellectual and co-creation foundation are our strengths in independent research and proposals, intellectual property, startup collaboration, and business partner collaboration. Linking these elements, we strengthen our overall capabilities as a company dedicated to addressing issues with implications for society.

Specifically, we are building a unique intellectual foundation rich in diversity through our independent research and proposal work as well as our research and consulting business and IT service business. This is a source of our competitiveness.

To address societal issues that are challenging for the Group to resolve on its own, we actively seek out startups, enhance collaboration with partners, and expand our co-creation foundation.

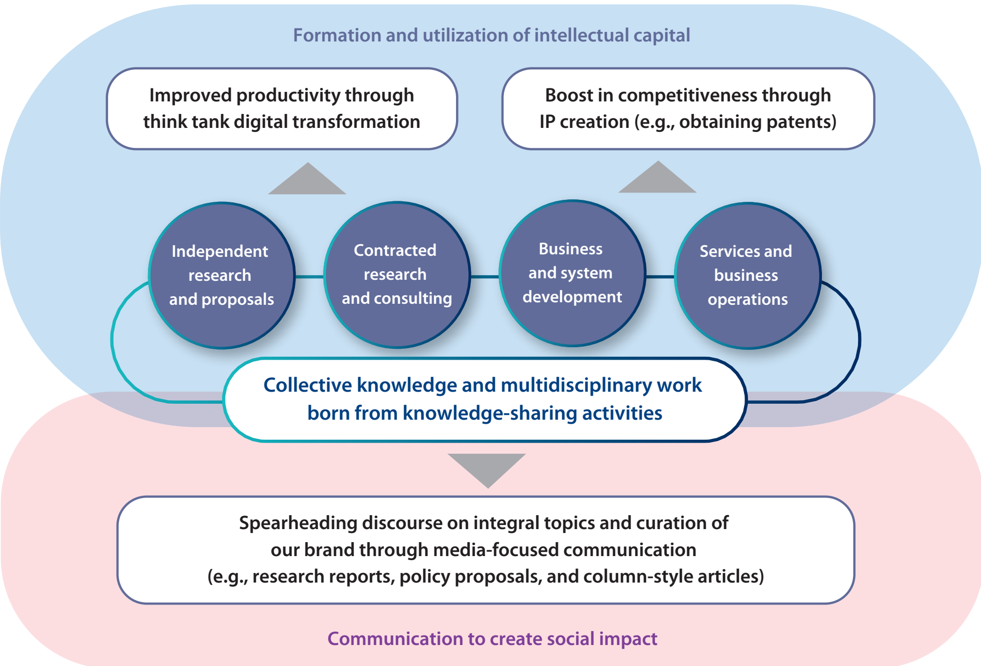
Overview of our intellectual capital strategy

The formation and utilization of intellectual capital and communication to create social impact are the pillars of our intellectual capital strategy.

For the formation and utilization of intellectual capital, communicating our findings to the world brings social impact and serves as the starting point for facilitating contracted research and consulting work. Our unique methodologies and expertise are formed and accrue as intellectual capital in areas other than independent research and proposals as well.

Specifically, as discussed above, Mitsubishi Research Institute's own internal value creation process (VCP) mechanism serves as a foundation for sharing accumulated knowledge in a cyclical manner throughout the value chain. We also undertake knowledge-sharing activities, such as communicating findings with greater versatility via in-house seminars and courses. And we have initiatives underway for the digital transformation of ourselves as a think tank. The hallmark of this work is that its utilization of generative AI and other technologies boosts productivity. Effects are already becoming apparent, making our work more advanced and efficient for a range of tasks including collecting information. The various tools, data, and patents acquired through these processes accrue as intellectual capital. When it comes to intellectual property, we acquire patents for our unique technologies and expertise, particularly those cultivated through our business-development and system-development work.

For communication to create social impact, we actively publish our findings on our websites and related media as original research reports, policy proposals, and column-style articles. Communications like this have brought growth to the number of interviews with and overall coverage by the media. This helps shape both society-wide discourse and our brand.



Formation and utilization of intellectual capital

Research and proposal work by the Think Tank Function

Our research and proposal activities are the starting point of the Group's value chain, so in October 2025 we reorganized the company to position the Think Tank Function (independent research and proposals) as a company-wide function. We also created the Research Fellow Office to further bolster the Think Tank Function workforce.

Under this new setup, the Think Tank Function coordinates with research arising from research fellows and the various business units, advancing the three pillars discussed below. Behind our work are scientific concepts and the collective knowledge of researchers in a wide range of fields, including that of the research fellows. This work serves as the starting point for the societal implementation of solutions to a wide range of issues.

Hiroshi Komiyama
Chairman of the Institute

Senior Research Fellow **Yoko Takeda**
Fields: Economics, public finance, social security

Research Fellow **Kazuo Hiyane**
Fields: AI and digital transformation

Research Fellow **Kimio Inagaki**
Fields: Food and agriculture, business management

Research Fellow **Seiichi Ibaraki**
Fields: Energy and scientific technologies

1 Foundational research

We conduct research on macroeconomic and advanced-technology topics. This serves as the basis for our various research activities, both independent and contracted, and businesses. Macroeconomic research analyzes the latest trends in the global and Japanese economies, publishes forward-looking overviews, and makes proposals for policies. Our advanced-technology research investigates human–digital-twin technologies.

2 Future-concept research

This research envisions a future world from a medium- to long-term perspective and conceptualizes the measures necessary for achieving it. In 2025, we conducted research on the surge in information and growing power demand under the banner of *watt–bit integration*. We also envisioned what the future might look like for the AI and robotics domains.

3 Value Creation Process (VCP) synchronized research

We conducted research on deepening our understanding of societal issues and how to resolve them by integrating knowledge on policy, economics, science, and technology in the VCP priority domains: healthcare, human resources, energy and circularity, ICT, food and agriculture, and resilience.

Examples of independent research and proposal initiatives

[1] Watt–bit integration: AI-optimized infrastructure for national prosperity

We investigated the projected surges in data volumes and power demand before formulating a proposal for decarbonization and regional revitalization through distributed data-center deployment. We also presented the concept of watt–bit integration for regional revitalization ahead of government deliberations.

Our research was covered by major media outlets and attracted strong interest from decision-makers in relevant ministries and private-sector companies, including in the power, telecommunications, and ICT domains. It is being used in policy and corporate strategy discussions through ongoing dialogue.

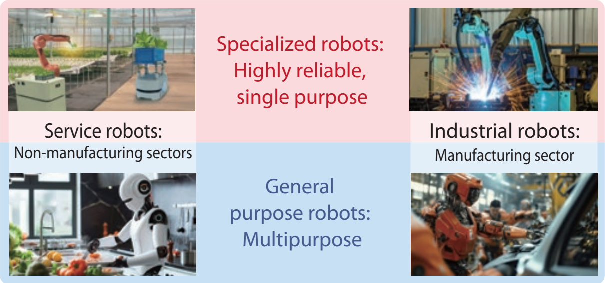
https://www.mri.co.jp/en/knowledge/insight/20251219.html

[2] AI robotics to shape the future

In light of Japan's long-term challenges and the outlook for technological progress through 2050, we proposed measures for Japan to regain international competitiveness by promoting the widespread adoption of AI robotics–enabled service robots, aiming to achieve sustainable industrial growth and resolve societal issues.

The research findings were presented at the Mitsubishi Research Institute Group Forum in November 2024 as well as communicated through lectures at relevant organizations and contributed articles. Going forward, we will further refine our proposals to help shape the direction of society and position these technologies as engines of growth.

● Robot types



https://www.mri.co.jp/knowledge/column/20251006.html

Overall value creation process initiatives

Our research fellows and researchers conduct studies and make proposals by integrating knowledge from multiple fields. The unique tools, data, and expertise gained through these processes are harnessed both in our contracted work and to improve the quality of our own independent work.

We use this intellectual capital to not only resolve the issues facing our clients and society, but also to boost the efficiency of our operations, as with our think-tank digital-transformation initiative using generative AI. We are also raising the level of our tools by first deploying them in-house for testing and making improvements. We then make them available to clients as solutions and services.

Knowledge-sharing activities

The Think Tank Function advances knowledge-sharing activities to communicate the results of its independent research and proposals throughout the Group. This is intended to enhance collective knowledge and facilitate multidisciplinary initiatives. Specifically, we hold 60-minute online seminars and facilitate vibrant discussion of the topics presented. Sessions were held 10 times during FY9/25 on different themes, drawing between several dozen and 100+ participants each time. Other divisions can also request on-site lectures. This kind of outreach facilitates shared recognition of issues and the creation of business opportunities, transcending organizational boundaries and predetermined domains.

Topics covered in knowledge-sharing activities (FY9/25)

- ○ Toward the realization of a self-sustaining circular economy
- ○ Watt–bit integration
- ○ Regional resilience amid population decline
- ○ How to achieve higher agricultural productivity and lower environmental impact
- ○ The current state of the 2025 problem: What healthcare system reform is needed now
- ○ Trump 2.0's impact on the US and the world: How Japan needs to prepare

Developing and utilizing patents born from our societal implementation businesses

We will further strengthen our competitiveness by actively turning differentiation factors, such as technologies and expertise, into intellectual property. In FY9/25 we acquired eight patents. Our approach to patent acquisition is guided by an understanding of our strengths and weaknesses, and we prioritize fields in which we can further strengthen our business activities and establish barriers to entry in core business areas to secure competitive edge. An example that illustrates this is our LaLaSapo® (LArge LAnguage model SUPPOrt) technology, an instance of how we put our solutions to work in the real world. Here, we applied for several patents for generative AI tools to support safe and rapid deployment of ChatGPT technology, thereby enabling various support services.

● LaLaSapo® lineup of services

	Available tools		Tool features
Public information research and reporting	**Web survey AI RoboRisa**	Available	Gather and report on the latest information about user-defined topics
	Survey report generation AI BabyRisa	Samples provided, in use internally	Report quickly on markets and technological developments
	Academic paper reading AI	Technically verified	Assist with interpreting and organizing information from academic papers
Creation of internal documents	**Proposal writing AI**	In use internally	Generate drafts of proposals while interacting with AI
Data analytics	**Survey open-ended–response–classification AI**	Technically verified	Accurately classify large volumes of open-ended survey responses
Response to inquiries	**FAQ summarization AI**	Technically verified	Quick and accurate responses combining FAQs and manuals
Legal and regulatory compliance	**Manual reading AI**	Technically verified	Generate appropriate responses from verbose documents
Design using past documentation	**Design AI**	Prototype developed	Search and reference design documents based on understanding of schematics

List growing

Think Tank DX promoting active use of AI

Think Tank DX is an initiative for advancing our own digital transformation. Generative AI has the ability to significantly change how knowledge workers operate, and the Group will be impacted significantly.

Think Tank DX incorporates these innovative technologies to raise the level of our processes and their efficiency, including information collection and analysis, project management, and document creation.

In 2025, we had planned to deploy AI to reduce working hours by about 40,000 hours; but in the end, we achieved a reduction of 70,000 hours. On top of that, the number of employees proficient in generative AI rose to around 200—double our initial projection of around 100.

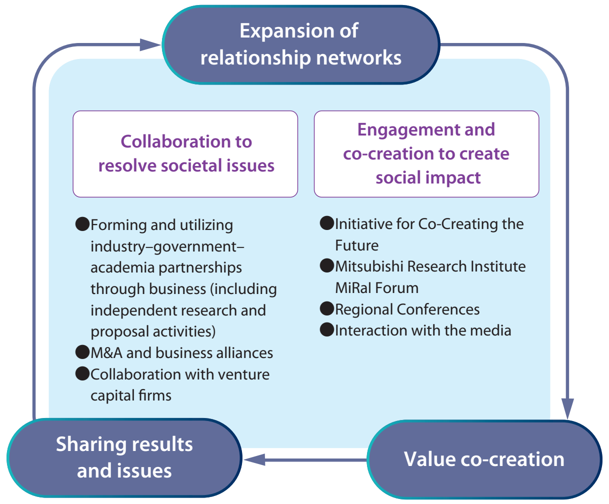
In 2026, we intend to build on this effort by appointing an executive officer to be in charge of this area and by filling out the relevant company-wide frameworks. We will also expand target tasks to include middle- and back-office operations in order to improve productivity and added value for all employees. During 2026, we plan to build an environment that allows all employees to use cutting-edge generative AI models trained on our proprietary intellectual property.

● Use of generative AI in research tasks

Outreach to create social impact

Our consultants and researchers provide information in a timely manner that addresses the issues at the core of a given topic. They also present information on new perspectives. The MRI Opinion section of our website serves as a curation of forward-thinking proposals for addressing societal issues. The Economic Insight section shares outlooks on domestic and global economies, along with the latest economic topics and key highlights. Content is communicated across social media and via news releases. We provide our researchers with many opportunities to interact with journalists and engage in constructive exchanges of ideas. This has led to an increase in media coverage, showing how important these efforts are for creating value with a significant social impact as well as expanding opportunities for doing business.

Overview of relationship capital



We are expanding our network with various stakeholders to make an impact on society as a company dedicated to resolving societal issues, focusing on the following two pillars.

○Collaboration to enhance ability to resolve societal issues
○Relations and co-creation to generate new social impact

We address societal issues in all fields as a Group integrating Think Tank & Consulting and IT Services. What sets us apart is our ability to identify and proactively communicate on a variety of themes through the publication of our research findings and other means. Through this communication, we seek to attract the interest and involvement of not only existing clients and partners but also stakeholders from various sectors to encourage them to be a part of the solution. By feeding the results of these activities back into new findings and communications, we aim to enhance the appeal of our network and build an even stronger cycle.

Collaboration to resolve societal issues

Formation and utilization of industry–government–academia partnerships through business

In addition to business with a multitude of public and private entities in Japan and abroad, we are connected with tens of thousands of key persons, including top bureaucrats, business leaders, researchers, and practitioners active in various fields. This comes from our collaboration with universities and research institutions. By leveraging these networks as relationship capital, we have become one of Japan's leading private companies capable of addressing both the societal issues of each field and complex issues involving various factors.

M&A and business alliances

Medium-Term Management Plan 2026 features a combination of active investment in the Group's growth areas with investment in overseas venture funds and other assets. This is in addition to M&A and business and capital alliances that contribute to improving value creation and sustained growth. These measures are intended to accelerate our business growth while increasing the scale and scope of our initiatives. In May 2024, we set up the Strategic Planning and Alliance Group within Mitsubishi Research Institute to explore and execute strategic investment in collaboration with Mitsubishi Research Institute DCS. In the field of digital transformation, we are actively pursuing collaboration with partners under three key concepts: DX Journey®, which supports clients throughout the entire digital transformation process; AI First, which aims to transform a business into one that assumes AI use; and public DX, which supports new public services that harness digital technologies and data. In addition, we are expanding collaboration and investment with partners, particularly in fields such as electric power, healthcare, long-term care, business analytics, and AI.

Collaboration with venture capital firms

In May 2023, we established a US subsidiary to strengthen collaboration with local venture capital firms and expand our network for discovering promising startups. We have also invested in a fund managed by Silicon Valley-based venture specialist Allegis Capital. Making the most of new connections with local venture capital in addition to Allegis Capital's extensive networks, we are exploring opportunities for collaboration with partners with advanced technologies and solutions. We will also work with companies with AI-based services that have a track record overseas, including those in the US, and promising advanced technologies in energy, healthcare, and other such fields. We will further strengthen and expand these businesses by linking them to businesses in the Group.

