Award-Winning Works for the Children’s Environmental Award

Tokio Marine & Nichido Fire Insurance Co., Ltd. and the Asahi Shimbun Company implemented the Children’s Environmental Award as a pillar of their efforts to promote environmental education and social contribution activities. The award is for primary and secondary school children, in which students in higher grades are asked to write essays on the global environment and children in lower grades submit pictures they have painted. For the award competition in 2010, the Tokio Marine & Nichido Award and the Asahi Shimbun Children’s Environmental Award were granted to 12 groups. The Children’s Environmental Award was presented to four schools.

Award-Winning Works for the Children’s Environmental Award

Electric power (100kWh) used in the printing and binding processes for this report was supplied from green energy.
What We Value

Amid various changes taking place in society, what should our company value?
Every employee should strive to create a good corporate culture by thinking, communicating and taking the initiative.

Promote innovative reforms together with our colleagues with passion and courage to ensure that we provide the highest levels of satisfaction to all customers.

Win the trust of customers by always acting in good faith and providing high-quality services.

Pass down an open and dynamic corporate culture in which each and every employee is respected.

Interact with all people with a smile and a sense of appreciation and convey a heartfelt feeling of “thanks.”

Engage in earnest dialogues with our agents and grow and develop together with them.

Carry out sound business operations globally for the next generation.

Never cease to ask oneself, “Am I being useful to society?” and contribute to the development of local communities.
Message from the President

Located in 432 cities in 38 countries and regions.
29,578 employees (consolidated basis)

We Consider Our Responsibilities as an Insurance Company and Work to Realize a Sustainable Society.

Over the course of its business activities going back more than 130 years, the Company has proactively dealt with “new risks” emerging in tandem with ongoing changes in society, such as the progression of motorization, the advance of information and communication technology, and the globalization of economies, and has actively supported the progress of society by offering new insurance products and services as solutions to these risks. More recently, Tokio Marine & Nichido Life Insurance Co., Ltd. has been conducting the “Movement to Protect Customers from Cancer” in an effort to solve the major social issue of cancer by offering “safety and security” to customers at all the stages from the prevention of cancer to treatment and care after its onset of cancer.

Located in 432 cities in 38 countries and regions.
29,578 employees (consolidated basis)

On a different front, Tokio Marine has also actively responded to climate change by undertaking research into risks associated with climate change and global warming in collaboration with universities as well as by promoting the development and promotion of products that help mitigate and adapt to climate change. Consequently, we have been making proactive efforts to reduce environmental impact from our business activities while promoting environmental education activities.

The Tokio Marine Group adheres to a corporate philosophy of providing “safety and security” to customers worldwide and realizing a prosperous and comfortable society through its business activities centered on the insurance business. Under the Tokio Marine Group’s “Innovation and Execution 2011” medium-term business plan, we aim to be a “global corporate group maintaining growth by offering quality that customers select,” while continuously pursuing improvements in the quality of our products, services and business processes together with agents who are our valued business partners.

Over the course of its business activities going back more than 130 years, the Company has proactively dealt with “new risks” emerging in tandem with ongoing changes in society, such as the progression of motorization, the advance of information and communication technology, and the globalization of economies, and has actively supported the progress of society by offering new insurance products and services as solutions to these risks. More recently, Tokio Marine & Nichido has been conducting the “Movement to Protect Customers from Cancer” in an effort to solve the major social issue of cancer by offering “safety and security” to customers at all the stages from the prevention of cancer to treatment and care after its onset of cancer.

On a different front, Tokio Marine has also actively responded to climate change by undertaking research into risks associated with climate change and global warming in collaboration with universities as well as by promoting the development and promotion of products that help mitigate and adapt to climate change. Consequently, we have been making proactive efforts to reduce environmental impact from our business activities while promoting environmental education activities.

In collaboration with various non-governmental organizations (NGOs), Tokio Marine & Nichido has been involved in the Mangrove Planting Project focused on the Asian and Pacific regions since 1999. During the past 11 years, Tokio Marine & Nichido has planted a total 6,293 hectares of forests. These mangrove forests currently absorb and stabilize approximately 44,000 tons of CO₂ per year in addition to contributing to the preservation of biodiversity, prevention of tsunamis and local community development. Focusing on these diverse positive effects, Tokio Marine & Nichido launched the Green Gift Project in May 2009. With the support of customers, the Green Gift Project aims to reduce paper consumption by encouraging the use of Web-based insurance contracts (clauses) rather than providing them in a paper-based (brochure) format. At the same time, through the Green Gift Project, we donate funds to NGOs to cover the costs of mangrove planting. The amount of funds is decided in proportion to the number of customers choosing Web-based contracts instead of paper-based contracts. Thanks to efforts made in collaboration with our agents, as of the end of June 2010 we were able to get consent from more than 7 million customers to switch to the Web-based format and reduce paper consumption by 1,400 tons per year. In September 2010, Tokio Marine & Nichido will begin providing information about various aspects of the growth of mangrove forests achieved via the Mangrove Planting Project. Events that will enable customer participation will also be held as a means of enhancing and strengthening “interactions” between the company and customers and realizing the company’s aspirations for the protection of the global environmental together with customers.

In fiscal 2009, Tokio Marine & Nichido became “carbon neutral” by undertaking initiatives to reduce environmental impact from its domestic business operations via the effect of mangrove trees absorbing and stabilizing CO₂ and other means. Currently, the entire Tokio Marine Group endeavors to become carbon neutral on a global basis by the end of fiscal 2011. Also, as part of its commitment to fulfill its corporate social responsibility, the Tokio Marine Group has traditionally promoted the employment of persons with disabilities. In January 2010, we established Tokio Marine Bank’s Support Co., Ltd. to provide an even greater scope of opportunities for persons with disabilities across the entire Group. We will continue the tradition of respecting “diversity” in employees and strive to be a corporate group where persons with a diverse range of backgrounds are widely accepted and able to lead fulfilling lives.

The United Nations Global Compact concerning human rights, labor, the environment and anti-corruption contains numerous points that coincide with the Tokio Marine Group’s Corporate Philosophy and the Group Code of Conduct. In agreement with its purpose, the Company has been a participant in the Global Compact since 2005. The Tokio Marine Group will carefully consider the responsibilities it is expected to fulfill. Based on dialogue and cooperation with diverse stakeholders, we will undertake initiatives for finding solutions to an array of social issues in region worldwide, beginning with climate change, as we work toward the realization of a sustainable society. In striving to achieve these important objectives, I ask for your ongoing support.

August 2010

Shuzo Sumi
President and Chief Executive Officer
Tokio Marine Holdings, Inc.

* Being carbon neutral refers to achieving zero net carbon emissions by balancing a measured amount of carbon released from business activities of a corporation with an equivalent amount sequestered or offset by means of planting mangrove, use of renewable energy, carbon credits, and other carbon absorbing or carbon-reducing activities.
Tokio Marine Group’s Mangrove Planting Project

The Tokio Marine Group values a variety of benefits provided by mangrove forests and has been promoting initiatives to protect the global environment together with customers and society.

An Overview of the Mangrove Planting Project

Tokio Marine & Nichido has been promoting the Mangrove Planting Project since 1998, and as of the end of March 2010, it has planted 2,020 hectares of forest. This project has been undertaken in seven countries covering Southeast Asia, India and Fiji in partnership with the NGOs Action for Mangrove Reforestation (ACTMANG), OISCA-International and the International Society for Mangrove Ecosystems (ISME).

Mangrove trees help prevent global warming by absorbing and storing a large volume of carbon dioxide (CO2) and can serve as coastal breakwaters that protect people from tsunamis and other natural disasters. Also referred to as “cradles of life,” mangrove forests also provide residents of the afforested areas with fish and forestry resources and promote sustainable development in the affected regions.

Tokio Marine & Nichido has designated mangrove forests, which protect the Earth and lives of people, as “Insurance for the future of the Earth” and has declared its intention to continue this project for the next 100 years.

