

Last Update: December 14, 2023

Tokio Marine Holdings, Inc.

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Securities Code: 8766

<https://www.tokiomarinehd.com/en/>

The corporate governance of Tokio Marine Holdings, Inc. (the “Company”) is as follows.

I. Fundamental Views on Corporate Governance, and Basic Information on Capital Structure, Corporate Attributes and Other Matters

1. Fundamental Views

The Company defines the “Tokio Marine Group Corporate Philosophy” and is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, society, employees, and other stakeholders. For this purpose, the Company hereby establishes a sound and transparent corporate governance system, and based on its “Basic Policies for Internal Controls”, aims to exercise appropriate control over the Tokio Marine Group (the “Group”) companies as a holding company.

In the various basic business policies for the Group, the Company prescribes basic terms for the management of the group companies and compliance, risk management and internal audit of the Group. Moreover, business strategies, business projects and other important plans by principal group companies are subject to the Company's prior approval, while their compliance with various basic business policies and the implementation status of their business plans are confirmed by the Company. Through these and other measures, the Company manages the major group companies.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company complies with all principles of the Corporate Governance Code (including the principles for companies listed on the Prime Market).

[Disclosure Based on the Principles of the Corporate Governance Code] (Updated)

1. Corporate Philosophy and Fundamental Corporate Governance Policy

(1) Corporate Philosophy (Principle 3-1(i))

With customer trust as the foundation for all its activities, the Group continually strives to raise corporate value.

- Through the provision of the highest quality products and services, the Group aims to deliver safety and security to all our customers.
- By developing sound, profitable and growing businesses throughout the world, the Group will fulfill its mandate to shareholders.
- The Group will continue to build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential.
- Acting as a good corporate citizen through fair and responsible management, the Group will broadly contribute to the development of society.

(2) Tokio Marine Holdings Fundamental Corporate Governance Policy (Principle 3-1(ii))

The Company defines the "Tokio Marine Holdings Fundamental Corporate Governance Policy" ("Fundamental Policy") (see "2. Other Matters Concerning the Corporate Governance System" in "V. Others" as described below), and the fundamental views thereof are as follows.

The Company shall define the "Tokio Marine Group Corporate Philosophy" and is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, society, employees and other stakeholders. For this purpose, the Company hereby establishes a sound and transparent corporate governance system, and based on its Basic Policies for Internal Controls, aims to exercise appropriate control over the Tokio Marine Group companies as a holding company.

2. Dialogue with Shareholders and Investors and Capital Policy, etc.

(1) Dialogue with Shareholders and Investors (Principle 5-1)

To promote constructive conversation with shareholders and investors, the Company works to establish structures according to the following basic principles.

- ① The Company shall establish Executive Officers in charge of business execution to conduct overall management for conversations with shareholders and investors, and establish a dedicated department to plan and implement these activities.
- ② Toward conversations with shareholders and investors such as earnings announcements and presentation meetings for investors, etc., a dedicated department of the Company shall work with other relevant departments to provide accurate and balanced information to shareholders and investors.
- ③ Taking into account shareholding conditions and the views of shareholders and investors, etc., the Company shall work to provide various methods for constructive communication with shareholders and investors.
- ④ Concerning comments acquired during the course of conversations with shareholders and investors, the Company shall periodically organize and analyze these comments, and report to the Board of Directors.
- ⑤ The Company, pursuant to its "Insider Trading Prevention Regulations", shall exercise the utmost care with regard to unpublicized information, and shall have conversations with shareholders and investors without utilizing any significant unpublicized information.

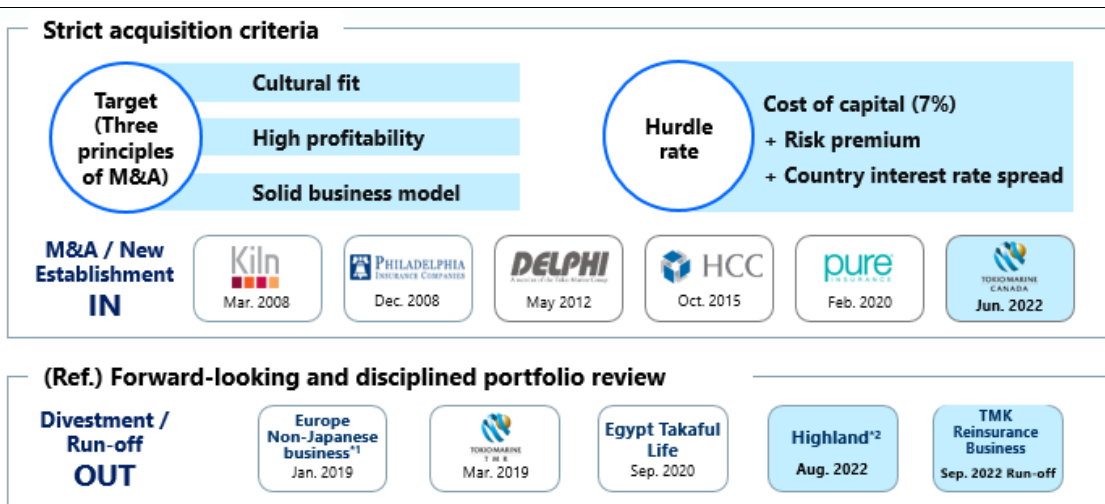
The Company's efforts regarding "Dialogue with Shareholders" (announced on March 31, 2023 on the Tokyo Stock Exchange) is disclosed on the Company's website and in the Integrated Annual Report. Status of dialogue between the management and shareholders and investors (FY 2022) and matters of interest of shareholders and investors, etc. are disclosed in "Integrated Annual Report 2023" from page 118 to 121.

<https://www.tokiomarinehd.com/en/company/governance/dialogue>

https://www.tokiomarinehd.com/en/ir/download/annual_report.html

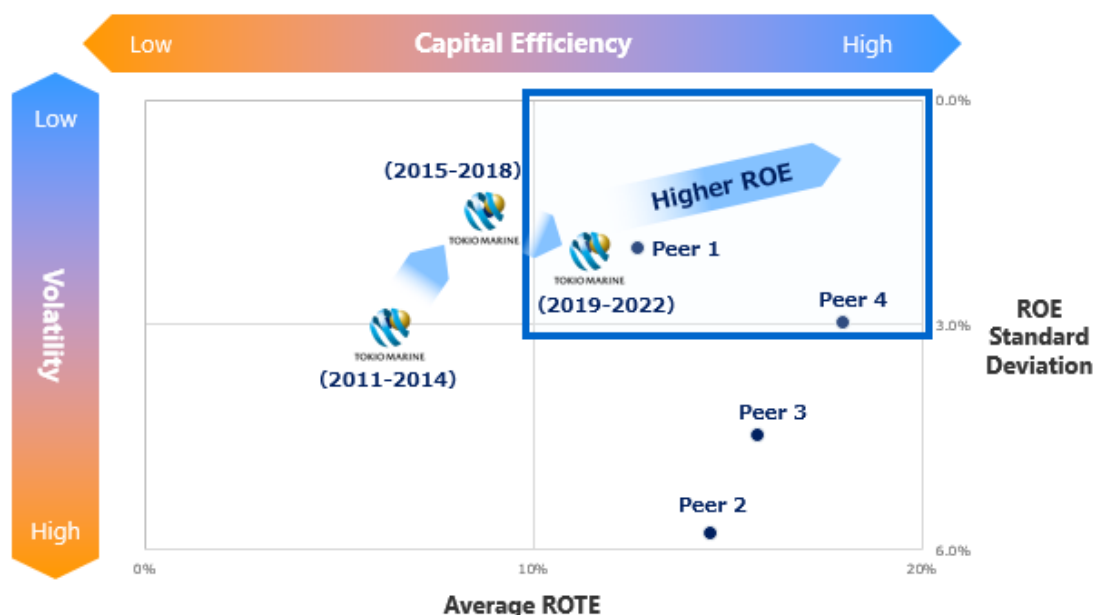
(2) Fundamental Policy of Business Portfolio (Supplementary Principle 5-2①)

If the Company's business platform is not rock solid as the underwriter of risk, the Company will not be able to protect customers in their times of need. In this sense, the Company's businesses must be sustainable, and toward this end the Company needs to prepare for these times of need by diversifying risk and stabilizing the Company's business portfolio. The Company reviews its business portfolio using a forward-looking mindset to optimize its insurance businesses, which enables us to balance risk diversification and business growth as well as strengthen our business platform. In addition, the Company pursues further growth capture and diversification through a variety of strategic approach, including entering new businesses, and the Company is also disciplined in making decisions to review portfolio.



(3) Enhancement of Corporate Value through Capital Policy (Principle 1-3, Principle 5-2)

The ongoing improvement of profitability and diversification of risks accomplished through large-scale M&As in Europe and the United States has driven steady growth in the Group's ROE, which has remained consistently above a cost of capital of 7% with low volatility. Our ROE is approaching the level of our global peers, and we will seek to further enhance ROE going forward.

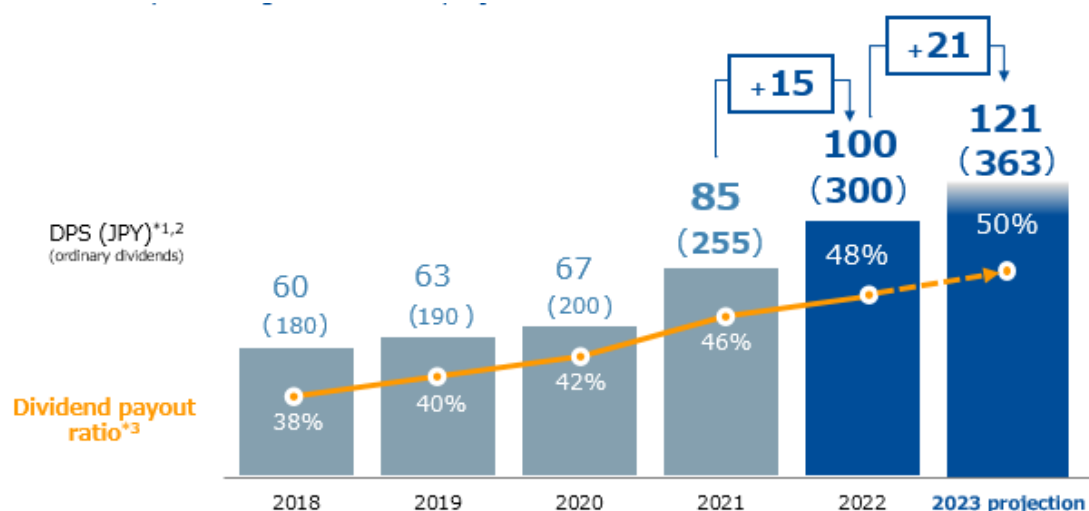


In order to maintain a disciplined capital policy, the Group sets the target range of ESR (Economic Solvency Ratio. Risk amount is calculated using a model based on an AA credit rating equivalent of 99.95%VaR (*). The amount excludes restricted capital.) to a range from 100% to 140%. As of the end of March 2023, the ESR was within this range at 124%. When the ESR is within the target range, we will flexibly consider

whether or not to make business investments, to take an additional risk, and/or to return the capital to our shareholders.

(*)Value at Risk (VaR) : The maximum amount of loss that may be incurred within a certain probability range within a certain period of time in the future. A 99.95% VaR is an amount within which the loss falls in a year with 99.95% probability.

