2 Environmental

This section describes Tokio Marine Group's initiatives for the environment.

Promoting Environmental Management

Tokio Marine Group constantly promotes initiatives to reduce its environmental footprint as much as possible. We also strive to attain carbon neutral status that offsets CO_2 emissions derived from business activities by capturing and reducing CO_2 by means of such measures as mangrove planting. Through such efforts, we aim to contribute to the creation of a sustainable future.

Climate-Related Financial Disclosure Based on TCFD Recommendations

This section introduces Tokio Marine Group's basic approach to respond to such social issues as climate change and increasingly severe natural disasters. We also identify the promotion of climate change countermeasures as a material issue (materiality) and disclose climate-related information based on the Task Force on Climate-related Financial Disclosures (TCFD).

Promoting Research on Climate Change and Natural Disaster Risks

With a view toward providing products and services leading to the safety and security of customers and local communities well into the future, Tokio Marine Group has been promoting research on risks concerning climate change and natural disasters through industry-academia collaboration and disseminating information on research outcomes. The Group also collaborates with insurance companies worldwide to engage in multi-stakeholder dialogue aimed at reducing and mitigating the risks placed on economic and social life.

Promoting Disaster Prevention and Mitigation

At Tokio Marine Group, we apply our knowledge gained through research on natural disaster risk and participation in international initiatives to the development of products and services. At the same time, we are promoting activities to disseminate our knowledge on disasters and disaster prevention and mitigation widely throughout society. Even after a disaster, we focus on making swift claims payments and providing services for the early recovery of business operations of companies affected by the disaster.

Preventing Global Warming by Promoting the Development of Clean Energy

In order to prevent damage due to climate change from spreading, Tokio Marine Group is providing products and services that support the development and operation of renewable energy facilities.

Protecting the Global Environment through Products and Services

The Green Gift Project, which involves mangrove planting and environmental protection activities worldwide, is supported by NGOs and NPOs, as well as central and local governments, agents and employee volunteers, and contributes to not only the alleviation of and adaptation to climate change and protection of biodiversity but also the reduction in disaster damage and stability in the lives of people in or near forested areas.

Promoting Activities to Protect the Global Environment

Tokio Marine Group is implementing local and social contribution activities around the world that help protect the environment and biodiversity. These activities emphasize voluntary engagement by employees and tie-ups with NPOs and other groups.

Promoting Environmental Management

Policy and Promotion Structure

◉ What Our Environmental Management Aims for: Corporate Philosophy and Policy

For Tokio Marine Group, promoting environmental management is crucial in implementing our Corporate Philosophy. We believe that working proactively to contribute to the resolution of environmental challenges and create environmental value leads to greater sustainable corporate value for the Group.

Tokio Marine Group states in its Corporate Philosophy, "Acting as a good corporate citizen through fair and responsible management, Tokio Marine Group will broadly contribute to the development of society." In the Tokio Marine Group Sustainability Charter concerning protection of the global environment, "Acknowledging that the protection of the global environment is an important responsibility for all corporate entities, we respect the harmonization with and the improvement of the global environment in all of our activities."

Tokio Marine Group will work to create environmental value in various ways throughout Group business activities.

■ Environmental Philosophy/Environmental Policy of Tokio Marine & Nichido

<Environmental Philosophy>

Adopting the conservation of the global environment as one of its key management policies, Tokio Marine & Nichido recognizes that it is an important responsibility of all humans and companies in the present world to protect the environment. Together with stakeholders, Tokio Marine & Nichido is committed to realizing a society where sustainable development is maintained through the efforts of all employees throughout the entire range of its business activities in order to improve and coexist in harmony with the environment.

<Environmental Policy>

Tokio Marine & Nichido has established the following policies and will make every effort to realize them in all areas of its activities.

1. **Protection of the Global Environment and Preservation of Biological Diversity through the Insurance Business**
   Tokio Marine & Nichido strives to contribute to protection of the global environment and preservation of biological diversity through business operations such as insurance products, claim services, financial services, etc.

2. **Reduction of Environmental Footprint**
   Tokio Marine & Nichido strives to reduce the environmental footprint by recognizing the environmental footprint through consumption of resources and energy and discharge of waste and promoting resource saving, energy saving, lower carbon emissions, resource recycling, harmonization with nature and green purchasing from a viewpoint of the overall value chain.

3. **Compliance with Environmental Laws and Regulations**
   Tokio Marine & Nichido complies with laws and rules of environmental protection and various agreements on environmental protection, which it has entered into.

4. **Continuous Improvement of the Environment and Prevention of Pollution**
   Tokio Marine & Nichido strives to prevent environmental pollution by setting goals and targets, checking and revising its activities and continually improving the environment.

5. **Promotion of Environmental Awareness-Raising and Social Contribution Activities**
   Tokio Marine & Nichido strives to promote environmental protection not only by promoting the dissemination of environmental information, provision of environmental consulting services and environmental awareness-raising and educational activities both internally and externally, but also by promoting local community and social contribution activities as a good corporate citizen.

The above policy will be made well known to and understood by all employees and released to the public. (Revised on July 1, 2015)

◉ Structure for Promoting Environmental Management

Tokio Marine Group has established a dedicated department (Sustainability Division, Corporate Planning Department) at Tokio Marine Holdings to oversee and promote environmental management for the Group. This department identifies challenges related to environmental management and formulates and implements the Group's environmental management strategy. In addition, we have assigned sustainability key persons in each department responsible for sustainability activities at Group companies in Japan and overseas. Sustainability key persons are committed to reducing the environmental footprint associated with our business activities alongside the management team in each Group company. The Sustainability Division, Corporate Planning Department supports efforts to promote environmental management at Group companies through dialogue and cooperation with the sustainability key persons.

At core Group companies such as Tokio Marine & Nichido, we have set up a dedicated department to oversee and promote environmental management (e.g., Sustainability Division, Corporate Planning Department at Tokio Marine & Nichido). A sustainability key person, assigned to each department and branch office to promote sustainability activities, encourages the full participation of employees in environmental management.

Tokio Marine Group performs plan-do-check-act (PDCA) management through our proprietary Green Assist environmental management system, which draws on ISO 14001, and engages in energy conservation and resource conservation activities.

The head office of Tokio Marine & Nichido adopted an environmental management system based on the ISO 14001 environmental management system in fiscal 1999* and is working continuously to achieve environment-related targets. At Group companies in Japan and overseas, we have introduced our unique environmental management system linked to Tokio Marine Holdings and Tokio Marine & Nichido. These Group companies are working to achieve targets set every year, including those related to environmental issues.

* There were no major issues noted in internal auditing or external examination under ISO 14001 and no major violations of environmental laws among Group companies.

◉ Environmental Issues and Initiatives

Tokio Marine Group aims to contribute to the resolution of environmental issues that include alleviation of and adaptation to climate change, preservation of biodiversity and creation of a resource-recycling society and accordingly achieve greater corporate value. With this in mind, we are implementing a variety of initiatives in collaboration with various stakeholders.

In order to contribute to the alleviation of climate change, we are working to reduce the environmental footprint through full employee participation. In addition, we have achieved carbon neutral status for the ninth time in eight consecutive years from fiscal 2013 to fiscal 2020 by planting mangrove trees that provide the benefit of CO_2 absorption and fixation, and through the purchase of green power.

In order to contribute to alleviation of and adaptation to climate change, preservation of biodiversity and creation of a resource-recycling society, we are striving to enhance employees' environmental awareness, conserve energy and boost environmental performance in the buildings we own and reduce paper consumption, among other efforts. We also recognize the issue of environmental pollution by plastic waste, which has become a serious issue in recent years. Accordingly, we have defined a target to reduce the environmental footprint in this area, including the impact of single-use plastic products. Tokio Marine & Nichido is making efforts to eliminate the use of such plastic products at the company cafeteria in its head office. Further, we encourage eco-safe driving, utilize recycled auto parts and support the acquisition of Eco Action 21 certification throughout the value chain.

Initiatives for Promoting Environmental Management

◉ Reducing CO_2 Emissions and Becoming Carbon Neutral

The environmental footprint caused by business activities of Tokio Marine Group is relatively small compared with companies in the manufacturing industry; however, the size of the Group makes it a large consumer of energy. In order to reduce the environmental footprint from our business activities wherever possible, we have positioned initiatives for reducing the environmental footprint as a key issue for the Group. The entire Tokio Marine Group, in Japan and overseas, is making efforts to become carbon neutral* under the following strategic concepts.

1. **Reduce:** Use energy-efficient buildings and facilities and cut back on energy usage.
2. **Switch:** Switch to natural energy.
3. **Offset:** Absorb and fix CO_2 by mangrove planting and the retirement of emissions credits.

* Carbon neutral means that CO_2 emitted in the course of a company's business activities is equivalent to the volume of CO_2 absorbed and reduced by way of mangrove planting, use of natural energy and the retirement of emissions credits by such a company.

■ Promoting Measures against Climate Change toward Becoming Carbon Neutral in 2050

Tokio Marine Holdings has achieved sustainable growth by defining the purpose of its business as "protecting customers and society in times of need" and thus contributing to the resolution of various social issues. In order to accelerate our efforts further to realize a sustainable society amid an environment where social issues are becoming increasingly complex and serious, we have specified areas we will focus on in terms of sustainability based on this purpose in our new mid-term business plan starting from fiscal 2021 and have been working to contribute to the resolution of social issues. Of these sustainability priority areas, we have defined new targets for promoting measures against climate change, which is one of the key issues over the medium to long term.

New targets

1. Reduce greenhouse gas emissions of Tokio Marine Holdings by 60% in fiscal 2030 from the fiscal 2015 level.
2. Use 100% renewable energy for electricity consumed at major bases in fiscal 2030.
3. Replace all company-owned vehicles with electrified vehicles in fiscal 2030 (Tokio Marine & Nichido, Tokio Marine & Nichido Life).

■ Raising Employees' Energy Conservation Awareness

Responding to the calls for energy conservation (in particular, the restraint of electricity consumption during peak periods) following the Great East Japan Earthquake of March 2011, Group companies in Japan have been implementing Summer & Winter Electricity-Saving Measures as an initiative to firmly establish electricity and energy conservation.

Specifically, the companies are making continuous efforts to (1) conserve energy in offices (reducing unneeded light fixtures, placing restrictions on use of OA equipment, copiers and others, which take power from outlets, and thoroughly managing air conditioning (such as setting temperatures in offices to 28°C in summer and 19°C in winter); and (2) review employees' work styles (such as encouraging early morning working hours and promoting casual dress). Further, we are making efforts to curb CO_2 emissions from energy usage, such as by expanding our use of TV/Web conferencing systems and restricting air travel for business (which also reduces costs). In addition, Tokio Marine & Nichido endorses COOL CHOICE, a national campaign that encourages all "smart choices" that contribute to countermeasures for global warming, including for Japan's energy-saving and low-carbon products, services and behavior in order to attain the Japanese government's target of a 46% reduction in greenhouse gas emissions by 2030 compared with fiscal 2013. We are promoting activities to realize a low-carbon society.

■ Purchase of Green Power (Retirement of Emissions Credits)

Tokio Marine Group is promoting the use of natural energy in Japan and overseas. Tokio Marine & Nichido has been continuously purchasing green power of approximately 1 million kWh annually since 2002 through wind power and biomass power generation. In addition, the Tradable Green Power Certificates purchased by the company are being allotted to the reduction of emissions at target sites based on the system regarding emissions trading and the obligation to reduce total emissions of greenhouse gases pursuant to the Ordinance on Environmental Preservation to Secure the Health and Safety of Citizens of the Tokyo Metropolitan Area (Environmental Preservation Ordinance).

U.S.-based Philadelphia Insurance Companies has purchased green power to account for 100% of its electricity use over the year in its business activities and has achieved net zero emissions* since fiscal 2013.

* Net zero emissions are achieved when the net of CO_2 emissions and energy consumed equals zero.

■ CO_2 Emission Reduction Data (Energy Conservation and Reduction in Buildings, Facilities, etc.)

[Tokio Marine Holdings and Major Subsidiaries]

<CO_2 Emission Reduction Target>

- Long-term target (fiscal 2030): -60% (compared with fiscal 2015 level)
- Reduction target in fiscal 2020: -1% compared with previous year

<CO_2 Emissions (Fiscal 2020 Results)>

Fiscal 2020 CO_2 emissions by Tokio Marine Holdings and its major subsidiaries (Scope 1 (direct emissions) + Scope 2 (indirect emissions) + Scope 3 (other indirect emissions)) were 89,894 tons (Japan: 64,548 tons, overseas: 25,345 tons) versus a start-of-year target of 110,060 tons (a 1% reduction year on year), or a 19.1% decrease in emissions compared with the previous fiscal year.

As a result of efforts to steadily reduce CO_2 emissions at Group companies in Japan and overseas, we succeeded in cutting these emissions beyond targets at the Group level. In addition, we have been expanding the coverage of the calculations for Scope 3 since fiscal 2015 in order to meet expectations from society in terms of initiatives to create environmental value by companies.

Sustainability Performance Data (CO_2 emissions from energy sources and CO_2 absorption and fixation (Tokio Marine Holdings and major subsidiaries)) »

[Tokio Marine & Nichido]

<CO_2 Emission Reduction Target>

- Long-term target (fiscal 2050): -60% (compared with fiscal 2006 level)
- Reduction target in fiscal 2020: -1% compared with previous year

Tokio Marine & Nichido, a core operating company of Tokio Marine Group, worked to realize its medium-term target (fiscal 2020) by: (1) reducing energy in its main building and Shinkan building in Marunouchi, Tokyo, and Tama building; (2) monitoring the increase and decrease in energy on a total site basis in line with site reconstruction and transfer plans; (3) implementing energy conservation campaigns in all branches; and (4) increasing energy conservation performance in company-owned cars. In addition, Tokio Marine & Nichido will continue to make efforts to conserve energy in buildings, equipment and company-owned cars from 2022 toward the realization of its long-term target (fiscal 2050).

<CO_2 Emissions (Fiscal 2020 Results)>

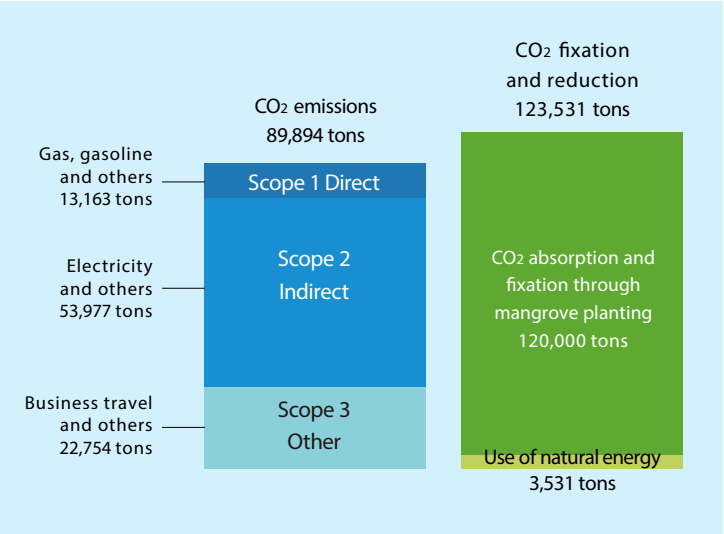
Fiscal 2020 CO_2 emissions by Tokio Marine & Nichido (Scope 1 (direct emissions) + Scope 2 (indirect missions) + Scope 3 (other indirect emissions)) were 49,843 tons versus a start-of-year target of 56,276 tons (a 1% reduction year on year). The percentage of reduction was 12.3% compared with the previous fiscal year, thereby achieving the target. The main cause of this decrease was a reduction in power consumption owing to energy-saving initiatives. Moreover, in order to meet the expectations of society regarding corporate efforts to create environmental value, we expanded the coverage of the calculations for Scope 3 in fiscal 2015.

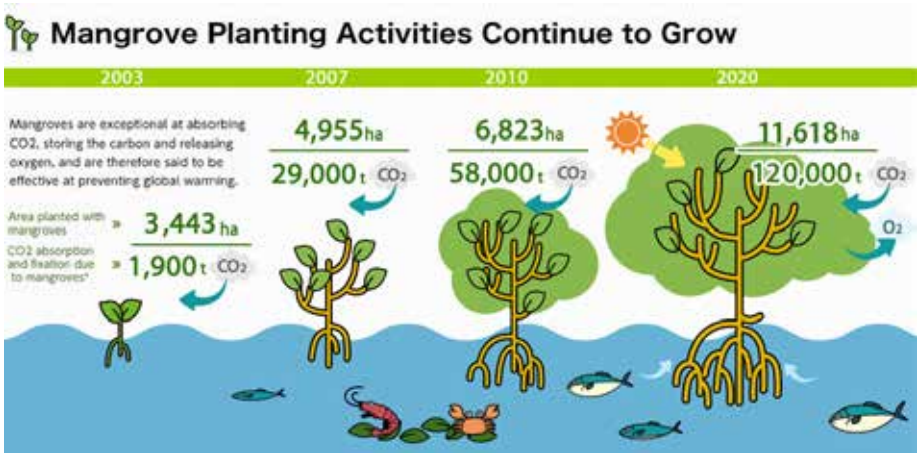
Sustainability Performance Data (CO_2 emissions from energy sources (Tokio Marine & Nichido)) »

Initiatives toward Achieving Carbon Neutral Status through Mangrove Planting (CO_2 Absorption through Mangroves)

Mangrove forests have an effect on the prevention and mitigation of global warming by absorbing and fixing a significant volume of CO_2. Under the concept of "Insurance for the Future of the Earth," Tokio Marine Group has engaged in the Mangrove Planting Project since 1999. As of March 31, 2021, approximately 11,618 hectares of mangrove forest have been planted through this project in nine countries, primarily in Asia. Each Group company strives to reduce the environmental footprint through energy conservation and resource conservation. At the same time, Tokio Marine Group aims to achieve carbon neutral status on a global basis, offsetting the CO_2 emissions generated by its business activities with CO_2 fixation and reduction through means such as mangrove planting and natural energy (green power). Fiscal 2020 CO_2 emissions by Tokio Marine Holdings and its major subsidiaries were 89,894 tons, which was a 19.1% decrease in emissions compared with the previous fiscal year.

The effect of CO_2 fixation and reduction due to mangrove planting, etc., was 123,531 tons and carbon neutral status was achieved for the eighth year in succession for the Group overall (Japan and overseas).





* Information on CO_2 emissions from energy usage and other relevant information are subject to a third-party guarantee by Ernst & Young ShinNihon LLC. Tokio Marine Holdings requested the Central Research Institute of Electric Power Industry (CRIEPI) to evaluate and calculate the amount of CO_2 absorption and fixation through mangrove trees and received the evaluation report. Further, a third-party organization (Ernst & Young ShinNihon LLC) has been requested to implement the agreed-upon procedures in compliance with Practical Guidelines in Specialized Fields 4400, Engagements to Perform Agreed-Upon Procedures (The Japanese Institute of Certified Public Accountants) for part of the data used in the report. As a result, Tokio Marine Group has deemed that the effects of CO_2 absorption and fixation through mangrove planting have been calculated properly.
* The coverage of calculations for Scope 3 (other indirect emissions) was expanded in fiscal 2015.

◉ Reduction of Environmental Footprint in Business Activities

■ Environment-Friendly Buildings and Facilities

Tokio Marine Group is engaged in initiatives* that consider the environment and disaster prevention in buildings and facilities it owns, as appropriate for each structure.

•Facilities investment amount related to energy conservation measures: 632 million yen (fiscal 2020, Tokio Marine & Nichido)

*Upgrading to boilers, high-efficiency lighting fixtures (LED, etc.) and air conditioning, etc.

Tokio Marine & Nichido's Nagoya Tokio Marine & Nichido Building, which was completed in 2013, gives high consideration to the environment with features that include double-glazed window glass and LED lighting throughout the entire building. This building has earned the S-rank, the highest rank under the Comprehensive Assessment System for Building Environmental Efficiency (CASBEE) Nagoya, a building environmental performance evaluation system operated by Nagoya City. This building has secured the top-tier Platinum ranking under the DBJ Green Building Certification System operated jointly by the Development Bank of Japan and Japan Real Estate Institute.

Furthermore, in January 2015 Tokio Marine & Nichido was certified as an excellent Eco-Oriented Business by Nagoya City due to voluntary and proactive efforts to be kind to the environment in its business activities. It also won the 22nd Aichi Machinami Architecture Award in recognition of its contribution to the formation of a pleasant local environment, and in December 2015 won the Outstanding Performance Award for Eco-Oriented Businesses certified by Nagoya City.

In addition, Tokio Marine & Nichido was recognized by Osaka Prefecture for initiatives and achievements in reducing greenhouse gases in offices and won the Excellence Award in the Osaka Stop Global Warming Awards in 2013.

At Group companies overseas, as in Japan, we are taking measures to conserve energy as appropriate for each building or facility we own. As an example, Tokio Marine Centre (Singapore) has been actively introducing environmentally conscious measures that include the installation of energy-saving air-conditioning equipment and lighting fixtures, installation of water-saving equipment that reuses rainwater and effective placement of greenery.

■ Initiatives to Reduce Paper Use

Tokio Marine Group's volume of paper consumed in fiscal 2020 was 6,104 tons (Japan: 5,441 tons, overseas: 664 tons), which marked a decrease of 15.3% on a year-on-year basis thanks to reduction efforts in and outside Japan. In fiscal 2021, we are taking action under a target of reducing paper volume in Japan by 1% from the previous fiscal year.

As a measure to curb paper consumption, Group companies are distributing mobile terminals (tablets and notebook PCs) to employees to reform working styles while reducing paper consumption, along with promoting the paperless *Raku Raku Tetsuzuki* (Quick and Easy Online Procedures) for applying for insurance on tablet or other devices, expanding the use of paperless conferencing, using green procurement of stationery and office supplies, shifting forms and pamphlets to Web formats (i.e., promoting paperless operations) and firmly establishing the practice of double-sided copying and printing multiple pages on one sheet.

In December 2020, we rolled out *Remote Raku Raku Tetsuzuki*, a one-stop online service for customers to view a proposed insurance product and its description and apply for it on their smartphones and other devices. Through this service, we have realized seamless and paperless procedures that also make customers feel at ease.

Examples of Initiatives toward High-Quality Solicitation »

■ Promoting Waste Recycling

Tokio Marine Group has installed paper machines that make new paper from used paper using very little water and is promoting paper recycling that can be completed in our offices.

■ Effective Use of Water

At the La Mer Sanbancho building in Tokyo, Tokio Marine & Nichido is promoting effective use of water by collecting rainwater and recycling it for flushing toilets.

Preservation of Biodiversity and Wetlands

Tokio Marine Group has positioned the preservation of biodiversity and wetlands as a challenge that needs to be tackled, and we are striving to find a solution throughout business activities.

Tokio Marine Group's Vision for Preserving Biodiversity and Wetlands

Preserving biodiversity translates into a variety of benefits, namely, lower emissions of greenhouse gases, mitigation of disaster risks from tsunamis and revitalization of regional economies, and contributes to the creation of a sustainable future. Tokio Marine Group recognizes the importance of achieving the goals of the Convention on Biological Diversity, the Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington Convention). In addition, based on the vision outlined below and as a member of the United Nations Environment Programme Finance Initiative (UNEP FI) and the Promotion Partners program under The Declaration of Biodiversity by Nippon Keidanren, Tokio Marine Group contributes to the preservation of biodiversity and wetlands through the reduction of paper usage as well as mangrove planting overseas and environmental enlightenment programs in Japan. This vision draws on the Guidelines for Private Sector Engagement in Biodiversity issued by the Ministry of the Environment, Millennium Ecosystem Assessment and The Economics of Ecosystems and Biodiversity (TEEB).

Tokio Marine Group's Vision for Biodiversity

Tokio Marine Group recognizes the preservation of biodiversity as one of its most important environmental issues and, as a good corporate citizen, conducts initiatives for the preservation and sustainable use of biodiversity under the following two themes.

1. We endeavor to understand our relationship with biodiversity (benefits and impact) in our business activities to reduce our impact on biodiversity and to preserve biodiversity.
2. We engage in educational activities on the preservation of biodiversity for the general public and work with our stakeholders to contribute to the development of a sustainable society.

Tokio Marine & Nichido's Stance on Biodiversity

Tokio Marine & Nichido states in its environmental policy that it will strive to contribute to protection of the environment and preservation of biodiversity in its business activities, including insurance products, non-life insurance services and financial services. Efforts are being made to preserve biodiversity by making this a priority in business activities.

Protecting the Global Environment through Products and Services »
Promoting Activities to Protect the Global Environment »

Participation in the Promotion Partners Program under The Declaration of Biodiversity by Nippon Keidanren

Tokio Marine & Nichido supports The Declaration of Biodiversity by Nippon Keidanren and in January 2010 joined the Promotion Partners program under the declaration. Our business activities comply with the declaration and its behavioral guidelines.

The Declaration of Biodiversity by Nippon Keidanren (in Japanese)

Initiatives for Reducing the Environmental Footprint in the Value Chain

◉ Promoting Eco-Safe Driving and the Use of Recycled Auto Parts

From the perspective of creating a recycling-based society and reducing the burden on the environment (i.e., curbing CO_2 emissions from the manufacture of parts), Tokio Marine Group is calling on employees to engage in the Eco-Safe Driving program of The General Insurance Association of Japan and is actively using recycled auto parts* when repairing vehicles used by Group companies.

Furthermore, Tokio Marine & Nichido, Nisshin Fire & Marine Insurance and E. design Insurance are taking action in calling for the use of recycled auto parts and proposing the use of these parts to individual and corporate customers who have met with accidents.

- Number of instances of use of recycled auto parts (fiscal 2020, Tokio Marine & Nichido): about 17,796 (a decrease of 3.4% compared with the previous year)

With the approval of customers, Tokio Marine & Nichido is making efforts to expand the use of recycled parts. The company's actions include distributing pamphlets to boost awareness of the Recycled Parts Usage Promotion Campaign among agents and auto repair shops, as well as creating content for tablet devices to aid these businesses in easily explaining the merits of recycled parts to customers.

* Recycled parts are said to have an effect in reducing CO_2 emissions compared with new parts (23.1 kg for a bumper, 97.3 kg for a door, etc. (Source: Survey by The General Insurance Association of Japan))

◉ Certification and Registration of Eco-Action 21 (Environmental Management System for Small- and Medium-Sized Enterprises*1)

Through acquisition of certification and registration of Eco-Action 21*2, all employees in all fields of business activity at Tokio Marine & Nichido Auto Support Center*3 act in a way that is in harmony with the global environment and that considers how to improve the environment. Everyone works independently and proactively toward the sustainable development of society.

*1 In 1996, the Ministry of the Environment formulated Eco-Action 21 to provide a wide range of small- and medium-sized enterprises with easy strategies for becoming aware of their relation to the environment, establishing environmental targets and taking environmental action on their own. The Ministry has continued to promote the program until the present day.
*2 Eco-Action 21 integrates the environmental management system, environmental performance assessments and environmental report into one. Taking part in the Eco-Action 21 program paves the way for small- and medium-sized enterprises to undertake independent and proactive initiatives related to environmental considerations and publish the results of these initiatives as an environmental action report.
*3 Business lines: Established in 1986: (1) Business consulting for automobile maintenance shops, etc., (2) Technical guidance for personnel engaged in automobile maintenance at motor distributors, and (3) Research, development and sale of software, ledgers and equipment aimed at enhancing sophistication of automobile maintenance

Source: Ministry of the Environment website (in Japanese)

Environmental Accounting

1 Environmental Conservation Cost (Tokio Marine & Nichido)

Environmental costs	FY2018		FY2019		FY2020	
	Investment (million yen)	Expenses (million yen)	Investment (million yen)	Expenses (million yen)	Investment (million yen)	Expenses (million yen)
Business area costs	874	516	571	403	271	233
Upstream/down-stream costs	0	27	0	28	0	26
Management costs	0	42	0	19	0	20
R&D costs	0	88	0	105	0	101
Social contribution activity costs	0	121	0	121	0	73
Environmental remediation costs	0	0	0	0	0	0
Total	**874**	**794**	**571**	**676**	**271**	**453**

2 Environmental Performance Indicators Related to Environmental Benefits (Tokio Marine Holdings)

Environmental performance indicator	FY2018	FY2019	FY2020
Total energy input (GJ)	732,675	776,709	653,337
Water resource input (m^3)	570,832	632,203	628,513
Greenhouse gas emissions (t-CO_2)	82,209	79,578	67,140
Waste emissions (t)	2,248	2,285	1,975

Note: Figures for all environmental performance indicators are provided on a global basis.

3 Economic Benefits of Environmental Conservation Initiatives (Tokio Marine & Nichido)

Environmental performance indicator	FY2018 (million yen)	FY2019 (million yen)	FY2020 (million yen)
Cost reduction	206	244	383
Revenue	0	0	0
Total	**206**	**244**	**383**

Climate-Related Financial Disclosure Based on the TCFD Recommendations

Tokio Marine: Our Climate Strategy

The Paris Agreement, adopted at the 21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) (COP21) held in December 2015, clearly sets out the world's common long-term goal of keeping a global temperature rise well below 2°C compared with pre-industrial levels. A new international framework to promote measures against climate change, as well as other actions specified for achieving this goal, are expected to affect future social and economic activities and facilitate the transition to a decarbonized society.

In its Sixth Assessment Report released in August 2021, the Intergovernmental Panel on Climate Change (IPCC) pointed out that human influences undoubtedly have a role in global warming, that the temperature has already risen 1.09°C above pre-industrial levels and that the intensity and frequency of extreme events, such as heat waves and torrential rains, will increase. As such, further promotion of measures against global warming is expected.

Climate change is a global issue of human-historical proportions that threatens the safety and security of our customers and society. The growing severity of natural disasters directly impacts the insurance industry. Therefore, the Group recognizes that climate change is an extremely important issue to address head on not only in terms of our core insurance business, but also as a global company and institutional investor.

With a view to contributing to the achievement of the long-term goal of the Paris Agreement, Tokio Marine Group has been working to promote the use of renewable energy, support customers' and society's climate change countermeasures, reduce CO_2 emissions from our business activities and encourage ESG investment. Believing that the efforts of one company alone are not sufficient to tackle climate change globally, we have joined multiple international initiatives to combine forces with other companies and government agencies.

Climate-Related Financial Disclosure Based on the TCFD Recommendations

The Task Force on Climate-related Financial Disclosures (TCFD) had been entrusted by the Financial Stability Board (FSB) to formulate voluntary recommendations for consistent, comparable, reliable, clear and efficient climate-related disclosures by companies in the financial sector and released its final recommendations (TCFD recommendations) in June 2017.

Climate change and natural disasters represent a global issue and have a significant impact on Tokio Marine Group as we engage in the insurance and financial services. As a founding member of the TCFD, Tokio Marine Holdings has contributed to the formulation and publication of the TCFD recommendations and consistently supported the organization's activities. Tokio Marine Holdings has once again become a member of the TCFD in January 2021 and has since been working toward the formulation of policy recommendations to encourage disclosure that will help investment decisions by engaging in discussions and exchanging opinions with relevant government and private-sector parties in Japan and overseas.

In July 2018, Tokio Marine & Nichido became a founding member of the insurer pilot group, launched by the United Nations Environment Programme Finance Initiative (UNEP FI) under the Principles for Sustainable Insurance (PSI) framework to examine and develop methodologies and analytical tools for the insurance industry to make climate-related disclosures based on the TCFD recommendations. The company has contributed to the publication of the final report of the UNEP FI pilot project, entitled "Insuring the climate transition," in January 2021.

In Japan, the then Chairman of the Board of Tokio Marine Holdings worked as one of the founders and contributed to the establishment of the TCFD Consortium in May 2019. After the establishment, Tokio Marine Holdings has been a member of the Planning Committee to deliberate on the consortium's course of action and has contributed to the release of the Guidance on Climate-related Financial Disclosures 2.0 (TCFD Guidance 2.0) in July 2020. The company also participates in discussion on effective ways for companies to disclose climate-related information and how to link the disclosed information to appropriate investment decision-making of financial and other organizations.

Tokio Marine Holdings has been making disclosures based on the TCFD recommendations starting from its Integrated Annual Report 2017 and has been striving to enhance its content every year.

The table below is an overview of the four fields of disclosure based on the TCFD recommendations. In this report, we provide detailed information in each field.

Disclosure Based on the TCFD Recommendations

Governance	Strategies	Risk management	Metrics and targets
a) Oversight by the Board of Directors b) Management role	a) Climate-related risks and opportunities b) Impact of climate-related risks and opportunities c) Possible impact of different climate-related scenarios	a) Processes for identifying and assessing climate-related risks b) Processes for managing climate-related risks c) Integration of these processes into overall risk management	a) Metrics used to assess climate-related risks and opportunities b) Scopes 1, 2 and 3 greenhouse gas (GHG) emissions c) Targets used to manage climate-related risks and opportunities

Source: Created by Tokio Marine Holdings based on the Recommendations of the Task Force on Climate-related Financial Disclosures, Figure 4 (p. 14), TCFD, June 2017

Information Disclosure Following TCFD Recommendations, Integrated Annual Report 2021
External Evaluations and Participation in Initiatives (Climate Change Disclosure) »

Governance

• Division Dedicated to Promoting Sustainability

Tokio Marine Holdings has a division dedicated to the promotion of the Group's sustainability including climate change countermeasures (Sustainability Division, Corporate Planning Department), which identifies major challenges related to sustainability as well as formulates and implements related group-wide strategies and conducts monitoring.

• Group Chief Sustainability Officer (CSUO)

We established the new position of CSUO in April 2021 in order to accelerate the promotion of sustainability strategy across the entire Group including climate change countermeasures. As the person responsible for our sustainability strategy, the CSUO is responsible for addressing sustainability issues facing the entire Group and reporting to the Group CEO.

• Sustainability Committee

We established the Sustainability Committee, chaired by the CSUO and comprised of members including the CEO and other C-suites, in April 2021 in order to accelerate sustainability strategy across the entire Group including climate change countermeasures. The Sustainability Committee establishes sustainability strategy and targets for the entire Group and deliberates on the coordination and promotion of glocal sustainability initiatives.

Approach to and Organizational Structure for Sustainability Strategies, Integrated Annual Report 2021

• Board of Directors

The Board of Directors discusses the Group's sustainability policies including climate change countermeasures as well as evaluates and determines mid-term plans and single-year plans. Additionally, the Board of Directors holds discussions on corporate strategy on the themes of management environment and management issues, including climate change countermeasures, to fully utilize the knowledge of outside directors and outside Audit & Supervisory Board members.

Corporate Governance, Integrated Annual Report 2021

◉ Strategies

[Recognition of Risks and Opportunities]

Tokio Marine Group specifies climate change risk events by reflecting changes in the external and business environment caused by the emergence of climate change, and identifies and assesses the impact on the Group. As part of this effort, we evaluate how more severe natural disasters due to climate change affects insurance underwriting through scenario analysis of physical risks.

Scenario analysis is a process to identify and evaluate the potential impact of climate change under a certain scenario. We believe that the Group can deal with the impact with flexibility and agility because the terms of most insurance policies are relatively short in the non-life insurance business and also because assets under management by the Group are mainly financial assets with high liquidity.

We also recognize that supporting customers and society to deal with climate change and transition to a decarbonized society will lead to increase the Group's business opportunities over the medium to long term.

■ Physical Risks

Physical risks are those related to physical impacts of climate change. Climate change increases the frequency and intensity of natural disaster, which could impact insurance premium rate calculations and claims payments.

❶ Efforts to Quantify Physical Risks

Tokio Marine Group uses natural disaster risk models to quantitatively assess the risk. The Group independently performs analysis of trends of historical changes in tropical cyclones (typhoons in Japan and hurricanes in the United States) and in heavy rains and incorporates the latest change in trends if significant, to appropriately evaluate the current weather events.

Since 2007 the Tokio Marine Research Institute has been assessing and quantifying the impact of change in natural disasters on insurance losses under future climate conditions using IPCC Representative Concentration Pathway (RCP) and other scenarios. Specifically, RCP4.5 and RCP8.5 are used to simulate changes in windstorm risk due to typhoons in the future, while +2°C and +4°C scenarios are used to simulate changes in flood risk due to increased rainfall. We refer to the results of these scenario analyses and evaluate the potential impact on insurance underwriting which will be caused by severe natural disasters due to climate change.

Moreover, even though future climate change scenarios (+2°C, +4°C, etc.) are specified, there still remains uncertainty in projecting future weather events as described later (See Figure 6 on p. 63.). We also recognize that in performing the impact assessment of climate change, it is crucial to not only consider the physical science of climate change but also society's vulnerabilities to disasters as well as how assets will concentrate in the future in areas exposed to natural disaster risk or how the value of these assets will rise, meaning to the extent asset exposure will change (See p. 63.).

The following sections show how the Group perceives climate-related risks, which we believe form a basis of these evaluations.

❷ Risk Awareness

a. Attribution of Weather Events

How a weather event will change as a result of the impact of climate change and the degree of confidence of such an impact forecast will vary depending on the type of weather event. Figure 1 shows the confidence of climate change impact projections by weather event type. As seen on the figure, the confidence of impact projections for extreme rainfall (heavy rains) is higher than that for tropical cyclones, such as typhoons and hurricanes, but the impact on extreme rainfall (heavy rains) involves greater uncertainty when compared with such temperature variations as extreme heat (heat wave) or extreme cold (cold wave).

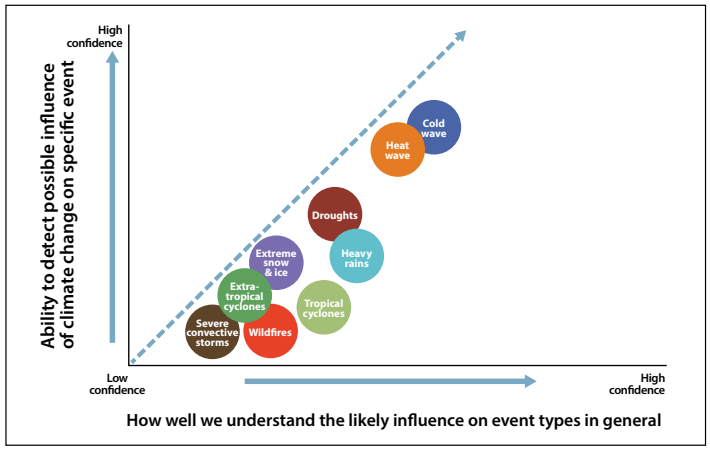


Figure 1: Confidence of impact forecasts of climate change
Source: Created by Tokio Marine Holdings based on a material prepared by the U.S. National Oceanic and Atmospheric Administration

For heavy rains and tropical cyclones, which are two of the weather events that considerably affect Tokio Marine Group, we consider the impact of climate change as follows.

• Impact of Climate Change on Heavy Rains

The frequency of heavy rains has already been on the rise since 1900 (Figure 2). The IPCC Sixth Assessment Report released in August 2021 states that heavy rains will become more severe in the future in step with a temperature rise and that for every temperature rise of about 1°C, the intensity (precipitation) of heavy rains will increase by approximately 7%.

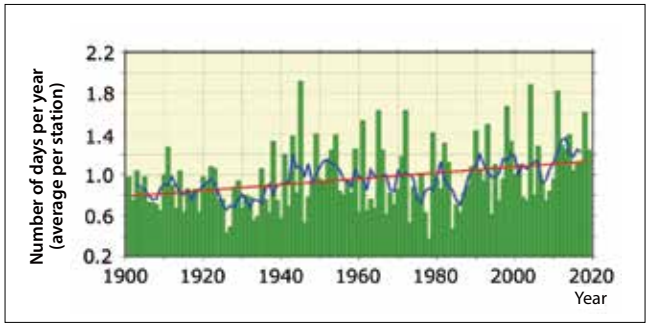


Figure 2: Number of days with daily precipitation of 100 mm or more
Source: Climate Change Monitoring Report, Japan Meteorological Agency

• Impact of Climate Change on Tropical Cyclones

Atmospheric and oceanic large-scale circulations (e.g., El Niño and monsoons) are closely related to the formation, development and movement of tropical cyclones. As climate change affects each of these factors, the impact of climate change on tropical cyclones consequently becomes more uncertain.

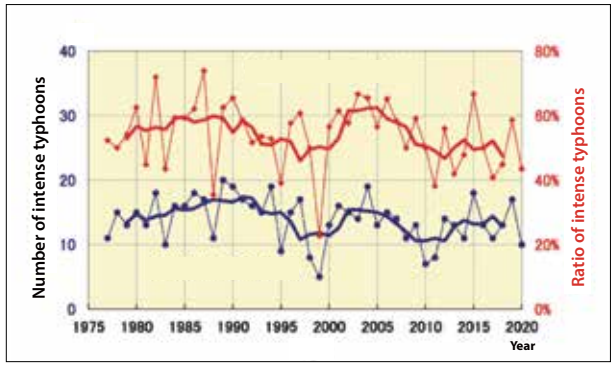


Figure 3: Number of intense typhoons and ratio of intense typhoons to all typhoons
Source: Climate Change Monitoring Report, Japan Meteorological Agency

The past trends of changes vary depending on the region, even though the ratio of intense tropical cyclones has increased globally over the past 40 years (IPCC Sixth Assessment Report). Taking typhoons affecting Japan as an example, neither the number nor the ratio of intense typhoons show a change in trends (Japan Meteorological Agency).

As for hurricanes making landfall in the United States, even though the ratio of intense hurricanes rose over the past 40 years, a longer-term survey covering the period from 1900 revealed that there is no discernible trend both in the number of total hurricanes and that of intense hurricanes (IPCC Sixth Assessment Report).

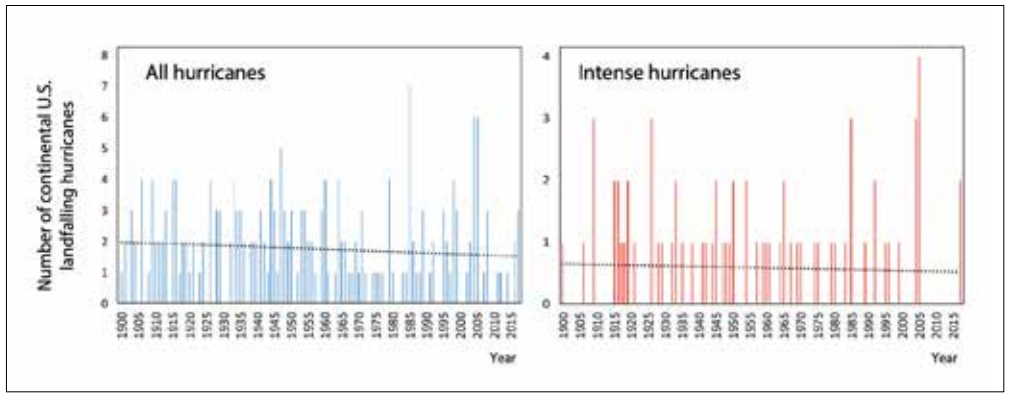


Figure 4: Number of hurricanes making landfall in the United States
Source: Created by Tokio Marine Holdings based on Klotzbach et al. 2018*1

In the future, while the number of tropical cyclones is expected to level off or decrease overall, the ratio of intense tropical cyclones is forecast to increase. As such, there are actually both decrease and increase projections for the number of intense tropical cyclones (IPCC Sixth Assessment Report).

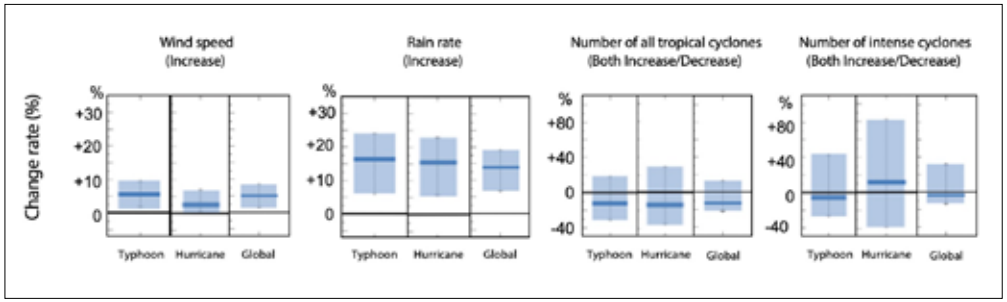


Figure 5: Changes in tropical cyclones with a 2°C temperature rise
Source: Created by Tokio Marine Holdings based on Knutson et al. 2020*2

In the UNEP FI's project to assess the impact of climate change, in which we are participating, the RCP8.5 scenario provides the following projections for 2050 on changes in the intensity (wind speed) and the number of tropical cyclones. As seen from the table, these future projections involve great uncertainties.

	Intensity (wind speed)	Number of formations
Japan (typhoons)	+1% to +10%	-30% to +28%
U.S. (hurricanes)	0% to +7%	-36% to +30%

b. Impact of Factors Other Than Weather Events

As shown in Figure 2 on p. 62, the frequency of heavy rains in Japan has been increasing since 1900. Figure 6 below, on the other hand, shows a declining trend for flooded area. This is because Japan's disaster prevention infrastructure, including embankments, has improved since the mid-19th century and is effectively reducing the occurrence of floods during heavy rains.

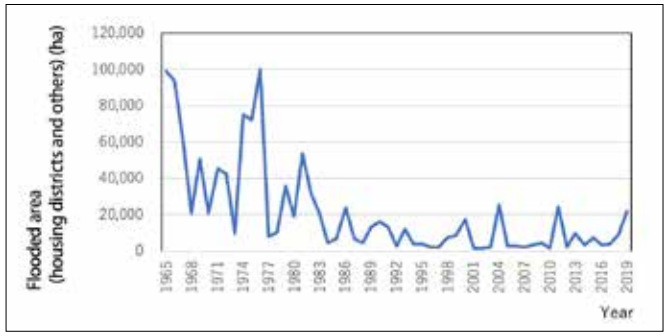


Figure 6: Flooded area caused by water disasters (ha)
Source: Created by Tokio Marine Holdings based on water disaster statistics of the Ministry of Land, Infrastructure, Transport and Tourism

The amount of damage will vary significantly if there is a change in asset exposure, i.e., a change in the degree of concentration of assets or in the value of assets in areas exposed to natural disaster risk.

In this way, we recognize that identifying changes in weather events themselves, such as heavy rains and typhoons, as well as society's vulnerabilities to disasters and changes in asset exposure are essential in predicting damage due to natural disasters.

•Recognition of Changes in Asset Exposure

In Japan, an influx of people into urban areas is expected to continue in the future. Over the period from 2015 to 2040, even though the number of households in the country is projected to decline 4.8% on national average, an increase is expected in some prefectures, including Tokyo. As such, the trend of changes in asset exposure varies from region to region.

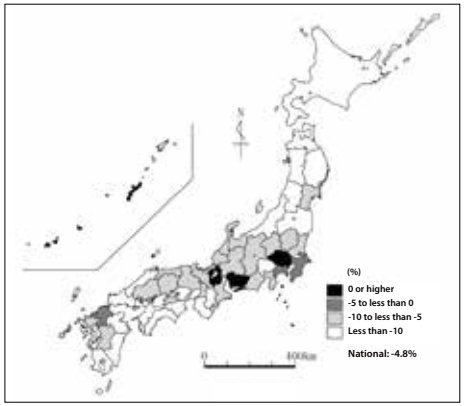


Figure 7: Changes in the number of households from 2015 to 2040
Source: National Institute of Population and Social Security Research*3

From the viewpoint of damage due to natural disasters, an important factor is the exact location of assets (within hazardous area or not). In response to the frequent occurrence of natural disasters in recent years, Japan's Ministry of Land, Infrastructure, Transport and Tourism has stated that it is important to consider flood risk reduction when determining the locations of housing districts and city functions. Accordingly, Tokio Marine Group is monitoring the policy trends of the national and local governments.

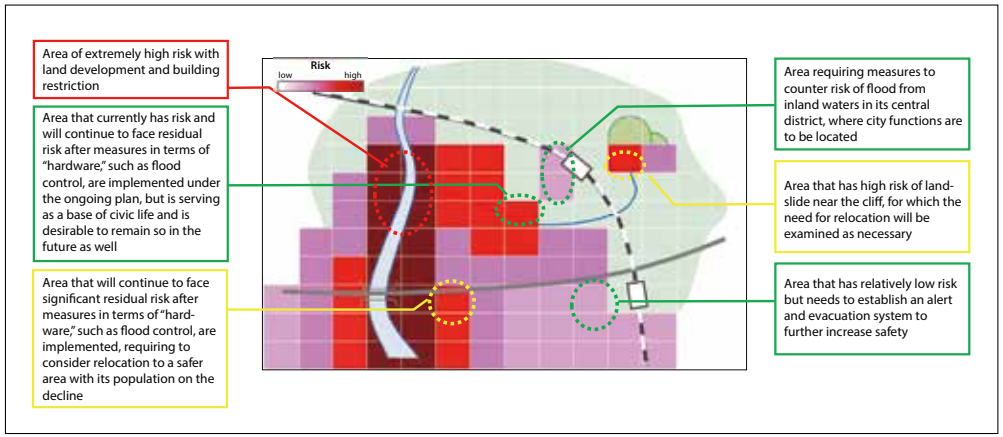


Figure 8: Direction of urban development based on water disaster risk
Source: Ministry of Land, Infrastructure, Transport and Tourism*4

Changes in the exposure geographic distribution are important in considering natural disaster damage both in Japan and overseas. In the United States, economic loss caused by hurricanes in the past is known to be on an upward trend, but when the impact of a change in inflation, wealth properties and population is normalized, it no longer shows a significant trend. Thus, a rise in economic loss is mostly a result of them.

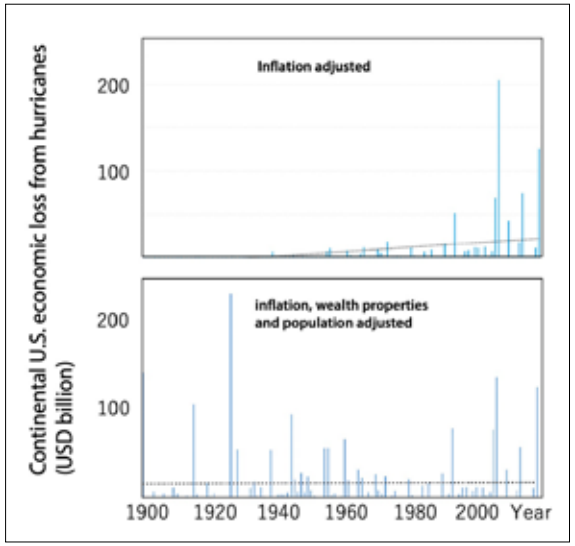


Figure 9: Continental U.S. economic loss from hurricanes
Source: Created by Tokio Marine Holdings based on Klotzback et al. 2018*1

•Perception of Vulnerabilities in Society

In Japan, revisions to the Building Standards Act have proved to directly translate into the better resilience of society as a whole. In fact, revisions made in 1981 to the seismic building codes and in 2000 to the wind pressure resistance building codes have greatly contributed to the improved resistance of buildings against natural disasters. More recently, Typhoon Faxai, which made landfall in 2019 and caused damage to roofs of many houses, has prompted revisions to the standards for roofing on countermeasures against intense winds. They are scheduled to be enforced in April 2022. In addition, the Ministry of Land, Infrastructure, Transport and Tourism has already announced its policy that the anticipated intensification of natural disasters should be considered in improving disaster prevention infrastructure in the future, making its recommendations for rivers in 2019 and for high tides in 2020.

Overseas, efforts to increase resilience throughout society have also been under way. The United States, for example, has improved its disaster prevention infrastructure and revised building codes following huge natural disasters, including Hurricane Katrina in 2005, Sandy in 2012 and Irma in 2017.

In keeping with the move toward strengthening resilience in and outside Japan, Tokio Marine Group has been contributing to greater resilience of the entire society by supporting customers to cope with disasters through the dissemination of disaster information.

*1 Philip J. Klotzbach, Steven G. Bowen, Roger Pielke Jr., and Michael Bell, 2018: Continental U.S. hurricane landfall frequency and associated damage. Bull. Amer. Meteor. Soc., 99, 1359–1376, https://doi.org/10.1175/BAMS-D-17-0184.1. (© American Meteorological Society. Used with permission.)
*2 Thomas Knutson, Suzana J. Camargo, Johnny C. L. Chan, Kerry Emanuel, Chang-Hoi Ho, James Kossin, Mrutyunjay Mohapatra, Masaki Satoh, Masato Sugi, Kevin Walsh, and Liguang Wu, 2020: Tropical cyclones and climate change assessment part II: Projected response to anthropogenic warming. Bull. Amer. Meteor. Soc., 101, E303–E322, https://doi.org/10.1175/BAMS-D-18-0194.1. (© American Meteorological Society. Used with permission.)
*3 Household Projections for Japan (2017), National Institute of Population and Social Security Research (in Japanese)
*4 Ministry of Land, Infrastructure, Transport and Tourism website (in Japanese)

③ Acquisition of Knowledge (Industry-Academia Collaboration, etc.)

The Tokio Marine Group is deepening collaboration with both inside and outside experts in order to acquire knowledge about risks.

The Tokio Marine Research Institute collaborates with The University of Tokyo, Nagoya University and Kyoto University, among others, to carry out impact analysis based on the possibility for increased insurance losses associated with natural disasters that are becoming more severe in nature.

Moreover, Tokio Marine dR and a team of experts in natural disasters working in Atlanta, the United States, are leading efforts to upgrade natural disaster risk management across the entire Group, including various evaluations of natural disaster risk models.

Transition Risks

Transition risks are risks associated with the transition to a decarbonized society. As the global momentum toward decarbonization accelerates and the transition to a decarbonized society progresses, we anticipate more stringent regulations, technological innovation, asset value fluctuations and changes in the investment environment as well as in customer needs, which may impact the Group's businesses.

Transition risks include risks caused by fluctuations in prices of financial assets with large GHG emissions. We have developed a system for better understanding the status of the Group's investments and comprehending the balance of the applicable assets under management. From the perspective of holding restrictions in response to the risk of asset value fluctuations, the Group has worked to reduce its total business-related equities regardless of sector long before the release of Japan's Corporate Governance Code. Under the new mid-term business plan, Tokio Marine Holdings plans to sell more than 100 billion yen per year.

Corporate Governance, Integrated Annual Report 2021

In order to perform quantitative assessment of transition risks, we are estimating the amount of impact to the Group's asset value with scenario analysis by using information disclosed by the regulatory authorities of each country and other data as a reference. To continue to monitor these risks quantitatively in an appropriate manner, we plan to set up a required structure while also utilizing data providing companies.

Transition risks also include litigation risk. Climate-related litigation risk is not high at this point, but a possible increase in damage due to climate change or natural disasters in the future may affect climate change-related litigations and legal violations, consequently leading to a rise in insurance claims payments for liability insurance.

Opportunities

Efforts to mitigate and adapt to climate change will provide business opportunities for Tokio Marine Group. By comprehensively taking into account the five categories* specified by the TCFD recommendations, we identify the following as business opportunities for the Group.

• Rapid Increase in Insurance Needs for Renewable Energy Projects

Driven by global warming and climate change, countries around the world are speeding up their move toward decarbonization. In the process of promoting reduction and cessation of GHG emissions, there is expected to be a rapid increase in insurance needs for renewable energy projects, such as solar, geothermal and onshore/offshore wind power generation. With the growing importance of response to global warming and climate change, we can achieve growth through support for the adoption of renewable energy by drawing upon the Group's accumulated wisdom.

• Growing Public Awareness toward Natural Disaster Risk and Improving Fire Insurance Results

As the frequency and scale of natural disasters increase, there are growing needs for expanded coverage and extensive services in case of a disaster, but fire insurance continues to be plagued by chronic losses. By implementing comprehensive countermeasures, including revising rates, reviewing products, strengthening underwriting, disaster prevention and mitigation and early recovery, we can significantly improve fire insurance results.

• Growing Needs for Disaster Prevention and Mitigation for Increasing Resilience against Disasters

As natural disaster risk has become apparent, there has been an increasing focus every year on the enhancement of measures to mitigate damage before and after a disaster in addition to monetary compensation through insurance. Besides paying appropriate insurance claims for disaster damage, Tokio Marine Holdings provides services for disaster prevention in advance as well as for disaster mitigation and early recovery following a disaster. We also expect further growth of our risk consulting services that leverage a pool of know-how on disaster prevention and mitigation that we have cultivated over the years.

* Five categories of opportunities identified under the TCFD recommendations are resource efficiency, energy source, products and services, markets and resilience.

■Implementation of Climate Change Strategy

❶ Insurance Underwriting, etc.

a. Basic Stance

Tokio Marine Group fully recognizes the importance of understanding the impacts that our business has on the environment and society. We are engaging in insurance underwriting that can contribute to the transition to a decarbonized society aimed at achievement of the Paris Agreement targets.

As part of this strategy, we will not underwrite new insurance policies for coal-fired thermal power plants and coal mine development projects for fuel coal, regardless of whether they are new or already existing. However, toward achieving the Paris Agreement targets, we may carefully consider and handle projects that incorporate innovative technologies and techniques, such as carbon dioxide capture and storage (CCS), carbon dioxide capture, utilization and storage (CCUS) and mixed combustion technologies. As of August 31, 2021, we have not underwritten any new insurance policies since announcing "Tokio Marine: Our Climate Strategy" on September 28, 2020.

In addition, we are supporting initiatives to lower CO_2 emissions by engaging with power plants for which we have already underwritten insurance to consider the environment through adoption of innovative high-efficiency power generation technologies and CCUS (carbon recycling) technologies that reduce or stop GHG emissions. Indeed, we are engaging with all customers involved in the corresponding power plants to support their transition through product provision and/or consulting. Furthermore, after announcing "Tokio Marine: Our Climate Strategy," we have created and began using an engagement sheet to confirm and record plans aimed at realization of a decarbonized society. If it is determined that a customer is not considering its response to decarbonization, we may decline the renewal of the customer's insurance policy.

b. Providing Insurance for the Development of Renewable Energy Projects (Initiatives as an Insurance Company)

Tokio Marine Group provides insurance products and offers risk consulting to back the development of renewable energy projects.

Specifically, in addition to the Mega-Solar Package Program for solar power generation companies and the Geothermal Package Plan for geothermal power generation businesses, in March 2020 we developed a dedicated insurance package offering comprehensive coverage of risks associated with offshore wind power generation projects (providing seamless coverage to customers not only during construction but also for a predefined period after the start of commercial operations).