Together with Customers

Green Gift Project—Presenting Forests to the 22nd Century

With the support of its customers, in May 2009 Tokio Marine & Nichido initiated the Green Gift Project that aims to reduce environmental impact by reducing the use of paper. In conjunction with this project, customers read the terms and conditions of their insurance contracts on the company’s website (Web contracts) instead of on paper. As of the end of June 2010, more than 7 million contracts had been switched to paperless Web contracts.

From September 2010, Tokio Marine & Nichido has designated customers who participate in the Green Gift Project as its Green Partners and has undertaken a variety of initiatives that give customers a genuine sense that they are participating in and helping with global environmental protection and social contribution activities.

Tokeo Marine & Nichido has set up the Green Gift site as a dedicated site on the home page. Using maps, photographs and videos, this site shows strategies of tree-planting activities, the cultivation of mangrove saplings, and the lives of residents in the affected regions.

The abundance of CO2 absorbed is to be presented by images of mangrove forests and calculations showing the lives of residents in the affected regions.

With the support of customers, the Green Gift Project is expected to contribute to the promotion of the Mangrove Planting Project.

Together with Society

Contribution to the Societies and Economies of Mangrove Planting Regions

During the three-week period from March 2010, Tokio Marine & Nichido will donate approximately US$10,000 (100,000 yen) to support the Green Gift Project and the establishment of an insurance system aimed at fostering both trees and people.

Tokio Marine & Nichido will raise funds by selling green gift insurance, which will contribute to the development of the mangrove project, and use these funds to purchase mangrove saplings and support projects for local communities.

Support program, Tokio Marine & Nichido will raise funds by selling green gift insurance for the Mangrove Planting Project and the establishment of an insurance system aimed at fostering both trees and people.

Green Lessons: The Mangrove Story

The Tokio Marine Group holds “Green Lessons: The Mangrove Story,” an environmental education program based on the theme of the “prevention of global warming and preservation of ecosystems,” at elementary schools and schools for students with special needs throughout Japan. This program provides an opportunity for students to learn about important environmental problems.

The Green Lessons feature videos of mangrove forests and the sharing of experiences by people who have participated in the Mangrove Planting Project. The lessons also include interesting stories involving the recycling of company uniforms, employee and agents courses to serve as instructors for the lessons. Over the five-year period up to the end of March 2015, approximately 23,800 children from around 300 schools across Japan took part in the program.

Mangrove Ecosystems (ISME).

With the support of its customers, Tokio Marine & Nichido has designated mangrove forests as “Insurance for the future of the Earth” and has declared its intention to continue this project for the next 100 years.

Mangrove trees help prevent global warming by absorbing and storing a large volume of carbon dioxide (CO2) and can serve as coastal breakwaters that protect people from tsunamis and other natural disasters. Also referred to as “cradles of life,” mangrove forests also provide residents of the afforested areas with fish and forestry resources and promote sustainable development in the affected regions.

Tokio Marine & Nichido has designated mangrove forests, which protect the Earth and lives of people, as “Insurance for the future of the Earth” and has declared its intention to continue this project for the next 100 years.

Together with Customers

Green Gift Project—Presenting Forests to the 22nd Century

With the support of its customers, in May 2009 Tokio Marine & Nichido initiated the Green Gift Project that aims to reduce environmental impact by reducing the use of paper. In conjunction with this project, customers read the terms and conditions of their insurance contracts on the company’s website (Web contracts) instead of on paper. As of the end of June 2010, more than 7 million contracts had been switched to paperless Web contracts.

From September 2010, Tokio Marine & Nichido has designated customers who participate in the Green Gift Project as its Green Partners and has undertaken a variety of initiatives that give customers a genuine sense that they are participating in and helping with global environmental protection and social contribution activities.

Tokio Marine & Nichido has set up the Green Gift site as a dedicated site on the home page. Using maps, photographs and videos, this site shows strategies of tree-planting activities, the cultivation of mangrove saplings, and the lives of residents in the affected regions.

The abundance of CO2 absorbed is to be presented by images of mangrove forests and calculations showing the lives of residents in the affected regions.

With the support of customers, the Green Gift Project is expected to contribute to the promotion of the Mangrove Planting Project.

Together with Society

Contribution to the Societies and Economies of Mangrove Planting Regions

During the three-week period from March 2010, Tokio Marine & Nichido will donate approximately US$10,000 (100,000 yen) to support the Green Gift Project and the establishment of an insurance system aimed at fostering both trees and people.

Tokio Marine & Nichido will raise funds by selling green gift insurance, which will contribute to the development of the mangrove project, and use these funds to purchase mangrove saplings and support projects for local communities.

Support program, Tokio Marine & Nichido will raise funds by selling green gift insurance for the Mangrove Planting Project and the establishment of an insurance system aimed at fostering both trees and people.

Green Lessons: The Mangrove Story

The Tokio Marine Group holds “Green Lessons: The Mangrove Story,” an environmental education program based on the theme of the “prevention of global warming and preservation of ecosystems,” at elementary schools and schools for students with special needs throughout Japan. This program provides an opportunity for students to learn about important environmental problems.

The Green Lessons feature videos of mangrove forests and the sharing of experiences by people who have participated in the Mangrove Planting Project. The lessons also include interesting stories involving the recycling of company uniforms, employee and agents courses to serve as instructors for the lessons. Over the five-year period up to the end of March 2015, approximately 23,800 children from around 300 schools across Japan took part in the program.
Tokio Marine Group’s CSR

Tokio Marine Group’s Approach to CSR

The Tokio Marine Group has provided “safety and security” to society and contributed to its development by making the most of its abundant knowledge and experience accumulated over the years in the insurance industry. In contemporary society, risks surrounding individuals and companies continue to become more diversified and we are keenly aware of the increasing importance of social roles and responsibilities incumbent on insurance companies. Under these circumstances, the Tokio Marine Group is determined to raise its corporate value continuously by realizing its Corporate Philosophy and thus contributing to the sustainable growth of society.

Based on this rationale, we have formulated the Tokio Marine Group CSR Charter as behavioral guidelines for all employees to execute CSR. Under the “Innovation and Execution 2011” medium-term corporate strategy (FY2008 – FY2011), as our medium-term vision, we aim to become “a global corporate group maintaining growth by offering quality products and services that adapt to and mitigate climate change (includes responsibility for developing countries).”

With customer trust as the foundation of all its activities, the Tokio Marine Group continuously strives to raise its corporate value.

Through the promotion of the highest quality products and services, the Tokio Marine Group aims to achieve safety and security for all its customers.

We see the importance of continuing to grow business throughout the world. The Tokio Marine Group will fulfill its role as a responsible global business.

While striving to maintain high ethical standards at all times, we will pursue strict compliance at all aspects of our business activities.

We intend to disclose information in a timely and an appropriate manner and to promote dialogue with all of our stakeholders to ensure effective corporate management.

Participation in the United Nations Global Compact

The 10 principles concerning human rights, labor, the environment, and anti-corruption formulated by the United Nations Global Compact, are committed to by theTokio Marine Group.

http://www.globalcompact.org/

Key CSR Issues of the Tokio Marine Group

The Tokio Marine Group has identified these key CSR issues shared by the entire Group and has been taking a cross-sectional approach to addressing these challenges. In identifying these key issues, we accelerated various circumstances surrounding the Tokio Marine Group by drawing on information obtained through such means as listening to customer opinions, communicating with employees, and obtaining feedback from SIU executives, and holding dialogues with external experts. Upon doing so, we subsequently considered impacts on the economy, environment, and society and then identified the key issues.

Providing value through our core businesses

With the aim of “offering quality that customers select,” we will continue to improve our business, as well as considering various customer perspectives. We will also provide support for ensuring an appropriate response to the diversified and increased complexity of risk accompanying changes in society.

Responding to climate change

Climate change and global warming are risks common to all human beings. In this context, we recognize that climate change and global warming are issues that have an impact on all aspects of our business activities.

Addressing climate change through our products and services

Tokio Marine & Nichido is committed to providing products and services that respond to climate change issues in order to contribute to the realization of a sustainable society.

Green Lessons

The Group companies have been working to fulfill the UN Green Charter. We are participating in the following initiatives.