Dividends are our primary means of shareholder return, and we plan to sustainably increase shareholder return in line with profit growth. We will aim for a payout ratio (compared to the average adjusted net income over 5 years) of approximately 50%, which is the global peer level. In addition, we will adjust our capital level with flexibility through share repurchases and other means based on comprehensive consideration of market conditions, business investment opportunities, and other relevant factors.



*1: The Company conducted a 3-for-1 stock split on October 1, 2022. For dividends paid before the stock split, the amount per share equivalent after the stock split is shown (fractions less than 1 yen are rounded to the nearest whole number) Figures in brackets are per share amount before stock split.

*2: In addition to common dividends, to adjust capital level Tokio Marine paid 23 (70) on Q2 2018 and 12 (35) on Q2 2019 and Q2 2020 as temporary dividends

*3: Payout ratio based on average adjusted net income. Figures for 2022 and 2023 projections are compared to the original projections.

The Company's efforts regarding "Actions to Implement Management that is Conscious of Cost of Capital and Stock Price" (announced on March 31, 2023 on the Tokyo Stock Exchange) are disclosed in the Integrated Annual Report. The approach to portfolio review/business investment, shareholder return policy, and trend of ROE etc. are disclosed in "Integrated Annual Report 2023" from page 44 to 53.

https://www.tokiomarinehd.com/en/ir/download/annual_report.html

3. Policy and procedure, etc. for appointment and dismissal of executive personnel

(1) Policy and procedure for appointment, nomination, and dismissal of executive personnel (Principle 3-1(iv), Supplementary Principle 4-3②, Supplementary Principle 4-3③, Supplementary Principle 4-10①)

The Company shall establish a Nomination Committee and a Compensation Committee to serve as advisory bodies to the Board of Directors.

The Nomination Committee shall deliberate and report to the Board of Directors regarding the appointment and dismissal of the President & Chief Executive Officer, Directors, Audit & Supervisory Board Members, and Executive Officers of the Company, as well as the criteria for appointment and the dismissal policies. If the President & Chief Executive Officer, Directors, Audit & Supervisory Board Members and Executive Officers of the Company fail to meet the conditions for selection to their positions, the Nomination Committee deliberates on the dismissal of the relevant persons. The Nomination Committee is responsible for deliberating a successor plan for the President & Chief Executive Officer and for appropriately supervising the implementation of the plan in order to develop successor candidates systematically.

After receiving the report about the contents of deliberation and result from the Nomination Committee, the Board of Directors shall deliberate on personnel change regarding Directors, Executive Officers and Audit & Supervisory Board Members based on the report.

As a general rule, a majority of the members of the Nomination Committee shall be selected from outside of the Company, and the chairman shall be one of the outside members. As of the date of submission of this report, 3 of the 5 members are Outside Directors.

For details on the Company's policies and procedures for the election, dismissal and nomination of Directors, Audit & Supervisory Board Members and Executive Officers, see Article 9 and Article 12 through Article 17 of the Fundamental Policy.

(2) Succession plan for the President & Chief Executive Officer (Principle 4-1③)

The Nomination Committee, an advisory body to the Board of Directors, receives sufficient reports from the President & Chief Executive Officer regarding succession plans and specific succession candidates, exchanges opinions with members, mainly the outside directors, considers management issues, and provides feedback to the Board of Directors as necessary.

(3) Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members (Principle 4-9)

Outside Directors and Outside Audit & Supervisory Board Members are judged to be independent from the Company if they do not fall within any of the following categories:

- ① an executive of the Company or a subsidiary or affiliate of the Company;
- ② a person who has been an executive of the Company or a subsidiary or an affiliate of the Company in the past 10 years;
- ③ a party whose major client or supplier is the Company or a principal business subsidiary of the Company (a party whose transactions with the Company or a principal business subsidiary of the Company in the most recent fiscal year amount to 2% or more of its consolidated net sales), or an executive thereof;
- ④ a party who is a major client or supplier of the Company or a principal business subsidiary of the Company (a party whose transactions with the Company or a principal business subsidiary of the Company in the most recent fiscal year amount to 2% or more of consolidated ordinary income of the Company), or an executive thereof;
- ⑤ a financial institution or other major creditor which the Company or a principal business subsidiary of the Company relies on to the extent that it is an indispensable funding source that cannot be replaced, or an executive thereof;
- ⑥ an executive of a corporation or an association or any other organization that receives donations from the Company or a principal business subsidiary of the Company in excess of a certain amount in the most recent fiscal year (10 million yen or 2% of the total revenue of such organization in the most recent fiscal year, whichever is larger);
- ⑦ a spouse or relative within the third degree of kinship of a Director, Audit & Supervisory Board Member, or Executive Officer of the Company or a subsidiary or an affiliate of the Company;
- ⑧ a consultant, accountant, lawyer, or other specialist who receives compensation from the Company or a principal business subsidiary of the Company other than compensation for Directors, Audit & Supervisory Board Members and Executive Officers of the Company or a principal business subsidiary of the Company in excess of a certain amount in the most recent fiscal year (10 million yen or 2% of the total revenue of a corporation or association or any other organization to which such specialist belongs in the most recent fiscal year, whichever is larger); or
- ⑨ a party who holds 10% or more of the voting rights of all shareholders of the Company at the end of the most recent fiscal year, or an executive thereof.

(4) Composition Ratio of Outside Directors of the Board of Directors (Principle 4-8)

As a general rule, at least one-third of Directors shall be Outside Directors. As of the date of submission of this report, 7 out of 15 Directors are Outside Directors.

(5) Diversity of Directors and Audit & Supervisory Board Members (Supplementary Principle 4-11①)

In order to ensure the effectiveness of the Board of Directors, it shall be comprised in a way balancing diversity and an appropriate size. Directors shall be appointed for a term of office of 1 year. Directors may be re-appointed. When selecting the Audit & Supervisory Board Members, a balanced composition shall be established in the same way as with Directors.

Also, regarding the skills of Directors and Audit & Supervisory Board Members, the Company's views are as follows.

【The Company's Views Regarding the Skills of Directors and Audit & Supervisory Board Members】

- ① Tokio Marine Group conducts its businesses on a global scale as an insurance group. In this context, the Company has established sound and highly transparent corporate governance and internal control

systems, and appropriately governs its group companies, as an insurance holding company which oversees the Group.

- ② The Board of Directors of the Company, which is a company with an Audit & Supervisory Board, not only decides on important matters of business execution, but also oversees the execution of duties by Directors. In order for the Board of Directors to fulfill its role appropriately, it is necessary for the Board as a whole to possess the necessary skills, based on factors such as the nature of the Group's businesses, its business development, governance structure, etc. Moreover, the necessary skills will change with the business environment.
- ③ In order to decide on and oversee important matters of its business execution of the Company, it is first necessary to gain a deep understanding of its businesses - in other words, to be closely familiar with "Insurance Business."
In addition, skills in the fields of "Finance & Economy," "Accounting," "Legal & Compliance," "Human Resources Strategies," "Governance & Risk Management" form the basis for judgment on all matters.
Now, moreover, with the response to the global environment and technological innovation becoming an issue for society as a whole, the importance of "environmental" and "technological" skills is ever increasing.
Furthermore, skills including "Internationality" and "Corporate Management" are expected. This is because an awareness of the global environment and insight into corporate management are extremely useful for Tokio Marine Group, which conducts its businesses on a global scale.
- ④ Regarding Audit & Supervisory Board Members, the Audit & Supervisory Board should also be composed of members collectively possessing the skills required of the Board of Directors above, in order to appropriately audit the execution of duties by Directors. Among these, "Accounting" is designated as a particularly important skill field.
- ⑤ The table on the next page shows the current Directors and Audit & Supervisory Board Members and the skills they possess as of the date of submission of this report. The Company considers that, collectively, they possess the necessary skills.

Name	Gender	Position and major responsibilities after this meeting (expected)		Skills and experiences									
				Corporate Management	Finance & Economy	Accounting	Legal & Compliance	Environment	Human Resource Strategies	Governance & Risk Management	Technology	Internationality	Insurance Business
Tsuyoshi Nagano	Male	Chairman of the Board		✓	✓					✓		✓	✓
Satoru Koniya	Male	President & Chief Executive Officer	Group CEO (Group Chief Executive Officer) Group CCO (Group Chief Culture Officer)	✓	✓				✓			✓	✓
Kenji Okada	Male	Senior Managing Director	Group CFO (Group Chief Financial Officer)		✓	✓	✓			✓		✓	✓
Yoichi Moriaki	Male	Senior Managing Director	Group CSO (Group Chief Strategy and Synergy Officer)		✓	✓		✓	✓		✓		✓
Kichichiro Yamamoto	Male	Senior Managing Director	Head of International Insurance Business Co-Head of International Business		✓	✓				✓		✓	✓
Yoshinori Ishii	Male	Managing Director	Group CLCO (Group Chief Legal and Compliance Officer)				✓		✓	✓			✓
Kiyoshi Wada	Male	Managing Director	Group COO (Group Chief Operating Officer) Group CSUO (Group Chief Sustainability Officer)		✓	✓		✓				✓	✓
Shinichi Hirose	Male	Director		✓	✓				✓				✓
Takashi Mitachi	Male	Outside Director		✓	✓	✓		✓		✓	✓	✓	
Nobuhiro Endo	Male	Outside Director		✓	✓					✓	✓	✓	
Shinya Katanozaka	Male	Outside Director		✓	✓				✓	✓		✓	
Emi Osono	Female	Outside Director		✓				✓		✓		✓	
Kosei Shindo	Male	Outside Director		✓	✓			✓	✓			✓	
Robert Alan Feldman	Male	Outside Director		✓	✓	✓		✓		✓	✓	✓	
Haruka Matsuyama	Female	Outside Director			✓	✓	✓			✓			
Hirokazu Fujita	Male	Audit & Supervisory Board Member (full-time)			✓	✓				✓		✓	✓
Takayuki Yuasa	Male	Audit & Supervisory Board Member (full-time)		✓	✓	✓	✓			✓			✓
Akihiro Wani	Male	Outside Audit & Supervisory Board Member			✓	✓	✓			✓		✓	
Nana Otsuki	Female	Outside Audit & Supervisory Board Member			✓	✓		✓		✓		✓	
Junko Shimizu	Female	Outside Audit & Supervisory Board Member			✓	✓		✓		✓		✓	

Based on this policy, the Company has appointed 4 persons with experience in corporate management (one of whom has extensive experience as a business management consultant) and 1 academic expert, 1 economist, and 1 attorney-at-law as Outside Directors. Also, the Company has appointed, as Outside Audit & Supervisory Board Members, an attorney, an analyst, and an academic expert. Furthermore, many of the Outside Directors and Outside Audit & Supervisory Board Members have a wealth of international experience. The Board of Directors and Audit & Supervisory Board thus consist of members with diverse skills. Outside Directors and Outside Audit & Supervisory Board Members provide advice on our management based on these skills at the Board of Directors meeting, etc.

In terms of gender, the Company has appointed 2 female Directors and 2 female Audit & Supervisory Board Members respectively, and the percentage of female members of the Board of Directors and the Audit & Supervisory Board is 20% as a whole. In addition, 1 Director of foreign nationality has been appointed.