In addition, in May 2020, we acquired GCube, an insurance agent providing insurance underwriting for renewable energy projects around the world mainly in the United States and Europe but also in Australia, South Africa and Asia. We are now utilizing its know-how at the Group level. Tokio Marine dR is also providing consulting services in various domains such as offshore wind power generation by utilizing its proprietary natural disaster risk assessment model and human resources specialized in renewable energy. Tokio Marine & Nichido established the Green Transformation (GX) Office in June 2021 to accelerate the development of insurance products and risk consulting services related to new decarbonization technologies.

With the growing importance of response to global warming and climate change, we will achieve growth through support for the adoption of renewable energy as a leader in the field, while further accelerating initiatives as "One Tokio Marine Group" by drawing upon the Group's accumulated wisdom.

Promoting the Shift to Renewable Energy, Integrated Annual Report 2021

c. Growing Public Awareness toward the Natural Disaster Risk and Creation of a Sustainable Fire Insurance System (Initiatives as an Insurance Company)

In fiscal 2020, Japan was once again faced with large-scale natural disasters in the July 2020 torrential rains and Typhoon Haishen. Industry-wide insurance claims related to natural disasters exceeded 300 billion yen, which included around 100 billion yen in claims to Tokio Marine Group.

Amid growing needs for greater coverage and extensive services during a disaster driven by the increasing frequency and scale of natural disasters in recent years, we are implementing a nationwide campaign to check the details of customers' policies in an effort to steadily grow the top line.

As one of the most disaster-prone countries in the world, Japan's fire insurance system is extremely important, but it is hardly sustainable if the business experiences chronic losses. While our own efforts to reduce costs are critical, we will implement comprehensive countermeasures, including revising rates, reviewing products, strengthening underwriting, disaster prevention and mitigation and early recovery, and improve results by more than 26 billion yen (before tax)* over three years and secure profitability in line with capital cost within several years after that.

Growth Driver, Integrated Annual Report 2021

* If insurance claims payments for natural disasters are around the average figure.

d. Acceleration of Claims Payments (Initiatives as an Insurance Company)

As an insurance company, the most important matter for Tokio Marine Holdings is providing peace of mind to people affected by natural disasters as quickly as possible in the form of claims payments. Insurance payouts give people fortitude to face the future. Believing this, we have worked to speed up claims payments using digitalization.

Specifically, we have largely streamlined this process by allowing customers to apply for insurance claims using their smartphone and utilizing digital technology such as satellites, AI and robotic process automation (RPA) for confirming damages and administrative work. Fiscal 2020 was particularly challenging because of the response to natural disasters during the COVID-19 pandemic, but we used these mechanisms to facilitate operations.

As part of our customer response, it is also important to be mindful of the feelings of people affected by disasters. We are dedicating the time created from the use of digitalization toward attending to customers and expanding the domains where we provide value, which will allow us to elevate our level of customer service.

Customers have praised us highly for our enhanced support of disaster-affected persons through the fusion of people's ability with digitalization, which has led to a further increase in the support for us.

Figure 10: Results of insurance payout survey for fiscal 2020 (Tokio Marine & Nichido)

e. Delivering Safety Before and After Events (Contribution to a Disaster-Resistant Society) (Initiatives as an Insurance Company)

The payment of claims is an insurance company's most important function, but we believe that this alone will not enable us to protect our customers. It would be preferable if disasters don't occur. If disasters do occur, damages should be minimized and the recovery quick. It would be preferable if disasters don't reoccur. Based on these beliefs, Tokio Marine Group strives to provide peace of mind before and after events through disaster prevention and mitigation, early recovery and recurrence prevention. These efforts also lower the loss rate and result in greater support from customers.

[Specific Examples]

• We provide support that includes corporate risk evaluations and help formulating business continuity plans (BCP) in collaboration with local governments and financial institutions, making use of advanced expertise held within Group companies.

• Using the lessons learned from the Great East Japan Earthquake, we host Disaster Prevention Lessons, an outreach class for elementary school students, based on our commitment to teach children knowledge about disaster preparedness for the next disaster that may strike.

• Under the "Total assist fire insurance x Red Feather Disaster prevention/reduction program" launched in July 2021, part of the costs defrayed from online insurance contracts and policies will be donated to the Red Feather campaign of the Central Community Chest of Japan for use in disaster prevention and mitigation activities in customers' own communities.

Growth Driver, Integrated Annual Report 2021

• The AI-powered flooding risk projection system jointly developed with the National Research Institute for Earth Science and Disaster Resilience visualizes areas at high risk of flooding to support local governments' decision-making during torrential rains, which helps to minimize damages to residents.

What Tokio Marine Aims For in the Future/Growth Driver, Integrated Annual Report 2021

• Through a business partnership with BELFOR Japan, a specialist in disaster recovery, we are providing services that support customers' recovery from disasters.

Growth Driver, Integrated Annual Report 2021

• Tokio Marine dR possesses advanced technology to perform quantitative assessment of natural disaster risk based on the experience and knowledge that Tokio Marine Group has accumulated in the field of non-life insurance. Capitalizing on this technology, the company provides services such as assessment and analysis for various natural disaster risks and devising countermeasures in order to make companies and society resilient to disasters.

Tokio Marine Group will utilize digitalization and data in a sophisticated manner to further enhance these services for "peace of mind before and after." Specifically, we will hire a team of experts in digitalization at Tokio Marine dR, our core data company established in July 2021. This will allow us to speed up initiatives and tackle new challenges so that we can support customers in their time of need and evolve into a company that always supports its customers.

What Tokio Marine Aims For in the Future, Integrated Annual Report 2021

❷ Investment and Financing (Initiatives as an Institutional Investor)

In our financing and investment operations, we will not extend new financing to coal-fired thermal power plants and coal mine development projects for fuel coal, regardless of whether they are new or already existing, in order to contribute to the transition to a decarbonized society. However, as in the case of insurance underwriting, we may carefully consider and handle projects that incorporate innovative technologies and techniques, such as CCS, CCUS and mixed combustion technologies, toward achieving the Paris Agreement targets. As of August 31, 2021, we have not provided new financing since announcing "Tokio Marine: Our Climate Strategy" on September 28, 2020.

In addition, we have initiated quantitative analysis of GHG emissions of investee companies by utilizing data providing companies.

As a signatory to the United Nations Principles for Responsible Investment (PRI) through Group companies Tokio Marine & Nichido and Tokio Marine Asset Management, we have established a policy concerning ESG investment and financing, considering not only financial information but also ESG elements. By incorporating climate-related elements into the investment decision-making process, we are supporting the transition to a decarbonized society.

Specifically, we are undertaking ESG engagement to support increased corporate value and sustainable growth of investee companies through constructive and purposeful dialogue that considers non-financial factors including ESG elements in addition to their financial data as well as ESG integration where both financial data and non-financial data are used in the investment decision-making process.

Tokio Marine Asset Management has been operating a renewable energy fund targeting investments in solar power plants since 2012, effectively backing initiatives aimed at the transition to a decarbonized society.

Performance of renewable energy funds* (Total as of March 31, 2021)

Amount committed	Approx. ¥51 billion
Units installed	45

* TM Nippon Solar Energy Fund 2012, 2013 and 2014
TM Nippon Renewable Energy Fund 2017
TM Nippon Long-Term Natural Energy Fund 2020

❸ Leading Discussions at International Climate Change Conferences (Initiatives as a Global Enterprise)

Since climate change is an important social issue that needs to be addressed by the entire world, Tokio Marine Group actively engages in dialogue with international organizations, governments, industries, academic communities, NPOs and NGOs. We have also led discussions at international conferences, which includes co-chairing a climate change-related working group for The Geneva Association since 2008.

We have also joined the Association's climate change task force and have been engaging in the formulation of scenario analysis and stress test guidelines to perform forward-looking impact assessment of climate change.

Moreover, the Sustainable Markets Initiative (SMI) Insurance Task Force, whose concept was created by Prince Charles of the United Kingdom, was established in June 2021 with 17 member companies. We are the only insurance company from Asia to be a member.

Risk Management

Managing Climate-Related Risk Based on Enterprise Risk Management (ERM)

Tokio Marine Group manages a broad range of climate-related risks and has put a lot of effort to increase the level of sophistication of our risk management. To give an example, we evaluate and calculate the impact on insurance loss from changes in typhoon risk and flood risk due to increased precipitation based on assumed climatic conditions in the future. Referring to the findings of these scenario analyses, we conduct ERM-based risk management throughout the Group while considering the impact on insurance underwriting from natural disasters that may be exacerbated by climate change.

Corporate Governance, Integrated Annual Report 2021

In Tokio Marine Group's ERM cycle, we define a risk appetite framework, which shows the type and degree of risks we will take throughout the Group, and formulate a business plan under the framework. We then determine and implement a capital allocation plan based on the business plan. During this process, we verify the sufficiency of capital and funds from the group-wide perspective and exhaustively identify and assess risks using both qualitative and quantitative approaches.

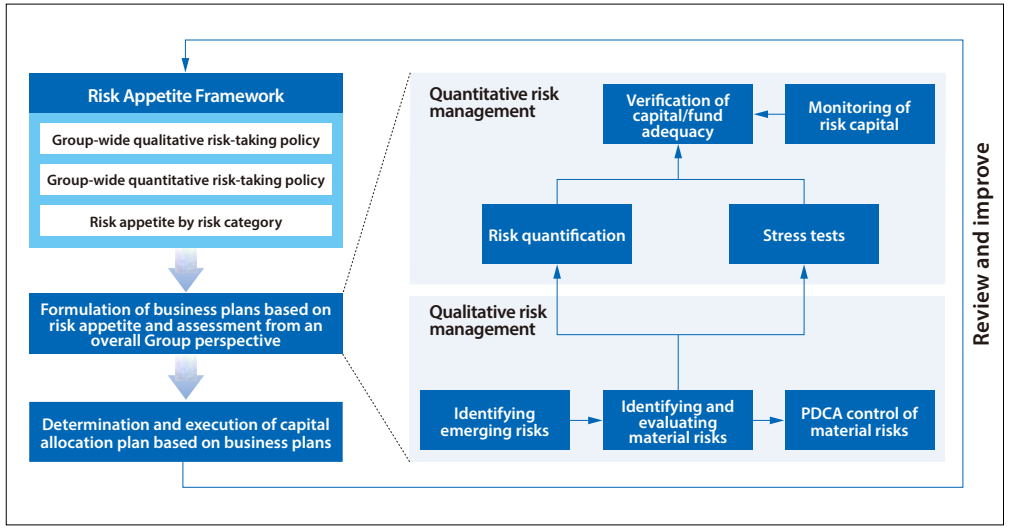


Figure 11: Our Enterprise Risk Management Cycle

• Qualitative Risk Management

We identify all forms of risks exhaustively, including those for natural disasters such as major wind and water disasters and emerging risks due to environmental changes. We define risks that will have an extremely large impact on our financial soundness and business continuity as "material risks." Natural disaster risk including climate-related risk is one of them. For these material risks, we also formulate control measures prior to risk emergence and response measures for after risks occur.

• Quantitative Risk Management

For material risks, we measure risk amounts and upgrade stress tests as part of our quantitative risk management.

We calculate risk amounts posed by natural disasters using a risk model (for Japan, a risk model we developed in-house based on engineering theory and the latest knowledge of natural disasters, and for overseas, risk models created by external organizations for insurance companies). We gather the latest findings as well as verify, evaluate and upgrade models to ensure that the situation of recent natural disasters is reflected in these models appropriately.

We also conduct stress tests based on severe scenarios involving low likelihood disasters that will result in significant damages if they were to occur. For example, these scenarios include typhoons and flooding on a much larger scale than the major typhoons that hit the Greater Tokyo Area in 2018 and 2019 causing extensive damages. We update scenarios continuously while considering stress tests released by the regulatory authorities in each country, the latest knowledge including climate change and the most recent example cases.

■ Appropriate Risk Controlling through Risk Diversification and Reinsurance

Natural disasters are inevitable in Japan, our home market. For that reason, we have sought to control total risk amount by geographic, business and product risk diversification through M&As overseas. Through these efforts, we managed to keep net incurred losses from natural disasters exceeding our average budget to only around 5%* of the entire Group's profits for fiscal 2020.

In addition, reinsurance, as a hedge against risk, is also an effective way to protect capital and stabilize profits of an insurance company. The Group has utilized reinsurance to prepare for major natural disasters that occur once every few centuries (capital events), and we have determined results coverage from the standpoint of economic rationality and taken necessary measures.

* Proportion of claims payments related to natural disasters that exceeded the initial forecast

Portfolio Management Ability, Integrated Annual Report 2021

◉ Metrics and Targets

■ Targets for Fiscal 2030

• Reduction targets for greenhouse gases associated with our own business activities

Reduce greenhouse gases (CO_2) emitted by Tokio Marine Group by 60% compared with fiscal 2015 levels*1

• Target for introduction rate of renewable energy to total electricity consumption

Source 100% of the electricity used at Tokio Marine Group's main business locations from renewable energy

• Electrification of company-owned vehicles (Tokio Marine & Nichido and Tokio Marine & Nichido Life)

Switch all company-owned vehicles of Tokio Marine & Nichido and Tokio Marine & Nichido Life to electric vehicles, plug-in hybrid vehicles, hybrid vehicles, etc.

■ Targets for Fiscal 2023

• Increase net income from premiums on insurance for offshore wind power generation projects by around 5 billion yen (Tokio Marine & Nichido)

• Improve fire insurance results by more than 26 billion yen*2 (before tax) (Tokio Marine & Nichido)

■ Others

• Continue to achieve carbon neutrality in our business activities on a group-wide basis*1

Tokio Marine & Nichido has been implementing the Mangrove Planting Project in the Asia Pacific region together with NGOs since 1999. These planting activities have enabled Tokio Marine Group to achieve carbon neutrality*1 in its business activities for eight consecutive years since fiscal 2013. We plan to continue this initiative going forward to sustain our carbon neutrality.

Additionally, the value of ecosystem services produced over the past 20 years (April 1999 to March 31, 2019) through this Mangrove Planting Project cumulatively totals 118.5 billion yen. Estimates also indicate this value will increase to 391.2 billion yen cumulatively by the end of fiscal 2038*3.

*1 Associated with our own business activities (Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions; categories 1, 3, 5 and 6] based on the GHG Protocol standards)
*2 If insurance claims payments for natural disasters are around the average figure
*3 Survey outsourced to Mitsubishi Research Institute, Inc. and evaluated following internationally recognized methodologies

Promoting Research on Climate Change and Natural Disaster Risks

Responding to risks associated with climate change and natural disasters, one of Tokio Marine Group's sustainability material issues, also comprises a major management issue that the global insurance industry must address in the medium to long term.

Through industry-academia collaboration with The University of Tokyo, Nagoya University, Kyoto University and Tohoku University, Tokio Marine Group engages in research on climate change and natural disaster risks in an effort to gain deeper scientific insight into disaster prevention and mitigation and to raise the sophistication of measuring methods through risk modelling to ascertain risk volume in even greater detail. Our efforts in this area include development of a stochastic risk assessment approach.

We believe that in addition to providing products and services in developed countries it is also important to disseminate the ideas of an insurance mechanism and risk management practices in developing countries and regions particularly vulnerable to the impact of climate change and natural disasters in accordance with the Sendai Framework for Disaster Risk Reduction 2015-2030, which provides new world guidelines for disaster risk reduction.

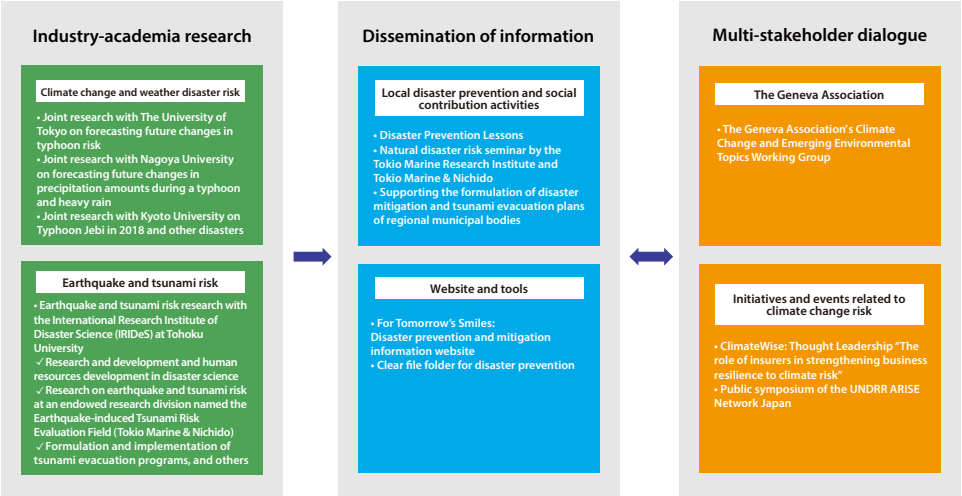
To this end, we are working to resolve disaster issues and mitigate disaster damage globally by using the outcomes of our industry-academia research to the benefit of society and by taking part in international initiatives, such as the United Nations Office for Disaster Risk Reduction (UNDRR) Private Sector Alliance for Disaster Resilient Societies (ARISE) and The Geneva Association's Climate Change and Emerging Environmental Topics (CC+EET) Working Group.

Initiatives to Counter Climate Change and Natural Disaster Risks

The 21st session of the Conference of the Parties to the UNFCCC (COP21) held in December 2015 adopted the Paris Agreement as a new international framework of measures against climate change for 2020 and beyond. As the world's common long-term goal, the Paris Agreement aims to keep a global temperature rise below 2°C compared with pre-industrial levels. The agreement also makes a clear link between itself and the Sendai Framework for Disaster Risk Reduction 2015-2030, which was adopted at the Third United Nations World Conference on Disaster Risk Reduction held in Sendai in March 2015. There is a concern for the growing natural disaster risk due to climate change, and Tokio Marine Group, working to resolve disaster issues and mitigate disaster damage, also gives due attention to the goal of the Paris Agreement and intends to contribute to its achievement.

Climate change due to global warming and other factors is considered to possibly bring about major changes in the frequency and scale of weather disasters in the future. As such, basing analyses only on past statistical data may prevent appropriate risk assessment and significantly impact the calculation of insurance premiums and the ability to pay insurance claims in the event of a serious disaster.

In response, Tokio Marine Group conducts research on climate change and natural disaster risks and on earthquake and tsunami risk through industry-academia collaboration and presents the outcomes at conferences and forums on disaster risk reduction. We also utilize these outcomes in our social contribution activities and disseminate relevant information to the public. Additionally, we proactively participate in initiatives and events related to climate change to disseminate the outcomes and details of our industry-academia research activities to the world and engage in multi-stakeholder dialogue to share information about the latest research projects and discuss how to promote disaster prevention.



Research on Climate Change and Natural Disaster Risks

◉ Building a Society Capable of Adapting to Climate Change and Weather Disaster Risks

By matching forecasts of future changes in risk due to climate change and other meteorological risk assessment approaches to a base of conventional risk assessment approaches, Tokio Marine Group is aiming to create a more advanced approach to climate change and weather disaster risk assessment.

■Utilizing Research Outcomes to Provide Products and Services for Adapting to Climate Change

There is a concern that damage concerning natural disasters will increase due to climate change and the resulting greater fluctuations in natural phenomena. Tokio Marine Group is promoting initiatives to resolve weather and other disaster issues and mitigate disaster damage through its business operations. However, as changes in climate and fluctuations in natural phenomena increase, using only the past disaster and insured contingency data may prevent appropriate weather disaster risk assessment and may reduce our ability to provide insurance products and services covering weather disaster risk to customers and local communities as we have done previously.

In response, Tokio Marine Group seeks to promote research on climate change and weather disaster risks in collaboration with the world's leading scientists and researchers and to use research outcomes and other various findings broadly to the benefit of society. Simultaneously, as a corporate group engaging in the insurance business, we intend to translate our research activities into the ability to sustainably provide insurance products and related services to customers and local communities.

Tokio Marine Group will continue to forge ahead with research on climate change and natural disaster risks with the world's leading scientists and researchers through industry-academia collaboration and proactively leverage knowledge gained through such research.

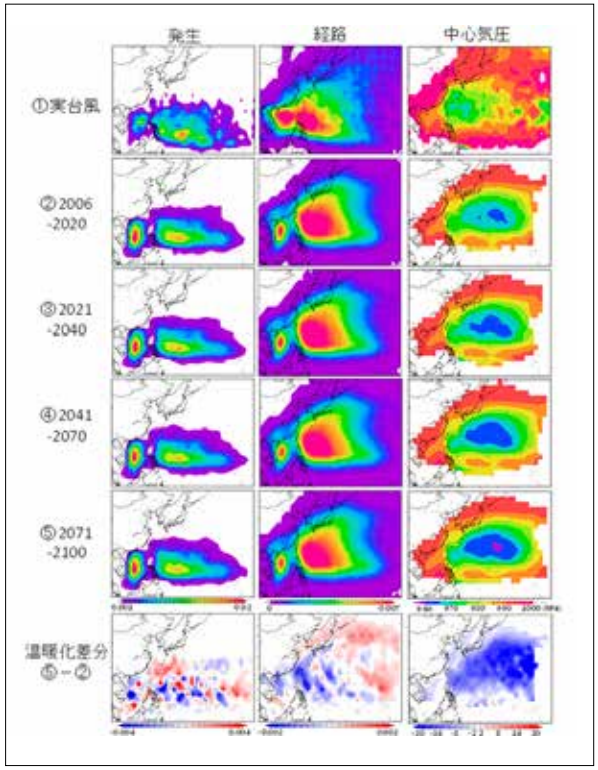
• Joint Research with The University of Tokyo: Forecasting Future Changes in Typhoon Risk Using Climate Model Data

With the aim of forecasting future changes in typhoon risk due to global warming, the Tokio Marine Research Institute has been undertaking joint research with The University of Tokyo using an originally developed stochastic typhoon model that estimates future changes in typhoons. More recently, we have also been engaging in research related to forecasts of annual typhoon trends in addition to assessing the impact of global warming on typhoon risk.

The Atmosphere and Ocean Research Institute at The University of Tokyo, our partner in this joint research, has been conducting research into climate change and other climate systems using an integrated analysis of observation data and results of simulations based on climate models. Professor Masahiro Watanabe and other researchers have contributed as lead authors to the creation of the IPCC assessment reports, which are a compilation of the latest findings on climate change, and The University of Tokyo has received acclaim from around the world for the widely used research results.

The charts below show estimates of the impact of global warming on typhoons based on climate change forecast data from institutions worldwide, using the stochastic typhoon model. These charts indicate the possibility that future typhoons will take more eastward tracks and will become stronger.

The charts at the bottom show warming differentials. Of these, in the charts showing typhoon generation and tracks, blue represents locations where typhoons will decrease in the future, and red represents locations where they will increase. Also, in the chart showing central atmospheric pressure, blue represents locations where central atmospheric pressure will decrease in the future.

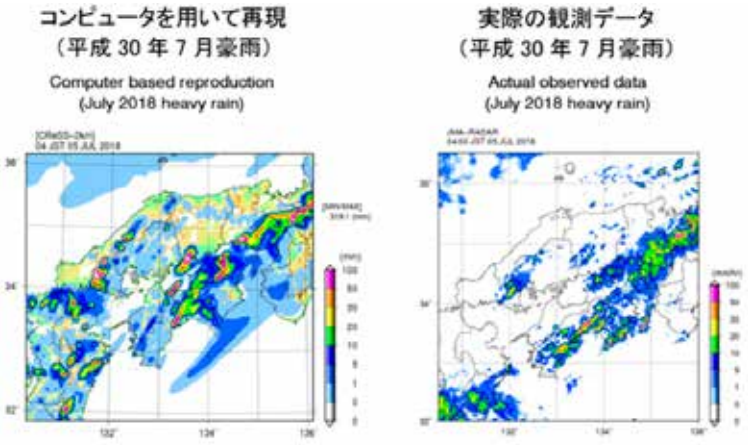


• Joint Research with Nagoya University: Analysis of Changes in Precipitation Trends due to Global Warming

With the aim of forecasting how climate phenomenon such as typhoons and torrential downpours are changing along with climate change, the Tokio Marine Research Institute is performing joint research with Nagoya University on changes in the precipitation pattern resulting from global warming.

Professor Kazuhisa Tsuboki from the Institute for Space-Earth Environmental Research at Nagoya University, our partner in this joint research, has developed a high spatial resolution model capable of performing detailed simulation of such aspects as clouds and precipitation, and is advancing research into the mechanisms of torrential rain, typhoons and other phenomena. As an example, the charts below show the results using Nagoya University's high spatial resolution model to simulate the July 2018 heavy rain. Comparing the chart on the left showing the simulation results and the chart on the right showing the actual observed rainfall amounts, we can see that the simulation has adeptly re-created precipitation volume.

The Tokio Marine Research Institute is working with Professor Tsuboki and carrying out survey and analysis of torrential rain patterns under future climate conditions by using the experimental results of climate simulation models and other data.



作成：名古屋大学宇宙地球環境研究所

Created by the Institute for Space-Earth Environmental Research, Nagoya University

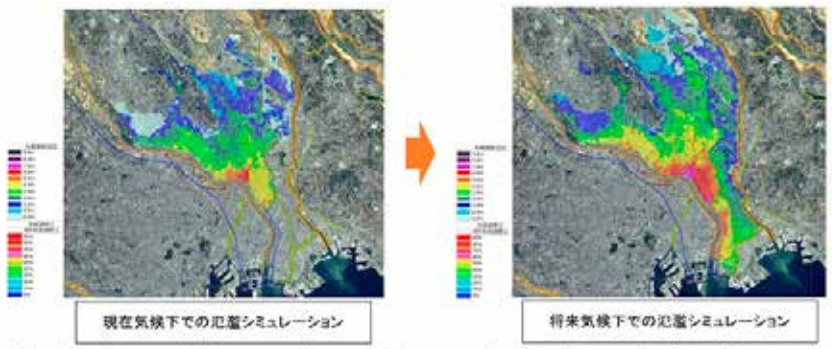
• Joint Research with Kyoto University: Assessment of Water Disaster Risk under Future Climate Conditions

The Tokio Marine Research Institute is engaging in joint research with Kyoto University with the aim of quantitatively assessing changes in water disaster risk under future climate conditions. By also leveraging know-how for estimating precipitation volume under future climate conditions, which has been gained through joint research with Nagoya University, we are conducting research on methods to assess water disaster risk under future climate conditions.

The Disaster Prevention Research Institute and the Graduate School of Engineering at Kyoto University have top-class researchers in this area, including Professor Eiichi Nakakita and Professor Yasuto Tachikawa, who are co-researchers at the Tokio Marine Research Institute. Working with Kyoto University, the Tokio Marine Research Institute has forecast future changes in river flow volume by using a rainfall runoff model to simulate river flow volume based on precipitation data.

The charts below show the results of flood simulations on the Arakawa River based on river flow volumes calculated using the rainfall runoff model and precipitation data from the Database for Policy Decision-Making for Future Climate Change ("d4PDF"). The chart on the right simulates a flood under future climate conditions with increased global warming. It shows wider water-immersed surface areas and deeper water immersion than the chart on the left, which shows a flood under the current climate conditions.

Currently, the Tokio Marine Research Institute is continuing research with a view to developing a more versatile rainfall runoff model applicable to rivers throughout Japan.



Flood simulation under the current climate conditions　Flood simulation under future climate conditions

• Research Presentations at Academic Societies and Other Gatherings

We will publicize the results of the aforementioned joint research to a broad audience through presentations at academic and other conferences.

- Since fiscal 2008, we have been continually announcing the results of joint research with The University of Tokyo, Nagoya University and Kyoto University, respectively, at the Meteorological Society of Japan.
- Since fiscal 2013, we have been announcing the results of joint research with Nagoya University and Kyoto University, respectively, at the Japan Society of Hydrology and Water Resources.
- Since fiscal 2017, we have been announcing the results of joint research with Nagoya University and Kyoto University, respectively, at the Japanese Society of Insurance Science.

■ Building a Resilient Society Capable of Assessing, Reducing and Adapting to Earthquake and Tsunami Risk

In recent years, major disasters have inflicted serious damage around the world, as seen in the earthquake off the coast of central Chile, earthquake off the coast of Northern Sumatra and Indian Ocean tsunami, the Great Sichuan Earthquake, the Great East Japan Earthquake, Kumamoto earthquakes, Hokkaido Iburi earthquake and wind and water disasters resulting from climate change. Against this background, Tokio Marine Group brings together the expertise and data gained through its non-life insurance and risk consulting businesses to advance initiatives leading to the safety and security of society.

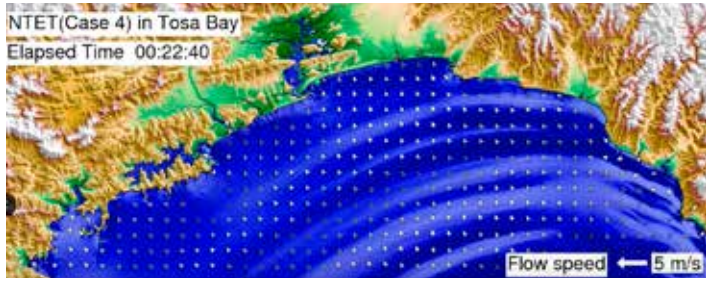
• Earthquake and Tsunami Risk Research in Collaboration with the International Research Institute of Disaster Science at Tohoku University

In July 2011, a few months after the Great East Japan Earthquake, Tokio Marine Group concluded an industry-academia collaborative agreement with Tohoku University and began research and development and human resource development initiatives in disaster science. The initiatives drew upon Tohoku University's knowledge and data concerning tsunami risk assessment and other areas of disaster science, and Tokio Marine & Nichido's knowledge and data concerning earthquake and tsunami risk accumulated through its insurance business.

At Tohoku University, our partner in this collaborative research, the International Research Institute of Disaster Science (IRIDeS) and an endowed research division named the Earthquake-induced Tsunami Risk Evaluation Field (Tokio Marine & Nichido) established within IRIDeS have researchers, including Professor and IRIDeS Director Fumihiko Imamura, Specially Appointed Professor Hidetoshi Nishiyori, Associate Professor Anawat Suppasri, Project Instructor Mari Yasuda and Assistant Professor Noriko Uchida, who are engaging in assessment of earthquake and tsunami risk and activities to promote disaster prevention and mitigation in local communities.

To date, while understanding actual damage caused by the Great East Japan Earthquake and assessing tsunamis following major past earthquakes, we have conducted research on tsunami risk assessment methods that take into consideration vulnerabilities and disaster preparedness in society and published the findings both in Japan and overseas. We have also provided disaster prevention education, held awareness-raising seminars and developed disaster prevention educational tools to disseminate the knowledge thus obtained widely throughout society.

These activities were highly acclaimed and selected as a winner of the third Good Practice award in the insurance category at the annual general meeting of the Ministry of the Environment's Principles for Financial Action for the 21st Century initiative held on March 11, 2015.



Simulation of soil movement caused by a tsunami of an impending major earthquake in the Nankai Trough (Created by the International Research Institute of Disaster Science (IRIDeS) at Tohoku University)

Phase 4 members of the Endowed Research Division, IRIDeS, Tohoku University

Chart 1 shows the simulation results of the tsunami caused by the 2011 Great East Japan Earthquake, which hit areas near Kesennuma City, Miyagi Prefecture. This simulation enables us to estimate the distribution of debris and other objects washed ashore and the volume of tsunami deposit, and provides data that is valuable in formulating measures for preventing combined damage as well as post-disaster response plans.

Chart 2 is a guide for school administrators showing how to perform tsunami evacuation during the COVID-19 pandemic, developed jointly with UNDRR and the United Nations Development Programme (UNDP). It was released in 2020 on the day designated as World Tsunami Awareness Day and has been contributing to disaster prevention and mitigation both in and outside Japan.

In March 2017, our research on effects of coastal forests to mitigate tsunami damage, which is being conducted since April 2015, won an outstanding achievement award in the Green Resilience Award category of the Japan Resilience Awards 2017 hosted by the Association for Resilience Japan. Under the same award program, Tokio Marine Group's industry-academia collaborative initiative with Tohoku University for building a disaster-resilient community won an excellence award in March 2018. Through industry-academia collaboration with Tohoku University as well as collaboration with various industry, government, academia and private-sector stakeholders, Tokio Marine Group will continue to promote efforts to support recovery of disaster-affected areas, increase resilience in local communities and countries across the world and deliver solutions for a safe and secure future.

Chart 1: Simulation of the combined damage in Kesennuma City caused by the earthquake-induced tsunami in the Tohoku region in 2011 (Created by IRIDeS, Tohoku University)

Chart 2: Tsunami Evacuation during COVID-19: A Guide for School Administrators

• Research Presentations at Academic and Other Conferences

We present and disseminate the results of the above research at academic conferences and symposiums both in and outside Japan. In fiscal 2020, we conducted 11 presentations at academic conferences in Japan and overseas and disseminated information at the Fifth National Conference on Disaster Risk Reduction held online in October 2020 and the Sendai Symposium for Disaster Risk Reduction and the Future held in Sendai, Miyagi Prefecture, in March 2021.

We were involved in the planning of the 30th International Tsunami Symposium (ITS2021) held in person and online in Sendai on July 1 to 3, 2021. A total of 300 participants joined this "hybrid" symposium, the highest attendance to date. The event included lectures by experts and researchers open to the public as well as presentations of the findings in person and through posters. During the symposium, we conducted a presentation of the knowledge we have gained through providing disaster prevention and mitigation education and exhibited the history of the industry-academia collaboration between Tokio Marine Group and Tohoku University.

Based on the experience and lessons learned during the 10 years following the Great East Japan Earthquake, we will work to disseminate information on disaster prevention and mitigation in Japan and overseas at various opportunities, including the National Conference on Disaster Risk Reduction held in November 2021 in Kamaishi City, Iwate Prefecture, and the Sendai Symposium for Disaster Risk Reduction and the Future scheduled for March 2022 in Sendai.

[Major presentation (example)]

Presentation at the Fifth National Conference on Disaster Risk Reduction and the Sendai Symposium for Disaster Risk Reduction and the Future (PDF/5.5MB) (in Japanese)

• Disaster Surveys

We also conduct damage and other surveys and risk assessment when a major disaster strikes in or outside Japan. In June 2016, we conducted a field survey of the damage caused by the Kumamoto earthquakes. Also, in response to the tsunami induced by an earthquake that occurred off the cost of Fukushima Prefecture in November 2016, we conducted a survey on the response of society along with a damage survey. The survey results have been presented in the "The Frontline of Risk Management," a series of reports published by Tokio Marine & Nichido Risk Consulting (currently known as Tokio Marine dR), a Tokio Marine Group company. Additionally, we provided assistance to the Indonesian government in surveying the damage caused by an earthquake-induced tsunami

that hit Palu, a city on Sulawesi Island, and by a tsunami at Sunda Strait said to be triggered by the eruption of Anak Krakatau volcano, both of which occurred in 2018. Following Typhoon Hagibis that made landfall in Japan in October 2019, we conducted a local damage survey in disaster-stricken areas in Miyagi Prefecture along the Yoshida and Abukuma rivers.

• Summary of Activities to Date

In April 2012, an endowed research division named the Earthquake-induced Tsunami Risk Evaluation Field (Tokio Marine & Nichido) was established within IRIDeS at Tohoku University. This division has been engaging in research on the following topics.

Period	Research topic
[Phase 1] April 2012–	Research into earthquake and tsunami risk assessment • Analysis of the wave height distribution and arrival time of tsunamis caused by major past earthquakes, including the Great East Japan Earthquake • Research and development of more reliable damage simulations that take into consideration vulnerabilities and disaster readiness capabilities in society both in Japan and overseas and tsunami risk assessment methods that factor in the probability of occurrence • Research into tsunami evacuation (e.g., providing basic information for disaster mitigation planning of coastal areas and cooperating in formulation of tsunami evacuation plans of regional municipal bodies)
[Phase 2] April 2015–	• Research on effects of coastal forests to mitigate tsunami damage • Research on raising the sophistication of tsunami numerical simulation models (encompassing simulations of tsunami-induced flooding, movement of floating objects and movement of soil) • Development of a mobile application (to assess the depth of immersion and immersed surface areas of the 2011 tsunami and subsequent damage to fishing boats)
[Phase 3] April 2018–	• Research on damage to farming rafts and eelgrass beds caused by the 2011 earthquake and tsunami • Research on assessment of global tsunami hazards and risk • Research on human damage in past tsunamis
[Phase 4] April 2021–	• Research on comprehensive disaster prevention of local communities through ecosystems in coastal areas • Research on quantification of cascading disasters • Research on examination of the sustainability of diverse disaster prevention education techniques, including on-demand educational materials • International standardization of Japan's disaster prevention and mitigation knowledge and technologies (ISO standard certifying disaster preparedness)

Disseminating Relevant Information

Using the lessons learned from earthquakes and other disasters in the past to help people prepare for disasters, and through employee volunteer activities, Tokio Marine Group disseminates disaster prevention information via the media and holds disaster prevention seminars for children and adults with support from research institutes who are our joint research partners.

◉ Delivering Safety and Security to Children and Small and Medium-Sized Companies

■ Providing School Disaster Mitigation Awareness Lessons through Tohoku University

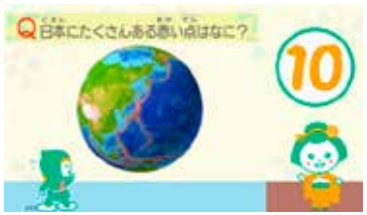
Utilizing the lessons learned from the Great East Japan Earthquake, Tokio Marine & Nichido's endowed research division (Earthquake-induced Tsunami Risk Evaluation Field) established within IRIDeS, Tohoku University, has been providing school disaster mitigation awareness lessons for children on a continuing basis since fiscal 2014 to build a society resilient to disasters. The lessons have been provided at schools to more than 17,000 children in and outside Japan.

The lessons translate the knowledge cultivated through disaster science research of IRIDeS into educational materials that describe disaster risk from a scientific viewpoint, yet in a manner easily comprehensible by children. An original group work tool incorporating elements of brain science and cognitive psychology, "Disaster Prevention and Mitigation Stamp Rally (stamp collecting game)," has also been developed and is used as a teaching aid. COVID-19, in particular, has resulted in school closures and restricted many activities since fiscal 2020. In response, we newly created and distributed on-demand educational materials and updated our conventional style of providing in-person lessens at school. The introduction of these materials brought about several advantages, such as the ease of use as they are compiled in a succinct manner; versatility that allows teachers to develop disaster prevention education plans themselves and adapt lessons to their school environment; and simultaneous implementation among regions.

As we surveyed and analyzed changes in children's disaster risk awareness before and after the lessons, we discovered that there is a regional distinction in basic levels of risk awareness between disaster-prone regions and disaster-free regions. Both groups show similarly higher risk awareness immediately after the lessons, but a decline in awareness over time is greater in the second group

than in the first group. In the face of increasing and diversifying disasters, it is essential to provide disaster prevention education on a continuous basis for promoting disaster prevention and mitigation.

Children who have received our school disaster mitigation awareness lessons are now leading disaster prevention in their local communities. Among similar initiatives undertaken by universities nationwide, our lessons are unique in that these are social contribution activities covering much greater areas. At the Japan Resilience Awards 2018, our initiative won a gold award in the Educational Institutions category. Tokio Marine Group will continue to collaborate with Tohoku University and facilitate activities to raise children's disaster prevention awareness.



・Disaster Prevention Lessons

Based on the lessons learned from the Great East Japan Earthquake, employee volunteers, including its agents, have been conducting Disaster Prevention Lessons since 2012 to convey knowledge on disaster prevention to children and help them prepare for a next disaster. Disaster Prevention Lessons ("Earthquake and Tsunami" edition) are a program to raise readiness for disaster prevention among elementary school children. Employee volunteers from Tokio Marine & Nichido Risk Consulting (currently known as Tokio Marine dR) developed educational materials, which were then supervised by IRIDeS at Tohoku University. In the lessons, children learn about the mechanisms that cause earthquakes and tsunamis, what to do when an earthquake occurs and what preparations should be made in advance.

In fiscal 2020, we rolled out Disaster Prevention Lessons ("Water and Landslide Disasters" edition), a new program that has been supervised by IRIDeS at Tohoku University and the Disaster Prevention Research Institute at Kyoto University. This is a program for children to learn about the mechanism behind heavy rains, how to cultivate a mental attitude to take action and start evacuating and points to be noted when staying at an evacuation shelter. The aim of our Disaster Prevention Lessons is to cultivate a correct understanding of earthquakes and water disasters among children and the ability to prepare themselves for an impending disaster.

As of March 31, 2021, Disaster Prevention Lessons have been held about 810 times at elementary schools and special needs schools across Japan, with approximately 55,200 children attending. We will continue to promote the creation of a safe, secure and resilient society and future by engaging in awareness and educational activities for disaster readiness through our Disaster Prevention Lessons.

■ Supporting the Formulation of Disaster Mitigation and Tsunami Evacuation Plans of Regional Municipal Bodies

Immediately following the Great East Japan Earthquake, Tokio Marine & Nichido started engaging in industry-academia collaborative initiatives to support the formulation of recovery and evacuation plans as well as related projects in each disaster-affected area. In Sendai City, the company has been supporting total tsunami countermeasures, including the formulation of the city's recovery plan and evacuation plans for Sendai Port and other facilities as well as the planning of facilities related to multifaceted defense against tsunamis, and has been presenting Sendai as a model city of tsunami countermeasures in and outside Japan. Tokio Marine & Nichido is also providing advice and technical support to the city's new initiatives. They include a drill conducted by the city periodically on response to people deprived of a means to return home in a disaster, an annual evacuation drill held around the day designated as World Tsunami Awareness Day and the use of fully autonomous drones to strengthen the city's ability to disseminate information on tsunami evacuation.

Sendai City: Supporting Discussion on the Use of Drones for Disseminating Information on Tsunami Evacuation

• BCP Program and Seminar on Formulation of Plans for Strengthening Business Continuity Capability* in Collaboration with Local Governments, Chambers of Commerce and Other Organizations

Tokio Marine & Nichido offers a program to assist in the formulation of business continuity plans (BCP) and a seminar on the formulation of plans for strengthening business continuity capability* for small and medium-sized companies. Sales personnel from the company's branches nationwide serve as lecturers and offer the program and seminar in collaboration with our partners, including respective local governments, chambers of commerce, commerce and industry associations and financial institutions.

***System to certify plans for strengthening business continuity capability**
A system in which the Minister of Economy, Trade and Industry assesses plans for pre-disaster measures for disaster prevention and mitigation formulated by small and medium-sized companies and certifies them as plans for strengthening business continuity capability. Certified companies will receive a tax break, financial support and support in the form of additional points in the screening for a subsidy.

• Booklet Entitled "Rethink Now! Earthquake in the Foreseeable Future and Preparation for It" and "Easy, Understandable BCP Planning Sheet"

We have developed "Rethink Now! Earthquake in the Foreseeable Future and Preparation for It," an awareness-raising booklet designed to renew our understanding of the basics of earthquake risk in Japan, and "Easy, Understandable BCP Planning Sheet," a tool for small and medium-sized companies to grasp an overall picture of a BCP in one sheet and make their first step in formulating their own BCPs. The booklet and planning sheet cover not just earthquakes but also other disasters, including water disasters now occurring more frequently, as well as COVID-19 and other infectious diseases. These tools are also intended to enable companies to raise the level of their own BCPs as well as their entire supply chain's BCPs and to make these BCPs more viable by disseminating and instilling the idea of BCP among their employees. Through our employees and agents, we distribute these combined tools to companies, local governments, chambers of commerce and commerce and industry associations.

• Online Seminar by the Tokio Marine Research Institute

Every year, the Tokio Marine Research Institute has held jointly with Tokio Marine & Nichido a seminar to provide the latest findings about natural disaster risk to company employees and citizens. In fiscal 2020, given the spread of COVID-19, the two companies held a seminar online on November 4, 2020. Entitled "Current Status and Outlook of COVID-19," the seminar served to deepen an understanding of the disease and provided information on such topics as economic countermeasures required in response to COVID-19 through lectures by experts.

Seminar by the Tokio Marine Research Institute (in Japanese)

■ Website and Clear File Folder for Disaster Prevention

• Creating a Society with High Disaster Consciousness – For Tomorrow's Smiles: Disaster Readiness and Mitigation Information Website, and Clear File Folder for Disaster Prevention

Since March 2013, Tokio Marine & Nichido has been operating the "For Tomorrow's Smiles: Disaster Readiness and Mitigation Information Website" with the aim of contributing to the creation of a secure, safe and sustainable society and providing an opportunity for people to think about disaster readiness and mitigation.

This site has been supervised by the endowed research division named the Earthquake-induced Tsunami Risk Evaluation Field established within IRIDeS at Tohoku University, with which Tokio Marine & Nichido has entered into a collaborative agreement. It uses illustrations, comics and games to offer easily understood explanations of the mechanisms behind "earthquakes, tsunamis, volcanoes, typhoons, tornadoes, torrential downpours and heavy snowfalls, as well as infectious diseases," along with such other topics on how we should prepare ourselves for and respond to disasters. Other information to help promote disaster awareness includes a simple and useful tool to calculate the necessary amount of emergency food to be stockpiled at home.

For Tomorrow's Smiles: Disaster Readiness and Mitigation Information Website (in Japanese)

As a result of its joint research with IRIDeS at Tohoku University, Tokio Marine & Nichido has also created the Clear File Folder for Disaster Prevention, which lists emergency goods households should have on hand at all times and specific measures to take in the event of a natural disaster, including an earthquake or tsunami.

The folder is available in five versions, Earthquake, Tsunami, Emergency Goods, Earthquake ("Action" edition) and Water and Landslide Disasters, and

is useful for keeping important documents in case of a disaster. These file folders are distributed during Disaster Prevention Lessons, a program to raise readiness for disaster prevention hosted by the company and conducted by employee and agent volunteers, and used in marketing operations as novelty goods to customers, thereby offering ideas of disaster prevention measures that combine the latest knowledge of a university research institute and an insurance company to the public in an easy-to-understand manner.

Multi-Stakeholder Dialogue

Tokio Marine Group collaborates with insurance companies worldwide to conduct surveys and research into climate change and natural disaster risks and to engage in multi-stakeholder dialogue aimed at reducing and mitigating the risks placed on economic and social life.

■The Geneva Association

・The Geneva Association: Extreme Events and Climate Risk Working Group

Tokio Marine & Nichido participates in The Geneva Association's Climate Change and Emerging Environmental Topics (CC+EET) Working Group. In collaboration with insurance companies and other participants worldwide, the company is surveying and researching the impacts of regional climate change and natural disaster risks on the insurance business, economies and society. As one of the CC+EET Working Group's initiatives, in creating the United Nations' "Global Assessment Report on Disaster Risk Reduction 2013," Tokio Marine & Nichido assisted with sections concerning the Great East Japan Earthquake, which were included in the "Contribution of the Insurance Industry in Lessening Disaster Risk: Case Study Collection" (May 2013), a report corroborating statements concerning the role of insurance in lessening risk.

Working in collaboration with The Geneva Association's secretariat, in October 2013 Tokio Marine & Nichido held The Geneva Association's "Fifth Climate Risk and Insurance Seminar" in Sendai, where it welcomed Margareta Wahlström, the then United Nations Special Representative of the Secretary-General for Disaster Risk Reduction. On March 16, 2015, Tokio Marine & Nichido also held The Geneva Association's Public Forum Event, "Insurance as contributors to problem solving and impact reduction," at the Third United Nations World Conference on Disaster Risk Reduction, which took place once again in Sendai. During the conference, Shuzo Sumi, the then Chairman of the Board of Tokio Marine & Nichido, and Anna Maria D'Hulster, Secretary General of The Geneva Association, along with other members, met with Margareta Wahlström and confirmed that the insurance industry will continue to work together with the United Nations and other organizations under the Sendai Framework for Disaster Risk Reduction 2015–2030 and contribute to ensuring disaster readiness around the world.

The 21st session of the Conference of the Parties to the UNFCCC (COP21) was held from the end of November to early December 2015 in Paris, France. Taking the opportunity of COP21, the Organisation for Economic Co-operation and Development (OECD) and The Geneva Association held the Special Session on Climate Change and the Insurance Sector at the OECD headquarters in Paris on December 3, 2015. From Tokio Marine & Nichido, Masaaki Nagamura, the then General Manager and Division Head, CSR Division, Corporate Planning Department, joined the session as a panelist and shared some of the findings of a research project undertaken by Tokio Marine Group to forecast typhoon formation under future climate conditions. While explaining our desire to leverage these findings in strengthening society's resilience in the future, he encouraged stronger government and private sector collaboration in developing countries, which are prone to natural disasters, and urged governments to utilize the relevant knowledge accumulated by private-sector insurance companies.

■Initiatives and Events Related to Natural Disaster Risk and Climate Change Risk

・ClimateWise: Thought Leadership "The Role of Insurers in Strengthening Business Resilience to Climate Risk"

Tokio Marine & Nichido is the only insurance company in Asia participating in the U.K.-based ClimateWise climate change initiative. Tokio Marine & Nichido (Chairman at the time Kunio Ishihara), drawing on the experiences of insurance companies following the Great East Japan Earthquake and the flooding in Thailand, put forth a proposal in February 2013 entitled "The role of insurers in strengthening business resilience to climate risk" as an article in the Thought Leadership Series (i.e., a proposal to strengthen the role of the insurance industry with respect to climate change risk) under ClimateWise.

Specifically, the recommendation stated that "advance preparation of business continuity planning (BCP) that factors in supply chain risks, along with rapid business recovery planning, are important in creating resilience against future climate change and natural disaster risks; as such, companies (and managers) should leverage the knowledge of insurance companies in addressing these."

ClimateWise Thought Leadership Series (PDF / 340.6KB)

Tokio Marine & Nichido has been implementing measures against climate change in accordance with the ClimateWise Principles that are based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Principle 1 Be accountable
Principle 2 Incorporate climate-related issues into our strategies and investments
Principle 3 Lead in the identification, understanding and management of climate risk
Principle 4 Reduce the environmental impact of our business
Principle 5 Inform public policy making
Principle 6 Support climate awareness amongst our customers/clients
Principle 7 Enhance reporting

Tokio Marine's ClimateWise Report Annual Reporting 2020-2021 (PDF / 618KB)

• Providing Recommendations to Society in a Public Symposium of the UNDRR ARISE Network Japan Based on "How Businesses Meet the Challenge of Extreme Weather Events"

On March 10, 2017, the UNDRR Private Sector Alliance for Disaster Resilient Societies (ARISE) Network Japan hosted a public symposium in Tokyo on the theme of "How businesses meet the challenge of extreme weather events."

In the first part of the symposium, the Japanese government (Cabinet Office, Ministry of the Environment and Ministry of Land, Infrastructure, Transport and Tourism) reported the latest developments in this field. In the second part, members of the ARISE Network Japan delivered presentations on their initiatives. The Tokio Marine Research Institute, serving as a think tank in Tokio Marine Group, gave a lecture on "Modeling flood risks of Arakawa River valley under future climate," stressed the need to disseminate information on global warming through the promotion of industry-academia collaboration and made recommendations for building a safe, secure and sustainable future.

• Providing Recommendations to Society via the World Disaster Risk Reduction (Bosai) Forum and the National Conference on Disaster Risk Reduction

On August 27 and 28, 2016, the First National Conference on Disaster Risk Reduction was held in Tokyo. On the first day, Tokio Marine & Nichido and IRIDeS at Tohoku University hosted an industry-academia forum entitled "Providing Safety and Security into the Future – Do We Learn from the Lessons of the Great East Japan Earthquake and Other Disasters?"

In the next year, from November 25 to 28, 2017, the First World Disaster Risk Reduction (Bosai) Forum and the Second National Conference on Disaster Risk Reduction were held in Sendai. On November 27, Tokio Marine & Nichido and IRIDeS at Tohoku University, in collaboration with Tokio Marine & Nichido Risk Consulting (currently known as Tokio Marine dR), again hosted an industry-academia forum entitled "Building a Disaster-Resilient Community in the Asia-Pacific – The Power of Science and Insurance."

After a keynote presentation by Professor and IRIDeS Director Fumihiko Imamura, we held a panel discussion with panelists and a moderator from the Asia-Pacific Financial Forum, the Ministry of Finance, the World Bank and Tokio Marine & Nichido and provided recommendations on developing an effective disaster risk management system through a public-private-academia partnership to build a society resilient to disasters.

At the Third National Conference on Disaster Risk Reduction held in Tokyo on October 13 and 14, 2018, the Fourth National Conference on Disaster Risk Reduction held in Nagoya on October 19 and 20, 2019 and the Second World Disaster Risk Reduction (Bosai) Forum held in Sendai in November 2019, Tokio Marine & Nichido's endowed research division (Earthquake-induced Tsunami Risk Evaluation Field) established within IRIDeS, Tohoku University, ran a booth to hold an exhibition on "Research Activities and Social Contribution Related to Disaster Prevention and Mitigation through an Industry-Academia Partnership." The Fifth National Conference on Disaster Risk Reduction in Hiroshima was held online in November 2020 due to the COVID-19 pandemic, and Tokio Marine Group gave a presentation on "Research Findings on Earthquake and Tsunami Risk Assessment, and Education and Awareness Raising Related to Disaster Prevention and Mitigation."

Jointly with Tohoku University, Tokio Marine Group participated in the Sixth National Conference on Disaster Risk Reduction held in Kamaishi, Iwate Prefecture, in November 2021.

Promoting Disaster Prevention and Mitigation

Contributing to Making Society Resilient to Natural Disasters

Resolving disaster issues and mitigating disaster damage are two major concerns in the international community and challenges we should tackle. We are applying our knowledge in the areas of natural disasters as well as disaster prevention and mitigation, which we have accumulated through research on natural disaster risk and participation in international initiatives, to the development and provision of products and services leading to the safety and security of customers and local communities well into the future. At the same time, we are promoting activities to disseminate our knowledge on disasters and disaster prevention and mitigation widely throughout society through such efforts as raising disaster prevention awareness of children as well as companies before a disaster strikes.

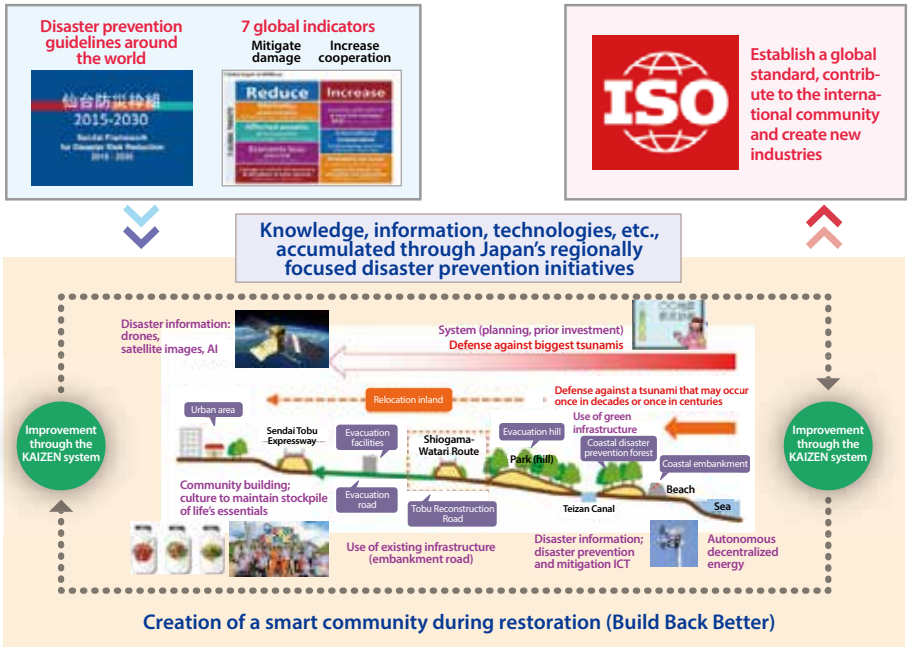
Even after a disaster, we focus on making appropriate and swift claims payments and providing services for the early recovery of business operations of companies affected by the disaster. Tokio Marine Group seeks to contribute to building a safe and secure society that is strongly resilient to natural disasters by providing total responses before and after disasters through its diverse products and services and various initiatives, including activities to raise disaster prevention awareness, provide relief funds and engage employee volunteers.

Tokio Marine & Nichido received certification as an organization contributing to the building of national resilience ("Resilience Certification") in the business continuity category in the first evaluation conducted in fiscal 2016 and the social contribution category in the first evaluation conducted in fiscal 2020.

Efforts to Develop an ISO Standard Certifying Disaster Preparedness

In recent years, intensifying natural disasters have caused enormous human and economic damage to various parts of the world. Against this backdrop, the concept of disaster prevention (Bosai) has taken root worldwide, as evidenced by the Sendai Framework for Disaster Risk Reduction 2015-2030 adopted at the Third United Nations World Conference on Disaster Risk Reduction in 2015 as well as by the declaration in 2019 by the G20 of institutionalizing the Sendai Framework. Accordingly, Japan has been leading an effort to develop an ISO standard certifying disaster preparedness. By defining disaster prevention and mitigation efforts as a sustainable value standard (criteria), it is aimed at creating value as a new industry; applying such products, services and infrastructure in society; and improving disaster preparedness in Japan and throughout the international community.