- Promoted switch to paperless Web clauses for automobile, fire and Super Insurance: Attained a switchover rate of 60%.
- Introduced EGMs at Group companies (mainly in the Americas, Europe and Asia) (June 2008)

Collaborative work with local communities and societies

As a corporate citizen, we take responsibility for maintaining positive relations with local communities through our community and social contribution activities and thus contribute to the development of local communities."We aim to achieve an employee participation rate of 30% or higher for community and social contribution activities for domestic Group company employees by the end of fiscal 2011."
CSR Promotion Structure

The Tokio Marine Group’s Board of Directors and CSR Board, which is chaired by the president of Tokio Marine Holdings, meets periodically to discuss matters and determine the main CSR policies and guidelines. CSR departments in each Group company are responsible for promoting CSR activities in accordance with the characteristics of their respective businesses and the local communities.

The Tokio Marine & Nichido Corporate Value Index and CSR Index

Tokio Marine & Nichido defines corporate value as the sum total of the value it provides to its stakeholders, namely, its customers, shareholders, agents, employees, and local communities and societies, and makes quantitative evaluations to determine whether measures implemented each year have raised the company’s corporate value. This approach helps the standards of CSR initiatives and facilitates the preparation of new strategic proposals. Along with profits and sales, Tokio Marine & Nichido has incorporated the Corporate Value Index as a tool to evaluate and measure the effectiveness of its CSR initiatives.

Corporate Value Index

- Profitability
- Productivity
- Stability
- Customer satisfaction
- Agent satisfaction
- Workforce satisfaction
- Response to social expectations
- Contribution to local communities
- Environmental responsibility
- Contribution to international communities
- Financial strength

CSR Index

- Indicator
  - Value
  - FY2008
  - FY2009
  - Improvement

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>FY2008</th>
<th>FY2009</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agent satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Response to social expectations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution to local communities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution to international communities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental responsibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial strength</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Evaluation of the Tokio Marine Group in Corporate Integrity Survey 2010

Tokio Marine & Nichido ranks number one in overall evaluation in its most recent survey. Tokio Marine & Nichido has received high evaluations in the categories of "leadership" and "sustainability" and was also highly acclaimed for its initiatives in the fields of corporate social responsibility and environmental sustainability. The group was also lauded for its efforts in improving its CSR activities. Tokio Marine & Nichido is recognized as a financial institution with strong integrity.

Third-Party Comment

Peter David Pedersen
Senior Executive Director, E-Square Inc.

I have a genuine feeling that the Tokio Marine Group’s CSR management is steadily advancing with each passing year. I have been favorably impressed by Tokio Marine’s establishment of a clear order of priorities, the strengthening of its implementation structure, its creation of an employee-friendly work environment and its whole-hearted efforts in implementing multi-faceted initiatives to address crucial environmental issues, centering on greenhouse gas emissions. As for my expectations for Tokio Marine to further develop and expand its activities in the future, I would like to cite the following points:

- Systematic and strategic promotion of CSR management as a group, encompassing experience both in Japan and overseas. In carrying out the management of a group that is composed of diverse business entities, I believe that CSR and sustainability management can help foster stronger bonds that link each individual employee across national boundaries.
- A greater focus on global issues in the future. It is only natural that Tokio Marine is delay in as much as it is a global company. As it places greater focus on global issues in the future, it is only appropriate that it provides a corporate financial institution as part of its increased focus.

In Japan as well, I believe it is probably necessary to strengthen the management structure and to institute proper frameworks for participation to ensure that employees and agents make CSR and environmental initiatives an integral part of their own jobs and careers.

As the economic development of Asian countries progresses and the number of insurance industry competitors increases, diversification in global markets, I would like to see the Tokio Marine Group take a path for continued growth by implementing strategies for continuously pursuing improvements in management quality.
Reducing Environmental Impacts from Business Activities

Pedersen

- At globally advanced companies, countermeasures extending all the way to employees use of their own cars are being considered as part of CO2 reduction plans. Through a matching grant system, these companies are supporting CO2 carbon offsetting associated with employees’ use of their cars and are including as awesomes of participation among employees. I hope to see Tokio Marine consider a scheme in the future that supports such measures as well as reductions of the environmental impact by agents, who are business partners.

Collaborative Work with Local Communities and Societies

Tajiri

- To encourage participation in voluntary community and social contribution activities in every part of Japan. CSR promotion departments don’t focus on indicating programs applicable nationwide. On the other hand, it would be important that employees in their respective workplace consider what social contributions they can make locally using their own initiative and take action accordingly.

- Recently, many companies have been increasing community and social contribution programs involving family members of employees. I would like to see the Tokio Marine Group organize the overall composition of its global environmental protection activities through insurance as an outstanding aspect of this project.

Tokio Marine CSR Dialogue

The Tokio Marine Group invited prominent figures from among various fields and solicited their opinions about the Group’s key issues of “Protecting our environment and the climate through CSR initiatives” and “Reducing environmental impacts from business activities” and “Collaborative work with local communities and societies.” Some opinions offered by these experts are provided herein. (More detailed opinions are available on our website.)

First Dialogue (May 2010)

Fujii

- I highly applaud this project for its approach that links financial products provided to customers with mangrove planting, while the mangrove planting in turn contributes to the development of the local economies. In particular, I believe that enabling customers to also participate together with Tokio Marine in environmental protection activities is an outstanding aspect of this project.

- In the future, besides mangrove planting activities, I am also hoping to see Tokio Marine undertake new types of community contribution activities such as forest conservation activities in other countries and regions.

Tajiri

- The Green Gift Project also serves as a form of environmental education as it makes customers once again notice the importance of global environmental protection when they enroll in insurance. I hope the point will be more recognized in the future.

- Through participation in insurance, customers can take part in mangrove planting, which is a type of environmental activity that people cannot undertake alone at the individual level. I think this probably represents a new perspective for products and services.

Pedersen

- I would like to see the Tokio Marine Group organize the overall composition of its global environmental protection activities clearly and indicate the position of the Green Gift Project among these initiatives. Additional internal discussion should be carried out about the overall composition of CSR initiatives, with the responsibilities of each group broken down. For example, it would be good to clarify which initiatives are included in the CSR projects and which initiatives are included in the Green Gift Project. For instance, if the CSR projects include initiatives to make customers feel good about their insurance purchases, that may make consumers feel good about those policies as well as their insurance.

- In the future, we should also consider what social contributions we can make locally using our own initiative and take action.

Second Dialogue (June 2010)

Edahiro

- It would be better for Tokio Marine to explain “why it is involved in the mangrove planting project” by explaining the intent and purposes of this activity more explicitly.

- The Green Gift Project involves the participation of customers. For this reason, I would like Tokio Marine to devise a means of disseminating information to customers in a way that they can reflect on the significant effects and findings of the project obtained through experience over the past 10 years and that all participants in the project come to feel that the growth of mangrove trees is an important matter realized through their own efforts.

Pedersen

- While taking into consideration the characteristics and social elements of each country and region, the most advanced companies are working in cooperation with NGOs and NPOs and taking innovative approaches based on their own group’s standards of social contribution.

- For employees to voluntarily join community and social contribution activities, I think it is necessary to consider schemes that will actually make employees want to participate in such activities on their own.

Responding to Opinions Obtained in the CSR Dialogue

- It is important to take into consideration the characteristics and social elements of each country and region in the context of cooperation to further develop the levels of initiatives and social contribution activities.

- We should also like all of our Group companies around the world to respond directly to CSR issues by taking action to resolve ethical and social issues and looking for ways to share values and active principles for social responsibility and respecting the diverse values of each country and region.

- It is our daily efforts to raise our corporate value through the practice of CSR, which we would also like all of our Group companies to carry forward, that will further develop the levels of initiatives from the standpoint of sustainability. We hope that more companies will further develop the levels of initiatives from the standpoint of sustainability.
Risks have become more diversified and complex along with the times. The Tokio Marine Group starts with enhancing the quality of products and provides new value that will lead to assuring the "safety and security" of society.

**Diversifying Risks Together with Social Changes**

The history of the Tokio Marine Group dates back to 1879. It has since developed together with society by playing the role of supporting Japan’s economic development, starting with marine insurance for corporations and providing insurance such as automobile insurance, general liability insurance and personal information protection insurance to protect them against risks. For individual customers, we have ceaselessly marketed types of insurance needed to meet lifestyle changes, such as individual property comprehensive insurance, travel insurance, medical insurance and life insurance.