(6) For an explanation on the election and nomination of executive personnel (Principle 3-1(v))

a. Internal Directors

See the last part of this section.

b. Outside Directors

See “[Directors], Outside Directors’ Relationship with the Company (2), Reasons for Election” in “II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management,” as described below.

c. Outside Audit & Supervisory Board Members

See [Audit & Supervisory Board Members], Outside Audit & Supervisory Board Member’s Relationship with the Company (2), “Reasons for Election” in “II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management,” as described below.

4. Policy and process for determining the compensation of executive personnel (Principle 3-1(iii), Supplementary Principle 4-10①)

(1) Method of determining remuneration, etc. for individual Directors, Audit & Supervisory Board Members, and Executive Officers

The Board of Directors decides by resolution the compensation system, level of compensation, evaluation of individual performance (distribution) and company performance evaluations based on reports from the Compensation Committee.

Individual remuneration, etc. for Directors and Executive Officers is determined by a resolution of the Board of Directors based on the above.

Individual remuneration, etc. for Audit & Supervisory Board Members is determined through consultation among the Audit & Supervisory Board Members in accordance with the provisions of Paragraph 2 of Article 387 of the Companies Act.

(2) Roles and Composition of the Compensation Committee

We have established the Compensation Committee as an advisory body to the Board of Directors. The Compensation Committee deliberates on the following matters and reports to the Board of Directors.

- ① Evaluation of the performance of the President & Chief Executive Officer, Directors and Executive Officers.
- ② The compensation system and the level of compensation for the President & Chief Executive Officer, Directors and Executive Officers.
- ③ Policy for determination of compensation for Directors, Audit & Supervisory Board Members and Executive Officers.

In principle, a majority of the members of the Compensation Committee are from outside the Company, and its chairperson is elected from among the outside members. As of the date of this report, 4 of the 5 members are Outside Directors.

(3) Policy on determination of remuneration for Directors, Audit & Supervisory Board Members, and Executive Officers

The Board of Directors has, as described below, decided on the policy for the determination of remuneration based on the report of the Compensation Committee.

- ① The Company shall ensure "transparency," "fairness," and "objectivity" when determining compensation for Directors, Audit & Supervisory Board Members, and Executive Officers.
- ② The following structure shall apply to compensation for Directors, Audit & Supervisory Board Members, and Executive Officers.

Applicable personnel	Fixed compensation	Performance-linked compensation	Share 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 share compensation become.

③ 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 company and individual targets and is introduced to strengthen individuals' incentives to raise the Company's corporate value.
Share compensation	Share 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.

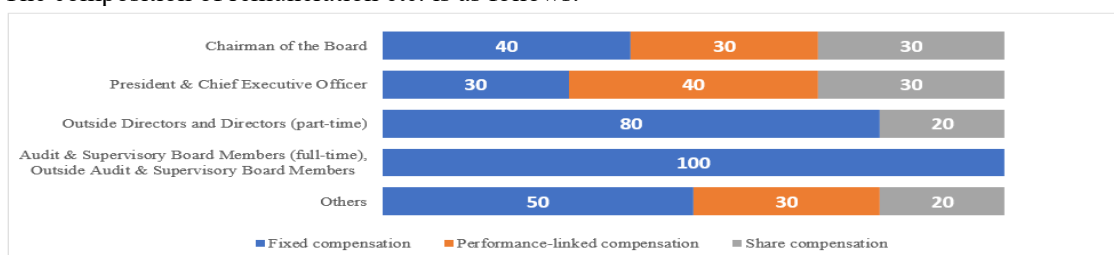
④ The Board of Directors shall set the level of compensation for Directors and Executive Officers by each position according to the responsibilities, while taking into consideration factors such as the business performance of the Company and the level of compensation in other companies.

⑤ Of the different types of compensation for Directors and Executive Officers, fixed compensation and performance-linked compensation shall be paid monthly, while share compensation shall be delivered upon resignation.

⑥ 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.

(4) Composition of remuneration, etc.

The composition of remuneration etc. is as follows.



(5) Performance-linked compensation

The Company has introduced performance-linked compensation to strengthen the incentives for improvement of corporate value. This compensation is linked to “individual targets” and “the company targets”. The results for the previous fiscal year are evaluated, and the performance-linked compensation is paid in cash as consideration reflecting this evaluation (varying on a scale of 0% to 200% depending on the evaluation).

- Individual targets

Individual targets are determined at the beginning of the fiscal year, based on the responsibilities of the individual Director/Executive Officer.

- Company targets

In principle, company targets are determined based on adjusted net income, adjusted ROE, indicators for employee engagement and indicators for sustainability strategies. These indicators are our most important management indicators.

(6) Share compensation

The Company introduces share delivery trust with a view to encouraging Directors and Executive Officers to fulfill their accountability responsibilities through sharing the returns from share price movements with shareholders.

(7) Other

Notwithstanding the foregoing, the Company sets the remuneration, etc. for foreign Executive Officers, etc. separately for each person, taking into consideration the market level, compensation custom, and other factors in each person’s native country, as well as the content of operations and business characteristics.

5. The function of the Board of Directors

(1) Evaluations of the Effectiveness of the Board of Directors (Supplementary Principle 4-11③)

The Company evaluates the effectiveness of the Board of Directors every year in order to further enhance the functionality of the Board of Directors. In fiscal 2022, we conducted an evaluation of the effectiveness of the Board of Directors using a third-party organization for the first time.

a. Methods of evaluating of the effectiveness of the Board of Directors

Third-party questionnaires and interviews were conducted with all Directors and Audit & Supervisory Board Members, and the feedback (the content of the analyses and the evaluation results, etc.) was received in a manner that ensured anonymity. Based on the content of the analyses and the evaluation results, etc., the Board of Directors deliberated on the current status of the Board of Directors and future responses. The main items of the questionnaires and interviews were as follows.

- Roles and functions of the Board of Directors
- Size and composition of the Board of Directors
- Management of the Board of Directors
- Status and topics of board discussions
- Assessment of the Chairman and Chairman’s Status
- Changes in institutional design
- Response to the results of the previous year’s effectiveness evaluation
- Composition, roles and operating status of the Nomination Committee and Compensation Committee
- Support system for Outside Directors
- Our Company’s governance system and the overall effectiveness of the Board of Directors
- Self-evaluation of the performance of the Directors and Audit & Supervisory Board Members

b. Results of evaluations of the effectiveness of the Board of Directors

The Board of Directors has received a report from the third-party organization, according to which the Board of Directors engages in sufficient discussion of many important management issues based on appropriate agenda setting and operation, the Chairman, the Internal and Outside Directors, and the Audit & Supervisory Board Members appropriately fulfill their respective roles and functions, and the Board of Directors is ensuring a high level of effectiveness; and the Board of Directors has come to the same conclusions regarding the evaluation.

As described below, the Directors and Audit & Supervisory Board Members have also provided opinions on points for further improvement to effectiveness, and there are plans to take action to address these.

(Opinion 1) It should be ensured that there is sufficient time for discussion and further consideration of the topics for discussion.

(Action 1) Add additional timeslots for meetings of the Board of Directors and work to secure time for discussions.

(Opinion 2) It would be better to share in some more detail the matters discussed by the Nomination Committee and the Compensation Committee with the Board of Directors.

(Action 2) Work to enhance the content of the reports after clarifying the content to be reported to the Board of Directors.

(2) Implementing “Discussion on Corporate Strategy”

The Company aims to develop its corporate strategy around achieving sustainable growth and increasing medium-to-long term corporate value by reflecting the opinions of its Outside Directors and Outside Audit & Supervisory Board Members. To achieve this, the Company carries out discussions regarding its management issues and environment, etc., called “Discussion on Corporate Strategy” at meetings of its Board of Directors. The discussion topics are chosen through a survey of Directors and Audit & Supervisory Board Members or based on the discussions of independent directors/audit & supervisory board members’ meetings.

In fiscal year 2022, the themes listed below were discussed, and the Company continues to conduct such discussions in fiscal year 2023.

- Direction of Tokyo Marine Group’s Next Mid-Term Management Plan Strategy Formulation
- Tokyo Marine Group’s Domestic Non-Life Insurance Business Strategy
- Tokyo Marine Group’s Human Resources Strategy
- Tokyo Marine Group Cyber Security
- Exchanging opinions with the Presidents of overseas Group companies

(3) Holding the “Independent Directors/Audit & Supervisory Board Members’ meetings”

The Company holds a meeting per year which only independent Directors/Audit & Supervisory Board Members attend. All facilitation including establishing the agenda are conducted by the independent Directors/Audit & Supervisory Board Members, and opinions about the Company are exchanged from an objective and broad perspective.

In fiscal year 2022, discussions were held regarding corporate culture, compliance, and other topics, and recommendations were submitted based on these discussions.

(4) Training for Directors and Audit & Supervisory Board Members (Supplementary Principle 4-14②)

In addition to promoting personnel with the qualifications required for Directors and Audit & Supervisory Board Members, we believe it is important to provide necessary training and information. For new Inside Directors and Inside Audit & Supervisory Board Members of the Company and the Group, the Company holds training sessions on the duties and responsibilities of Directors and Audit & Supervisory Board Members, at which an attorney-at-law serves as a lecturer. The Company also holds training sessions on some themes for new Outside Directors and Outside Audit & Supervisory Board Members of the Company before they assume office, in order to provide them with an understanding of matters thought to be indispensable to enable them to fulfill their responsibilities. The specific themes and training hours described below are those that were implemented in fiscal year 2023.

	Presentation time (minutes)
Mid-Term Business Plan of Tokyo Marine Group	90
Mid-Term Business Plan of Tokyo Marine & Nichido	
Mid-Term Business Plan of Tokyo Marine & Nichido Life Insurance Co., Ltd.	
Asset Management Strategy	90
International Insurance Business Strategy	
Enterprise Risk Management (ERM)	90
Overview of Non-Life Insurance Industry	

Summary of Financial Results and Insurance Accounting	90
Human Resources Policy of the Group	
Asset Management Strategy	

In addition, in order to nurture the next generation of business executives, the Company conducts training for executives who are candidates for Executive Officers to acquire the leadership and management skills required of top management.

6. Sustainability Initiatives (Supplementary Principle 2-4① Supplementary Principle 3-1③)

(1) Sustainability in General

The Group has grown by identifying social issues for each age and contributing to the resolution of these issues through its core insurance business, starting with the Purpose, i.e. "protecting the needs of our customers and local communities." Since our business activities themselves are a solution to social issues, we believe that engaging in business activities with a sense of mission will contribute to the realization of a sustainable society where people can live safely and securely and boldly take on challenges.