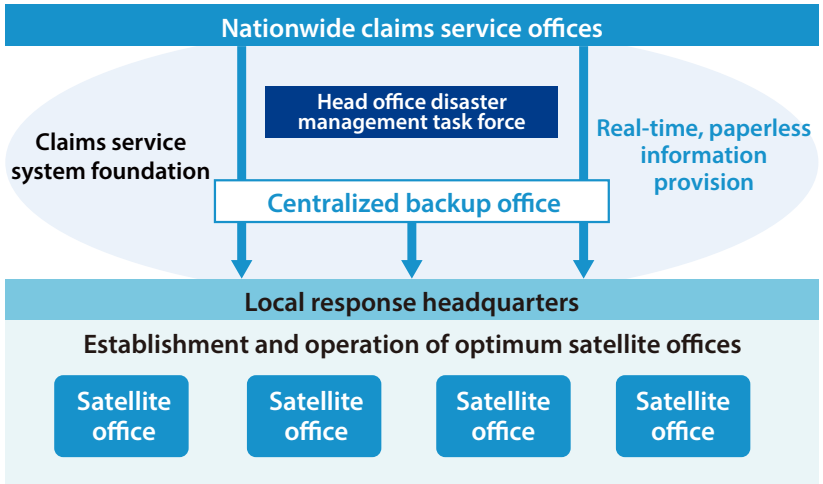
Under the guidance of Professor Fumihiko Imamura of the International Research Institute of Disaster Science (IRIDeS) at Tohoku University, the Disaster Preparedness ISO Project (TC268: Sustainable cities and communities / SC1: Smart community infrastructure / WG6: Disaster risk reduction) has been promoted as a strategic project of the Ministry of Economy, Trade and Industry and other organizations, with Tokio Marine & Nichido's endowed research division established within IRIDeS serving as the secretariat. In addition to ongoing standardization efforts in the two aspects of basic concept and seismograph utilization, activities to develop international standards in such areas as emergency foodstuff in a disaster and risk financing have been launched in fiscal 2021. The secretariat is also working with BOSAI-TECH, a project planned and operated by Sendai City to create and provide support for disaster prevention-related ventures, to produce next-generation venture businesses that tackle social issues. Tokio Marine Group participates in the BOSAI-TECH project as



a sponsor company and provides support from a broad range of perspectives, such as exploring business creation with overseas venture companies and facilitating cooperation with various international organizations. In terms of human resources, personnel from the Sendai Branch, which is located in one of the disaster-stricken areas of the Great East Japan Earthquake, participates in the Concept Committee of the Disaster Preparedness ISO Project, while personnel specializing in the climate-related financial disclosure (TCFD) provides advice in the risk financing field.

■System for Responding Quickly to Natural Disasters

The purpose of Tokio Marine Group is to protect customers and society in times of need, which is a commitment we have upheld in all of our activities.



Providing caring claims services for individual customers

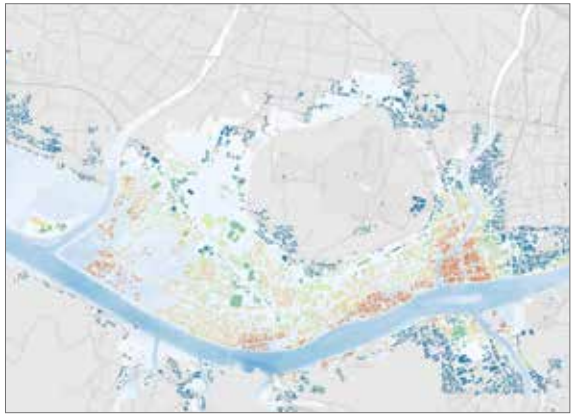
Japan has been struck by a number of natural disasters such as typhoons and floods in recent years, causing serious damage across the country. If a large-scale disaster occurs, Tokio Marine & Nichido promptly establishes backup offices (insurance claims centers), local disaster response offices and satellite offices (temporary offices to conduct damage assessment and other operations in disaster-stricken areas) to facilitate initial response. The company's system network enables damage service offices across Japan to exchange and share information in real time, which in turn allows for providing support smoothly in remote regions. Tokio Marine & Nichido makes company-wide efforts, with employees, appraisers and adjusters (damage investigators) dispatched to the disaster areas visiting customers affected by the disaster to check the status of damaged houses and other properties in order to quickly pay insurance claims using digital, AI and other technologies.

System for Responding Quickly to Natural Disasters (Tokio Marine & Nichido website) (in Japanese)

■Sophistication of Claims Payments Using Satellite Imaging and AI

Tokio Marine & Nichido has been working with ABeam Consulting Ltd. to pay insurance claims using satellite imagery since 2018. To increase the sophistication of these activities, the company began cooperating with three companies with advanced satellite image analysis technologies, namely ICEYE, PASCO Corporation and Mitsubishi Electric Corporation.

Tokio Marine & Nichido had already been using AI to analyze satellite images to determine the extent and scope of flood damage and obtain other information. The new partnership with the three companies, however, will make it possible to obtain a greater number of satellite images of wider areas more quickly in the event of large-scale floods. Using AI to analyze multiple images in combination with the company's customer data such as locations and property information enables the detailed calculation of damage and the height of flooding in as quickly as a few hours. This in turn is expected to significantly reduce the time before customers receive their insurance claims.



AI analysis of satellite imagery to quickly assess damage in detail

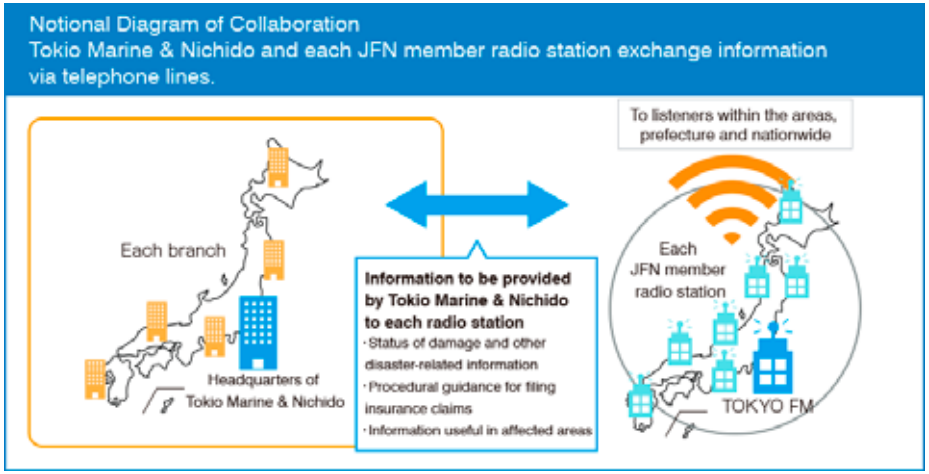
Introducing Technology to Check Damage Status in Real Time

Tokio Marine & Nichido has formed a business tie-up with SightCall, Inc. and introduced in July 2019 a WebRTC system to check building and other damage following an accident or disaster. WebRTC is a real-time communication (RTC) system to share imagery and communicate over a web browser, which enables interactive communications between an affected site and a remote office while sharing photos and videos. After a typhoon or torrential rains, for example, the system connects a customer or agent in an affected area with a Tokio Marine & Nichido employee or appraiser in an office in real time. This will eliminate the need to keep customers waiting for a site visit or the trouble of resubmitting required documents, which in turn would lead to quick and accurate identification of damage and swift claims payments to customers.

Tokio Marine & Nichido will continue to provide claims services more closely aligned with customers. At the same time, we will work to achieve even greater customer satisfaction by leveraging leading-edge technology.

Area Information Network in Time of Disaster

In August 2014, Tokio Marine & Nichido concluded an agreement concerning the establishment of an area information network in time of disaster with the 38 member FM radio stations of the Japan FM Network Association (JFN). Under the agreement, Tokio Marine & Nichido and each of the JFN member FM radio stations exchange information via telephone lines in the event of an earthquake or any other disaster. Tokio Marine & Nichido will provide disaster-related information on affected areas, including damage status, as well as procedural guidance for filing insurance claims, while the radio stations transmit the information within these areas, across the corresponding prefecture and nationwide. Through this collaboration, we aim to ensure the security of local community members and help to support the recovery and reconstruction of affected areas.



Early Disaster Recovery Support Service through a Tie-Up with BELFOR

Tokio Marine & Nichido has established an exclusive partnership with BELFOR (Japan) Co., Ltd., one of the world's largest disaster recovery support companies, to provide its corporate customers in particular with the Early Disaster Recovery Support Service for machinery, facilities, buildings and other properties damaged in an accident or disaster. In addition to fires that occur across Japan on a daily basis, BELFOR has a track record of providing early recovery services for its customers' factories, stores and other facilities damaged by numerous disasters, including those affecting wide areas such as the Great East Japan Earthquake and the floods in Thailand.

The range of BELFOR's activities has been expanding significantly amid natural disasters, which have become more frequent in Japan in recent years. Regarding water disasters, for example, BELFOR handled 156 cases related to torrential rains in western Japan and other floods in 2018, 269 cases related to Typhoon Hagibis and other events in 2019 and 189 cases in 2020. To address these cases, BELFOR provided general recovery support mainly for factory machinery and facilities utilizing specialized technologies, an area in which BELFOR has a competitive advantage.*

* Specialized technologies include emergency stabilization (treatment to inhibit the progression of corrosion and rust in facilities to prevent further damage) and precision cleaning (technology to dismantle equipment, clean electronic circuit boards by using BELFOR's originally developed alkali cleaner and deionized water, dry them completely in a vacuum chamber and reassemble the equipment)

As natural disasters become increasingly severe, Tokio Marine & Nichido will continue to provide support to its customers in times of need by working closely with BELFOR to help them overcome damage from a disaster and facilitate the early resumption of business.

<BELFOR Assisting Flood Recovery Following Typhoon Hagibis in 2019>

Overview of damage

- ✓ Embankments of nearby rivers collapsed and a large amount of sludge flowed into a customer's factory.
- ✓ The entire factory premises were damaged, with machinery and electrical equipment on the production lines submerged (depth of approximately 1.2 meters).
- ✓ Sludge flowed into and accumulated in the factory.

BELFOR's Response

- ✓ BELFOR started working quickly and contributed significantly to the customer's quick recovery from the typhoon damage by utilizing specialized technologies such as precision cleaning.

▼ The factory's machinery was severely damaged by sludge. BELFOR's specialized technologies aided the recovery of the factory to its pre-typhoon operability and condition.

Before

After

Before

After

■NADIAct Disaster Prevention and Mitigation Alert System for Companies

In September 2020, Tokio Marine Holdings and Tokio Marine dR developed the NADIAct (Natural Disaster Alert Dashboard for Initial Action) system jointly with Esri Japan Corporation. The system displays the disaster occurrence status on the premises of corporate customers in real time and facilitates appropriate actions to prevent and mitigate damage at each site.

It is essential that companies respond to natural disasters and, in particular, prevent and mitigate damage for business continuity and sustainable growth. By providing the NADIAct system, Tokio Marine Group continues to support the efforts of companies and local governments to prevent and mitigate damage and contribute to the creation of a society resilient to disasters.

Three strengths of NADIAct

NADIAct is a system that imports weather and disaster prevention information provided by Gehirn Inc. into a geographical information system (GIS) platform and visualizes the information on a map. It lists locations throughout Japan on the GIS, allowing companies with multiple business sites to learn about damage caused by a disaster at any of their sites and use this knowledge to implement countermeasures.

Strength ❶ Display of disaster information throughout Japan in real time

NADIAct obtains weather, disaster prevention and other information related to natural disasters published by the Japan Meteorological Agency through Gehirn and displays the risk levels for flooding, water immersion, strong winds, landslides and other dangerous natural phenomena occurring at companies' business sites in real time.

Strength ❷ Linked to flood timeline

NADIAct imports flood timeline information prompting actions to be taken as a disaster develops based on the risk consulting expertise of Tokio Marine dR and lists the recommended disaster prevention actions according to the risk level at each site. The recommended disaster prevention actions are sent simultaneously to the head office and each business site through email alert, enabling appropriate initial response to a disaster.

Strength ❸ Delivery of supplementary consulting services

The NADIAct user companies are eligible to receive advice from Tokio Marine dR on daily disaster response measures and risk management as well as online consulting services to increase the effectiveness of NADIAct in an emergency.

Tokio Marine Group will continue to develop disaster prevention and mitigation services to provide disaster prevention-related data to companies and local governments in an easily comprehensible manner. We will also promote the effective disaster prevention actions of our user companies by adding functionality to aggregate and display damage reports from each site.

NADIAct example display

■Development of a Flooding Risk Projection System for Local Governments

As a measure to address increasingly severe flood damage in recent years, local governments are working to not only reinforce embankments and other earthworks but also engage in awareness-raising activities using hazard maps and the publication of disaster prevention manuals. When a disaster occurs, it is important for local governments to make swift and appropriate judgments on when to urge residents to evacuate and to organize an initial response structure based on the disaster situation, while collecting information in the immediate aftermath of the disaster and making decisions quickly on various matters. In April 2021, Tokio Marine & Nichido and Tokio Marine dR together with the National Research Institute for Earth Science and Disaster Prevention (NIED) developed a flooding risk projection system using AI technology. The system is aimed at supporting local governments to make appropriate decisions and minimize the damage incurred to local residents during the initial response to torrential rains.

Flood area instant forecast

The flooding risk projection system was developed by incorporating NIED's natural disaster data related to rainfall into Tokio Marine & Nichido and Tokio Marine dR's system platform and has the following characteristics.

- **Immediate forecasts for flood areas**

Through a study and verification using relevant data provided by the Tokushima prefectural government, we developed techniques for estimating the areas that might flood due to heavy rains and incorporated a feature to collect information on the damage status in a timely manner.

- **Support for a series of processes in disaster areas**

The system imports local governments' resident information to visualize the number of households and population by age group in areas where the flood risk is rising in an immediate forecast. This allows local governments to specify areas that are facing imminent risk and requiring focused support when guiding the evacuation of residents. In this way, the system supports a series of processes from collecting information on the disaster situation to making various decisions, including organizing a disaster response team and dispatching city officials.

Tokio Marine & Nichido and Tokio Marine dR will continue to undertake the development of more sophisticated natural disaster damage forecasting systems and contribute to the development of strong local communities resilient to natural disasters.

■Launch of the Industry's First Magnitude Index-Based Earthquake Insurance (*EQuick Insurance for Earthquake Preparation*)

When a large natural disaster occurs, it may take a certain amount of time to assess damage and pay insurance claims. Through questionnaires to earthquake survivors, we have learned that various expenses are incurred in the immediate aftermath of an earthquake and there is a need for funds to pay for them. Based on this finding, Tokio Marine & Nichido released a magnitude index-based earthquake insurance (*EQuick Insurance for Earthquake Preparation*) in March 2021, which promptly pays insurance claims after an earthquake so that customers can pay for post-earthquake living expenses. A fixed amount of insurance set according to the earthquake magnitude observed in the area where customers reside will be paid in as fast as three days. The process from enrollment application to the receipt of insurance claims can be completed on a smartphone, providing more convenience to customers.

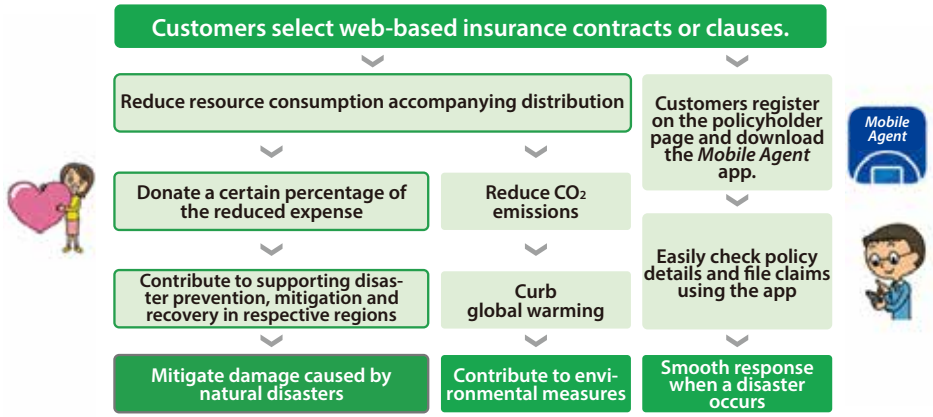
Flow of receiving insurance claims

*1 Insurance claims will be paid based on the initial contract if the earthquake information cannot be confirmed within 72 hours of the earthquake.

Fire Insurance with a System for Donation That Contributes to Disaster Prevention and Mitigation: Tokio Marine & Nichido's Total Assist Fire Insurance x Red Feather Disaster Prevention/Reduction Program

Tokio Marine & Nichido launched the "Total assist fire insurance x Red Feather Disaster prevention/reduction program" in cooperation with the Central Community Chest of Japan, which promotes the Red Feather Community Chest. The program is aimed at supporting efforts to prevent and mitigate damage from natural disasters whose frequency and intensity are increasing and to quickly recover from a disaster.

If a customer who has enrolled in a fire insurance policy (Total assist fire insurance) selects a web-based insurance contracts or clauses, Tokio Marine & Nichido donates a certain percentage of the reduced expenses to the Red Feather Community Chest to support disaster prevention, mitigation and recovery activities. Another purpose is to contribute to environmental efforts through the reduction of resource consumption.



Development of *Disaster Experience AR* App for Simulating a Disaster on a Smartphone or Tablet

To minimize damage from floods, which are becoming more intense and frequent, it is important for everyone to regard disasters as their own personal matters and raise their disaster prevention awareness.

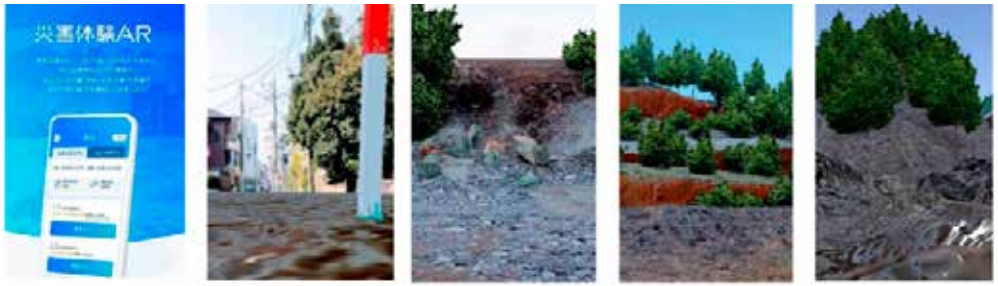
Tokio Marine & Nichido and Tokio Marine dR have developed the *Disaster Experience AR* app that enables customers to "experience" a water disaster on their smartphones as if it has actually happened to them. The app simulates the risk of water immersion caused by a flooding river and landslides and prepares customers to take appropriate action when a disaster actually occurs.

The *Disaster Experience AR* app uses augmented reality (AR) technology* to enable the visualization of flooding and landslides caused by a water disaster through the scanning of a QR code with a smartphone camera. The app has the following characteristics.

- Predicted flood heights of rivers all over Japan are collected in the geographical information system (GIS) and linked to an original hazard map prepared by Tokio Marine dR.
- The map covers all of Japan and the danger can be visualized at any point on the map, which can be used to confirm the risks that family members living separately may be exposed to.

* Technology to superimpose virtual visual information onto the user's actual environment

Images of *Disaster Experience AR* app



Top page | Flood | Cliff failure | Mudslide | Landslide

Preventing Global Warming by Promoting the Development of Clean Energy

In order to prevent damage due to climate change from spreading, Tokio Marine Group is examining the possibility of installing and operating renewable energy facilities in Group companies while also providing products and services such as environmental consulting.

Products and Services for Promoting the Development of Clean Energy

◉ Establishing a Green Transformation (GX) Task Force and GX Office

In February 2021, Tokio Marine & Nichido established a Green Transformation (GX) Task Force, a cross-departmental organization that helps customers to become carbon neutral and to work toward a decarbonized society through the development and provision of insurance products and solutions as well as risk consulting. By doing so, the task force seeks to contribute to the growth and development of industry.

With the aim of proactively promoting such efforts of the task force, the company also established the GX Office within the Commercial Lines Marketing Department in June 2021.

The task force will mainly promote the following initiatives.

- Develop insurance products and solutions that will contribute to the more widespread use of renewable energy, including offshore wind power and solar power.
- Carry out research on and develop insurance products that will contribute to the spread of storage batteries, promotion of the use of hydrogen and establishment of new technologies, such as carbon dioxide capture and storage (CCS)* and carbon dioxide capture, utilization and storage (CCUS)* technologies.
- Provide support for local governments and companies for building distributed energy systems.
- Provide support for efforts of local small- to medium-sized companies toward becoming carbon neutral.
- Build a one-stop structure to provide various consulting services, including support for analysis of climate change scenarios in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

* CCS is a technology to capture and store emitted CO_2, while CCUS is a technology to utilize separated and stored CO_2.

◉ Offshore Wind Power Generation

■ Offshore Wind Power Generation in Japan

Japan has set the ambitious goal of reducing greenhouse gases by 80% by 2050, thereby proceeding with the challenges of energy conversion and decarbonization to meet this goal.

The 5th Strategic Energy Plan approved by the Cabinet on July 3, 2018 states the lofty "3E + S" (Energy security, Economical efficiency, Environment + Safety) objective and expresses the energy mix the country would like to achieve by 2030. This was the first time for Japan to specify the shift to renewable energy as its main source of power, with the aim of 22% to 24% of power generation to come from renewable energy by 2030, up from 16% in 2017. Offshore wind power generation is expected to be one of the pillars of renewable energy. With the revised Port and Harbor Act of July 2016 and the enforcement of the Act of Promoting Utilization of Sea Areas in Development of Power Generation Facilities Using Maritime Renewable Energy Resources in April 2019, a full-scale offshore wind power generation project is already underway in Japan.

More specifically, after the revision and enforcement of these acts, Japan's first commercial offshore wind power generation project was launched in February 2020. In December 2020, the Ministry of Economy, Trade and Industry announced its first Vision for Offshore Wind Power Industry and presented ambitious introduction targets of awarding a capacity of 10 GW to projects by 2030 and 30 to 45 GW by 2040. A review for the first public tenders for four general sea zones has been underway, and specific efforts to introduce offshore wind power generation have begun.

■ Total Support for Offshore Wind Power Generation from Construction Phase to Operation Phase

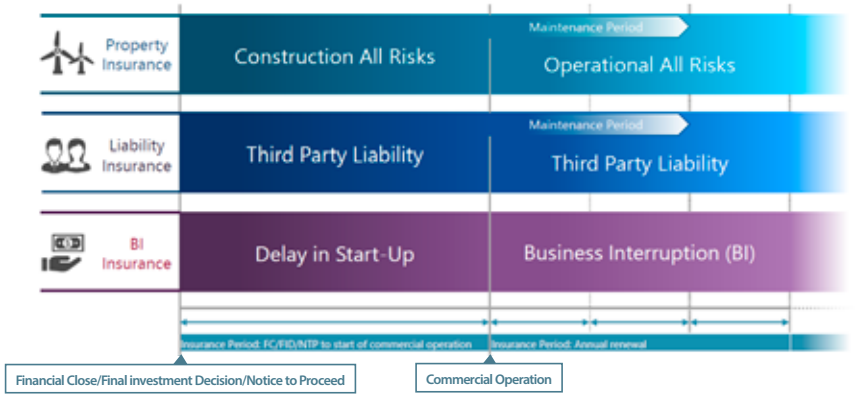
Beginning with underwriting insurance for a project in the Netherlands in 2013 that the customer has acquired rights for, Tokio Marine & Nichido has been supporting a total of 47 offshore wind power generation projects in 10 countries and regions including Japan. In fiscal 2020, while taking on 10 new projects, the company has provided support to the wind power generation industry in Japan by holding seminars to present and share the know-how it has gained through underwriting these projects as well as knowledge on loss prevention.

In many offshore wind power generation projects, facilities go into operation individually as they are completed and become operational. Tokio Marine & Nichido's package exclusively designed for such projects offers seamless total support in order to cover the interface risk associated with the shift to

operation. Although this type of insurance package is generally employed in Europe and the United States, the content and clauses of the company's insurance have been adjusted to fit the legal system and environment of Japan.

A dedicated team was set up to deal with wind power-related projects in 2013, and a task force was established in 2019 to provide company-wide support for the industry. Tokio Marine & Nichido aims to be the industry leader from an insurance perspective for offshore wind power generation projects, an area expected to grow and develop not only in Japan and Asia but across the entire world, and to accelerate initiatives in this core business area to protect the global environment.

Determine various risks involved in each phase and create insurance package providing necessary coverage at a price reflecting the risks

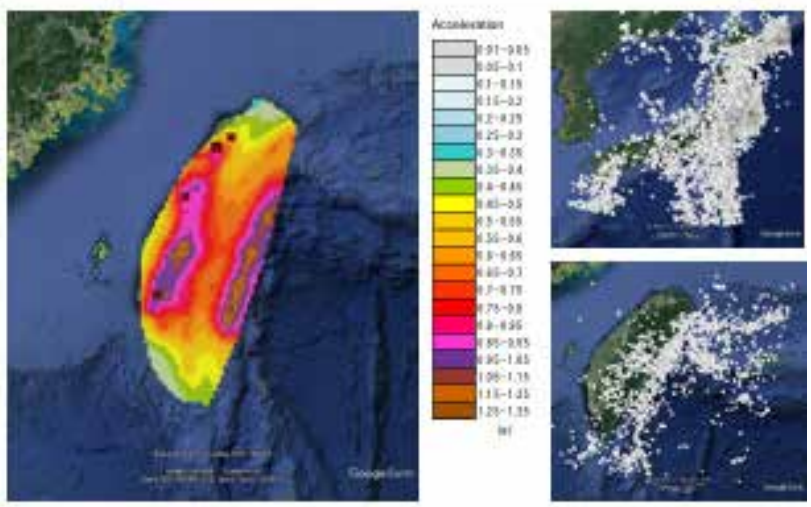


Stochastic Assessment of Natural Disasters

The risk of a natural disaster occurring such as a typhoon, earthquake or tsunami is significantly different between Japan and Europe. In arranging insurance for offshore wind power generation projects, Tokio Marine dR calculates the critical indicator of Probable Maximum Loss (PML) using stochastic methods and conducts risk assessment.

In many cases, financing has become an integral part of offshore wind power generation projects as they grow in scale. Lenders also want to understand the risk involved using stochastic assessments that use a fixed recurrence interval such as 475 years for an earthquake and 100 years for a typhoon. This PML calculation has also been adopted in Japan's first commercial offshore wind power generation project mentioned previously.

Earthquake: Distribution of Peak Ground Acceleration & Seismicity



Distribution of Peak Ground Acceleration with a probability of 10% in the next 50 years
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◉ Solar Power Generation

■ Mega-Solar Package Program

With the launch of Japan's Feed-in Tariff Scheme for Renewable Energy in July 2012, the planning and construction of "mega-solar" large-scale solar power generation facilities have been surging across the country. In order for businesses to stably operate the facilities, it is necessary to evaluate business risks over a medium to long term of 10 to 20 years from a variety of angles, starting from the installation stage, and implement required measures.

In July 2012, Tokio Marine & Nichido began marketing its Mega-Solar Package Program. Through risk consulting and insurance products, the program offers an integrated solution for the risks involved in mega-solar projects.

Making Use of Evolving Risk Assessment Approaches in Consulting

The Mega-Solar Package Program is composed of 1) risk consulting (natural disaster risk assessment and soil contamination status assessment) and 2) arrangement of property and casualty insurance.

In the event of damage from earthquake, tsunami, water, wind, landslide or other natural disasters, mega-solar projects may be forced to review installation expenses or construction period, and business operation following launch may be severely affected. Based on natural disaster information and knowledge accumulated over the years in the property and casualty insurance business, the product offers risk consulting services that include a three-stage evaluation of natural disaster hazards at planned mega-solar installation sites and soil contamination status assessment consulting services through means such as site usage history surveys and field investigations. By incorporating such consulting services, mega-solar business operators are able to accurately assess the risks that can threaten business continuity and can effectively carry out necessary investments and measures.

Tokio Marine dR's risk assessment of renewable energy facilities

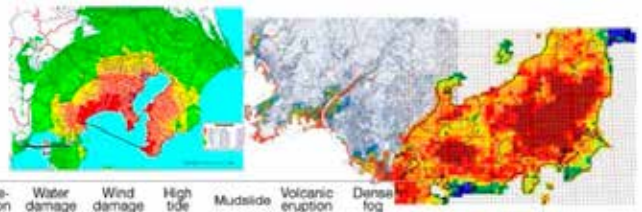


Table:
Examples of Hazard Environment Assessment Results

	Earthquake	Tsunami	Lique-faction	Water damage	Wind damage	High tide	Mudslide	Volcanic eruption	Dense fog
Point A	A	A	A	C	C	C	C	C	B
Point B	B	C	C	B	B	B	C	C	B
Point C	A	C	C	A	C	C	B	C	A

Figure:
Materials on natural disaster risk assessment simulation models (from top: earthquake, tsunami, lightning)

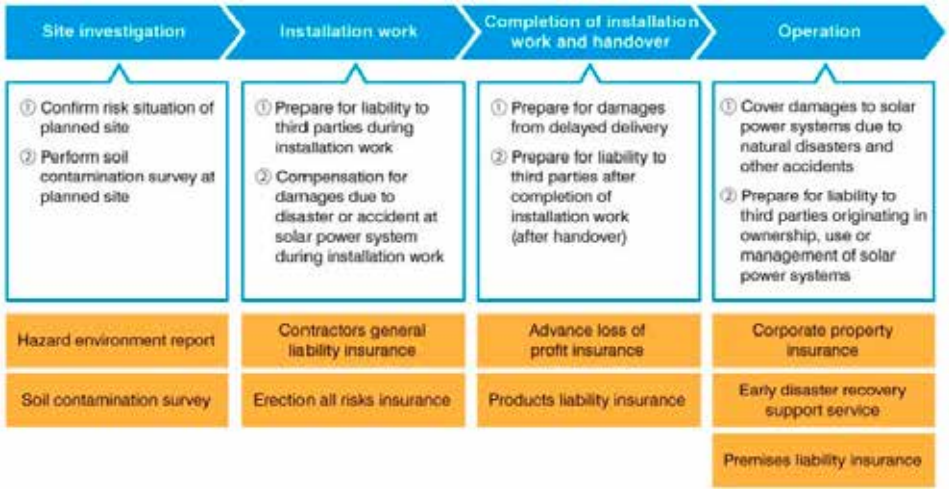
Tokio Marine dR's "Risk Assessment of Renewable Energy Facilities" (in Japanese)

Conducting risk assessments of mega-solar projects has helped us build up extensive know-how, which we are using to provide consulting services for renewable energy facilities for biomass and wind-power generation businesses.

Arrangement of Appropriate Property and Casualty Insurance at the Mega-Solar Project Installation and Operational Stages

As various risks are expected at every stage – from installation to operation – in mega–solar projects, appropriate risk management is achieved by analyzing risk factors that can impact project management and by arranging for insurance against each risk. As a specific example, risks associated with installation work may include damage to a solar power system or temporary installation caused by an accident or disaster, such as fire or lightning strike; lost profits due to a delay in the launch of operation resulting from the damage; and compensation for damage in case a solar power system has caused an accident during installation or after completion.

The mega-solar project flow from installation work to operation



Hedging these risks is possible by using erection all risks insurance, delayed start of operations insurance and various forms of liability insurance. Additionally, risks related to facility operation may include damage to a solar power system caused by fire or other accident or disaster, lost profits due to suspension of operation resulting from the damage and compensation for damage as an owner or manager of the facilities. These risks can be hedged by corporate fire insurance and various forms of liability insurance.

Solar power and other forms of renewable energy are indispensable as new energy sources to support the social infrastructure of the future. Based on the role that insurance companies bear in society, Tokio Marine & Nichido will support the smooth diffusion of renewable energy by providing insurance products and risk consulting services and contribute to the development of a sustainable society.

Insurance for Output Suppression Control for Mega-Solar Power Generation Operators

Output suppression control is a measure in which power companies request power generation operators to suppress power generation output. Ensuring stable power supply requires a consistently steady balance between the power generation volume and consumption volume, and output suppression control is needed when the generation volume exceeds consumption. Tokio Marine & Nichido provides insurance for mega-solar power generation operators to cover a drop in revenue caused by such suppression. Through the product, the company will contribute to the widespread use of mega-solar power generation.

◉ Geothermal Power Generation

■ Commenced Sales of New Impairment Liability Coverage for Geothermal Power Generation Operators

Geothermal power generation uses steam from deep under the ground to generate power. It does not emit any CO_2, a primary cause of global warming, which has put it in the spotlight as a low-cost renewable energy with the potential for stable power supply. There are high expectations for the application of this form of energy, and the Japanese government has already formulated a plan to expand capacity of geothermal power generation facilities three-fold by fiscal 2030 compared with current levels.

Against this backdrop, Tokio Marine & Nichido offers impairment liability coverage specifically for geothermal generation operators. It provides peace of mind to nearby hot spring operators (hot spring union) with regard to geothermal development. This is achieved through compensation for damages if there is a decline in the volume of hot water or a change in hot spring quality in a nearby hot spring area during geothermal development or operation of a geothermal power generation facility. Such damages include the cost of investigation into the cause, which is covered by the geothermal developer, or lost profits on the part of the hot spring operator. Payment of the cost for investigating the cause at the stage when a reduction in hot spring volume or a change in spring quality has been objectively confirmed irrespective of the existence or not of liability on the part of the geothermal developer is a first for Japan. Tokio Marine & Nichido will continue to contribute to the proliferation of geothermal power through this product going forward.

General flow of geothermal development (model case of 30,000 kW power output)

Source : Prepared using basic data for investigating purchase price in FY2013 issued by Resources and Energy Agency of the Ministry of Economy, Trade and Industry (in Japanese)

Protecting the Global Environment through Products and Servicese

The Green Gift Project, which involves mangrove planting and environmental protection activities worldwide, is supported by NGOs and NPOs, as well as central and local governments, agents and employee volunteers, and contributes to not only the alleviation of and adaptation to climate change and protection of biodiversity and Wetlands but also the reduction in disaster damage and stability in the lives of people in or near forested areas. Additionally, we believe that creating mangrove forests will contribute to the attainment of various SDGs, including alleviation of climate change, promoting the sustainable use of natural resources and mitigating damage from natural disasters. In the future as well, Tokio Marine Group will promote the creation of mangrove forests toward the realization of a sustainable society.

Promoting Eco Activities Jointly with Customers through the Green Gift Project

Tokio Marine & Nichido, Tokio Marine Millea SAST Insurance and other Group companies are supporting mangrove planting overseas and environmental protection activities in Japan by donating a portion of the proceeds saved by reducing paper consumption through an initiative enabling customers to view their policies online being implemented together with agents. These proceeds are donated to NPOs and NGOs.

◉ Creating Value through the "Green Gift" Project

Through eco-friendly products, Tokio Marine & Nichido acts as one with its agents in engaging in global environmental protection initiatives and welcomes participation by customers as well.

■"Green Gift" Project System and Benefits of Reducing Paper

With the support of its customers, in 2009 Tokio Marine & Nichido initiated the Green Gift Project based on the concept of undertaking eco activities. Under this project, when a customer chooses web-based insurance contracts (clauses) on its website rather than a paper-based contract in brochure form, the company donates funds corresponding to a portion of the value of the reduction in paper used to NPOs and NGOs involved in environmental protection activities. Such funds are then used to support costs of mangrove planting and educational support programs in developing countries, while in Japan they are mainly used to provide support to environmental protection activities for children in different areas and a project to rejuvenate the forest on the coast damaged in the Great East Japan Earthquake.

Customers' selection of the web policy option leads to the conservation of paper resources. Additionally, it allows the company to reduce the environmental footprint created by the manufacture of paper and its transport to the company, the mailing of policies to customers and the disposal of policies when unneeded after maturity.

The Green Gift Project also provides a number of other beneficial effects. These include conserving paper resources and contributing to the prevention of global warming and the preservation of biodiversity via mangrove planting activities and communicating to children, who will lead future generations, the importance of the earth's environment through their actual participation in environmental protection activities in Japan. In fiscal 2020, the number of contracts taking advantage of the web policy option was approximately 11.75 million, representing a reduction in paper usage of approximately 2,870 tons.

■Disclosing Information on the "Green Gift" Project

To help customers better understand the activities of the Green Gift Project, the company established a Green Gift page on its website that reports on each of the initiatives. With regard to mangrove planting activities, the page reports on topics such as planting activities in various countries where mangrove planting is undertaken, updates on the growth of planted saplings and the volume of CO_2 absorbed through planting. The page also provides reports on the Green Gift Planet GENKI Program, an environmental protection activity carried out in each region in Japan mainly for children, the leaders of the future.

As other topics, the page shows the company's involvement in educational support programs conducted by the international NGO Room to Read in developing countries such as India, Bangladesh and Vietnam aimed at improving education for children where mangrove planting takes place as well as a program to restore the forest along the coast devastated by the Great East Japan Earthquake conducted by the Organization for Industrial, Spiritual and Cultural Advancement-International (OISCA).

Through this project, Tokio Marine & Nichido will continue to create social value via initiatives aimed at conservation of paper resources, prevention of global warming, conservation of biodiversity, reduction of disaster damage and contribution to local economies, communities and human resources development.

◉ Promoting Non-Printing of Insurance Policies

■ Promoting Non-Printing of Insurance Policies

Since February 2013, Tokio Marine Millea SAST Insurance has been implementing, as part of its shift toward paperless operations, an initiative under which customers can view their policies on its website rather than on paper, which has helped reduce paper consumption. In addition, since April 2013, a portion of the proceeds saved through this move has been used to support and participate in the tree-planting activity in Meguri's Forest in Shonan International Village, Kanagawa Prefecture, where the company's head office is located. This project involves dense planting and mixed planting of a variety of locally indigenous seedlings, which are the most stable seedlings and capable of survival, to let nature take its course in restoring the forest to its original form. By doing so, the project aims to "create a forest that protects life" and thus supports the community, economy and an enriched society.

Although nurturing the seedlings into a forest takes much time, through this activity, employees, their families and the company are united as one in increasing awareness of the need to protect the global environment.

Tree Planting Activities in Southeast Asia and Communicating Relevant Information

Tokio Marine & Nichido has planted mangrove trees mainly in Southeast Asia since 1999 in conjunction with multiple NGOs that have extensive know-how in planting mangroves overseas. Mangrove planting not only ensures the fixation (absorption) of CO_2, but also promotes biodiversity and provides benefits to the local population.

Tokio Marine & Nichido employees conduct mangrove planting tours, and employees and agents give lessons on biodiversity derived from mangrove planting to convey the significance of biodiversity-related activities through mangrove planting to society.

◉ Green Gift Project: Mangrove Planting

■ Status of Mangrove Planting

Since 1999, Tokio Marine & Nichido has been conducting its Mangrove Planting Project primarily in Southeast Asia. During the 22-year period to fiscal 2020, we planted about 11,618 hectares of new forest in nine countries: Indonesia, Thailand, the Philippines, Vietnam, Myanmar, Fiji, India, Bangladesh and Malaysia. (We have consigned the work to evaluate the status of mangrove growth and CO_2 absorption and fixation in planted areas to the Central Research Institute of Electric Power Industry (CRIEPI) and have been receiving reports from the institute.)

The activity was rolled out as a commemorative project to celebrate the 120th anniversary of Tokio Marine & Nichido, with the original idea coming from employees who voiced their desire to launch a long-lasting initiative in the environmental field. The project is conducted in partnership with the NGOs Action for Mangrove Reforestation (ACTMANG), OISCA and the International Society for Mangrove Ecosystems (ISME) and through collaboration with local governments and communities. This initiative has been acclaimed and received the 2013 Environment Minister's Award for Global Warming Prevention Activity (International Contribution category). In 2019, which marked the 20th anniversary of the project, Tokio Marine & Nichido formulated its Mangrove-based Value Co-creation 100-Year Declaration and announced its intention to create value together with stakeholders, including NGOs, local government agencies and residents in planting regions as well as employees, agents and customers. In the same year, the company also participated in the United Nations Communities of Ocean Action (UN COA) for supporting the implementation of SDG 14.

Benefits of Mangrove Planting for the Environment and Local Life

"Mangrove" is a generic term for flora that thrives in brackish waters (where seawater and fresh water meet) along tropical and subtropical coastlines and river mouths in Asia, Africa and South America. Mangroves are sometimes referred to as "forests in the sea" and are effective in mitigating global warming as they absorb and fix large volumes of CO_2, a major cause of global warming. They also serve as natural levees to protect people's lives and local ecosystems from tidal waves, tsunamis and other natural disasters.

Indian Ocean tsunami following earthquake off the island of Sumatra in December 2004

Mangrove planting area in Ranong, Thailand, the area behind which was protected from tsunami damage

Tale Nok near Ranong, Thailand, which did not have mangroves, was damaged by the tsunami.

Benefits of mangroves

Fish catches are more abundant thanks to the mangroves. (Ranong Province, Thailand)

The young leaves of the grey mangrove are used as feed for farm animals. (Gujarat State, India)

Mangroves protected the lives of many people as well as buildings and structures when the tsunami that occurred in the Indian Ocean hit in December 2004 and the typhoon that wreaked havoc in the Philippines in November 2013 (named Yolanda in the Philippines and Haiyan in English). At present, mangroves are being planted in the Demak area of Indonesia and Gujarat State in India, which are susceptible to coastal erosion and flooding, with the main objective being to protect people's lives and keep buildings and structures intact.

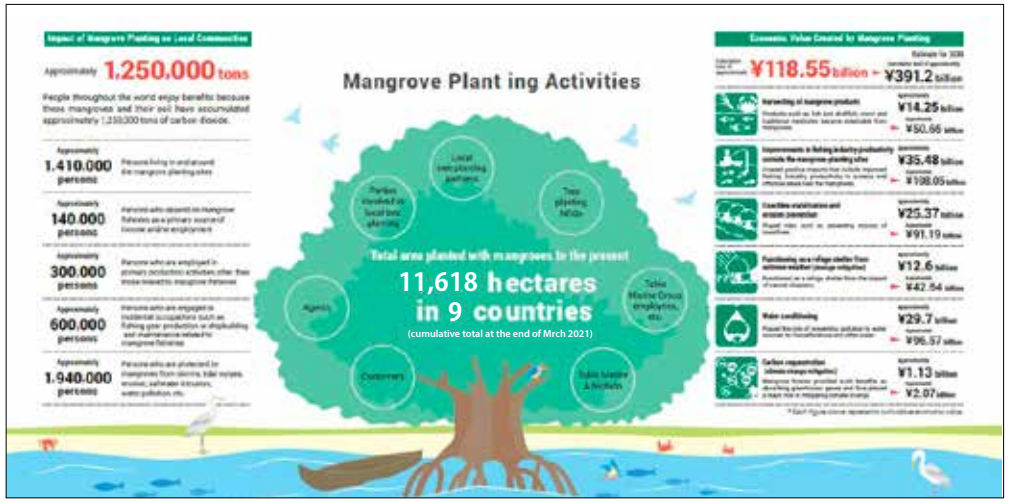
The roots of mangrove trees also serve as "cradles of life," creating a rich ecosystem by providing a sanctuary for living creatures such as young fish, shellfish, crabs and shrimps that feed off mangrove leaves and berries while attracting monkeys and birds. They also help ensure a gentle tide and waves at high tide and maintain water temperature. Fish and shellfish caught in the sea and in rivers near mangrove forests in Quảng Ninh Province in Vietnam and Ranong Province in Thailand are the staple diet of the local people and a source of income through sales to intermediaries, thus contributing to sustainable regional development. In addition, the mangroves themselves are being used in a variety of different ways. Along with the seeds and fruits being used to make soup and sweets, the leaves become feed for farm animals and the trunks and branches are used as materials for the pillars and roofs of people's homes, thereby providing excellent support to the lives of the people.

Tokio Marine & Nichido considers mangroves as "insurance for the future of the Earth" because they protect the planet and people's lives and bring benefits. The company is committed to being involved in the Mangrove Planting Project for 100 years jointly with NGOs and local government agencies and residents. The project has been up and running for 22 years to date and the mangrove forests continue to grow. Going forward, the company plans to put more effort into activities that protect and nurture mangrove forests.

Economic Value and Impact on Local Communities from Mangrove Planting

To the present, mangrove planting has generated diverse benefits such as mitigating and preventing global warming, preserving biodiversity and contributing to the development of local economies, communities and human resources. However, expressing the specific economic value created by this project had proved difficult. To determine this value, Tokio Marine & Nichido commissioned Mitsubishi Research Institute, Inc. to undertake a survey and make assessments based on internationally recognized methods. The results of provisional calculations show that the total economic value created by the Mangrove Planting Project from April 1999 when the company started the planting to the end of March 2019 totaled 118.5 billion yen.

This project also impacts some 1.41 million people living where the mangroves are planted or nearby and has generated benefits in terms of improving the lives of residents in these communities and preventing and mitigating disasters. By ascertaining the numerical value of the outcomes of the mangrove-planting activities, we were able to reaffirm our awareness of the positive social impact of this initiative. Going forward, we will utilize the results of this value assessment to improve our Mangrove Planting Project and continue to undertake these activities together with our stakeholders as we aim to further create value.



Mangrove Planting Tours

Since 1999, Tokio Marine & Nichido has been promoting its Mangrove Planting Project in Southeast Asia and other countries and regions and conducting a volunteer tour to plant mangrove trees about once a year.

Tokio Marine Group employees, agents and retired employees as well as their families participate in these tours as volunteers to plant mangrove seeds and saplings with local residents and visit villages and elementary schools in respective regions to promote international exchange. As of March 2020, we have conducted 20 mangrove planting volunteer tours, in which a total of approximately 590 members have participated.

◉ Green Gift Project: Educational Support Programs in Developing Countries

Among the countries where we plant mangroves, we participate in educational support programs targeting developing countries led by the international NGO Room to Read in Indonesia, Bangladesh and Vietnam.

Participating in Room to Read's educational support programs in developing countries »

◉ Green Gift Planet GENKI Program

Tokio Marine & Nichido is implementing the Green Gift Planet GENKI Program, which tackles environmental protection initiatives together with local citizens and includes donations to environmental NPOs and other groups as well as participation in environmental activities throughout Japan.

The project is conducted in conjunction with Japan NPO Center, a specified non-profit corporation that has received backing from the Ministry of the Environment and is responsible for the coordination and operation of the entire project. The aim is to provide children in each region, the leaders of the future, with the opportunity to learn about local environmental issues and foster a desire to protect the environment.

The activities offer the chance for local environmental NPOs and other groups to collaborate with new stakeholders such as Tokio Marine & Nichido and its agents. It is also a great chance for the company's customer contact branches to meet with local governments, environmental NPOs and other members of the local community. As of March 2021, around 17,000 participants (including around 7,400 children) had taken part in 300 different events to protect local forests, woodlands, river valleys and the sea. In 2020, the COVID-19 pandemic made it difficult to conduct group activities across prefectural borders. As such, we conducted fewer events with less participants while limiting our activities to areas where new infections were not increasing and implementing such preventive measures as disinfecting and washing hands and checking body temperature. Six organizations based in areas where infection was on the rise created and delivered to children videos, booklets and handcraft kits. There is also a plan to provide experience-based events online in the future.

Green Gift Planet GENKI Program (in Japanese)

◉ Green Gift Project: Restoration Projects of the Coastal Forests of Tohoku Region

Tokio Marine & Nichido supports activities of the NPOs OISCA and Watari Greenbelt Project to restore coastal forests damaged in the Great East Japan Earthquake in Natori City and Watari-cho, respectively, in Miyagi Prefecture. As of March 2020, we have conducted 27 volunteer tours, in which a total of approximately 400 Group employees, agents and their families have participated.

◉ Tree-Planting Together with Customers: PHLY 80K Trees Initiatives

Philadelphia Insurance Companies (PHLY) has continued to conduct the "PHLY 80K Trees" tree planting program since 2015, inspired by Tokio Marine & Nichido's Green Gift Project.

With the cooperation of customers and agents, the initiative has provided the funding for 400,000 trees to date through costs saved by encouraging customers to make electronic payments and asking agents to cooperate by making direct deposits of commissions and reducing the preparation of paper statements as well as donations from the company and its employees. In 2019, 35 PHLY employees participated in a tree-planting tour, with more than 150 employees having offered their time since the initiative began. Funding for an additional 80,000 trees was provided between 2019 and 2020.

As the 2020 tree-planting tour was cancelled due to COVID-19, each employee volunteer planted a sapling in respective local communities, while forestry professionals completed high-priority planting projects with trees funded by PHLY.

In the United States, record wildfires, storms and other natural disasters have destroyed millions of trees in forests in recent years. PHLY is on a mission to build healthy forests and ecosystems to provide greater security to communities.

PHLY 80K TREES

Promoting Activities to Protect the Global Environment

Tokio Marine Group is implementing local and social contribution activities around the world that help protect the environment and biodiversity. These activities emphasize voluntary engagement by employees and tie-ups with NPOs and other groups.

Social Contribution and Awareness-Raising Activities for Environmental Protection in Collaboration with Local Governments in Japan

At Tokio Marine Group, employees and agents volunteer to hold classes of Green Lessons: The Mangrove Story. Tokio Marine & Nichido has been co-sponsoring the Collaborative Afforestation Project with Environmentally Advanced Corporations in Aki City, Kochi Prefecture. The company also holds the Marunouchi Citizens Environmental Forum, a social and environmental awareness seminar, jointly with Mitsubishi Corporation and is working to build environmental communities.

■Green Lessons: The Mangrove Story

As part of its efforts to raise environmental awareness, since 2005 Tokio Marine Group has provided Green Lessons: The Mangrove Story, an environmental education program for children in elementary and special needs schools. Employee and agent volunteers visit these schools and give lectures in which they tell stories about mangrove planting. Through these lectures, children learn about prevention of global warming, preservation of biodiversity, how mangrove trees serve to reduce tsunami damage and soil loss, and activities they can carry out themselves to protect the global environment.

As of March 31, 2021, the Group visited around 870 elementary and special needs schools throughout Japan and provided Green Lessons to 57,750 children. We will continue conducting these lessons nationwide as a place for children, the leaders of tomorrow, to think for themselves about the environment.

Laboratory for the Future (Lessons for Everyone) (in Japanese)

■Collaborative Afforestation Efforts in Kochi Prefecture: Tokio Marine & Nichido's Forest for the Future

In May 2009, Tokio Marine & Nichido concluded a five-year partners agreement with Kochi Prefecture, Aki City and the Eastern Kochi Forestry Association to promote afforestation in Aki City under the prefecture's Collaborative Afforestation Project with Environmentally Advanced Corporations (the five-year agreement was renewed in May 2019).

The forest covered under the agreement has been named "Tokio Marine & Nichido's Forest for the Future." Every year, we conduct a volunteer tour for Group employees and agents including their families to experience tree thinning and socially interact with local residents. By March 2021, we have held 11 such tours, in which a total of some 530 members participated.

Participants felt that it was a project that taught them the importance of maintaining and protecting forests and the effort that goes into doing so, and that they wanted to expand the initiative with every opportunity as their own responsibility.

■Marunouchi Citizens Environmental Forum

Every year, Tokio Marine & Nichido holds a social and environmental awareness seminar, the Marunouchi Citizens Environmental Forum, jointly with Mitsubishi Corporation. At the 62nd forum held online in fiscal 2020, we invited Shuichi Takizawa, a comedian who also works as a public refuse collector, to give a lecture under the theme of "This Garbage Won't Get Collected — Let's Think about Garbage Issues with Mr. Takizawa" and talk about how people put out garbage is affecting the environment based on his own experiences.

Some 340 people from inside and outside the company attended, and we received a lot of feedback. Some individuals commented that they learned the importance of taking a broad view to look at garbage, their own lives and the environment.

Social Contribution and Awareness-Raising Activities for Environmental Protection by Overseas Group Companies

In Tokio Marine Group, U.S.-based Philadelphia Insurance Companies (PHLY) is promoting environmental activities in different locations that include participation in Earth Day. In addition, Thai-based Tokio Marine Insurance (Thailand) conducts initiatives to protect forests and water and invites underprivileged children on environmental awareness-raising tours. These and other efforts seek to build environmental communities around the world.

■TEAMPHLY Initiatives

U.S.-based PHLY has been encouraging its employees to take part in initiatives to protect the environment in the workplace, home and local community in order to leave behind a beautiful environment for the next generation. TEAMPHLY involves support of environmental protection activities by individuals and communities as well as various efforts to reduce environmental load in the office with the aim of minimizing the environmental footprint in business activities.

The three main activities under TEAMPHLY in 2020 were the reduction of the environmental footprint through business activities, environmental education and awareness-raising activities and efforts in connection with community outreach. Activities included the purchase of renewable energy certificates to offset CO_2 emitted through the use of power in offices throughout the United States.

The company also donated US$112,000 to an environmental NGO in the United States and planted 400,000 trees to protect forests damaged in natural disasters such as brush fires from 2015 to 2020.

TEAMPHLY

■Participation in Earth Day Events

U.S.-based PHLY conducted various activities to promote Earth Day, which marked its 50th anniversary in 2020, as part of its employee-driven environmental awareness program. This year, employees celebrated Earth Day online due to COVID-19.

[Activities conducted]

- Walking and bicycle riding outdoors
- Conducting environmental volunteer activities
- Having a vegetarian lunch more than once a week
- Conducting an Earth Day literacy quiz
- Joining the Earth Day celebration party
- Making donations to environmental NPOs

During an Earth Day online volunteer event, more than 70 employees created balls of plastic yarn ("plarn") from plastic bags to be crocheted into sleeping mats for the homeless. They also recycled old T-shirts to make dog toys and donated these handmade toys to animal shelters around the United States.

3 Social

This section describes Tokio Marine Group's social initiatives.

Respect for Human Rights

In implementing our Corporate Philosophy, we have formulated the Tokio Marine Group Sustainability Charter as principles of conduct required from the perspective of social responsibility, and we strive to respect and promote the recognition of human rights among stakeholders.

Diversity and Inclusion

Tokio Marine Group promotes diversity and inclusion throughout the Group by progressively moving forward in eliminating the gender gap and creating a workplace in which older employees with a wealth of knowledge and experience can take active roles as well as promoting the employment of persons with disabilities.

Developing and Utilizing Diverse Human Resources

Based on Tokio Marine Group's philosophy on human resources "Tokio Marine Group – Our People," we are working on the strategic development of diverse human resources, both in Japan and overseas, toward the realization of a global insurance group.

Promoting Health and Productivity Management

To continue as a company that is trusted and chosen by customers, the physical and mental health of employees, who will be the driving force behind our efforts, is an important topic for us. Each Tokio Marine Group company has been making efforts to create an environment in which employees can work with enthusiasm by providing both physical and mental health care for employees.

Contributing to the Creation of a Safe and Secure Society

Tokio Marine Group provides products and services that anticipate the changing social environment and customer needs by utilizing the solutions offered by respective Group companies, including insurance. In India, Tokio Marine Group has developed and initiated sales of weather insurance and microinsurance, thereby providing low-income earners with greater access to insurance. We also hope to contribute to the resolution of poverty issues in the world through such efforts as financing to and investment in financial institutions providing microfinancing services.

Social Contribution and Awareness-Raising Activities

Tokio Marine Group will contribute to a society based on good health and longevity through activities to raise awareness about cancer in Japan and around the world, activities to spread knowledge about nursing care and offering advice through medical professionals. We also aim to include everyone both socially and economically, irrespective of age, gender or disability. To this end, employees around the world are proactively working on activities that nurture future generations and support the elderly, the deaf and blind, athletes and expectant mothers in conjunction with NGOs.

Measures and Response to COVID-19

This section describes Tokio Marine Group's initiatives toward COVID-19.

Improving Quality from the Customer's Perspective

Aiming to become "a company that delivers sustainable growth by providing safety and security to customers and by always remaining their first choice," Tokio Marine Group takes feedback from customers seriously and works to improve the operational quality on a constant basis. We strive to build trust-based partnerships with agents and improve our operational quality together in order to truly provide safety and security from a customer standpoint.

Respect for Human Rights

In implementing our Corporate Philosophy, we have formulated the Tokio Marine Group Sustainability Charter as principles of conduct required from the perspective of social responsibility and we strive to respect and promote the recognition of human rights for stakeholders.

Basic Approach

In implementing our Corporate Philosophy, we have formulated the Tokio Marine Group Sustainability Charter as principles of conduct required from the perspective of social responsibility and we strive to respect human rights for all people, including customers, shareholders/investors, insurance agents, business partners, employees and local communities/society.

Tokio Marine Holdings endorses and respects the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Core Labour Standards, the UN Guiding Principles on Business and Human Rights and ISO 26000, and has signed the United Nations Global Compact. Tokio Marine Group fully understands international action principles and guidelines concerning human rights and participates in and contributes to initiatives concerning social responsibility, and by doing so, fulfills its role toward realizing a sustainable society.

Tokio Marine Group Sustainability Charter (excerpt)

Tokio Marine Group is committed to fulfilling its corporate social responsibility (CSR) by implementing its Corporate Philosophy to achieve sustainable growth together with the development of society in accordance with the following principles:

Respect for Human Rights and Dignity

- We respect and actively promote the recognition of human rights for all people.
- We strive to ensure an energetic working environment that is both safe and healthy and to promote training and education of our employees.
- We respect the right to privacy and strive to enforce this right through the management of personal information.

We express the following in the Tokio Marine Group Code of Conduct, which summarizes important matters given the highest priority in our day-to-day business. Under the code, directors, officers and employees act in an honest and fair manner in conformity with laws and social norms and undertake fair business activities.

Tokio Marine Group Code of Conduct

<Scope of application: Tokio Marine Group directors, officers and employees of Tokio Marine Group companies (includes dispatched employees)> (excerpt)

In the event of a violation of this Code of Conduct, laws, regulations and internal rules, the companies of Tokio Marine Group shall take necessary measures in accordance with internal rules, which include investigating the facts, formulating countermeasures, submitting reports to supervisory authorities, taking disciplinary measures against the involved parties and formulating measures to prevent recurrences.

Respect for Human Rights and the Environment

We shall respect the human rights of our customers, directors, officers, employees and all other people. We shall also act in consideration of the global environment.

- **Anti-discrimination**

Human rights are values widely recognized around the world, and any discrimination on the grounds of gender, sexual orientation, gender identificaton, age, profession, nationality, race, thought, creed, religion, social status or birth as well as any act constituting an infringement of human rights should never be tolerated.

- **Anti-harassment**

Sexual harassment, abuse of authority or any other kind of harassment or intimidation should never be tolerated.

- **Private information and specific personal information, etc.**

In compliance with applicable laws, rules and regulations as well as the Tokio Marine Group Privacy Policy, we shall safeguard private information and specific personal information, etc., including customers' information, and we shall not use such information except on a need basis to carry out our business operations in order to avoid any breach of privacy.

- **Protection of the global environment**

Acknowledging that the protection of the global environment is an important responsibility, we shall comply with applicable laws, rules and regulations, and respect the harmonization with and the improvement of the global environment in all of our activities.

In order for Tokio Marine Group to remain strong and caring to protect customers and society from all forms of emergencies, every employee must respect diverse values and work styles of others, find his or her work rewarding and work with enthusiasm with colleagues. It is also essential to gain trust from all people and society by always acting in a way to respect human rights. Tokio Marine Group carries out various initiatives in accordance with its Basic Policy on Human Rights in order to instill a culture of respecting human rights within the Group.