In today's world, where risks surrounding companies and individuals have become increasingly diversified, the Tokio Marine Group is acutely aware of the importance of its role and responsibilities as a group of companies centered on the insurance business for "protecting companies and households against such risks."

**Fulfilling Our Mission by Changing the Traditional Concept of an Insurance Company**

Traditionally, the insurance business has the role of providing economic support for customers who have paid premiums by settling insurance claims promptly and steadily in the event of accidents. In our day-to-day business, we are fully committed to this basic principle as an insurance company by offering customers easy-to-understand products or working to enhance the quality of products and services so that customers may feel assured with our claims settlement services.

The fact remains, however, that the mere support of customers' economic burdens will not realize the "safe and secure" society to which we aspire. The best for both customers and us is to prevent risks from becoming realities, and for this reason, one of the important duties for insurance companies, who are professionals of risk management, is to propose measures for preventing the occurrence of accidents. At the same time, in addition to promptly responding to customer contact in the event of contingencies, we set great value on a corporate culture in which we constantly ask ourselves whether we are truly attentive to customers in seeing things from their viewpoints when responding to them. In other words, value provided by the Tokio Marine Group will be recognized when each and every employee thinks proactively on his or her own, takes the initiative and in turn achieves customer satisfaction.

Based on a wealth of know-how accumulated through its insurance business spanning over 130 years, the Tokio Marine Group will continuously contribute to the development of society by delivering "safety and security."
Providing Value through Our Businesses

The second step is to spread the message about cancer. Besides taking preventative measures by improving dietary habits or quitting smoking, it is also important to get medical examinations on a regular basis since there is a high probability of being cured if cancer is found at an early stage. To this end, we have been implementing various activities by considering what each of us can do in each region, such as holding seminars or conducting enlightenment campaigns on the importance of preventive measures and checkups as well as knowledge on cancer in an easy-to-understand manner. Collaboration with public organizations and customers is also important in such initiatives.

The third step is to provide support. The psychological distress of patients who have been diagnosed with cancer and their families is enormous. As a consequence, Tokio Marine & Nichido Life not only provides economic support via insurance products but also has established a cancer-specific counseling center, in which doctors and nurses specialize in the medical treatment of cancer in respective areas of the body other than via telephone. Additionally, home consultation services by dedicated consultation staff are also available to address customer concerns.

---

Doing Our Duty to Protect Customers from Cancer

What We Can Do to Protect Customers from Cancer, a Disease Causing Approximately One Out of Every Three Japanese People to Lose Their Lives.

What can we do to help ease the hardship and suffering of customers and their families fighting cancer? The Movement to Protect Customers from Cancer is supported by our passionate dedication as insurance professionals.

Learning about Cancer

Initiatives include ongoing study sessions or holding seminars by inviting external lecturers (including healthcare professionals and persons who have survived cancer).

Collaborative Work

The Initiative was started by the health insurance sector and has since been expanded to the life insurance sector and beyond. It has also spread beyond Japan, with other countries beginning similar initiatives. Tokio Marine & Nichido Life Insurance has been promoting the ‘Movement to Protect Customers from Cancer,’ an activity extending beyond insurance products based on the firm conviction that this initiative is truly a social mission expected of insurance professionals. Insurance professionals are persons who devote themselves to insurance businesses with a strong sense of social mission and professional ethics. The movement has grown steadily by striking a chord with many employees and agents, who were inspired to look into ways they could improve their service to customers, including the earlier recommendation of cancer examinations.

Learning and Spreading the Message about Cancer and Providing Support

The Movement to Protect Customers from Cancer is made up of the three steps of learning about cancer, spreading the message about cancer and providing support.

The first step is for us to learn about cancer. Each and every employee and agent voluntarily investigates the current status of cancer, including preventive measures, treatment methods and the realities of the present medical care in their respective regions, by holding study sessions frequently.

Providing Support

Support for early detection

In order to effectively provide various services to encourage early detection of cancer, we need to know the facts about cancer. Tokio Marine & Nichido Life has been promoting the ‘Movement to Protect Customers from Cancer,’ an activity extending beyond insurance products based on the firm conviction that this initiative is truly a social mission expected of insurance professionals. Insurance professionals are persons who devote themselves to insurance businesses with a strong sense of social mission and professional ethics. The movement has grown steadily by striking a chord with many employees and agents, who were inspired to look into ways they could improve their service to customers, including the earlier recommendation of cancer examinations.

Conveying Our Thoughts and Protecting Customers from Cancer

The characteristics of the movement are that all employees consider the protection of customers from cancer as a personal matter, and duly consider and take the initiative along with agents on what they can do to help customers. By participating in this movement, I personally have come to realize once again the meaning of working at an insurance company. We should have sufficient knowledge and experience that we can convey to customers, make efforts to alleviate their economic and psychological stress through insurance products and related services, and thus support and encourage customers who are suffering from cancer as well as their families. This is truly worthwhile, and I believe that there are still many more things we can do for customers.

---

Collaboration with Local Authorities

We have been Expanding the “Movement to Protect Customers from Cancer” Into Regional Activities.

Tokio Marine & Nichido Life has concluded agreements with various local authorities to encourage cancer examinations and related activities. Since July 2004, based on the belief that joint action can help us as many people as possible to become independent of suffering from the disease, Tokio Marine & Nichido Life has concluded agreements with various local authorities to encourage cancer examinations and related activities.

---

Employee Engagement

Employees and agents have been collectively promoting activities by sharing the same ideas.

---

Leading Cause of Death in Japan

Leading Cause of Death in Japan: Preventable/Non-preventable (2011) by Ministry of Health, Labor and Welfare
Delivering “Security” to Customers through Advice by Healthcare Specialists

We support customers beyond the framework of insurance by providing “Medical Assist,” an around-the-clock service that responds to providing consultation to inquiries about health concerns to customers and their families.

Nurses initially respond to approximately 100-300 customer inquiries a day, and depending on the case, emergency medical specialists address the issues transferred as necessary. For example, in the case of providing consultation to “a child stung by a bee or waspo,” a detailed explanation is given about symptoms requiring emergency medical care, including treatment received in less serious cases. Additionally, utilizing a database of medical institutions throughout Japan, Medical Assist also introduces the closest medical institutions in the event of being injured or feeling it is unfamiliar places such as while traveling.

Further Ensuring “Security” in the Medical Care Field

Recently, the average number of days of hospitalization has become much shorter. With the result that the need of continuing care at home has become much greater. Formerly worked as a nurse at a hospital and experienced a dilemma because sufficient care cannot be given to patients after their initial treatment. My concern is that in such an environment where there are no specialists to whom patients can turn for advice. Many of these cases are needed at any time, in such circumstances, I hope that the existence of Medical Assist, which enables patients to seek advice via telephone, will provide them with a feeling of reassurance.

At the same time, a social issue has arisen in which patients whose symptoms are less urgent visit emergency sub-patient units in hospitals at night or on holidays. Making it difficult for patients who have severe symptoms and truly require emergency medical treatment to receive care. However, it is natural to understand that people who have no medical knowledge become worried with any sign of physical unwellness. Under such circumstances, the Medical Assist service will offer appropriate advice via telephone to assist whether or not an emergency medical event is required by telling to the symptoms in detail. We believe that Medical Assist can be a helpful tool to ensure customers’ health and security and ultimately resolve such problems in the medical care field.

Customers’ Greatest Hope is Early Recovery after a Disaster. We are Working to Expand “Safety and Security” by Supporting Business Continuity.

Tokio Marine & Nichido works in partnership with BELFOR (Japan) Co., Ltd., a company specializing in disaster recovery support, to realize swift recovery from disasters and calamities and support customer business continuity.