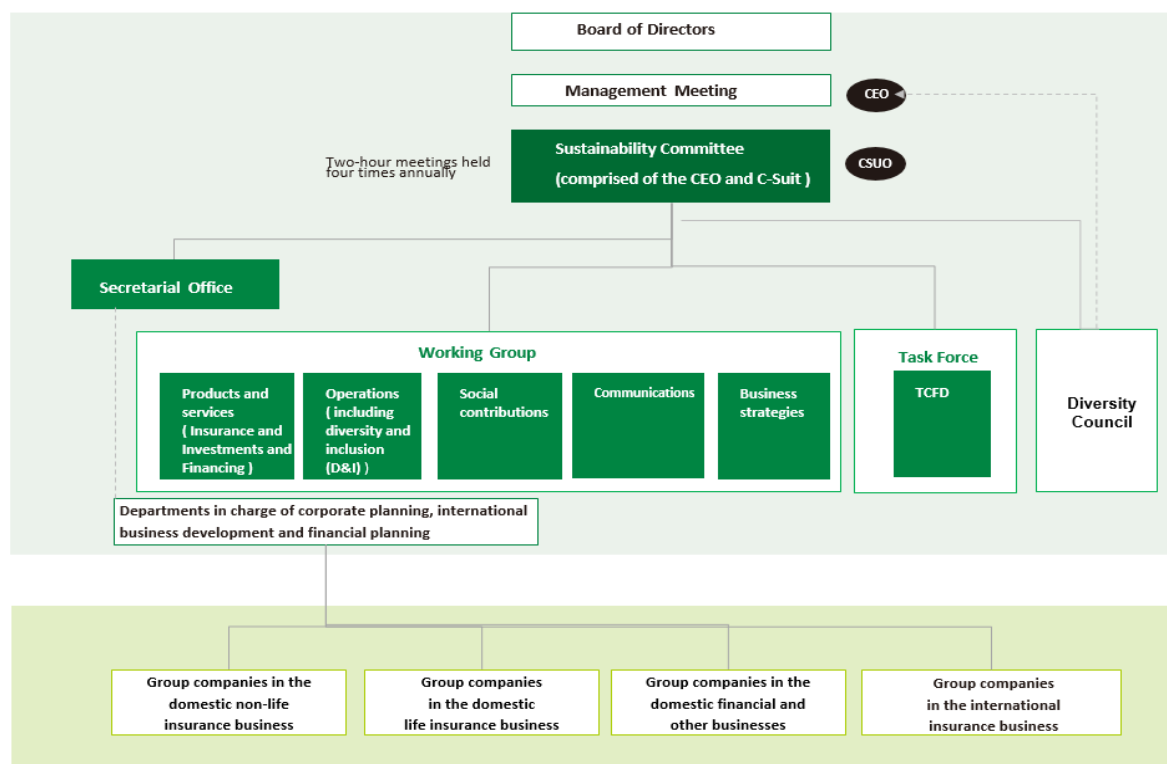
① Governance

To promote sustainability strategies throughout the Group, we have established the Sustainability Committee, which is composed of the Group CEO and chief officers, including Chief Sustainability Officers ("CSUO") to oversee sustainability initiatives, as well as overseas management teams, to deliberate on the content of initiatives, policies, etc. on a global basis. In principle, the Sustainability Committee meets once a quarter to deliberate on policies for addressing sustainability issues and monitor the progress of each measure. CSUO oversees the promotion and penetration of sustainability strategies. It is responsible for presenting policies to the Board of Directors and reporting on progress.

In addition, the Board of Directors receives regular reports to discuss our efforts related to sustainability and appropriately supervise the execution of business.

Through the above system, we are working to spread the sustainability strategy among the Group employees and to solve social issues through our business activities.

In addition, since fiscal 2022, non-financial indicators related to sustainability strategies have been incorporated into performance-based compensation for directors.



② Strategy

Based on the strong belief that "it is our duty to pass on a bright future to the next generation," The Group has positioned "future generations" as stakeholders in addition to "customers," "society," "employees," and "shareholders and investors."

The Group has, with the Purpose as a starting point, set eight areas that should be addressed. The Group has identified 4 key issues that it considers important to each stakeholder: "promoting climate change countermeasures," "improving disaster resilience," "supporting healthy and spiritually rich lifestyles," and "promoting and disseminating diversity and inclusion (hereinafter referred to as "D&I")," and has implemented a variety of initiatives. We contribute to the creation of a sustainable society through the circulation of business activities and the resolution of social issues, and as a result, we will simultaneously raise social and economic value.

③ Risk management

The risks surrounding the Group are becoming increasingly diverse and complex in response to global business developments and changes in the management environment. In recent political, economic and social situations, where uncertainty and drastic changes are taking place, we must always pay close attention to the emergence of new risks and respond appropriately. Accordingly, the Group comprehensively grasps risks in both qualitative and quantitative terms, beyond conventional risk management for the purpose of mitigating and avoiding risks. With regard to the environment and society, we identify sectors in which such risks are likely to occur based on our Basic Environmental Policy, Basic Human Rights Policy, and Basic Policies on Human Resources, and strive to appropriately identify and manage risks that have a negative impact.

④ Metrics and targets

The Group has set medium-and long-term sustainability targets (non-financial indicators) for each issue and is steadily advancing various initiatives by continuing to implement effective PDCA cycles. Details are as follows.

(2) Climate change countermeasures

Climate change is a global issue and has a direct impact on the insurance industry. Therefore, the Group has positioned climate change as a top priority issue to be addressed for our core insurance business as well as an institutional investor and a global company.

We endorse the recommendations of the Task Force on Climate-related Financial Disclosures (hereinafter "TCFD"), and we disclose information in line with the four pillars of Governance, Strategy, Risk Management, and Indicators and Targets recommended therein. Please refer to our Sustainability Report etc. for more information on disclosure of climate-related information in line with the TCFD recommendations.

① Governance

As described in "(1) Sustainability in General ① Governance."

② Strategy

It is important to recognize risks as a prerequisite for our strategy. The Group identifies and evaluates the impact on its business in anticipation of a heightened climate change risk. Climate change risks include physical risks arising from the increasing frequency and expansion of the scale of natural disasters associated with climate change, as well as transitional risks arising from the impact of the transition to a carbon-free society on the corporate value of investees and the asset value of the Group.

We are also aware of the business opportunities arising from our response to climate change mitigation and adaptation, and we are working to transition to a carbon-free society by developing and providing insurance products and services, engaging with client companies and investees (dialogue), and reducing greenhouse gas emissions associated with our business activities.

Examples of events by category of TCFD recommendation regarding physical risks, transition risks and opportunities, and specific examples of the Group's business activities are as follows.

Examples of events	Example of risks and opportunities with	Time Frame
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			respect to the Group's business activities	
Physical risks	Acute	<ul style="list-style-type: none"> Potential for growing frequency and scale of typhoons, floods and other weather events 	<ul style="list-style-type: none"> Impact on the calculation of claims payment Impact on business continuity caused by damage to buildings and other facilities at bases 	Short term~
	Chronic	<ul style="list-style-type: none"> Rise in temperature Other weather changes, such as droughts and heat waves Rising sea levels Impact on arthropod-borne infectious diseases 		Medium term • Long term
Transition risks	Policies and regulations	<ul style="list-style-type: none"> Increase in carbon prices Strengthening of environment-related regulations and standards Increase in climate-related litigation 	<ul style="list-style-type: none"> Decrease in the corporate value of investee companies and the value of the Group assets due to higher carbon prices Increase in liability insurance payments 	Medium term • Long term
	Technology	<ul style="list-style-type: none"> Technological innovation toward the transition to a decarbonized society 	<ul style="list-style-type: none"> Decrease in the corporate value of investee companies that have missed the transition to a decarbonized society and in the value of the assets held by the Group Decline in revenue due to technology innovation and inability to ascertain changes in customer needs 	Medium term • Long term
	Markets	<ul style="list-style-type: none"> Changes in the demand for and supply of products and services 		Short term~
	Reputation	<ul style="list-style-type: none"> Changes in customers and public awareness 	<ul style="list-style-type: none"> Reputational damage due to the Group's efforts 	Short term~

		regarding efforts to address transition to decarbonized society	being deemed inappropriate	
Opportunities	Resource Efficiency, Energy Source, Products and Services, Markets, Resilience	<ul style="list-style-type: none"> Changes in energy sources, demand for products and services aimed at enhancing resilience, and changes in societal awareness 	<ul style="list-style-type: none"> Dramatic increase in demand for insurance related to renewable energy projects Increase in investment opportunities due to growth in capital demands of companies in response to decarbonization Increase in demand for disaster prevention and mitigation measures aimed at enhancing disaster resilience 	Short term~

Note: In the time-frame column above, “short-term” refers to a period of less than 3 years, “medium-term” refers to a period of more than 3 years but less than 10 years, and “long-term” refers to a period of over 10 years.

The Group conducts scenario analysis on physical and transition risks to assess the impact of climate change on insurances payments, the enterprise value of the portfolio company and the value of the Group's holdings. Based on the results of scenario analysis, we are implementing our sustainability strategy while enhancing it. We believe that we are able to flexibly respond to these impacts and ensure resilience, as the property and casualty insurance business has a large number of relatively short-term insurance policies and the Group's invested assets are primarily highly liquid financial assets.

③ Risk Management

The Group manages risks throughout the Group based on enterprise risk management (hereinafter “ERM”), and strives to increase the level of sophistication of its risk management. Climate-change risks are also appropriately managed within the framework of ERM.

④ Metrics and targets

The Group established the following metrics and targets based on the Paris Agreement.

- It aims to achieve net zero greenhouse gas emissions from its business activities by fiscal year 2050 (including its insurance customers and financing recipients).
- It will reduce greenhouse gas emissions from its business activities by 60% of the fiscal year 2015 level, and source 100% of the electricity used at its main business locations from renewable energy, by fiscal year 2030.

(3) Disaster resilience

① Governance

As described in “(1) Sustainability in General ① Governance”.

② Strategy

For the Group, improving disaster resilience by resolving disaster issues is an important issue that needs to be addressed. We are strengthening our efforts in the development and provision of services that protect customers in times of need by offering insurance products that cover disaster risks and establishing a prompt insurance payment system that utilizes artificial satellites, AI, etc.

In addition to the payment of insurance claims in emergencies, we will contribute to the creation of a disaster-resilient society by continuously providing ex-ante and ex-post services to prevent accidents, reduce the burden of accidents, and lead to early recovery. To this end, we are leading the disaster prevention consortium that transcends industry boundaries and developing disaster prevention and mitigation solutions that utilize the technologies and infrastructure of each company.

In addition, we conduct research on climate change and disaster risk based on scientific knowledge based on industry-university collaboration, and promote disaster prevention education and awareness-raising activities through holding seminars and conducting classes for children continuously.

③ Risk Management

The Group manages risks throughout the Group based on enterprise risk management (ERM) and strives to increase the level of sophistication of its risk management. Disaster-related risks are also addressed appropriately within the framework of ERM, taking into account the impact of natural disasters on insurance underwriting.

④ Metrics and targets

The Group's metrics and targets are as follows.

- Sustainably administer the fire insurance system, which is essential for improving the disaster resilience of society.
- Increase the number of solutions to provide by developing insurance products that lead to disaster prevention and disaster reduction.
- Enhance the content of BCP (Business Continuity Plan) formulation support and increase the number of recipients of support.

(4) Human Capital

① Governance

Based on the Basic Policy on Internal Control, we have formulated the Basic Policy on Human Resources. We have established a basic policy on personnel affairs, a division in charge of human resources management, and a framework for formulating various standards. We have also established a corporate governance system for personnel affairs by setting forth items for prior approval and reporting, including revisions to important personnel systems at the Group companies.

② Strategy

a. Human resources strategy

We believe that our human resources strategy is based on the Purpose of the Group, and is linked to our management strategy to support the growth of the Group. The Group's human resources strategy consists of two components: human resources that support the Group management, which is the source of value creation for stakeholders, and corporate culture that supports the Group-wide management, which incorporates the Group as a whole based on the Purpose. The synergistic effects of these two elements will enhance the degree to which the Group's management strategy aims for realization. To this end, we identify the capabilities needed to realize our goals, identify gaps with the current situation, and formulate personnel measures necessary to fill these gaps.

b. Policy of Human Resources Development

The Group's philosophy on human resources and its policy of human resource development are organized as "Tokio Marine Group-Our People" and disclosed both inside and outside the company.