Basic Policy on Human Rights

1. We fulfill social responsibilities as a "good corporate citizen" by positioning respect for human rights as one of the important standards of corporate activities and practicing it through daily business operations.
2. By nurturing employees who are conscious of and can practice respect for human rights, we promote the realization of "customer trust and satisfaction" on the basis of human rights.
3. By fostering a culture that respects human rights, we establish a "free and open corporate culture" in which all employees respect each other and fully demonstrate their abilities.
4. By promoting this initiative throughout the Group, we facilitate the growth of Tokio Marine Group.

Management Stance concerning Respect for Human Rights and Various Initiatives

Tokio Marine Holdings formulates action policies concerning human rights, compliance and risk management, and accordingly, monitors business operations of Group companies on a regular basis to identify any issues related to respect for human rights and implement measures to counter any risk thereof.

■Human Rights Due Diligence

Tokio Marine Group has established a system to ensure human rights due diligence based on the UN Guiding Principles on Business and Human Rights.

For Tokio Marine Group, human rights due diligence means an ongoing, preventive and voluntary process to avoid or reduce any negative impact of corporate activities on human rights and to become a "Good Company." According to the process, Tokio Marine Group conducted a human rights risk assessment in fiscal 2017 with the assistance of Verisk Maplecroft, the world's leading global risk analytics and forecasting company, and the specified NPO Caux Round Table Japan (CRT Japan). The assessment covered every country in which we do business, and we identified potential human rights issues which we need to tackle in order to prevent risks from occurring.

In fiscal 2020, we analyzed and assessed the possibility of occurrence of the identified risks and their impact on our stakeholders and worked to formulate necessary risk prevention measures.

Respect for Human Rights within the Group

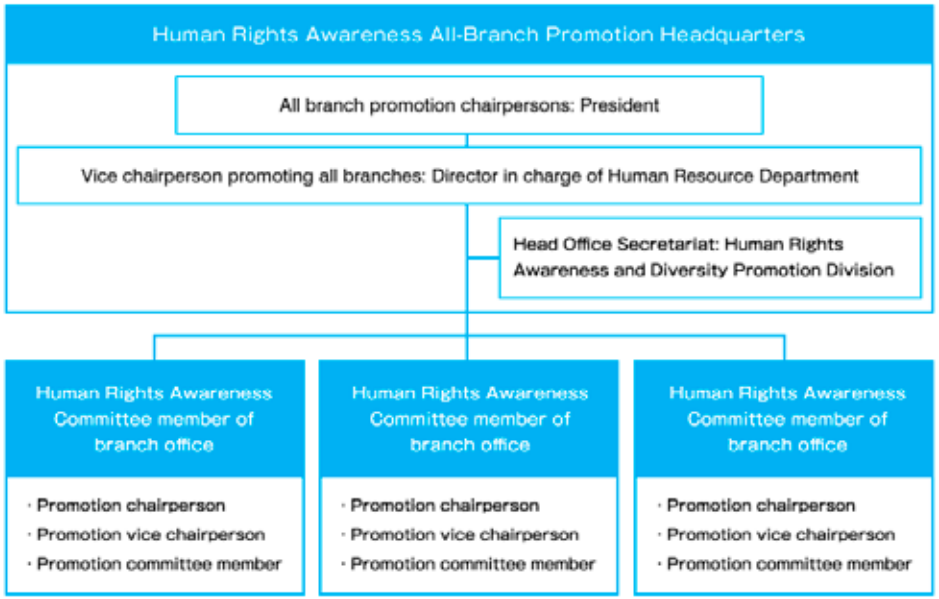
At each Group company, all employees and other co-workers are working to build a vibrant corporate culture without discrimination or harassment.

At Tokio Marine & Nichido, we formulate the Basic Policies and Measures Related to Human Rights at the beginning of each fiscal year, and under the human rights awareness promotion structure, provide support to all branches for their relevant efforts made in relation with operations that involve human rights and inspect the status of their efforts at the end of the fiscal year. We go through the plan-do-check-act (PDCA) cycle on a constant basis to survey the status, identify issues and take improvement measures.

Principal Initiatives

- Human rights awareness training (target: training to be attended by all employees), fair hiring selection practices and achieve normalization within the Group
- Promotion of employment of persons with disabilities, prevention of, education on and appropriate response to various types of harassment, diversity and inclusion, and execution of daily business operations with an awareness of human rights

Human Rights Awareness Promotion Structure



Process to Monitor the Promotion of Human Rights Awareness

1. Establish and thoroughly implement policies for promoting human rights awareness.
2. Develop an organizational structure to promote human rights awareness with the president as the responsible person.
3. Implement human rights awareness training for all directors, officers and employees at least once a year.
4. Formulate and thoroughly implement policies aimed at implementing fair recruitment selection practices and establish the Human Rights Awareness Committee for Fair Selection and Recruitment.
5. Promote normalization (increasing employment of persons with disabilities and improving their workplace environment in terms of both "software" and "hardware").
6. Establish rules for the prevention of harassment in the workplace and set up an in-house consultation desk.

• Human Rights Awareness Training

Every year, each member company of Tokio Marine Group holds human rights training in the workplace, in which all employees and other co-workers take part to build a vibrant corporate culture without discrimination or harassment. Training is based on themes that reflect social issues and employees learn about a wide range of areas, which include acquiring knowledge concerning a number of human rights issues in Japan of discrimination against people belonging to outcast communities, LGBT (lesbian, gay, bisexual, transgender) and harassment issues as well as about the Modern Slavery Act 2015 of the United Kingdom.

At Tokio Marine & Nichido, we have established a promotion structure mainly comprising the Human Rights Awareness All-Branch Promotion Headquarters and the Human Rights Awareness Promotion Committee members of each branch office. We work to foster a culture of respecting human rights by continuing to achieve 100% participation every year for the human rights awareness training held in the workplace. Other efforts include holding rank-based training, such as executive seminars, publishing the latest information on human rights and related tools on our in-house intranet and making them always available for all employees. In addition to employees, we provide various training tools to agents to help them provide human rights awareness training.

Sustainability Performance Data (Human rights training participation rate, etc.) »

• Fostering a Culture to Respect Human Rights by Soliciting and Awarding Human Rights-Related Slogans

During Human Rights Week that takes place from December 4 to 10 every year, we solicit human rights-related slogans from all employees and their families within Tokio Marine Group. The aim is to facilitate an understanding of the importance of respecting human rights and raise human rights awareness in the workplace, at home and within local communities. We select excellent slogans and disseminate them through our in-house intranet, Group newsletters and posters to be put up in each workplace as an effort to instill and spread the awareness of respecting human rights.

• Keeping the Human Rights Perspective in Daily Business Operations and Thoroughly Ensuring Prevention of Discriminatory Practices

Tokio Marine & Nichido has in place a document inspection system to check for any expression (including illustrations) or wording undesirable from the perspective of human rights in its advertisements for customers as well as in its daily business operations. The system also performs a check to make sure the company does not obtain unnecessary personal information.

■ Hotline System (Whistle Blower System)

In order to solve human rights issues, such as sexual harassment and other various types of harassment, we have set up a Hotline System (Whistle Blower System), through which employees seek the advice of internal and external experts, and have been striving to realize a better workplace environment for employees.

■ Respect for Human Rights in the Value Chain

Tokio Marine & Nichido issues the Principle of Transactions for business partners (suppliers and subcontractors) from the perspective of social responsibility. The Principle of Transactions requests that business partners promote initiatives that encompass human rights as well as "compliance with laws, regulations and social norms," "promoting fair and honest transactions," "thorough information management" and "consideration for the environment."

Sustainability in the Value Chain »

■ Respect for Human Rights in Sustainable Investment and Financing

Giving consideration to environmental, social and governance (ESG) issues in investment and financing is becoming increasingly important from the perspective of improving long-term risk/return.

Tokio Marine & Nichido places great importance on the social role and responsibilities that the insurance industry is expected to fulfill, and in June 2012 signed as a drafting member the Principles for Sustainable Insurance (PSI) advocated by the United Nations Environment Programme Finance Initiative (UNEP FI). In April 2011, Tokio Marine Asset Management signed the United Nations-supported Principles for Responsible Investment (PRI) initiative, accepting these principles as an asset management company. As an insurance firm that has taken ESG issues into account in its insurance underwriting, investment analysis and other actions, Tokio Marine & Nichido signed the PRI in August 2012. Through PRI and PSI related activities, Tokio Marine Group is strengthening its initiatives for human rights in investment and financing.

Efforts for Sustainable Investments »

■ Supporting Initiatives for Reducing Human Rights Risk in Building Supply Chains

In solving human rights problems such as forced labor and child labor that are spreading globally, rather than relying solely on initiatives by government institutions, there are increasing demands that global companies take responsibility and respond to these problems throughout their entire supply

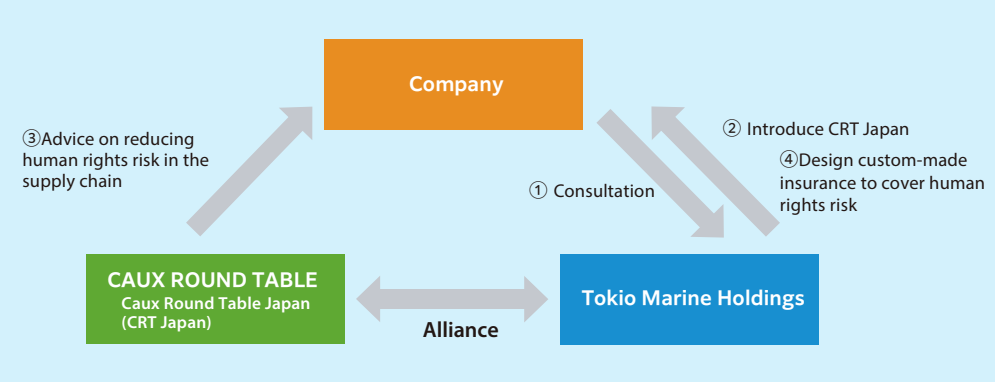
chains. There are also various instances in which inadequate handling of these issues causes a major decline in the brand value of global companies and leads to product boycotts.

Accordingly, in fiscal 2017 Tokio Marine & Nichido formed a business alliance with CRT Japan, a specified NPO, and has been providing support for initiatives for reducing human rights risk, such as forced labor and child labor, which could occur within global companies' supply chains that span the world.

Tokio Marine & Nichido introduces CRT Japan to companies working to promote "responsible supply chains." These companies receive advice from CRT Japan and establish systems that aim to reduce human rights risk throughout their entire value chain.

Then, Tokio Marine & Nichido designs and provides custom-made insurance for companies that receive advice from CRT Japan. This insurance covers the additional costs of establishing crisis measures when hidden human rights risks are discovered at second- and third-tier manufacturing subcontractors overseas despite having already taken adequate measures for human rights risk when building supply chains.

As a result, companies can use this insurance to cover various expenses needed for responding quickly and accurately to prevent the occurrence of a major reputational risk when a human rights issue arises in the supply chain. In the future as well, Tokio Marine Group will continue to support the building of supply chains of global companies.



Response to the Modern Slavery Act 2015 of the United Kingdom and Modern Slavery Act 2018 of Australia

■Modern Slavery Statement for FY2020

Tokio Marine & Nichido has been publishing its statement every year under the Modern Slavery Act 2015 of the United Kingdom. In 2020, the company also reported (registered) its modern slavery statement to and with the Australian government under the country's Modern Slavery Act 2018. Tokio Marine & Nichido will continue to report its modern slavery statement without fail, and together with its employees and business partners, will implement initiatives to prevent slave labor and human trafficking.

- Tokio Marine & Nichido's statement under the UK Modern Slavery Act 2015
- Tokio Marine & Nichido's statement under Australia's Modern Slavery Act 2018 (Australian overnment's online register site)

Modern Slavery

Modern Slavery refers to enslavement and servitude, all forms of forced labor and human trafficking, etc. The International Labour Organization (ILO) reported in a 2014 survey that there were approximately 21 million victims of forced labor worldwide (as of 2012) while annual illicit profits reached US$150 billion (estimate), which shows that even in present times slave labor and human trafficking are serious social problems.

- **Modern Slavery Act 2015 of the United Kingdom**

In March 2015, the British government enacted the Modern Slavery Act 2015 to prevent forced labor and other present-day slave labor as well as human trafficking. The act went into effect in October 2015. Section 54 of the act requires commercial organizations that undertake business in the United Kingdom and that have annual sales of £36 million or more to publish a statement of steps taken each fiscal year to prevent slave labor and human trafficking in their own businesses and value chain (supply chain).

- **Modern Slavery Act 2018 of Australia**

Following the United Kingdom, the Australian government enforced the Modern Slavery Act 2018 in January 2018. The act requires entities based or operating in Australia, which have an annual consolidated revenue of more than ASD 100 million, to report (register) every fiscal year on how they assess risks of modern slavery in their operations and supply chains as well as actions to address these risks.

Diversity and Inclusion

Promoting Diversity and Inclusion

Tokio Marine Group believes that for us to further improve the quality of our products and services worldwide, we must develop all of our motivated and talented employees to the maximum of their potential regardless of gender, age, nationality, disability or any other attributes. Specific initiatives pertaining to the group-wide promotion of diversity and inclusion (D&I) include eliminating the gender gap, creating a workplace in which older employees and persons with disabilities can take active roles as well as promoting employment regardless of nationality or race and facilitating mid-career recruitment and training of employees with diverse experience.

Diversity Policy

Tokio Marine Group believes the power of its people is the driving force for realizing its vision of becoming a "Good Company." For the insurance business, which is said to be a "people's business," the people involved and the trust created by those people are the source of our competitive advantage. We will promote diversity on a global basis to maximize the potential and facilitate the active participation of some 40,000 employees worldwide regardless of gender, age, nationality or disability, and strengthen our competitive advantage.

D&I Promotion Structure

Tokio Marine Group established the position of the Group Chief Diversity and Inclusion Officer (CDIO) and Diversity Council in April 2021 to accelerate D&I-related initiatives and create an environment that enables all Group employees to leverage their diverse backgrounds and fully exercise their capabilities. The Diversity Council is an advisory body chaired by the Group CEO and placed under his direct control. Under the leadership of the CDIO, the council will contribute to the sustainable growth of the Group by discussing important D&I themes with members representing Group companies in and outside Japan and promoting D&I while forming a consensus across the Group.

Fostering a D&I Culture

Changing the awareness and behavior of each employee is essential in fostering a culture of D&I, and the entire Group has been undertaking various initiatives in this regard. Since 2017, for example, we have been holding the Tokio Marine Group Diversity and Inclusion Forum for general managers, which deals with such topics as diversity management. Simultaneously, we have been providing training on unconscious bias and extended the scope of the training to all employees holding management-level positions in fiscal 2020. We also have a plan to extend the scope to all employees in the future.

Group discussion at the Tokio Marine Group Diversity and Inclusion Forum 2019

Since fiscal 2020, Tokio Marine & Nichido has been implementing a series of measures called "Boost Diversity" under the slogan "Let's change ourselves and let's change others." As a part of such efforts, the company has been holding not only lectures on the theme of working together with diverse people to learn about the promotion of the employment of persons with disabilities and LGBT issues but also a workshop for women in management-level positions to explore their own, unique leadership roles and a lecture on impostor syndrome for female employees. These measures have become an opportunity for individual employees to think about their own awareness and behavior. Tokio Marine Group will continue to promote initiatives for fostering a culture of D&I.

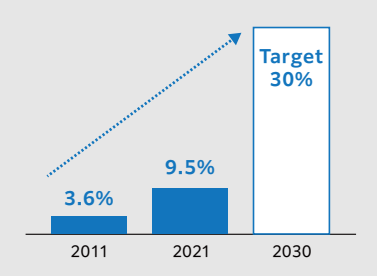
Eliminating the Gender Gap

Tokio Marine Group regards the promotion of D&I as synonymous with its growth strategy. As such, the Group CEO has been stressing the importance of such efforts at various meetings and seminars in the form of a top management message. Among matters related to D&I, we place particular emphasis on elimination of the gender gap and have been tackling this as a universal issue for the entire Group. We have been making proactive efforts over time to create an appropriate environment and promote human resources development so that every female employee at each Group company can autonomously build their careers and thrive in an even wider range of fields.

• State We Envision through Elimination of the Gender Gap

Tokio Marine & Nichido has been striving to eliminate the gender gap in seeking to achieve a state in which women commonly participate in every decision-making process. The company aims to realize this state by encouraging each female employee to continue to grow while feeling motivated to work and strives to improve the quality of its decision-making by inviting employees possessing diverse senses of value to take part in the process. The company's efforts in this area are twofold. One is to have women participate in every decision-making process, and the other is to increase the engagement of each and every female employee.

As for women's participation in every decision-making process, Tokio Marine & Nichido has set a quantitative target of increasing the ratio of women in management- and higher-level positions to 30% in fiscal 2030. Accordingly, the company has been stepping up its efforts to create an environment where they can take up a new challenge based on their willingness and capabilities. These include role assignment and year-long on-the-job training (OJT) based on individual career visions, job transfers across departments and various training.



Ratio of women in management- and higher-level positions

For increasing the engagement of female employees, the company has been implementing related initiatives, including the nurturing of an appropriate culture, in order to allow each person to continue to move forward while upholding her vision of what she wants to become.

• Eliminating the Gender Gap: Initiatives and Results

Aside from initiatives undertaken individually by Group companies, Tokio Marine Group as a whole is providing a variety of opportunities for female employees. In fiscal 2019, we launched Tokio Marine Group Women's Career College (TWCC), an internal program for female employees of Tokio Marine Group companies in Japan. It provides the opportunity for willing and aspiring participants to think about and increase awareness of their own careers as they motivate each other and gain an insight into diverse values and philosophies.

As a result of these initiatives, more than 500 women are currently holding management-level positions and playing active roles at Group companies in Japan. Tokio Marine Holdings has two female directors and one Audit & Supervisory Board Member, while Tokio Marine & Nichido has two female Audit & Supervisory Board Members and five executive officers. Both companies are integrating diverse views into their corporate management.

In recognition of such group-wide efforts to eliminate the gender gap and performance in terms of results, Tokio Marine Holdings was selected four times as a "Nadeshiko Brand" in fiscal 2013, fiscal 2015, fiscal 2017 and fiscal 2018. Further, the Group CEO announced his advocacy of a declaration of action stating that a group of male leaders dedicated to empowering women would accelerate the active participation of women who shine as well as the vision of the 30% Club Japan established in May 2019.

Tokio Marine & Nichido has earned the Diversity Management Selection 100, an award sponsored by the Ministry of Economy, Trade and Industry (METI). For this award, METI selects and commends "companies that have raised corporate value through diversity-oriented management." Tokio Marine & Nichido has earned this award based on high regard for its efforts such as enabling numerous women to continually take active roles by helping protect motherhood, enhancing systems for supporting child rearing and transforming the overall roles of employees, and for promoting the employment of persons with disabilities while raising consciousness of the principle of normalization.

In addition,Tokio Marine & Nichido Career Service and Tokio Marine dR were granted "Eruboshi" certification by the Minister of Health, Labour and Welfare in April 2016 and January 2017, respectively, as outstanding companies in terms of conditions related to promoting the active participation of women. The certification has three stages depending on the number of assessment items fulfilled and both companies received the top certification.

Sustainability Performance Data (Number of directors and managers) »
Tokio Marine Group's Data on Empowering Female Employees (PDF/76.2KB) (in Japanese)

Utilizing Diverse Human Resources

■Promoting Active Roles for Older Employees

Tokio Marine Group considers actively promoting the continued employment of older members to be an important management issue in maintaining the sustainable growth of the Group as a whole. In addition to encouraging continuous self-advancement and changes in consciousness and behavior on the part of employees themselves, the Group intends to provide fields of activity in which employees can utilize their past experience and strengths to generate new added value while maintaining high levels of motivation.

■Promoting the Employment of Persons with Disabilities

Aiming to broadly accept persons with disabilities and to become a corporate group in which diverse personnel work enthusiastically, Tokio Marine Group is promoting the employment of persons with disabilities at Group companies and working to raise consciousness of normalization. Tokio Marine Business Support Co., Ltd., a special subsidiary based on the Disabled Persons Employment Promotion Law, is supporting Group development by providing services that include administrative support, printing, logistics and commodity sales.

・Promoting the Employment of Persons with Disabilities through a Special Subsidiary

In January 2010, we established Tokio Marine Business Support with the aim of promoting the employment of persons with intellectual and developmental disabilities, and in March 2010, the company was the first in the non-life insurance industry to be approved as a special subsidiary under the Disabled Persons Employment Promotion Law (343 employees as of June 1, 2021).

A total of 206 employees with disabilities (as of June 1, 2021), mainly persons with intellectual and developmental disabilities who are considered to have fewer employment opportunities among persons with disabilities, are working at the Tokyo head office and at the Nagoya, Osaka and Kyushu branch offices. These employees are supporting Group companies by performing such operations as data input and processing, document enclosure and shipping and printing.

Further, employees with disabilities started selling coffee as part of a welfare program to Tokio Marine & Nichido employees in 2017. Marking the fourth year of activity in 2020, the company has increased the number of cafés to broaden the field of activities for persons with intellectual and developmental disabilities. Based on its corporate philosophy to 1) be an organization that provides support instead of being a support recipient, 2) be a company in which employees can have their dreams and take pride in and 3) expand opportunities for taking active roles, the company is focusing on creating an environment in which employees can work enthusiastically with a sense of satisfaction. It also intends to become a company in which everyone can grow through work while keeping a sense of gratitude and remaining considerate to others.

Sustainability Performance Data (Rate of employment of persons with disabilities) »

Tokio Marine Business Support (in Japanese)

・Promoting Normalization

Tokio Marine & Nichido Systems has actively been seeking to promote normalization for persons with disabilities by making areas barrier free, hiring physically challenged persons as IT engineers and having visually impaired persons provide in-house massage services.

From September 2009, the company has been running the internal café, Smile Café, and Smile Office Service, which provides general administrative services such as producing name cards, making printouts and digitalizing paper documents through members with disabilities. Smile Café is used by around 250 people every day and is a place where employees can relax. It also sells bread and sweets made at a nearby welfare facility. Smile Office Service is expanding the types of work it handles every year and has gained the trust of employees.

By having general employees and members with disabilities work together, synergetic effects are being created in terms of cheering up each other and enhancing work satisfaction.

Tokio Marine & Nichido Systems (in Japanese)

Developing and Utilizing Diverse Human Resources

Tokio Marine Group's philosophy on human resources has been positioned as "Tokio Marine Group – Our People." Based on this philosophy, we are working on the strategic development of diverse human resources, both in Japan and overseas, toward the realization of a global insurance group. The Group's overall human resources development and utilization are managed by the Group Chief Human Resources Officer (CHRO), while the Board of Directors and Management Meeting of each Group company monitor the individual implementation status.

Tokio Marine Group - Our People

- Our people are the most important asset of our Group and a key driver of our Good Company vision.
- We aim to attract and retain the talent necessary in every aspect of our business to ensure we deliver safety and security to our customers and their communities.
- Our people bring passion and a challenging spirit to their endeavors and we provide them opportunities for career development and ongoing personal growth.
- Our people embody diversity and we value inclusion as a truly global company. We work hard to create a business environment where we can achieve our full potential as we continue our endless journey to be a Good Company.

Fair Personnel System and Management

Tokio Marine Group aims to enhance employee satisfaction and motivation through a fair personnel system and management. The Group also endeavors to realize a corporate culture in which all employees respect human rights through various initiatives such as human rights training.

■Stably Securing Management Personnel Possessing Global Management Capability

Tokio Marine Group works to realize employees' diverse work styles and enhance their job satisfaction mainly through a fair personnel system. Moreover, we respond to changes in the environment and ensure appropriate management of personnel and labor risks. Through these initiatives, we strive to increase productivity and corporate value.

The environment surrounding Tokio Marine Group, in particular, has been undergoing rapid changes, including technological advancements, globalization and demographic shifts. Consequently, it has become increasingly important to accurately capture these highly uncertain changes in the external environment and reflect them in corporate management. As a system to stably develop management personnel with high levels of expertise and management capability to respond to such significant changes on a global scale and drive the Group's management, Tokio Marine Holdings introduced a new personnel system in April 2019.

Sustainability Performance Data (Number of employees, basic employee data, etc.) »

■Raising Employee Satisfaction Levels

Tokio Marine Group has created a group-wide platform for the implementation of a Group employee attitude survey once each year. In fiscal 2020, the survey was given to 5,990 employees in 15 companies with individual companies such as Tokio Marine & Nichido and Tokio Marine & Nichido Life conducting a similar initiative independently.

In place of its previous employee attitude survey, in fiscal 2020 Tokio Marine & Nichido started using the Motivation Cloud service provided by Link and Motivation Inc. The service is designed to accurately capture employees' job satisfaction and motivation, in other words the status of employee engagement, and support the timely implementation of effective measures. It also has a feature to identify the status through a comparison with other companies. In the Best Motivation Company Award 2021 hosted by Link and Motivation, Tokio Marine & Nichido was ranked second in the Large Companies category.

Although employee satisfaction levels are high on the whole throughout the Group, we are aiming to further boost employee satisfaction by reflecting opinions of employees regularly gathered by each company in overall management and personnel measures and by providing feedback related to organizational management.

Sustainability Performance Data (Employee attitude survey results) »

Sound Labor-Management Relations

In Tokio Marine Group, Tokio Marine & Nichido and other Group companies conduct good-faith negotiations and discussions with labor unions on a wide range of topics, from payroll, personnel systems and occupational health and safety to management policies, to achieve sound corporate growth and maintain and improve various working conditions of union members.

Sustainability Performance Data (Labor union participation rate) »

Utilizing People Analytics for Strategic Work Force Planning

Tokio Marine Group needs to implement its strategic workforce planning more effectively and efficiently and accordingly, the opportunities of utilizing People Analytics are expanding. Tokio Marine Group utilizes People Analytics for evaluating organizational busyness and analyzing appropriate workforce allocations best suited for organizational sizes. It is difficult to fully rely on People Analytics to implement strategic workforce planning at Tokio Marine Group. However, the effectiveness and efficiency of its strategic workforce planning are improved by utilizing People Analytics.

Utilizing AI Technology for Recruiting and Hiring

Tokio Marine Group utilizes artificial intelligence technology for selecting interview candidates from new graduate applicants.

Development of Human Resources

The power of our people is the driving force for protecting customers and local communities in times of need as a "Good Company." The Tokio Marine Group Spirit has been built up by overcoming numerous adversities and constantly taking on challenges since our earliest days that focus on the five areas of taking on challenges, openness and dynamism, customer orientation, social contribution (contribute to society and people) and a global perspective.

This spirit has been passed down over the generations and even now is the starting point for individual ideas and the source of human resources with a high sense of purpose who boldly take on challenges.

In addition, based on the Tokio Marine Group Spirit, we have fostered over many years a nurturing culture in which both "individual employees" and "companies and organizations" grow and develop. We are working to spread and pass down this nurturing culture to the entire Group with the aim of having our Group companies around the world work together on the development of human resources.

Aiming to Be a Company Where All Employees Continue to Grow

For Tokio Marine Group, people and the trust built up by those people are the source of all our competitiveness, and thus human resources development is an extremely important theme. Each Tokio Marine Group company is building skill development programs and personnel systems appropriate for the characteristics of their respective businesses based on the Tokio Marine Group Spirit.

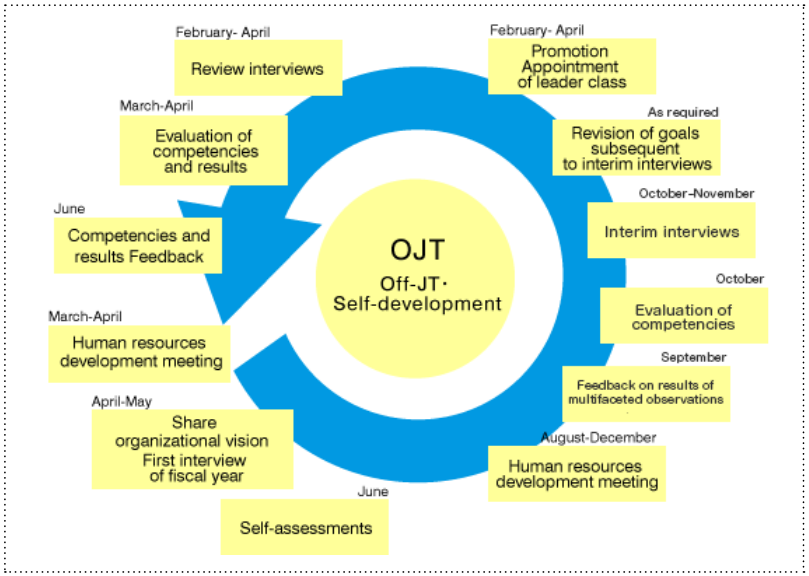
As an example, Tokio Marine & Nichido aims to be a company where all employees continue to grow and has accordingly been making efforts to develop human resources. The goal is to become a company which provides customers with a sense of security, is selected by customers and constantly grows, as stated in its mid-term business plan.

Specifically, Tokio Marine & Nichido meticulously aligns the career visions of individual employees, what they want to become and their strengths and weaknesses. This is done based on the human resources development cycle that uses regular interviews throughout the year between supervisors

and their subordinates as milestones. While assigning challenging roles that lead to the growth of respective subordinate, the company provides continuous support for their growth and follows up on their progress.

Tokio Marine & Nichido also creates and provides an extensive range of programs related to human resources development, including broad training opportunities that respond to employees' diverse needs and career visions as well as e-learning and other learning tools. From the viewpoint of offering diverse growth opportunities, the company mainly sends young employees to short-term overseas training programs and to business schools in Japan and abroad, universities in non-English-speaking countries and other institutions on an ongoing basis.

***1 Human Resources Development Cycle (Tokio Marine & Nichido): Aiming for a Positive Cycle of Human Resources Development**



Sustainability Performance Data (Employee training) >>

***2 Domestic and Overseas Trainee System (MBA/LLM Course)**
This is a trainee system that solicits participants from among employees and provides those willing to take up the challenge of the opportunity to do so. The system sends employees to a Master of Business (MBA) or Master of Laws (LLM) program offered by Japanese or overseas graduate schools, enabling them to gain specialized knowledge in the management, financial affairs and legal fields and form a network with people outside the company, which will be useful for business in the future.

■Example Case of Human Resources Development Program: "Cafeteria for Learning"

Recently, along with changes in the working environment and working styles, knowledge and skills that employees should gain have become more diversified. Given such circumstances, Tokio Marine & Nichido has adjusted its approach toward human resources development. With the aim of realizing further personal growth of employees under their individual initiative, the company revamped its human resources development system, which had mainly consisted of uniform training programs based on years of service or position. The new system allows employees themselves to choose what they need to learn from among various themes.

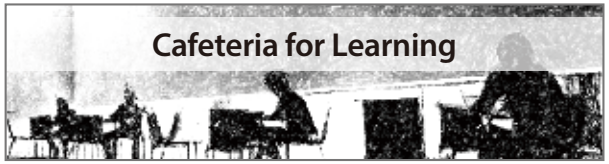
More specifically, in April 2021 Tokio Marine & Nichido introduced "Cafeteria for Learning," a new training system for all its employees, comprising about 40 programs. Through the system, the company has enhanced a lineup of voluntary participation programs for employees to choose from based on their career visions and strengths. In this way, the system is designed as a scheme to encourage their personal, self-motivated growth.

In response to the promotion of working from home and telecommuting practices, the system offers more online programs to eliminate location and time constraints and ensure greater ease of learning for employees. In keeping with changes in the business environment, the company has organized the system mainly with programs on digital transformation (DX), diversity & inclusion (D&I), management and other elements that will be of particular importance for employees in coming years, and seeks the growth of employees together with the company. With the system serving as a venue for diverse employees across Japan to connect to and learn from each other, Tokio Marine & Nichido also intends to further foster an open and free-spirited culture where they mutually support the pursuit of a challenge and growth.

Specific Examples of the "Cafeteria for Learning" Programs

Name	Target	Overview
The New Ship	All employees	A seminar-style program by an external expert serving as a lecturer for the development of DX personnel. Designed to operate in conjunction with a separate platform implemented internally, which uses an app to promote learning and communication, it nurtures human resources who can drive DX within Tokio Marine & Nichido.
Co-Creation Program	All employees	A program to work jointly with external members to solve issues facing NPOs. It cultivates employees' leadership through contribution to local communities and society while also encouraging them to practice our Corporate Philosophy in an environment that differs from their day-to-day operations.
Tokio Marine 2100	Young employees of overseas Group companies across the world	A program in which young employees working for Group companies across the world get connected online, beyond national borders, to talk about the Group's vision and other topics. It aims to further advance D&I throughout the Group on a global scale.

Overall Picture of "Cafeteria for Learning"



Design own learning, learn together and take up a challenge first

Basic: Competencies each wants to demonstrate

- ☐ Packages of programs aimed to increase the repeatability of employees' thinking and behavior at a higher level
- ☐ Supports on-the-job training (OJT) while utilizing all types of learning tools, including micro learning
- ☐ Divided into groups according to the degree of impact on the organization of related processes, allowing employees to select a desired program based on an interview with a supervisor regardless of their positions

"Independence x cooperation" package | "Drive organization" package | "Manage organization" package

Expert: Fields for which each wants to gain deeper knowledge and skills

- ☐ Programs on six strategic themes essential in achieving employees' and the company's growth
- ☐ Allows employees to explore their own strengths and expertise and participate in a program they want to learn in more detail
- ☐ Lineup and content to be updated as necessary according to changes of the times and in the surrounding environment

Basic business skills (ability to think, language proficiency, etc.) | Cross-border interaction and creativity (DX, D&I, etc.) | Independence in terms of career (career plan, etc.)

Management (empowerment, etc.) | Human resources development (coaching skills, etc.) | Organizational development (team dialogue, etc.)

■Project Request System

Tokio Marine & Nichido has introduced the Project Request System that allows willing employees across Japan to take part in a project of the corporate departments at the head office as part of their job, while continuing to work for their own department. There are about 40 such projects in the first half of fiscal 2021. By introducing and expanding the use of this system, the company aims to achieve human resources development and other objectives shown below.

- Realize the challenging aspirations of employees on their own initiatives
- Accelerate the speed of growth of employees and provide broader options for their future career visions
- Help employees to form a network of people and improve their expertise and skills through the promotion of a project
- Spur innovation and improve the quality of output by encouraging employees with diverse capabilities to take part in a project

■Job Request System

Tokio Marine & Nichido provides employees with opportunities to choose their jobs to realize their own career vision. The company has introduced the Job Request System to support employees in forming and building their careers and to help strengthen the independence of employees based on choice and self-responsibility. It is a key personnel system for maintaining and expanding the energy of employees by allowing them to apply for jobs they want to try. In particular, locally based employees in jobs not subject to relocation can take on the challenge of a new job in a different location, or continue working after changing localities due to reasons such as marriage or a spouse's relocation, by applying through the Job Request System (U-turn and I-turn transfers*).

***U-turn and I-turn**

U-turn transfers	An application type transfer in which employees in jobs not subject to relocation can take on the challenge of new jobs outside the traditional framework with a temporary relocation on the condition that they must return to their original localities
I-turn transfers	An application type transfer in which employees in jobs not subject to relocation can continue working after changing localities due to reasons such as marriage or a parent's or spouse's relocation. Employees are able to relocate while maintaining their position in the company at the same level of compensation.

*Not all employee relocation requests are approved.

Additionally, when soliciting applicants for fiscal 2021 (for a transfer in April 2022) under the system, the company added the Remote Job Request option for employees who had not been able to apply to the Job Request System because relocation was not possible for family reasons. The option provides those employees an opportunity to take on the challenge of a new job by fully utilizing the system of remote working without relocation.

In addition to the Job Request System, the company offers employees the opportunity to declare their wishes regarding job transfers and future career visions from the perspective of putting the right people in the right jobs based on their career visions and transfer wishes.

Sustainability Performance Data (Job Request System) »

Global Human Resources Strategy

■Promotion of Global Human Resources Strategy

Amid the increasing importance of overseas business, Tokio Marine Group considers it essential to build a human resources base that supports development into a global insurance group through the hiring and developing of diverse human resources at Group companies around the world. To achieve this goal, we formulated a global human resources strategy and have been promoting various measures on an ongoing basis since 2012.

Pillars of Tokio Marine Group Global Human Resources Strategy

1. Develop Global Leaders
2. Develop highly professional human resources for each function in line with expertise
3. Expand the base of the global talent pool
4. Establish systems and infrastructure to spread the Company's Corporate Philosophy

For "Develop Global Leaders," we are implementing a number of measures aimed at development that include training for Global Leader candidates selected from Group companies worldwide. In addition, Tokio Marine Group started the Global Job Rotation Program in fiscal 2011 from the perspective of actively utilizing motivated and capable overseas local talent. These and other initiatives are being undertaken to develop and utilize highly professional human resources for each function in line with expertise. The Group also provides a variety of development opportunities with the aim of broadening the horizons of this group of global human resources. This includes short-term overseas training programs for Global Course third-year employees of Tokio Marine & Nichido, which started in fiscal 2012, and the dispatch of overseas trainees.

A specialized department to take charge of global human resources was established at Tokio Marine Holdings to steadily promote these measures. At the same time, the company regularly holds the Global Human Resources Conference by gathering the human resources department managers of major Group companies to discuss measures to strengthen cooperation among human resources departments, human resources development common to the Group, personnel strategies and other matters. Going forward, the company will continue to promote the global human resources strategy while actively incorporating the opinions and requests of Group companies around the world.

■Securing Human Resources Who Will Lead the Future

Tokio Marine & Nichido provides internships for participants to experience its various businesses in the actual workplace.

The company creates an internship program for each workplace accepting students. Each program offers a menu of activities, such as participating in a meeting with outside parties, an online office tour, roundtable discussions with diverse employees of different backgrounds, web conferences with employees working overseas and case studies through group work. In fiscal 2020, the company offered, mainly online, a three-day premium internship in seven cities across Japan and a two-day internship at branch offices nationwide, and accepted a total of some 1,300 students. Tokio Marine & Nichido's internship programs are highly appraised by students, job placement media and other parties as an "internship that encourages the growth of participants," as it requires high levels of input and output.

Tokio Marine & Nichido will continue to provide opportunities for participants to resolve issues and explore new solutions through workplace experiences and exchange with employees, and contribute to the development of future generations.

Transforming Working Styles

Tokio Marine Group has been striving to transform working styles with the aim of driving sustainable growth of the Group and employees by having diverse human resources work with high productivity.

■Initiatives in Pursuit of Highly Productive Working Styles

Tokio Marine Group is pushing ahead with various initiatives in pursuit of highly productive working styles in order to provide even higher added value to customers.

As examples, Tokio Marine & Nichido initiated Go Go Challenge Day (employees finish work at 5:30 p.m. or within seven and a half hours of actual working once per week) and Season Challenge (all lights off and employees finish work at 8:00 p.m. for one month four times a year) so as to establish the custom of each employee controlling his or her own work hours independently. In doing so, the company aims to achieve 100% execution of these working practices.

In addition, we allow the use of a dedicated app that enables the confirmation, sending and receiving of company email from the individual's mobile device when on the move or with a client. From an infrastructure perspective, we provide company mobile devices, and from a system perspective, home and mobile working are given as options to all employees without imposing a limit on the allowed number of times. We aim to ensure that diverse personnel can work at high productivity levels by establishing an environment in which people are free to choose work location and work times.

By encouraging each employee to effectively utilize the extra time created through these initiatives for personal growth (higher motivation to work, better health and enriched life) and linking their personal growth to higher added value we provide to customers, we aim to achieve sustainable growth of both the Group and employees.

Sustainability Performance Data (Annual average actual working hours) >>

■Personnel Systems Enabling Diverse Employees to Work with Independence

To support the realization of diverse working styles for each employee, Tokio Marine Group companies have established a range of systems including the introduction of a system enabling employees to flexibly change daily working hours (working hours free choice system) as well as childcare and nursing care leave, volunteer work leave and special consecutive paid holidays. In particular, Tokio Marine & Nichido aims for 100% of employees to take special consecutive paid holidays, which allows them to take five consecutive days off for any reasons. In addition, the company added considerable flexibility to the operation of the working hours free choice system in April 2021 and made the nursing care leave and leave to care for sick or injured family members available in the unit of hours in January 2021, thereby setting up an environment where employees can work with even greater flexibility.

Through these systems, each employee has the ability to choose the best working style to fit the circumstances he or she has been placed in. This has enabled us to create an environment in which employees with diverse values and a variety of experiences, including childcare and nursing care, can continue to make a meaningful contribution.

Sustainability Performance Data (Nursing care leave system) >>

* I-turn transfers: An application type transfer in which employees in jobs not subject to relocation can continue working after changing localities due to reasons such as marriage or a parent's or spouse's relocation.

■Support for Balancing Work and Childcare

Tokio Marine Group supports the balance between work and childcare at each Group company. In recognition of proactive initiatives for employees' childcare support , Tokio Marine & Nichido, Tokio Marine & Nichido Life, Tokio Marine Millea SAST, Tokio Marine dR, Tokio Marine & Nichido Systems, Tokio Marine & Nichido Medical Service, Tokio Marine & Nichido ANSHIN 110 and Tokio Marine Asset Management were granted the Next Generation Certification (Kurumin) subsequent to accomplishing the General Business Owner Action Plan based on the Next Generation Nurturing Support Measures Promotion Law by the Minister of Health, Labour and Welfare. Of these companies, Tokio Marine &

Tokio Marine & Nichido

Tokio Marine & Nichido
Tokio Marine & Nichido Systems

Nichido and Tokio Marine & Nichido Systems have been accredited with the Platinum Kurumin for introducing and utilizing systems that support both work and childcare and maintaining these efforts at a high standard.

Tokio Marine & Nichido has established the "mama & papa career advancement support system" as a system backing the growth of employees wanting to work and advance their careers while raising children. Specifically, we have set up systems that go above and beyond what is mandated by law and support measures realizing a smooth return to work as well as a good balance between work and childcare. The number of people using these systems is increasing every year.

- A special paid leave system up to 2 weeks before maternity leave in excess of legally required minimum
- A childcare leave system up until the child turns one year and two months, as a general rule, that may be extended up to two years depending on circumstances
- A shortened work hours system that can be used from pregnancy to the end of the fiscal year when the child is in the third year of elementary school
- A paid parental leave 5 days from the start of paternal leave in excess of legally required minimum
- A paid parental leave up to 7 days before the spouse gives birth in excess of legally required minimum
- Introducing a system allowing the viewing of company information from home during childcare leave
- Implementing a telecommuting system for all employees
- Holding seminars and opinion exchange meetings for system users and their superiors and partners

■ Childcare Facilities and Contributions

Tokio Marine & Nichido lends out a part of its facilities as a childcare facility that can be used by its employees.

In order to support the creation of an environment where work and childcare can be balanced early on after childbirth, Tokio Marine & Nichido provides its employees with "Childcare Concierge Service," a consultation service for finding a childcare facility that suits each employee.

Tokio Marine & Nichido provides its employees with services that allow each employee to use one of approximately 800 affiliated childcare facilities, babysitters and other services nationwide at a discounted rate.

Tokio Marine & Nichido also provides its employees with "Mama Mentor" system that creates an environment where a new mom employee can easily consult with a senior mom employee on balancing work and childcare.

In recognition of these systems and the company's other proactive initiatives for employees' childcare support, Tokio Marine & Nichido has received the following awards thus far.

Date	Sponsor	Category	Award
July 2015	Gunma Prefecture	System of certifying dynamic "G Companies" in Gunma Prefecture in fiscal 2015	Gold certification
October 2015	Kobe City	System of commending enterprises encouraging active engagement of both male and female employees in fiscal 2015	Selected by Kobe City as an enterprise encouraging active engagement of both male and female employees
April 2016	Osaka City	System certifying leading companies in empowering females in Osaka City	Selected as a 2-star Ikumen certified company
January 2017	Aichi Prefecture	System certifying companies empowering females in Aichi	Certified by Aichi Prefecture as a company empowering females
July 2017	Nagoya City	System certifying companies promoting a good work/life balance in Nagoya	Certified by Nagoya City as a company promoting a good work/life balance
February 2018	Gunma Prefecture	System of certifying dynamic "G Companies" Gold certification in Gunma Prefecture	Outstanding award for being an excellent workplace for fiscal 2017
April 2018	Iwate Prefecture	System certifying companies empowering females in Iwate	Certified by Iwate Prefecture as a company empowering females
February 2019	Toyohashi City	System certifying and awarding companies supporting childcare in Toyohashi City	Certified by Toyohashi City as a company supporting childcare
February 2020	Gifu Prefecture	System certifying excellent companies promoting a good work/life balance in Gifu	Certified as an excellent company
March 2020	Shiga Prefecture	System certifying companies promoting a good work/life balance in Shiga	Certified as an excellent company

* Listing of awards received in the past six years

Sustainability Performance Data (Retiree rehiring system, maternity leave system, etc.) »

Promoting Health and Productivity Management

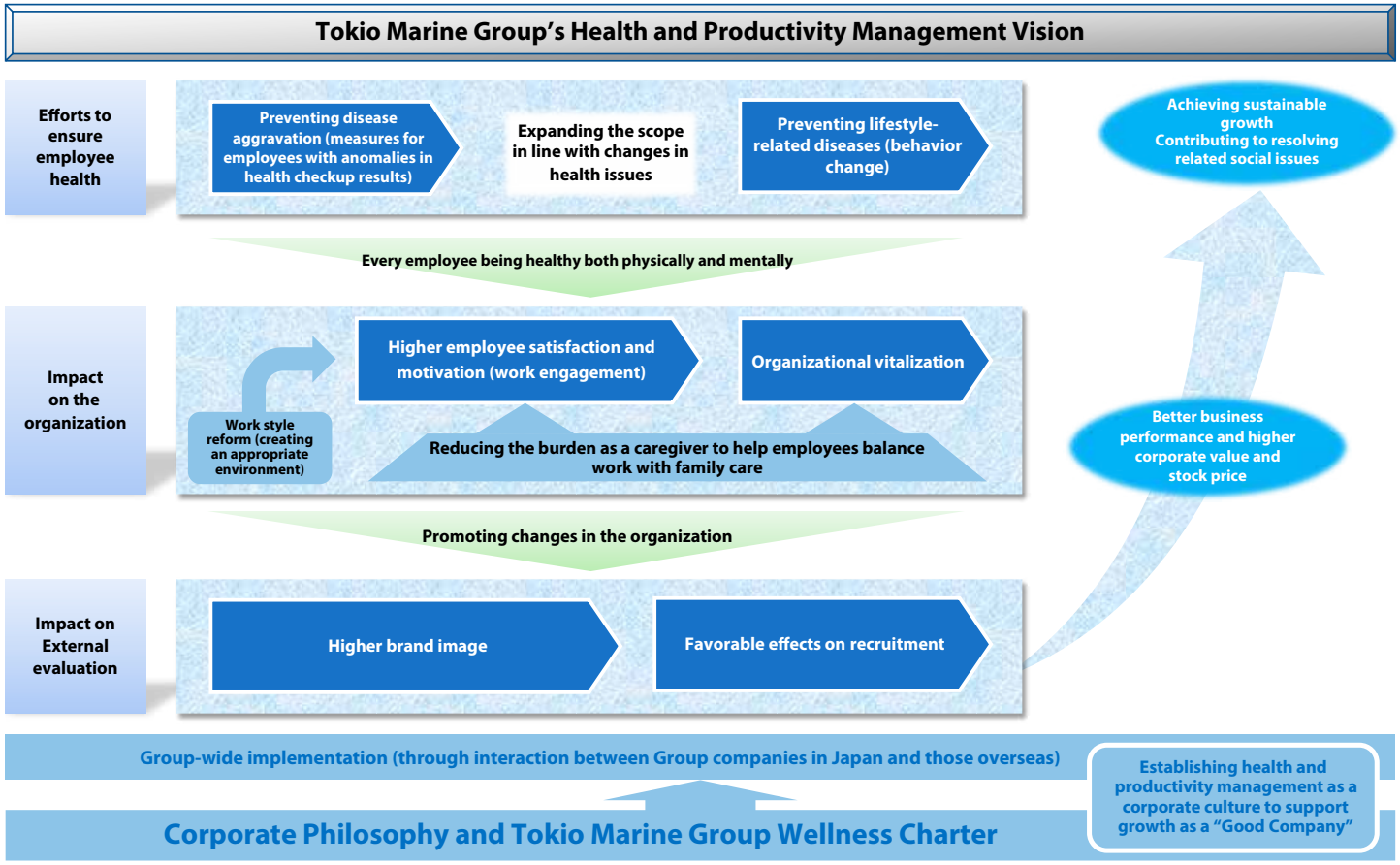
Maintaining and enhancing the physical and mental health of our employees, the driving force enabling us to continue as a company that provides safety and security to customers and is trusted and chosen by customers, is a critical theme of the utmost priority.

Each Tokio Marine Group company has been making efforts to create an environment in which employees can work with enthusiasm by providing both physical and mental healthcare for its employees.

Promoting Health and Productivity Management

◉ Tokio Marine Group's Health and Productivity Management Vision

Tokio Marine Group regards employees as one of our most valuable assets and their health as a critical management issue. We seek to ensure the physical and mental health of employees so that they can work enthusiastically with higher levels of satisfaction and motivation, support health promotion efforts of customers, local communities and society as a whole and help to resolve related social issues. By doing so, we ultimately aim to achieve the Group's sustainable growth.



◉ Tokio Marine Group Wellness Charter

In order to instill Tokio Marine Group's vision of and thinking behind health and productivity management throughout Group companies in and outside Japan, we have formulated the Tokio Marine Group Wellness Charter as health-related guidelines for employees. To disseminate the charter to Group companies overseas, we created both Japanese and English versions.

東京海上グループ健康憲章

Tokio Marine Group Wellness Charter

社員の働きがいを高め、経営理念の実践と企業価値の向上を追求し続けるためには、社員とその家族の心身の健康が重要であり、東京海上グループは、以下の観点から取り組みを推進します。

●一人ひとりが、健康をかけがえのないものとして大切にし、主体的に健康増進に努めます。

●健康への投資を行い、健康増進に積極的に取り組む環境と企業風土を確固たるものとし、継承していきます。

●お客様や地域・社会における健康増進への取り組みを支援することにより、社会課題の解決につなげ、健康で豊かな未来の実現に貢献します。

取締役社長 グループ CEO

The mental and physical well-being of our employees and their families is essential in order to increase employee engagement, live up to our corporate philosophy and therefore enhance our corporate value. With these principles in mind Tokio Marine Group (hereafter "Tokio Marine") commits to promote the following for its staff and their families:

• Tokio Marine will promote a culture in which each employee thinks about how they can incorporate well-being into their lifestyle.

• Tokio Marine will invest in wellness initiatives, establish an environment and a corporate culture that will continuously encourage the promotion of wellness.

• Tokio Marine will contribute to the realization of a healthier and more prosperous future by supporting the wellness of our customers, communities, and society as a whole.

President and Group CEO

Tokio Marine Group Wellness Charter

Declaration of Health and Productivity Management

Tokio Marine & Nichido, a major Tokio Marine Group company, is promoting an array of initiatives under its Declaration of Health and Productivity Management, which states that employees represent the most important driving force in becoming and continuing to grow as a "Good Company" chosen by customers, and that Tokio Marine & Nichido proactively seeks to maintain and promote the physical and mental health of employees and their families.

◉ Relationship between Tokio Marine Group's Health and Productivity Management Vision and Health-Related Measures

Tokio Marine & Nichido considers there are two axes to the kind of health it pursues through its health and productivity management efforts, namely the health of individual employees and the health of the organization. Accordingly, the company has established the following four items as its ultimate health-related target indexes and defined numerical targets for three of them. It is necessary to implement measures to reduce absenteeism related to non-occupational illness or injury. Equally important is creating systems and a corporate environment that enables employees to take time off when necessary. These elements are vital in developing workplaces that enable employees to thrive and have long careers. For this reason, Tokio Marine & Nichido will focus on the analysis of factors without setting specific targets for the time being.

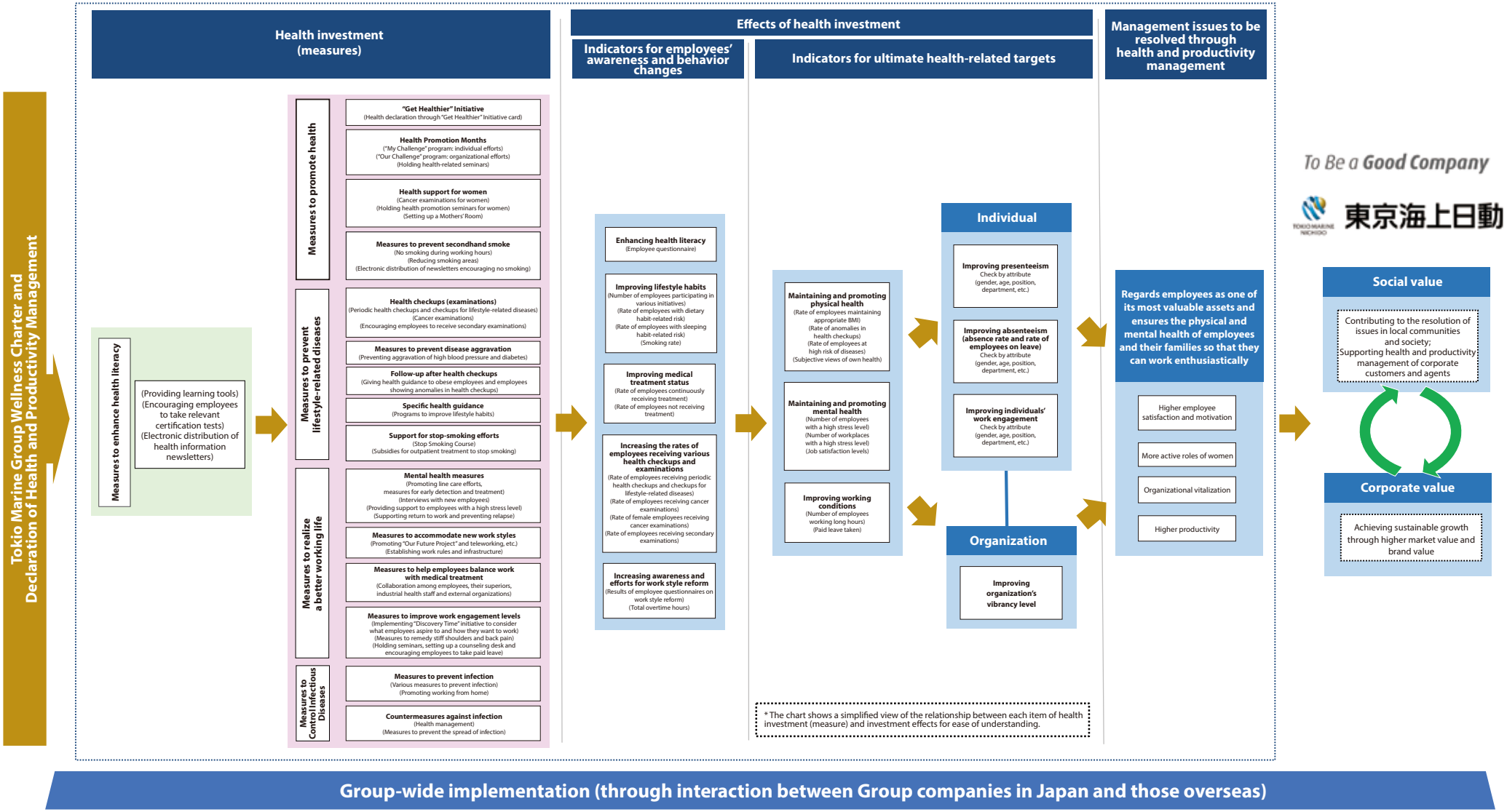
Ultimate health-related target indexes		Targets for 2023
Health of individual employees	Improvement in presenteeism*1	63.0
	Improvement in absenteeism	—
	Enhancement of work engagement*2	2.75
Health of the organization	Enhancement of the organization's vibrancy level*2	3.00

*1 Absolute presenteeism identified by the WHO Health and Work Performance Questionnaire (WHO-HPQ) (maximum: 100)
*2 Responses to employee questionnaires (maximum: 4.0)

For the four indexes, Tokio Marine & Nichido collaborated with the Health Insurance Association and analyzed health-related data, including the results of health checkups. It has been shown that presenteeism, absenteeism, work engagement and the organization's vibrancy level are all statistically related to lifestyle-related disease risk, mental health risks and the work environment.

Tokio Marine & Nichido has always worked to promote health through four priority measures. They are "measures to promote health" based on a population approach to improving lifestyle habits; "measures to prevent lifestyle-related diseases" that prevent the aggravation of lifestyle-related diseases and encourage various types of health checkups; "measures to realize a better working life," which include mental health measures; and "measures to enhance health literacy" that constitute the basis for all health-related behavior. As the analysis of data has confirmed that these efforts contribute to the enhancement of individual and organizational performance, these health-related measures have taken on increased importance.

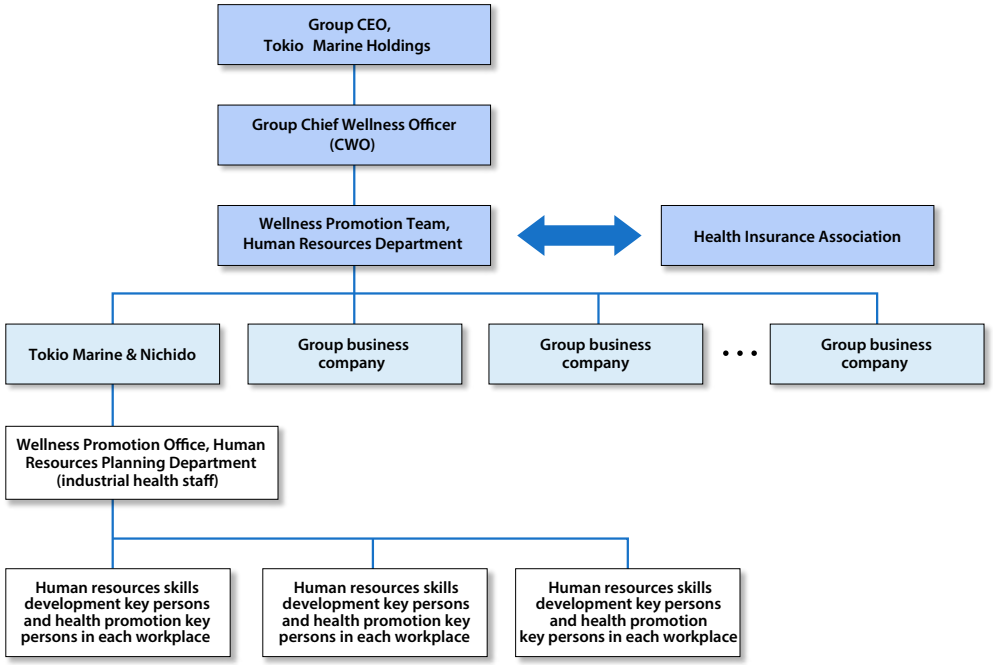
Relationship between Tokio Marine Group's Health and Productivity Management Vision and Health-Related Measures



◉ Promotion Structure

Overseen by the Group CEO, our efforts to promote health and productivity management are led by the Group Chief Wellness Officer (CWO), who is also the Group Chief Human Resources Officer (CHRO), and the Wellness Promotion Team set up within Tokio Marine Holdings. We are also making collaborative health promotion efforts jointly with the Health Insurance Association.