Supporting Customer Business Continuity from Disaster Prevention to Swift Disaster Recovery

Corporate customers are always surrounded by risks such as the sudden occurrence of floods, earthquakes, fires and explosions. In such circumstances, Tokio Marine & Nichido has continuously provided economic compensation over the years for loss or damage sustained by such incidents by way of its insurance products. Additionally, the Tokio Marine Nichido Group also provides customers with comprehensive corporate support plans from the formulation of business continuity plans (BCPs) to the establishment of business continuity management (BCM), including training for an immediate response to disasters and early recovery.

It is a major issue for customers who have experienced disasters and accidents to resume their businesses as quickly as possible. In past years, the only option available for recovery was to newly replace production facilities or servers. For this reason, long periods of time were required until the restart of business operations in addition to incurring significant costs. However, in the course of damage inspections conducted by Tokio Marine & Nichido’s claims staff, there are many cases in which production machinery and equipment covered with smoke, soot or other substances are broken down mechanically, making it possible for them to be repaired and put back into service. In view of such situations, Tokio Marine & Nichido has formed a partnership with BELFOR, a company possessing highly specialized technologies in the disaster recovery support field, and has been providing Early Disaster Recovery Support Service for Tokio Marine & Nichido’s corporate insurance customers.

“Restoration” Is An Alternative Solution to Early-Stage Disaster Recovery

Tokio Marine & Nichido contacts BELFOR with customers’ consent after receiving a report from a customer who has met with a disaster or accident. BELFOR immediately activates the site to conduct an on-site inspection. The first step is to draw up a “Containment Map” which identifies contaminated areas on site. Then, an optimal recovery plan will be proposed to customers after conducting emergency stabilization measures, if necessary, to inhibit the progression of contamination and cut to prevent further damage. Full-scale recovery operations such as a demolding of various facilities contaminated with smoke due to fire or mud caused by flooding and other incidents, as well as precision cleaning using special technologies, are carried out when necessary. Additionally, once replacement of customer facilities is often impossible. BELFOR’s reactivating technology proves beneficial in such cases as well. Another advantage is that even in cases where facilities are replaceable, early recovery can be realized without having to rent new factory facilities; installations that require considerable expenditure. For example, there was a case in which recovery was realized within one month, whereas it would have taken 12 months to procure new facilities. This enabled customers to quickly restart their business operations compared with the installation of new facilities.

When we come to contact with customers who have encountered disasters or accidents at damaged sites, we have been always thinking, “Isn’t there a way to provide support that will directly respond to customer needs for recovery at an early stage?” This cause led to the formation of a partnership with BELFOR. To date, the option of “Restoration” by using special technologies possessed by companies such as BELFOR is not broadly known. There are some customers who are even surprised by such a solution. In this respect, we will continuously seek to do what we can from the perspective of contributing to our customer’s business continuity.
To Gain Customer Trust in All Processes from Contract to Claims

Customer Feedback Fundamental to Enhancing Quality of Products and Services

Customer Feedback is a critical issue for the Tokio Marine Group. The number of customer complaints received in the Tokio Marine & Nichido customer response centers has been consistently growing, with 58,227 cases in 2004, 9,800 cases in 2005, and 26,106 cases in 2006. These figures indicate the growing importance of customer feedback in enhancing the quality of products and services.

Enhancing Transparency regarding Customer Feedback

From the perspective of enhancing transparency of initiatives regarding customer feedback, the number of feedback received, details of claims and examples of developing and improving products and services carried out based on such feedback are made public via the company website in greater detail.

Example of Improvements Based on Customer Feedback

Improvement in “Handbook and Web Site”

The “Overseas Travel Insurance Handbook” and the company website have been improved to provide clearer information to customers. The handbook includes detailed information on where to contact in case of emergency, and the website now provides a clear and easy-to-use interface for customers to access the information they need.

Shared Value – DNA Handed Down to Members Engaged in Claims Services of Tokio Marine & Nichido

We meet customers when they encounter accidents that may or may not occur once in a lifetime. Besides times when we pay insurance claims, truly pleasing customers requires giving customers the best solution for their insurance. This booklet is distributed to all members engaged in claims services, including new employees who join the company each year, and we aim to use it to communicate cherished values that we want to be handed down continuously from generation to generation.

The content is based on questionnaire results and interviews conducted by Hiroaki Ichihara, Claims Manager. We also refer to this booklet whenever there is something I cannot make decisions about or on occasions when I want to be inspired and energized by my colleagues’ thoughts.

Although it is not tangible, we consider careful considerations about customers to be a component of product quality of claims services. This is my standpoint as part of our DNA continuously handed down by our predecessors, and it is an essential part of our customer standpoint, as part of our DNA to all members who will be involved with claims services.
Developing Employee Quality through Programs that Nature and Support Skill Development

The Tokio Marine Group believes it essential that motivated and capable employees who possess diverse resources of value should fully demonstrate their capabilities, regardless of gender, age, nationality or other attributes, to improve the quality of the products and services it provides to customers. We are aiming to enhance employees’ job satisfaction along with efforts to “continuously build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential” through a transparent and fair personnel system. Additionally, we are also working to leverage the “Human Power” of employees which is very important for them to provide value to customers in selling intangible products such as insurance products and services.

Tokio Marine & Nichido has undertaken measures to develop its human resources by cultivating a culture in which every employee “continuously takes up the challenge of innovation from a customer perspective” and “identifies and solves problems through flexible thinking and a broad vision as an insurance professional.” More specifically, interviews between supervisors and their staff are held four times a year to develop each employee’s competency. In behavior and thinking, at the meetings, employees share their career visions and personal strengths and weaknesses with supervisors. This is conducted in combination with on-the-job training, off-the-job training and self-development efforts.

In addition to a wide range of correspondence-based training activities, including Rank-Specific Training, Optional Training, Specialization Training and e-Learning services, Tokio Marine & Nichido offers an External Qualification Support System by providing financial assistance to employees who wish to earn such qualifications. The company also actively sends employees to training at business schools, law schools and other institutions both in Japan and around the world to develop personnel who possess broad perspectives, international experiences and high degrees of specialized knowledge. Tokio Marine & Nichido also works to enhance the career development of employees of Group member companies overseas through efforts including group training in their own countries and in Japan.

<table>
<thead>
<tr>
<th>Number of Employees Who Used Childcare Support Systems</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retiree rehiring system</td>
<td>19 male</td>
<td>20 male</td>
</tr>
<tr>
<td>Childcare leave system (incl. 19 male)</td>
<td>284 employees</td>
<td>284 employees</td>
</tr>
<tr>
<td>Short working hours system</td>
<td>320 employees</td>
<td>210 employees</td>
</tr>
<tr>
<td>Mid-term interviews</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>OJT, self-development policies</td>
<td>284</td>
<td>321</td>
</tr>
<tr>
<td>Work/Life Balance Support</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Tokio Marine Group supports the balance between work and childcare. Tokio Marine & Nichido has introduced “8 packages of full childcare support” as a system for protecting motherhood and childcare support. At the same time, Tokio Marine & Nichido Life has been promoting the upgrade of systems such as enabling employees to utilize the Life Balance System (Short Working Hours System), to cut their working hours in 30-minute increments. Additionally, in recognition of proactive initiatives for employees’ childcare support, Tokio Marine & Nichido, Tokio Marine & Nichido Life, Tokio Marine & Nichido Systems Co., Ltd. and Tokio Marine & Nichido Advising Services Co., Ltd. were granted the “Next Generation Certification Mark (Kurumin)” subsequent to accomplishing the “General Business Owner Action Plan based on the Next Generation Nurturing Support Measures Promotion Law” by the Tokyo Labour Bureau.

Developing Human Resources as Professionals

The Tokio Marine Group considers its employees to be its most valuable assets as the Group works toward achieving sustainable growth as a corporate group selected by customers for its quality. With this in mind, the Tokio Marine Group has been undertaking efforts to become a group truly trusted and supported by customers through creating “a corporate culture that encourages self-cultivation and the development of human resources.” This is being accomplished through comprehensive employee training centered on on-the-job training and ongoing support for self-development. All Group member companies are building skill development programs and personnel systems appropriate for the characteristics of their respective offices.