【Tokio Marine Group – Our People】

• Human resources are Tokio Marine Group's most valuable asset and serve as the driving force for realizing the Group's "Good Company" vision.

- Tokio Marine Group will secure essential human resources in all business areas to provide safety and security to customers and society.
- Tokio Marine Group provides employees, who tackle challenges with passion and motivation, with active roles and opportunities conducive to growth.
- Tokio Marine Group aims to be a truly global company that respects diversity and inclusion We will continuously walk an endless path toward becoming a “Good Company” by creating an environment where diverse human resources can fully demonstrate their inherent capabilities.

c. Company Environment Improvement Policy

We are advancing initiatives from the perspective of strengthening the "corporate culture" that supports group-wide management, which is a component of the Group's human resources strategy. Specifically, we are working to “foster a sense of unity within the Group” through “permeation of the Purpose” and “promotion of D&I.” In addition, we are working to improve engagement through a sense of job satisfaction and the ease of working.

● Instilling the Purpose

The Group CEO himself, in his role as Chief Culture Officer, takes the lead in initiatives such as the “Majikirakai” where the management team and the Group employees have serious discussions in a relaxed atmosphere, and works to foster a sense of unity in the Group by promoting the permeation of the Purpose. “Majikirakai” is held in a variety of situations, ranging from those in which the Group CEO and management participate to those held in their respective workplaces. In addition, to ascertain the engagement of diverse human resources within the Group and to measure the penetration of the Purpose we conduct annual Culture and Value Surveys and use the results to further foster a sense of unity within the Group.

As part of our efforts to promote permeation of the Purpose on a global basis, we hold a training program (Middle Global Leadership Development Program) in which management candidates from the Group companies around the world participate in visits to areas affected by the Great East Japan Earthquake. Participants actually visit the disaster-stricken areas of Tohoku and hold dialogues with employees and agents who responded to the earthquake disaster at that time. By coming into contact in this way with the actions and emotions of those present at the time of the earthquake, they are able to realize the significance of insurance and the meaning of "Good Company."

● Instilling D&I

We believe that it is important to maximize the ability of employees with diverse values and motivation and ability regardless of gender, age, nationality, or disability, in order to improve the quality of products and services we provide to customers around the world. Specifically, we are working to promote group-wide D&I by eliminating gender gaps, creating a workplace where all employees, including older employees and persons with disabilities, can work actively, recruiting employees of all nationalities and races, and recruiting and training employees with diverse experience.

To accelerate the promotion of D&I, we have established a Chief Officer to oversee the Group D&I and a Diversity Council, and discuss our vision and action plan. In order to become a truly inclusive global insurance group through our D&I initiatives, we have formulated our D&I Vision from the following four perspectives.



Regarding securing diversity in matters such as promotion as core human resources, the situation within our Group and our approach to this issue is as follows.

(a) Women

Tokio Marine & Nichido, from which the majority of our employees have been seconded, considers important for a quantitative target of “achieving a 30% ratio of women in managerial positions or higher in fiscal year 2030”. As of April 1, 2023, the ratio of women in managerial positions or higher was 11.2%. To eliminate the gender gap, we are working to further increase the ratio of women in managerial or higher positions across the Group, and have set a target of increasing the ratio of women among our Directors and Audit & Supervisory Board Members to 30% or more by fiscal 2027.

The Group considers it important to ensure a workforce of employees with diverse values, motivation, and abilities to fully demonstrate their abilities regardless of gender, age, nationality, etc., for the purpose of optimizing the quality of goods and services to be provided to customers worldwide. Thus, the Group provides various opportunities and chances for challenges to female employees so that each female employee within the Group companies can autonomously develop her career and play an active role in a wider range of fields. For example, from a development perspective, “Tokio Marine Group Women’s Career College” was established for female employees of domestic group companies in 2019. Participants with different occupations and working environments can learn together, coming into contact with diverse values and ways of thinking, so that they can think about and gain awareness of their own careers.

Since fiscal year 2020, Tokio Marine & Nichido has implemented a variety of measures called “BOOST DIVERSITY” under the slogan “Change for me, Change for us” as an initiative to eliminate the gender gap, and transform its corporate culture and organizational culture, which is an important foundation for penetration of D&I. The measures, including unconscious bias management training for managers, workshops for female managers on how to think about their own leadership, and roundtable discussions with employees who practice diverse working styles throughout the country, provide an opportunity for each person to think about their own awareness and daily actions.

In addition, in order to continuously cultivate female managers and female managerial candidates, we are implementing a variety of initiatives to support further growth, by entrusting roles based on personal career visions, providing OJT throughout the year, conducting personnel transfers across departments, and holding training sessions for selected employees and mentor system etc.

Furthermore, the “Mama Papa ☆ Career Up Support System” has been established to support the growth of employees who are aiming to develop their careers while also raising children, we have created and continue to support an environment in which motivated and capable employees who aim to balance work and childcare can continue to be vibrant and active.

Going forward, the Group will accelerate its efforts for each of its companies to become a place where all female employees can grow with a sense of satisfaction in their work, and participate in all manner of decision-making processes as a matter of course.

(b) Foreign Nationals

In order to expand our business globally, we believe it is important to improve the quality of decision-making by employing human resources with various backgrounds, such as cultural backgrounds, careers, and experience. For this reason, at this point in time, we have not established quantitative targets for the appointment of foreign managers focused on only in nationality. As of April 1, 2023, foreign nationals account for 8.9% of our management positions.

(c) Mid-career hires

Mid-career recruitment is promoted in an integrated manner with the business strategy of strengthening specialist functions for future growth, and we recruit mid-career recruitment when the skills and personalities possessed by the individual fit in that perspective. As we do believe that mid-career recruitment should be carried out in such a way, we have not set quantitative targets for the promotion of mid-career recruiters to managerial positions. As of April 1, 2023, mid-career recruits account for 14.8% of our management positions. Tokio Marine & Nichido is also actively promoting mid-career recruitment and such mid-career hires are playing an active role in the digital field, etc.

We are strongly aware of the importance of diversity, and we will continue to examine quantitative targets for further advancement.

● Feeling of job satisfaction and ease of working (improving engagement)

Engagement surveys are conducted once a year to accurately assess the status of each employee's engagement. The results of the survey and changes in the results are analyzed, and the status of the entire organization is ascertained by the management team. At the same time, a PDCA cycle is implemented in which issues are resolved autonomously with the support of full-time consultants.

In fiscal 2022, Tokio Marine & Nichido established the Engagement Design Team, a dedicated team that works to improve employee engagement, and is developing initiatives to improve engagement through contributions to local communities and customers and a sense of self-development and self-realization. In addition to these initiatives, we are working to improve engagement by making it easier to work, such as by utilizing remote work and the Free Working Hours Choice System and lifting the ban on sidelines. In fiscal 2022, we added "Indicators Related to Sustainability Strategy" and "Employee Engagement Indicators" as "Business Targets" for the performance-linked portion of executive compensation to clarify management's commitment to improving engagement.

The Group regards the well-being of employees as an important management theme, and aims to enhance employee satisfaction and job satisfaction with employees working energetically in good physical and mental health, to contribute to improvement in the health of customers, local communities, and society, and resolution of social issues, and thereby lead to the sustainable growth of its companies. Based on this philosophy, we have established the Group Health Management Charter. Under the Group CEO at its top, and under the direction of the Chief Officer who oversees health management, a dedicated organization works to promote health management and occupational health and safety throughout the Group. As a result of our efforts, we have been selected as a "Health and Productivity Stock" for eight consecutive years as a company with superior health and productivity management. To improve the effectiveness of these initiatives, the Group regularly checks the status of its employees and the entire organization through various employee awareness surveys and implements a PDCA cycle in which efforts are made to identify and resolve issues.

Tokio Marine Group Wellness Charter

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

③ Risk Management

As described in "(1) Sustainability in General ③ Risk Management."

④ Metrics and Targets

Metrics	Target Companies	Targets	Fiscal year 2022	Appropriate measures
Ratio of female Directors, and Audit & Supervisory	Tokio Marine Holdings	Fiscal year 2027 30.0%	15.8%	• Instilling D&I

Board Members				
Ratio of women in managerial positions or higher positions (Note 1)	Tokio Marine & Nichido	Fiscal year 2030 30.0%	10.4%	<ul style="list-style-type: none"> • Instilling D&I
Result of the Culture & Value Survey (Note 2)	Tokio Marine Holdings and 42 Group companies in Japan and abroad	Maintain • Improve	4.4 points	<ul style="list-style-type: none"> • Instilling the Purpose • Instilling D&I • Feeling of job satisfaction and ease of working
Engagement Score (Note 3)	Tokio Marine Holdings Tokio Marine & Nichido	Maintain • Improve	61.4	<ul style="list-style-type: none"> • Feeling of job satisfaction and ease of working

(Notes)

1. “Managerial positions or higher positions,” includes the positions of Director, Audit & Supervisory Board Member, and Executive Officer. It has risen to 11.2%. as of April 1, 2023,
2. This is an original survey for understanding engagement and ensuring the penetration of the Purpose, etc. The rating is calculated on a scale of 5 points. The results for fiscal 2020 and fiscal 2021 were 4.3 points and 4.3 points, respectively.
3. This is measured by Link and Motivation Inc.'s Motivation Cloud. The numeric value is calculated as a standard deviation value. The results for fiscal 2020 and fiscal 2021 were 61.1 and 62.1, respectively.

7. Other

(1) Separation of management oversight and business execution (Supplementary Principle 4-1①)

The Board of Directors is responsible for decisions on important matters relating to the execution of the Company’s business and for supervising the performance of individual Directors. The Company shall define Rules of the Board of Directors, and define the content of significant business execution to be determined by the Board of Directors. Determination of significant business execution includes formulating Group management strategies, formulating Group management plans, establishing internal control systems within the Group, and business investment that is larger than a certain level. The Company shall entrust decision-making to Executive Officers of matters that do not require decisions to be made by the Board of Directors.

(2) Related party transactions (Principle 1-7)

The Company shall define Rules of the Board of Directors and the “Tokio Marine Group Policies for Management of Intragroup Transactions,” and the Board of Directors shall monitor related party transactions between Officers and subsidiaries, etc., in an effort to ensure that the joint interests of the Company and shareholders are not harmed.

(3) Major concurrent posts of Directors and Audit & Supervisory Board Members (Supplementary Principle 4-11②)

Details on the concurrent posts of Directors and Audit & Supervisory Board Members is disclosed on the Company’s website.