Additionally, with the aim of extending efforts to ensure employee health to all employees working across Japan, Tokio Marine & Nichido has established a system of collaboration between industrial health staff (including industrial physicians and public health nurses) stationed at 46 locations nationwide and key persons appointed in each workplace respectively for human resources skills development and health promotion. Using this Tokio Marine & Nichido's effort as a benchmark, we are implementing a similar system in other Group companies in a phased manner.



Health and Productivity Management / Occupational Health and Safety Initiatives and External Evaluation

◉ Efforts to Ensure Employee Health

For its efforts to ensure employee health, as described in Tokio Marine Group's Health and Productivity Management Vision, Tokio Marine & Nichido has defined the following priority measures based on "Data Health" plans created in collaboration with the Health Insurance Association as well as the results of analysis of health checkup and various other health-related data.

• Measures to Enhance Health Literacy

We regard health literacy as a basis of health actions and work to raise the level of health literacy among employees so that they become mindful of their own health and that of people around them, willingly learn about health measures and voluntarily make health promotion efforts.

• Measures to Promote Health

We believe ongoing efforts by employees themselves are essential in maintaining and promoting their health. We strive to enhance the health of all employees by implementing measures to support their efforts, providing necessary tools and encouraging individual and organizational efforts.

• Measures to Prevent Lifestyle-Related Diseases

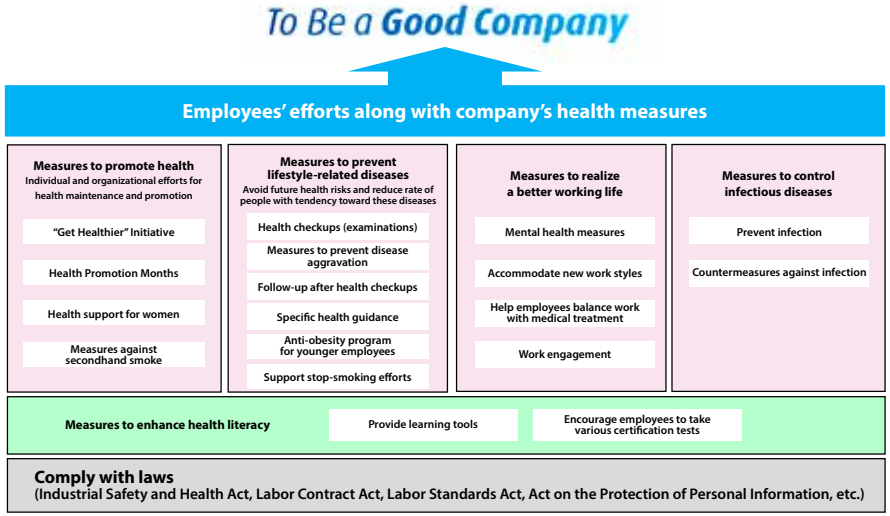
A lifestyle-related disease is a health issue that greatly affects both the current life of an employee and his or her life after retirement. As an effort to prevent the onset and aggravation of lifestyle-related diseases, we proactively provide support by industrial health staff as necessary based on the results of health checkups.

• Measures to Realize a Better Working Life

In order to ensure the physical and mental health of employees, attention needs to be paid not only to the health status of individuals but also to factors affecting it, such as the workplace environment and their attitude toward work. We implement mental health measures led by supervisors in each workplace and industrial health staff and help employees balance work with medical treatment so as to enable them to work with vitality and with a higher level of work engagement and lead a fulfilling life.

• Measures to Control Infectious Diseases

We take thorough measures to prevent infection, implement countermeasures against infection and encourage vaccination to protect employees from influenza, COVID-19 and other infectious diseases in order to minimize their impact on the continuity of our business operations.



• Legal Compliance

The Industrial Safety and Health Act, Health Promotion Act and other relevant laws and regulations form the basis of all our initiatives in this area. We comply with these laws and regulations in every aspect, from conducting periodic health checkups and stress checks to protecting personal information.

Each Group company has established an industrial safety and health management framework in accordance with the Industrial Safety and Health Act to fulfill its obligation to ensure the appropriate consideration of safety. Specifically, Group companies appoint an industrial physician and health officer and set up a health committee at each domestic business site with more than 50 employees. The committee, composed of an industrial physician, health officer, persons in charge of health management and persons selected from the employee labor union, meets once per month to deliberate on measures for physical and mental health maintenance and promotion and improving the workplace environment as well as measures for preventing health disorders, including those resulting from overwork.

◉ Examples of Major Health Measures

■ "Get Healthier" Initiative

[Goals]

Reduce the number of employees facing imminent lifestyle-related risks. ⇒ Increase the number of employees with healthy BMI value. ⇒ Reduce the number of employees with lifestyle-related diseases. ⇒ Improve presenteeism and absenteeism.

[Details]

This is an all-participation health promotion initiative designed to enable employees to maintain and promote their health. As part of this initiative, we have been holding the Health Promotion Months campaign in every October and November for more than 30 years since 1990. We have also been working to increase the rate of participation and achieve better effects in improving lifestyle habits by making adjustments to how we conduct the initiative. Adjustments to date include providing menus of activities ("My Challenge" and "Our Challenge" programs) to support individual and workplace efforts, respectively. We have also appointed health promotion key persons in each workplace and introduced a web-based version. Furthermore, we organize a President's Award program and have introduced an AI-based health app course. In fiscal 2020, we started providing a course to learn lifestyle habits suited for the times of COVID-19.

[Benefits]

Statistical analysis has confirmed that participants of the various "My Challenge" courses tended to benefit from improvements in lifestyle habits related to the corresponding course they participated in. For example, many employees who participated in the Walking Course in fiscal 2018 saw improvements in their physical activities and exercise habits at the time of health checkups conducted in the following year (Figure 1). Also, participants in the Sleep Improvement Course showed an improvement in their sleeping habits in the following year and participants in the Eat Breakfast Every Morning Course improved their eating habits.

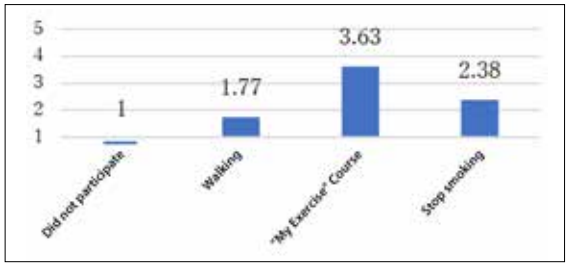


Figure 1: Potential for improvements in participants' exercise habits in the following fiscal year's health checkup

Compared with employees who did not participate in any of the "My Challenge" courses, participants of the Walking Course, "My Exercise" Course and Stop Smoking Course were 1.77 times, 3.63 times and 2.38 times, respectively, more likely to show an improvement in their exercise habits.

Additionally, many obese participants in the Radio Calisthenics Course and "My Exercise" Course (a course that participants set their own exercise goals) were shown to reach a desirable weight in the following fiscal year's health check-up. In this way, participation in the "My Challenge" program has proved to be an effective means to not only improving lifestyle habits but also decreasing obesity (Figure 2).

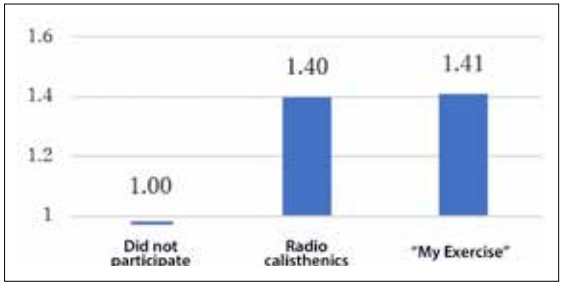


Figure 2: Likelihood of an obese employee to reach a desirable weight in the following fiscal year's health checkup

Compared with employees who did not participate in any of the "My Challenge" courses, participants of the Radio Calisthenics Course or the "My Exercise" Course were both 1.4 times more likely to reach a desirable weight.

The "Our Challenge" program, which encourages participation per organization, has been shown to be an effective means toward improving lifestyle habits. Many participants in the Lose Weight Course saw their eating habits improve while employees participating in the Walking Course were shown to have improved in their physical activity habits. Results of data analysis suggest that the "Get Healthier" Initiative is effective in preventing presenteeism and work engagement from getting worse and is expected to both reduce lifestyle-related disease risks and increase productivity.

Cost Effectiveness of the "Get Healthier" Initiative

According to the data analyzed by Tokio Marine & Nichido, employees who had below average presenteeism in fiscal 2017 fared even worse in fiscal 2019. In contrast, the worsening of the presenteeism was kept in check by 25.5% for approximately 1,500 employees who participated in the "My Challenge" program of the "Get Healthier" Initiative for two consecutive years in fiscal 2017 and 2018.

If the positive change in the presenteeism of these 1,500 employees was converted into a monetary value, its cost effectiveness amounts to about 160 million yen annually, even with the deduction of the costs incurred by their participation in the "Get Healthier" Initiative. The findings showed that the "Get Healthier" Initiative, which is a population approach with a relatively low per-employee cost, was actually very cost-effective for a specific group of employees. We will continue to formulate effective and efficient measures through the analysis of cost effectiveness.

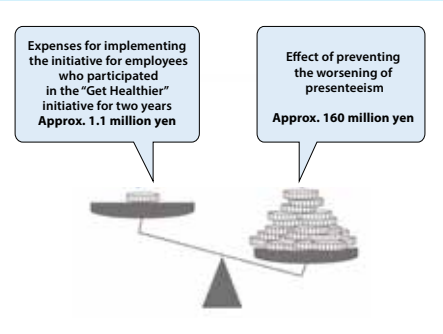


Figure 3: Cost effectiveness of the "Get Healthier" Initiative

The worsening of the presenteeism was kept in check for approximately 1,500 employees who participated in the "Get Healthier" Initiative for two consecutive years. The benefits (approx. 160 million yen) greatly outweighed the expense of implementing the initiative for these employees (approx. 1.1 million yen).

[Future initiatives]

According to an employee questionnaire, approximately 90% of participants in fiscal 2019 were "satisfied" or "somewhat satisfied" with the "Get Healthier" Initiative. Going forward, we will also consider ways to present data demonstrating the benefits of participating in the initiative as an effective means of preventing lifestyle-related diseases. In this way, we will exercise ingenuity to ensure that employees are able to voluntarily, as opposed to passively, participate in the initiative and have fun, which in turn is expected to improve the satisfaction level of participants.

■Measures for Employees at High Risk of Lifestyle-Related Diseases

[Goals]

Increase the percentage of employees getting medical treatment while reducing the percentage of employees not getting medical treatment. ⇒ Reduce the percentage of high-risk employees. ⇒ Improve presenteeism and absenteeism.

[Details]

We conduct an interview by an industrial physician with all applicable high-risk employees and encourage appropriate medical treatment and behavior change by recommending medical consultation, collaborating with their primary doctors and providing health guidance through public health nurses. We follow through until there is an improvement in their data. We set a predetermined threshold for blood pressure and blood sugar levels and categorize high-risk employees according to age, whether they have undergone treatment and other criteria. After that, we decide the intervention methods that are most necessary for the employees in each category.

Moreover, the results of multi-year analysis on health checkup data revealed that 50% of employees showing high blood pressure (levels II and III in some guidelines) did not apply to these levels in the previous year. To prevent aggravation and suppress an increase in the number of employees developing higher blood pressures, our public health nurses are providing health guidance and disseminating related information via e-mail to employees with level-I high blood pressure.

[Benefits]

In fiscal 2018, 63.8% of employees with high blood pressure and 42.5% of employees with high blood sugar levels were diagnosed as not having symptoms in the following fiscal year (Figure 4).

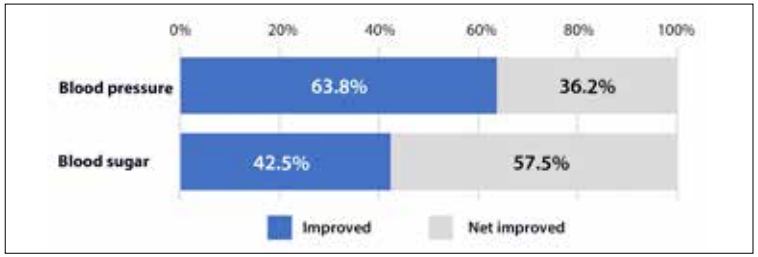


Figure 4: Percentage of employees who participated in measures to address high-risk conditions in fiscal 2018 who showed improvements in the following fiscal year

[Future initiatives]

With the average age of our workforce rising, measures to aid high-risk employees are becoming increasingly important. Looking ahead, we will continue to implement two-pronged measures to provide support for the health of our workforce. One is to arrange an intervention to aid high-risk employees and another is to prevent an inflow of more employees into the high-risk group so that employees can thrive over long careers.

■Anti-Obesity Program for Younger Employees

[Goals]

Reduce the percentage of employees at risk of obesity due to exercise and eating habits. ⇒ Increase the percentage of employees maintaining a desirable BMI. ⇒ Reduce the percentage of high-risk employees. ⇒ Improve presenteeism and absenteeism.

[Details]

The program is designed to help younger employees below the age of 40 to reduce weight to a desirable level. It started in fiscal 2013 and the total number of participants up to fiscal 2019 has reached approximately 1,500. Over the course of the three-month program, participants work to change their lifestyle habits, including diet and physical exercise, to reduce weight and counter metabolic syndrome.

[Benefits]

Of the participants in fiscal 2019, 88.7% completed the program and 70.7% succeeded in losing weight, which showed the program was very beneficial. Additionally, 56.0% and 38.3% of participants improved their eating habits and their exercise habits, respectively. It is expected that the participants will continue losing weight even after the end of the program.

[Future initiatives]

An analysis of presenteeism factors indicates that risks related to obesity and eating habits can aggravate the presenteeism. The anti-obesity program for younger employees is thus expected to indirectly improve the presenteeism. The program in fiscal 2020 was suspended due to the COVID-19 pandemic, but it will be resumed in fiscal 2021.

◉ Other Health-Related Measures

■Health Support for Women

[Applicable priority measures]

Measures to promote health; Measures to enhance health literacy

[Details]

Our measures to support the health of female employees include holding seminars, providing a variety of related information and establishing a hotline dedicated to receiving health-related consultations from female employees.

In fiscal 2019, we invited an outside expert specialized in the management of working women's health to give a seminar on supporting women's health. The seminar was held with the participation of all employees via our corporate satellite network (CSN). In fiscal 2020, we held multiple online seminars on practicing mindfulness as part of a stress management program.

Regarding the examples of providing a variety of information, we send internal notifications, individual notices of an upcoming health checkup and e-mail messages as a means to encourage female employees to receive examinations for breast and uterine cancers. In an effort to increase their motivation to receive the screening, we include in these notices various data, such as the prevalence and mortality of these cancers; the cure rate following early detection; screening rate by age group; and Q&As about cancer examinations. By sending related information to all employees, we intend to communicate and facilitate an understanding of our health support measures for female employees in the hope that they provide an opportunity for employees to think about the health of women around them, including families and colleagues. Besides providing information, we set up a hotline dedicated to receiving health-related consultations from female employees so that they can feel at ease in seeking advice.

The "Get Healthier" Initiative, a part of the Health Promotion Months project, includes the Women's Health Course that focuses on health issues unique to women, promotes efforts to maintain the balance of physical and mental health and provides opportunities to improve the everyday habits of female employees.

In addition, Tokio Marine & Nichido set up a Mothers' Room within its head office where many female employees are working. It is a space used by female employees for lactation or resting when they are not feeling well because of a hormonal imbalance. It has been well received as a comfortable space, and it also fulfills the need to return to work early after giving childbirth.

■Mental Healthcare

[Applicable priority measures]

Measures to realize a better working life

[Details]

Each Tokio Marine Group company actively promotes mental health measures as we recognize the importance of pursuing the maintenance and improvement of employees' mental health in terms of corporate management. Specific efforts include setting up a mental health counseling desk and using stress checks to promote self-care and analyze issues at an organizational level in order to maintain a good workplace environment. Going a step beyond line care efforts in the workplace, we have established a system for new employees, in particular, to check their health conditions periodically and provide early support using a multi-faceted approach involving public health nurses, persons in charge of human resources and other relevant parties.

For employees working in the claims service departments, we have also launched a mind care program to enable them to always maintain good mental health conditions as professionals when facing customers who have encountered an accident or disaster.

Tokio Marine & Nichido has established the Basic Policy on Mental Health Measures. Under this policy, supervisors at respective workplaces and industrial health staff collaborate to proactively implement various measures. These include efforts to maintain sound mental health, measures to encourage early detection and treatment as well as measures to care for employees with mental health issues. Since 2012, the company has also been making efforts to improve work engagement, which is considered a primordial prevention measure for mental illnesses. As data analysis has revealed a link between worsening mental health and absenteeism, we will continue to implement the plan-do-check-act (PDCA) cycle and help employees work with enthusiasm.

■Creating a Comfortable Workplace Environment

[Applicable priority measures]

Measures to realize a better working life

[Details]

Tokio Marine Group is not only satisfying various standards stipulated under laws and regulations related to the workplace environment but also promoting the creation of a comfortable workplace environment that takes into consideration lighting, noise, ventilation, temperature, humidity and other ergonomic aspects. At the same time, we are working to prevent health problems caused by sedentary work by installing stand-up meeting spaces and other office facilities to increase the amount of physical activity and encouraging employees to have a break standing up.

Further, we are committed to increasing job satisfaction as part of efforts to improve our workplaces. As an example, Tokio Marine & Nichido established the "Our Future Project" to encourage the use of digital technology to streamline work and realize new work styles. The company is taking concerted efforts to eliminate the use of paper and seals in all of its tasks to facilitate more efficient work operations.

As we have been implementing telecommuting for all of our employees, we have worked to enable them to flexibly choose where and when to work by enhancing the "hardware" aspects of work, which include providing laptops and smartphones and increasing the availability of web communication tools. To support the "software" aspects of work, we have enhanced the "My Select" system to enable employees to choose their own working hours. In this way, we are actively encouraging flexible work styles that best suit our employees' lifestyles.

We have also been taking a holistic approach to ensure smooth communication, which becomes an issue when encouraging flexible work styles, including the "Discovery Time" initiative involving all the branch offices. The initiative is aimed at achieving various beneficial effects, such as facilitating active communication in workplaces, improving the quality of work relationships and enhancing employees' work engagement.

Sustainability Performance Data (Percentage of employees who received health checks, industrial accidents, etc.) »

◉ Evaluation and Improvement of Health and Productivity Management Initiatives (PDCA)

While discussing with management the analysis results of various health-related data, including the results of health checkups, stress checks and employee questionnaires, Tokio Marine & Nichido defines key performance indicators (KPIs) for its entire health and productivity management efforts (e.g., improvement of presenteeism), intermediary KPIs (e.g., rate of anomalies in health checkups) and indicators for awareness and behavior changes (e.g., improvement in lifestyle habits and rates of employees receiving health checkups and other examinations) linked to these intermediary KPIs and respective targets.

The company monitors the trends of KPIs for individual measures, verifies the effectiveness of each measure and works for improvement while rotating the PDCA cycle. As for its entire health and productivity management efforts, the company also rotates the PDCA cycle by continuously evaluating and analyzing the corresponding KPIs, reviewing the conditions by attribute (gender, age, department, position, geographical area, etc.) and checking if there are health issues for which new measures should be considered. Toward realizing Tokio Marine Group's Health and Productivity Management Vision, which serves as a framework to evaluate its initiatives to enhance its corporate value in a sustainable manner, the company also verifies the impact on external evaluation on a continuous basis.

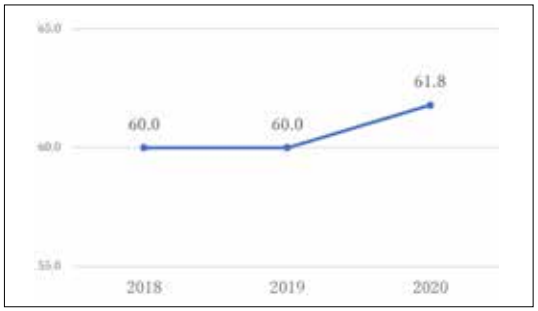
■ Example Verification Results for KPIs for Entire Health and Productivity Management Efforts

[Presenteeism]

Presenteeism improved company-wide from fiscal 2019 to 2020 (Figure 5). The analysis of the results of a health survey conducted during the COVID-19 pandemic suggests that employees who spent more of their working hours at home tended to fare better in terms of presenteeism. The telecommuting system, which has been strongly encouraged as a new work style, may have contributed to the improvement.

A data analysis also indicates that the "Get Healthier" Initiative, a concerted company-wide health effort, effectively improves lifestyle habits and prevents the worsening of presenteeism. We will keep working to get more employees involved in the "Get Healthier" Initiative while verifying other measures that are expected to generate benefits in terms of presenteeism with the aim of increasing the effectiveness of our health measures.

Cost Effectiveness of the "Get Healthier" Initiative »

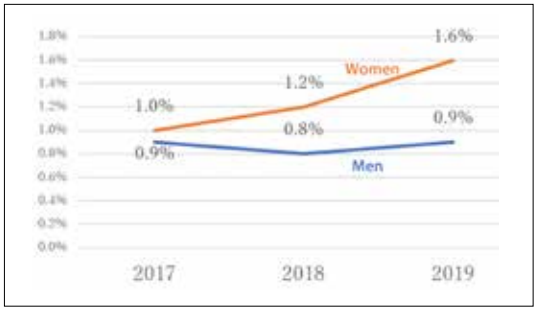


* The figure for fiscal 2020 is preliminary.

Figure 5: Change in presenteeism

[Absenteeism]

Figures for absenteeism (the percentage of employees who miss one or more days of work in a year) have remained unchanged in men but have been increasing in women (Figure 6). Women's absenteeism is largely attributed to illnesses related to pregnancy and childbirth. We believe this is a result of our institutional efforts to make it easier for employees to take leaves of absence and improve our workplace climate in pursuit of workplaces that enable women to have long careers.



* Figures for fiscal 2020 are currently being tabulated.

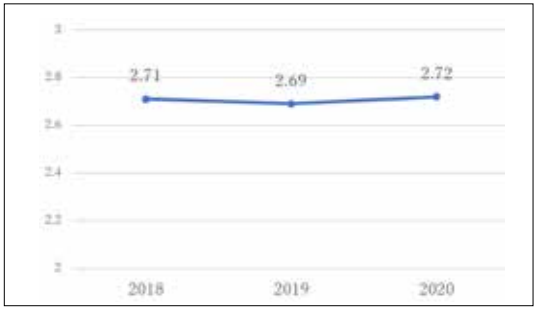
Figure 6: Change in absenteeism

[Work engagement]

Work engagement at Tokio Marine & Nichido fares better than national and industry averages (Figure 7). An analysis has identified that work engagement is closely related to job satisfaction and work aptitude, both of which have improved from fiscal 2019 to fiscal 2020. It is thereby expected that the company's work engagement will continue to improve.

The "Get Healthier" Initiative has been shown to help prevent the worsening of work engagement.

We will conduct a deeper analysis of how the continuation of various measures, such as work engagement seminars and the reform of work styles, influences the index. In this way, we will work to develop effective measures to improve work engagement.

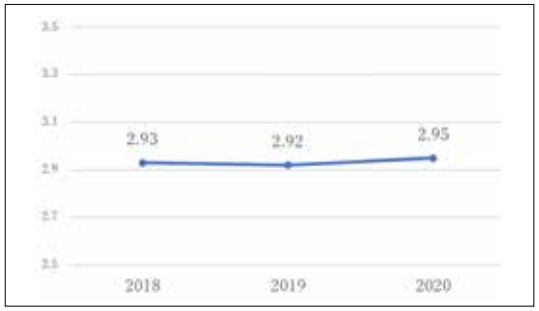


* The figure for fiscal 2020 is preliminary.

Figure 7: Change in work engagement

[The Organization's Vibrancy Level]

The organization's vibrancy level is the newest index that Tokio Marine & Nichido began monitoring in fiscal 2020 as a KPI for health and productivity management (Figure 8). According to an analysis of factors, an organization's vibrancy is related to its work environment, including relationships in the workplace and support from superiors and colleagues. At the same time, it is also related to the health condition of individual employees that make up the organization, such as the maintenance of a desirable weight as well as the minimization of depression, irritation and other physical and mental health issues. Since the organization's vibrancy level is also strongly correlated with work engagement, another KPI, improving these two indexes has the potential to generate synergistic effects.



* The figure for fiscal 2020 is preliminary.

Figure 8: Change in the organization's vibrancy level

To promote individual employees' health and develop better relationships in the workplace, we will remain committed to providing support for female employees' health, mental healthcare, the "Get Healthier" Initiative and other health initiatives as we continue to monitor how these efforts will enhance our performance in the index.

Other Related Indexes

Sustainability Performance Data (Employee attitude survey) »

Example Verification Results for External Evaluation

- Evaluating the impact of career choice popularity rankings on recruitment (Results of verification: High rankings have been maintained in company popularity surveys among job-seeking undergraduates conducted by Mynavi Corporation and Nikkei Inc. since being selected for the first time as a Health & Productivity Stock.)
- Identifying changes in the number of corporate customers to which Tokio Marine Group has provided support in health and productivity management (Results of verification: There has been an increase in the number of corporate customers being recognized under the Certified Health & Productivity Management Outstanding Organizations Recognition Program sponsored by the Ministry of Economy, Trade and Industry (METI).)

Contributing to the Creation of a Safe and Secure Society (People: Building a Society Based on Health and Longevity) »

Health issues change constantly in line with changes in society, companies and the workplace environment. In recent years, in response to the promotion of diversity and inclusion, we have been providing finely tuned support to health-related issues specific to women by leveraging our workplace-based industrial health system.

As another measure to support the health promotion efforts of employees, we operate sports facilities, including a sports field and gymnasium, in which we have invested some 360 million yen. We also offer a variety of welfare systems, including welfare programs that provide a menu of activities to encourage the use of fitness clubs. These are believed to have had a positive impact on the effectiveness of individual health and productivity management measures.

In the future as well, we will anticipate an impact of these changes on employee health and support work styles with higher productivity from the health aspect by preventing health issues from becoming prevalent.

◉ Selected as Health & Productivity Stock and Recognized under METI's 2019 Certified Health & Productivity Management Outstanding Organizations Recognition Program

As a result of these initiatives, Tokio Marine Holdings was selected as a "2021 Health & Productivity Stock" co-sponsored by METI and the Tokyo Stock Exchange for the sixth consecutive year since 2016 for its outstanding health and productivity management.

At the same time, many Tokio Marine Group companies were recognized under METI's 2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program. Tokio Marine Holdings, Tokio Marine & Nichido and Tokio Marine & Nichido Life were selected for the fifth consecutive year; Tokio Marine & Nichido Systems and Tokio Marine & Nichido Medical Service for the fourth consecutive year; Tokio Marine & Nichido Risk Consulting (currently Tokio Marine dR) for the third consecutive year; Nisshin Fire & Marine Insurance, Tokio Marine Assistance and Tokio Marine & Nichido Outsourcing Management for the second consecutive year; and Tokio Marine Asset Management, Tokio Marine Nichido Better Life Service and Tokio Marine & Nichido ANSHIN 110 for the first time. Of these, Tokio Marine Holdings, Tokio Marine & Nichido, Tokio Marine & Nichido Life, Tokio Marine & Nichido Medical Service, Tokio Marine & Nichido Systems and Tokio Marine & Nichido Risk Consulting (currently Tokio Marine dR) were in the top 500 group and certified as "White 500" companies.

In the small- to medium-sized enterprise category, the program recognized E. design Insurance, Tokio Marine Millea SAST Insurance, Tokio Marine & Nichido Partners Hokkaido, Tokio Marine & Nichido Partners Tohoku, Tokio Marine & Nichido Partners East, Tokio Marine & Nichido Partners TOKIO, Tokio Marine & Nichido Partners Tokai Hokuriku, Tokio Marine & Nichido Partners Kansai, Tokio Marine & Nichido Partners Chugoku Shikoku, Tokio Marine & Nichido Partners Kyushu, Tokio Marine & Nichido Anshin Consulting, MMC Insurance Services, Tokio Marine & Nichido Auto Support Center and Nisshin Fire Insurance Service. Of these companies, Tokio Marine & Nichido Partners Kansai and Tokio Marine & Nichido Anshin Consulting were selected as excellent small- to medium-sized enterprise and certified as "Bright 500" companies.

2021 健康経営銘柄 Health and Productivity

2021 健康経営優良法人 Health and productivity ホワイト500

Efforts to ensure the physical and mental health of employees and their families, enhance health literacy and voluntarily and continuously maintain health are becoming increasingly important as they form the foundation of employee productivity and make Tokio Marine Group's products and services an attractive option for customers. We will use this selection as motivation to work to enhance the health of employees as well as further expand and develop health and productivity management.

Efforts to Spread Health and Productivity Management throughout Society

Tokio Marine Group is committed to its own health and productivity management. At the same time, from the perspective of revitalizing regional economies and local communities, we provide support to companies working to improve health and productivity management. For example, we have organized health and productivity management seminars in various locations, engaged in awareness-raising activities in cooperation with local governments, chambers of commerce and other organizations and provided information through our sales representatives. In the Partnership Declaration we created together with business partners, we have announced our commitment to health and productivity management and our support for local companies, which are a part of our initiatives spanning the entire value chain.

Supporting Customers' Health and Productivity Management

As Japan's labor force shrinks, managing employee health and creating a good working environment have become important management issues in order to ensure sustainable corporate growth. Tokio Marine Group has formulated a philosophy and policy with employee health positioned as a core theme for management, and related issues are being addressed.

We were selected as a "Health & Productivity Stock" for the sixth consecutive year in recognition of these efforts. We support the promotion of corporate health and productivity through a range of services in order to deliver the know-how we have gained from these initiatives to customers.

In the Tokio Marine Group Wellness Charter, we declare that we will contribute to the resolution of social issues and realization of a healthier and more prosperous future by supporting health promotion efforts of our customers, communities and society as a whole.

<Initiatives of Tokio Marine & Nichido>

Tokio Marine & Nichido works to raise awareness for health and productivity management and supports relevant efforts of local companies by issuing booklets compiling example initiatives of companies engaging in health and productivity management, hosting related seminars across Japan and cooperating with local governments, chambers of commerce and other organizations. The company also provides support to companies seeking to obtain certification as a Health & Productivity Management Organization. The number of companies we support has been increasing year after year. In fiscal 2020, we provided support to approximately 2,000 corporate customers and, consequently, many of our corporate customers and agents have successfully received the certification.

Additionally, Tokio Marine & Nichido suggests the use of an AI-based health app provided by Link & Communication Inc., a capital and business alliance partner of Tokio Marine Holdings, to its corporate customers to support their employee health management.

<Initiatives of Tokio Marine & Nichido Medical Service (TMS)>

TMS has doctors and other healthcare professionals in-house and carries out business in the medical and health fields. As a total healthcare consulting company, TMS offers health promotion measures to increase health knowledge of corporate customers' employees and encourage their behavior change in addition to a 24/7 telephone health consultation service and a mental health support service.

Since fiscal 2020, TMS both enhanced the lineup of industrial health-related services and expanded the area coverage in order to provide services across Japan to help corporate customers promote health and productivity management from an industrial health perspective.

<Initiatives of Tokio Marine dR (TdR)>

In enforcing health and productivity management more effectively within a company, it is crucial that the company and its health insurance association make collaborative efforts to promote health measures while appropriately capturing employees' health issues.

TdR analyzes various data held by companies and health insurance associations, including health checkup results, prescriptions data and health measure outcomes. The company then performs quantitative evaluation* of the relationship between the data and medical expenses or health inhibiting factors to develop highly effective health promotion measures. By doing so, TdR supports the reduction of health-related risks and improvement of productivity (such as lower presenteeism). TdR also provides support for the establishment of various corporate systems essential for promoting health and productivity management and for implementation of health promotion measures effective to contend with a variety of health-related issues.

* Using insight and knowledge gained through an ongoing joint research project since 2014 with the Healthcare Data Science Research Unit of the Institute for Future Initiatives (formerly the Policy Alternatives Research Institute), The University of Tokyo

Support for Mental Health Management

Tokio Marine & Nichido Medical Service offers the Employee Assistance Program (EAP) to support the mental health management of companies. Besides conducting stress tests as required under the Industrial Safety and Health Law, EAP provides a comprehensive menu of services by a team of experts including psychiatrists, clinical psychotherapists and personnel and labor consultants. These services range from follow-up for employees based on the results of employee stress checks and supporting improvement activities for individual workplace environments to providing supportive care during a leave of absence or when returning to work, preventing recurrence, analyzing stress level tendencies in organizations and consulting on how to create a mental health framework.

As mental health measures for employees, many companies have adopted the support services of Tokio Marine & Nichido Medical Service's expert team. The purpose is to improve their working environment both for prevention and early detection of mental illness caused by workplace harassment and other factors as well as for increasing employee engagement. EAP is currently being used by more than 700,000 employees. The company will continue to offer this program to everyone needing this type of support to assist them in maintaining better mental health.

Tokio Marine & Nichido Medical Service TMS NAVIGATOR (in Japanese)

Contributing to the Creation of a Safe and Secure Society

Tokio Marine Group provides products and services that anticipate a social environment, which relates to medical treatment, household budget, longevity and health, and changing customer needs by utilizing the solutions offered by respective Group companies, including insurance. The Group will contribute to the realization of a society based on good health and longevity through activities to raise awareness about cancer undertaken by employee volunteers in Japan and around the world, activities to spread knowledge about nursing care and offering advice through medical professionals. By promoting these initiatives, Tokio Marine Group will contribute to developing partners who support and bring a virtuous cycle to local communities and society.

People: Building a Society Based on Health and Longevity

■Initiatives for Living Benefits

Cancer and other serious diseases may require outpatient treatment and rehabilitation for a long time after being discharged from the hospital.

Tokio Marine & Nichido Life has been thinking hard about what an insurance company can do to help customers live with a sense of security with their families after falling ill. In October 2012, the company rolled out an initiative called the Life Insurance Revolution to Protect One's Living and has since been conveying the importance of living benefits broadly to customers through a message: "We have a life after being released from the hospital."

The initiative evolved into the Life Insurance Revolution Nextage in November 2017, and the company has been carrying out activities to provide optimum safeguards by protecting customers in all domains. These safeguards encompass "new protection" in preparation for advancements in medical technology, "asset building" in preparation for old age with expectations of longer lifespans and "prevention and pre-symptomatic health" with the aim of maintaining health and preventing illness.

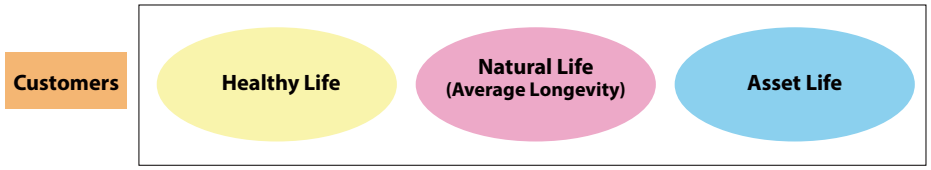
■Initiative of *Hokenbito* (True Insurance Professionals) Activities

Since its founding, Tokio Marine & Nichido Life has sought to protect as many customers as possible. Under the three initiatives called the "Movement to Protect Customers from Cancer," "Life Insurance Revolution to Protect One's Living" and "Life Insurance Revolution Nextage," the company has engaged in activities that focus on "learning," "conveying" and "assisting." In October 2019, the company put a collective name, *Hokenbito* Activities, to its ongoing initiatives. Specifically, these activities include stepping up efforts to protect customers against social issues that emerge and change with the times, including the need to lengthen "a healthy life," "a natural life" and "an asset life" in the current era of the 100-year life.

Hokenbito Activities

Hokenbito Activities = Learning, Conveying and Assisting Resolving Social Issues in an Era of the 100-Year Life

Significant changes involving a declining and aging population have driven us into an era of the 100-year life with an unprecedentedly aging society. To live energetically and by one's own values in such an era, it is essential to lengthen the following three "lives." Tokio Marine & Nichido Life continues to protect customers by providing value that supports these lives.



Tokio Marine & Nichido Life and its agents/consignees make full efforts to protect customers not only by providing death coverage, the basic component of life insurance, to prepare for an emergency but also by delivering **information** and **products** needed in an era of the 100-year life.

Launch of *Medical Kit Yell* and *Medical Kit Yell R*, New Medical Insurance Products with Relaxed Underwriting Criteria

On August 2, 2020, Tokio Marine & Nichido Life launched new medical insurance products with relaxed underwriting criteria, which customers can enroll with a simple health conditions notification process even if they have health concerns or chronic illnesses. These products offer enhanced coverage choices matching customer needs, from short-term and long-term hospitalization to outpatient treatment, three major diseases and death. A new, special provision was also added to *Medical Kit Yell* to pay an additional cash contribution to celebrate the continued health of policyholders every five years. The two products extensively support customers' health and medical needs with the simplified notification process, a broader scope of underwriting and such additional services as making a hospital reservation to obtain a second opinion and preventing disease aggravation.

Launch of *Anshin Disability Insurance* and Revision of *Household Income Term Insurance NEO*

On January 5, 2021, Tokio Marine & Nichido Life initiated sales of a new product, *Anshin Disability Insurance* and revised the existing *Household Income Term Insurance NEO*. The aim was to meet the need for incapacity coverage of many more customers in response to a declining birth rate and aging population as well as diversifying work styles resulting from changing lifestyles.

The two products are now available to meet such a need, with *Household Income Term Insurance NEO* offering incapacity coverage bundled with death coverage and *Anshin Disability Insurance* solely providing incapacity coverage to make up for lost income. For each product, customers can choose from three incapacity plans with a different scope of coverage.

Moreover, in order to offer discounted premiums for customers with better health, Tokio Marine & Nichido Life divided premium rates into four categories depending on the history of smoking and health conditions and relaxed the criteria of underwriting evaluation when medical checkup results are submitted by customers.

Launch of New Products, *Anshin Nenkin Kaigo* and *Anshin Nenkin Kaigo R*

As we enter an era of the 100-year life, half of elderly persons aged 85 or older are judged as being in need of assistance or nursing care. Nursing care and dementia have thus become serious social issues and increased the need mainly among elderly customers for prolonging coverage for nursing care and dementia. Responding to the growing need, pension-type nursing care insurance that pays a pension to cover continued nursing care expenses was released on August 23, 2021.

The lineup consists of *Anshin Nenkin Kaigo*, a non-refundable product to prepare customers for nursing care at a reasonable premium, and *Anshin Nenkin Kaigo R* that will refund, for the first time in the industry, an unused portion of insurance premiums.

Depending on customer needs, an option can be added to *Anshin Nenkin Kaigo* to receive a cash contribution if customers remain healthy without being deemed to be in need of nursing care. Another option is available for both products to receive a lump-sum payment when diagnosed with dementia or mild cognitive disorder.

Tokio Marine & Nichido Life has also simplified the enrollment procedures, allowing customers to apply for either product in a simple three-step health conditions notification process, and added new services to check brain performance and to maintain and enhance brain functionality. Consequently, these products are capable of satisfying the broad needs of customers to prepare for nursing care and dementia.

Dementia Support Plan and *Pension-Type Nursing Care Coverage Plan with Additional Coverage for Dementia*

In recent years, the number of people in need of nursing care and suffering from dementia has been on the rise in line with an aging society, and these are the issues that many people can readily relate to. Based on a desire to play a part in resolving this social dilemma, Tokio Marine & Nichido is focused on the provision of products and services corresponding to care and dementia.

In January 2019, Tokio Marine & Nichido launched the industry's first *Dementia Support Plan*, an exclusive insurance for dementia patients and their families, with the aim of helping to realize a society for them to live vibrant lives with peace of mind. This product compensates search costs when a dementia patient goes missing and liability in daily life on the part of the sufferer or their family. In addition, in preparation for when a dementia patient goes missing, the company provides emergency contact stickers from Safety Net Linkage, an organization that has a proven track record in watch-over support for the elderly, as an added service to the product so they are quickly found and taken into protective custody.

In October 2019, Tokio Marine & Nichido started providing a pension-type nursing care coverage

plan with additional coverage for dementia. Based on its own research, it was clear that care compensation was not sufficiently meeting the expectations of policyholders. While the need for such compensation increases with age, standard private nursing insurance premiums during elderly years become progressively expensive.

To resolve this issue, the company designed a product with features that include replacing premiums to be paid when in need of care with fixed-term pension payments. This makes it easier to prepare for prolonged nursing care and provides more affordable premiums. Moreover, with the dementia-assistance package bundled to this product, a wide range of exclusive dementia-related services are available to help people live life with the disease, such as maintaining and enhancing brain functionality through special training and performing a self-check on brain performance using the NouKNOW™ digital tool.

Insurance Products to Facilitate the Advancement of Regenerative Medicine

At the timing of the enforcement of a new act to ensure the security of regenerative medicine in 2014, Tokio Marine & Nichido has developed and released new insurance products related to regenerative medicine, namely, insurance for clinical research on regenerative medicine and liability insurance for cell-cultivating companies.

Regenerative medicine regenerates tissues and cells that have deteriorated due to illness or injury, for example, and helps with the recovery of physiological functions. It is expected to improve the quality of life (QOL) of patients, the elderly and people with disabilities and ensure a longer healthy life. In Japan, however, regenerative medicine is still in the process of developing into an industry and practical applications.

To accelerate the process, many players must enter the field. One drawback is the cost and risk involved in regenerative medicine. The solution, we believe, is insurance.

If new players and researchers can leverage insurance as a means to provide compensation for negative effects in people undergoing regenerative medicine treatments, and thus reduce the said cost and risk, there will be a better chance that more players would take on the challenge of developing regenerative medicine into an industry and practical applications. By providing such insurance products, Tokio Marine & Nichido will contribute to the advancement of regenerative medicine in Japan.

Enhancement of Services Provided with Products

Tokio Marine Group provides a broad range of services that come with products, such as those for the promotion of customers' health and for providing support in case of emergency.

Medical Assist: Providing 24/7 Telephone Support for Customers Seeking Advice on Illness or Injury

Medical Assist is a free health and healthcare consultation service that supports the health of policyholders and insurees of Tokio Marine & Nichido and Tokio Marine & Nichido Life, including their families. Assistance is provided via telephone 24 hours a day, seven days a week, including advice on everyday physical accidents, methods for handling emergencies such as sudden illnesses or injuries, information about hospitals, clinics and other medical facilities that examine patients on holidays or late at night, consultation with specialists in a range of more than 30 medical examination fields (by appointment only) and arrangements for transfer to other hospitals on behalf of patients.

Such concerns are addressed by experienced and knowledgeable healthcare professionals including emergency medical specialists who take leading roles in emergency medical institutions, medical specialists qualified as university professors or assistant professors, and nurses with a wealth of clinical experience. Nurses make the initial response to customer inquiries and depending on the case, emergency medical specialists and other medical staff address the issue thereafter as necessary. For example, in the case of providing consultation about a child stung by a bee, an inquiry is first made to the caller about symptoms the child is showing. Then, the caller will be advised whether to seek emergency medical care, while receiving instructions on first aid best suited for the symptoms.

Medical Assist: Tokio Marine & Nichido Life (in Japanese)

"Medical Note for Tokio Marine Group" Online Service

"Medical Note for Tokio Marine Group" is an online service that allows customers to easily, directly and individually consult and ask questions to healthcare professionals, mainly medical specialists, from their personal computers and smartphones. Its menu includes an online medical consultation service, a service to make a reservation for customers to obtain a second opinion at a hospital they choose from the list and a service to make an appointment with a listed doctor or hospital of their choice. It is available free of charge for insurees of Tokio Marine & Nichido Life (excluding those of group insurance).

"Calomama Plus" to Support Customers' Health Promotion

To support customers' health management and the prevention of disease aggravation, we have introduced "Calomama Plus," a health guidance app developed by Link & Communication Inc., in which an AI managerial dietician supports users' everyday life in terms of food, exercise and sleep. The app utilizes an original algorithm based on nutrition management data of over 100,000 people and provides the most appropriate advice in real time from among more than 200 million patterns. A fee-based service used for employee health management by more than 6,000 companies, the app is available free of charge to insurees of Tokio Marine & Nichido Life's medical insurance with relaxed underwriting criteria, pension-type nursing care insurance and whole life insurance for longevity. The app enables customers to choose a program according to their individual objectives and work to promote their health or prevent disease aggravation readily and comfortably.

Checking Brain Performance

NouKNOW™ is a digital tool provided by Eisai Co., Ltd. to check brain performance (brain health) through four simple card tests. These tests evaluate psychomotor function, attentiveness, visual learning and working memory by using personal computers, tablet devices and smartphones in a relatively short time (about 15 minutes). The tool also provides lifestyle advice for maintaining brain performance in daily life. It is available free of charge for insurees of a pension-type nursing care coverage plan with additional coverage for dementia of Tokio Marine & Nichido as well as pension-type nursing care insurance and whole life insurance for longevity of Tokio Marine & Nichido Life.

Training for Enhancing Brain Functionality

"Train Your Brain" developed by NeU Corporation is designed to maintain and enhance working memory, attentiveness and other brain functions. The training program content has been supervised by Dr. Ryuta Kawashima, the company's director and CTO who is well known for a series of brain training video games, and is based on the findings of brain science research over the years.

By continuing this training, users can achieve noticeable positive effects in terms of maintaining and enhancing working memory, attentiveness and other brain functions. The program is available free of charge for insurees of a pension-type nursing care coverage plan with additional coverage for dementia of Tokio Marine & Nichido as well as pension-type nursing care insurance and whole life insurance for longevity of Tokio Marine & Nichido Life.

■ Supporting the Provision of Japanese-Language Medical Services in the United States

The Japanese Medical Practice outpatient clinic operated by Mount Sinai Health System in New York City with donations from Tokio Marine & Nichido has been providing medical services in Japanese since 1990. This clinic, which just celebrated its 30th anniversary, plays a major role in providing medical services to the local Japanese community. Even under the COVID-19 pandemic, it has continued to provide medical services by also utilizing online means and played an additional role of giving vaccinations. The clinic is highly regarded by the Japanese Consulate General in New York as a medical institution providing services to Japanese people.

Responding to Technology Innovation

In the face of growing corporate social responsibility and cyber risks to companies, Tokio Marine Group sells insurance products that offer comprehensive coverage for each risk and has launched a portal site, "Tokio Cyber Port," to disseminate information on cyber security.

As for responding to technology innovation, Tokio Marine & Nichido is participating, for the first time as a non-life insurance company, in demonstration tests of autonomous vehicles on public roads and has developed a specialized insurance package for these tests. In addition, the company offers insurance for autonomous vehicles, which meet new needs arising from traffic technology innovation, as well as accident support services and services to assist safe driving utilizing telematics and the Internet of Things (IoT). For individual customers, the company also promotes insurance product and service offerings that facilitate traffic safety and respond to traffic technology innovation, including One Day Auto Insurance.

■ Launching an Online Cyber Security Information Portal Site, "Tokio Cyber Port"

In recent years, it is becoming increasingly difficult to completely block cyberattacks, as work style reforms and widespread use of telecommuting have increased online business operations. Cyberattacks targeting companies have also become highly advanced and sophisticated. On the other hand, surveys conducted by non-life insurance industry and other organizations have revealed that the sense of crisis over cyberattacks is still low among Japanese companies as compared to their overseas counterparts. As such, increasing their cyber security awareness and reinforcing their related structures have become an urgent task.

Against this backdrop, Tokio Marine & Nichido launched "Tokio Cyber Port," an online information

lounge that compiles the latest information on cyber security measures, in January 2020. It provides a broad range of the latest information and services related to cyber security, including the latest news on cyberattacks and cyber security, columns by experts, free security services, a telephone consultation service for security incidents, an incident response manual and other useful information. The aim is to familiarize companies with cyber security and encourage them to utilize "Tokio Cyber Port" for their cyber security measures.

Tokio Marine & Nichido was the first among leading non-life insurance companies in Japan to develop *Cyber Risk Insurance* in 2015 to support many companies in the country's cyber security domain as an insurer forming a part of social infrastructure. The company will continue to contribute to the creation of a safe and secure society by playing the role of backing up innovation of related technologies in Japan.

Tokio Cyber Port (in Japanese)

Participating in Demonstration Tests on Public Roads for Autonomous Vehicles

In April 2016, in keeping with advances in autonomous driving technology and the launch of full-scale demonstration tests of autonomous vehicles on public roads, Tokio Marine & Nichido started participating, for the first time as a non-life insurance company*1, in demonstration tests led by university research institutes and local governments. The aim is to conduct research into various issues that may arise as autonomous driving systems continue to evolve and become popular and to contribute to the continued advancement of the technology by providing solutions to these issues. Also, the company has developed a specialized insurance package to support the smooth and sustainable execution of these tests on public roads.

Our Insurance for Demonstration Tests of Autonomous Vehicles on Public Roads won a Silver prize in an award program*2 to recognize innovative initiatives of insurance companies on a global scale. The product was recognized for its capabilities to back up public road demonstration tests and contribute to the further advancement of the technology. Responding to new risks associated with technological advancements is at the core of the non-life insurance business. Through forward-thinking research that anticipates advances in autonomous driving technology and by participating in these demonstration tests and providing insurance, Tokio Marine & Nichido will continue to help accelerate the advancement of the technology.

*1 Among the demonstration tests of autonomous vehicles on public roads led by universities in Japan (Survey by Tokio Marine & Nichido)
*2 Efma-Accenture Innovation in Insurance Awards 2016 – The product won a Silver prize (second place) in the Best Disruptive Product or Service category.

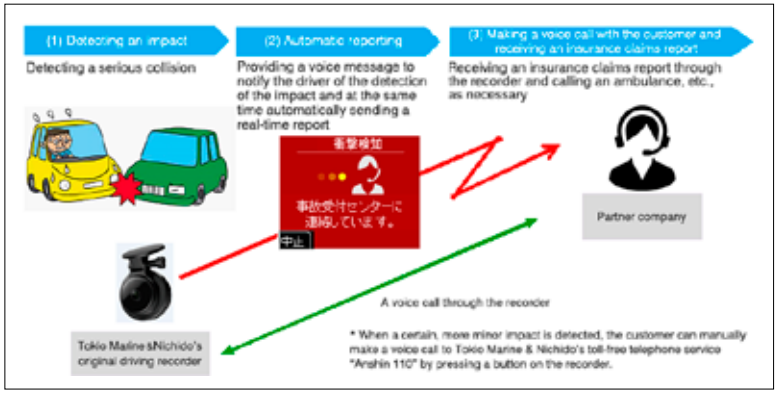
Sale of *Drive Agent Personal*

For the first time as a major insurance company in Japan, Tokio Marine & Nichido started providing *Drive Agent Personal*, an advanced service for individual customers utilizing its original driving recorder, as a rider for auto insurance in April 2017. The company lends its driving recorder to each policyholder and provides a set of leading-edge services as shown below.

In recognition of these services as making great contribution to the safety and security of consumers, Tokio Marine & Nichido received the ACAP Consumer-Oriented Activities Award from the Association of Consumer Affairs Professionals (ACAP) in February 2021.

Additionally, as a new offering from April 2021, the company provides a driving recorder equipped with two built-in cameras, which can film not just front views but also side and rear views.

❶ Advanced accident response service: Upon detecting a serious collision, the recorder reports the incident automatically to a partner company, allowing the customer to have a voice call with an operator and eliminating his or her anxieties immediately following the accident. The operator also calls an ambulance depending on the situation. Moreover, the recorder automatically sends a video of an accident covering before and after the detection of the collision to Tokio Marine & Nichido and releases, when appropriate, the customer from the burden of explaining how the accident has occurred. This video can also be used for resolution of the accident case.



❷ Accident prevention support service: The recorder detects sudden braking, acceleration and steering, getting too close to the car in front, not staying centered in a lane and not looking at the road (only with a model having two built-in cameras) in customers' day-to-day driving and issues warning in real time. Tokio Marine & Nichido delivers an even greater sense of security with the addition of a feature to send an SOS signal when the driver suddenly falls ill or is harassed by a reckless driver. When such a trouble occurs, the driver will receive appropriate advice from a partner security company by pressing the corresponding button four or more times in three seconds.

❸ Safe driving diagnosis service: The recorder provides safe driving diagnosis reports, which are created by using Tokio Marine & Nichido's original algorithm, based on each customer's tendency toward reckless driving.

■ Sale of *Drive Agent* for Corporate Policyholders

We sell *Drive Agent* for corporate policyholders. The product not only includes the same features offered by *Drive Agent Personal* but also provides a system to check safe driving and operational management data on a cloud service. It allows both drivers and responsible managers to review daily driving conditions from the same perspective and enables corporate customers to make company-wide efforts for safe driving.

■ Development of an Accident Conditions Reproduction System

In March 2020, Tokio Marine & Nichido jointly developed with ALBERT Inc. an Accident Conditions Reproduction System to automatically calculate a reference percentage of responsibility of each driver in a car accident by using artificial intelligence (AI). In calculating this percentage, AI automatically reproduces the accident based on such data as the video sent from the company's driving recorder lent through *Drive Agent Personal* and *Drive Agent* for corporate policyholders. Automatic reproduction of the accident by the system can significantly reduce the burden on the customer to explain how the accident has occurred when reporting it. The system also enables Tokio Marine & Nichido to quickly check a reference percentage of responsibility automatically determined by AI, which in turn will lead to swift resolution of the accident case and payment of insurance claims to the customer. In recognition of the system's innovativeness, the company received the Most Excellent Award at the Nikkei Superior Products and Services Awards 2020 organized every year by Nikkei Inc. to recognize new products and services showing particularly outstanding performance.

Tokio Marine & Nichido will continue to bring greater safety and security to customers' car life through the provision of this telematics-based service.

■ Sale of *One Day Auto Insurance*

Tokio Marine & Nichido provides *One Day Auto Insurance* (driver insurance available in the unit of days), which can be purchased anytime via smartphone and at convenience stores. This auto insurance product allows infrequent drivers using cars owned by their parents or friends to purchase insurance at the reasonable cost of 800 yen a day (24 hours) for just the number of days needed. The product was launched in January 2012 by Tokio Marine & Nichido as the first of its kind in the non-life insurance industry in Japan, and the cumulative number of subscriptions exceeded 9 million (as of August 2021).

Our *One Day Auto Insurance* received the Nikkei Veritas Award for Superiority at the Nikkei Superior Products & Services Award 2011, an annual award organized by Nikkei Inc. to recognize exceptional new products and services. In addition to the novelty of enabling customers to buy the auto insurance at a reasonable price, with greater ease and when and where needed, the product was highly acclaimed for its ability to help resolve one social issue of increasing traffic accidents involving uninsured drivers.

In March 2020, we started providing Alexa skills to subscribe to *One Day Auto Insurance* using voice through Amazon Echo-series and other Alexa-equipped devices, including speakers, home electric appliances and tablet devices. *One Day Auto Insurance* has become the first insurance product in Japan that can be purchased by using voice commands.

Through this product, Tokio Marine & Nichido will continue to contribute to the reduction of uninsured drivers involved in traffic accidents and ensure safety and security by providing products and services that are useful in people's daily lives and business activities.

Tokio Marine & Nichido: *One Day Auto Insurance* (in Japanese)

Responding to Poverty Issues

Development of Weather Insurance and Microinsurance Jointly with IFFCO-TOKIO

In 2001, Tokio Marine Group established IFFCO-TOKIO General Insurance Co., Ltd. (IFFCO-TOKIO), a non-life insurance company, as a joint venture with Indian Farmers Fertiliser Cooperative Limited (IFFCO), which has a nationwide network of 38,000 member cooperatives, and began offering auto, fire and other insurance in India.

From the start, the business tackled the issue of how to resolve the lifestyle of uncertainty faced by farmers in India through the mechanism of insurance and looked into the development of weather insurance and microinsurance (i.e., insurance available at low cost). These products are becoming essential in stabilizing the lives of people in farming communities, with 20.2 billion rupees (approximately 30.2 billion yen) in premiums written in fiscal 2020.

In 2001, the company, in collaboration with IFFCO, started sales in India's rural communities of *Sankat Haran Bima Yojna*, low-cost accident insurance available for 1 rupee (about 2 yen) per year as an incidental to fertilizer. Since then, the company has released other microinsurance products, including *Janta Suraksha Bima Yojna*, property insurance available for 100 rupees (about 150 yen) per year; and *Mahila Suraksha Bima Yojna*, accident insurance aimed at women in farming communities.

IFFCO-TOKIO headquarters

Accident insurance available as an attachment of fertilizer sold in collaboration with IFFCO

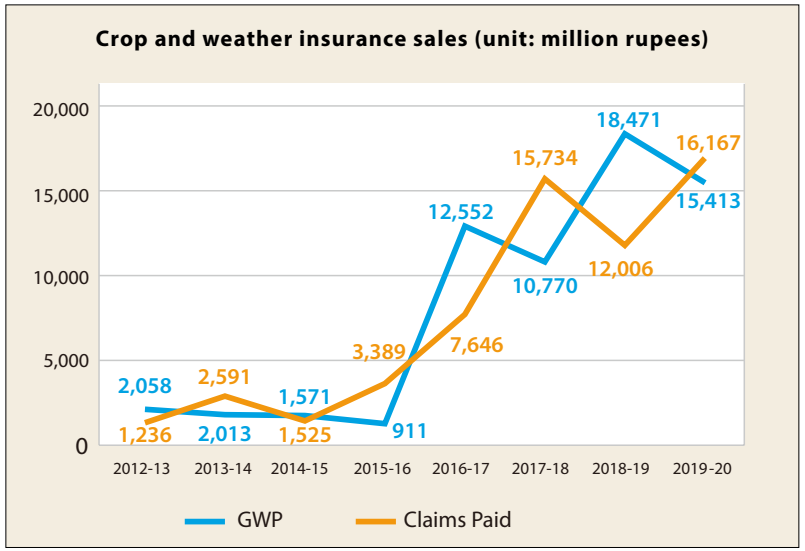
IFFCO-TOKIO offers Barish *Bima Yojna/Mausam Bima Yojna*, an index-based weather insurance product that takes into account the impact on grain harvest yields in farming communities due to unseasonable climate in the wet monsoon season (June to September) and the dry *rabi* season (October to April).