Human Resources Development Cycle (For Tokio Marine & Nichido)

<table>
<thead>
<tr>
<th>Human Resources Development System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation of Human Resources Development</td>
</tr>
<tr>
<td>Human Resources Development</td>
</tr>
<tr>
<td>Human Resource Development Cycle (For Tokio Marine &amp; Nichido)</td>
</tr>
</tbody>
</table>

Establishing the Global Human Resources Group on July 1, 2010

In order to realize the strategic human resource development and personnel allocation envisioned in the medium-term corporate strategy for FY09-11, the Global Human Resources Group (GHRG) was established in the International Business Development Dept, effective as of July 1, 2010. The GHRG’s major initiatives will be:

- Developing policies, framework and infrastructure of global HR
- Planning and providing cross-cultural training and seminars for international business

In order to promote diversity world-wide, the Tokio Marine Group will endeavor to enrich its human capital base by leveraging the global HR function.
Environmental Issues That Pose Risks to All Humankind

Various environmental issues that pose risks to all humankind seriously threaten our lives. The impact of climate change has worsened around the world in particular with the increased incidence of droughts, torrential rainfalls and infectious diseases in recent years.

It is noted that insurance companies are deeply affected by climate change in their core businesses. In fact, insurers in different regions and countries in the world have had to pay huge insurance claims because of damage caused by frequent occurrences of natural disasters since the 1990s. It is generally considered that climate change is a serious threat confronting the global insurance industry over the medium to long term.

Pooling Group Capabilities to Adapt to and Mitigate Climate Change

Our mission in the non-life insurance sector is to underwrite insurance and pay claims stably over the medium to long term and ensure “safety and security” for society.

Specifically, the insurance industry is expected to provide society with various solutions by means of its highly professional knowledge and skills in such fields as the payment of insurance claims, risk assessment and asset management. It is also important for the industry to promote insurance systems, loss prevention and risk management in developing countries and regions vulnerable to the impact of climate change.

Since December 2006, the Tokio Marine Group has been promoting the cross-organizational “Global Warming Research Project.” Under this endeavor, the Group is engaged in the study of climate change risks and global warming, as well as in the development and supply of products and services relating to them, through the joint efforts of Tokio Marine & Nichido, the Tokio Marine Research Institute and Tokio Marine & Nichido Risk Consulting Co., Ltd.

The Tokio Marine Group will respond to new risks arising from climate change as an all-around business group equipped with versatile functions such as insurance products, services, risk study and consulting.
Risk Research

We have made advancements in natural disaster risk assessment methods and linked this to the development of products and services that adapt to climate change.

Major changes in the frequency of natural disasters and the scale of damage due to climate change and global warming make it very difficult for insurance companies to calculate appropriate insurance premiums, set up adequate liability reserves against the payment of insurance claims in the future, and make proper arrangements for reinsurance, should they continue to rely only on the assessment of risks based on past statistical data. Accordingly, the Tokio Marine Group has been promoting research into future natural disaster risks by utilizing “climate models” which enable us to forecast future climate conditions based on computer simulations, in addition to forecasts mainly utilizing past statistical data. We contribute to the realization of a sustainable society by linking research findings to the development and provision of products and services while disseminating this information to society.

PROVIDING VALUE TO SOCIETY PROVIDING VALUE TO SOCIETY

CSR Management Providing Value

We protect farmers in India from risks associated with climate change such as drought. The amount of damage caused by climate change is on the rise globally. The Tokio Marine Group has set up a cross-organizational climate change research team to develop disaster risk assessment approaches by utilizing the world’s top-class climate models developed by the university.

Growing Risks Posed by Climate Change

Climate change causes severe damage to Indian farmers

India is a large agricultural country, with approximately 60% of the working population involved in farming. Irrigation, however, has yet to spread to many regions, and the country relies on rainfall for close to 70% of its agricultural water. Droughts and other climate change can therefore have significant impact. For example, in 2002 the June to September monsoon season saw only 44% of regions recording higher than normal rainfall, and agricultural production declined by 13.2% as a result. A significant drought in the country can quickly result in desperate circumstances for farmers, and they are often subject to economic damage as well, being forced to sell their livestock and land.

We asked ourselves what we, as an insurance company, could do to remedy the situation. This question led to the development of “weather insurance.” The product combines the expertise of the Tokio Marine Group in assessing the risk of natural disasters with the farm and rural assistance programs of the Indian Farmers Fertilizer Cooperative Ltd. (IFFCO), India’s largest public company involved in fertilizer. Being able to use insurance to cover the risks brought on by climate change means that the Group can help stabilize the lives of farmers and ultimately contribute to stable supplies of food in the country.

Upgrading Natural Disaster Risk Assessment Approaches

Upgrading Natural Disaster Risk Assessment Approaches

In 2001, the Tokio Marine Group established IFFCO-TOKYO General Insurance Co., Ltd. as a joint venture with IFFCO to begin development of weather insurance. The product was born out of the expertise of the Tokio Marine Group in assessing the risk of natural disasters and its knowledge in weather analysis. To calculate the probability of drought, the Group made use of more than 100 years of data on rainfall in India collected by observation stations operated by the Indian Meteorological Department (IMD). In May 2006 the company began to offer weather insurance, which provides policyholders with economic compensation based on the difference between average and actual monsoon season rainfall in their region. The insurance is a mechanism to enhance the stability of farmers by using benefits to cover the economic losses incurred from drought.

Using insurance to contribute to sustainable societies

Less than 1% of the population in India is enrolled in life insurance. Before weather insurance could spread, it was necessary for potential customers to understand how insurance works. In 2004, IFFCO representatives visited villages in states around India to provide explanations. Today, when weather conditions result in a shortage of water, we often hear farmers talk about how glad they are to have enrolled in weather insurance and be able to receive benefit payments, and this only underscores for us the significant role that insurance has to play in society. Approximately 70,000 farmers in 11 states have enrolled in weather insurance, and with the risks from climate change mounting, insurance has become deeply interwoven with the lives of rural villages. It is a step as contributing to the development of agriculture throughout India.

The company also uses the product development expertise of the Tokio Marine Group and the network of IFFCO to offer a variety of “micro-insurance” products for rural communities and other low-income households. These products provide protection from fire, medical and injury risks for very small premiums. We look forward to continuing to serve as an insurance company, responding to changing times and solving local problems.

Clive A. Griggs
Chairman of the Board

...
Environmental Consulting
Tokio Marine & Nichido Risk Consulting supports measures against climate change in corporate management. For example, it helps formulate carbon management strategies that include CO2 emission reduction targets and implementation plans upon clarification of the overall picture of CO2 emissions from business activities. Other initiatives include quantitative understanding of the degree of environmental impact across the product lifecycle (LifeCycle Impact Assessment (LCA) analysis and calculation of carbon footprint), support with the implementation of energy-saving measures and a program promoting eco-friendly driving.

Eco-Friendly Driving Program
Providing a Program for Environment-friendly Driving That Reduces Costs for Customers
The importance of environment-friendly driving as a measure against climate change is increasing in line with demands for a reduction in CO2 emissions throughout society. Nonetheless, it is thought to be difficult, and for this reason, Tokio Marine & Nichido Risk Consulting commenced a program promoting environment-friendly driving in January 2010 by emphasizing the benefit of reduced costs through greater fuel efficiency.

Utilizing Unique Know-how and Technology
In this program, training is provided to increase awareness of the need for eco-friendly driving. A recorder is then used to diagnose driving habits. Based on the results, practical guidance is given to drivers with a propensity for abrupt acceleration and sudden braking. This makes it easier for drivers to recognize their own driving habits and where care is needed. Takeco Co., Ltd., an industrial waste processor, forecasts a 6% reduction in CO2 emissions annually as a result of introducing the program.

A highly accurate driving recorder and analysis technique are required for this diagnosis. Tokio Marine & Nichido Risk Consulting developed its own unique recorder 18 years ago to help reduce traffic accidents and also worked to enhance analysis techniques and apply them to environment-friendly driving.

We already had our own campaign promoting eco-conscious driving and were skeptical of any further improvement under the Tokio Marine program. Just halfway through the program, however, we were surprised at a steady increase in fuel efficiency and expect that this will make a significant contribution to company-wide energy savings going forward.