Engagement and co-creation to produce social impact

Initiative for Co-Creating the Future

Mitsubishi Research Institute operates the Initiative for Co-Creating the Future (ICF), a platform for resolving societal issues through business and open innovation. Membership, now over 630, spans the public and private sectors and academia, including startups and other organizations. Starting with summary and analysis of societal issues in diverse fields such as energy and environment, food and agriculture, and wellness, activities range from consideration of specific business models that address these issues, testing, and real-world implementation of solutions. Specifically, this includes the production of a comprehensive overview of societal issues that could be resolved by innovation (Resolving Societal Issues through Innovation: Listings of Societal Issues, Listings of Societal Issues for short) and planning and operation of theme-based groups like the Japan Carbon Dioxide Removal Coalition. We also emphasize co-creation activities with a view to the real-world implementation of solutions such as recurrent education for women and carbon offset demonstrations based on industry–academia collaborations. We will continue our efforts to bring solutions to the real world through ICF activities by providing an ecosystem for creating new markets and producing collective impact.

Listings of Societal Issues https://icf.mri.co.jp/activities_en/activities_en-3981/

Japan Carbon Dioxide Removal Coalition

Mitsubishi Research Institute MiRaI Forum

We have held a forum event every year since 2005 as an opportunity to build relationships with the management teams of our clients and partners. The event—renamed Mitsubishi Research Institute MiRaI Forum in its 21st year—was held in November 2025 and addressed the topic of offensive and defensive GX actions toward green transformation. It included panel discussions welcoming experts from industry, the finance sector, and government along with the Chairman of Mitsubishi Research Institute.

We were able to deepen discussions on how to combine the strengthening of autonomous domestic foundations and design collaborative markets in advance at a time when green transformation is in a state of disarray worldwide to help us prepare for what comes next. We decided that from 2025 onward, the forum should be a purely in-person event—i.e., no livestream—to prioritize social connections. The event was well received by some 200 participants at the venue.

Scene from Mitsubishi Research Institute MiRaI Forum

Panel discussion

Deepening ties with local business leaders through Regional Conferences

We hold Regional Conferences every year to further develop our relationships with local business owners, universities, branches of central government agencies, and local governments. These events provide a forum for deepening understanding of resolving issues and expanding communication among management teams through an open exchange of opinions between participants. In fiscal 2025, we held events in the same three regions as in past years: Kansai (Osaka), Chubu (Nagoya), and Kyushu (Fukuoka). The common theme was domestic and global economic outlook. We also presented research results on selected topics of high interest for each region. We presented on the legacy of Expo 2025 and resilience in Kansai, Nagoya's urban planning and human-resource strategy and training in Chubu, and AI agents and the science park concept in Kyushu. We received positive feedback from participants regarding the choice of topics and our research results, and at the conference venue, we gained various insights on resolving issues while also enjoying new opportunities for business co-creation. We will continue to offer opportunities like this to communicate and co-create. We will keep building even closer relationships with local communities to help resolve societal issues while taking into account regional characteristics and changing conditions in Japan and abroad.


Kyushu


Kansai


Chubu

Media engagement: Media Conference and Media Workshops

We promote our proposals for the future of society and initiatives toward achieving them through our collaboration with the media. We do this to gain understanding from a broader range of people and to translate their empathy and expectations into business co-creation. To strengthen this collaboration, we hold events for engaging with the people involved in media.

Annual Media Conference

The main topic of our 2025 Media Conference is designing a future society as a timely challenge in these divisive times. We presented and explained proposals for the solution of societal issues in Japan and worldwide spanning six themes. A total of 66 media professionals from 36 organizations took part and engaged in lively discussions with our officers and researchers. We set up booths for each theme, which allowed for one-on-one conversations between presenting researchers and journalists attending—a format well-received every year.

2025 Media Conference

Media Workshops (about twice a month)

We hold Media Workshops covering topics of timely and popular interest. Each event consists of a presentation by a researcher and discussions with participants to understand our views and recommendations on issues. The discussion sessions are always intense, with participants offering new viewpoints and issues. This initiates a positive cycle whereby we apply the insights gained to our research, which then enables us to offer new proposals. During fiscal 2025, 21 workshops were held covering topics such as the economic outlook, energy, social security, agricultural policy, tourism, space, generative AI, and robotics. A total of 388 journalists participated.

A Media Workshop

Effects and issues related to our intellectual and co-creation foundation

Intellectual foundation

We accumulate knowledge and intellectual assets through our independent research and proposals and business activities. They comprise our intellectual capital, which we strengthen by putting it to use and sharing it with the world. This initiates problem-solving currents in various fields, and we link those activities with the expansion of our business opportunities. To accelerate this flow, our employees with extensive topic knowledge serve as committee members on the various expert panels and advisory councils run by the government. This allows us to return the intellectual capital we hold to society. We are also utilizing our intellectual capital by obtaining patents in certain cases to ensure our competitive advantage.

The Group has established two indicators to quantify these effects: the number of committee member appointments and the number of IP patent applications and registrations. In fiscal 2025, the number of committee member appointments was 175 (previous fiscal year: 162). The number of IP patent applications was 13 (previous fiscal year: 9) and the number of patent registrations was 10 (previous fiscal year: 12). KPIs mostly exceeded our targets for fiscal 2025. We will continue expanding our independent research and proposals, a major source of our intellectual capital formation, while strengthening our research and development activities and increasing the number of cases that lead to business revenue for the Group.

Co-creation foundation

Societal issues have become increasingly complex and diverse, involving various conflicting interests, requiring diverse and specialized knowledge, and demanding innovative ideas. We are cultivating a co-creation foundation—i.e., relationship capital— with a wide range of stakeholders to resolve large-scale societal issues that are difficult to take on with just the Group's own human capital and intellectual capital. Our intellectual capital, including our strength in knowledge of policy, acts as a catalyst for building collaborative relationships with businesses, universities, and research institutions across diverse fields. As part of this process, we assign lecturers to universities and other institutions to share intellectual capital to support educational activities. Also, our accumulated intellectual capital enables us to discover diverse startups, and we are building a unique network not seen anywhere else.

The Group measures the effects of this work using two indicators: the number of joint research contracts; and startup membership of the Initiative for Co-Creating the Future (ICF) and number of startup collaborations. In fiscal 2025, the number of joint research contracts was 33 (previous fiscal year: 30). The ICF startup membership was 266 (previous fiscal year: 256) and the number of startup collaborations was 12 (previous fiscal year: 8). All figures increased at a rate exceeding our targets. Going forward we will strive to maintain this pace and increase the number of cases that link to business revenue for the Group. This mirrors the ambitions for our intellectual capital.

Strategy for Strengthening Our Human Foundation

Approach to our human foundation

Our Group regards human resources as a major source of competitiveness and growth. We aim to turn our guiding principles into reality, resolve societal issues, and increase our financial, nonfinancial, and social value by integrating our management strategy with our human-resource strategy, which builds a positive cycle of growth of our people and the organization.

At the start of 2000, Mitsubishi Research Institute announced a commitment to sustainable improvement of its people and the organization, and since then it has worked to recruit and train highly diverse personnel with the advanced expertise needed to resolve societal issues through the full realization of its business strategies.

Every employee enhancing their skills and mindset generates a cycle of helping to raise the level of the Group's solutions and improving our presence as well as achieving further growth of our people.

Based on this strategy, we are developing an optimized human-resource portfolio with a management and business strategy lens centered on Mitsubishi Research Institute (MRI) and Mitsubishi Research Institute DCS—the core entities of our business activities. We are analyzing our current human resources, formulating plans for the future, and in areas where there are gaps, we are strategically recruiting, training, and reassigning employees in line with our strategy.

Basic framework

The Group is implementing the following measures from two perspectives: increasing human capital as a source of competitiveness and maximizing the potential of our human capital.

Increasing human capital

- ☐ **Putting together a human-resource portfolio in line with our business strategy (i.e., establishing a future vision and identifying gaps)**
- ☐ **Recruiting, training, and reassignment to fill gaps in our human-resource portfolio**

Each Group company is developing its own human-resource portfolio, strengthening recruitment efforts, establishing training programs to make personnel job-ready, and reskilling and reassigning employees to fill the gaps in the portfolio. Particularly in areas with potential for Mitsubishi Research Institute–DCS synergies, we are training IT and digital-transformation personnel* through human-resource exchange, reciprocal seconding, and collaboration between the MRI Academy and DCS's Digital Academy—the frameworks of the companies.

* Human resources who can bridge the gaps between conceptualization, requirement definition, and IT implementation

Maximizing the potential of our human capital

- ☐ **Improvement of employee benefits: Maintaining stable living standards, proper use of mission grades, and senior-employee participation**
- ☐ **Career development support through use of the Group's entire resources**
- ☐ **Health-focused management, helping employees thrive in life and work, progressing diversity, and enhancing employee engagement**

In resolving societal issues, our Group actively incorporates various measures and programs to enable diverse employees—regardless of age, gender, place of residence, and background—to demonstrate their maximum potential. These initiatives include improving employee benefits and conditions, supporting career development, ensuring work–life balance, promoting health-focused management, and advancing other DE&I initiatives.

Also, we enable employees engaged in resolving societal issues to visualize medium- to long-term career progression to increase motivation and engagement, which is also part of a positive cycle.

Increasing human capital

New human-resource policies at Mitsubishi Research Institute

We revise our human resource policy to turn our guiding principles into reality through a positive cycle of growth of our people and the organization. We aim to ensure that employees drawn to resolving societal issues can develop a long-term career.

Main points

- ☐ **Eliminated all seniority-based factors, making it possible to define roles and positions in a more flexible way**
- ☐ **Developed a multi-peak system to diversify career paths, allowing people to take high-level positions in specific categories**
- ☐ **Changed compensation system to enhance competitiveness in recruitment and stabilized employees' income by increasing the ratio of monthly salary and overtime to bonuses**
- ☐ **Revised the post–retirement-age re-employment system, improving benefits and conditions and introducing a super-flextime system**

Human-resource system revisions at DCS

We revise our human resource policy based on the concepts of workstyle, workplace satisfaction, and job satisfaction; the goal is to enhance engagement for every employee so that they contribute toward maximizing our human capital.

Main points

- ☐ **Revised performance-linked bonus system and changed the ratio between salary and bonuses from October 2025 to improve workplace and job satisfaction**
- ☐ **Introduced hourly paid-leave system as part of workstyle reforms**
- ☐ **Promoting Activity-Based Working* mainly at new headquarters to assess workstyle and productivity of individual employees**
- ☐ **Focus on local hiring and collaboration with local partners at regional offices; revised assignment system to revitalize branch offices**

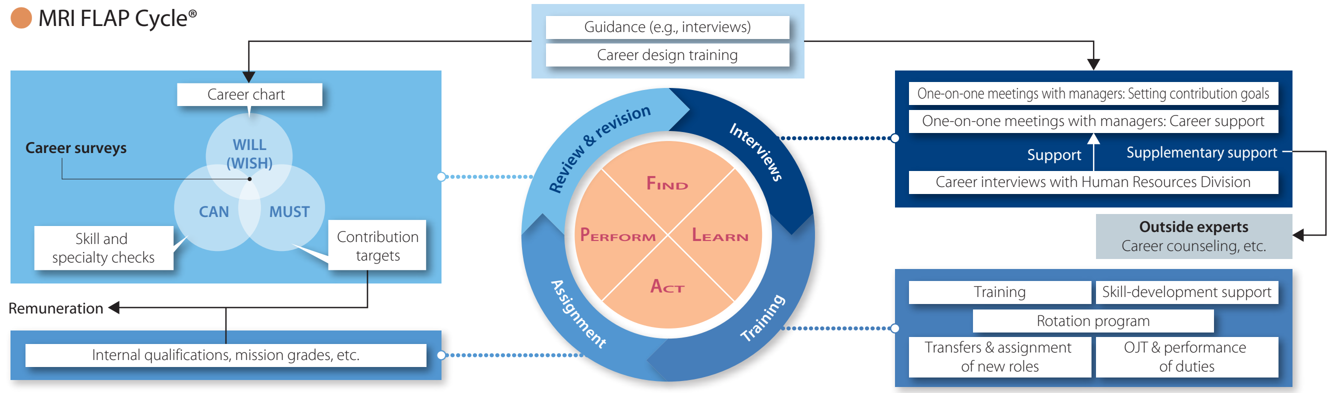
* Workstyle that allows employees to work in the best place (in or out of the office) for the content and purpose of the job

Support for career development

As an initiative to support employees' career development, Mitsubishi Research Institute puts into practice its MRI FLAP Cycle®. It is a scheme to support the career development of individuals based on a cycle of *Finding* and *Learning* from growth challenges before *Acting* and *Performing* through concrete action. This is followed by reflection and a new stage of activity. The aim is individualized career enhancement through tailored approaches.

At DCS, we are working on two tracks. The first is a system where the company and employees forge career development together through career charts and individual plans to rotate between divisions. The second is a system where career development is achieved from the employees' perspective—an internal job-listing system. Employees share their career charts with their supervisors every year and receive support. At the same time, we foster a corporate culture, based on the internal job-listings system, where employees take action themselves to develop their careers.