<https://www.tokiomarinehd.com/en/ir/event/meeting.html>

(4) Policy, etc. regarding equities held for Business-relationship (Principle 1-4, Principle 2-6)

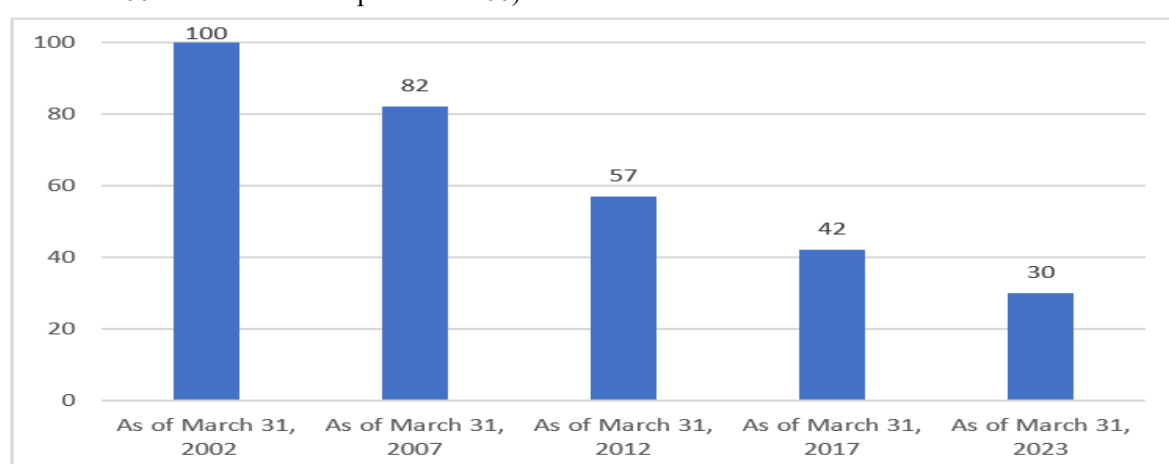
a. Reduction initiatives by Tokio Marine & Nichido

The equities held in the purpose of Business-relationship will be reduced to review the Company's risk portfolio and allocate capital to resolving social issues and to growth fields and so on.

It is the policy of Tokio Marine & Nichido to engage in the continuing reduction of equities held for Business-relationship, continuously selling more than 100.0 billion yen or more per year during the term of the mid-term business plan from fiscal year 2021. Tokio Marine & Nichido has strengthened its initiatives still further, and achieved a reduction of 116.9 billion yen in fiscal year 2021 and 129.7 billion yen in fiscal year 2022, which are reductions at levels that surpass the policy. This led to the reduction of 2.5 trillion yen in cumulative total since our foundation year 2002 (on market value at the time of sale), and as of the end of March 2023, the book value of domestic equities held for Business-relationship (hereinafter referred to as "Domestic Business-Relationship Equities") decreased to 30% as compared to the end of March 2002.

Starting in fiscal 2023, we plan to accelerate the pace of reduction, aiming for a cumulative reduction of more than 600.0 billion yen over 4 years. (Under IFRS standards, the ratio of Domestic Business-Relationship Equities to net assets is expected to be around 30% at the end of the next mid-term business plan period (the end of March 2027).) We will deepen our attentive dialogue with investees and, with a 20% ratio as one milestone to aim towards, move forward with initiatives for still greater reductions.

● Changes in the book value of Domestic Business-Relationship Equities (with the book-value as at the end of March 2002 as a base of comparison = 100)



● Plans and actual amount of reduction of Domestic Business-Relationship Equities over the past five years

Fiscal year	Plan	Actual
2018	100.0 billion yen or more per year	107.4 billion yen
2019		106.6 billion yen
2020		106.0 billion yen
2021		116.9 billion yen
2022		129.7 billion yen

● Status of holdings as of end of March 2023

	Number of issues (issuers)	Total book value (in millions of yen)
Unlisted shares	789	40,250
Shares other than unlisted shares	1,003	2,415,766

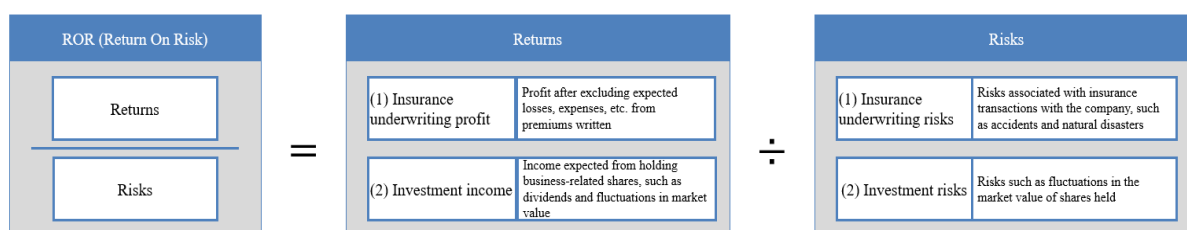
● Shareholdings for which the number of shares decreased in fiscal year 2022

	Number of issues (issuers)	Total value of sales associated with the reduction in the number of shares (in millions of yen)
Unlisted shares	38	5,554
Shares other than unlisted shares	137	126,021

b. Verification of economic rationality

The Company, at the meetings of its Board of Directors, confirms the appropriateness of the purposes for holding the shares of domestic listed companies that domestic insurance subsidiaries of the Company hold as business-related equities, such as strengthening medium-to-long term transaction relationships, and reviews risks and returns associated with holding such shares on an individual basis as well as the portfolio as a whole. Through these initiatives, the Company confirms the economic rationality of holding the business-related shares. The economic rationality is determined by comparing ROR (Return On Risk) calculated from risks and returns of both insurance transactions and equity investments with the Company's cost of capital.

At the meeting of its Board of Directors held in October 2022, the Company reviewed the economic rationality as of the end of March 2022, and confirmed that ROR of the whole portfolio is above the cost of capital. As for respective company with ROR less than the cost of capital, the Company works to improve returns from these companies through discussion regarding their business policies, and improvement and new proposals of their insurance programs.



c. Views on the exercise of voting rights by Tokio Marine & Nichido

Tokio Marine & Nichido endorses the Principles for Responsible Institutional Investors « Japan's Stewardship Code » and has declared its adoption of the Code.

Tokio Marine & Nichido believes that promoting the improvement of investee companies' corporate value and their sustainable growth through constructive "purpose driven dialogue" based on in-depth understanding of the investee companies and their business environment, etc. will lead to the enhancement of Tokio Marine & Nichido's asset value and the interests of insurance policyholders and insured persons, etc. in the medium to long term, and on exercising its voting rights, it makes decisions comprehensively in consideration of the contents of such dialogue and objective indicators (ROE, total return ratio, etc.). Tokio Marine & Nichido also fully consider initiatives toward sustainability including environmental problems, social contributions, and corporate governance.

Tokio Marine & Nichido discloses examples of dialogues with investee companies (including the results of exercise of voting rights and reasons for the votes for or against the proposals), agenda items which Tokio Marine & Nichido voted against and reasons for its decision, and aggregate results of the exercise of voting rights, due to the importance of enhancing the transparency of Tokio Marine & Nichido's stewardship activities and in order to encourage the understanding of the contents of such activities.

Tokio Marine & Nichido pays close attention to the following items, among others, in exercising voting rights.

- Election or dismissal of directors (proposed by a company operating in deficit for a certain consecutive period, by a company whose ROE or operating margins are low for a certain consecutive period, by a company having an insufficient number of independent outside directors, by a company in which scandal has occurred, by a company focusing on the ESG issues; proposed re-election of an outside director whose rate of attendance to meetings of the board of directors is low; etc.)
- Election or dismissal of audit & supervisory board members (proposed by a company in which scandal has occurred; proposed re-election of an outside audit & supervisory board member whose rate of attendance to meetings of the board of directors or the audit & supervisory board is low; etc.)
- Election of independent auditors (independent auditors involved in scandals and audit errors)
- Awarding of retirement allowance to directors and audit & supervisory board members (proposed by a company operating in deficit for a certain consecutive period, by a company whose ROE or operating margins are low for a certain consecutive period, by a company whose dividend payout ratio is low for a certain consecutive period, by a company in which scandal has occurred, etc.)
- Increase of remuneration of directors, executive officers and audit & supervisory board members (proposed by a company operating in deficit for a certain consecutive period, by a company whose ROE or operating margins are low for a certain consecutive period, by a company whose dividend payout ratio is low for a certain consecutive period, by a company in which scandal has occurred, etc.)
- Issuance of new shares or share acquisition rights

- Corporate reorganization, including merger, acquisition, or sales and purchase of business
- Acquisition of treasury shares (from specific shareholders at the price higher than fair value, etc.)
- Introduction or renewal of anti-takeover measures (proposed by a company whose ROE or operating margins are low for a certain consecutive period, etc.)
- Appropriation of surplus (proposed by a company whose dividend payout ratio is low for a certain consecutive period)
- Amendment to the articles of incorporation (cases in which the addition of requirements for resolutions on the dismissal of directors is not found to be reasonable)
- Proposals from shareholders (cases in which there is a risk of conflict with the common interest of shareholders, etc.)

In the case of agenda that breach laws or regulations or constitute antisocial activities, Tokio Marine & Nichido opposes them regardless of the circumstances.

The overview of our stewardship activities etc. indicated on the Company's website. <https://www.tokiomarine-nichido.co.jp/company/about/policy/stewardship.html> (in Japanese)

d. To fulfil its functions as an asset owner of corporate pensions

Regarding function as asset owner, the Company has no corporate pension plan, while Tokio Marine & Nichido has Tokio Marine & Nichido Pension Fund (the "Pension Fund").

The Pension Fund formulates a management policy for the fund based on advice from a pension asset management committee at which multiple members with a high degree of expertise in the asset management business serve as committee members. In addition, based on the above management policy, management executive directors with a high degree of expertise in the asset management business engage in management practices. Through these efforts, the Pension Fund takes personnel and management measures to fulfil its anticipated functions as an asset owner. Furthermore, its board of representatives includes a representative from a labor union. In addition, the content of deliberations at the pension asset management committee and the content of resolutions at the board of representatives are broadly made known to the fund members and recipients. Through these efforts, the Pension Fund has established a system to appropriately control any conflicts of interest as well.

(5) Investments etc. in Intellectual Property (Supplementary Principle 3-1③)

The Company believes that it is even more important to provide value that goes beyond the payment of claims to deliver peace of mind before and after an accident. This includes preventing accidents, mitigating customers' burden in the event of an accident, helping early restoration and preventing recurrences. To this end, the Company has positioned digital technology and the Group's data as important intellectual property and intangible assets as the sources of our competitive advantage. By thoroughly utilizing these assets, the Company aim to expand our business domains and take on the challenge of evolving into a company that always support our customers and society in their times of need, as is our corporate purpose.

Tokio Marine dR Co., Ltd., which is responsible for the Group's core data functions, is responsible for strengthening the Group's data analysis and solution development capabilities based on the consolidated and sophisticated digital capabilities of the Group. Utilizing TdR's digital capability, we will powerfully provide peace of mind before and after events in the fields of disaster prevention and mitigation, health care, mobility and cyber etc. We are also working to create solutions that contribute to resolve problems in the above areas by productively combining the data that the Group possesses with the data that other companies possess. One specific initiative is the "CORE" disaster prevention consortium that was established by Tokio Marine & Nichido in November 2021 for disaster prevention and mitigation. As of June 1, 2023, 97 corporations representing a diverse range of industries are participating in CORE. By utilizing the technologies and data of each company, it will provide services that are directly linked to disaster prevention and mitigation including creation of infrastructure maintenance and management solutions that reduce the severity of damage in the event of a disaster, development of disaster anticipation and real-time hazard maps that facilitate evacuations, and the acceleration of recovery and reconstruction using digital technology.