Development of this revolutionary product leveraged IFFCO-TOKIO's capabilities in market surveys aimed at local farmers and Tokio Marine Group's years of expertise in insurance underwriting accumulated in Japan to evaluate climate risks such as precipitation volume and temperature in all areas of India. To gain communities' understanding of the weather insurance mechanism and spread its use, the company has been conducting briefings for farmers in every state in India on an ongoing basis together with banks, NGOs and other partners.

Members of the Rural Marketing Team of IFFCO-TOKIO and Rural Community Area Managers of IFFCO (in front of IFFCO's grain depot center)

Currently, the company sells weather insurance, mainly its own as well as other government-sponsored products such as *Pradhan Manti Fasal Bima Yojana* (RMFBY) and Weather Based Crop Insurance Scheme (WBCIS), to more than 4 million farming households per year.

Crop and weather Insurance details
FY2020: GWP INR 15,413 million, Claims Paid INR 16,167 million



Efforts to Increase Prevalence of Medical Insurance for Low-Income Earners

Rashtriya Swasthya Bima Yojna (RSBY) is a medical insurance scheme for low-income earners sponsored by the government of India. It was launched in 2008 in India through joint efforts among insurance companies, medical institutions and the government. Subscribers to RSBY only need to pay 30 rupees (about 45 yen) per household as a registration fee with coverage up to 30,000 rupees annually (about 45,000 yen) for a maximum of five persons per household in case medical services are required for injury or illness.

IFFCO-TOKIO began selling RSBY in 2011 and launched add-on medical insurance in 2014 under *Biju Krushak Kalyan Yojana* (BKKY), another insurance scheme for low-income families sponsored by a state government. The company has delivered security to people with low incomes.

In addition, IFFCO-TOKIO has been offering *Ayushman Bharat - Sarbat Sehat Bima Yojana* (AB-SSBY), a medical insurance scheme for low-income families, in the state of Punjab since fiscal 2019. The state government subsidizes all AB-SSBY premiums, enabling them to receive medical treatments of up to 750,000 yen per year per family free of charge.

These have become essential medical insurance schemes for people who previously could not receive sufficient medical services because of their economic situation.

Insurance soliciting

Initiative to Support Low Incomes in the United States

The Tokio Marine North America Services (TMNAS) Finance Team has implemented an initiative to support low income households via the reduced tax burden with Philadelphia Insurance Companies (PHLY) and their long-time business partner Affordable Equity Partners (AEP).

The housing complexes developed by AEP and their partners are financed through the sale of the tax credits to PHLY, and when completed are rented to low income members of the communities. PHLY benefits via the reduced tax burden made possible by the tax credits purchased from AEP. So far, PHLY has invested over US$2.65 million, which has gone toward the 2,500 units across six states in the United States. The relationship is a "win-win-win" for PHLY, TMNAS and AEP and the 2,500 families living in the beautiful new facilities.

Social Contribution and Awareness-Raising Activities

Medical and Nursing Care

■Providing Companies with Various Solutions to Help Their Employees Balance Work with Caregiving

Amid the rapidly aging society, leaving full-time employment for elder care has become a social issue of increasing prevalence. According to the government's statistics, about 100,000 workers leave their job every year for the reason of elder care, while about 3.46 million people work while taking care of their elderly parents or relatives. For companies, it is an issue of losing the core group of their workforce since people leaving their job are mainly in their 40s and 50s. These caregivers, on the other hand, also bear a significant burden both economically and mentally because they have no idea for how long their days of caregiving will continue.

New!

New!

No.1 in viewers

No.2 in viewers

No.3 in viewers

Tokio Marine Nichido Better Life Service provides the following solutions for helping employees of corporate customers balance work with caregiving by leveraging know-how accumulated in the operation of caregiving services for the elderly.

- **Service to understand the actual caregiving situation**
- **Creating a handbook for balancing work with caregiving**
- **Consultation service for caregiving: Online consultation and individual consultation by industrial care managers**
- **Seminars on balancing work with caregiving: For employees and managers**

Of these services, seminars on balancing work with caregiving, which are created at Tokio Marine Nichido Better Life Service's own dedicated studio and distributed online, have garnered high praise for their easy-to-understand, specific explanations by a caregiving specialist.

■AED & Basic Life-Saving Workshop to Build a Society That Can Practice Life-Saving Skills

Tokio Marine & Nichido provides a workshop to practice using automated external defibrillators (AEDs) and to perform cardiopulmonary resuscitation (CPR). Approximately 280 employees from Tokio Marine Group have attended the workshop in fiscal 2020.

■Movement to Protect Customers from Cancer

• Background of the Initiative

As part of efforts to fulfill its social mission as an insurance company providing cancer insurance, Tokio Marine & Nichido Life has been supporting the Pink Ribbon Movement since March 2005. Extending these activities, we have decided to steadily offer comprehensive solutions for customers' concerns. As a first step, upon the release of an insurance product to support cancer treatment in September 2007, we rolled out a company-wide, ongoing and perpetual initiative called the Movement to Protect Customers from Cancer.

• Basic Policy

In Japan, cancer is considered a national disease and is a source of much grief. The fact has fueled our desire to protect our customers from cancer to help ease the suffering of cancer patients and to assist their families going through the ordeal. For us, the social role of an insurance company now extends beyond insurance payments to working to prevent cancer and providing mental support. Accordingly, Tokio Marine & Nichido Life has launched the Movement to Protect Customers from Cancer. The movement consists of the following three steps: (1) Getting to know cancer; (2) Talking about cancer; and (3) Helping with cancer countermeasures.

• Collaboration with Local Authorities

An urgent task is to improve cancer examination rates in order to detect the disease at an early stage. However, the checkup rate is lower than 50% targeted by the government and local authorities. Based on the belief that joint action with as many people as possible is indispensable for improving the situation, Tokio Marine Group has signed agreements with 44 prefectural bodies and 18 cities (as of March 31, 2021) and has been actively promoting collaboration with them to call more attention to cancer and raise examination rates.

In October 2009, Tokio Marine & Nichido Life and Tokio Marine & Nichido became promoting partners for Corporate Actions for Cancer Checkups, a national project commissioned by the Ministry of Health, Labour and Welfare to raise the cancer examination rate to more than 50% through joint efforts by the government and companies. By taking part in this public-private partnership, we intend to contribute to the improvement of the cancer examination rate in Japan.

• Nationwide Regional Activities

Tokio Marine & Nichido Life encourages cancer education activities in its daily sales operations with the aim of disseminating cancer knowledge and increasing cancer examination rates. In addition to periodic cancer-related study sessions, exchange meetings and seminars for agents/consignees at branch offices across the country, we hold an annual national conference of employees and agent/consignee representatives who are actively and responsibly engaged in these cancer awareness efforts.

For the 14th conference scheduled in 2020, in light of the spread of COVID-19 we held mainly online conferences at branch or area levels around Japan instead of an in-person gathering in Tokyo. These conferences featured video content provided by the head office, including lectures by cancer survivors and explanations on "the risk of incapacity to work and the importance of insurance," as well as creative and motivational area-specific programs. Through these efforts, we strived to foster a strong sense of mission among more agents/consignees by conveying our intent and extending their knowledge.

• Agreement with the Shizuoka Cancer Center

In 2007, Tokio Marine & Nichido Life and Tokio Marine & Nichido Medical Service (TMS) concluded a comprehensive agreement on joint research into the best ways to provide consultation, support and information regarding the treatment of cancer with the Shizuoka Cancer Center. This joint research program has focused on such areas as jointly developing tools to communicate in plain language the importance of preventive medicine and medical checkups as well as knowledge on cancer.

Shizuoka Cancer Center

• Promoting the Pink Ribbon Movement

Tokio Marine & Nichido Life has been promoting the Pink Ribbon Campaign in support of J.POSH, an NPO engaged in pink ribbon movements for breast cancer awareness in Japan, to convey the importance of medical exams and early detection of breast cancer. Tokio Marine Group employees, led by Tokio Marine & Nichido Life employees, have held street campaigns nationwide and handed out awareness leaflets* since 2005.

* The certified NPO J.POSH collaborates with medical institutions nationwide on the Japan Mammography Sunday (J.M.S) initiative to create an environment enabling women who are busy on weekdays to have mammograms on the third Sunday in October. Tokio Marine & Nichido Life also supports this initiative and hands out a list of available medical institutions.

• Providing Encouragement to Cancer Patients by Making Terry Cloth Caps

Since 2009, Tokio Marine & Nichido Life has joined initiatives undertaken by the Iwate Hospice Association, a citizens' group in Morioka City, Iwate Prefecture, to support cancer patients and their families and help them gain courage to fight against the disease. The company has been making terry cloth caps for patients undergoing anticancer drug treatment.

Every year, participants from Tokio Marine & Nichido Life and other Tokio Marine Group companies and their families stitch the caps together and donate more than 1,000 caps as Christmas presents to cancer hospitals nationwide through the Iwate Hospice Association.

• Education Support for Orphans

Tokio Marine & Nichido Life established a fund in 2016 to financially support children who have lost one or both parents due to illness, including cancer, and offers benefit-type scholarships to university students and others with the cooperation of the Japan Philanthropic Association. Benefit-type scholarships of 300,000 yen per year are provided to students.

• Donation to Organizations Helping Children with Incurable Diseases and Elderly People

Donations from Tokio Marine & Nichido Life's employees and agents are used to support activities of organizations helping children undergoing medical treatment and elderly people. Employees of the company also provide support to the activities of these organizations through participation and other means. Donations have been made to the following organizations since fiscal 2016.

- NPO CliniClowns Association
- NPO The Support Network for NANBYO Children of Japan
- NPO Dementia Friendship Club

■ Providing Japan's First Fund Specialized for Cancer Treatment

As an initiative to contribute to the achievement of the SDGs, in July 2019 we established the Tokio Marine Investment Trust to Fight Cancer (without currency hedging)/(with currency hedging) for investment in companies with a high probability of making a significant contribution to the resolution of cancer treatment, a major social issue.

The fund aims to ensure return through investment in companies with strengths in the cancer treatment field (diagnostic examination, profiling, medical technology and pharmaceuticals) where there are expectations of significant growth and progress due to increasingly aging societies worldwide and advancements in genetic analysis technology. Another aim is to contribute to the achievement of Goal 3 of the 17 SDGs, namely "Ensure healthy lives and promote well-being for all at all ages."

In addition to indirect contribution through investment in companies, we plan to make direct contribution by donating a portion of the management fees to National Cancer Center Japan, Japan Cancer Society and other cancer research institutes.

Such direct assistance makes it possible to help organizations that find it difficult to get support through investment as well as to enable continued support through the management fees that are paid regularly every year.

Supporting and Collaborating with the Center for iPS Cell Research and Application (CiRA), Kyoto University

In January 2015, Tokio Marine & Nichido donated a total of 100 million yen to Kyoto University's iPS Cell Research Fund, covering a five-year period. In addition, the company called for donations to the fund from employees of Tokio Marine Group companies and other individuals and made an additional donation exceeding 2 million yen in 2021.

Tokio Marine & Nichido is also collaborating with a project called the iPS Cell Stock for Regenerative Medicine (transferred from CiRA to the CiRA Foundation (CiRAF), also at Kyoto University, in April 2020) to stockpile induced pluripotent stem (iPS) cells for medical use. The project involves collecting blood from donors having a special type of human leukocyte antigens (HLAs), which is thought to cause less immune rejection. In August 2016, in addition to Kyoto University Hospital, blood collection also started at the medical corporate foundation Kaijo Building Clinic, a tie-up medical institution of Tokio Marine Group. The provision of iPS cells for regenerative medicine started in August 2015, and the stock has grown to cover about 40% of people in Japan. Current efforts include promoting a plan to provide iPS cells with reduced risk of immune rejection by using genome editing technology and conducting technology development with the goal of enabling the provision of iPS cells of patients themselves at the cost of around 1 million yen by 2025.

Presenting a certificate for the donation for fiscal 2020
(Held online to prevent the spread of COVID-19)

CiRA is working on research every day to enable the practical application of iPS cell technology. Through our donations to the research fund, we hope to ease the suffering of people with intractable diseases and injuries and contribute to the establishment of a research environment that can stably obtain a pool of excellent researchers and research supporters and to the further advancement of research in this area. At the same time, we will continue to provide support to health, medical and other related fields to deliver safety and security in the form of risk management, including insurance, and through collaboration among Group companies.

N Program to Support Young Physicians to Gain Clinical Experience in the United States

In collaboration with the Mount Sinai Health System, Tokio Marine & Nichido has been offering the N Program since 1991. This is a medical residency program to promote exchange between the two countries in the medical field by dispatching every year young Japanese doctors with the desire to gain clinical experience in the United States. In general, people wishing to experience clinical training in the United States are selected by way of a nationwide recruitment system. The N Program is handled differently, however, and has become an invaluable program for young Japanese doctors who want to undergo clinical training at an educational hospital in the United States. The N Program has made remarkable progress thanks to the cooperation of teachers at U.S. medical institutions and the efforts of residents who participated as trainee physicians. To date, the total number of trainees and graduates of this program has grown to over 190.

N Program (in Japanese)

Recovery Support

Tokio Marine Group engages in recovery support for disaster-affected areas, including employee volunteer activities.

◉Initiatives to Support Recovery of Areas Affected by the Great East Japan Earthquake

Tokio Marine Group has been engaging in activities to support areas affected by the Great East Japan Earthquake. Starting from May 2011 immediately following the disaster, Group company employees, agents and their families across the country have provided support to disaster areas in Otsuchi-cho (Kamihei-gun) and Rikuzentakata City in Iwate Prefecture and Ishinomaki City and Kesennuma City in Miyagi Prefecture. Their activities include removing disaster debris, cleaning up houses damaged in the tsunami, removing mud from houses and street drainage gutters, assisting in agricultural and fishery related work, sorting books for donation to libraries in disaster areas and cleaning damaged and mud-covered photographs and documents.

Tokio Marine & Nichido is also supporting two NPOs engaging in activities to restore tsunami-devastated coastal forests in Natori City and Watari-cho, respectively, along the coast of Miyagi Prefecture.

In Natori City, the Organization for Industrial, Spiritual and Cultural Advancement-International (OISCA) has been leading the Ten-Year Restoration Project of the Coastal Forests of Tohoku Region. In the project, the company has been participating in activities to restore coastal pine tree forests in the city and to facilitate regional revitalization through the recovery of agricultural land and creation of job opportunities in disaster areas. Under its policy to "never forget the event at any cost and continue to do whatever we can do even in any small way," the company has been making an annual monetary donation since fiscal 2011. In fiscal 2016, an employee volunteer program was launched, and a total of 43 employees have conducted activities such as removing weeds.

The NPO Watari Greenbelt Project has been engaging in an initiative to restore tide-control forests along the coastal areas and promote the recovery and new community development of Watari-cho, Watari-gun, Miyagi Prefecture. Since fiscal 2013, Tokio Marine & Nichido has been soliciting and sending employee volunteers on a tour to assist in the initiative. During each tour, they visit the coastal areas devastated by the tsunami, remove weeds in planned tree-planting areas and help with cultivating saplings that will be planted along the coast. Up until March 2020, the company has conducted 23 such tours, with the participation of a total of 361 employees, including Group employees, agents and their families.

Watari Greenbelt Project (in Japanese)

Also, employees of Tokio Marine & Nichido and Group companies made paper lanterns from milk cartons for the Prayer Lanterns Lighting, a memorial event for the Great East Japan Earthquake held in Morioka City, Iwate Prefecture. More than 2,450 lanterns were sent to the Morioka Recovery Support Network, the secretariat of the event. On the day of the event, 36 employees and their families from branches as well as agents in Morioka and other locations volunteered to set up and light lantern candles.

Developing Youth and Promoting Sports

Tokio Marine & Nichido promotes social contribution activities through three foundations with such aims as helping young people grow, encouraging international cultural exchange and promoting sports in the local community.

We also encourage children who will take the lead in the next generation to think about environmental issues, disaster preparedness and traffic safety through our lesson programs delivered to schools and other environmental initiatives.

■ Nurturing Future Generations, Encouraging International Exchange and Promoting Sports in Local Communities through Foundations

Tokio Marine Kagami Memorial Foundation was established in 1939 and initiated an academic research grant program in 1940 and a scholarship program in 1941. The foundation provides scholarships to students at Japanese universities and graduate school exchange students from ASEAN nations and assists academic studies by researchers.

Tokio Marine & Nichido Educational Development Fund, established in 1984, offers assistance to elementary school and junior high school children orphaned through traffic accidents and for educational research by educators.

The Tokio Marine Sports Foundation was established in 1937 with the aim of promoting sports and educational activities among the public to help bring bright and enriched lives to the people of Japan. The two facilities owned by the foundation, Nasu Sports Park and Toda Boathouse (a water sports facility), are used by a wide range of groups from young children to senior citizens. The foundation is also involved in local support exchange events planned by members of Tokio Marine & Nichido's sports teams and charity concerts given by the company's orchestra.

Overview and Activities of Each Foundation

Foundation Name	Summary	Activities in Fiscal 2020
Tokio Marine Kagami Memorial Foundation	• Provides scholarships to students at Japanese universities and graduate school exchange students from ASEAN nations • Provides academic research aid and earthquake research aid to young social science researchers	Scholarships awarded: 154 Research assistance: 8 projects
Tokio Marine & Nichido Educational Development Fund	Provides assistance for educators and to children orphaned through traffic accidents	Financial assistance for education and research: 108 Scholarships for children orphaned through traffic accidents : 116
The Tokio Marine Sports Foundation	Promotes sports activities in local communities	Number of persons using Nasu Sports Park: 16,021 Number of persons using Toda Boathouse: 2,005

Tokio Marine & Nichido Risk Consulting's "Risk Assessment of Renewable Energy Facilities" (in Japanese)
Tokio Marine & Nichido Educational Development Fund (in Japanese)
The Tokio Marine Sports Foundation youth exchange project through sports activities (in Japanese)

■ Holding Aerospace Classes with the Local Community to Nurture People Interested in Aerospace

Tokio Marine & Nichido aims to contribute to the advancement of local economies and society by actively participating in regional revitalization efforts.

Going forward, further growth is expected in the Tokai region, where the aerospace industry is concentrated. Tokio Marine & Nichido has been running aerospace classes for elementary and junior high school students that provide education and include experiments related to aerospace. The idea behind the initiative is a desire to increase the opportunity for children to become interested in aerospace since it is the younger generation who will bear responsibility for the future of the aerospace industry.

The project makes use of know-how accumulated in risk management relating to the aerospace industry and of Tokio Marine & Nichido's own industry-government-academia network built on ties with Aichi Prefecture and Nagoya University, and has been made possible owing to its community-based work that includes contributing to human resources development.

In August 2021, an aerospace class was held at the Gifu-Kakamigahara Air and Space Museum, which let a total of 40 elementary school students learn about space and satellites and have a simulated experience of the training and missions of astronauts. By providing a venue to generate more aerospace-related human resources in the Tokai region, the classes are expected to contribute to the advancement of Japan's aerospace industry.

■ Workshop to Create Local Community Safety Maps to Promote Crime and Disaster Prevention and Traffic Safety

Since September 2007, Tokio Marine & Nichido has been co-sponsoring the "Daijoubu Campaign," a movement led by The Mainichi Newspapers, and supporting activities to protect children and local residents from disasters and crimes.

As part of this campaign, Tokio Marine & Nichido began holding the Workshop to Create Local Community Safety Maps across Japan in fiscal 2011 in collaboration with The Mainichi Newspapers and the 38 radio stations of the Japan FM Network Association (JFN).

At a training seminar by Professor Nobuo Komiya of Rissho University, an expert in criminal sociology, Tokio Marine & Nichido employees and local elementary school children learn how to identify dangerous areas based on two keywords of "easily accessible" and "not openly visible." Afterwards, they apply the concept to identify dangerous areas around schools and create their own local community safety maps*. It is an initiative to protect their own safety from a crime by learning about the concept of dangerous areas.

Tokio Marine & Nichido will continue to contribute to the safety and security of local communities through this and similar initiatives.

* A local community safety map, developed by Professor Nobuo Komiya of Rissho University, is a map to show "dangerous," crime-prone areas, which have been picked based on the two keywords of "easily accessible" and "not openly visible."

「だいじょうぶ」キャンペーン

Daijyoubu Campaign (in Japanese)

■"Group Work on Managing Risks and Opportunities": Career Development Program for Junior High and High School Students

Tokio Marine Group has been contributing to the promotion of career education mainly for junior high and high school students by providing its own career education program, "Group Work on Managing Risks and Opportunities," which was developed jointly with universities, NPOs and educators.

In the program consisting of card games and teamwork activities, students become owners of a bakery and have to think about ways to operate the bakery successfully over a long period, including how to use insurance. The lesson simulates responses to various risks associated with owning a business, enabling the students to discover issues for themselves and solve them collaboratively. From fiscal 2017, the program has been expanded throughout Japan, with a cumulative total of 1,600 students receiving career education to date.

■Ashinaga Charity & Walk

Tokio Marine & Nichido participated in a charity walk event, Ashinaga Charity & Walk, hosted by Meiji Yasuda Life Insurance Company. From Tokio Marine Group, a total of 2,295 employees took part. A monetary donation of 1,197,627 yen was collected and used to support orphans as described below.

(1) Donated to Ashinaga to be used for the following purposes to support orphans:

• Construction and operation of Tohoku Rainbow House, a healing space for children orphaned by the Great East Japan Earthquake

• Scholarship loans for orphans who want to attend high school, university, junior college or other educational institution

(2) Allocated as financial assistance to orphans living in prefectures affected by the Great East Japan Earthquake through donations to orphan support funds

■Supporting Child Line Support Center Japan

Tokio Marine & Nichido has been inviting the specified NPO Child Line Support Center Japan to give a lecture about the organization's activities every year since 2012. They discuss some of the anxieties and other issues brought up by youths through Child Line, a dedicated phone line that children can call free of charge from anywhere in Japan. After this, Tokio Marine Group employees serve as volunteers for delivering cards inscribed with the Child Line telephone number to children. Employees from Tokio Marine Asset Management, Tokio Marine Business Support, Tokio Marine & Nichido Communications and Tokio Marine & Nichido Human Resources Academy also volunteer for sending the cards to the children.

Child Line (in Japanese)

■Disaster Education Support for Children in China

• Disaster Prevention Lessons in China

In 2016, Disaster Prevention Lessons for elementary and junior high school students were officially launched in China by Tokio Marine & Nichido Fire Insurance Company (China) Limited (TMNCH). It is the first case that Tokio Marine & Nichido's disaster awareness-raising program is implemented overseas and represents the synergy generated by a sustainability project within Tokio Marine Group. Disaster Prevention Lessons in China are an initiative that involves direct participation of TMNCH employees and fully leverages the experience accumulated over the 10 years since the company's founding to complement insufficient disaster prevention education at schools, raise local community awareness for disaster prevention and to fulfill its social responsibility. TMNCH has developed its own education materials that take into account the characteristics of disasters in China, and by incorporating such original content, made these lessons appealing to children to encourage their learning.

The initiative started five years ago, but all five branches of TMNCH are already participating in the activity, with 39 employees, representing one-tenth of all employees, having received training as volunteer lecturers. As of the end of fiscal 2020, more than 1,700 children have received the lessons at 22 schools in nine provinces and cities (32 administrative divisions and municipalities) in China.

• Educational Assistance for Children of Migrant Workers in China

Since 2009, Tokio Marine Group has been collaborating with the All-China Youth Federation to support children of migrant workers (children living in farming villages while their parents work in the city). We have established support facilities in over 300 locations throughout China, and Group employees engage in various volunteer activities every year. In June 2021, 11 employees, including Keiko Fujita, the Tokio Marine & Nichido Fire Insurance Company (China) representative, undertook volunteer efforts at an elementary school in Sichuan Province, in China. It was a meaningful classroom interchange that included Disaster Prevention Lessons on the themes of firefighting and safety during school summer holidays with 52 children and was highly praised by a local Communist Youth League.

■ Support Activities for Orphans

Nisshin Fire has continued to support children who have lost one or both of their parents in traffic accidents through the NPO Association for Assistance to Children Orphaned in Traffic Accidents since 2008. Going forward, the company will continue supporting children orphaned in traffic accidents through this NPO.

■ Serving as a Special Sponsor of the JOC Junior Olympic Cup Swimming Tournament

Tokio Marine & Nichido started providing support to the Japan Swimming Federation as one of the initiatives undertaken to commemorate its 110th anniversary in 1989, and has been doing so as one pillar of social contribution activities based on its desire to contribute to the sound development of Japan's youth by promoting swimming. Specific efforts include serving as a special sponsor of the National JOC Junior Olympic Cup Swimming Tournament held twice a year (spring and summer) and providing support for the costs of attending competitions and training camps for Junior Olympic athletes.

Go! Go! Junior Swimmers! (in Japanese)

Swimming Support Site "Forever, with Swimming" (in Japanese)

■ Participating in Room to Read's Educational Support Program in Developing Countries

Tokio Marine & Nichido has participated in the educational support effort led by the international NGO Room to Read since fiscal 2010. During the 11 years from fiscal 2010 to fiscal 2020, the company has made donations every year totalling 101,577,830 yen, thereby providing educational support for a total of about 2,750 girls to help them attain independence in the future, offering a study environment for children by opening 17 reading rooms and supporting the introduction of six literacy education programs in India, Bangladesh and Vietnam.

For girls not attending school for economic reasons or because they are tied to household duties as a result of their parents' lack of understanding, the program offers financial aid for tuition fees and endeavors to convey the importance of education to their families through home visits. These efforts have allowed girls to continue their education, with many achieving excellent performance in their schoolwork to make their dreams a reality.

India, Bangladesh and Vietnam are three mangrove planting regions covered under the company's ongoing Mangrove Planting Project initiated in 1999. Through the Mangrove Planting Project and educational support program, Tokio Marine & Nichido thus carries out the dual-purpose global social contribution activities of nurturing both trees and people.

International NGO Room to Read

Social and Economic Inclusion of All People

◉ Social Contribution Activities for the Elderly and Awareness-Raising Activities for Dementia

Tokio Marine Group undertakes social contribution activities for the elderly and awareness-raising activities for persons suffering from dementia as part of volunteer activities supporting the safety and security of the local community and families.

■ Contributing to the Creation of Communities That Understand Dementia: Courses to Foster Support for Dementia Care

Tokio Marine Group provides support for the Million-Supporter Caravan for Dementia, which is promoted by the Ministry of Health, Labour and Welfare and the nationwide Caravan Mate Liaison Council, and conducts courses to foster support for dementia care as a volunteer activity to support the safety and security of local communities and families. With the ultimate goal of creating neighborhoods where people with dementia and their families can live with peace of mind, the program is designed so that employees who take the course have the correct knowledge about dementia to share with friends and families as well as support and give compassionate consideration to people with dementia and their families in work and private life.

During the one-and-a-half-hour program conducted in each work department, mainly in Tokyo, attendees watched a DVD, listened to a lecture given by an employee (called a "caravan mate") who has received special training on this subject and participated in a role-playing session. As of March 2021, a total of around 5,700 Group company employees have participated in this educational program and become supporters for dementia care. We intend to promote this program further, as it gives us a good opportunity to deepen our understanding of the aging population and dementia and think about how we accordingly deal with our customers and our own families.

Million-Supporter Caravan for Dementia (in Japanese)

■ Activities Associated with an Elderly Watch Support Network Project

Tokio Marine Assistance concluded an agreement related to an elderly watch support network project in Shinagawa Ward, Tokyo, in November 2015 with Shinagawa Ward and the Shinagawa Ward Council on Social Welfare and activities continue to this day.

The project aims to create a system of support through mutual cooperation to make life easier for elderly persons living alone. Neighborly consultation services are made available and inconveniences are kept to a minimum in the area they are familiar with living.

The company utilizes its excellent phone response skills amassed in the course of its core call center business and employees serve as volunteers for making regular calls to the elderly as part of a service confirming their safety being implemented by Shinagawa Ward's "Sasaeai Hotto Station*." Employees make regular phone calls to the homes of users living in Shinagawa Ward, and if there is no answer or they detect an abnormal change during the conversation, they immediately report it to "Sasaeai Hotto Station" so that the situation can be handled as smoothly as possible. In 2020, the volunteer service was implemented 34 times for a total of 84 people following expansion of the service area and the yearly rise in the number of users to whom they make phone calls.

This project will be carried out on a continuous and steady basis as a means of contributing to the local community.

* A consultation service established by Shinagawa Ward to ease the anxieties of elderly persons living alone and other residents so that they can continue living in a familiar environment

◉Supporting Deaf and Blind Persons and Sports for the Disabled

Tokio Marine & Nichido supports deaf and blind persons in conjunction with the Japan Deafblind Association and supports sports for disabled persons through the Japanese Para-Sports Association and Special Olympics Nippon Foundation.

■Collaboration with the Japan Deafblind Association

The Japan Deafblind Association is engaged in activities to support people with hearing and vision impairments across the country. Their activities include dispatching sign language interpreters and helpers, training interpreters and publishing a biannual magazine for the hearing and visually impaired.

Tokio Marine & Nichido has been a supporting member of the association since 2008. At the association's annual national conference, which is held for the purpose of promoting exchange among people with these impairments and improving the skills of sign language interpreters and helpers, employees working in offices and branches in respective areas serve as volunteer staff to cooperate in running the event.

Japan Deafblind Association (in Japanese)

■Building a Society That Transcends Disabilities: Learn About, Watch and Experience Sports by Disabled Persons

Tokio Marine & Nichido started sponsoring the Japanese Para-Sports Association (JPSA) in May 2016 and Japan Inclusive Football Federation (JIFF) in October 2016 to support athletes striving to overcome the challenge of disability and enhance opportunities for employees to provide support and volunteer at sports events for the disabled.

In addition, employees from around Japan conduct volunteer activities and go to cheer on athletes at the Japan Para Championships, which are sports events for disabled persons held regionally.

■Building a Society in Which Anyone Can Take on Active Roles with the Special Olympics

In support of the Special Olympics Nippon Foundation's vision of creating a society where people with and without disabilities understand and respect each other's differences and live and grow together, Tokio Marine & Nichido became an official sponsor of the foundation in fiscal 2005 and has been supporting its activities by providing funds and volunteers.

Additionally, Tokio Marine Group undertakes a year-round volunteer activity to create good luck bracelets to show our support to athletes of the foundation. In fiscal 2020, a total of 1,565 employees joined this activity.

◉ Re-evaluating Products Corresponding to LGBT*

In view of rising social interest in sexual minorities, Tokio Marine & Nichido is working gradually to include same-sex partners in the definition of "spouse" for products that provide coverage for families and married couples. We respect the diverse family structures of our customers and will provide products that can be helpful in times of need.

* LGBT is a general term that refers to sexual minorities and is derived from the first letters of the words lesbian, gay, bi-sexual and transgender.

Support for Foundations and Donations

Tokio Marine Group supports the NPOs Sawayaka Welfare Foundation, Foundation for Severely-Ill Children and Their Families (KidsFam), Public Resources Foundation and Single Mothers Forum.

■ Tie-Up with the Sawayaka Welfare Foundation

The Sawayaka Welfare Foundation forms a network with a number of volunteer organizations across the country and works to build a system of mutual assistance in each local community with the ultimate goal of "building a new society in which all people can develop a close rapport with each other" in order to fulfill their desire to lead an enriching life. Tokio Marine & Nichido empathizes with this organizational philosophy and partners with the foundation.

National volunteer network information of the Sawayaka Welfare Foundation (in Japanese)

■ Supporting KidsFam

Tokio Marine & Nichido supports the activities of the Foundation for Severely-Ill Children and Their Families (KidsFam). KidsFam reaches out to children requiring medical care due to severe illness or disability and their families. It undertakes a variety of support programs, conducts public relations, awareness-raising and training activities and disseminates relevant information aimed at building a society in which they can live with peace of mind. For details, please refer to the activities outlined on the KidsFam website.

KidsFam (in Japanese)

■ Providing Work Opportunities Broadly to People Seeking Work

By providing work opportunities broadly to people seeking work, Tokio Marine & Nichido Career Service is striving to link its corporate activities to social contribution in terms of human resources and create a sustainable society.

・Establishing the "Fund to Support People's Willingness to Work" to Aid NPOs Providing Job Assistance to People Facing Difficulty in Finding a Job

In collaboration with the NPO Public Resources Foundation, Tokio Marine & Nichido Career Service has established the Fund to Support People's Willingness to Work to provide support to organizations that help people having difficulty finding a job for various reasons, such as having disabilities or being financially challenged. The most notable characteristic of the fund is that it goes a step beyond financially aiding activities of such NPOs. The fund is intended to improve the employment situation for people seeking work and help resolve related social issues by supporting innovative and challenging initiatives that could eliminate deficiencies inherent in conventional job assistance programs. In May 2021, eight NPOs matching the purpose of the fund were selected, and collaboration is being promoted with each organization. The fund will operate for three years and support organizations with a challenging spirit every year.

・Job Assistance for Single Mothers Seeking Work in a Harsh Environment Caused by the COVID-19 Pandemic

COVID-19 has taken away jobs from many people and greatly affected and caused difficulties for single-parent households with a weaker economic base in particular. Given such a social issue, Tokio Marine & Nichido Career Service started cooperating with NPO Single Mothers Forum in October 2020 and has assisted single mothers in finding a job. The company has helped participants enrolled in its "kirari" program to work as dispatched employees in Tokio Marine Group. In addition, the company's "Manabi Assist" program that provides job education for job seekers has supported about 130 single mothers by April 2021.

Measures and Response to COVID-19

Continuing Critical Operations as an Insurance Company

To sustain its function integral to social infrastructure, Tokio Marine Group is continuing to undertake critical operations, including receiving loss reports, paying insurance claims and protecting insurance policies, while working to prevent the spread of COVID-19 and ensure the safety of employees.

Tokio Marine & Nichido has implemented emergency measures for policyholders affected by COVID-19 to extend the period allowed for contract procedures and grace period for premium payments. During the period from April 23 to September 30, 2020, the company extended, with regard to compulsory auto liability insurance, the period for changing the insured vehicle or canceling or modifying the details of the policy upon transfer of title or vehicle replacement; the period for policy renewal to match the effective period of vehicle inspection certificates extended by the government; and grace period for premium payments. For accident insurance, *Super Business Insurance* (liability clause) and other products that conventionally cover Classes I to III infectious diseases specified in Japan's Infectious Diseases Act, the company expanded the scope of coverage in April 2020 to the designated infectious diseases under the act, which include COVID-19. The Infectious Diseases Act was then revised in February 2021, and COVID-19 was moved from the category of designated infectious diseases to the category of novel influenza and other infectious diseases. The company accordingly revised its products to provide continued coverage for COVID-19.

For overseas travel insurance with coverage for diseases, the requirement for the period from the end of policy duration to the start of medical treatment has been relaxed from within 72 hours to within 30 days for COVID-19. The company has also expanded the definition of hospitalization under its medical and other insurance and decided to pay hospitalization and related benefits to cases in which COVID-19 patients stay at temporary facilities (including hotels) or at home as per doctor's instructions and receive treatments comparable to those provided by hospitals.
(As of August 1, 2021)

■Donations by Tokio Marine Group Companies and Employees

COVID-19 has spread globally and caused unprecedented impacts in various forms. In order for Tokio Marine Group to promote its efforts against COVID-19 on a global basis, we have set a budget of 1 billion yen for the period of two years from fiscal 2020 to fiscal 2021, which will be used by Tokio Marine Holdings to match 50% of the amount donated by employees of Group companies in and outside Japan.

To date, we have made monetary donations to support financially challenged students for expenses to advance to higher education, tuition fees and living expenses; art and cultural organizations forced to suspend or curtail activities; medical institutions; single-parent households; and children orphaned by traffic accidents. Monetary donations have also been made to provide support for research and development of curative drugs and vaccines against COVID-19; international medical assistance; learning and food assistance for children facing school closures; and support for prevention of infection for persons with disabilities. The Group also donated medical supplies stockpiled in-house to medical institutions and other entities across Japan (more than 300,000 N95 medical masks and more than 10,000 items of protective clothing).

Providing "Medical Note," an Online Medical Consultation Service, and Holding a Webinar (Tokio Marine & Nichido and Tokio Marine & Nichido Life)

To prevent the spread of COVID-19 and enable customers to consult and ask questions to healthcare professionals from home, we provided the "Medical Note*1" service to customers free of charge from April 15 to June 30, 2020 and from January 12 to February 28, 2021. It is an online medical consultation service of MedicalNote Inc., a capital and business alliance partner of Tokio Marine Holdings. More specifically, "Medical Note" allows people who are worried about their symptoms to easily, directly and individually consult and ask questions online to healthcare professionals, mainly medical specialists. Customers who used the service during the said periods provided positive feedback, saying that advice was to the point, reliable and quick and that the service eliminated their anxiety during the time when it was difficult to visit hospitals.

In January 2021, a free webinar on COVID-19 was held by MedicalNote for Tokio Marine & Nichido and Tokio Marine & Nichido Life. The webinar invited Tokyo Medical Association Chairman Haruo Ozaki, who is fighting against the virus on the frontline, to give a lecture and provide the latest information on COVID-19, including updates on how it is transmitted and how to prevent it.

With regard to our *Medical Assist**2 consultation service that comes with our insurance products, Tokio Marine & Nichido Medical Service continues to provide medical consultation over the telephone. As for COVID-19, we have been responding to customers seeking advice from these services in accordance with the policy of the Ministry of Health, Labour and Welfare (MHLW) issued to the health departments in each prefecture as well as the guidelines of the National Institute of Infectious Diseases, instructing those suspected of being infected with the novel coronavirus to consult a COVID-19 consultation center.

*1 This service is provided within the scope of remote health and healthcare consultations as defined in MHLW's guidelines for appropriate online medical consultations.
*2 This service is for policyholders of Tokio Marine & Nichido (excluding companies), insured persons (excluding companies) and their respective families (spouses, blood relatives within the sixth degree and relatives by marriage within the third degree) and for policyholders of Tokio Marine & Nichido Life (excluding companies), insured persons and their respective families (spouses, blood relatives within the sixth degree and relatives by marriage within the third degree).

Offering COVID-19 Vaccination Sites Free of Charge (August 2021)

For supporting swift and smooth implementation of vaccinations for preventing the spread of COVID-19, Tokio Marine & Nichido has offered two of its own facilities, namely Tokio Marine & Nichido Tama General Ground and Tokio Marine & Nichido Shakujii Sports Center, free of charge to Hachioji City and Nerima-ku, respectively. The two local governments in Tokyo are using these facilities as a venue for mass vaccinations.

Tokio Marine Group will strive to resolve social issues while also working with local governments in order to accomplish the purpose of protecting customers and society in times of need, which the company has upheld since its founding, as well as continue to deliver safety and security to local community members.

Improving Quality from the Customer's Perspective

Aiming to become "a company that delivers sustainable growth by providing safety and security to customers and by always remaining their first choice," Tokio Marine Group takes feedback from customers seriously and works to improve the operational quality on a constant basis. We strive to build trust-based partnerships with agents and improve our operational quality together in order to truly provide safety and security from a customer standpoint.

Basic Policies for Protection of Customers' Interests

Tokio Marine Group establishes basic policies for the protection of customers' interests and develops a system to thoroughly promote being customer-oriented and to pursue various aspects including customer protection. In addition, in accordance with the Tokio Marine Group Policy for Management of Conflicts of Interest and through compliance with these policies by directors, officers and employees, Tokio Marine Group will work to manage transactions involving conflicts of interest to ensure that clients' interests are not unduly harmed.

The Tokio Marine Group Policy for Management of Conflicts of Interest

Customer-Oriented Business Conduct Policies

To more thoroughly carry out customer-oriented insurance business while remaining close to customers and accurately identifying their diversifying needs, Tokio Marine & Nichido, Tokio Marine & Nichido Life and some other Group companies have formulated and announced their respective policies on customer-oriented business conduct and have been working with agents to promote specific initiatives under these policies. We will review our policies on a periodic basis to constantly realize better business conduct, thereby earning the lasting trust of customers.

◉ Tokio Marine & Nichido Customer-Oriented Business Conduct Policies

Business Conduct Policy 1: Business conduct utilizing customer feedback

Under its corporate philosophy of placing customer trust at the base of all its business activities, Tokio Marine & Nichido has formulated a customer feedback response policy to encourage employees and agents to take customer feedback seriously and use it proactively in corporate activities. The company will pursue customer-oriented business conduct according to the policy.

Business Conduct Policy 2: Insurance solicitation

Tokio Marine & Nichido will work to provide appropriate products and services based on a correct understanding of risks facing customers and their needs and purposes while providing necessary information when concluding an insurance contract.

Business Conduct Policy 3: Payment of insurance claims (claims service)

To be of help to customers in times of need, remain by their side while correctly understanding their situations and positions and respond to their trust, Tokio Marine & Nichido will work to ensure the quality of its claims service and make swift and appropriate claims payments.

Business Conduct Policy 4: Initiatives to instill these policies

Tokio Marine & Nichido will provide training programs and promote initiatives to instill these business conduct policies in agents and employees so that they will always act in a customer-oriented manner.

Business Conduct Policy 5: Management of transactions involving conflicts of interest

In accordance with the Tokio Marine Group Policy for Management of Conflicts of Interest and through compliance with these policies by directors, officers and employees, Tokio Marine & Nichido will work to manage transactions involving conflicts of interest to ensure that clients' interests are not unduly harmed.

◉ Tokio Marine & Nichido Life Customer-Oriented Business Conduct Policies

Business Conduct Policy 1: Business conduct utilizing customer feedback

Under its corporate philosophy of placing customer trust at the base of all its business activities, Tokio Marine & Nichido Life regards it as extremely important that all employees and agents seriously take feedback from customers, including complaints, requests and suggestions, and meet their expectations. The company has accordingly formulated its customer feedback response policy and will work to make its business conduct even more customer-oriented.

Business Conduct Policy 2: Insurance solicitation

Tokio Marine & Nichido Life will work to develop life insurance products and services matched to customer needs while also paying attention to social and economic trends and changes in the business environment.

Tokio Marine & Nichido Life will deliver security by providing custom-tailored solutions that meet increasingly diverse customer needs and protect customers and their families.

Tokio Marine & Nichido Life will implement initiatives to provide detailed information on products and explain them in a thorough manner to customers and have them confirm, based on a correct understanding of the products, that our solutions match their needs and purposes.

Business Conduct Policy 3: Follow-up services and payment of insurance claims and benefits

Recognizing that paying insurance claims and benefits is one of the most basic and important responsibilities of an insurance company, Tokio Marine & Nichido Life will make sure to explain policy and other details to all customers and make swift and accurate payments, working always from a customer standpoint. The company will also set up a system to provide follow-up services to elderly customers to ensure that they will make claims for which they are entitled to without omissions.

Business Conduct Policy 4: Initiatives to instill these policies

In order to encourage employees, agents and direct sales employees ("Life Partners") to act in a customer-oriented manner in all business conduct, Tokio Marine & Nichido Life will establish necessary evaluation and training programs and continue to implement initiatives to instill these business conduct policies among them.

Business Conduct Policy 5: Management of transactions involving conflicts of interest

In accordance with the Tokio Marine Group Policy for Management of Conflicts of Interest and through compliance with these policies by directors, officers and employees, Tokio Marine & Nichido Life will work to manage transactions involving conflicts of interest to ensure that clients' interests are not unduly harmed.

Business Conduct Policy 6: Asset management

In order to ensure future payments of insurance claims and benefits, Tokio Marine & Nichido Life will conduct asset management while paying due consideration to the distinctive characteristics of insurance contracts and by applying appropriate risk control.

Response to Customer Feedback

Based on the Group's common standards related to customer feedback, each company of Tokio Marine Group has formulated a response policy in order to develop a structure to utilize this feedback for improving products and services.

■ Customer Feedback Response Policy

Critical opinions and demands as well as compliments from customers are valuable assets for us to provide more quality services to customers. Based on the Group's basic policy related to customer feedback, each company of Tokio Marine Group has formulated a response policy in order to develop a structure to utilize customer opinions for improving products and services.

Tokio Marine & Nichido Customer Feedback Response Policy

Basic Philosophy

Tokio Marine & Nichido sincerely accepts and actively applies customer feedback to its corporate activities with customer trust as the basis of all of its business activities.

Basic Policy

1. We will proactively accept and appreciate customer feedback.
2. We will undertake company-wide initiatives to responsibly address customer feedback through to the end.
3. We will utilize customer feedback to enhance the quality of our operations, including products and services.
4. We will deliver greater safety and security based on customer feedback.

Structure to Make Improvements Based on Customer Feedback

Customer surveys and feedback received directly from customers by employees and agents lead to quality improvements in terms of products, services and other aspects. For example, Tokio Marine & Nichido, Nisshin Fire and Tokio Marine & Nichido Life enter such feedback into a central management system that is set up on their respective intranets for later analysis. This feedback is then utilized for the said improvements.

Additionally, Tokio Marine & Nichido conducts regular meetings with external advisors and consumer monitors in order to receive advice from the perspective of consumers. These activities have translated into various improvements, including easier-to-understand notices and documents.

<Initiatives in Compliance with ISO 10002>

As a means of standardizing the response to customer feedback companywide, Tokio Marine & Nichido and Tokio Marine & Nichido Life have established operation systems in conformity with ISO 10002, the international standard for management of the complaints handling process.

Moreover, these two companies were the first in the domestic financial industry to verify compliance with the ISO 10002 standard in June 2007 and subsequently made an external announcement in July. Under these operation systems, we will continuously strive to enhance the quality of operations in terms of products, services and other relevant aspects based on customer feedback. Nisshin Fire also made a self-declaration of compliance with the ISO 10002 standard in July 2008.

Listening to Customer Feedback

Each Tokio Marine Group company actively listens to customer feedback through various means such as customer surveys, telephone calls from customers, company websites and information gathering via agents and sales personnel.

From the perspective of enhancing the transparency of initiatives regarding customer feedback, the number of feedback comments received, details of these comments and examples of products and services developed or improved based on such feedback are made public via company websites in greater detail.

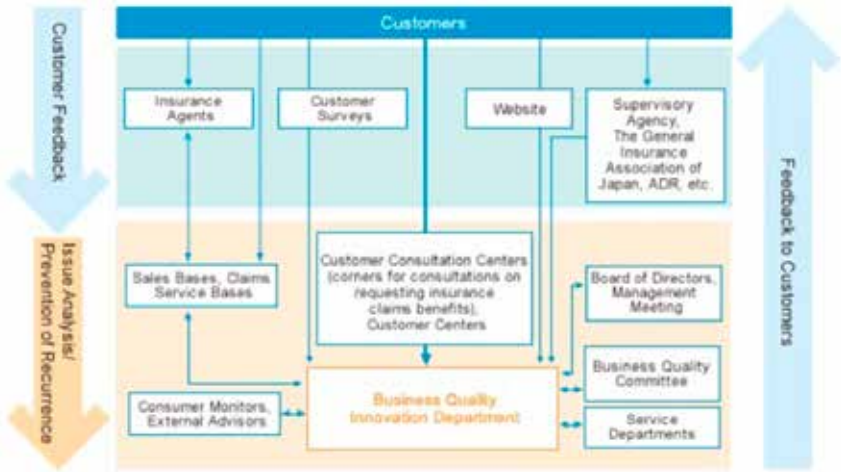
Tokio Marine & Nichido is conducting customer surveys regarding auto insurance, fire insurance and *Super Insurance* at the time of contract. The aim is to confirm whether the company is providing easy-to-understand explanations of details of coverage, premiums payments, rider services and important terms. Tokio Marine & Nichido also asks for cooperation in surveys after paying insurance claims to customers in order to obtain a wide range of opinions regarding responses to accidents. The company constantly makes efforts to improve quality based on this customer feedback.

Tokio Marine & Nichido Life is obtaining customer feedback by enclosing surveys along with notices regarding contract details, insurance policies and other relevant documents that are sent to all policyholders once a year.

Nisshin Fire strives to identify customer needs through various surveys, for example, on staff response during the contracting process and accident response services and works together with its agents to enhance the quality of its services to bring even greater satisfaction to customers.

<Structure for Listening to Customer Feedback>

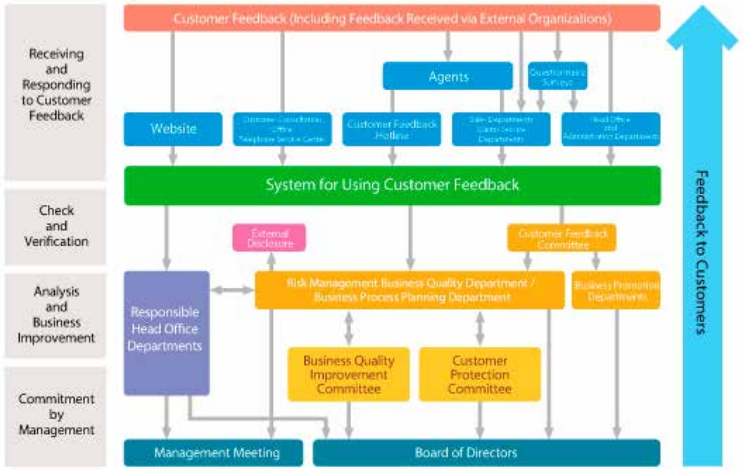
[Tokio Marine & Nichido]



[Tokio Marine & Nichido Life]

*An internal cross-sectional committee of the Board of Directors composed of full-time directors and general managers and established for the purpose of utilizing feedback from customers to improve operational quality

[Nissin Fire]



<Fiscal 2020 Number of Customer Feedback Comments>

[Tokio Marine & Nichido]

Customer feedback categories		Representative examples	Apr.-Jun. 2020	Jul.-Sep. 2020	Oct.-Dec. 2020	Jan.-Mar. 2021	Fiscal 2020
			Number of comments	Number of comments	Number of comments	Number of comments	Total as of Mar. 2021
Dissatisfied	**Products and services**						
	Policy and pamphlet related	Policy and pamphlet details difficult to understand	247	296	319	325	1,187
	Products and services related	Requests for improving products and services, others	1,135	1,304	1,230	1,558	5,227
	Subtotal: Products and services		**1,382**	**1,600**	**1,549**	**1,883**	**6,414**
	Enrollment: Contract procedures						
	Contract renewal procedures	Delays in sending renewal information, others	929	1,025	1,064	965	3,983
	Explanation of contract details	Insufficient explanation of contract details, others	238	271	279	266	1,054
	Subtotal		**1,167**	**1,296**	**1,343**	**1,231**	**5,037**
	Enrollment: Contract management						
	Policy deficiencies	Errors in listed policy details	19	186	217	184	606
	Non-arrival of policy	Delay in sending of policy	196	20	23	17	256
	Modification procedures	Delay in modification procedures, others	952	940	966	1,043	3,901
	Account transfers	Unable to make account transfers, others	160	156	152	145	613
	Subtotal		**1,327**	**1,302**	**1,358**	**1,389**	**5,376**
	Enrollment: Response and etiquette						
	Response and etiquette	Telephone response and visitation etiquette	382	473	498	579	1,932
	Enrollment: Others						
	Matters concerning enrollment not corresponding to the above		11	21	26	21	79
	Subtotal : Enrollment total		**2,887**	**3,092**	**3,225**	**3,220**	**12,424**
	Insurance claims payments: Insurance claims payment						
	Contacting and responses	Delay in being contacted by staff, insufficient explanation of procedures	1,049	1,281	1,366	1,358	5,054
	Payment amount	Insufficient explanation about insurance claims payments	641	682	768	756	2,847
	Advisability of payment	Advisability of payment	1,268	1,485	1,599	1,637	5,989
	Subtotal		**2,958**	**3,448**	**3,733**	**3,751**	**13,890**
	Insurance claims payment: Response and etiquette						
	Response and etiquette	Telephone response and visitation etiquette	409	556	623	612	2,200
	Insurance claims payments: Others						
	Matters concerning payment not corresponding to the above		8	7	13	25	53
	Subtotal: Total for insurance claims payments		**3,375**	**4,011**	**4,369**	**4,388**	**16,143**
	Matters concerning personal information		52	42	57	58	209
	Others		42	30	35	52	159
	Dissatisfied Total		**7,738**	**8,775**	**9,235**	**9,601**	**35,349**
Requests			**670**	**989**	**1,099**	**935**	**3,693**
Compliments			**1,234**	**1,654**	**2,157**	**2,068**	**7,113**
Total			**9,642**	**11,418**	**12,491**	**12,604**	**46,155**

[Tokio Marine & Nichido Life]

(Number of Comments of Dissatisfaction Only)

Item	Principal Details of Feedback	Apr. 1, 2020–Mar. 31, 2021	Percent of Total (%)
New contract related	Dissatisfied with explanations and with presentments on insurance policy at time of enrollment, others	2,087	15.6
Receipt related	Dissatisfied with insurance premium payment methods and modification procedures, others	1,657	12.4
Protection related	Dissatisfied with contract details modifications, policyholder loans, cancellation procedures, others	3,736	27.9
Insurance claims and benefits related	Dissatisfied with payment procedures for insurance claims, benefits, maturity proceeds, others	1,279	9.6
Others	Dissatisfied with after-service, etiquette and telephone response, others	4,614	34.5
Total		**13,373**	**100.0**

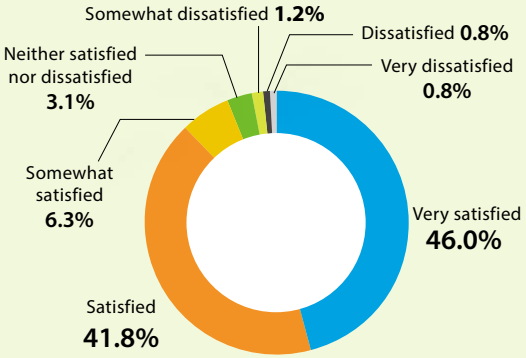
[Nissin Fire]

(Number of Comments of Dissatisfaction Only)

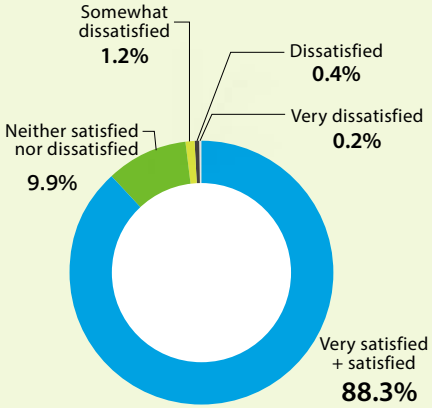
Item	FY2019	FY2020
1. Contracting and soliciting activities		
① Product details (coverage, others)	12	10
② Contracting procedures (incomplete, delays, others)	165	166
③ Soliciting activities (not thoroughly confirming with customers their needs and purposes, others)	113	85
④ Insufficient or erroneous explanation about policy details, conditions and others	372	272
⑤ Enrollment (conditions, restrictions, others)	19	26
⑥ Error in insurance premium calculation	30	38
⑦ Staff interaction with customers	30	25
⑧ Contents of forms and other documents (application forms, invoices, leaflets, others)	20	17
⑨ Other	171	171
Subtotal	**932**	**810**
2. Management and protection of contracts, collection of premiums		
① Insurance policies not reaching customers or errors in policies	29	23
② Availability of payment in installments or account transfer	48	46
③ Procedures for changing policies	307	188
④ Procedures for canceling policies	243	202
⑤ Processing of maturity repayment (processing delay, amount repaid, others)	5	3
⑥ Staff interaction with customers	11	11
⑦ Other	64	30
Subtotal	**707**	**503**
3. Insurance claims		
① Amount of insurance claims paid	131	163
② Delay in response and method of response	716	557
③ Advisability of payment	43	17
④ Staff interaction with customers	229	167
⑤ Other	7	6
Subtotal	**1,126**	**910**
4. Other (including complaints on the handling of personal information)	**31**	**52**
Total	**2,796**	**2,275**

<Tokio Marine & Nichido: Level of Satisfaction (Fiscal 2020 Auto Insurance)>

■Level of Satisfaction regarding Overall Claims Services

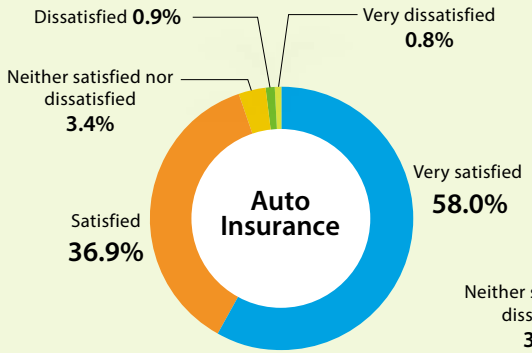


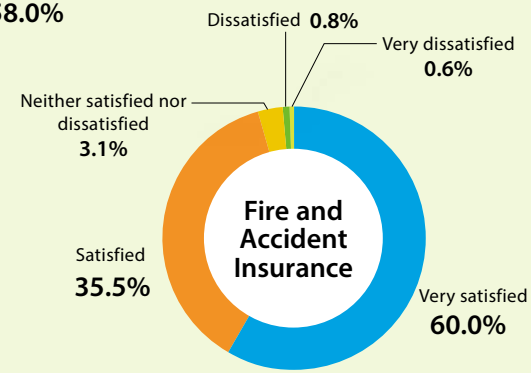
■Overall Level of Satisfaction regarding Contract Procedures



<Nissin Fire: Level of Customer Satisfaction (Fiscal 2020)>

■Overall Level of Satisfaction regarding Accident Response Services

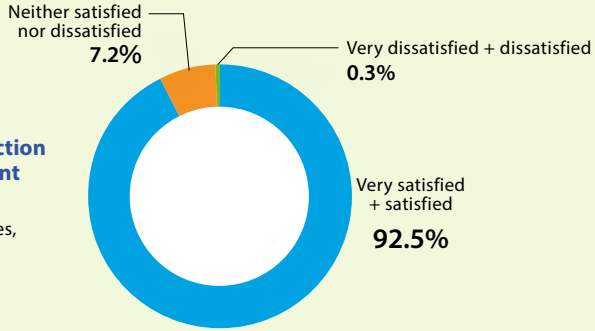




<Tokio Marine & Nichido Life: Level of Customer Satisfaction (Fiscal 2020)>

■Overall Level of Satisfaction at the Time of Enrollment

(Overall Level of Satisfaction regarding Contract Procedures, Product Details, etc.)