MRI FLAP Cycle®



Programs for systematic human resource development

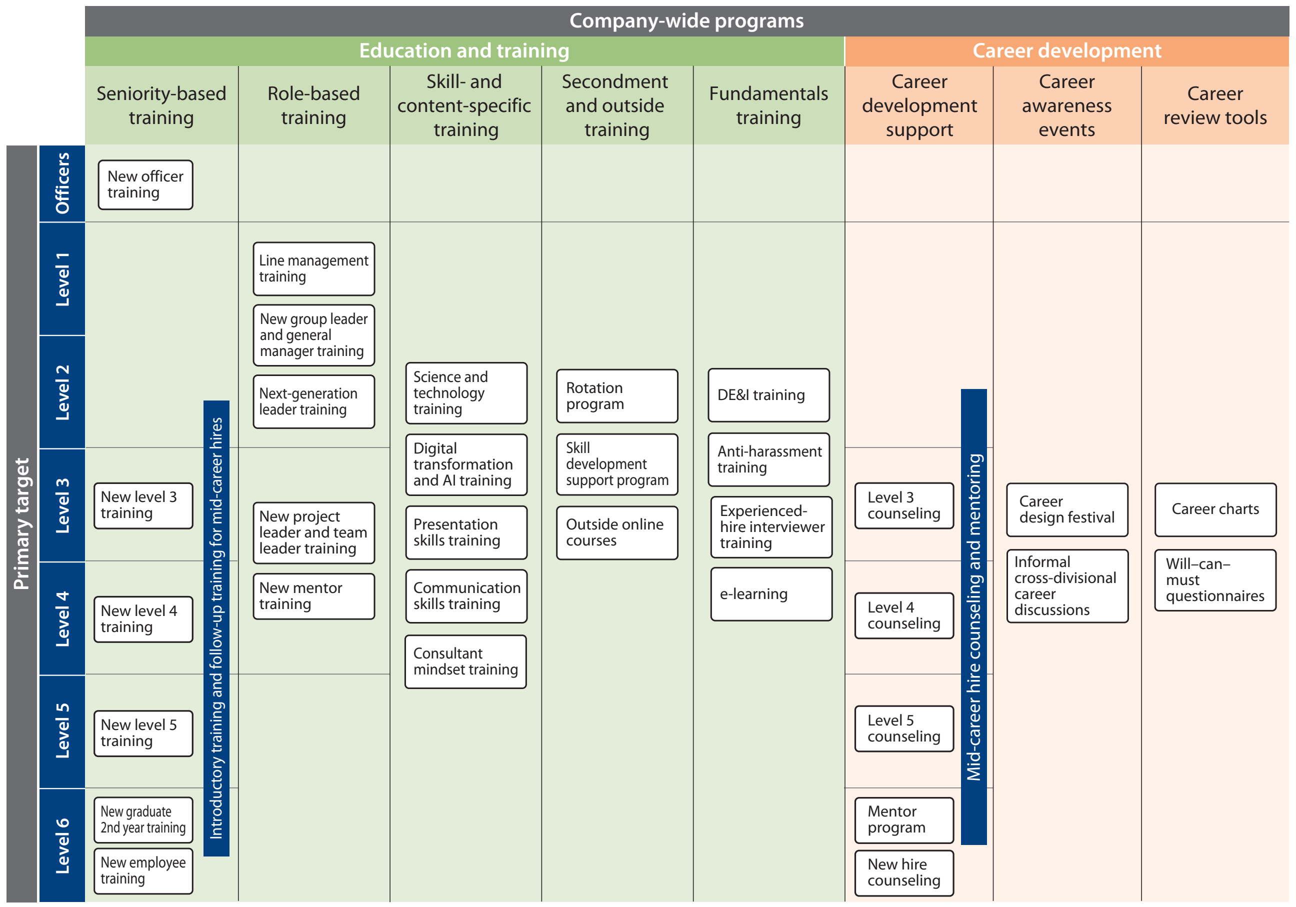
Human resources taking on societal issues need to respond flexibly to changes in technology and business environments. Mitsubishi Research Institute (MRI) and Mitsubishi Research Institute DCS (DCS) have re-examined their training frameworks to continually turn out talent of that caliber. In April 2024, MRI and DCS respectively established MRI Academy and Digital Academy in furtherance of employees' autonomous growth and improving engagement.

What sets MRI Academy apart is its integrated application of three approaches—off-the-job training (Off-JT) by the Human Resources Division, OJT by business units, and self-directed development by each individual. These were selected to cultivate three capabilities: future co-creation, business conceptualization, and solution of societal issues. As well as expanding and reorganizing existing training programs, we are also establishing new training programs related to cutting-edge science and technology, AI, and innovation.

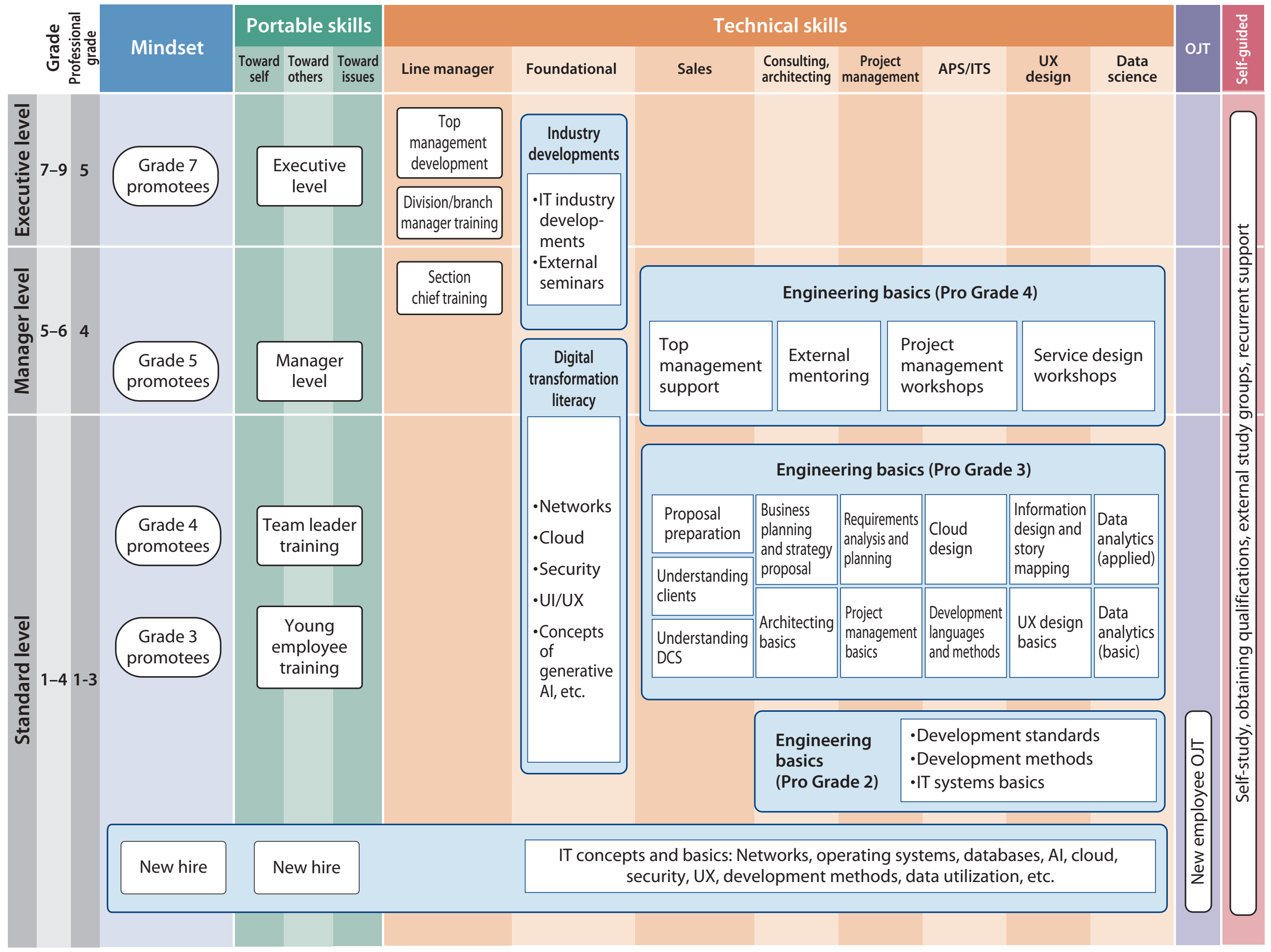
In this way, we run a set of programs unique to MRI in a bid to fortify employee training. For mid-career hires, we have enhanced introductory and follow-up training, including programs aimed at early acquisition of consulting skills. In self-directed development, we offer a program for postgraduate study that allows employees to take university courses while working. We also have a skills-development support program that helps individuals learn according to their professional and career needs.

DCS's Digital Academy collaborates with business divisions to strategically train human resources, expanding the range of company-wide standard skills and supporting employees' autonomous growth. Focus is on training sales personnel and project managers who serve as client contacts as well as IT consultants who can bridge the gaps between conceptualization and IT implementation in our value-creation-process (VCP) businesses. We have also established a comprehensive training framework for portable skills to augment employees' ability to respond to changes in the business environment. We enthusiastically support employees' personal development through diverse options such as online learning services, reskilling support, and participation in external study groups. This is done in tandem with work to enhance engagement.

● Organization of training and career development at MRI



● Mitsubishi Research Institute DCS training system



Strengthening the recruitment process

Mitsubishi Research Institute recruits new graduates and mid-career hires on the basis of its human resources strategy. In the recruitment of new graduates, we offer internships that aid students in career planning and give them a better understanding of our work. In the summer of 2025, around 300 students took part. We also hold one-on-one discussions with students about their career decisions and provide full follow-up. For mid-career hires, we actively recruit talented professionals with high-level expertise through specialist talent agents, direct recruitment, referrals, and alumni recruitment.

In FY9/25, Mitsubishi Research Institute DCS hired approximately 100 new graduates and 100 mid-career personnel based on its human resources strategy. When hiring new graduates, we use diverse selection and two-way communication methods such as internships and assignment of recruiters in industries targeted by students. For mid-career hires, we work to secure expert human resources who can step into roles quickly. For this, we pursue recruiting led by staff in the field, increase our presence in the recruitment market by updating our recruitment site and other means. We are also strengthening applicant sourcing channels via referrals, scouts, and alumni in search of domestic and foreign talent.

● Summer internships at Mitsubishi Research Institute

Period	28 July–12 September 2025
Courses	Group-work type
	Contest type
	Experiential and practical (OJT) type
Satisfaction	99% (Very satisfied, satisfied)

● Number of hires

(FY)

		2021	2022	2023	2024	2025
MRI	New graduates	45	41	59	69	69
	Mid-career hires	34	64	73	53	39
DCS	New graduates	62	76	89	94	118
	Mid-career hires	52	42	88	102	101

Maximizing our human capital's potential

Workstyle reforms

Mitsubishi Research Institute (MRI) and Mitsubishi Research Institute DCS are each creating comfortable working environments to realize flexible workstyles suited to a wide range of employee life stages while respecting their autonomy and diversity.

MRI

Hybrid workstyles

Hybrid workstyles have become a catalyst for improving efficiency through reduced commuting time, collaboration with employees in remote locations, and other new approaches. We will continue to support hybrid workstyles as a way of accommodating diversity and fostering good work–life balance.

Office space enhancements

We facilitate communication among employees by creating open communication spaces on each floor.

Remote relocation program

We introduced a remote relocation program to enable employees to live and work outside the Tokyo metropolitan area (35 users as of 1 October 2025).

Concurrent employment

Many employees engage in side jobs and take on roles with organizations outside the Group that leverage their expertise. Common examples include serving as university lecturers and as advisors to NPOs and other organizations. This offers our employees experiences not available within the company, improves their skills, and further develops their careers, especially older employees.

Remote meeting with overseas office

DCS

Headquarters relocation

Relocating to a new headquarters has created an office environment that combines comfort and productivity. The interior design of each of the office's three floors embodies a unique concept, stimulating communication among employees in an organic manner.

We have also adopted activity-based working (ABW), which allows employees to choose their work location depending on the task, to encourage changes in employees' mindsets.

Overhaul of permissible working hours and locations

We have expanded the definition of possible remote-work locations and broadened the scope of employees eligible for limited-day and limited-hour work schedules. We have also expanded the list of reasons allowing them to take advantage of these schemes.

Programs for concurrent employment

These programs aim for synergistic effects such as the acquisition of skills employees can draw on in their main jobs, the creation of new businesses, and innovation.

Internal staircase and collaboration space to inspire interactions between employees

Health-focused management

Mitsubishi Research Institute (MRI) regards employee health as an important management issue and accordingly promotes health-focused management. We have established a strategic map for supporting the lifelong wellbeing of each employee. In addition to maintaining a 100% medical checkup attendance rate, we have programs for early disease detection, lifestyle improvement, and mental health. We are also using cutting-edge technologies and services to maintain and improve employee health, including mental state examination tools, exercise programs that people can perform while sitting at their desks, and services that analyze mineral levels inside the body from hair samples.

We also work with our health insurance society and other organizations to help any employees who smoke to quit the habit, thus minimizing the percentage of them who smoke. We removed the smoking room in our head office to eliminate the negative health effects of smoking on both smokers and non-smokers.

At DCS, we believe it is important for employees to maintain and improve their physical and mental health. We actively provide support so our people are accurately informed about health, adopt health-positive habits, and take the initiative to keep themselves healthy. We are moving forward with initiatives tracking a strategic map formulated with the following three points as health-promoting priorities.

Internal events to experience the latest healthcare services

1 Measures to address symptoms of lifestyle diseases

- ✓ Adoption of online health guidance, circumventing the need to visit a doctor in person
- ✓ Holding walking events, etc.

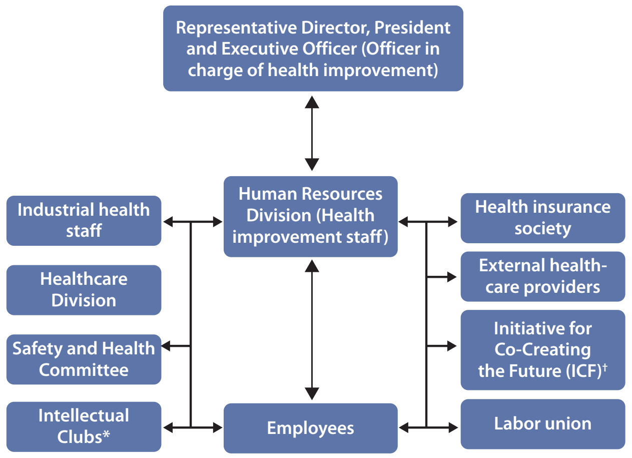
2 Promotion of mental health

- ✓ Training employees to care for their mental health and line managers to guide their team members in doing so
- ✓ Promotion of consultations with public health professionals
- ✓ Counseling for young employees and career-path guidance

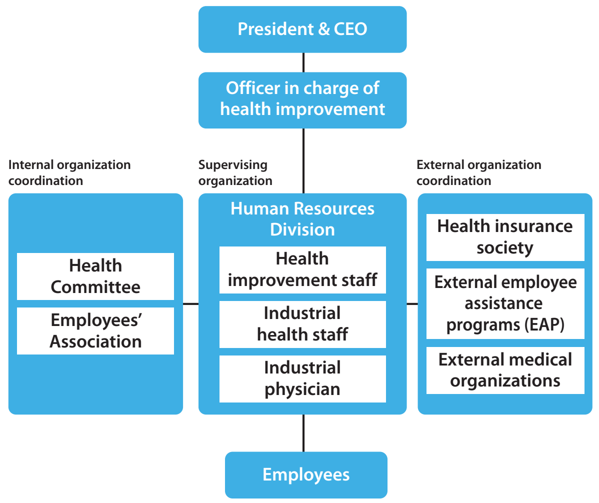
3 Improvement of work–life balance

- ✓ Setting of encouraged paid-leave days
- ✓ Recommendation of taking paid leave, etc.