Environmental Consideration in Investment Products
In September 2007, Tokio Marine Asset Management Co., Ltd. started selling “Premier World,” an environmental investment fund that aims to support efforts to combat the following social issues through stock investments in international enterprises involved in activities related to these themes. These issues are the key focal points of increasing global attention against a backdrop of global economic growth and population expansion.

■ Environment
General awareness, clean energy etc.
■ Water and biodiversity
Risks arising from water and food, endangered species etc.
■ Medical care and health
Medical techniques, promotion of better health etc.

As products for institutional investors, we started to market in January 2008 “Socially Responsible Investment (SRI) in domestic stocks aiming at securing added value steadily over the long term based on our own Environmental, Social, Governance, Risk Management (ESG) analysis and evaluation that leverage the comprehensive risk management know-how of the Tokio Marine Group.” In March 2010, we launched mutual funds for overseas institutional investors.

In the future, we will continue working to improve investment results over the long term while continuing ESG issues in operating processes and to fulfill our social responsibility as an institutional investor.

Reducing Environmental Impact from Business Activities
Aiming to Reduce CO2 Emissions and Become Carbon-Neutral

Environmental Impact Data
Tokio Marine Group's CO2 emissions by the Tokio Marine Group in fiscal 2009 amounted to 85,701 tons, including 68,411 tons in Japan and 17,290 tons overseas. For Fiscal 2010, the Group has set a reduction target of 7% from the previous fiscal year.

Tokio Marine & Nichido has set medium-term and long-term target for the reduction of CO2 emissions in FY2010. The medium-term target is to attain 40% reduction in CO2 emissions by 2020 compared with the FY2006 level. The long-term target is aiming 60% reduction in CO2 emissions by 2050 compared with the FY2006 level, and is currently progressing with CO2 reduction measures. In fiscal 2009, CO2 emissions were reduced to 45.37 tons. At the end of fiscal 2009, Tokio Marine & Nichido became carbon neutral in its domestic operations, and the Company continues to actively implement various measures including carbon trading and retirement and offsetting, etc.
Responding to Climate Change

Environmental Enlightenment and Social Contributions

Children’s Environmental Award
Together with the Asahi Shimbun Company, Tokio Marine & Nichido has been implementing the Children’s Environmental Award since 2008 as one initiative for raising environmental awareness among elementary school children, who will lead the next generation, and in turn raise awareness among society as a whole. We solicit illustrations and essays about the environment from elementary school children and invite the award winners and their guardians to join the Iriomote Island Eco Experience Tour during the summer holidays. In fiscal 2009 (second time), we received 4,734 works from throughout Japan. During the tour, they learn about various global problems in the natural environment. Activities include exploring Japan’s largest mangrove forest, picking up garbage that had washed ashore and separating the garbage according to countries of origin, as well as directly coming into contact with fish, shells and small animals together with specialist instructors. The children who participated then realized that responsibility for environmental protection lies with their generation. They remarked that they were eager to take on this responsibility as global citizens.

Participation in International Initiatives
The Tokio Marine Group participates in international initiatives related to climate change in order to fulfill its role and responsibility as a global insurance company and actively proposes ways and means to adapt to and mitigate climate change.

UNEP FI Insurance Working Group
Tokio Marine & Nichido is a member of the Global Insurance Company Initiative (UNEP FI) Insurance Working Group, comprising 15 companies worldwide, aiming to promote the understanding of insurance and climate change/sustainability through a series entitled “Financial sustainability” (2010) and issuance of a collaborative paper entitled “The global state of sustainable insurance” (2010).

Japanese Climate Leaders’ Partnership
Tokio Marine & Nichido has been a member of the Japan Climate Leaders’ Partnership (Japan-CLP), an initiative of Japanese companies to deal with issues of climate change, since July 2009. With Japan-CLP, companies from various industries (finance, insurance, logistics, construction, etc.) join forces to lead initiatives aimed at realizing a sustainable low-carbon society and to make recommendations on how to tackle climate change together.

Genesa Association
Tokio Marine & Nichido is a member of the Genesa Association, a network of approximately 80 executive members and 300 working members. The Association provides guidance and support to member companies and promotes wider understanding of insurance and climate change/sustainability. One of its initiatives is a research project entitled “The global state of sustainable insurance” (2010).

ClimateWise
Tokio Marine & Nichido is a member of ClimateWise, a global collaboration of leading insurers focused on reducing the risks of climate change, launched in 2007 by HRH The Prince of Wales. Facilitated by the University of Cambridge Programme for Sustainability Leadership, ClimateWise brings together 40 international members from Europe, North America, Asia and Southern Africa. All members publicly commit to abide by the ClimateWise Principles, which cover climate risk analysis, public policy, climate awareness among customers, investment strategies, and the impact of their business operations. Members also commit to independent public reporting regarding these commitments.

Collaborative Affirmation Efforts in Kochi Prefecture
Tokio Marine & Nichido’s Forest for the Future
In May 2009 Tokio Marine & Nichido concluded a five-year “partner’s agreement” with a local forestry association in Aki City, Kochi Prefecture to promote an afforestation project in collaboration with enterprises advanced in the protection of the environment. The forest agreed upon in the contract covers an area of 44.4 hectares and is named “Tokio Marine & Nichido’s Forest for the Future.” In August 2008, 48 people from among Tokio Marine Group employees, agents and their families got together and observed how to thin trees. It also provided them with a good opportunity for social interaction with local residents. The participants realized the importance of thinning trees and learned that the protection of mountains leads to the protection of seas and in turn the protection of the entire earth.

Working Together to Ensure Harmony with Societies in Different Countries and Regions of the World
The Tokio Marine Group supports the proactive regional and social contribution activities of Group employees around the world in collaboration with NPOs.

Developing Activities Based on “Protection of the Global Environment,” “Safety and Security” and “Growth of Young People”
The Tokio Marine Group conducts business in 38 countries and regions and 432 cities worldwide. Its activities are focused on the support of customers and local communities. In their respective regions, companies of the Tokio Marine Group carry out social contribution activities focused on “protection of the global environment,” “safety and security” and “growth of young people.” In expanding activities, we are focusing on participation in key initiatives of Group employees around the world and collaboration with NPOs with the know-how and a network for regional and social contribution activities. The Tokio Marine Group has declared the target of having 50% of all domestic Group employees engage in social contribution activities by the end of fiscal 2011.

All our Group companies encourage the proactive participation of their employees in regional and social contribution activities by introducing them to activities in which they may be able to participate or by creating the voluntary leave system or Presidential CSR Awards for activities highly acclaimed in local communities and societies.
Collaborative Work with Local Communities and Societies

Our employees work hand in hand with people around the world to contribute to the creation of a better future.

Overseas

Asia CSR Day

The Tokio Marine Group companies, beginning with Tokio Marine Asia (Pte) Ltd (Singapore), in five Asian countries and regions* held “Asia CSR Day” events. Based on the common theme “For the underprivileged children,” these events involved the undertaking of CSR activities across the Asia region on August 8, 2009. On “CSR Day,” employees of the participating companies, for example, visited homes for handicapped children or underprivileged children, etc. As a result, they supported approximately 400 children through donations and various other activities.

United Kingdom

Charity Event Supporting Children in China

In September 2009, employees from the UK-based Tokio Marine Europe Insurance held a charity event named “Maggie’s London night ride.” This event was organized by Maggie’s Cancer Caring Centres, a group providing free cancer support. In addition to raising money for Maggie’s Centres, participants breathed in a wonderful late night team building adventure atmosphere.

Volunteer Activities to Protect the Habitat of Wild Birds

The Tokio Marine Group collaborated with Tokyo Port Green Volunteer, an NGO, to cut bamboo in the Tokyo Port Wild Bird Park. In fiscal 2009, employees and their families helped to create a suitable environment for wild birds and enjoyed excellent bird watching. Participants in the event commented that it was a valuable experience for them to learn about the history of the park and take part in the trimming of bamboo, which made for a very meaningful experience.

Family Day to Promote Understanding of the Company and Work

In March 2010, in recognition of the numerous families that bear the psychological, physical and financial burdens as a result of traffic accidents, Nisshin Fire donated a portion of income from VAP (an indemnity rider for vulnerable road users), a new comprehensive automobile insurance product, to an NPO, Association for Assistance to Children Orphaned in Traffic Accidents.