Status of customer feedback: Respective Group company websites

- Tokio Marine & Nichido: Number of customer comments received and customer sursvey results (in Japanese)
- Tokio Marine & Nichido Life: Status of customer feedback (in Japanese)
- Nisshin Fire: Response to customer complaints (in Japanese)

■Main Examples of Items That Have Been Developed and Improved Based on Customer Feedback (Fiscal 2020)

Critical opinions and demands as well as compliments from customers are valuable assets for us to provide more quality services to customers. Based on the Group's basic policy related to customer feedback, each company of Tokio Marine Group has formulated a response policy in order to develop a structure to utilize customer opinions for improving products and services.

Tokio Marine & Nichido

[Customer Feedback]

I would like you to also provide a means to seek advice on insurance and complete contract procedures remotely.

[Response]

In December 2020, we introduced a system for auto insurance, which allows customers to virtually complete contract procedures while having an online consultation with an agent.

Tokio Marine & Nichido Life

Increasing customer convenience when filing claims for surgery benefits (January 2021)

[Customer Feedback]

It takes time and money to request a medical certificate from a medical institution. Can you simplify your procedures?

[Response]

In January 2021, we changed our procedures regarding certain surgeries and increased customer convenience. Customers can now file claims by just submitting an application form and a copy of receipts issued by the medical institution.

Nisshin Fire

[Customer Feedback]

On your notice of claims payment, the address you printed showed my name in *katakana*, which looked strange to me. I think you should use *kanji* (Chinese characters).

[Response]

We upgraded our system to create forms we provide to customers, and we can now create easy-to-read customer forms using *kanji* characters.

Status of Customer Feedback: Respective Group Company Websites

- Tokio Marine & Nichido: Improvement examples based on customer feedback (in Japanese)
- Tokio Marine & Nichido Life: Major and specific development and improvement examples based on customer feedback (in Japanese)
- Nisshin Fire: Examples of improvements that have been carried out based on customer feedback (in Japanese)

Quality Improvement Initiatives

Tokio Marine Group continuously promotes the enhancement of quality from a customer standpoint in accordance with the Group's Corporate Philosophy: "Through the provision of the highest quality products and services, Tokio Marine Group aims to deliver safety and security to all its customers."

◉Tokio Marine Group's Approach to Quality Improvement

Tokio Marine Group has earned high regard from its customers by providing products and services that are ahead of the times in accordance with the Group's Corporate Philosophy: "Through the provision of the highest quality products and services, Tokio Marine Group aims to deliver safety and security to all its customers."

In the medium to long term, changes in living and business environments resulting from frequent natural disasters, demographic shifts and technological innovation in the world will generate many new opportunities and risks. In response to the diversifying needs of both individual and corporate customers in connection with such new opportunities and risks, Tokio Marine Group will combine the capabilities of all Group companies and will do its best to provide new products and services that anticipate the changing times and extend beyond the framework of conventional insurance products and services in areas such as the financial, medical and consulting fields.

■Anshin ("Reassuring") Quality

As an effort to meet customers' expectations and gain their satisfaction, Tokio Marine & Nichido defines Anshin Quality, a level of quality that must be assured by anyone at the company, at anytime and anywhere by ensuring to achieve or execute things naturally expected of our products and services by customers.

Based on this Anshin Quality approach, the company has formulated its Anshin Quality Standards as quality standards that must be assuredly satisfied by anyone at the company, at anytime and anywhere. There are specific standards for each of the main business processes related to products and services, including solicitation, claims payment and basic customer response etiquette. Tokio Marine & Nichido is strongly committed to being customer-oriented under a firm determination to never providing to customers products or services that do not satisfy these standards.

■Providing Information That Enables Customers to Make Claims without Any Omissions

To ensure that customers request insurance claims payments and insurance benefits without any omissions, Tokio Marine & Nichido Life provides information to customers regarding insurance claims payments and insurance benefits when they enter into an insurance contract, during the contract validity period and when requesting insurance claims payments and insurance benefits.

Additionally, through such means as our website, we ask customers to contact Tokio Marine & Nichido Life if they have any uncertainties about receiving insurance claims payments and insurance benefits.

Guidebook on receiving insurance claims payments and insurance benefits

■Raising the Quality of Call Centers

Tokio Marine Group's call center departments have formulated the Contact Center Standard for Tokio Marine (CCST) and have been evaluating and verifying the status of their operations based on the standard for the purpose of raising the quality of customer responses throughout the Group's call centers. We also conduct a customer satisfaction survey on a periodic basis and undertake improvement activities to satisfy customer needs. At the same time, we have been implementing various common measures, such as holding a "telephone response contest" of all call centers within the Group, for mutually refining customer response skills.

In the future, we will utilize digital technology and enhance our website environment to support customers when making inquiries or going through various procedures, while further upgrading response skills and striving to ensure quality response tailored to individual customers and stable operation of call centers.

■Providing Anshin Quality of Claims Services to Customers

At Tokio Marine & Nichido, we believe that our value as an insurance company is tested when an accident occurs. To prepare ourselves for such an emergency, we define Anshin Quality as specific quality standards that are indispensable for the products and services provided to customers and, together with agents, have been making full, concerted efforts toward the realization of Anshin Quality. Also in terms of claims services, we seek feedback broadly from customers and constantly endeavor to improve quality based on such feedback while repeating the cycle of implementation, verification and improvement.

As one example, we have implemented the following operational improvements based on the evaluation results and opinions we gather through a customer survey, which is conducted after insurance claims are paid to policyholders of our auto insurance, who have been involved in an accident.

- Information regarding details of coverage and a list of available coverages (insurance claims) are sent to customers upon receipt of the notification of an accident, and personnel in charge provide information on the amount of claims payable in an easy-to-understand manner.
- When insurance claims are paid, personnel in charge will explain in an easy-to-understand manner while also sending a statement of claims payable that not only verifies the amount but also provides a detailed breakdown.
- When insurance claims cannot be paid, we inform customers of the reason both verbally and in

written form in an easy-to-understand manner. Additionally, inquiries and claims from customers are accepted via an exclusive toll-free telephone line. Assistance from external specialists such as lawyers is also available via the Re-examination Request System*.

*** Re-examination Request System**

A system for customers (including policyholders and insured persons) to request re-examination when they disagree with the decision not to pay insurance claims made by claims service bases in accordance with policy details

When requested by a customer, the Claims Service Re-examination Committee, which is a closed-door committee composed of external specialists (doctors, lawyers and legal experts), re-examines the decision. The results are subsequently reported in written form to the customer who requested the re-examination. However, this system does not apply to cases that are outside the activity scope of the committee, which is to make a decision from a legal or medical viewpoint. For details, please contact the responsible claims service base.

Tokio Marine & Nichido: Re-examination Request System (in Japanese)

Tokio Marine & Nichido: Re-examination Results by the Claims Service Re-Examination Committee (in Japanese)

To provide high-quality claims services in case of an emergency to deliver safety and security to customers by leveraging our high level of expertise, we are making various related efforts on top of the enhancement of the resolution capabilities of employees. In the following sections, we divide the process of claims services into five steps (receiving loss reports, initial response, loss adjustment, reporting progress and payment of insurance claims) and describe our efforts in each.

[Receiving Loss Reports]

Receiving a loss report from a customer is our first customer contact point in claims services. We work to eliminate anxieties held by a customer who just had an accident by asking whether or not he/she was injured and what exactly happened and simultaneously giving considerate and appropriate advice.

[Initial Response]

After receiving a loss report, we confirm how the customer wishes to proceed with the accident response and provide a detailed description of the process from the beginning to the final resolution. It is only after we consult with the customer that we will contact the parties and others concerned. We try to relieve the customer's anxiety by reporting back to him/her the results of contacting these parties.

[Loss Adjustment]

This step involves checking the status of a car or building damaged by the accident. At the same time, we scrutinize details of necessary repairs and estimated repair costs to confirm an adequate loss amount and explain it to the customer in an easy-to-understand manner.

[Reporting Progress]

To eliminate the customer's anxiety and provide a higher sense of security, we make sure to report the progress in a manner and at the timing matched to the customer's needs.

[Payment of Insurance Claims]

We calculate payable insurance claims and explain the details of these claims to the customer in an easy-to-understand manner. We then work to swiftly go through the payment procedures after confirming with the customer if he/she wants to file a claim.

We also utilize a system to check for other applicable policies and inform the possible payment of other insurance claims, if any, to the customer. For auto insurance, in particular, we have in place a system that does not allow us to close the case until the payment of all payable insurance claims is made. By means of this system and various types of training, we ensure to make an appropriate payment of claims to customers.

Moreover, we constantly strive to improve the quality of our customer response over the telephone through employee training and by conducting a survey on its telephone responses by an external survey company. Efforts are geared toward ensuring all responsible personnel always make a considerate and honest response to customers.

■ Resolution Capabilities of Team Experts

We consider it our mission to provide high-quality claims services when a customer is involved in an accident. In auto insurance, smooth claim settlement requires a team approach in which highly specialized and experienced staff members work as a team toward the same goal.

At Tokio Marine & Nichido, our experienced claims service staff team up with our nationwide network of highly specialized experts including adjusters, lawyers and consulting physicians as well as accountants and tax accountants to provide the resolution capabilities of Team Experts. This allows us to protect our customers in the event of an accident.

In addition to our reliable and extensive network of 232 service bases nationwide, we satisfy 94.1% of our customers who have filed claims under their insurance by exercising our sophisticated negotiating power backed by our industry dominance with more than around 2.59 million accident settlements per year.

Claims Service System in Japan (As of March 2021)

	Tokio Marine & Nichido	Nisshin Fire
Number of service bases	232	105
Claims service staff and adjusters	Approx. 10,700*	Approx. 900
Lawyers	Approx. 550	Approx. 50
Consultant physicians	Approx. 110	Approx. 10
Tax accountants/Accountants	Approx. 70	—
Number of automobile accident settlements (Annual)	Approx. 2.59 million	Approx. 180,000

* As of July 2020

• Shared Value for Caring for Customers as Our First Priority

Tokio Marine & Nichido believes that putting customers first and foremost translates into the quality of claims services, which are intangible and not readily perceivable.

Accordingly, we distribute a booklet entitled *Kokorokara* ("From Our Hearts") to all members engaged in claims services, including new employees who join the company each year. The booklet summarizes the values on which we place importance, including the shared ideas of all members involved with claims services for customers, working in harmony with colleagues and in pursuit of expertise.

We hope to continuously hand down our purpose, pride and sincerity in claims services from a customer standpoint as part of our DNA.

Kokorokara booklet cover page and inside text. The English version is also available.

"Our ceaseless pursuit for expertise is really a quest for better human qualities, and this quest never ends."

"Face to face with a person who needs your help, as a fellow human being, what does your heart tell you? Everything starts from here. I want to help because a person needs my help. This strength of emotion is our raison d'etre."

◉ Initiatives to Improve Quality by Leveraging Digital Transformation (DX)

■Insurance Procedures Seeking Greater Comfort and Convenience by Leveraging Smartphones

In line with varying lifestyles and changes in society, demand is rising for products and services that are available via the Internet, smartphones and other means.

Tokio Marine & Nichido and E. design Insurance work to support the safety and security of customers by utilizing smartphones and provide smartphone apps with a variety of features, including displaying insurance-related points of contact, making such a contact, viewing insurance policy details and reporting an accident using positioning information through GPS, anytime and anywhere.

■Supporting Safety and Security via Smartphones

Smartphones accounted for about 90% of mobile phones sold domestically in fiscal 2019 and have been rapidly gaining popularity among users.

Tokio Marine & Nichido provides the free smartphone app *Mobile Agent* to customers. Policyholders use this app to check the corresponding insurance company's and the responsible agent's points of contact and view details of their policies anytime, anywhere. It also has several features that support customers to handle a traffic accident smoothly.

These include an accident reporting feature that identifies the location of an accident via GPS, a simple procedure to request a tow truck in a minimum of three taps, a function to easily send photographs of a damaged vehicle or accident site taken by a policyholder to Tokio Marine & Nichido and a function to enable the real-time monitoring of accident response status via push notifications.

Since January 2019, the company has started providing discounts to customers who choose web-based policies (auto insurance and *Super Business Insurance*) during the contracting process and has been improving the app's operability. Additional efforts have been made to increase the functionality as a disaster prevention and mitigation app to prepare for major natural disasters, including reinforcement of its feature to provide disaster and evacuation information and the sharing of policy details among family members. Tokio Marine & Nichido will continue to further strengthen its digital point of contact with customers through *Mobile Agent*.

Additionally, E. design Insurance allows customers to complete overall procedures, from requesting an estimate to final application for auto insurance, via smartphone. A dedicated web page is set up for each customer to report accidents and verify accident response status in addition to making changes to contract details and renewal procedures.

The smartphone app *Accident Site Call* enables customers to easily and quickly make reports in case of accidents or car troubles. The actual location is notified via GPS so that customers can immediately request for the SECOM Accident On-site Rush Service or road service even in an unfamiliar place.

Tokio Marine Group will work further to support the safety and security of customers by utilizing smartphones.

- Tokio Marine & Nichido: *Mobile Agent* (in Japanese)
- E. design Insurance: Annual Report (in Japanese)

■Examples of Initiatives toward High-Quality Solicitation

In April 2012, Tokio Marine & Nichido rolled out an initiative that utilizes tablet devices to enhance comfort and convenience for customers.

For *Super Insurance*, auto insurance, fire insurance, accident insurance and life insurance, its main products for individual customers, the company introduced the paperless *Raku Raku Tetsuzuki* (Quick and Easy Online Procedures), which allows customers to request a premium estimate, view product descriptions and apply for insurance on a tablet and other devices. These procedures enable the company to provide easy-to-understand product descriptions with videos and electronic pamphlets. The company has also introduced "Your Enrollment at a Glance," a list that enables customers to check their family's insurance enrollment status on their tablet and other devices.

In January 2020, the company launched the *Smart Raku Raku Tetsuzuki* service for customers to enroll in an insurance product on their smartphones, personal computers and tablet devices, thereby setting up a system to allow them to apply for insurance on their own, anytime and anywhere.

The company also rolled out the *Remote Raku Raku Tetsuzuki* in December 2020. It is a seamless, paperless and at-ease service that uses a web conferencing app to complete everything online on smartphones and other devices, from proposing and explaining insurance products to customers to helping them apply for a product.

Screen images of *Raku Raku Tetsuzuki* contract procedures

The initiative received a 2014 Ministry of Economy, Trade and Industry (METI) Minister's Award in recognition of its contribution to informatization of the economic society. It also won the top IT Overall Award at the 31st Information Technology Award 2013 sponsored by the Japan Institute of Information Technology. In the future as well, Tokio Marine & Nichido will strive to further enhance comfort and convenience for customers through a diverse range of initiatives.

■Introducing a Function to Propose Insurance Products Using AI

For the first time in the insurance industry, we have developed a function in which AI designs recommended insurance plans that combine life and non-life insurance products based on customers' attribute information, including age, gender and family composition as well as which life and non-life insurance products they have enrolled in. For this function, we have filed an application for a business model patent.

In June 2021, we adopted the function in our *Super Insurance* and have initiated a process of transforming ourselves toward the realization of "a new form of insurance proposal," in which agents with an excellent consulting capability utilize this function to propose insurance products to customers.

* This function was developed jointly with PKSHA Technology Inc., which possesses a strength in AI technology.

Working Together with Agents to Improve Quality

To provide safety and security that truly is based on customers' points of view, Tokio Marine Group endeavors to build partnerships based on trust and together improve the operational quality through smooth communication with agents.

■The Role of Agents in Tokio Marine Group

In auto, life and other insurance, the role of agents in Tokio Marine Group is to protect customers from risks by providing various kinds of insurance products and services as intermediaries between customers and each insurance company in the Group. Agents are carrying out a broad range of consulting activities such as introducing optimal insurance tailored to the needs of each customer and quickly providing support to deliver security to customers in the event of disasters or accidents.

For agents to meet customers' expectations and trust and be indispensable persons truly relied upon by customers, each Tokio Marine Group company has been proceeding with initiatives directed toward its agents such as various kinds of training, establishment of administrative procedures and IT systems and business administration management support.

■Working Together with Agents on Initiatives to Improve the Quality of Operations

At Tokio Marine & Nichido, we define Anshin ("Reassuring") Quality Standards as specific quality standards that are indispensable for the products and services provided to customers and work together with agents to improve quality. In addition, with regard to an agent commission system, we conduct assessments in terms of quality, growth (scale, revenue increase rate, claims ratio) and partnership (including consulting capability, quality of agent business administration and claims service response capability). By doing so, we have established a system to support agents that delivers sustainable growth by providing safety and security to customers and by always remaining their first choice.

As qualifications of excellent agents and salespersons (insurance solicitors), we use an internal system to certify "Top-Quality Agents" and an external qualification program to certify "General Insurance Total Planners." The Top-Quality Agent certification is given to Tokio Marine & Nichido's agents, which demonstrate a superior level of performance overall in terms of the abilities to propose insurance products and services to customers and respond to an accident and other emergencies and business soundness, stability and growth potential as an insurance agent, based on the standards specified by the company. The General Insurance Total Planner qualification is the most prestigious solicitor qualification given by The General Insurance Association of Japan to insurance solicitation professionals who have acquired consultation-related knowledge and operational skills on top of basic knowledge of laws, tax affairs and other matters related to non-life insurance.

Going forward, we will promote reforms toward a new business model utilizing tablet devices and smartphones to realize an even more comfortable experience for customers. We will work hand-in-hand with our agents to deliver quality to all customers and gain higher recognition from customers.

Nisshin Fire has also established its Customer Trust Standards for agent operations concerning contract procedures, product presentations and response to customers involved in accidents or other incidents, as well as proceeding with initiatives accordingly to ensure that all its agents across Japan provide customers with the same, high level of services. Additionally, Nisshin Fire's agent commission system places emphasis on providing services and support for customers especially at the time of contract procedures and accidents, and the company conducts an evaluation of the level of achievement of operations as an agent to decide agents' commissions.

■Sharing Information with Agents

Tokio Marine & Nichido has developed the agent's ICT system TNet* in order to readily provide functions that are related to insurance procedures and contracts management as well as various information and sales support tools that are necessary for agents in responding to customers.

Looking ahead, the company has started developing a new agent system (TNEXT) that takes advantage of the latest advancements in digital technologies in order to strengthen agents' customer responsiveness.

TNet top screen

* TNet is an online agent system provided by Tokio Marine & Nichido with the intent of supporting agents in enhancing the quality of insurance business operations and increasing operational efficiency.

Education and Training Systems for Agents

In order to meet customer expectations and earn their trust so that customers are able to consult us about insurance with peace of mind, we support the development of professional human resources through a qualifications system and training programs.

■Original Learning Program

In order to foster salespersons capable of providing meticulous and excellent services to customers, Tokio Marine & Nichido offers a learning program that covers a broad range of operational knowledge on product details, claims services, compliance and other business-related topics. A course on basic products knowledge, in particular, is provided as a mandatory course, which salespersons must take before they engage in product sales. Salespersons can take each course through various means, including our online agent system (TNet).

Tokio Marine & Nichido Life Training College

Tokio Marine & Nichido Life provides the Tokio Marine & Nichido Life Training College training program for life insurance agents to develop professional insurance salespersons. In this program, for roughly four months agent salespersons and the company's responsible employees take part together in group training and web-based training, in which the most advanced training program has been adopted, while also carrying out practical activities on the front lines of business.

With regard to these practical activities, the company provides the latest programs for supporting the sales activities of participants, such as the adoption of Antore Hiroba, a website where participants can exchange information with each other. Also, the company gives salespersons opportunities to continue helping each other to improve their skills after the completion of their training, including follow-up training at branch offices.

■Agent Trainee System

With a view to responding to diversifying customer needs and nurturing corporate agents' employees who have excellent consulting capabilities to propose appropriate insurance products, Tokio Marine & Nichido has established an Insurance Planner System. It is a human resources development system that provides early-stage education, starting with the acquisition of knowledge on the policy renewal process of the corresponding agents, to facilitate the learning of solicitation skills. Under this system, agents' employees are temporarily transferred to Tokio Marine & Nichido for a maximum of two years to acquire specialized knowledge on insurance products, learn techniques of consultation-based sales in a phased and systematic manner and gain solicitation skills. The goal is to enable them to assume the role of a professional salesperson highly specialized in his or her area of expertise at the respective corporate agents.

The program can also be utilized as a broader supportive measure to help agents grow, as it has expanded its scope from specialized agents to include part-time agents in the auto, real estate and financial fields.

Nisshin Fire also operates the Risk Advisor Employee System, a similar trainee system to develop specialized professional agents. The system is designed to acquire various knowledge and practical work experience that are necessary for selling insurance while being engaged in soliciting contracts and related work for a certain period.

4 Governance

This section describes Tokio Marine Group's governance initiatives.

Corporate Governance

We formulated the Tokio Marine Holdings Fundamental Corporate Governance Policy.

Compliance and Anti-Corruption

Tokio Marine Group's Corporate Philosophy is to continuously enhance corporate value, with customer trust at the base of all its activities, and we position strict compliance at the heart of this Corporate Philosophy. Tokio Marine Group makes thorough efforts for observing applicable laws, rules and regulations and internal regulations and for conducting fair and equitable business activities within social norms.

Risk Management

To ensure financial soundness and appropriateness of business operations, Tokio Marine Group identifies various risks surrounding it in a comprehensive manner and implements appropriate risk management corresponding to the characteristics, status and other attributes of the risks.

Information Security

In compliance with the Act on the Protection of Personal Information, the Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure and relevant guidelines, the companies in Tokio Marine Group establish internal regulations, undertake employee education and monitoring and carry out thorough information management.

Sustainability in the Value Chain

Tokio Marine Group executes environmental, social and governance (ESG) initiatives that are integrated into the value chain. We promote ESG initiatives through the provision of products and services as well as give consideration to ESG, including climate change, in investment and financing operations.

Corporate Governance

To earn the trust of all people and society and achieve sustainable growth, Tokio Marine Group must raise the quality of initiatives for "business strategies," "governance" and "social responsibility" and build a structure for resilient, highly sound and transparent management as a global insurance group.

Accordingly, as initiatives serving as the basis of such a management structure, Tokio Marine Group is making efforts for compliance, fraud prevention, information security, privacy, respect for human rights, sustainability in the value chain and sustainable investment.

Through these initiatives, Tokio Marine Group will meet the expectations of stakeholders, beginning with continuously enhancing shareholder value, and contribute to realizing a sustainable society.

Basic Approach to Corporate Governance

Tokio Marine Holdings ("the Company") is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to customers, society, employees, shareholders/investors, future generations and other stakeholders as set forth in the Tokio Marine Group Corporate Philosophy.

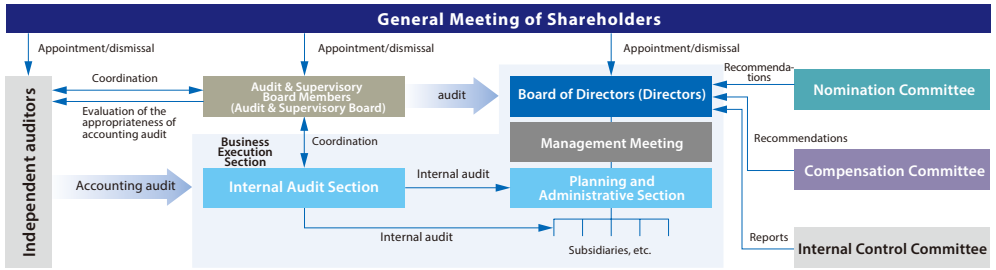
For this purpose, the Company recognizes the importance of establishing a sound and transparent corporate governance system and exercising appropriate control over its Group companies as a holding company and has formulated the Tokio Marine Holdings Fundamental Corporate Governance Policy. In this policy, the Company defines the rights of shareholders and securing fairness, and the responsibilities of the Board of Directors, etc.

Tokio Marine Holdings Fundamental Corporate Governance Policy

Corporate Governance System

The Company's corporate governance system is designed as a hybrid structure whereby the Nomination Committee and Compensation Committee are discretionarily established in addition to the fundamental structure of a company with an Audit & Supervisory Board. The Company believes that the above structure is optimal at this point, and in light of the following measures taken, the Company determines significant business execution by resolution of the Board of Directors as an insurance holding company and makes high-quality decisions reflecting the insight of Outside Directors and Outside Audit & Supervisory Board Members; Audit & Supervisory Board Members who hold no voting rights at the Board of Directors meeting conduct unbiased and objective audits; and the transparency of the decision-making process of nomination of and compensation for Directors, Audit & Supervisory Board Members and Executive Officers is ensured by those issues being deliberated at the Nomination Committee and Compensation Committee.

Corporate Governance System



Record of Measures to Strengthen Corporate Governance

	FY2002	FY2004	FY2005	FY2011	FY2013	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Structure	April Millea Holdings (currently Tokio Marine Holdings) established as a company with an Audit & Supervisory Board		July Nomination Committee and Compensation Committee discretionally established	November Evaluations of effectiveness of Board of Directors (surveys administered to all Directors and Audit & Supervisory Board Members) commenced								
Membership: Outside Directors	3						June 4			June 4 Ratio of Outside Directors raised to one-third	June 5	June 6
Membership: Outside Audit & Supervisory Board Members	2	3 (decreased in FY2005)										
Membership: Non-Japanese Executive Officers					June First non-Japanese Executive Officer appointed		August 4	June 6	April 5	April 6 June 5		
Policies	April Millea Group Corporate Philosophy established		May Corporate Governance Policy formulated			May Corporate Governance Policy renamed Tokio Marine Holdings Fundamental Corporate Governance Policy				November Appointment conditions and dismissal policies for the President revised		
Compensation			July Stock options introduced			July Ratios of performance-linked bonuses increased for certain officers				July Same as previous update		July Share deliver trust introduced

The Company complies with all principles of the Corporate Governance Code (prior to revisions in June 2021). The Company will continue to make efforts to enhance its corporate governance.

Corporate Governance Report (in Japanese)

• Structure of the Board of Directors

The Board of Directors is responsible for deciding on important matters relating to the execution of the Company's business such as determining the Group's business plan and various basic business policies, supervising the performance of individual Directors and establishing an effective internal control system.

The Company shall have approximately 10 Directors, with a maximum of 15 set by the Articles of Incorporation. As a general rule, the Company shall have at least three Outside Directors. In addition, Directors are appointed for a term of office of one year and may be reappointed. To ensure the effectiveness of the Board of Directors, when selecting Directors, a balanced composition shall be established, with viewpoints and specializations from diverse fields. As of the end of June 2021, the Company had 14 Directors, of whom six were Outside Directors.

• Audit & Supervisory Board Members and Structure of the Audit & Supervisory Board

Audit & Supervisory Board Members, as an independent body entrusted by shareholders, audit the performance of Directors, with the aim of ensuring sound and fair management and accountability. Audit & Supervisory Board Members shall endeavor to conduct a high-quality audit in accordance with the regulations of the Audit & Supervisory Board, auditing standards, auditing policies and auditing plans determined by the Audit & Supervisory Board.

The Company shall have approximately five Audit & Supervisory Board Members, with a maximum of six set by the Articles of Incorporation. As a general rule, a majority shall be Outside Audit & Supervisory Board Members. As of the end of June 2021, the Company had five Audit & Supervisory Board Members, of whom three were Outside Audit & Supervisory Board Members.

• Conditions for Selection of Directors and Audit & Supervisory Board Members

Directors of the Company and its principal business subsidiaries shall have a deep understanding of the Company's business type, possess a wide range of knowledge required for management, and as a member of the Board of Directors, have the ability to make decisions that are necessary to determine significant business execution matters. Audit & Supervisory Board Members of the Company and its principal business subsidiaries shall have operational abilities and previous achievements and experience, etc., as Audit & Supervisory Board Members, and through implementation of high quality audits, secure sound and continuous growth of the Company, contributing to the establishment of a superior corporate control system that can respond to societal trust.

• Outside Officers

The presence of Outside Directors ensures the effective supervision of director performance by the Board of Directors. In addition, Outside Directors provide advice based on their insight as experts in various fields, thus ensuring an organization that enables appropriate decisions on important matters relating to the execution of the Company's business. The presence of Outside Audit & Supervisory Board Members creates an auditing organization with an independent and objective perspective. Moreover, it enhances the effectiveness of the Audit & Supervisory Board and ensures an organization that maintains sound, transparent management.

The Company has established conditions for selection and standards for determining independence (Tokio Marine Holdings Fundamental Corporate Governance Policy Article 18) when selecting Outside Officers.

As of the end of June 2021, the Company has six Outside Directors and three Outside Audit & Supervisory Board Members and has determined their independence from the Company with reference to the above criteria. Accordingly, the Company has registered all nine Outside Officers as independent directors/auditors as prescribed by the Tokyo Stock Exchange.

• Compensation for Directors, Audit & Supervisory Board Members and Executive Officers

The Company shall ensure transparency, fairness and objectivity when determining compensation for Directors, Audit & Supervisory Board Members and Executive Officers. The following structure shall apply to compensation for Directors, Audit & Supervisory Board Members and Executive Officers.

Applicable personnel	Fixed compensation	Performance-linked compensation	Stock compensation
Directors (Full-Time), Executive Officers	○	○	○
Outside Directors, Directors (Part-Time)	○	—	○
Audit & Supervisory Board Members	○	—	—

* With respect to the component ratios of each type of compensation within the base amount of compensation for Directors and Executive Officers, in principle, the higher their positions, the greater the ratios of performance-linked compensation and stock compensation become.

The purpose of each type of compensation is as described below.

Compensation type	Purpose
Performance-linked compensation	Performance-linked compensation reflects the performance of an organization or an individual against the predetermined corporate and individual targets and is introduced to strengthen individuals' incentives to raise the Company's corporate value.
Stock compensation	Stock compensation is linked to the Company's share price and is introduced to encourage the recipients to fulfill their accountability to shareholders by sharing returns on the Company's shares with them.

The Board of Directors shall set the level of compensation for each position held by Directors and Executive Officers according to their responsibilities, while taking into consideration factors such as the business performance of the Company and the level of compensation in other companies.

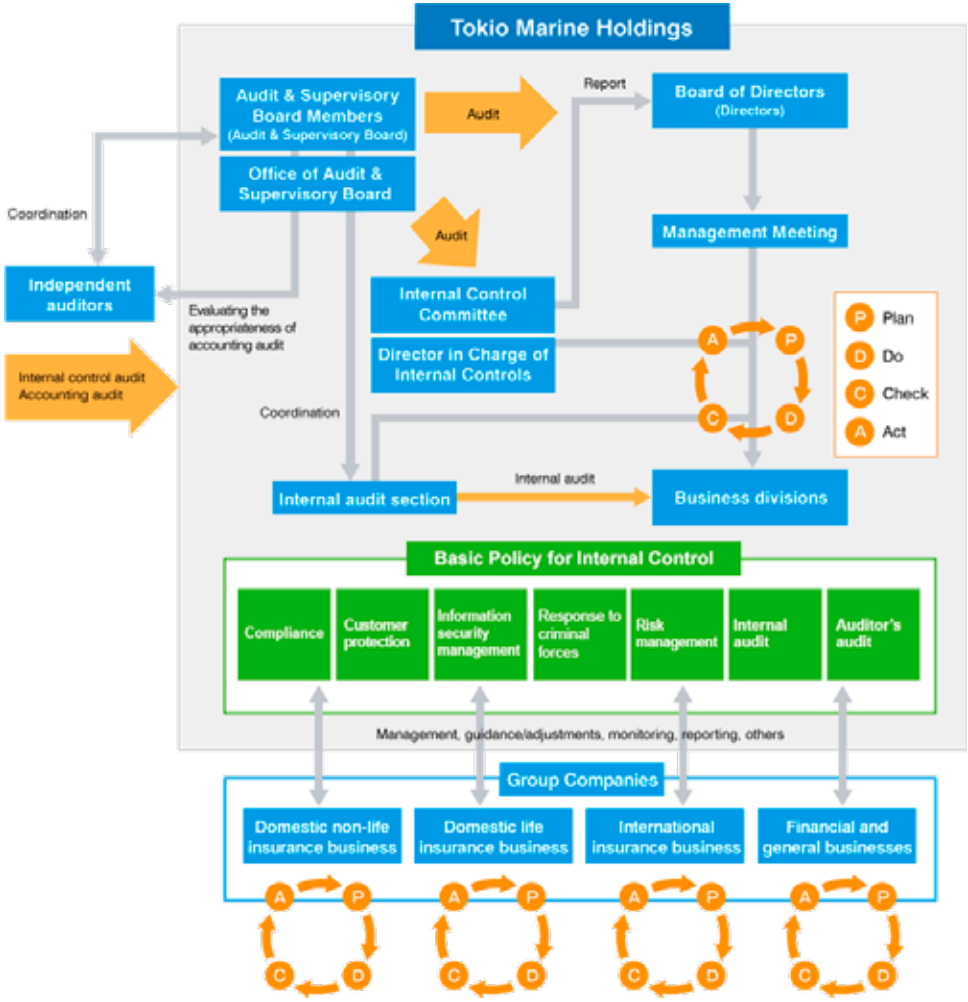
Of the different types of compensation for Directors and Executive Officers, fixed compensation and performance-linked compensation shall be paid monthly, while stock compensation shall be delivered upon resignation.

The Board of Directors shall determine the details of compensation to individual Directors and Executive Officers and other important matters concerning compensation to Directors, Audit & Supervisory Board Members and Executive Officers. Decisions on any matter requiring consultations with the Compensation Committee shall be made after obtaining opinions of the said Committee.

Internal Control

The Company has formulated Basic Policies for Internal Controls. In accordance with these policies, the Company has established an internal control system for the entire Tokio Marine Group that encompasses structures for management control, compliance, risk management and internal auditing of Group companies. In addition, the Company monitors the status and practical application of its internal control system. The Internal Control Committee deliberates on the results of this monitoring, and the Board of Directors confirms the details of these deliberations. Moreover, the Company continually strengthens and improves its internal control system in light of the results of this monitoring. The Internal Audit Section maintains close coordination with Audit & Supervisory Board Members to ensure the effectiveness of their audits.

Basic Policies for Internal Controls



Compliance and Anti-Corruption

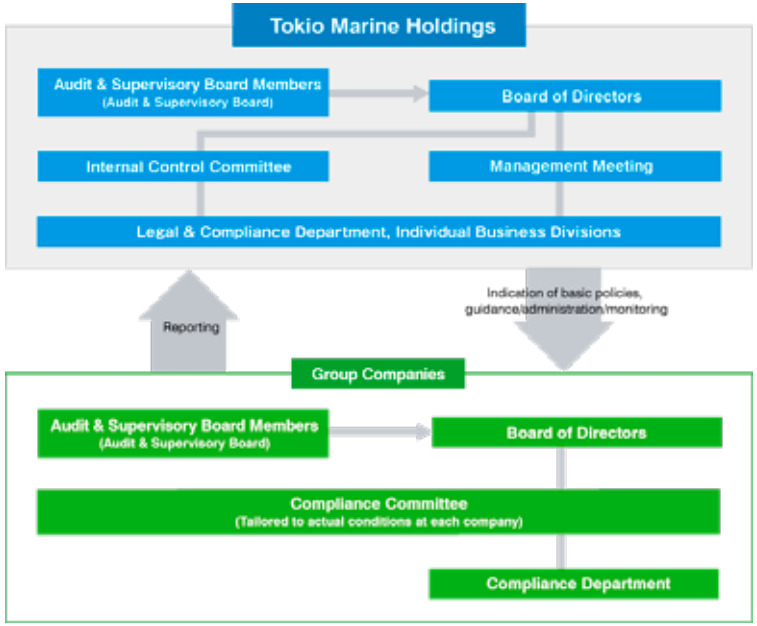
Tokio Marine Group, which places customer trust at the foundation of all its activities, is implementing various compliance-related initiatives based on its belief that it is important to thoroughly implement compliance through its day-to-day business, with employees and agents maintaining high ethical standards.

Tokio Marine Group Code of Conduct (Excerpt)

Tokio Marine Group is committed to the continuous enhancement of its corporate value, with customer trust at the base of all its activities. The Tokio Marine Group Code of Conduct sets forth ethical standards that are essential for translating this Corporate Philosophy into action from a compliance perspective, and shall be given the highest priority in all aspects of our business operations and activities.

Tokio Marine Group Code of Conduct (excerpt)

Compliance System for Tokio Marine Group



Tokio Marine Group defines compliance as "observing applicable laws, rules and regulations and internal regulations and conducting fair and equitable business activities within social norms" and thoroughly implements compliance in this manner.

Tokio Marine Holdings Compliance

Anti-Corruption Initiatives

Tokio Marine Group strives to resolve issues faced by society by making the most of its abundant knowledge and experience accumulated over many years in the insurance business. We contribute to the creation of a safe, secure and sustainable future while continuously raising our corporate value with the aim of becoming a "Good Company" trusted by local communities and society at large. Our anti-corruption activities are designed to help us become a "Good Company" and are indispensable in the creation of a sustainable future.

Tokio Marine Group formulated the Tokio Marine Group Sustainability Charter in 2004. It states, "While striving to maintain high ethical standards at all times, we will pursue strict compliance in all aspects of our business activities." With this in mind, we are committed to promoting fair operating practices (including anti-corruption) in accordance with international standards. Pledging agreement with the intent and purpose of the United Nations Global Compact (UNGC) in 2015, we are working on activities based on The Ten Principles of the UNGC relating to human rights, labor, the environment and anti-corruption.

Tokio Marine & Nichido, the Group's major insurance company, states in its Code of Conduct a dedication to compliance with laws, regulations and internal rules, to the exercise of sincere and fair corporate activities that do not run counter to social norms, and to not taking advantage of its position to obtain cash or other illicit gains, violate laws and regulations or accept or give gifts, donations, entertainment or other forms of bribery that are socially inappropriate. As such, we are working hard to prevent corruption throughout our business activities. In addition, at our Group companies in Japan and overseas, we are striving to prevent corruption through compliance with local laws and regulations and by adopting a compliance framework in due consideration of the laws and regulations of each country relating to the prohibition of bribery to public servants and other parties of other countries.

Compliance Training and Various Forms of Assessments

The Group nurtures an awareness of compliance while providing persons in charge of business operations with necessary knowledge about compliance through training on laws, regulations and internal regulations, etc., with which directors, officers and employees must comply. In addition, the Group prepares and implements various measures to ensure compliance. The Group monitors the effectiveness of these measures through self-assessments by each Group company and internal audits by the Company and Group companies.

Hotline System (Internal Whistle Blower System)

There may be cases where it is not appropriate to report a possible compliance problem through a usual reporting channel set up within the organization. To prepare for such cases, we operate internal and external hotlines (whistle Blower contact points) to receive reports and inquiries from directors, officers and employees of Group companies. We clearly specify in our regulations that we will never allow persons making such reports or inquiries and those cooperating in investigations to be exposed to negative consequences because of their action and keep details of reports and inquiries strictly confidential.

Tokio Marine Group Compliance

Response to Anti-Social Forces

Tokio Marine Group has formulated the Tokio Marine Group Basic Policies Concerning Responses to Anti-social Forces so that Group companies can resist anti-social forces and make concerted and uniform responses. Initiatives are being promoted based on the Basic Stance and the Basic Principles to Prevent Damage from Anti-Social Forces.

[Tokio Marine Group Basic Policies Concerning Responses to Anti-social Forces (Excerpt)]

<Basic Stance>

Article 4: To ensure it consistently undertakes fair management and widely contributes to the development of society as a good corporate citizen, Tokio Marine Group shall sever all relationships with anti-social forces and forcefully repudiate any illicit demands made by them as a basic matter in the application of its Corporate Philosophy. In association with lawyers, police and other professionals, it will respond to anti-social forces in an uncompromising and organized manner.

<Basic Principles to Prevent Damage from Anti-Social Forces>

1 Take action as a unified organization

With regard to illicit demands from anti-social forces, we will take action as a unified organization without leaving it to the person or the department in charge. In addition, we will ensure the safety of officers and employees who are tasked with handling illicit demands from anti-social forces.

2 Contact relevant external institutions that specialize in such matters

In preparation for illicit demands from anti-social forces, we will always endeavor to build relationships of close cooperation with external specialized institutions, including police, anti-violence promotion centers and lawyers, and coordinate with such institutions as necessary in case illicit demands are made.

3 Sever all known relationships, including transactions

We will not have any relationship with anti-social forces, including business relationships (including transactions through business partners). We will also repudiate any illicit demands from anti-social forces.

4 Take legal action at either the civil or criminal level for any contingency

We will take both civil and criminal action against illicit demands from anti-social forces.

5 Prohibit backroom deals and funding

We will never make backroom deals to cover up a case even if a misconduct of a Tokio Marine Group company has resulted in an illicit demand from anti-social forces. We will never provide funds to anti-social forces in any form, such as giving rebates, inflating profits or dispatching employees.

Initiatives Concerning the Assurance of Appropriate Financial Reporting and Tax Reporting

Tokio Marine Group has formulated the Basic Policies for Accounting and the Group's Basic Policy for Internal Controls over Financial Reporting and established a structure for ascertaining the Company's consolidated financial condition and the financial condition of Group companies and for appropriately undertaking approval and reporting procedures directed at shareholders and supervisory agencies as well as for tax reporting.

Income taxes by country and region (PDF/228KB)

Risk Management

To ensure financial soundness and appropriateness of business operations, Tokio Marine Group identifies the various risks surrounding it in a comprehensive manner and implements appropriate risk management corresponding to the characteristics, status and other attributes of the risks.

Tokio Marine Holdings Risk Management

Risk Management System

Tokio Marine Holdings promotes the development and enhancement of the risk management system for the entire Group in accordance with the Tokio Marine Group's Basic Policies for Risk Management. The Company also manages quantitative risks for the Group in order to maintain credit ratings and to forestall insolvency in accordance with the Tokio Marine Group's Basic Policies for Integrated Risk Management. Among various risks, the Company recognizes that insurance underwriting risks and investment risks must be managed as sources of earnings. The Company therefore controls these risks considering the balance between risk and return. The Company also identifies administrative risks, system risks and other associated risks (such as operational risks) that arise from the Group's business activities and strives to prevent the occurrence of or reduce these risks.

The Company presents its basic policies for risk management and provides instruction, guidance, monitoring and other services to domestic and overseas Group companies through the Risk Management Department and the Business Divisions. Group companies establish risk management policies in line with the policies of the Group and execute risk management independently.

Through the above measures, the Company executes proper risk management and ensures stable business operations of the entire Group.

Basic Policy for Responding to Disasters (Tokio Marine & Nichido)

In the event of a natural disaster such as an earthquake or a typhoon, Tokio Marine & Nichido has a crucial social mission of ensuring that it can continue its important business operations as a non-life insurer such as receiving loss reports, paying claims, maturity refunds and other payables and concluding policies in both the disaster-stricken area and elsewhere.

Therefore, Tokio Marine & Nichido has prescribed the following two points as its Basic Policies of the Business Continuity Plan for Disasters and formulated a business continuity plan (BCP).

Tokio Marine & Nichido's Business Continuity Plan for Disasters, excerpt (PDF/115.5KB) (in Japanese)

<Basic Policies of the Business Continuity Plan for Disasters>

1 Principles of employees' conduct in times of disasters

The priority order for employees' conduct in times of disasters is as follows.

- Assure the safety of human life
- Cooperate in securing the safety of local communities
- Continue important operations (business continuity)

In other words, the principle of employees' conduct is to give precedence to "assure the safety of human life" and "cooperate in securing the safety of local communities" before conduct related to "business continuity."

2 Basic policy for business continuity

The following three business operations shall be regarded as important during a disaster. Management resources (personnel, funds) shall be accordingly transferred as needed and top priority shall be given to the continuation of these important business operations.

- Receiving of loss reports
- Payment of claims, maturity refunds and other payables
- Conclusion of insurance contracts

Building a Structure for Paying Insurance Claims in the Event of a Disaster Striking the Tokyo Metropolitan Area

At Tokio Marine & Nichido, should the head office facilities in particular become unusable because of a natural disaster striking the metropolitan area, such as a major earthquake or large-scale flooding due to a typhoon, earthquake claims cases for residential earthquake insurance shall be handled in the Kansai region. Additionally, backup offices shall be launched at multiple bases throughout Japan, including in the Kansai region, and claims payment service responses, excluding on-site assessments after receiving claims, shall be made by all branches throughout Japan.

If the metropolitan area is struck by a disaster, a Claims Service Headquarters would be set up within the Head Office Disaster Response Headquarters. At the same time, a satellite office led by the Claims Service Department in charge of Tokyo, Chiba, Saitama and Kanagawa prefectures shall be set up and will accept support personnel from throughout Japan and handle customer responses, mainly on-site claims assessments, in disaster-stricken areas.

The infrastructure needed to provide claims services swiftly to the metropolitan area in the event of a natural disaster has been built in advance in the locations where the above-mentioned backup offices and satellite offices would be established. In this way, a structure for claims payment services during times of emergency is being established. Non-earthquake regular claims cases, including for automobile accidents, shall be allocated to and handled by claims service bases throughout Japan prescribed in advance. Preparations are under way to quickly establish a structure to respond to a situation when an infectious disease breaks out simultaneously during a natural disaster.

Information Security

The Internal Control Department of Tokio Marine Holdings supervises information security for the entire Group as the controlling department while sections in charge of information security have been established at each Group company. In this manner, the Group is working to build an effective management structure for information security.

Tokio Marine Group Basic Policies for Information Security Management

Basic Policies on Information Security

Tokio Marine Holdings recognizes the importance of personal information and confidential information ("information assets"). To ensure the appropriateness and trustworthiness of Tokio Marine Group's operations, we have formulated the "Tokio Marine Group Policies for Information Security Management" and use appropriate methods to conduct information security management at each company in accordance with their line of business, scale, location and other factors.

With regard to the EU General Data Protection Regulation (GDPR), which came into effect on May 25, 2018, the Group is also taking necessary measures based on the results of the Group's field survey on personal data in the EU. Based on the "Tokio Marine Group Policies for Information Security Management," each company establishes departments to oversee information security management and formulate policies and regulations. To protect information assets from various information leakage risks, including leak, loss and unauthorized use, we ensure the confidentiality of information assets and manage them so that they can be used when necessary. Furthermore, the Company regularly monitors the information security management of Group companies, setting up structures and providing information when necessary.

Initiatives for Information Security and Cyber Security

• Information Security Management System

We thoroughly adhere to information security management rules to prevent information leakages. In particular, each Group company is adopting physical and technological safety control measures that include locking away customers' personal information and confidential documents when not in use, placing restrictions on taking documents and other items outside the company, using encryption and setting passwords for electronic information.

Tokio Marine & Nichido has installed thin-client* terminals for its in-house intranet. Thin-client terminals are not equipped with hard disks and information is centrally managed and deployed from a server, which thereby further strengthens information security.

* A method whereby the PC environment (client OS and applications) for each user is consolidated into and operated by the server

• Acquisition of External Certification

Tokio Marine Group has acquired external certification for information security including Information Security Management System (ISMS) certification. These achievements recognize the initiatives taken within the Group to protect personal information. The Group intends to make continuous improvements and to strengthen further its information security management structure.

• Training Programs and Assessments on Information Security

Tokio Marine Group periodically provides training programs for its employees and agents and conducts assessments to raise awareness of information security and promote appropriate management.

• Privacy Policy

<Tokio Marine Group Privacy Policy>

Tokio Marine Group (the "Group") is committed to the continuous enhancement of corporate value, with customer trust at the foundation of all its activities. Guided by this corporate philosophy, we, the Group, shall comply with the Act on the Protection of Personal Information, Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure and other relevant laws, rules, regulations and guidelines, appropriately manage personal information, individual number and specific personal information (hereinafter referred to as "Specific Personal Information, etc.") as described below, and implement other appropriate security measures for the protection of personal information of our customers.

*"Personal information" and "personal data" provided in this Privacy Policy exclude Specific Personal Information, etc.

1. We shall acquire personal information and Specific Personal Information, etc., of our customers in a manner that is both legal and fair. Unless prescribed by laws, rules or regulations, we shall notify or publicize the purposes for using personal information and Specific Personal Information, etc., of our customers and shall use such information within these limits.
2. Unless prescribed by laws, rules or regulations, we shall not provide personal information of our customers to third parties without prior consent of each such customer. We do not provide Specific Personal Information, etc., to third parties except in cases provided by law. There shall be no joint use of Specific Personal Information, etc., with Group companies and business partners. Additionally, unless otherwise prescribed by laws, rules or regulations, when we provide personal data to a third party, we shall record the matters pertaining to the provision, and when we acquire personal data from a third party, we shall verify and record the matters pertaining to the acquisition.
3. We shall strive to prevent the divulgence, destruction, impairment and unauthorized access of personal information and Specific Personal Information, etc., of our customers. When we contract out the management of personal information and Specific Personal Information, etc., of our customers to an outside service provider, we shall supervise the service provider appropriately, as needed.
4. Whenever we receive requests from our customers to view or update their personal data and Specific Personal Information, etc., that we hold, we shall respond promptly in accordance with laws, rules and regulations. We also welcome comments and questions regarding the management of personal information and Specific Personal Information, etc., of our customers.
5. We shall provide thorough supervision, instructions and education to our employees who handle personal information, Specific Personal Information, etc., and anonymized information of our customers to ensure that such information is managed appropriately.
6. We shall continue to revise and aim to improve our internal systems and procedures to protect the personal information of our customers.

Tokio Marine Holdings Privacy Policy

Sustainability in the Value Chain

Primarily through Tokio Marine & Nichido, the Group is executing environmental, social and governance (ESG) initiatives that are integrated into the value chain. As for sustainability in the value chain, we are engaging in three initiatives. These are supply chain management in which we fulfill our social responsibilities together with business partners; promotion of ESG initiatives among customers, projects and companies, to whom and which we provide products and services; and sustainable investments that give due consideration to ESG issues in investment activities.

◉ Supply Chain Management

In the value chain, Tokio Marine Group carries out activities aimed at fulfilling its social responsibility and achieving sustainable development together with its business partners and at raising customer protection and convenience and assuring the soundness and appropriateness of its business.

■ Fulfilling Social Responsibilities Together with Business Partners

To implement ESG initiatives that are integrated into the value chain, Tokio Marine Holdings aims to have Tokio Marine Group and business partners fulfill their social responsibility and achieve sustainable development together. In working to realize this objective, Tokio Marine & Nichido formulated the Principle of Transactions, which outlines the items that should be followed in terms of conducting transactions, and is applying this across its Group. Tokio Marine & Nichido issues the Principle of Transactions to such Group business partners as suppliers and subcontractors and requests that these business partners promote initiatives for "compliance with laws, regulations and social norms," "promoting fair and honest transactions," "thorough information management" and "consideration for the environment."

Through a questionnaire that is given once every two or three years, Tokio Marine & Nichido questions suppliers and subcontractors about the implementation of the contents of the Principle of Transactions. The results of the questionnaire are compiled and are reflected in the next fiscal year's action plan for the value chain.

Tokio Marine & Nichido Group Principle of Transaction

Tokio Marine & Nichido Group conducts transactions based on the following policies and aims to realize sustainable development with business partners (purchasers and consignees) and to fulfill its social responsibilities.

① Compliance with laws, regulations and social norms
Tokio Marine & Nichido Group complies with laws, regulations and social norms in every country and area when conducting transactions. We make every effort to reject relationships with anti-social forces and any undue claims from them.

② Promoting fair and honest transactions
Tokio Marine & Nichido Group selects business partners in a fair and honest manner based on comprehensive consideration of compliance with laws, regulations and social norms, business conditions, reliability, environmental activities, quality and prices of products, services and certainty of delivery period, among others.

③ Thorough information management
Tokio Marine & Nichido Group thoroughly conducts appropriate management and protection of information acquired through business partners.

④ Consideration for the environment
Tokio Marine & Nichido Group promotes the purchase of products with the least impact on the environment (purchase of green products) and works in cooperation with business partners to promote the creation of a recycling-oriented society.

⑤ Strengthening relationships of trust
Tokio Marine & Nichido Group endeavors to build good partnerships based on trust through frequent communication with domestic and overseas business partners and mutually gaining a deeper understanding.

◉ Policies for Outsourcing Management

Tokio Marine Group has established the Tokio Marine Group Policies for Outsourcing Management in order to protect customers, enhance convenience and ensure the soundness and appropriateness of its operations in the event of outsourcing a portion or all of its operations.

Based on these policies, Tokio Marine & Nichido selects its contractors according to the Standard for Selecting Outsourcing Contractors and the Information Security Management System Standard. At the same time, each year the company conducts investigations of the actual status of outsourcing contractors based on the Regulations Related to Outsourcing Contractor Management, which stipulate the management system for outsourcing contractors, and makes improvements when inadequacies are discovered.

In the future as well, Tokio Marine Group will promote initiatives integrated into the value chain together with its business partners.

◉ Study and Research on Promotion of ESG Initiatives through the Provision of Products and Services

Environmental, social and governance (ESG) factors facing society are increasingly affecting traditional risks. Tokio Marine Group believes that one of its crucial responsibilities is to provide high-quality and reliable products and services while working with customers and business partners to understand and respond to ESG risks that have a significant impact on society. To fulfill this responsibility, Tokio Marine Group will promote ESG initiatives through the provision of products and services across its sphere of influence based on the United Nations Environmental Programme Finance Initiative – Principles for Sustainable Insurance (UNEP FI-PSI).

Promoting Research on Climate Change and Natural Disaster Risk »

United Nations Environmental Programme Finance Initiative – Principles for Sustainable Insurance (UNEP FI-PSI)

https://www.unepfi.org/

https://www.unepfi.org/psi/

◉ Efforts to Promote ESG Initiatives through the Provision of Products and Services

Tokio Marine Group strives to gain an understanding of ESG risks that have a significant impact on society and utilize the knowledge accumulated through its participation in various studies and international initiatives to develop insurance products and services while working with customers and business partners to respond to these risks.

Tokio Marine Group's Eight Material Areas and 17 SDG Goals »
System for Sustainable Consumption »

■ ESG Integration into Insurance Underwriting Risk Management

In July 2017, Tokio Marine & Nichido revised its Insurance Product Development and Revision Procedure so as to include CSV (resolving social issues through business) as one of the goals of product development and revision, and also provides environmental and social risks as checkpoints for reducing risks when developing and/or revising an insurance product.

Additionally, in April 2018, Tokio Marine & Nichido revised its Insurance Underwriting Risk Management Manual so as to clearly include environmental and social factors as the checkpoints for insurance product development and revision.

■ First Auto Insurance Eco Mark Certification Acquired for Financial Products

In December 2010, Tokio Marine & Nichido acquired the first auto insurance Eco Mark[*1] certification for financial products from the Japan Environment Association (JEA) for its efforts to promote various initiatives in the environment-related field. These included promotion of the Green Gift Project, dissemination of information on eco-safe driving and accident reduction via the company website, increased use of recycled parts in auto repairs and premium discount services for hybrid, electric and compressed natural gas vehicles.

In 2011, Tokio Marine & Nichido won the Silver Prize in the Eco Mark Award 2011[*2] sponsored by JEA, becoming the first company in the financial industry to receive an Eco Mark award. In granting the award, JEA highly recognized the company's efforts to promote the widespread use and increase the visibility of Eco Mark-certified auto insurance products (creation of Eco Mark awareness posters and extensive use of the Eco Mark label on auto insurance leaflets and renewal notices) and to offer eco-friendly auto insurance that allows policyholders to participate in activities to reduce environmental

impact through the Green Gift Project. Becoming carbon neutral in its domestic business activities in fiscal 2009 and 2010 was another point that was recognized by JEA.

*1 The Eco Mark environmental label is granted to products that are certified as having less impact on the environment throughout their lifecycles and being effective in preserving the environment.
*2 The first award scheme established in 2010 in relation to the Eco Mark. Awards are presented to companies and organizations proactively engaged in activities to achieve the objective of the Eco Mark project: "Creation of a sustainable society through the wise choice of environment-friendly products by consumers and environment improvement efforts by companies."

◉ Study and Research on Sustainable Investments and Financing

Tokio Marine Group believes that one of its basic roles is to give consideration to the environment, including climate change, as well as to society and governance in its investment and financing operations and contribute to the creation of a sustainable society. The sustainable growth of society is essential in securing long-term, stable income through investments. In an effort to solve various environmental, social and governance (ESG) issues, we join study and research activities such as the UNEP FI Principles for Sustainable Insurance (UNEP FI-PSI), UN Principles for Responsible Investment (PRI), Principles for Financial Action for the 21st Century and the Japan Sustainable Investment Forum and leverage the findings of these activities to execute sustainable investments and financing.

Tokio Marine Group is making group-wide efforts to promote sustainable investments and financing, and Tokio Marine & Nichido and Tokio Marine Asset Management, two companies accounting for a significant portion of the Group's entire investment activities, have become a signatory to the UN-supported PRI.

United Nations Environment Programme Finance Initiatives – Principles for Sustainable Insurance (UNEP FI-PSI)

https://www.unepfi.org/
https://www.unepfi.org/psi/

UN Principles for Responsible Investment (PRI)

https://www.unpri.org/

Principles for Financial Action for the 21st Century

https://www.pfa21.jp/

Japan Sustainable Investment Forum

http://www.jsif.jp.net/

◉ Policies and Operational System for Sustainable Investments and Financing

With Tokio Marine Asset Management and Tokio Marine & Nichido taking the lead, Tokio Marine Group has formulated sustainable investment policies and aims for the sustainable growth of investee companies and thus promotes such initiatives as holding constructive "purposeful dialogue" with investee companies and publicly announcing the exercise of voting rights and the results of the exercise of voting rights.

■ Asset Management Policies

The asset management policies of Tokio Marine & Nichido and Tokio Marine Asset Management are as follows.