MRI's health-focused management structure



DCS's health-focused management structure



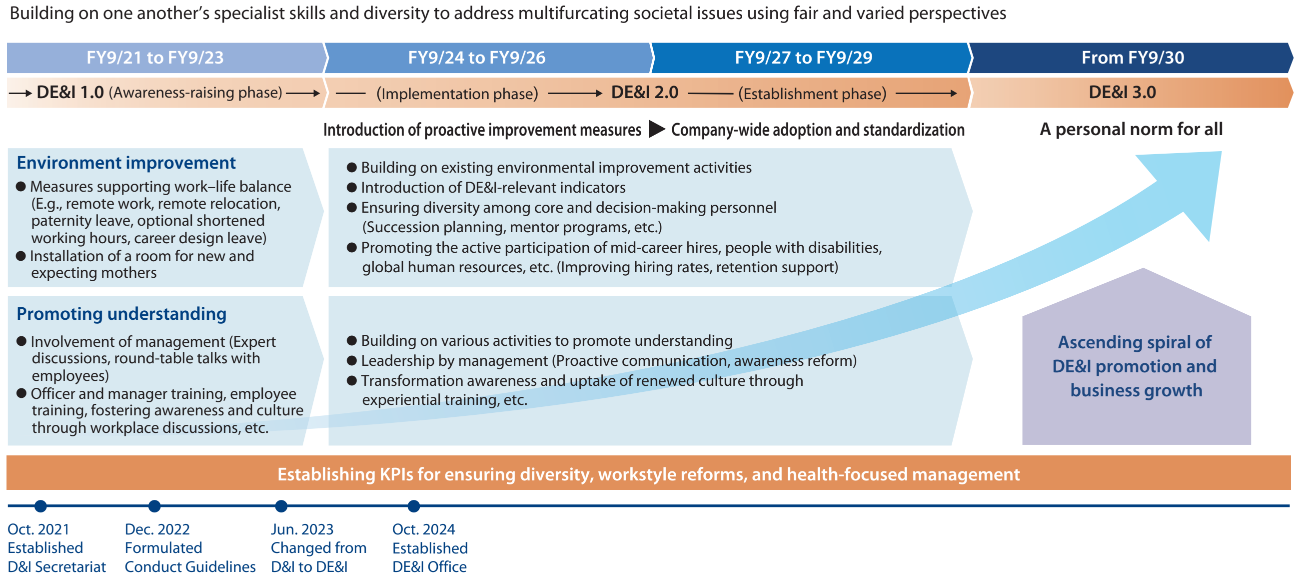
* Employee-led groups that aim to co-create a brighter future through free and open discussion of select topics
† MRI administers this platform to promote collaboration across industry, government, and academia with the aim of resolving societal issues through innovation and business

Policy and initiatives relating to DE&I

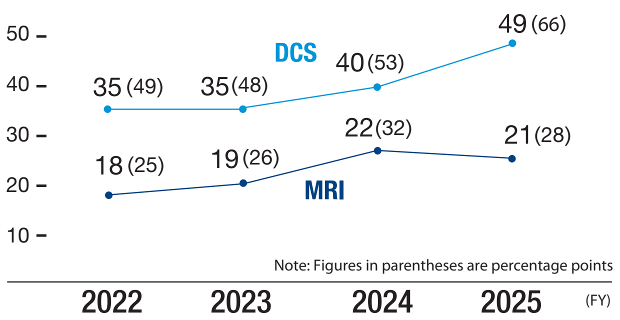
Mitsubishi Research Institute (MRI) runs multiple DE&I programs so that diverse human resources can thrive in their work and create new value for resolving societal issues. We have progressed beyond the initial stage of recognizing the importance of DE&I; we are now working to help employees internalize it as something that applies to them and to put it into practice as a company-wide norm. This will foster a culture where all employees help each other enhance their individual expertise and diversity, regardless of personal attributes. Activities are led by the DE&I Office, whose members are recruited from across the company. The office works to provide a conducive environment, adopt various support measures, and engage in activities to raise awareness and promote understanding that widely reflects employee feedback.

Mitsubishi Research Institute DCS also established a DE&I Office in October 2024. Building a corporate culture of mutual respect, it is working to foster an environment that empowers every individual to thrive. We encourage workstyles that leverage individual qualities, running events, conducting training, and expanding programs centered on the active participation of women and people with disabilities.

Roadmap to normalizing DE&I concepts (MRI)



Growth in the number of people with disabilities hired



Note: Figures in parentheses are percentage points

Poster promoting DE&I-oriented actions among employees

Policy and initiatives relating to human rights

The Group has established a Code of Conduct with a clear commitment to respect for human rights, declaring: "We reject all forms of discrimination and harassment, in keeping with our respect for human rights and diversity." In line with this, we have established a Human Rights Policy that we communicate both internally and externally. We abide by applicable laws and regulations in each country and region where we conduct business activities.

Mitsubishi Research Institute is a member of the Mitsubishi Group's committee on human rights, which consists of representatives from 21 Mitsubishi Group companies and one committee. Our staff regularly participate in workshops designed to deepen their awareness and understanding of human rights issues. Measures to uphold human rights also include a harassment hotline and training programs to raise awareness.

Initiatives for enhancing engagement and remaining challenges

Both Mitsubishi Research Institute (MRI) and Mitsubishi Research Institute DCS conduct annual engagement surveys to check whether employees' value creation capabilities are being fully utilized in line with human resource strategies. Survey results are shared with line managers to help improve engagement while company-wide trends are shared via the corporate intranet. Findings are also utilized when considering improvements to human-resource policy and programs.

MRI conducts short monthly surveys to monitor factors indicative of employees' health such as office attendance frequency, job satisfaction and enjoyment, perception of difficulty, and productivity changes caused by declining or poor health (presenteeism). These are used as an opportunity for line managers and employees themselves to identify changes in employees' mental and physical condition. Regularly implementing these surveys helps us create an organizational culture where personnel can be comfortable in communicating at any time about what their underlying factors are, how to stay in good condition, and how to recover from poor condition.

We also provide opportunities for employees and management to communicate directly, such as engagement talks and town hall meetings. We aim to deepen mutual trust and understanding while also facilitating flexible insights and empathy for diverse values through dialogue and interaction with and among employees of different backgrounds, from different organizational units, and in various positions.

At DCS, we are enhancing engagement across three areas: the company and our work, management, and the workplace. For the company and our work, the goal is to realize our corporate philosophy by deepening communication between employees and management. We foster company-wide solidarity by effectively communicating our management strategies and corporate purpose.

For greater management engagement with employees, to get management and employees on the same page about where the company is going and what it has set out to achieve. Here, we facilitate opportunities for mutual understanding such as town hall meetings, networking lunches, and engagement talks. For the workplace, we aim to maintain improvements made after the headquarters relocation and to apply them to our other locations. We will do this by continuing to work on issues that emerged after relocating and by creating a comfortable working environment in the Kiba and Chiba offices. Our hope is that this will foster greater job satisfaction.

Outline of MRI Group engagement survey

We analyze variations in employee expectations and experiences in 16 areas, including the working environment, corporate culture, work performance, and human resource development. We also consider and implement specific improvement measures.

For example, MRI's standalone score is 72.4, and compared to the average of all other companies, both expectations and experience are high in most of the 16 areas. However, the recruitment and personnel-assessment areas are at the same level as other companies.

While we have achieved our engagement score target of staying at 70 or above, we will continue to identify issues using detailed analysis and pursue corrective measures.

Engagement Score (FY9/25)

Group-wide score	**73.4** (FY9/24: 72.1)
Average of all other companies	**70.7**

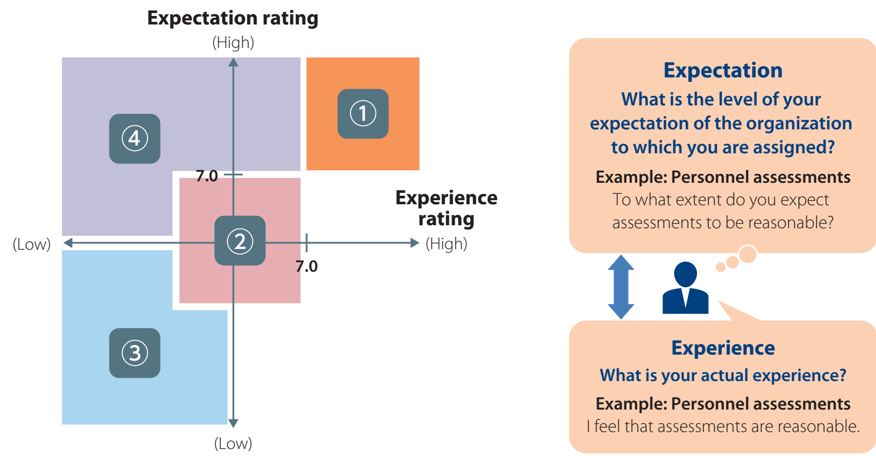
① **EX score*: High**
Expectation–experience rating: Both high
Gap: Small

② **EX score: Somewhat high**
Expectation–experience rating: Both medium
Gap: Small

③ **EX score: Somewhat low**
Expectation–experience rating: Both low
Gap: Mixed

④ **EX score: Low**
Expectation high, experience low
Gap: Large

* EX score: Employee experience score



Environment and Information Security

Approach to social trust foundation

Fulfilling our social responsibility as a corporation is fundamental to realizing a sustainable society. Our ESG initiatives, covering the environmental, social, and governance areas, are the key elements constituting our Group's social trust foundation. We are strengthening these as nonfinancial value while taking on the challenge of pioneering initiatives. In particular, we are expanding the foundation of trust necessary for the Group to sustainably develop business. We are running initiatives that go beyond our own internal ESG efforts. This includes promoting environmental initiatives through our business activities, contributing to information security as a corporate Group responsible for everything up to and including digital transformation implementation, and corporate governance initiatives to sustainably enhance corporate value.

Environment

Reducing environmental impact in business activities and contributing to societal and environmental issues

We aim, through our business activities, to both reduce burdens on the global environment and to contribute to the realization of a sustainable society. We aspire to be a leader in creating an economy that is in harmony with the environment. In our environmental policy, we advocate for intellectual contributions to global environmental conservation, and we practice environmental contribution activities by providing knowledge, including advanced policy proposals concerning the environment.

As a future solution Group, we are expanding products and services that contribute to building a sustainable society and are working to reduce impact on the global environment through diverse environment-related businesses. We are also reducing the environmental impact of our business activities and continually promoting environmental management. In our response to climate change, we have set two indicators, namely greenhouse gas (GHG) emissions and renewable energy ratio, to ensure steady progress in decarbonizing our business operations on the way toward carbon neutrality in 2050. This also serves to address TCFD recommendations (pp. 86–87).

Sharing insights on how to resolve environmental and energy issues

We publish diverse knowledge and information based on the achievements of our projects to promote awareness and understanding of environmental and energy issues and their solutions. These communications are for society as a whole. In our independent research and proposals in particular, our basic stance is to share information grounded in scientific knowledge, and we share insights toward resolving societal issues with stakeholders across a wide range of fields in industry, government, and academia. This content is communicated through our official website and official social media accounts (Facebook, note). We also hold Media Workshops and seminars, advancing initiatives aimed at achieving greater ripple effects.

● Proposals and communications in FY9/25

8 October 2025	Proposal: Watt–Bit Integration—AI-optimized infrastructure for national prosperity
7 August 2025	How can we eliminate major losses from lithium-ion battery fires?
23 July 2025	Proposal: Toward the realization of a self-sustaining circular economy
1 July 2025	Building a circular economy business model to enhance the competitiveness of the manufacturing sector
1 June 2025	What is the Watt–Bit Integration 3.0 concept for contributing to regional development?
1 March 2025	Toward the realization of the new Basic Plan for Food, Agriculture and Rural Areas
20 December 2024	What energy policy should Japan pursue as a practical solution?
1 November 2024	Opportunities for Japan's decarbonization through international collaboration with ASEAN
9 October 2024	Proposal: How sustainability management enhances wellbeing in Japan

Proposal Building a circular economy business model to enhance the competitiveness of the manufacturing sector

Global companies are playing a leading role in initiatives to shift to circular economy (CE) business models in response to geopolitical risks surrounding resources, global warming, and other environmental challenges. Japan's manufacturing sector could become less competitive internationally if companies fall behind in responding to these changes.

We think companies should actually view these changes as an opportunity and leverage them to enhance competitiveness. Manufacturing industries are also known as "arterial industries" to reflect the upstream production side of the economy. We think manufacturing should be the starting point in efforts to accelerate CE.

There are four principles for a CE transition: Regenerate, Narrow, Close, and Slow.* Of these, we have focused on Close and Slow and have identified two key drivers for accelerating the transition from an arterial industry starting point: expanding the use of recycled materials and shifting to CE commerce† business models.

We have shared our proposed pathway to achieve these goals and the role that government should play. CE represents the next growth driver for manufacturing. Companies that prioritize long-term business growth and social responsibility will be key to its realization. With the environment surrounding CE evolving and momentum shifting, now is the time to take the first step.

* Regenerate: Regenerative use of resources; Narrow: Minimizing resource inputs; Close: Recirculating used resources; Slow: Extending the period of use for products and resources, including through CE commerce

† CE commerce is an umbrella term describing business models that promote long-term and efficient use of products

Proposal (Japanese only) https://www.mri.co.jp/knowledge/insight/policy/20250723.html

Transitioning from the current linear economy, which has maximized economic efficiency, to a circular economy requires coordination among stakeholders and technological innovation, but these alone are not sufficient to scale business. Markets will only move, and investment will only follow, when there is demand from customers willing to choose circular resources and services, even at a higher cost. In this report, we demonstrate the existence of such demand through a customer survey and present a concrete pathway to expanding supply and demand that starts with this demand. As resource constraints and geopolitical risks intensify, the transition to a self-sustaining circular economy is assuming ever greater significance. We will continue to publish proposals and research outcomes that support businesses taking the first step.

Jiro Furuki
Policy Research Group, Center for Policy and the Economy

Contributing through multifaceted development of environment and energy business

Policy challenges in the environmental and energy sectors have become increasingly diverse and complex in response to changing times. Issues include addressing pollution, promoting energy conservation, diversifying energy sources, restoring local environments, recycling resources, and global-warming countermeasures. We have been moving forward with support for the formulation and implementation of various policies and strategies while being cognizant of these changes. Furthermore, we are putting our findings and proposals to work, either as a partner on solutions with other firms or by running solutions and services ourselves.

For example, we are expanding into renewable energy projects, acting as a business entity in their operation. We are also running our own electricity–market-analysis platform and optimization-support services for distributed energy resources. As a result, these businesses comprise sales of some ¥6 billion and a workforce of over 170 people. This is an important area for expanding the scale of the Group's service-based business. Currently, we are developing business related to areas such as green transformation for decarbonization, the promotion of circular economies, and reform of the electric power system.