We also utilize digital technology and data to ① thoroughly reduce in-house administrative work by reforming our business processes and working styles, and ② using the time-savings generated, promote sales and provide peace of mind before and after the accidents, thereby contributing to top-line improvements and improved loss ratios, and thus ③ realize enhanced profitability as a result.

Furthermore, as the base that supports these initiatives, we are working to collaborate with a diverse range of external partners and strengthen our digital development system through strategic investments, etc. to acquire technologies and knowledge, etc. The know-how gained in this way is spread across the globe.

The following is an explanation on the election and nomination of executive personnel as referred to in the above 3.(6) item “a. Internal Directors” on page 8.

Name • Position	Responsibility
Reason for election and nomination	
Tsuyoshi Nagano, Chairman of the Board	-
<p>Since joining Tokio Marine, he primarily engaged in domestic and overseas insurance underwriting, corporate planning, and product planning, and he has since served as President & Chief Executive Officer of Tokio Marine & Nichido and led the management of the entire Tokio Marine Group as Group CEO. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Satoru Komiya, President & Chief Executive Officer	<p>Group CEO (Group Chief Executive Officer) Group CCO (Group Chief Culture Officer) Corporate Planning Dept. (CEO Office)</p>
<p>Since joining Tokio Marine, he primarily engaged in domestic insurance underwriting, human resources planning, sales planning, and management of the Group companies, and subsequently was responsible for the overseas insurance business as an executive officer of the Company. He currently leads the management of the entire Tokio Marine Group as Group CEO. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> a) To preside over all operations of the Company as the President, who is the head of the executive officers. b) To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Kenji Okada, Senior Managing Director	<p>Group CFO (Group Chief Financial Officer) Corporate Planning Dept. (except CEO Office, Business Support Group, Sustainability Division), Global Communication Dept., Corporate Accounting Dept.</p>
<p>Since joining Tokio Marine, he primarily engaged in financial planning, corporate planning, and international insurance business, and subsequently was responsible for legal & compliance and risk management as an executive officer of the Company. Currently, he is responsible for the capital strategy of the Group as an executive officer of the Company. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> a) To properly determine and execute the business operations under his charge as an executive officer responsible for capital strategy of the Group. b) To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Yoichi Moriwaki, Senior Managing Director	<p>Group CSO (Group Chief Strategy and Synergy Officer) New Business Strategy Dept., Healthcare Business Dept.</p>
<p>Since joining Tokio Marine, he primarily engaged in IT planning, human resources planning, and accounting, and subsequently was responsible for the Group’s business strategies, synergies, and initiatives for sustainability as an executive officer of the Company. Currently, he is responsible for the Group’s business strategies and synergies as an executive officer of the Company. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> a) To properly determine and execute the business operations under his charge as an executive officer responsible for the Group’s business strategies and synergies. b) To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Kichiichiro Yamamoto, Senior Managing Director	<p>Head of International Insurance Business Co-Head of International Business International Business Development Dept. (management of</p>

	North America (Delphi))
<p>Since joining Tokio Marine, he primarily engaged in the international insurance business and corporate planning, and subsequently he was in charge of international insurance business such as overseas M&A as an executive officer of the Company. Currently, he is responsible for international insurance business as an executive officer of the Company. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> a) To properly determine and execute the business operations under his charge as an executive officer responsible for international insurance business. b) To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Yoshinori Ishii, Managing Director	Group CLCO (Group Chief Legal and Compliance Officer) Legal & Compliance Dept..
<p>Since joining Tokio Marine, Mr. Yoshinori Ishii primarily engaged in legal & compliance affairs and human resources planning, and currently he is responsible for the legal & compliance affairs of the Group. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> a) To properly determine and execute the business operations under his charge as executive officer responsible for the Group's legal & compliance. b) To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Kiyoshi Wada, Managing Director	Group COO (Group Chief Operating Officer) Group CSUO (Group Chief Sustainability Officer) Corporate Planning Dept. (Business Support Group, Sustainability Division)
<p>Since joining Tokio Marine, Mr. Kiyoshi Wada primarily engaged in domestic insurance underwriting, product planning, and corporate planning, and currently he is responsible for the Group's operations and sustainability initiatives. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> a) To properly determine and execute the business under his charge as executive officer responsible for the Group's operations and sustainability efforts. b) To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Shinichi Hirose, Director	President & Chief Executive Officer of Tokio Marine & Nichido
<p>Since joining Tokio Marine, he primarily engaged in product planning, sales planning, and domestic life and non-life insurance business, and subsequently served as President of Tokio Marine & Nichido Life Insurance Co., Ltd. and an executive officer of the Company in charge of international insurance business. Currently, he leads the management of Tokio Marine & Nichido as President & Chief Executive Officer. We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> • To fulfill a substantial role in making important business execution decisions and supervising the execution of duties by other directors as a member of the Board. 	
Hirokazu Fujita, Audit & Supervisory Board Member (full-time)	-
<p>Since joining Tokio Marine, he primarily engaged in accounting, and subsequently he was in charge of accounting and financial planning as an executive officer of Tokio Marine & Nichido and the Company, and he was responsible for investment management of the Group. Currently, he is responsible for supervision of the execution of duties by Directors as an Audit & Supervisory Board Member of the Company (full-time). We expect him to leverage his abundant experience and achievements as follows:</p> <ul style="list-style-type: none"> • To fulfill proper audit functions. 	
Takayuki Yuasa, Audit & Supervisory Board Member (full-time)	-
<p>Since joining Tokio Marine, he engaged in corporate planning, finance, accounting and domestic life and non-life insurance businesses, and subsequently he was responsible for risk management as an executive officer of Tokio Marine & Nichido and the Company. Subsequently, he is responsible for capital strategy of the Group as an executive officer of the Company. Currently, he is responsible for supervision of the execution of duties by</p>	

Directors as an Audit & Supervisory Board Member of the Company (full-time). We expect him to leverage his abundant experience and achievements as follows:

- To fulfill proper audit functions.

2. Capital Structure

Foreign Shareholding Ratio	30% or more
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[Status of Major Shareholders] (Updated)

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd., Trust Account	344,412,800	17.42
Custody Bank of Japan, Ltd., Trust Account	147,530,400	7.46
Meiji Yasuda Life Insurance Company	42,604,053	2.15
SSBTC CLIENT OMNIBUS ACCOUNT	39,584,555	2.00
Barclays Securities Japan Limited	37,200,000	1.88
State Street Bank West Client - Treaty 505234	36,532,273	1.85
Tokai Nichido Employee Stock Ownership Plan	30,217,470	1.53
JP Morgan Securities Japan Co., Ltd	29,897,844	1.51
JP Morgan Chase Bank 385781	26,204,280	1.33
JP Morgan Chase Bank 385632	25,391,555	1.28

Controlling Shareholder (excluding Parent Company)	—
Parent Company	None

Supplementary Explanation (Updated)

- “Status of Major Shareholders” above is based on the register of shareholders as of September 30, 2023.
- “Percentage” in “Status of Major Shareholders” above shows the ratio of the number of shares held by such shareholder to the total number of the outstanding shares (excluding treasury shares).
- Moxley & Co LLC is the registered holder of shares deposited pursuant to ADR issuance.
- Regarding shares of the Company, reports have been submitted to the Director-General of the Kanto Local Finance Bureau, respectively: a report of large possession volume dated March 19, 2020, submitted from Sumitomo Mitsui Trust Bank, Ltd; a change report (pertaining to a report of large possession volume) dated July 21, 2020, submitted from Nomura Securities Co., Ltd.; and a change report (pertaining to a report of large possession volume) dated June 20, 2022, submitted from Mitsubishi UFJ Financial Group, Inc. However, since the Company cannot confirm the number of shares substantially held by them as of September 30, 2023, such information is not reflected in “Status of Major Shareholders” above.

3. Corporate Attributes

Listed Stock Exchange and Market Section	Tokyo Stock Exchange, Prime
Fiscal Year-End	March
Type of Business	Insurance
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Sales (consolidated) as of the End of the Previous Fiscal Year	1 trillion yen or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholders

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5. Other Special Circumstances which may have Material Impact on Corporate Governance

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board
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[Directors]

Maximum Number of Directors Stipulated in the Articles of Incorporation	15
Term of Office Stipulated in the Articles of Incorporation	1 year
Chairman of the Board	Chairman of the Board (except when serving concurrently as President)
Number of Directors	15
Election of Outside Directors	Elected
Number of Outside Directors	7
Number of Independent Directors, from among Outside Directors	7

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Takashi Mitachi	From another company											
Nobuhiro Endo	From another company											
Shinya Katanozaka	From another company											
Emi Osono	From another company											
Kosei Shindo	From another company											
Robert Alan Feldman	From another company											
Haruka Matsuyama	Attorney-at-law											

* Categories for "Relationship with the Company"

* "○" when the Director presently falls or has recently fallen under the category;

"△" when the Director fell under the category in the past

* "●" when a close relative of the Director presently falls or has recently fallen under the category;

"▲" when a close relative of the Director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive Director or executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an executive thereof

e. Major client or supplier of the Company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director/Audit & Supervisory Board Member

g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between which and the Company Outside Directors / Audit & Supervisory Board Members are mutually appointed (the Director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)
- k. Other

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Election
Takashi Mitachi	○	He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members defined by the Company, which are provided in "Disclosure Based on the Principles of the Corporate Governance Code".	As an Outside Director, he is expected to make recommendations to our Board of Directors and to play a role in exercising an appropriate supervisory function. The reason for appointing him is that he has properly fulfilled this expected role based on his insight as a specialist in business management acquired through many years of experience in a consulting firm and a management role since he was appointed as a Director of the Company. Furthermore, he does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that he is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Director.
Nobuhiro Endo	○	He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members defined by the Company, which are provided in "Disclosure Based on the Principles of the Corporate Governance Code".	As an Outside Director, he is expected to make recommendations to our Board of Directors and to play a role in exercising an appropriate supervisory function. The reason for appointing him is that he has properly fulfilled this expected role based on his insight as a specialist in business management acquired through many years of experience in a management role since he was appointed as a Director of the Company. Furthermore, he does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that he is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Director.
Shinya Katanozaka	○	He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board	As an Outside Director, he is expected to make recommendations to our Board of Directors and to play a role in exercising an appropriate supervisory function. The reason for appointing him

		Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	is that he has properly fulfilled this expected role based on his insight as a specialist in business management acquired through many years of experience in a management role since he was appointed as a Director of the Company. Furthermore, he does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that he is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Director.
Emi Osono	○	She fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	As an Outside Director, she is expected to make recommendations to our Board of Directors and to play a role in exercising an appropriate supervisory function. The reason for appointing her is that she has properly fulfilled this expected role based on her insight into corporate management, acquired through many years of research into corporate strategy, etc., since she was appointed as a Director of the Company. Furthermore, she does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that she is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Director.
Kosei Shindo	○	He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	As an Outside Director, he is expected to make recommendations to Board of Directors and to play a role in exercising an appropriate supervisory function. The reason for appointing him is that, based on his insight as a specialist in business management, acquired through many years of experience in a management, we determined that he would be able to properly fulfill this expected role. Furthermore, he does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that he is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Director.
Robert Alan Feldman	○	He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board	As an Outside Director, he is expected to make recommendations to Board of Directors and to play a role in exercising an appropriate supervisory function. The reason for appointing him

		Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	is that, based on his insight acquired through many years of experience as an economist at financial institutions, we determined the he would be able to properly fulfill this expected role. Furthermore, he does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that he is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Director.
Haruka Matsuyama	○	She fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	As an Outside Director, she is expected to make recommendations to Board of Directors and to play a role in exercising an appropriate supervisory function. The reason for appointing her is that, based on her insight regarding corporate legal affairs acquired through many years of experience as an attorney-at-law, she would be able to properly fulfill this expected role. Furthermore, she does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that she is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Director.