Providing Support for Cancer Patients and Their Families

Tokio Marine & Nichido Life concurs with the initiatives advocated and undertaken by the Iwate Hospice Association, a citizen’s organization that supports cancer patients and their families. In fiscal 2009, the Tokio Marine Group donated 1,024 terry cloth caps for use by people undergoing anti-cancer drug treatment.

Climate Change

Tokio Marine & Nichido Life concurs with the initiatives advocated and undertaken by the Iwate Hospice Association, a citizen’s organization that supports cancer patients and their families. In fiscal 2009, the Tokio Marine Group donated 1,024 terry cloth caps for use by people undergoing anti-cancer drug treatment.

Understanding the Company and Work

Tokio Marine Group companies hold “Family Day” events during which the families of employees are invited to the company to deepen their understanding of the company and work.Visitors to the Head Office of Tokio Marine & Nichido learned the relation between incidents such as a traffic accident and insurance through a puppet show and games, while visitors to Tokio Marine & Nichido Financial Life Insurance got to experience what happens in the workplace via simulated phone response and document creation. The families concerned they are provided a great opportunity for their children to learn about the work that their parents do.

Assistance for Natural Disasters around the World

Tokio Marine Holdings and Philadelphia Insurance Companies jointly approximately 10 million yen to help people in Haiti to “Japan Pattern” for a Better Crisis” on January 2010. In addition, to help deliver children’s toys, books, and medical supplies, in addition, Jamie volunteered at a medical clinic.

Japan

AED Workshop to Practice Life-Saving Skills

Employees have specialized knowledge work as trainers at workshops to using Automated External Defibrillators (AED) and conducting artificial respiration. Around 1,100 employees mainly from Tokio Marine & Nichido, as well as from group companies and agents, took the course in fiscal 2009.

In June 2009, an employee who had attended the workshops used an AED and saved a person in a pedestrian area, receiving a letter of gratitude from the department of the Kashiwa City Fire Department in Chiba Prefecture.

Employee Comments

“The courage to step forward ahead of others when you see someone collapse in front of you may save a precious life. Everyone needs to handle an AED; it is definitely worthwhile to learn from this experience.”

Anne Yamasaki

Employee, Commercial Division, Tokio Marine & Nichido Life Insurance

Saving a Life with AED

Tokio Marine & Nichido

Donation to a Group Supporting Children Orphaned in Traffic Accidents

In March 2010, in recognition of the numerous families forced to bear psychological, physical and financial burdens as a result of traffic accidents, Nisshin Fire donated a portion of income from VAP (an indemnity rider for vulnerable road users), a new comprehensive automobile insurance product, to an NPO, Association for Assistance to Children Orphaned in Traffic Accidents.

Table:

| Number of employees participat (domestic) | Approx. 10,500 |
| Proportion of employee volunteers (domestic) | Approx. 45% |

Home

Climate Change

Responding to Climate Change

Tokio Marine is committed to supporting the environment and sharing the values embodied in the UN Millennium Development Goals (MDGs).

Tokio Marine Group companies hold “Family Day” events during which the families of employees are invited to the company to deepen their understanding of the company and work.

Providing Support for Cancer Patients and Their Families

Tokio Marine & Nichido Life concurs with the initiatives advocated and undertaken by the Iwate Hospice Association, a citizen’s organization that supports cancer patients and their families. In fiscal 2009, the Tokio Marine Group donated 1,024 terry cloth caps for use by people undergoing anti-cancer drug treatment.

Understanding the Company and Work

Tokio Marine Group companies hold “Family Day” events during which the families of employees are invited to the company to deepen their understanding of the company and work. Visitors to the Head Office of Tokio Marine & Nichido learned the relation between incidents such as a traffic accident and insurance through a puppet show and games, while visitors to Tokio Marine & Nichido Financial Life Insurance got to experience what happens in the workplace via simulated phone response and document creation. The families concerned they are provided a great opportunity for their children to learn about the work that their parents do.

Assistance for Natural Disasters around the World

Tokio Marine Holdings and Philadelphia Insurance Companies jointly approximately 10 million yen to help people in Haiti to “Japan Pattern” for a Better Crisis” on January 2010. In addition, to help deliver children’s toys, books, and medical supplies, in addition, Jamie volunteered at a medical clinic.

Japan

AED Workshop to Practice Life-Saving Skills

Employees have specialized knowledge work as trainers at workshops to using Automated External Defibrillators (AED) and conducting artificial respiration. Around 1,100 employees mainly from Tokio Marine & Nichido, as well as from group companies and agents, took the course in fiscal 2009.

In June 2009, an employee who had attended the workshops used an AED and saved a person in a pedestrian area, receiving a letter of gratitude from the department of the Kashiwa City Fire Department in Chiba Prefecture.

Employee Comments

“The courage to step forward ahead of others when you see someone collapse in front of you may save a precious life. Everyone needs to handle an AED; it is definitely worthwhile to learn from this experience.”

Anne Yamasaki

Employee, Commercial Division, Tokio Marine & Nichido Life Insurance

Saving a Life with AED

Tokio Marine & Nichido

Donation to a Group Supporting Children Orphaned in Traffic Accidents

In March 2010, in recognition of the numerous families forced to bear psychological, physical and financial burdens as a result of traffic accidents, Nisshin Fire donated a portion of income from VAP (an indemnity rider for vulnerable road users), a new comprehensive automobile insurance product, to an NPO, Association for Assistance to Children Orphaned in Traffic Accidents.

Table:

| Number of employees participat (domestic) | Approx. 10,500 |
| Proportion of employee volunteers (domestic) | Approx. 45% |
Overview of the Tokio Marine Group

This publication reports mainly on three core challenges facing the Tokio Marine Group. For more detailed information and initiatives for stakeholders not included in this publication, please refer to our website.

Aiming to be a Top-tier global insurance group

The Tokio Marine Group is a global business group engaged in non-life insurance in Japan as its core business, life insurance and financial and general businesses worldwide.

International Insurance Business

Tokio Marine Asia

Tokio Marine & Nichido

Tokio Marine Millea SAST

E-design Insurance

Domestic Life Insurance Business

Tokio Marine & Nichido Life

Domestic Non-Life Insurance Business

Tokio Marine & Nichido

Other

Financial & General Businesses

Tokio Marine & Nichido Financial Life

Tokio Marine Seguradora S.A.

Summary of Business Results

Tokio Marine Holdings, Inc.

President & Chief Executive Officer: Shinzo Rait

Address: Tokio Marine & Nichido Building, Chiyoda-ku, Tokyo, Japan

Date established: April 3, 2002

Black exchange: Tokyo Stock Exchange (First Section); Osaka Securities Exchange (First Section)

Tokio Marine & Nichido, Nisshin Fire, Tokio Marine & Nichido Life, Tokio Marine & Nichido Philadelphia Insurance Companies – Capital transactions (for some life insurance companies, adjusted earnings is calculated on the same basis as other businesses below, with corporate expenses excluded from earnings)

Guidelines referred to in preparing this Report

– Capital transactions (for some life insurance companies, adjusted earnings is calculated on the same basis as other businesses below, with corporate expenses excluded from earnings)

Scope of this Report

This Report covers details of activities conducted primarily during fiscal 2009 (April 2009-March 2010); however, for the purpose of further external evaluation, this Report covers details of activities conducted primarily during fiscal 2008 as well.

Next edition: October 2011 (planned)

Publication version

The CSR Report is intended to report, in an easy-to-understand manner, the CSR activities of the Tokio Marine Group to customers and all other stakeholders. The Report is published in both publication and web versions.

Publication title

The Report focuses on the CSR Philosophy and direction of the Tokio Marine Group and how it helps to achieve a sustainable society. The Report focuses on CSR activities, Collaborative Work with Local Communities and Societies.

Publication period

The Report covers details of activities conducted primarily during fiscal 2008 (April 2008-March 2009), however, for the purpose of further external evaluation, this Report covers details of activities conducted primarily during fiscal 2007 as well.

Dates of publication

March 2009