Examples of projects related to energy and the environment (FY9/25)

Global warming countermeasures	☐ Research on certification schemes for corporate emissions reduction targets (Ministry of Economy, Trade and Industry) ☐ Corporate practices in light of trends in climate-related investment and finance: Research and activities to promote adoption (Ministry of Economy, Trade and Industry)
Resources and recycling	☐ Research on building autonomous resource circulation systems through coordination between arterial and venous industries (Ministry of Economy, Trade and Industry) ☐ Study of appropriate treatment measures for lithium storage batteries and related items (Ministry of the Environment)
Energy	☐ Research and analysis to enhance the precision of surcharge unit price calculations under the feed-in tariff scheme for renewable energy (Ministry of Economy, Trade and Industry, Agency for Natural Resources and Energy) ☐ Research on the utilization of distributed energy resources such as batteries to support output control measures (Ministry of Economy, Trade and Industry, Agency for Natural Resources and Energy) ☐ Research on equipment that supports the wider adoption of electricity demand response (Ministry of Economy, Trade and Industry, Agency for Natural Resources and Energy)

Major examples of demonstration projects and service-based businesses related to environment and energy (FY9/25)

Demonstration projects

- ☐ International demonstration project for Japanese technologies contributing to decarbonization and energy transition / Research on the potential for introducing energy-saving technologies for SMEs in ASEAN (NEDO)
- ☐ Green Innovation Fund project / Development of technologies for CO_2 reduction and absorption in the food, agriculture, forestry and fisheries sectors / Survey to support societal implementation of "Establishment of supply and utilization technologies for high-performance biochar" and "Development of seaweed bank technologies to promote blue carbon" (NEDO)
- ☐ Technology development project to ensure flexibility and optimize power systems for integration cost reduction (NEDO Connect & Manage 2.0) / R&D Item 1: Development of flexibility technologies using distributed energy resources (DER), etc. / Development of grid congestion mitigation technologies using charging control of grid storage batteries (NEDO)
- ☐ Development of control technologies for distributed energy resources to mitigate power grid congestion (NEDO)
- ☐ Survey on solutions for challenges related to research and development of lithium-ion battery collection systems under a prize-based program (NEDO)
- ☐ Development of a matching tool for recycled plastics and demonstration of application (Environmental Restoration and Conservation Agency)
- ☐ FY2025: Demonstration project for building resource circulation systems in regional local governments (Ministry of Economy, Trade and Industry)
- ☐ Field demonstration for rice production in Vietnam aimed at climate change mitigation and improved efficiency of fertilizer use (joint project with two other companies)

Service-based businesses

☐ **MERSOL**	A service supporting the operation of distributed energy resources based on our original simulation technology and that provides insights for companies looking to develop businesses using DERs, such as storage batteries
☐ **BlueGrid**	Support for precise and rational planning of transmission and distribution equipment by forecasting DER uptake by region, electricity demand, and resulting power flows
☐ **MPX**	Provision of forward curves derived from Mitsubishi Research Institute's original models that incorporate all data required for wholesale power trading

Actions based on TCFD* recommendations

Governance

Action on climate change is an important focus for the Group. In addition to the reduction of our own carbon footprint, we can also use our knowledge to contribute to the improvement of social value. The president of Mitsubishi Research Institute (MRI) is also our Chief Sustainability Officer (CSO), while the firm's officer in charge of corporate planning coordinates activities as the Sustainability Management Officer.

Policies and measures relating to environmental value are managed by the Sustainable Management Office. Matters requiring deliberations and decisions are raised by the general manager of MRI's Corporate Planning Division. Decisions are made by the Executive Committee, subject to approval by the Sustainability Management Officer, the CSO, and the Management Strategy Committee. The Board of Directors is responsible for oversight of basic sustainability policies, including periodic reviews of progress on plans.

* Taskforce on Climate-Related Financial Disclosures: A taskforce led by the private sector encouraging effective climate-related financial disclosure. TCFD recommendations are international recommendations for promoting such disclosure

Strategy

Addressing climate change, including the realization of a carbon-neutral society, is an important focus for the Group. In addition to the reduction of our own carbon footprint, we can also leverage our research and consulting expertise to contribute to the improvement of social value. We identify climate change risks and opportunities and use scenario analysis to assess their financial impact on the Group.

Specifically, we analyzed the financial impacts for 2030 under two scenarios: one for a 1.5°C rise in temperature and another for 4°C. The former assumes that stringent measures will be implemented, including carbon taxes and environmental regulations, and that society as a whole will work actively to counter climate change. The latter assumes that no stringent measures are introduced and that both the severity and frequency of natural disasters will increase.

Assessment of the financial impact of climate change on the Group

Scenario	Major risks and opportunities		Timeline for emergence*	Financial impact†	Assessment of risks, opportunities, and financial impacts
1.5°C scenario	Risks	Introduction of carbon pricing‡	Medium to long term	Small	● We considered the risk of rising costs for the Group in the event a carbon tax is imposed due to the introduction of a carbon pricing system in Japan ● We evaluated the impact on operating profit and loss by applying a carbon tax to our residual GHG emissions (scope 1, 2) forecasted for 2030. The carbon tax level is assumed to be 70–140 USD/tCO_2e (IEA NZE2050 developed-country carbon-tax price)§
		Rising electricity rates	Medium to long term	Small	● We considered the risk of electricity rate increases due to the shift to non-fossil electricity sources as the Japanese government aims to reduce greenhouse gas emissions by 46% compared to fiscal 2013 on the way toward fiscal 2030 ● We considered a rise of about 7–30% in light of our analysis of past electricity price trends, based on the IEA WEO 2018 forecast
		Reputation risk	Short term	Small	● We considered the risk of a decrease in orders from damaged reputation from major problems in our climate-change-related disclosure or significantly inadequate work on initiatives such as the Group's efforts to suppress its own global warming gas emissions and achieve renewable energy introduction targets ● We particularly considered the risk of a revenue downturn in areas such as research, analysis, and consulting related to the pursuit of carbon neutrality
	Oppor-tunities	Demand for consulting and system services could increase due to growing interest in mitigation	Short to medium term	Small to medium	● We considered an increase in sustainability-related business opportunities in various industries as society's decarbonization efforts accelerate ● We set growth-case and standard-case rates for sales growth in mitigation-related projects, forecast sales in 2030, and evaluated the impact on operating profit and loss
4.0°C scenario	Risks	Economic stagnation due to intensifying wind and flood damage	Short term	Small	● We considered the risk that the Group would receive fewer business orders if severe disasters, such as major typhoons, were to cause an economic downturn affecting all of society ● Referring to the relationship between past and ongoing economic crises (e.g., the 2007–2008 financial crisis and the covid pandemic) and the GDP growth rate, we calculated the risk of a downturn in sales by applying a certain ratio to our sales forecasted for 2030, then evaluated the impact on operating profit and loss
	Oppor-tunities	Demand for consultation and system services could increase due to growing interest	Short to medium term	Small	● We considered the potential increases in business opportunities for the Group in the area of adaptation-related projects amid the growing severity and frequency of natural disasters. Such projects might include disaster-preparedness initiatives, infrastructure strengthening, and risk management ● We set growth case and standard case rates for sales growth in adaptation-related projects, forecasted sales in 2030, and evaluated the impact on operating profit and loss

* Timelines are defined as follows
Short-term: Up to FY9/26 (the period for environmental targets and business plans under MP2026)
Medium-term: Up to FY9/30 (the milestone year for environment targets for the achievement of carbon neutrality by 2050 under the Sixth Strategic Energy Plan)
Long-term: Up to FY9/50 (the target year for the achievement of carbon neutrality)

† Operating profit in 2030 is taken as 100, and the ratio of financial impact of each item is classified as small from 0% to less than 3%, medium from 3% to less than 10%, and large at 10% or greater (absolute values)

‡ Our assessment of the impact of carbon pricing in relation to the main risks and opportunities for the Group is limited to the direct effect of the introduction of a carbon tax on profit and loss

§ The Group has conducted the following original analysis on the outlook for domestic carbon taxes. The assumptions used in the above financial impact assessment are set conservatively
https://www.mri.co.jp/en/knowledge/article/20250411.html

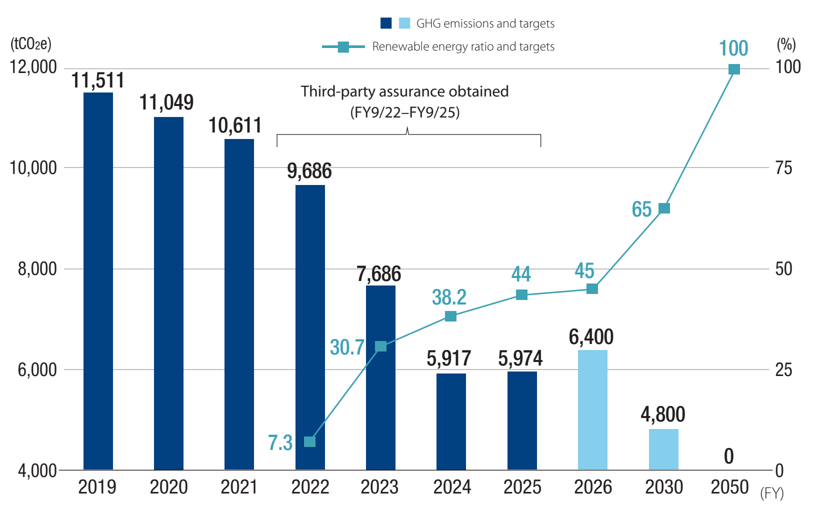
Risk management

Our Group utilizes its proprietary comprehensive risk management system ARMS (p. 100) to identify risk signals and conduct risk management in emergencies. Risk signals identified throughout the company via ARMS are reported monthly by the Risk Management Division to the Executive Committee. In addition, the Internal Control and Risk Management Committee, chaired by the president, is held four times a year. Here, summaries, annual policies, and plans are reported to the Executive Committee at least once a year before being reported to the Board of Directors. Risks related to climate change are managed in an integrated manner through ARMS. This is based on evaluations in line with the TCFD framework by the Sustainable Management Office, which is responsible for sustainability management, in addition to centralized system management through ARMS. Risks and opportunities are reported to the Risk Management Division and managed through ARMS.

Indicators and targets

We have set two indicators to make sure the Group is on track for carbon neutrality by 2050: GHG emissions and renewable-energy ratio. These are linked to a portion of directors' executive compensation. In FY9/25, we expanded the scope of our GHG emissions calculations to include all domestic consolidated subsidiaries, but we still achieved our targets by promoting various measures such as the use of renewable energy, investment in renewal of energy-saving equipment, and workstyle reforms. Our GHG emissions were 5,974 tCO_2e and the renewable energy ratio reached 44%. We will continue to aim for emissions reductions toward achieving carbon neutrality by 2050.

● GHG emissions (scope 1 and 2) and renewable energy ratio progress and targets



Initiatives for scope 3 calculation

In FY9/24, we began calculating our scope 3 GHG emissions and obtained third-party assurance. For FY9/25, the target categories are 1 through 7 as shown below. Going forward, we will sequentially expand the target categories to comprehensively ascertain and reduce GHG emissions associated with our value chain.

● FY9/25 GHG emissions
(Scope 3, third-party assurance obtained)

Category		Emissions ($t\text{-}CO_2e$)
1	Purchased goods and services	62,240
2	Capital goods	11,156
3	Fuel- and energy-related activities (Not included in scope 1 or scope 2)	2,612
4	Upstream transportation and distribution	132
5	Waste generated in operations	309
6	Business travel	4,333
7	Employee commuting	937
Total		81,718

Response to TNFD*

Taskforce on Nature-related Financial Disclosures

The Group's core principles include reducing the burden on the global environment and contributing to the sustainable development of society through business activities. In March 2023, we endorsed the philosophy of the Taskforce on Nature-Related Financial Disclosures (TNFD) and joined the TNFD Forum, which consists of companies, government agencies, and academic institutions with specialized knowledge.

To advance the TNFD's guiding principle of transitioning business activities and related financial flows, particularly those closely linked to biodiversity and natural capital, toward a nature-positive† state, we need broader awareness and adoption of this approach across society. We will strive to provide accurate and accessible information and further contribute to the realization of a sustainable society through the development of frameworks for nature-related financial disclosure.

* Taskforce on Nature-Related Financial Disclosures: An international organization that maintains a framework for appropriately assessing and disclosing risks and opportunities related to natural capital and biodiversity

† Nature positive: Through the engagement of society as a whole, halting the loss of nature, reducing future negative impacts, reversing them to create positive outcomes, and restoring and regenerating nature

Information Security

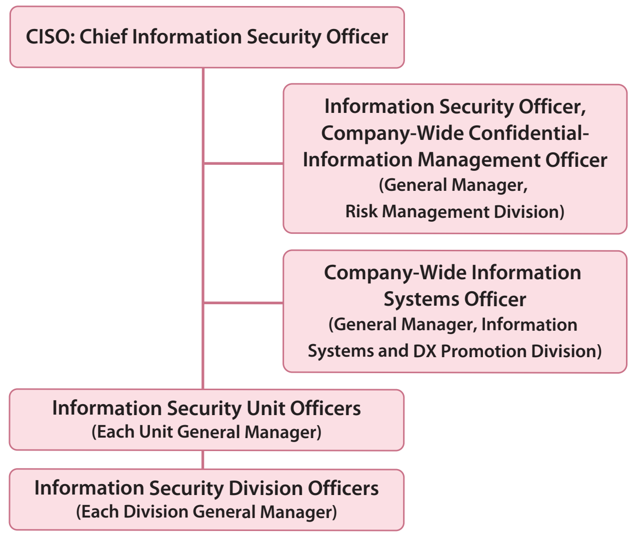
Basic policy

The Group works with extensive information assets, and we have established and publicly released a Basic Information Security Policy. The basic policy comprises five policies for protecting information from threats, guaranteeing confidentiality, ensuring integrity, and assuring availability.

1. **Establish information-security–management structure**
2. **Comply with regulations on information assets**
3. **Implement appropriate information-security measures**
4. **Provide information-security training**
5. **Continually improve information-security management**

Organizational structure for information security

We have established an organizational structure for information security by appointing a Chief Information Security Officer (CISO) at the management level, with officers in charge of each unit and division positioned under their supervision. This structure is supported by the Risk Management Division and the Information Systems and DX Promotion Division, enabling us to respond with agility.



Continuing efforts

We formulate an information security management plan for each fiscal year, manage progress, and continuously promote the following activities:

1 Use of external evaluation standards

We use the CIS Controls Version 8.0 cybersecurity guidelines as our evaluation standard, and by conducting quantitative evaluations from a third-party perspective, we ensure the trust of our external stakeholders in our information security.

2 Regular IT-BCP drills

We regularly conduct Information Technology Business Continuity Planning (IT-BCP) drills to ensure early recovery and maintenance of IT systems during disasters and cyberattacks. In FY9/25, we conducted a drill simulating a ransomware infection based on a scenario reflecting damage also seen in Japan, including cases where companies were forced to suspend operations.

Within our company, there are operations that cannot tolerate delays due to factors such as legal requirements and contracts with clients. We analyze the risks and impacts to our business of infections in resources that these operations depend on and that could become bottlenecks. Through this, we have clarified the preventive measures that should be ensured. Also, the Risk Management Division and the Information Systems and DX Promotion Division jointly formulate recovery plans for insufficient resources to reduce wasteful resource allocation. In addition to these measures, on the technical side, MRI uses DCS's data centers.

3 Targeted email attack drills

Targeted email attacks are becoming increasingly difficult to identify from message content alone due to the increased use of generative AI and the shift to multi-channel approaches. In response to these evolving attack trends, we conduct regular targeted email attack response drills for all users and are advancing DMARC implementation.

We will establish oversight and executive systems suited to the environment as we make governance more effective

Takashi Morisaki
Chairman of the Board

Governance to suit evolving business environment

Our business environment is at a major inflection point amid the rapid advance of generative AI, instability in the international order, and structural changes in the Japanese economy. Generative AI is sparking unprecedented changes due to the speed of technological development and impact on society, and is transforming the very way MRI carries out research and business activities. We are aware of the need to clarify which aspects of governance to keep and which to rethink. It is important to enhance arrangements to be highly effective in the unfolding environment.

Boosting Board effectiveness

We see Board of Directors effectiveness as the heart of governance. Third-party evaluations consistently rate our board effectiveness, especially the quality of discussions, highly. This is due to forthright commentary by outside directors and auditors and constructive observations based on their expertise. These external experts promote multifaceted discussions by spelling out in-depth opinions on our business and strategies from their unique perspectives. The result is the better business decisions and enhanced supervisory functions demanded of a Board of Directors. We will continue to boost the effectiveness of our Board via such means.