<Asset Management Policy from the Tokio Marine & Nichido Disclosure Report 2021 (excerpt)>

Besides focusing on safety, profitability and liquidity in preparation for the payment of insurance claims, Tokio Marine & Nichido also undertakes asset management that contributes to society and public welfare. For this reason, with a main focus on Asset Liability Management (ALM), Tokio Marine & Nichido aims at securing long-term, stable income and carrying out efficient liquidity management under appropriate risk control giving due consideration to the characteristics of insurance products.

https://www.tokiomarine-nichido.co.jp/company/pdf/TMNF 2021 d.pdf (in Japanese)

Additionally, in order to fulfill its corporate social responsibility, Tokio Marine & Nichido posts its ESG Investment and Financing Policy, which also gives appropriate consideration to ESG and other nonfinancial elements, at the link listed below.

<ESG Investment and Financing Policy from Tokio Marine & Nichido's Corporate Website (excerpt)>

Specifically, as a signatory to the Principles for Responsible Investment (PRI) supported by the United Nations, we will promote environmental, social and governance (ESG) investments and financing, which take into account both financial information and ESG elements, and seek to increase investment performance over the medium to long term and to resolve social issues.

Tokio Marine & Nichido envisions to be a "Good Company" that supports customers and local communities in times of need even 100 years from now. To achieve this goal, we will integrate consideration for society and public welfare into our asset management process based on our social responsibility as a non-life insurance company and contribute to the creation of a safe, secure and sustainable future.

https://www.tokiomarine-nichido.co.jp/company/about/policy/stewardship.html (in Japanese)

<Tokio Marine Asset Management>

One of Tokio Marine Asset Management's management principles is to contribute to the development of an enriched and comfortable social life and economic growth of society. Tokio Marine Asset Management, in conformance with its fiduciary responsibility, executes responsible investments that not only focus on financial elements of investee companies but also appropriately consider non-financial elements such as environmental, social and governance (ESG) issues. At the same time, Tokio Marine Asset Management actively engages investee companies to promote their growth over the medium to long term with the aim of increasing medium- to long-term returns for customers.

Tokio Marine Asset Management adopts an ESG integration approach, which integratedly ascertains and systematically evaluates financial and non-financial elements, into its investment decision process. This process is commonly applied to all asset classes based on the recognition that ESG integration enables even higher-precision company analysis and investment decisions.

Tokio Marine Asset Management regards ESG as a fundamental evaluation category to ensure medium- to long-term returns for customers and has positioned governance as the key focal point in company evaluation while also appropriately considering environmental, social and other non-financial elements.

https://www.tokiomarineam.com/sustainability/

■Asset Management Structure

The asset management structures of Tokio Marine & Nichido and Tokio Marine Asset Management are as follows.

<Tokio Marine & Nichido>

At Tokio Marine & Nichido, ESG investment planning is carried out in the Financial Planning Department and sustainable investment and financing initiatives are implemented in collaboration with the Corporate Asset Management Department/Investment Management Department, which execute transactions. Moreover, by receiving the evaluation of an external organization through PRI's annual assessment, Tokio Marine & Nichido is identifying any issues in its efforts and process related to ESG investments and financing for continuous improvement.

<Tokio Marine Asset Management>

Tokio Marine Asset Management has established the Responsible Investment Committee, led by the head of the Investment Business Division and comprising asset managers of each asset class and other relevant parties, to formulate responsible investment policies and establish required processes. The committee also creates basic policies and guidelines for the exercise of voting rights. Tokio Marine Asset Management will work to further deepen its understanding of responsible investment, which is a responsibility of an institutional investor, and continue to fulfill this and other responsibilities as an institutional investor by making investments in a manner that comprehensively takes into consideration ESG and other issues.

■Principles for Responsible Institutional Investors (Japan's Stewardship Code)

The Council of Experts established within the Financial Services Agency announced in February 2014 the "Principles for Responsible Institutional Investors (Japan's Stewardship Code) – To promote sustainable growth of companies through investment and dialogue." The Code was revised in May 2017 and thereafter in March 2020.

Under the Code, "Stewardship Responsibility" means bearing responsibility for expanding medium- and long-term investment returns for "customers and beneficiaries" (including end beneficiaries) through constructive "purposeful dialogue" (engagement) by institutional investors based on a deep understanding of investee companies and their business environments as well as consideration for sustainability (medium- to long-term sustainability, including ESG factors) consistent with investment management strategies to raise the corporate value of these companies and promote their sustainable growth.

In May 2014, Tokio Marine & Nichido agreed with the intent of the Principles for Responsible Institutional Investors (Japan's Stewardship Code) and also announced it would adopt the Code. Since then, the company has been reviewing its Policy on Japan's Stewardship Code and other related policy in a timely manner based on the revisions made to the Code.

Tokio Marine & Nichido: Policy on Japan's Stewardship Code and Other Related Policy (in Japanese)

In May 2014, Tokio Marine Asset Management (TMAM) announced its adoption of the Principles for Responsible Institutional Investors (Japan's Stewardship Code). Since then, the company has been reviewing its TMAM Stewardship Statement in a timely manner based on revisions to the Code.

Tokio Marine Asset Management: Stewardship Statement (in Japanese)

◉Exercise of Voting Rights and Disclosure of the Results of Exercise of Voting Rights

Based on the intent of the Principles for Responsible Institutional Investors (Japan's Stewardship Code), Tokio Marine & Nichido and Tokio Marine Asset Management have formulated clear policies on publicly announcing the exercise of voting rights and the results of the exercise of voting rights and are disclosing details of their stewardship activities that include the results of the exercise of voting rights.

<Tokio Marine & Nichido>

Overview of stewardship activities (PDF/188KB) (in Japanese)

<Tokio Marine Asset Management>

Stewardship activities and results of self-assessment (July 30, 2021) (PDF/891KB) (in Japanese)

Disclosure of the results of the exercise of voting rights (Japanese equities) (in Japanese)

◉Efforts for Sustainable Investments

Tokio Marine Group contributes to the creation of a safe, secure and sustainable future together with its stakeholders by developing and providing ESG investment products.

■Provision of the Global SDGs Equity Fund

In December 2007, Tokio Marine Asset Management launched the Global SDGs Equity Fund, an environmental investment trust fund that invests in Japanese and other companies involved in activities under the following themes. These themes are related to environmental or social issues arising from the growing economies and increasing population in the world, which need to be sustained or improved.

- Environmental (e.g., global warming and clean energy)
- Water and foodstuffs (e.g., stable supply of water and food and enhanced productivity)
- Medical services and healthcare (e.g., medical techniques and promotion of better health)

For institutional investors, the company launched the Tokio Marine Japanese Equity ESGR Fund in January 2006. Leveraging the comprehensive risk management know-how of Tokio Marine Group, this fund aims to obtain long-term and stable added value based on the Group's unique environmental, social, governance and risk management (ESGR) analysis and evaluation.

Tokio Marine Asset Management intends to fulfill its social responsibilities as an institutional investor and improve investment performance over the long term while giving due consideration to ESG issues in its asset management operations.

Providing a Renewable Energy Fund

Since 2012, Tokio Marine Asset Management has been operating the TM Nippon Solar Energy Fund for institutional investors, including corporate pension funds, to invest in solar power plants as an investment product targeting Japan's national infrastructure. The company has also been operating the TM Nippon Renewable Energy Fund that invests in various types of renewable energy, including wind power, biomass, hydropower and geothermal power in addition to solar power, since 2017. These funds are investment products that diversify investments among Japan's renewable energy generation businesses and provide investment income to investors from sales of electric power.

A number of initiatives have been under way in Japan to achieve carbon neutral status, and the utilization of renewable energy is positioned as one of the most important efforts.

Tokio Marine Asset Management believes that this fund will contribute to the realization of carbon neutral status. By offering investment opportunities of social significance through this fund, the company strives to fulfill its social roles and responsibilities as an asset management company.

Providing an Engagement-Focused Fund to Invest in Japanese Companies

With the launch of the Principles for Responsible Institutional Investors (Japan's Stewardship Code) in February 2014, the importance of engagement between institutional investors and companies is further increasing its significance from a viewpoint of responsible investment.

Taking an early start, Tokio Marine Asset Management (TMAM), jointly with GO Investment Partners (GO)*, launched the TMAM-GO Japan Engagement Fund in March 2012. This engagement-focused fund primarily invests in small- to medium-size Japanese companies having strong core businesses. By promoting engagement with investee companies based on a full understanding of the corporate culture in Japan, the company intends to deepen mutual understanding between investors and Japanese companies and provide increased corporate value over the long term.

* GO Investment Partners (GO)
An independent asset management partnership based in London, with its founder being the pioneer in the field of responsible stock ownership. The organization is characterized by its investment strategy that focuses on enhancement of long-term corporate value through amicable engagement with investee companies listed on European stock markets.

Tokio Marine Asset Management

Providing Japan's First Fund Specialized for Cancer Treatment

As an initiative to contribute to the achievement of the SDGs, in July 2019, we established the Tokio Marine Investment Trust to Fight Cancer (without currency hedging)/(with currency hedging) for investment in companies with a high probability of making a significant contribution to the resolution of cancer treatment, a major social issue.

Providing Japan's First Fund Specialized for Cancer Treatment »

5 Sustainability Library

We introduce the editorial policy of this report and other information.

Overview of Group Sustainability Reporting

Overview of Tokio Marine Group sustainability reporting and the Group's communication tools

Sustainability Performance Data

Principle quantitative data for the sustainability activities of Tokio Marine Group

Third-Party Assurance

Tokio Marine Group has received assurance from a third-party institution for its Sustainability Report from the point of view of ensuring the credibility of disclosure and greater transparency.

GRI Standards Content Index

Sustainability activities of Tokio Marine Group that have a high degree of importance and are highly relevant as topics

Recognition about ISO 26000

Tokio Marine Group is reviewing its sustainability activities based on ISO 26000 standards to further improve its sustainability initiatives.

Editorial Policy

Our editorial policy is to report on the principal sustainability activities of Tokio Marine Group in fiscal 2020 to all of our stakeholders.

Overview of Group Sustainability Reporting

We introduce the Tokio Marine Group Overview of Group Sustainability Reporting and sustainability communication tools.

About the Group's Sustainability Report

Tokio Marine Group began publishing the Environmental Report in 2000. Along with the creation of Tokio Marine & Nichido Fire Insurance through the merger of Tokio Marine and Nichido Fire in October 2004, from 2005 Tokio Marine Group has been publishing the CSR Report, which summarizes the Group's sustainability activities. In 2012, we changed the name of this report to the Sustainability Report and from the perspective of conserving paper resources and enhancing convenience, we discontinued the printed version and began publishing web-based and PDF versions.

In 2015 we revamped our home page and created the Tokio Marine Holdings Corporate Website (sustainability page) as part of efforts to communicate sustainability information in an easier-to-understand manner and on a timely basis through multiple devices, including smartphones and tablet devices.

Tokio Marine Group is working to enhance communications with stakeholders toward a secure, safe and sustainable future. For this reason, Tokio Marine Group believes that familiarizing numerous stakeholders with its sustainability efforts and collaborating and cooperating with them is important. Therefore, we regard the Sustainability Report as absolutely essential in undertaking the Group's business operations and are disclosing information through this report.

Tokio Marine Group's Principal Sustainability Communication Tools

Tool	Content	Main readers	Date of publication (scheduled)	PDF	Booklet
Sustainability Report	Provides details of Tokio Marine Group's approach to sustainability and related strategies using relevant data	All readers	Japanese: September	○	
			English: November	○	
Integrated Annual Report	Concisely describes how Group financial information relates to sustainability and non-financial information while presenting medium- to long-term corporate initiatives concerning value creation	Investors	Japanese: August	○	○
			English: October	○	○

Sustainability Performance Data

We provide principal sustainability performance data for Tokio Marine Group.

◉ Reporting Period and Reporting Organizations

- Reporting period: Report on results for fiscal 2020 (April 1, 2020 – March 31, 2021)
- Reporting organizations: Tokio Marine Holdings and major subsidiaries

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

◉ Corporate Governance

For details, please refer to Corporate Governance Report.

Corporate Governance (Corporate Governance Report)
Dialogue with Shareholders and Investors »

◉ Internal Control

Internal Control

◉ Improving Quality from the Customer's Perspectiv

Improving Quality from the Customer's Perspective »

◉ Results of Tokio Marine Group's Sustainability Initiatives

Results of Tokio Marine Group's Sustainability Initiatives »

◉ Environment

■CO_2 Emissions from Energy Sources and CO_2 Absorption and Fixation (Tokio Marine Holdings and major subsidiaries)

[Reduction targets for CO_2 emissions]

- Long-term target (fiscal 2030) : -60% (compared with fiscal 2015 level)
- Reduction target in fiscal 2020 : -1% compared with the previous year

[CO_2 emissions]

From fiscal 2015, we began calculating Scope 3 "Category 1: Purchased goods and services (Purchased paper)," "Category 3: Fuel- and energy-related activities not included in Scope 1, 2" and "Category 5: Waste generated in operations" as we expanded the scope of calculation for CO_2 emissions. For fiscal 2020, CO_2 emissions (Scope 1+2+3) for Tokio Marine Holdings and major subsidiaries were 89,894 tons (domestic: 64,548 tons, overseas: 25,345 tons) versus the initial-year target of 110,060 tons (-1% from the previous fiscal year) and -19.1% compared with the previous fiscal year, thereby achieving the target. The principal factor was efforts to reduce environmental loads.

[Data coverage rate]

We calculate 100% (employee base) of Tokio Marine Holdings and major subsidiaries (excluding Scope 3 "Category 5: Waste generated in operations" and "Category 6: Business travel (by air)).

(Unit: tons)

		Fiscal 2018	Fiscal 2019	Fiscal 2020
CO_2 emissions		111,509	111,172	89,894 ☑
Breakdown	Domestic*1	77,511	73,470	64,548 ☑
	Overseas*2	33,999	37,701	25,345 ☑
Scope 1	Direct (Gas, heavy oil, gasoline, etc.)	15,007 Domestic: 9,512 Overseas: 5,494	17,478 Domestic: 8,860 Overseas: 8,618	13,163 ☑ Domestic: 7,150 ☑ Overseas: 6,013 ☑
Scope 2	Indirect (Electricity, chilled/hot water, etc.)	67,203 Domestic: 46,471 Overseas: 20,731	62,100 Domestic: 42,433 Overseas: 19,668	53,977 ☑ Domestic: 39,732 ☑ Overseas: 14,245 ☑
Scope 3	Total	29,300 Domestic: 21,527 Overseas: 7,773	31,594 Domestic: 22,178 Overseas: 9,416	22,754 ☑ Domestic:17,666 ☑ Overseas: 5,088 ☑
	Category 1: Purchased goods and services (Paper usage)	14,765 Domestic: 13,460 Overseas: 1,304	13,184 Domestic: 11,491 Overseas: 1,693	11,172 ☑ Domestic: 9,958 ☑ Overseas: 1,214 ☑
	Category 3: Fuel- and energy-related activities not included in Scope 1, 2 (Electricity, steam and chilled/hot water usage)	5,280 Domestic: 3,615 Overseas: 1,665	9,670 Domestic: 6,530 Overseas: 3,140	8,638 ☑ Domestic: 6,385 ☑ Overseas: 2,253 ☑
	Category 5: Waste generated in operations (Waste generation)	1,070	1,101	1,045 ☑
	Category 6: Business travel (by air)	8,186 Domestic: 3,382 Overseas: 4,804 (Coverage rate: 100%)	7,639 Domestic: 3,056 Overseas: 4,583 (Coverage rate: 100%)	1,900 ☑ Domestic: 279 ☑ Overseas: 1,621 ☑ (Coverage rate: 100%)
CO_2 emissions per employee		2.82	2.70	2.08
Number of employees (consolidated fiscal year base)		39,521 persons	41,101 persons	43,260 persons
CO_2 absorption and fixation * Excluding CO_2 absorption and fixation (FY2020: 120,000 t) through mangrove planting		3,335	3,617	3,531 ☑

Data calculation method (☑items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

"1. Calculation Method of CO_2 emissions originating from energy consumption and CO_2 absorption and fixation"

Data collection scope (☑items)

*1 Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2021)"

*2 Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

Companies in which the headquarters is located overseas of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2021)"

■Environmental Load Data (Tokio Marine Holdings and major subsidiaries)

	Units	Fiscal 2018	Fiscal 2019	Fiscal 2020
Electricity usage	1,000kWh (GJ)	140,803 (506,892)	134,685 (484,866)	118,313 ☑ (425,928)
Gas usage	1,000m^3 (GJ)	1,307 (57,054)	1,488 (64,880)	1,342 ☑ (58,653)
Steam and chilled/ hot water usage	GJ	21,271	14,765	17,337 ☑
Gasoline usage	kℓ (GJ)	5,133 (177,587)	5,949 (205,858)	3,766 ☑ (130,319)
Heavy oil usage	ℓ (GJ)	30,823 (1,434)	35,683 (1,395)	23,832 ☑ (931)
Business travel (by air)	1,000km	83,686	81,263	18,092 ☑
Paper usage	t	8,068	7,204	6,105 ☑

Data calculation method (☑items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

Data collection scope (☑items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

Companies of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2021)"

■CO_2 Emissions from Energy Sources (Tokio Marine & Nichido)

[CO_2 emissions reduction targets]

- Long-term target (fiscal 2050): -60% reduction (compared with fiscal 2006 level)
- Reduction target in fiscal 2020: -1% compared with the previous year

[CO_2 emissions]

From fiscal 2015, we began calculating Scope 3 "Category 1: Purchased goods and services (Purchased paper)," "Category 3: Fuel- and energy-related activities not included in Scope 1, 2" and "Category 5: Waste generated in operations" as we expanded the scope of calculation for CO_2 emissions. For fiscal 2020, CO_2 emissions (Scope 1+2+3) of Tokio Marine & Nichido were 49,843 tons versus the initial-year target of 56,276 tons (-1% from the previous fiscal year) and -12.3% compared with the previous fiscal year due to energy conservation efforts.

[Data coverage rate]

100.0% of Tokio Marine & Nichido overall (employee base)

(Unit: tons)

		Fiscal 2018	Fiscal 2019	Fiscal 2020
CO_2 emissions		59,664	56,844	49,843 ☑
Scope 1	Direct (Gas, heavy oil, gasoline, etc.)	6,920	6,427	4,991 ☑
Scope 2	Indirect (Electricity, chilled/hot water, etc.)	35,609	32,772	30,353 ☑
Scope 3	Total	17,135	17,646	14,499 ☑
	Category 1: Purchased goods and services (Paper usage)	11,647	9,904	8,601 ☑
	Category 3: Fuel- and energy-related activities not included in Scope 1, 2 (Electricity, steam and chilled/hot water usage)	2,813	5,064	4,957 ☑
	Category 5: Waste generated in operations (Waste generation)	970	965	783 ☑
	Category 6: Business travel (by air)	1,704	1,713	158 ☑
CO_2 emissions per employee		3.45	3.31	2.88
Number of employees		17,264 persons	17,146 persons	17,253 persons

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

"1. Calculation Method of CO_2 emissions originating from energy consumption and CO_2 absorption and fixation"

Data collection scope (☑ items)

Tokio Marine & Nichido

Environmental Load Data (Tokio Marine & Nichido)

	Units	Fiscal 2018	Fiscal 2019	Fiscal 2020
Electricity usage	1,000 kWh (GJ)	71,400 (257,075)	67,489 (242,960)	65,580 ☑ (236,088)
Gas usage	1,000 m^3 (GJ)	706 (31,272)	667 (29,618)	654 ☑ (29,177)
Steam and chilled/hot water usage	GJ	20,509	14,060	14,771 ☑
Gasoline usage	kℓ (GJ)	2,239 (77,463)	2,067 (71,535)	1,464 ☑ (50,662)
Heavy oil usage	ℓ (GJ)	25,722 (1,006)	23,653 (924)	22,949 ☑ (897)
Business travel (by air)	1,000km	15,273	16,667	1,366 ☑
Water usage	1,000m^3	287	302	215 ☑
Paper usage	t	6,365	5,412	4,700 ☑
Waste	t	4,136	3,585	2,895 ☑
Recycling rate	%	57.1	51.6	56.6 ☑

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

"1. Calculation Method of Environmental load data"

Data collection scope (☑ items)

Tokio Marine & Nichido

◉ Human Rights and Labor

■ Data Coverage Rate

Tokio Marine Holdings and major subsidiaries (employee base) are calculated as 100%.

Tokio Marine Holdings and domestic major subsidiaries:

58.9% of Tokio Marine Holdings and major subsidiaries (employee base)

Tokio Marine & Nichido:

39.7% of Tokio Marine Holdings and major subsidiaries (employee base)

■ Basic Data

[Number of employees (Tokio Marine Holdings and major subsidiaries)]

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Total number of employees (consolidated fiscal year base)	40,848	41,101	43,260
Tokio Marine Holdings and domestic major subsidiaries	Male: 12,924 Female: 12,478 Overall: 25,402	Male: 12,695 Female: 12,638 Overall: 25,333	Male: 12,674 ☑ Female: 12,797 ☑ Overall: 25,471 ☑
Tokio Marine Holdings and overseas major subsidiaries	Asia: 3,182 North and Central Americas: 10,480 Europe: 981 Overall: 14,643	Asia: 4,159 North and Central Americas: 10,996 Europe: 734 Overall: 15,889	Asia: 4,870 North and Central Americas: 12,262 Europe: 777 Overall: 17,909

[Basic employee data (Tokio Marine Holdings)]

	Fiscal 2018	Fiscal 2019	Fiscal 2020
The ratio between the total annual compensation of the Chief Executive Officer and the mean employee compensation*	10.9%	10.6%	11.5%

*The total CEO compensation / The mean employee compensation

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

"1. Calculation Method of Basic data on human rights and labor, and use of diverse human resources"

Data collection scope (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2021)"

[Basic employee data (Tokio Marine & Nichido)]

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Average age	Male: 47 Female: 37 Overall: 41.8	Male: 47 Female: 37 Overall: 42	Male: 47 Female: 37 Overall: 42
Average years continuously employed	Male: 12 Female: 11 Overall: 11.8	Male: 12 Female: 12 Overall: 12	Male: 12 Female: 12 Overall: 12
Average annual salary	Approx. ¥8.16 million	Approx. ¥7.57 million	Approx. ¥7.73 million
Turnover rate*	2.1%	2.1%	2.0%

*The turnover rate is calculated based on the number of personnel who quit voluntarily (excluding the age-limit retirement).

[Number of new hires (Tokio Marine & Nichido)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
Male: 185 Female: 391 Overall: 576	Male: 183 Female: 395 Overall: 578	Male: (New graduates) 206 (Mid-career hires) 34 Female: (New graduates) 418 (Mid-career hires) 8 Overall: (New graduates) 624 (Mid-career hires) 42

◉ Fair Personnel System and Management

[Employee attitude survey (Tokio Marine & Nichido)]

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Respondents	15,660 (Response rate: 88%)	15,851 (Response rate: 89%)	16,126 (Response rate: 91.6%)
Level of satisfaction	Male: 88% Female: 81% Overall: 84%	Male: 88% Female: 80% Overall: 83%	Male: 95.2% Female: 92.0% Overall: 93.4%

[Labor union participation rate (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
100%	100%	100%

◉ Development of Human Resources

[Employee training (Tokio Marine & Nichido)]

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Total training hours	269,358 hrs.	314,659 hrs.	226,503 hrs.
Average training hours per employee	19.00 hrs.	21.00 hrs.	15.29 hrs.
Total training cost	¥1,028,502,256	¥1,107,696,463	¥737,803,807
Average training cost per employee	¥69,933	¥75,159	¥49,804

[Job request system (job posting system) (Tokio Marine & Nichido)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
Applicants: 309 Approval: 189	Applicants: 449 Approval: 227	Applicants: 433 Approval: 224

*Approved requests take effect in the fiscal year after that of the application.

◉ Utilizing Diverse Human Resources

[Number of directors and managers (Tokio Marine Holdings and domestic major subsidiaries)]

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Directors (including executive officers)	Male: 211 Female: 11 Overall: 222	Male: 209 Female: 13 Overall: 222	Male: 204 ☑ Female: 13 ☑ Overall: 217 ☑
General managers	Male: 768 Female: 35 Overall: 803	Male: 796 Female: 36 Overall: 832	Male: 804 ☑ Female: 37 ☑ Overall: 841 ☑
Section managers	Male: 2,660 Female: 333 Overall: 2,993	Male: 2,558 Female: 349 Overall: 2,907	Male: 2,518 ☑ Female: 361 ☑ Overall: 2,879 ☑
Managers (general managers and section managers) total	Male: 3,428 Female: 368 Overall: 3,796	Male: 3,354 Female: 385 Overall: 3,739	Male: 3,322 ☑ Female: 398 ☑ Overall: 3,720 ☑
(Deputy managers) *Only Tokio Marine & Nichido	Male: 1,736 Female: 423 Overall: 2,159	Male: 1,638 Female: 492 Overall: 2,130	Male: 1,605 Female: 619 Overall: 2,224

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

"1. Calculation Method of Basic data on human rights and labor, and use of diverse human resources"

Data collection scope (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2021)"

[Number of female directors (Tokio Marine & Nichido, as of April 1, 2021)]

Directors and officers	Rate
5	8.3%

[Number of employees using the system for continued employment of older employees (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
753	773	831

[Rate of employment of persons with disabilities]

Fiscal 2018	Fiscal 2019	Fiscal 2020
2.80%	2.10%	1.91%

◉ Reform of Working Styles

[Retiree rehiring system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
17	21	6

[Maternity leave system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
712	721	603

[Childcare leave system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
Male: 150 Female: 1,195 Overall: 1,345	Male: 102 Female: 1,259 Overall: 1,361	Male: 123 Female: 1,271 Overall: 1,394

[Short working hours system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
1,285	1,369	1,481

[Resumption of work support system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
1,298	1,265	1,210

[Return to work rate after taking childcare leave (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
Male: 100%	Male: 100%	Male: 100%
Female: 97.2%	Female: 89.1%	Female: 77.7%

[Employee retention rate after taking childcare leave (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
Male: 100%	Male: 100%	Male: 100%
Female: 97.2%	Female: 94.3%	Female: 76.5%

[Spouse childbirth leave (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
42	30	17

[Nursing care leave system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
34	31	53

[Nursing care temporary retirement system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
17	20	7

[Annual average actual working hours (Tokio Marine & Nichido)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
1949.6 hrs.	1,925 hrs.	1,987 hrs.

[Monthly average overtime hours (Tokio Marine & Nichido)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
20.7 hrs.	20.28 hrs.	22.63 hrs.

*Including legal overtime hours

[Number of annual paid leave days taken (Tokio Marine & Nichido)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
15.2 days	16.9 days	15.8 days

◉ Health Management and Occupational Health and Safety

[Percentage of employees who received health checks (Tokio Marine & Nichido)]

Category	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021 numerical targets
Percentage of employees who received health checks	100%	100%	100%	100%	100%
Percentage of employees who underwent a detailed examination after a regular checkup	88.7%	88.5%	86.4%	87.2%	Over 90.0%
Uterine cancer screening rate	63.2%	62.8%	66.0%	60.5%	Over 67.6%
Breast cancer screening rate	79.6%	78.2%	81.1%	74.6%	Over 82.2%
Prostate cancer screening rate	74.9%	75.3%	76.0%	73.1%	—

[Specific health guidance implementation rate (Tokio Marine & Nichido)]

Category	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020 numerical targets
Specific health guidance implementation rate	58.2%	59.8%	57.3%	52.4%	Over 60.0%

[Awareness on health (Tokio Marine & Nichido)]

Category	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022 numerical targets
Status of health literacy*1	4.11	4.13	*2	4.10*3	Over 4.13

*1: Response to employee questionnaires (on a maximum scale of 5 points)
*2: Not implemented due to system change *3: Preliminary figures

[Participation in health improvement measures (Tokio Marine & Nichido)]

Category	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021 numerical targets
Number of employees who participated in Health Promotion Month/Health Challenge	6,599	7,478	7,060	8,101	Over 8,120

[Health status of employees (Tokio Marine & Nichido)]

Category	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021 numerical targets
Findings at a regular health checkup	49.3%	50.5%	51.8%	54.0%	Under 50.0%
Persons maintaining a healthy body weight (BMI)	68.9%	68.4%	68.3%	67.8%	Over 70.0%
Smoking rate	15.3%	14.5%	13.7%	12.7%	Under 12.8%
Rate of employees who have developed physical exercise habits	16.7%	18.1%	18.4%	19.5%	Over 20.0%
Stress test execution rate	97.4%	97.9%	98.4%	98.7%	Over 98.0%
Rate of employees with a high stress level	9.4%	9.9%	9.9%	8.2%	Under 10.0%

[Independent initiative implementation status (Tokio Marine & Nichido)]

Category	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021 numerical targets
Number of employees participating in anti-obesity initiatives for young employees	219	230	301	*	280

* Postponed due to the COVID-19 pandemic

[Industrial accidents (Tokio Marine Holdings and domestic major subsidiaries)]

Occupational accidents

Fiscal 2018	Fiscal 2019	Fiscal 2020
101	106	72 ☑

Commuting accidents

Fiscal 2018	Fiscal 2019	Fiscal 2020
75	70	63 ☑

[Absentee rate*(Tokio Marine & Nichido)]

Fiscal 2019	Fiscal 2020
1.08%	0.98% ☑

*Total days lost due to absenteeism / Total days scheduled to be worked

Data calculation method (☑items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

"1. Calculation Method of Industrial accidents"

Data collection scope (☑items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/178KB)

Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2021)"

◉ Human Rights

[Human rights training participation rate (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
99.9%	100%	100%

[Human rights training hours (Tokio Marine & Nichido)]

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Total training hours	19,193 hrs.	21,622 hrs.	21,789 hrs.
Training hours per employee	1 hr.	1 hr.	1 hr.
Participation rate	100%	100%	100%

◉ Local Community and Social Contribution Activities

[Employee participation rate in volunteer activities (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
135.9%	144.9%	113.5%

[Number of employees who took volunteer leave (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
122	94	9

[Donations (Including monetary and in-kind donations by Tokio Marine Holdings, domestic major subsidiaries and other affiliated companies)]

Fiscal 2018	Fiscal 2019	Fiscal 2020
Approx. ¥1,482 million (includes disaster support of approx. ¥23 million)	Approx. ¥1,280 million (includes disaster support of approx. ¥13 million)	Approx. ¥2,062 million (includes disaster support of approx. ¥5 million)

*This includes donations by miscellaneous expenses for social contribution programs, payments in kind, opened facilities and employee dispatching.
*Monetary donations by employees and agents in fiscal 2020: Approx. ¥9.5 million

Social Contribution Strategy (PDF/145KB)

Third-Party Assurance

Tokio Marine Holdings has received a third-party assurance of the Tokio Marine Group Sustainability Report 2021 from Ernst & Young ShinNihon LLC with the aim of further improving the level of communication with stakeholders. (The independent third-party assurance logo ☑ is marked where appropriate).

By obtaining the external assurance, we will work to improve the quality of Tokio Marine Group sustainability reporting. Tokio Marine Holdings has consecutively received same third-party assurances from fiscal 2016 to fiscal 2019 as well.

Environment

- ☑ CO_2 Emissions from Energy Sources and CO_2 Absorption and Fixation (Tokio Marine Holdings and major subsidiaries) »
- ☑ Environmental Load Data (Tokio Marine Holdings and major subsidiaries) »
- ☑ CO_2 Emissions from Energy Sources (Tokio Marine & Nichido) »
- ☑ Environmental Load Data (Tokio Marine & Nichido) »

Human Rights and Labor

- ☑ Number of employees (Tokio Marine Holdings and major subsidiaries) »
- ☑ Number of directors and managers (Tokio Marine Holdings and domestic major subsidiaries) »
- ☑ Absentee rate (Tokio Marine & Nichido) »
- ☑ Industrial accidents (Tokio Marine Holdings and domestic major subsidiaries) »

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Translation

The following is an English translation of an independent assurance report prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

September 27, 2021

Independent Assurance Report

TO:
Mr. Satoru Komiya
President
Tokio Marine Holdings, Inc.

Kenji Sawami
Engagement Partner
Ernst & Young ShinNihon LLC
Tokyo, Japan

We, Ernst & Young ShinNihon LLC,, have been commissioned by Tokio Marine Holdings, Inc. (hereafter the "Company") and has carried out a limited assurance engagement on the Key Sustainability Indicators (hereafter the "Indicators") of the Company and its major subsidiaries for the year ended March 31, 2021 as included in the Company's *Tokio Marine Holdings, Inc. Sustainability Report 2021* (hereafter the "Report"). The scope of our assurance procedures was limited to the Indicators marked with the symbol "☑" in the Report.

1. **The Company's Responsibilities**
The Company is responsible for preparing the Indicators in accordance with the Company's own criteria, which it determined with consideration of Japanese environmental regulations as presented in 1. Calculation Method of *Method of Calculation and Scope in Data Collection for Key Sustainability Indicators* (http://www.tokiomarinehd.com/en/sustainability/library/pdf/csr_indicators.pdf). Greenhouse gas (GHG) emissions are estimated using emissions factors, which are subject to scientific and estimation uncertainties given instruments for measuring GHG emissions may vary in characteristics, in terms of functions and assumed parameters.

2. **Our Independence and Quality Control**
We have met the independence requirements of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants, which is based on the fundamental principles of integrity, objectiveness, professional competence and due care, confidentiality, and professional behavior.
In addition, we maintain a comprehensive quality control system, including documented policies and procedures for compliance with ethical rules, professional standards, and applicable laws and regulations in accordance with the *International Standard on Quality Control 1* issued by the International Auditing and Assurance Standards Board.

3. **Our responsibilities**
Our responsibility is to express a limited assurance conclusion on the Indicators included in the Report based on the procedures we have performed and the evidence we have obtained.
We conducted our limited assurance engagement in accordance with the *International Standard on Assurance Engagements: Assurance Engagements Other than Audits or Reviews of Historical Financial Information* - ("*ISAE 3000*") (Revised) and, with respect to GHG emissions, the *International Standard on Assurance Engagements: Assurance Engagements on Greenhouse Gas Statements* ("*ISAE 3410*"), issued by the International Auditing and Assurance Standards Board. The procedures, which we have performed according to our professional judgment, include inquiries, document inspection, analytical procedures, reconciliation between source documents and Indicators in the Report, and the following:
- Making inquiries regarding the Company's own criteria that it determined with consideration of Japanese environmental regulations, and evaluating the appropriateness thereof;
- Inspecting relevant documents with regard to the design of the Company's internal controls related to the Indicators, and inquiring of personnel responsible thereof at the Company and 2 major subsidiaries visited ;
- Performing analytical procedures concerning the Indicators at the Company and 2 major subsidiaries visited; and
- Testing, on a sample basis, underlying source information and conducting relevant re-calculations at the Company and 2 major subsidiaries visited.

The procedures performed in a limited assurance engagement are more limited in nature, timing and extent than a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is lower than would have been obtained if we had performed a reasonable assurance engagement.

4. **Conclusion**
Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Indicators included in the Report have not been measured and reported in accordance with the Company's own criteria that it determined with consideration of Japanese environmental regulations.

Click on the image for an enlarged view

GRI Standards Content Index

Sustainability Report 2021 is prepared in accordance with the Core option of the Global Reporting Initiative (GRI) Standards.

◉ Speciifying Material GRI Indicators (Topics)

Tokio Marine Group considers GRI items (topics) as material topics. GRI items (topics) are those corresponding to "Eight Material Issues (Materiality) and Four Priority Issues" and those closely related to "Disclosure of Environmental, Social and Governance Contents" and conducive to clarification of and comparability with GRI reporting principles.

Material GRI Indicator	Materiality (★Four designated as priority issues)								Disclosure of Environmental, Social and Governance Contents
	1 Combat climate change★	2 Improve disaster resilience★	3 Support people's healthy and enriching lives★	4 Promote and support diversity and inclusion★	5 Facilitate and foster innovation through digitalization	6 Protect the natural environment	7 Provide education to children	8 Disclose highly transparent and timely information	
102: General Disclosures 4. Governance								■	Corporate Governance
								■	Risk Management
201: Economic Performance	■	■			■				Climate-Related Financial Disclosure Based on the TCFD Recommendations
	■	■			■				Promoting Research on Climate Change and Natural Disaster Risks
		■			■				Promoting Disaster Prevention and Mitigation
203: Indirect Economic Impacts			■		■		■		Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity
205: Anti-Corruption									Compliance and Anti-Corruption
206: Anti-Competitive Behavior									Compliance and Anti-Corruption
301: Materials									Promoting Environmental Management
302: Energy	■								Climate-Related Financial Disclosure Based on the TCFD Recommendations
303: Water	■					■			Promoting Environmental Management
304: Biodiversity	■					■			Protecting the Global Environment through Products and Services
	■					■			Promoting Activities to Protect the Global Environment
305: Emissions	■								Climate-Related Financial Disclosure Based on the TCFD Recommendations
306: Effluents and Waste									Promoting Environmental Management
307: Environmental Compliance									Promoting Environmental Management
308: Supplier Environmental Assessment									Sustainability in the Value Chain
401: Employment				■					Developing and Utilizing Diverse Human Resources
403: Occupational Health and Safety			■						Promoting Health and Productivity Management
404: Training and Education				■					Developing and Utilizing Diverse Human Resources
405: Diversity and Equal Opportunity				■					Diversity and Inclusion
412: Human Rights Assessment				■					Respect for Human Rights
413: Local Communities		■	■				■		Social Contribution and Awareness-Raising Activities
414: Supplier Social Assessment									Sustainability in the Value Chain
417: Marketing and Labeling									Improving Quality from the Customer's Perspective
418: Customer Privacy									Information Security
419: Socioeconomic Compliance									Compliance and Anti-Corruption
Development of Clean Energy (Topic)	■								Preventing Global Warming by Promoting the Development of Clean Energy
Sustainable Investment and Financing (Topic)	■								Sustainability in the Value Chain
Disasters, Accidents and Microinsurance (Topic)		■	■						Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity
Comprehensive Insurance Service Encompassing Treatment, Finance, Longevity and Health			■						Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity

◉ GRI Content Index (in Accordance with Core)

GRI Standards	General Disclosures	References (Reasons for Omission)
GRI 101: Foundation 2016 (GRI 101 does not include General Disclosures)		
Universal Disclosures		
GRI 102: General Disclosures 2016	**1. Organizational profile**	
	102-1 Name of the organization	About Us (Company Information) > Corporate Information
	102-2 Activities, brands, products, and services	About Us (Company Information) > Tokio Marine Group
	102-3 Location of headquarters	About Us (Company Information) > Corporate Information
	102-4 Location of operations	About Us (Company Information) > Tokio Marine Group
	102-5 Ownership and legal form	Investor Relations > Stock Information > Stock Information
	102-6 Markets served	About Us (Company Information) > Tokio Marine Group
	102-7 Scale of the organization	About Us (Company Information) > Tokio Marine Group
		Investor Relations > Financial Data
	102-8 Information on employees and other workers	Sustainability Performance Data > ◉ Human Rights and Labor > Basic Data > Number of employees (Tokio Marine Holdings and major subsidiaries)
		[Information on employee gender at overseas major subsidiaries, employment contract and employment type are not disclosed.]
	102-9 Supply chain	Sustainability in the Value Chain
	102-10 Significant changes to the organization and its supply chain	Editorial Policy > ◉ Scope of This Report
	102-11 Precautionary principle of approach	Risk Management
		External Evaluations and Participation in Initiatives
		Promoting Research on Climate Change and Natural Disaster Risks
	102-12 External initiatives	External Evaluations and Participation in Initiatives
		Sustainability in the Value Chain > ◉ Study and Research on Promotion of ESG Initiatives through the Provision of Products and Services
	102-13 Membership of associations	External Evaluations and Participation in Initiatives

GRI Standards	General Disclosures	References (Reasons for Omission)
GRI 102: General Disclosures 2016	**2. Strategy**	
	102-14 Statement from senior decision-maker	Top Message
	3. Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	Purpose of Tokio Marine Group
	4. Governance	
	102-18 Governance structure	About Us (Company Information) > Governance
		About Us > Company Information > Organizational Chart
		Organizational Structure for Promoting Sustainability
	5. Stakeholder engagement	
	102-40 List of stakeholder groups	Stakeholder Engagement > Tokio Marine Group's Stakeholders
	102-41 Collective bargaining agreements	Sustainability Performance Data > ◉ Fair Personnel System and Management > Labor union participation rate (Tokio Marine Holdings and domestic major subsidiaries)
	102-42 Identifying and selecting stakeholders	Stakeholder Engagement
		[Engaged stakeholders are selected by eliminating antisocial forces and adhering to guidelines and policies of related businesses. Sustainability dialogue participants are selected based on their suitability for the theme.]
	102-43 Approach to stakeholder engagement	Stakeholder Engagement > Tokio Marine Group's Stakeholders
	102-44 Key topics and concerns raised	Stakeholder Engagement > Sustainability Dialogue > Opinions Received from Experts in the Past and Subsequent Responses

GRI Standards	General Disclosures	References (Reasons for Omission)
GRI 102: General Disclosures 2016	**6. Reporting practice**	
	102-45 Entities included in the consolidated financial statements	About Us (Company Information) > Tokio Marine Group
	102-46 Defining report content and topic Boundaries	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	102-47 List of material topics	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	102-48 Restatements of information	Editorial Policy > ◉Scope of This Report
	102-49 Changes in reporting	Not applicable
	102-50 Reporting period	Editorial Policy > ◉Scope of This Report
	102-51 Date of most recent report	Editorial Policy > ◉Date of Publication
	102-52 Reporting cycle	Editorial Policy > ◉Date of Publication
	102-53 Contact point for questions regarding the report	Editorial Policy
	102-54 Claims of reporting in accordance with the GRI Standards	GRI Standards Content Index
	102-55 GRI content index	GRI Standards Content Index
	102-56 External assurance	Third-Party Assurance
Material Topics		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Corporate Governance
		Compliance and Anti-Corruption
		Stakeholder Engagement
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainability Performance Data > ◉Local Community and Social Contribution Activities
	201-2 Financial implications and other risks and opportunities due to climate change	Climate-Related Financial Disclosure Based on the TCFD Recommendations
		Promoting Environmental Management > Environmental Accounting
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)

GRI Standards	General Disclosures	References (Reasons for Omission)
GRI 103: Management Approach 2016	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Results of Tokio Marine Group's Sustainability Initiatives
		Recognition about ISO 26000
		Promoting Research on Climate Change and Natural Disaster Risks
		Protecting the Global Environment through Products and Services
		Social Contribution and Awareness-Raising Activities > Medical and Nursing Care
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Social Contribution and Awareness-Raising Activities > Developing Youth and Promoting Sports > ◉Nurturing Future Generations, Encouraging International Exchange and Promoting Sports in Local Communities through Foundations
		Social Contribution and Awareness-Raising Activities > Medical and Nursing Care
	203-2 Significant indirect economic impacts	Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity > Responding to Poverty Issues
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Compliance and Anti-Corruption
		Compliance and Anti-Corruption > Hotline System (Internal Whistle Blower System)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Compliance and Anti-Corruption
		[Details regarding risk assessment are not disclosed.]
Anti-competitive Behavior		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Compliance and Anti-Corruption
		Compliance and Anti-Corruption > Hotline System (Internal Whistle Blower System)
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not applicable

GRI Standards	General Disclosures	References (Reasons for Omission)
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Promoting Environmental Management
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sustainability Performance Data > ◉ Environment
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Recognition about ISO 26000
		Promoting Environmental Management
		Sustainability Performance Data > ◉ Environment
GRI 302: Energy 2016	302-1 Energy consumption within the organization 302-2 Energy consumption outside of the organization	Sustainability Performance Data > ◉ Environment
Water and Effluents		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Promoting Environmental Management
GRI 303: Water and Effluents 2018 Management Approach Disclosures	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts	Promoting Environmental Management > Initiatives for Promoting Environmental Management > ◉ Reduction of Environmental Footprint in Business Activities
GRI 303: Water and Effluents 2018 Topic-specific Disclosures	303-3 Water withdrawal	Sustainability Performance Data > ◉ Environment (Environmental Load Data (Tokio Marine & Nichido)

GRI Standards	General Disclosures	References (Reasons for Omission)
Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Promoting Environmental Management
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	Protecting the Global Environment through Products and Services
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Promoting Environmental Management
GRI305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity	Sustainability Performance Data > ◉ Environment
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Promoting Environmental Management
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Sustainability Performance Data > ◉ Environment (Environmental Load Data (Tokio Marine & Nichido))

GRI Standards	General Disclosures	References (Reasons for Omission)
Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Promoting Environmental Management
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Not applicable
Supplier Environmental Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Sustainability in the Value Chain
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainability in the Value Chain
		[According to Tokio Marine & Nichido's Principle of Transactions, we ask suppliers for confirmation of "compliance with laws, regulations and social norms" and "consideration for the environment." However, the indicators are not disclosed.]
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Developing and Utilizing Diverse Human Resources
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Performance Data > ◉Human Rights and Labor
	401-3 Parental leave	Sustainability Performance Data > ◉Reform of Working Styles
		[Discloses the number of employees using work/life balance related systems]

GRI Standards	General Disclosures	References (Reasons for Omission)
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Promoting Health and Productivity Management
GRI 403: Occupational Health and Safety 2018 Management Approach Disclosures	403-1 Occupational health and safety management system	Promoting Health and Productivity Management > Promoting Health and Productivity Management > ◉Tokio Marine Group's Health and Productivity Management Vision
	403-2 Hazard identification, risk assessment, and incident investigation 403-3 Occupational health services	Promoting Health and Productivity Management > Promoting Health and Productivity Management > ◉Relationship between Tokio Marine Group's Health and Productivity Management Vision and Health-Related Measures
	403-4 Worker participation, consultation, and communication on occupational health and safety	Promoting Health and Productivity Management > Promoting Health and Productivity Management > ◉Promotion Structure
	403-5 Worker training on occupational health and safety 403-6 Promotion of worker health	Promoting Health and Productivity Management > Health and Productivity Management / Occupational Health and Safety Initiatives and External Evaluation
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Promoting Health and Productivity Management > Supporting Customers' Health and Productivity Management
GRI 403: Occupational Health and Safety 2018 Topic-specific Disclosures	403-9 Work-related injuries	Sustainability Performance Data > ◉Health Management and Occupational Health and Safety > Industrial accidents (Tokio Marine Holdings and domestic major subsidiaries)
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Developing and Utilizing Diverse Human Resources
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Developing and Utilizing Diverse Human Resources
		Sustainability Performance Data > ◉Development of Human Resources > Job request system (job posting system) (Tokio Marine & Nichido)

GRI Standards	General Disclosures	References (Reasons for Omission)
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Diversity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Performance Data > ◉ Utilizing Diverse Human Resources > Number of directors and managers (Tokio Marine Holdings and domestic major subsidiaries)
		Sustainability Performance Data > ◉ Human Rights and Labor > Basic Data
Human Rights Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Respect for Human Rights
GRI412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	Respect for Human Rights
		Sustainability Performance Data > ◉ Human Rights > Human rights training participation rate (Tokio Marine Holdings and domestic major subsidiaries)
		Sustainability Performance Data > ◉ Human Rights > Human rights training hours (Tokio Marine & Nichido)
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)

GRI Standards	General Disclosures	References (Reasons for Omission)
GRI 103: Management Approach 2016	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity > Responding to Technology Innovation
		Protecting the Global Environment through Products and Services
		Social Contribution and Awareness-Raising Activities > Medical and Nursing Care
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Promoting Research on Climate Change and Natural Disaster Risks
		Protecting the Global Environment through Products and Services > Tree Planting Activities in Southeast Asia and Communicating Relevant Information > Economic Value and Impact on Local Communities from Mangrove Planting
		Social Contribution and Awareness-Raising Activities > Medical and Nursing Care
Supplier Social Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Sustainability in the Value Chain
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainability in the Value Chain
Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Information Security
		Improving Quality from the Customer's Perspective > Response to Customer Feedback

GRI Standards	General Disclosures	References (Reasons for Omission)
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security
		Improving Quality from the Customer's Perspective > Response to Customer Feedback > Fiscal 2020 Number of Customer Feedback Comments
Socioeconomic Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Organizational Structure for Promoting Sustainability
		Recognition about ISO 26000
		Compliance and Anti-Corruption
		Compliance and Anti-Corruption > Hotline System (Internal Whistle Blower System)
		Respect for Human Rights > Management Stance concerning Respect for Human Rights and Various Initiatives > Hotline System (Whistle Blower System)
GRI 419: Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Not applicable
Promoting ESG Initiatives through the Provision of Products and Services*		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Sustainability in the Value Chain > ◉Study and Research on Promotion of ESG Initiatives through the Provision of Products and Services, ◉Efforts to Promote ESG Initiatives through the Provision of Products and Services
Development of Clean Energy*		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Preventing Global Warming by Promoting the Development of Clean Energy

GRI Standards	General Disclosures	References (Reasons for Omission)
Sustainable Investment*		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Sustainability in the Value Chain > ◉Study and Research on Sustainable Investments and Financing, ◉Policies and Operational System for Sustainable Investments and Financing, ◉Exercise of Voting Rights and Disclosure of the Results of Exercise of Voting Rights, ◉Efforts for Sustainable Investments
Disasters and Traffic Safety*		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity > Responding to Technology Innovation
Comprehensive Insurance Service Encompassing Treatment, Finance, Longevity and Health*		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Process for Specifying Materiality / GRI Standards Content Index > ◉Specifying Material GRI Indicators (Topics)
	103-2 The management approach and its components 103-3 Evaluation of the management approach	Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity

* Material issues identified by Tokio Marine Group that have no relevance to any of the items in the standards.
*1 In Fiscal 2020, Tokio Marine Group made political donations amounting to 18.1 million yen. In Japan, it is mandatory for political organizations to release the status of income and spending of political funds. Therefore, the above mentioned amount is to be disclosed in the Official Gazette and prefectural public notice.

Recognition about ISO 26000

In Tokio Marine Group, the departments handling each respective function are responsible for implementing initiatives for each sustainability issue. By referring to the core subjects addressed in ISO 26000, specifically organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues and community involvement and development, Tokio Marine Group reviews the materiality of its sustainability issues and makes efforts to improve them. The management systems for each issue are listed within each section of this report.

ISO 26000 Core Issues and Issues		Management Elements		Reference
Human rights	Due diligence/ Human rights risk situations/ Avoidance of complicity/ Discrimination and vulnerable groups	Approach regarding impact		Respect for Human Rights > Basic Approach
		Management methods	Policies/ Commitment	Tokio Marine Group Sustainability Charter (Respect for Human Rights and Dignity)
				Respect for Human Rights > Basic Approach
			Goals and targets	Respect for Human Rights
			Responsibilities and management resources	Respect for Human Rights > Management Stance concerning Respect for Human Rights and Various Initiatives
			Complaint handling mechanism	Respect for Human Rights > Management Stance concerning Respect for Human Rights and Various Initiatives > Hotline System (Whistle Blower System)
			Specific steps	Respect for Human Rights
Labor practices	Employment and employment relationships/ Conditions of work and social protection/ Social dialogue/ Health and safety at work/ Human development and training in the workplace	Approach regarding impact		Promoting Health and Productivity Management
				Developing and Utilizing Diverse Human Resources
		Management methods	Policies/ Commitment	Tokio Marine Group Sustainability Charter (Respect for Human Rights and Dignity)
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Developing and Utilizing Diverse Human Resources
			Complaint handling mechanism	Developing and Utilizing Diverse Human Resources > Fair Personnel System and Management > Raising Employee Satisfaction Levels
			Specific steps	Promoting Health and Productivity Management, Developing and Utilizing Diverse Human Resources

ISO 26000 Core Issues and Issues		Management Elements		Reference
The environment	Prevention of pollution/ Sustainable resource use	Approach regarding impact		Promoting Environmental Management
		Management methods	Policies/ Commitment	Tokio Marine Group Sustainability Charter
				Promoting Environmental Management > Policy and Promotion Structure > ◉What Our Environmental Management Aims for: Corporate Philosophy and Policy
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Promoting Environmental Management > Policy and Promotion Structure > ◉Structure for Promoting Environmental Management
			Complaint handling mechanism	Promoting Environmental Management > Policy and Promotion Structure > ◉Structure for Promoting Environmental Management ("Green Assist")
			Specific steps	Promoting Environmental Management
	Climate change mitigation and adaptation	Approach regarding impact		Promoting Environmental Management > Initiatives for Promoting Environmental Management > ◉Reducing CO_2 Emissions and Becoming Carbon Neutral
		Management methods	Policies/ Commitment	Tokio Marine Group Sustainability Charter
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Promoting Environmental Management > Policy and Promotion Structure > ◉Structure for Promoting Environmental Management
			Complaint handling mechanism	Promoting Environmental Management > Policy and Promotion Structure > ◉Structure for Promoting Environmental Management ("Green Assist")
			Specific steps	Climate-Related Financial Disclosure Based on the TCFD Recommendations
				Preventing Global Warming by Promoting the Development of Clean Energy
	Biodiversity and restoration of natural habitats	Approach regarding impact		Promoting Environmental Management > Preservation of Biodiversity and Wetlands > ◉Tokio Marine Group's Vision for Preserving Biodiversity and Wetlands
		Management methods	Policies/ Commitment	Promoting Environmental Management > Preservation of Biodiversity and Wetlands
				Promoting Environmental Management > Preservation of Biodiversity and Wetlands > ◉Tokio Marine Group's Vision for Preserving Biodiversity and Wetlands
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Promoting Environmental Management > Policy and Promotion Structure > ◉Structure for Promoting Environmental Management
			Complaint handling mechanism	Promoting Environmental Management > Policy and Promotion Structure > ◉Structure for Promoting Environmental Management ("Green Assist")
			Specific steps	Promoting Environmental Management, Protecting the Global Environment through Products and Services

ISO 26000 Core Issues and Issues		Management Elements		Reference
Fair operating practices	Anti-corruption/ Responsible political involvement/ Fair competition/ Respect for property rights	Approach regarding impact		Compliance and Anti-Corruption
		Management methods	Policies/Commitment	Tokio Marine Group Sustainability Charter
				Tokio Marine Group Compliance Code of Conduct
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Compliance and Anti-Corruption > Compliance System for Tokio Marine Group
			Complaint handling mechanism	Compliance and Anti-Corruption > Hotline System (Internal Whistle Blower System)
			Specific steps	Compliance and Anti-Corruption
	Promoting social responsibility in the value chain	Approach regarding impact		Sustainability in the Value Chain
		Management methods	Policies/Commitment	Tokio Marine Group Sustainability Charter (Respect for Human Rights and Dignity)
				Sustainability in the Value Chain > Tokio Marine & Nichido Group Principle of Transactions
			Goals and targets	Sustainability in the Value Chain
			Responsibilities and management resources	Results of Tokio Marine Group's Sustainability Initiatives
			Complaint handling mechanism	Respect for Human Rights > Management Stance concerning Respect for Human Rights and Various Initiatives > Hotline System (Whistle Blower System)
				Improving Quality from the Customer's Perspective > Response to Customer Feedback
			Specific steps	Improving Quality from the Customer's Perspective > Response to Customer Feedback, Sustainability in the Value Chain
Consumer issues	Consumer service, support, and complaint and dispute resolution/ Education and awareness	Approach regarding impact		Improving Quality from the Customer's Perspective
		Management methods	Policies/Commitment	Improving Quality from the Customer's Perspective > Basic Policies for Protection of Customers' Interests
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Improving Quality from the Customer's Perspective
				Improving Quality from the Customer's Perspective > Response to Customer Feedback
				Improving Quality from the Customer's Perspective > Working Together with Agents to Improve Quality
			Complaint handling mechanism	Improving Quality from the Customer's Perspective > Response to Customer Feedback
			Specific steps	Improving Quality from the Customer's Perspective

ISO 26000 Core Issues and Issues		Management Elements		Reference
Consumer issues	Consumer data protection and privacy	Approach regarding impact		Information Security
		Management methods	Policies/Commitment	Information Security > Privacy Policy
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Information Security
			Complaint handling mechanism	Improving Quality from the Customer's Perspective > Response to Customer Feedback
			Specific steps	Information Security
	Sustainable consumption	Approach regarding impact		Results of Tokio Marine Group's Sustainability Initiatives > System for Sustainable Consumption
		Management methods	Policies/Commitment	Tokio Marine Group Sustainability Charter
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Results of Tokio Marine Group's Sustainability Initiatives > System for Sustainable Consumption
			Complaint handling mechanism	Improving Quality from the Customer's Perspective > Response to Customer Feedback
			Specific steps	Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity > Responding to Poverty Issues
Community involvement and development	Community involvement	Approach regarding impact		Approach to Sustainability Strategies
		Management methods	Policies/Commitment	Tokio Marine Group Sustainability Charter
			Goals and targets	Results of Tokio Marine Group's Sustainability Initiatives
			Responsibilities and management resources	Organizational Structure for Promoting Sustainability
			Complaint handling mechanism	Stakeholder Engagement
			Specific steps	Promoting Activities to Protect the Global Environment
				Contributing to the Creation of a Safe and Secure Society Based on Health and Longevity
				Social Contribution and Awareness-Raising Activities > Developing Youth and Promoting Sports
				Social Contribution and Awareness-Raising Activities > Social and Economic Inclusion of All People

Editorial Policy

This report is intended to report on the principal sustainability activities of Tokio Marine Group in fiscal 2020 to all our stakeholders.

The Tokio Marine Group Sustainability Report 2021 focuses mainly on the philosophy and direction of Tokio Marine Group's sustainability initiatives as well as our activities based on eight material issues and four priority issues, and discloses detailed information.

We also publish Integrated Annual Report 2021 for investors.

Integrated Annual Report 2021

Guidelines Referred to in Preparing this Report

- Global Reporting Initiative (GRI) Sustainability Reporting Standards
- ISO 26000 Guidance on Social Responsibility
- United Nations Global Compact, "Guidelines for Communication on Progress (COPs)"

Scope of This Report

• Reporting organizations

Fundamentally, this report covers Tokio Marine Holdings and its major domestic and overseas Group companies*.

*Tokio Marine & Nichido, Nisshin Fire, Tokio Marine & Nichido Life, Tokio Marine Asset Management, etc.

• Reporting period

This report covers activities conducted primarily during fiscal 2020 (April 2020 - March 2021). However, for the purpose of further clarification, on occasion, reference is made to activities undertaken outside the reporting period.

• Principal changes during the reporting period

None

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- Previous edition: November 2020
- Current edition: November 2021
- Next edition: November 2022 (scheduled)

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