Our voluntary Governance Advisory Committee plays a central role in succession planning. It is akin to a nomination and remuneration committee in a company with a nominating committee. It clarifies requirements for top management and has systematic processes for the selection of candidates, such as interviews with external members. Such forward-looking planned initiatives enable us to choose the next generation of management in a transparent, acceptable manner, ensuring the continuity and stability of our management.

Strengthening governance for new business strategies

In the next medium-term business plan, which is currently under development, we are working to craft fresh business strategies that will generate a virtuous cycle of nonfinancial, social, and financial value—a company strength. We are investing in and training people, our greatest asset, running research and business activities in concert with generative AI, and obtaining expertise in diverse disciplines needed by directors to systematically strengthen governance.

We wear the mantle of a company that resolves societal issues, and view changes to the operating environment as growth opportunities. Building governance arrangements that anticipate such changes will enable us to resolve societal issues and enhance corporate value, fulfilling the hopes of a wide range of stakeholders.

A proactive, discerning approach as a pioneer in the solution of societal issues

Mariko Bando
Outside Director

Japan: A leader in societal issues

Japan is said to be a leader in societal issues. It not only has many challenges, but confronts those that lie ahead for many countries and societies.

The greater the struggle with a challenge, the greater the energy for innovation and motivation. In this sense, Japan is a pioneer, after more than three decades of difficulty.

Take the ageing population, for example. Japan already has a world-leading share of senior citizens, with 30% of the population aged 65 or over. This led to many societal issues such as depopulation and economic stagnation. A similar situation is rapidly unfolding in other East Asian countries.

Others are watching to see how Japan redesigns social security to be sustainable and effective; makes best use of AI; empowers healthy seniors to contribute to society; and supports unmarried people to ease the impact of the low birth rate.

Leading the world in resolving societal issues

In addition to proposing solutions for societal issues in the domestic market, I hope Mitsubishi Research Institute will deploy them to countries that will such confront challenges somewhat later. What sort of approach is necessary, then?

During the Meiji Restoration (1868) and after World War II, Japan looked to Europe and the US when designing new social institutions. It is now Japan's turn to put forward proposals. I truly hope we can develop international networks.

In the 19th and 20th centuries, the Japanese government's role was to learn from and implement best practices from overseas, but that era is over.

Acting as a talent appraiser

These days, companies and local governments are undertaking a range of initiatives, with many failures and successes. There is a chaotic mix of (good and bad) nascent initiatives, but who can discern the difference? Very few people have the ability to uncover potential winners and give them a chance to develop. I sincerely wish that Mitsubishi Research Institute can play the role of talent appraiser and curator.

It behooves each and every one of our people to hone their ability to unearth challenges, empathize with those who are struggling, and, above all, maintain their long-term perspective and drive.

Approach to corporate governance

Our basic corporate governance policy is to ensure proper execution of business activities, based on our management philosophy of sustainably improving corporate value—the aggregate of social, client, shareholder, and employee value.

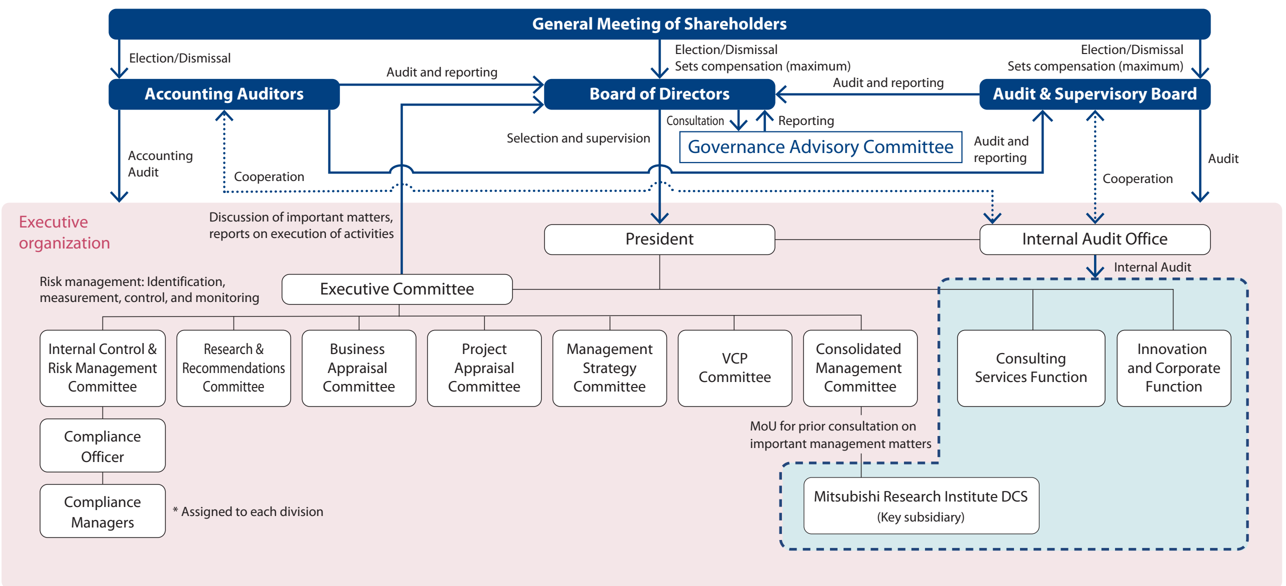
Corporate governance structure

We have constructed a highly effective governance structure as a company with a board of auditors. This was enabled by the close cooperation of the Board of Directors, most of whom are outside directors, and the Audit & Supervisory Board, most of whom are outside members. Outside directors attend meetings of the Board of Directors and Governance Advisory Committee, provide management advice from a neutral and objective perspective, and supervise the execution of duties.

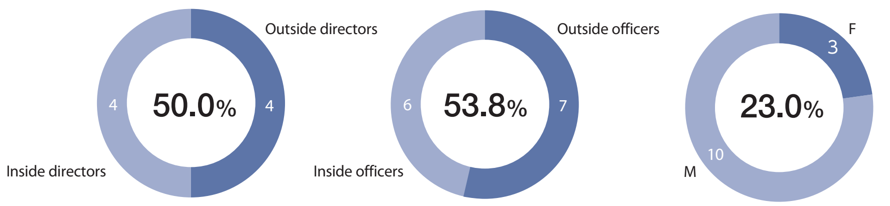
At meetings of the Board of Directors and the Audit & Supervisory Board, Outside Audit & Supervisory Board members provide appropriate supervision with advice from a neutral and objective perspective. Executive officers conduct business as determined by the Executive Committee based on the basic management policy set out by the Board of Directors. There is a clear separation of management decision-making, supervisory, and business-execution functions. Internal committees are consulted before any proposal on important matters is put before the Executive Committee.

The Group, including subsidiaries and affiliates such as major subsidiary Mitsubishi Research Institute DCS, shares a Code of Conduct, Corporate Governance Guidelines, and a System to Ensure Appropriate Operations (Internal Control System). These underpin our common values and ethics.

Corporate governance structure (As of 1 October 2025)



Proportion of outside directors, outside officers, and female officers



Proportion of outside directors | Proportion of outside officers | Proportion of female officers

Skills matrix of directors and corporate auditors

We have identified the following key areas of knowledge and expertise essential for the supervision and support of our business conduct, based on our Guiding Principles—what we should strive to accomplish (Our Mission) and what we aim to fulfill (Our Vision).

Skills	Rationale for inclusion
Business management	We deem business management experience and skills, including knowledge gained via wide-ranging business activities and a track record in rolling out relevant strategies, as essential for directors and Audit & Supervisory Board members as they address societal issues.
Legal affairs, risk management	As a listed company tackling issues previously unresolved, we need to develop and administer compliance structures and maintain appropriate risk management systems so we can respond precisely to problems we encounter.
Financial accounting	The Board of Directors and the Audit & Supervisory Board have a duty to contribute to the continuing improvement of our corporate value. Accurate financial reporting is essential.
Society and policy	Diverse knowledge, logical thinking, and a vision for society's future are essential to our efforts to enhance the value we provide internally and to clients by addressing societal issues in an increasingly complex and difficult environment. We regard experience and skills honed through approaching and tackling a wide gamut of societal issues and specialized knowledge as vital for this process.
Digital technology	We believe that the solution of societal issues in today's environment requires advanced digital technologies. The use of such technologies depends upon experience and specialist skills in the field, in addition to the latest knowledge.
Human resources	People are our key assets. To devise solutions for societal issues, we need to maximize the effectiveness of our workforce by continually enhancing their knowledge in a broad spectrum of fields. We believe that our directors and Audit & Supervisory Board members need diverse experience and specialist knowledge relating to human resource development and education.

Skills of directors and Audit & Supervisory Board members (As of 17 December 2025)

Position	Name	Gender	Principal areas of knowledge and expertise					
			Business management	Legal affairs, risk management	Financial accounting	Society and policy	Digital technology	Human resources
Chairman of the Board	Takashi Morisaki	M	●		●	●		●
Representative Director, President and Executive Officer	Kenji Yabuta	M	●		●	●		●
Representative Director, Executive Vice President and Executive Officer	Yasuteru Hirai	M	●	●	●	●		●
Director, Senior Managing Executive Officer	Yoshihiko Ito	M				●	●	
Outside Director	Mariko Bando	F	●			●		●
Outside Director	Nobuyuki Hirano	M	●	●	●	●		
Outside Director	Seiji Izumisawa	M	●			●	●	●
Outside Director	Satoko Shisai	F				●	●	●
Audit & Supervisory Board Member	Toshiyuki Ogawa	M		●		●		
Audit & Supervisory Board Member	Kazumichi Ito	M		●		●	●	
Outside Audit & Supervisory Board Member	Yutaka Kawakami	M		●	●			●
Outside Audit & Supervisory Board Member	Naomi Koshi	F		●		●		●
Outside Audit & Supervisory Board Member	Shinichi Hirose	M	●	●		●		●

* This is not an exhaustive list of all specialist skills and expertise of our directors and Audit & Supervisory Board members

Board of Directors activities

Mitsubishi Research Institute's Board of Directors has eight directors (including four outside directors). They are authorized to make management decisions and supervise directors' execution of duties. Two of the four outside directors have management experience at other listed companies, one has experience in education, and one has specialist digital-technology knowledge. The Board's structure facilitates decision-making and management supervision informed by its directors' broad-ranging perspectives, experience, and knowledge. The appointment of executive officers and separation of management and execution ensure efficient, accurate decision-making and transparent business execution responsibilities.

In the fiscal year ended September 2025, Mitsubishi Research Institute held ten Board meetings. The main items discussed were as follows.

● Main agenda items at Board of Directors meetings

General meeting of shareholders	○ Convocation matters for annual general shareholders' meeting
Management and business strategy	○ Group business plans and annual budgets ○ Status of individual businesses ○ Reduction of cross-shareholdings ○ Moves to manage conscious of capital cost and share price
Finance and investor relations	○ Quarterly and full-year financial results ○ Interim and year-end dividends ○ Financial plan ○ Cancellation of treasury stock
Organization, human resources, and executive affairs	○ Establishment of organizational units within HQs and appointment of general managers ○ Changes to human resource programs ○ Employee surveys ○ Executive appointments ○ Executive compensation ○ Directors and officers liability insurance contracts
Corporate governance, risk management, and internal controls	○ Operation of whistleblowing and consultation systems ○ Analysis and evaluation of Board effectiveness ○ Advanced Risk Management System (ARMS) ○ Concurrent positions held by directors ○ Internal control system ○ Directors' conflict of interest transactions

Governance Advisory Committee activities

The Governance Advisory Committee is an advisory body for the Board of Directors, and provides input on the appointment, dismissal, and compensation of key executives, such as the chief executive officer (CEO). The committee also provides advice pertaining to analysis and assessment of the Board's effectiveness and deliberates on questions from the Board, to which it reports its findings.

● Members of Governance Advisory Committee

Takashi Morisaki (Chairperson, Chairman of the Board)
Kenji Yabuta
Yasuteru Hirai
Yoshihiko Ito
Mariko Bando
Ken Kobayashi
Nobuyuki Hirano
Seiji Izumisawa
Satoko Shisai

Note: Outside Directors are underlined. Auditors may attend as observers depending on agenda. When deliberating matters regarding the appointment and dismissal of key executives such as the CEO and executive compensation, attendance is limited so that independent outside directors comprise a majority. Mr. Ken Kobayashi retired upon the expiration of his term of office at the end of the 56th General Meeting of Shareholders

● Governance Advisory Committee activities and main agenda items

First meeting (October 2024)	○ Analysis and evaluation of Board of Directors effectiveness
Second meeting (November 2024)	○ Executive compensation for FY9/24 ○ Succession planning for management team
Third meeting (May 2025)	○ Revision of rules for executives ○ Succession planning for management team
Fourth meeting (June 2025)	○ Succession planning for management team
Fifth meeting (September 2025)	○ Succession planning for management team ○ Director and auditor systems

Executive Committee and internal committees

Mitsubishi Research Institute clearly separates management decision-making and supervisory functions from executive functions. This enables the Executive Committee to make decisions and executive officers to carry out duties according to the management policy established by the Board of Directors. In order to improve decision-making, internal committees are consulted before important proposals are put before the Executive Committee.

Name	Objectives and agenda items	Committee chair
Consolidated management committee	● Objectives: To deliberate on and promote the basic policy and matters concerning consolidated management ● Agenda: Group management plans and budgets; strategies in business, sales, human resources, communications, and IR; sustainability management; risk management; and priority matters	**Kenji Yabuta** (Representative Director, President and Executive Officer)
VCP Management Committee	● Objectives: To deliberate on matters concerning VCP strategy and business planning to enhance VCP Management ● Agenda: Overall VCP strategy and priority domains; VCP manager assessment and selection; planning and assessment in individual domains; and other important matters	**Yoshihiko Ito** (Director, Senior Managing Executive Officer)
Management Strategy Committee	● Objectives: To deliberate on matters concerning management strategies and business policy ● Agenda: Management policy, planning, and budgeting; organizational restructuring, office and subsidiary establishment and closure; information-asset strategies, investments, and IT governance; sustainability management; human resources strategy and policy; PR and IR strategies; sales strategies; company-wide reforms; and other management issues	**Kenji Yabuta** (Representative Director, President and Executive Officer)
Project Review Committee	● Objective: To decide whether to accept project orders ● Agenda: Appropriateness of orders for major projects	**Jun Nobe** (Managing Executive Officer)
Business Review Committee	● Objective: To decide whether to engage in new businesses, investments, and business alliances ● Agenda: Appropriateness of new businesses, capital alliances, and business alliances associated with progress in VCP Management	**Jun Nobe** (Managing Executive Officer)
Research & Recommendations Committee	● Objective: Research & recommendations to assist business development ● Agenda: Company-wide policies, promotion strategies, and planning regarding independent research and proposals; implementation planning, budgeting, activity status, and results; and other important relevant matters	**Yasuteru Hirai** (Representative Director, Executive Vice President and Executive Officer)
Internal Control and Risk Management Committee	● Objective: To appropriately carry out internal control and risk management ● Agenda: Internal control system; the establishment and amendment of rules; risk management; and other aspects of internal control and risk management	**Kenji Yabuta** (Representative Director, President and Executive Officer)
Disciplinary committee	● Objective: To deliberate and make decisions on disciplinary action per the work rules in a fair and equitable manner ● Agenda: The establishment and amendment of disciplinary systems and rules; the appropriateness of disciplinary action as set out in the work rules; types of disciplinary action covered by the rules; and compensation for damages	**Yasuteru Hirai** (Representative Director, Executive Vice President and Executive Officer)

Executive compensation system

The Governance Advisory Committee, which advises the Board of Directors, ensures objectivity and transparency in determining executive compensation. Based on the Committee's recommendations, the Board deliberates and determines matters such as the executive compensation policy and rules, and individual compensation amounts.

Mitsubishi Research Institute determines base compensation for executive officers according to their position and responsibilities. Base pay levels are set using survey data from an external specialist agency and compared with those at similar-sized industry peers. This maintains our competitive edge in recruiting personnel.

● Basic Policy Regarding Officer Compensation

- ○ To put into practice a management policy that responds to the mandate of our shareholders, we will have a fair compensation system that motivates officers to execute their duties
- ○ To ensure accountability to our stakeholders, we will decide officer compensation through an appropriate process that guarantees transparency, fairness, and reasonableness
- ○ To secure talented individuals essential for our continued growth, we will aim to set officer compensation at levels that are attractive over the long term

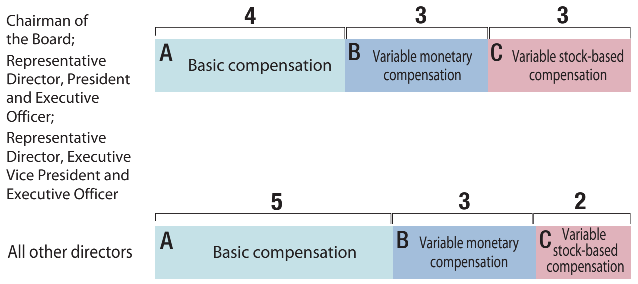
● Compensation system for officers

Basic compensation	Officers are paid monthly monetary compensation according to a table based on the rules of executive compensation, depending on their position and nature of their duties.
Variable monetary compensation	As an annual incentive, directors are paid a bonus amounting to 0% to 150% of the standard amount, reflecting the degree of achievement of consolidated and segment business targets for the fiscal year and their individual performance evaluation.
Variable stock-based compensation	As a longer-term incentive, a payout rate from 0% to 150% of the standard amount is determined each fiscal year reflecting the degree of achievement of consolidated revenue and consolidated operating profit targets, as well as Return on Equity (ROE) and nonfinancial value indicators during the Medium-Term Management Plan period. This amount is converted into points, which accrue over time, and shares corresponding to the accrued points are granted upon retirement.

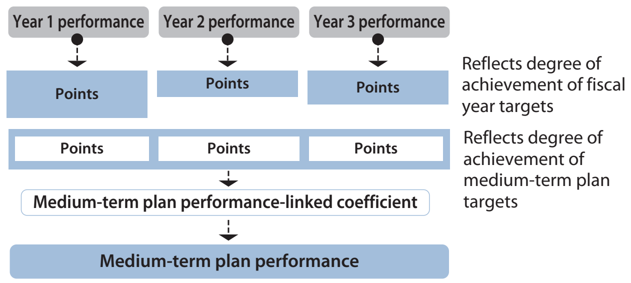
Note: The basic compensation structure is the ratio of compensation components, assuming a standard level of performance achievement for performance-linked compensation and other elements

Compensation for internal directors comprises basic, variable monetary, and variable stock-based components, breaking down to a ratio of 4:3:3 for the Chairman, President, and Vice President and 5:3:2 for other internal directors.

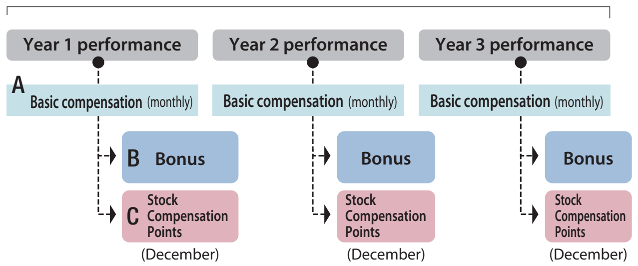
● Structure of executive compensation



● Determination of variable compensation



● Timing of executive compensation payments



Note: 1. Basic compensation is paid in cash as a monthly salary. Variable monetary compensation is paid as a year-end bonus based on the degree of achievement of performance indicators for each fiscal year. Variable stock-based compensation is paid at the end of each fiscal year in the form of stock allocation points, which are granted and accrue based on the level of achievement of performance indicators
2. Cumulative stock issuance points are calculated following the resignation, death, or decision to relocate an eligible employee abroad. Mitsubishi Research Institute shares are issued based on the cumulative number of points

● Breakdown of total compensation for FY9/25

Category	Number	Total compensation (¥mn)	Total compensation by type (¥mn)		
			Basic	Variable	
			Monetary		Stock-based
Directors (Of whom, outside directors)	9 (5)	285 (42)	143 (42)	81 (—)	60 (—)
Audit & Supervisory Board members (Of whom, outside members)	6 (3)	79 (25)	79 (25)	— (—)	— (—)
Total (Of whom, outside officers)	15 (8)	364 (67)	223 (67)	81 (—)	60 (—)

Effectiveness assessments

The Governance Advisory Committee reviews the Board of Directors every fiscal year to improve effectiveness. The Board of Directors then analyzes and evaluates its effectiveness and implements operational improvements.

Assessment method and results

In FY9/25, we conducted a questionnaire-based survey of all directors and Audit & Supervisory Board members concerning the composition, management, and strategies of the Board of Directors, and the oversight of nomination and compensation processes. To ensure objectivity, we used an independent organization to design the survey and carry out the analysis and assessment.

The survey of this fiscal year resulted in positive appraisals, indicating that appropriate oversight is being exercised by the Board, including active debate, progress with efforts to further the management team succession plan, and checks on compliance and risk management. It confirmed that the Board is performing its functions effectively.

Initiatives to resolve issues revealed in the assessment results

While we have been addressing the issues identified in FY9/24, further efforts are required with respect to sustainability themes. In particular, strengthening human capital is a priority given the characteristics of our business. The assessment results reaffirmed the importance of making progress with these initiatives.

Also, from the perspective of further leveraging the monitoring function of the Board, we recognize the need for continued discussions on the composition of the Board of Directors and on initiatives currently underway to strengthen competitiveness and strategy for sustainable growth.

We will continue to target further improvement in the effectiveness of the Board of Directors based on the results of these analyses and assessments.

Approach to cross-shareholdings policy

MRI makes decisions with regard to the holding of listed shares as cross-shareholdings following exhaustive discussions that involve a comprehensive look at medium- to long-term benefits to our business, such as collaboration and complementarity with investees, maintenance and development of transaction relationships, and the nurturing of future businesses, as well as the risks and returns associated with the investments. Shares that are determined to be inappropriate with regard to the objectives of our cross-shareholdings policy are immediately disposed of or reduced as quickly as possible. Moreover, as of 30 September 2025, cross-shareholdings account for 8% of our consolidated net assets.

The Board of Directors regularly reviews factors such as the business status of investees as well as the risk and returns of investments with regard to our cross-shareholdings policy. It also investigates medium- to long-term economic rationality and future prospects.

Officers (As of 17 December 2025)

Directors

Name		Position and responsibilities	Attendance at Board of Directors meetings (FY9/25)	Principal positions to date
Takashi Morisaki		Chairman of the Board	100% (10/10)	**Career summary** ● Joined Mitsubishi Bank, Ltd. in April 1978. Held various posts, including Deputy President, at Bank of Tokyo-Mitsubishi UFJ, Ltd. before becoming Executive Vice President and Executive Officer of Mitsubishi Research Institute, Inc. in October 2016. Became President and Representative Director of Mitsubishi Research Institute, Inc. in December 2016 and Chairman of the Board in December 2021 (current)
Kenji Yabuta		Representative Director, President and Executive Officer, Officer in Charge of Internal Audit Department	100% (10/10)	**Career summary** ● Joined Mitsubishi Bank, Ltd. in April 1983. Held various posts, including Director and Deputy President, at MUFG Bank, Ltd. before becoming Executive Vice President and Executive Officer of Mitsubishi Research Institute, Inc. in October 2021, President and Representative Director in December 2021, and Representative Director, President and Executive Officer in December 2025 (current)
Yasuteru Hirai		Representative Director, Executive Vice President and Executive Officer, Officer in Charge of Think Tank and Business Strategy	100% (10/10)	**Career summary** ● Joined Mitsubishi Corporation in April 1984. Held various posts, including Executive Vice President, Corporate Functional Officer, and Director before becoming Executive Vice President, Executive Officer, and General Manager of the Corporate Administration Unit of Mitsubishi Research Institute, Inc. in October 2023, Executive Vice President, Representative Director in December 2023, and Representative Director, Executive Vice President and Executive Officer in December 2025 (current)
Yoshihiko Ito		Director, Senior Managing Executive Officer, Officer in Charge of Consulting Service, Officer in Charge of VCP	100% (10/10)	**Career summary** ● Joined Mitsubishi Research Institute, Inc. in April 1992. Became Executive Officer and General Manager of the Social ICT Innovation Division and Managing Executive Officer and General Manager of the Digital Transformation Unit before becoming Managing Director and General Manager of the Digital Innovation Unit in December 2023 (until September 2025), Senior Managing Director in October 2024, and Director, Senior Managing Executive Officer in December 2025 (current)
Mariko Bando		Outside Director, Independent Officer	100% (10/10)	**Career summary** ● Director General of Gender Equality Bureau, Cabinet Office in January 2001. Chancellor (Rijicho) of Showa Women's University in April 2014. Chancellor (Socho) of Showa Women's University in July 2016 (current). Outside Director of Mitsubishi Research Institute, Inc. in December 2019 (current) **Principal concurrent positions** ● Chancellor of Showa Women's University, External Director of Itoki Corporation
Nobuyuki Hirano		Outside Director, Independent Officer	100% (10/10)	**Career summary** ● President of Bank of Tokyo-Mitsubishi UFJ, Ltd. in April 2012. President of Mitsubishi UFJ Financial Group, Inc. in April 2013. Executive Corporate Advisor of MUFG Bank, Ltd. in April 2021 (current). Outside Director of Mitsubishi Research Institute, Inc. in December 2021 (current) **Principal concurrent positions** ● Executive Corporate Advisor of MUFG Bank, Ltd., Outside Director of Mitsubishi Heavy Industries, Ltd.
Seiji Izumisawa		Outside Director, Independent Officer	100% (10/10)	**Career summary** ● President & CEO, CSO of Mitsubishi Heavy Industries, Ltd. in April 2019. President & CEO of Mitsubishi Heavy Industries, Ltd. in April 2020. Outside Director of Mitsubishi Research Institute, Inc. in December 2022 (current). Chairman of the Board, Mitsubishi Heavy Industries, Ltd. in April 2025 (current) **Principal concurrent positions** ● Chairman of the Board of Mitsubishi Heavy Industries, Ltd.
Satoko Shisai		Outside Director, Independent Officer	100% (10/10)	**Career summary** ● Vice President in charge of Government Office Systems, Enterprise Business of IBM Japan, Ltd. in January 2018. Executive Vice President and Head of the Digital Transformation Unit of Chugai Pharmaceutical Co., Ltd. in April 2022. Outside Director of Mitsubishi Research Institute, Inc. in December 2023 (current). President of Aishis Consulting, Inc. in April 2024 (current) **Principal concurrent positions** ● President of Aishis Consulting, Inc., Outside Director of Nippon Yusen Kaisha, and Outside Director of Nisshin OilliO Group, Ltd.

Audit & Supervisory Board members

Name		Position and responsibilities	Attendance at Board of Directors meetings (FY9/25)	Principal positions to date
Toshiyuki Ogawa		Audit & Supervisory Board Member	100% (10/10)	**Career summary** ● Joined Mitsubishi Research Institute, Inc. in April 1986. Held various posts, including General Manager of the Social System Research Division, General Manager of the Corporate Planning Division, President of MRI Research Associates, Inc., and General Manager of the Policy Consulting Unit, and Audit & Supervisory Board Member in December 2022 (current)
Kazumichi Ito		Audit & Supervisory Board Member	100% (10/10)	**Career summary** ● Joined Mitsubishi Research Institute, Inc. in April 1987. Held various posts, including General Manager of the Environment and Energy Research Division, General Manager of the Corporate Planning Division, General Manager of the Human Resources Division, General Manager of the Risk Management and Compliance Division, Executive Officer, Research Fellow, and General Manager of the Center for Advanced Technology, and Audit & Supervisory Board Member in December 2024 (current)
Yutaka Kawakami		Outside Audit & Supervisory Board Member, Independent Officer	100% (10/10)	**Career summary** ● Partner of Tohmatsu & Co. (now Deloitte Touche Tohmatsu LLC) in June 1990. Member of Management Council, General Manager of Human Resources Department of Deloitte Touche Tohmatsu in June 2007. Retired from Deloitte Touche Tohmatsu LLC in September 2016. Outside Audit & Supervisory Board Member of Mitsubishi Research Institute, Inc. in December 2020 (current) **Principal concurrent positions** ● —
Naomi Koshi		Outside Audit & Supervisory Board Member, Independent Officer	90% (9/10)	**Career summary** ● Attorney with Nishimura & Partners (now Nishimura & Asahi) in October 2002. Mayor of Otsu City in January 2012. Partner Lawyer of Miura & Partners in September 2020 (current), Co-Founder and CEO of OnBoard K.K. in February 2021 (current), Outside Audit & Supervisory Board Member of Mitsubishi Research Institute, Inc. in December 2023 (current) **Principal concurrent positions** ● Partner Lawyer of Miura & Partners, Co-Founder and CEO of OnBoard K.K., External Director of SoftBank Corp.
Shinichi Hirose		Outside Audit & Supervisory Board Member, Independent Officer	—	**Career summary** ● President & Chief Executive Officer of Tokio Marine & Nichido Fire Insurance Co., Ltd. in April 2019. Chairman of the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd. in April 2024 (current), Outside Audit & Supervisory Board Member of Mitsubishi Research Institute, Inc. in December 2025 (current) **Principal concurrent positions** ● Chairman of the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd.

Executive officers

Kenji Yabuta*	Representative Director, President and Executive Officer, Officer in Charge of Internal Audit Department
Yasuteru Hirai*	Representative Director, Executive Vice President and Executive Officer, Officer in Charge of Think Tank and Business Strategy
Seiichiro Akita	Executive Vice President and Executive Officer, Officer in Charge of External Relations
Yoshihiko Ito*	Director, Senior Managing Executive Officer, Officer in Charge of Consulting Service, Officer in Charge of VCP
Jun Nobe	Managing Executive Officer, Officer in Charge of Corporate Planning (General Affairs and Human Resources) Officer in Charge of Corporate Planning
Hirofumi Suzuki	Executive Officer, General Manager (Public Policy Unit)
Takashi Inoue	Executive Officer, Officer in Charge of General Affairs and Human Resources, President and Representative Director (MRI Business, Inc.)
Tatsuya Nakabushi	Executive Officer, Special Manager (Corporate Planning, General Affairs and Human Resources)
Tomoyuki Takahashi	Executive Officer, Officer in Charge of External Relations
Tetsuya Hanyu	Executive Officer, President and Representative Director (MRI Research Associates, Inc.)
Minoru Sonoyama	Executive Officer, Officer in Charge of Independent Research and Proposals
Takahisa Maema	Executive Officer, General Manager (AI Co-Creation Center)
Yumiko Yoshiike	Executive Officer, General Manager (Human Resources Division)
Shoji Kimoto	Executive Officer, Managing Director (Mitsubishi Research Institute DCS Co., Ltd.), Chairman of the Board (MRI Value Consulting & Solutions Co., Ltd.)
Keitaro Tanaka	Executive Officer, Officer in Charge of Business Strategy, General Manager (Planning and Administration Office, Innovation and Corporate Function), General Manager (Strategy Planning Division)
Koichiro Uozumi	Executive Officer, General Manager (Management and Digital Transformation Unit)

*Also serves as a director

Research fellows

Hiroshi Komiyama	Chairman of the Institute
Yoko Takeda	Senior Research Fellow (Company-wide research and proposals, internal guidance)
Kazuo Hiyane	Research Fellow (Company-wide research and proposals, internal guidance)
Kimio Inagaki	Research Fellow (Company-wide research and proposals, internal guidance)
Seiichi Ibaraki	Research Fellow (Company-wide research and proposals, internal guidance)

■ Independence Criteria of Outside Officers:

Mitsubishi Research Institute (MRI) regards outside directors and Outside Audit & Supervisory Board members as independent if they do not fall under any of the following categories.

Specific Standards for Determining Independence:

1) Major business partners
   a) Persons for whom MRI or its subsidiaries are major business partners, or individuals who execute business for such persons
   b) Persons who are major business partners of MRI, or individuals who execute business for such persons

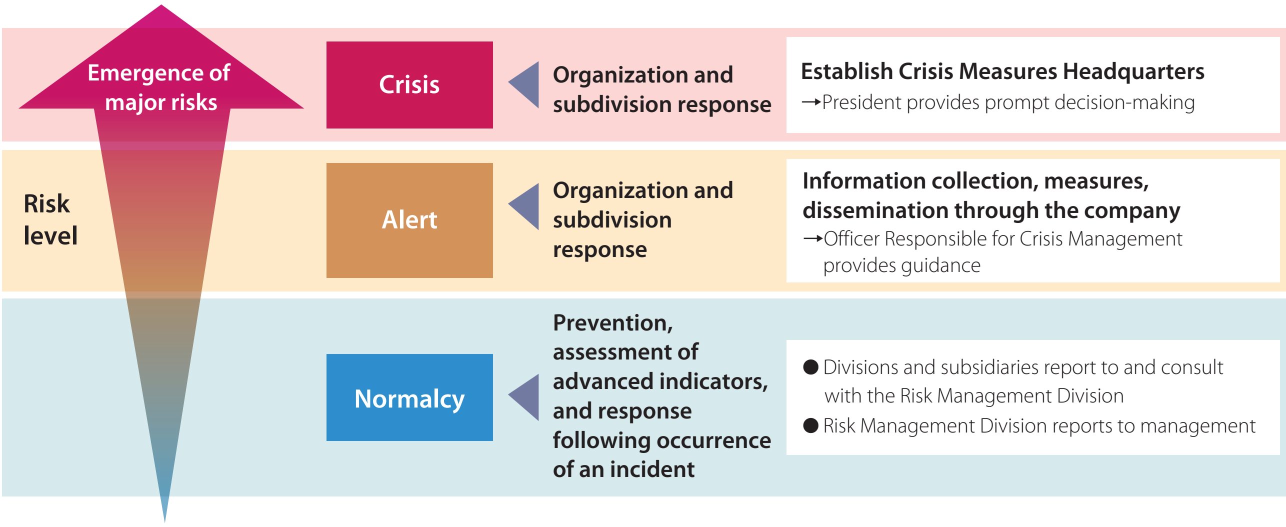
2) Experts
   Consultants, accounting professionals, or legal professionals who receive substantial monetary or other property-based benefits from MRI other than executive compensation
   (If the recipient of such benefits is a corporation, partnership, or other organization, this refers to individuals belonging to that organization)

3) Relatives of any of the following persons (excluding those of minor significance):
   a) Persons falling under (1) or (2) above
   b) Persons who execute business for subsidiaries of MRI
   c) Persons who have recently executed business for b) above or MRI

Risk management

Mitsubishi Research Institute (MRI) utilizes its proprietary comprehensive risk management system, ARMS (Advanced Risk Management System), to build a PDCA cycle that quickly and smoothly covers everything from identifying and assessing risks to identifying warning signs, implementing countermeasures, and reviewing policies and measures based on the knowledge gained, for the purpose of reducing risks in its business.

In the unlikely event of a crisis situation, the Risk Management Division coordinates timely and appropriate action. When an alert is in force, as defined in the rules, or when a situation that can be classified as an emergency has occurred, there will be an immediate transition to a crisis response mode under the leadership of the director in charge or the president.



Risk area	Details of risks	Examples of responses
Information security	○ Computer virus infection ○ Unauthorized access due to cyber attack ○ Leakage or loss of confidential data or personal information ○ Loss or discredit due to damages	● Security measures covering data and network equipment, vulnerability assessments ● Access control, development of operational rules that include rules for remote work ● Compliance with local laws at overseas offices, adaptation to network environments ● Training for employees and drills based on risk
Project management	○ Addition of unexpected work due to complex needs or changes in business environment ○ Decreased quality due to insufficient management ○ Decreased profitability due to unexpected work or decreased quality ○ Prohibition of anti-competition behavior, assurance of transparency in accounting procedures (public sector projects)	● Creation and utilization of risk check sheet (before taking on order) ● Establishment of project monitoring system and issuance of automatic alerts concerning profitability (during execution) ● Management by project leaders and thorough checks by line managers ● Establishment of internal control system
New businesses	○ Increases in unpopularity, complaints from users, and bug-induced service outage due to increases in new businesses and external partnerships ○ Suspension of business, compensation for damages to and loss of trust from users ○ Responsibility to explain fairness, transparency, and safety in the use of AI	● Decisions based on checking of business forecasts, investment returns, and comprehensive risk factors ● Monitoring of the status of businesses under our New Business Creation Standards ● Formulation and operation of policies and standards for avoiding risks related to AI
Human resources	○ Acquisition of highly specialized, original, and creative human resources in an increasingly tight market of job seekers in Japan and abroad ○ Assurance of opportunities for human resource development and activities in a job market that is becoming more fluid	● Expansion of recruitment centered around mid-career personnel ● Improvement of on-boarding processes, enhancement of training programs ● Implementation of DE&I measures, and maintenance of a comprehensive harassment prevention system ● Enhancement of welfare systems such as childcare support, and development of the working environment
Generative AI	○ Unintentional use of incorrect data due to unreliable answer accuracy ○ Risks of information leakage or copyright infringement due to input of confidential information ○ Effects on company business from loss of work	● Establishment and operation of guidelines for the use of generative AI, detailing precautions and prohibited items ● Aiming for projects related to the latest technologies and topics in order to ensure competitiveness

Advanced Risk Management System: ARMS

Column

Mitsubishi Research Institute (MRI) assesses the various risks associated with the management and businesses of the Group in terms of probability of occurrence and scale of impact. It then selects risks based on the priority of response before thorough investigation and implementation of measures to reduce the probability of such risks.

MRI has identified a total of 12 area-related risks, such as management strategy risks, project execution risks, and compliance risks. It has also identified more than 100 risks that are particular to the firm. All of these risks are managed in a risk register. For the critical risks that require priority response, we create an easy-to-understand risk map that is then shared with company management and line managers. The risk register and risk map are updated annually.

Daily risk management is performed by the firm's divisions, with monthly monitoring of the risk occurrence status, aggregation of risk information, and reporting to the Executive Committee. We also establish key risk indicators to monitor risk and incidents that have occurred in the past. These are a part of our efforts to respond to risks early and prevent them from occurring.

Compliance

We regard compliance as a vital management priority and the foundation for our business activities. We are working to prevent compliance violations throughout the Group. Specifically, compliance managers in each division and subsidiary share information and take necessary actions in collaboration with the Risk Management Division as the coordinating organization. In addition, yearly compliance workshops based on our Code of Conduct are held in each workplace as an opportunity for employees to talk about issues that affect them directly. Officers and employees also participate in e-learning and other continuing education programs.

We have established an internal whistleblowing and advisory system to facilitate the early discovery and mitigation of compliance issues. Every year, we conduct an anonymous questionnaire concerning the system to ascertain awareness and intentions to use the system, which is useful in investigating revisions to the system. Also, by internally sharing messages from the Compliance Officer and information about the results of these activities, we aim to reduce the psychological barriers to whistleblowing and build confidence in the system. In FY9/25, there was a total of 26 reports and requests for advice across the Group. We will continue to take various steps to raise awareness and ensure that people do not commit compliance violations or turn a blind eye to such actions.

Code of Conduct https://www.mri.co.jp/en/sustainability/governance/guideline.html

Company Profile

Mitsubishi Research Institute, Inc.

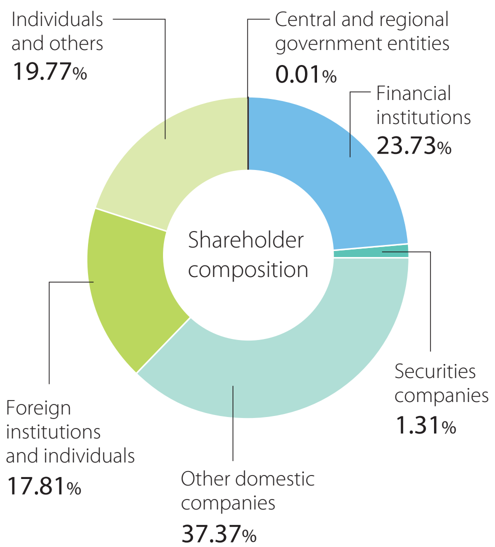
Mitsubishi Research Institute

Head office	10-3, Nagatacho 2-Chome, Chiyoda-ku, Tokyo 100-8141, Japan
Date of establishment	8 May 1970
Representative Directors	Kenji Yabuta, Representative Director, President and Executive Officer Yasuteru Hirai, Representative Director, Executive Vice President and Executive Officer
Chairman of the Institute	Hiroshi Komiyama
Capital stock	6.336 billion yen
Number of employees (As of 30 September 2025)	1,217 (Non-consolidated) 4,695 (Consolidated)
Group companies	Mitsubishi Research Institute DCS Co., Ltd. MRI Business, Inc. MRI Research Associates, Inc. MPX, Inc. MRIA International Inc. MRIV International LLC

Share-related information (As of 30 September 2025)

Authorized shares:	60,000,000
Number of shares issued:	16,044,000
Number of shareholders:	9,123

Shareholder composition



Principal shareholders (Top 11 shareholders)

Name	Number of shares	Shareholding ratio (%)
Master Trust Bank of Japan, Ltd. (Trust account)	1,387,400	8.64
Mitsubishi Corporation	975,076	6.07
Mitsubishi Heavy Industries, Ltd.	975,000	6.07
Mitsubishi Electric Corporation	902,200	5.62
Mitsubishi Research Institute Group Employee Shareholding Association	794,380	4.95
Mitsubishi Chemical Corporation	624,000	3.88
Mitsubishi Materials Corporation	554,600	3.45
MUFG Bank, Ltd.	505,074	3.14
Custody Bank of Japan, Ltd. (Trust account)	453,000	2.82
AGC Inc.	447,500	2.78
Mitsubishi Estate Co., Ltd.	447,500	2.78

Note: The shareholding ratio is calculated after deducting 548 shares of treasury stock. Treasury stock amount excludes 293,619 shares of company stock owned by Board members' compensation BIP trust

Shareholder composition

	Number of shareholders	Composition ratio (%)	Number of shares held, in thousands	Proportion (%)
Central and regional government entities	1	0.01	1	0.01
Financial institutions	17	0.19	3,808	23.73
Securities companies	22	0.24	209	1.31
Other domestic companies	107	1.17	5,995	37.37
Foreign institutions and individuals	185	2.03	2,858	17.81
Individuals and others	8,791	96.36	3,171	19.77
Total	9,123	100.00	16,044	100.00

Note: Share numbers rounded down to the nearest hundred

Mitsubishi Research Institute DCS Co., Ltd.

DCS Mitsubishi Research Institute DCS Co.,Ltd.

Business profile	Mitsubishi Research Institute DCS is a total solutions provider in IT, offering end-to-end services from consulting through to system development and outsourcing in a wide range of fields, including finance, manufacturing, the public sector, and education. The company offers an extensive line-up of quality solutions and services to help address client needs. In recent years, the firm has defined its purpose as "Creating new possibilities for everyday life and business," under which it is actively adopting cutting-edge technologies, including AI and data analytics, and working to create new value.
Head office	5-19, Mita 3-Chome, Minato-ku, Tokyo 108-0073, Japan
Date of establishment	10 July 1970
Representative director	Hiroki Kameda, President & CEO
Capital stock	6.059 billion yen
Number of employees (As of 30 September 2025)	2,573 (Non-consolidated) 3,165 (Consolidated)
Group companies	MD Business Partner Co., Ltd. MRI Value Consulting & Solutions Co., Ltd. IT-One Co., Ltd.

MRI Business, Inc.

MRI MRI Business

Business profile	MRI Business provides outsourcing services to the Group. These span general-corporate and project-specific administrative support as well as the management of facilities, procurement, and human resources matters. The company also offers creative support from document design and event management to video production and merchandise.
Head office	10-3, Nagatacho 2-Chome, Chiyoda-ku, Tokyo 100-0014, Japan
Date of establishment	1 October 1970
Representative director	Takashi Inoue, President and Representative Director
Capital stock	60 million yen
Number of employees	107 (As of 30 September 2025)

MRI Research Associates, Inc.

MRI MRI Research Associates

Business profile	MRI Research Associates' core activities are surveys, analysis, and consulting in fields that include healthcare and long-term care, transportation and telecommunications, the environment and energy, and disaster prevention and safety. Services span data analytics, statistical analysis, and simulation relating to natural and societal phenomena.
Head office	10-3, Nagatacho 2-Chome, Chiyoda-ku, Tokyo 100-0014, Japan
Date of establishment	31 May 1984
Representative director	Tetsuya Hanyu, President and Representative Director
Capital stock	60 million yen
Number of employees	186 (As of 1 October 2025)

MPX, Inc.

MPX

Business profile	In addition to providing a platform for the analysis of wholesale electric power markets, MPX also offers services that include market risk management for electric power businesses and the valuation of renewable energy power sources. It uses original, advanced modeling technology and solutions to support the businesses of its clients.
Head office	9-13, Nihonbashi-Honcho 1-Chome, Chuo-ku, Tokyo 103-0023, Japan
Date of establishment	1 October 2022
Representative director	Gen Arao, President and Representative Director
Capital stock	110 million yen
Number of employees	14 (As of 30 September 2025)

Mitsubishi Research Institute

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