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Compensation Committee	Established
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Voluntary Committee’s Name, Composition, and Attributes of Chairman

	Committee Corresponding to Nomination Committee	Committee Corresponding to Compensation Committee
Committee’s Name	Nomination Committee	Compensation Committee
All Committee Members	5	5
Full-time Members	0	0
Inside Directors	2	1
Outside Directors	3	4
Outside Experts	0	0
Other	0	0
Chairman	Outside Director	Outside Director

Supplementary Explanation

The policies and procedures for the appointment and dismissal of executive personnel are described under the heading “3. Policy and procedure, etc. for appointment and dismissal of executive personnel” in the [Disclosure Based on the Principles of the Corporate Governance Code] , section of I. Fundamental Views on Corporate Governance, and Basic Information on Capital Structure, Corporate Attributes and Other Matters.

The policies and procedures for determining the remuneration of executive personnel are described under the heading “4. Policy and process for determining the compensation of executive personnel” in the [Disclosure Based on the Principles of the Corporate Governance Code] , section of I. Fundamental Views on Corporate Governance, and Basic Information on Capital Structure, Corporate Attributes and Other Matters.

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in the Articles of Incorporation	6
Number of Audit & Supervisory Board Members	5

Cooperation among Audit & Supervisory Board Members, Independent Auditors and Internal Audit Division

The Internal Audit Department and Independent Auditors collaborate with Audit & Supervisory Board Members such as by providing information on the audit plans and the outcomes of the audit to Audit & Supervisory Board Members. In addition, the effectiveness of respective audit has been enhanced by mutual cooperation by exchanging opinions among the Internal Audit Department, the Independent Auditors, and Audit & Supervisory Board Members.

Audit & Supervisory Board Members attend meetings of the Board of Directors and the Audit & Supervisory Board, and receive reports on the status and practices of the Group's Internal Control System by the Internal Control Department, reports on the internal audit plans and their implementation status based on fundamental policy regarding internal audit, and reports on the outcomes of financial statements audits and internal control audits in respect to financial reporting.

The Company enters audit engagement letter with the Independent Auditors, and audits of financial statements and internal control audits over financial reporting are conducted in which process the Internal Control Department provides the necessary information to the Independent Auditors.

Election of Outside Audit & Supervisory Board Members	Elected
Number of Outside Audit & Supervisory Board Members	3
Number of Independent Audit & Supervisory Board Members, from among Outside Audit & Supervisory Board Members	3

Outside Audit & Supervisory Board Member's Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Akihiro Wani	Attorney-at-law													
Nana Otsuki	From another company													
Junko Shimizu	From another company													

* Categories for “Relationship with the Company”

* “○” when the Audit & Supervisory Board Member presently falls or has recently fallen under the category;

“△” when the Audit & Supervisory Board Member fell under the category in the past

* “●” when a close relative of the Audit & Supervisory Board Member presently falls or has recently fallen under the category;

“▲” when a close relative of the Audit & Supervisory Board member fell under the category in the past

- a. Executive of the Company or its subsidiary
- b. Non-executive Director or accounting advisor of the Company or its subsidiaries
- c. Non-executive Director or executive of a parent company of the Company
- d. Audit & Supervisory Board member of a parent company of the Company
- e. Executive of a fellow subsidiary company of the Company
- f. A party whose major client or supplier is the Company or an executive thereof
- g. Major client or supplier of the Company or an executive thereof
- h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an Audit & Supervisory Board Member
- i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Member himself/herself only)
- k. Executive of a company, between which and the Company outside Directors / Audit & Supervisory Board Members are mutually appointed (the Audit & Supervisory Board Member himself/herself only)
- l. Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board Member himself/herself only)
- m. Other

Outside Audit & Supervisory Board Member's Relationship with the Company (2)

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Election
Akihiro Wani	○	He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	As an Outside Audit & Supervisory Board Member, he is expected to play a role in exercising an appropriate audit function. The reason for appointing him is that since he was appointed as an Audit & Supervisory Board Member of the Company, he has properly fulfilled his audit functions and provides valuable advice as a specialist in corporate legal affairs based on his insight acquired through many years of experience as an attorney-at-law. Furthermore, he does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that he is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Audit & Supervisory Board Member. He has many years of experience in his role as a corporate lawyer acting for financial institutions on legal matters and has extensive insight regarding finance and accounting matters.
Nana Otsuki	○	She fulfills the Independence Standards for Outside Directors	As an Outside Audit & Supervisory Board Member, she is expected to play a role in exercising an appropriate audit function. The reason for appointing her

		and Outside Audit & Supervisory Board Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	is that since she was appointed as an Audit & Supervisory Board Member of the Company, she has properly fulfilled her audit functions and provides valuable advice based on her insight which was acquired through many years of experience as an analyst in financial institutions. Furthermore, she does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that she is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Audit & Supervisory Board Member. She, as an analyst at financial institutions through many years, has extensive insight regarding finance and accounting matters.
Junko Shimizu	○	She fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members defined by the Company, which are provided in “Disclosure Based on the Principles of the Corporate Governance Code”.	As an Outside Audit & Supervisory Board Member, she is expected to play a role in exercising an appropriate audit function. The reason for appointing her is that she was judged to be able to appropriately fulfill this expected role based on her many years of practical experience at financial institutions and her insight gained through research on international finance, etc. Furthermore, she does not fall under items set forth in the regulations of the exchange, and therefore we believe, as a result of a comprehensive consideration based on the above, that she is unlikely to cause conflicts of interest with general shareholders of the Company as an independent Audit & Supervisory Board Member. She, as an individual with practical experience at financial institutions, has extensive insight regarding finance and accounting matters.

[Independent Directors / Audit & Supervisory Board Members]

Number of Independent Directors / Audit & Supervisory Board Members	10
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Matters relating to Independent Directors / Audit & Supervisory Board Members

The Company designates all Outside Directors and Outside Audit & Supervisory Board Members who have the qualification of independent directors / audit & supervisory board members as independent directors / audit & supervisory board members.

[Incentives]

Incentive Policies for Directors	Performance-linked Compensation / Others
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Supplementary Explanation

An overview, etc. of the performance-linked compensation and stock compensation is set forth under the heading 4. Policy and process for determining the compensation of executive personnel in the [Disclosure Based on the Principles of the Corporate Governance Code] , section of I. Fundamental Views on Corporate Governance, and Basic Information on Capital Structure, Corporate Attributes and Other Matters.

Recipients of Stock Options

Supplementary Explanation

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[Director Compensation]

Disclosure of Individual Directors' Compensation	Selected Directors
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Supplementary Explanation

The Company has a policy of individually disclosing the compensation amount for any Director who receives total consolidated compensation, etc. of 100 million yen or more. For fiscal year 2022, it was as follows.

Name	Classification of director	Classification of company	Total amount by type of compensation, etc. (in millions of yen)			Total amount of consolidated compensation, etc. (in millions of yen)
			Fixed-compensation	Performance-linked compensation	Share-compensation	
Tsuyoshi Nagano	Director	The Company	67	74	47	189
Satoru Komiya	Director	The Company	54	121	57	253
	Director	Tokio Marine & Nichido	11	5	3	
Shinichi Hirose	Director	The Company	13	-	3	159
	Director	Tokio Marine & Nichido	43	68	30	

Policy on Determining Compensation Amounts and Calculation Methods	Established
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Disclosure of Policy on Determining Compensation Amounts and Calculation Methods

Policies regarding the determination of remuneration for Directors, Audit & Supervisory Board Members, and Executive Officers is described under the heading 4. Policy and process for determining the compensation of executive personnel in the [Disclosure Based on the Principles of the Corporate Governance Code] , section of I. Fundamental Views on Corporate Governance, and Basic Information on Capital Structure, Corporate Attributes and Other Matters.

[Support System for Outside Directors and/or Outside Audit & Supervisory Board Members]

To enable Outside Directors and Outside Audit & Supervisory Board Members to implement appropriate supervision and audits, the internal control division and internal audit division, etc. provide required information at the Board of Directors meetings and Audit & Supervisory Board meetings, etc. Divisions serving as secretariats of the Board of Directors and Audit & Supervisory Board assist the internal control division and internal audit division, etc. in the provision of information in a timely and appropriate manner and gives feedback to the relevant divisions, etc. to help those divisions effectively use and act upon the points and advice from the Outside Directors and Outside Audit & Supervisory Board Members. In addition, as opportunities for Outside Directors and Outside Audit & Supervisory Board Members to gain a deeper understanding of the workplace, we provide Outside Directors and Outside Audit & Supervisory Board Members with opportunities to participate as observers by providing information on Tokio Marine Group Joint Meeting of General Managers of Departments and Branch Officers, meetings to exchange opinions between inside directors and employees, and other events.

[Status of Persons Retired from President & Chief Executive Officer, etc.]

Names and other details of Counsellor or Advisor etc. who are former President & Chief Executive Officer, etc.

Name	Posts and positions	Activity Description	Working Arrangement/ Conditions (Full-time/Part-time, Compensation, etc.)	Date of retirement from President & Chief Executive Officer, etc.	Term
-	-	-	-	-	-

Total number of Counsellor or Advisor, etc. who are former President & Chief Executive Officer, etc.

-

Other Information

- The Company does not have a general system for former President & Chief Executive Officers, etc. to serve as Counsellor or Advisor, etc.
- Mr. Kunio Ishihara, a former President & Chief Executive Officer of the Company, is responsible for the position of Senior Advisor of Tokio Marine & Nichido, a subsidiary of the Company. Also, Mr. Shuzo Sumi, a former President & Chief Executive Officer of the Company, is responsible for the position of Counsellor for Tokio Marine & Nichido.

In overview, the system for these specific cases is as follows:

Activity Description:	Public office and business activities, etc. contribute to the management of the Group, and expressing opinions in response to a request from the board of directors' meetings and President & Chief Executive Officer.	
Working Arrangement/ Conditions:	Part-time, with compensation	
Term:	Mr. Kunio Ishihara	From June 2023 to the Ordinary General Meeting of Shareholders held in 2024 (advisory engagement is renewable once a year by resolution of the Board of Directors, but expires in 5 years)
	Mr. Shuzo Sumi	Until the expiration of 10 years after his resignation as Chairman of the Company (resigned as Chairman in June 2019)

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Compensation Decisions (Overview of Current Corporate Governance System) (Updated)

(1) Directors and the Board of Directors

The Board of Directors of the Company is responsible for decisions on important matters relating to the execution of the Company's business and for supervising the performance of individual Directors. The Company defines Rules of the Board of Directors, as well as the content of significant business execution to be determined by the Board of Directors. Determination of significant business execution includes formulating Group management strategies, formulating Group management plans, establishing internal control systems within the Group, and business investment that is larger than a certain level. Each Director shall endeavor to enable the Board of Directors to fulfill these responsibilities and functions. The Company shall entrust decision-making to Executive Officers of matters that do not require decisions to be made by the Board of Directors.

As a general rule, at least one-third of Directors shall be Outside Directors. In order to ensure the effectiveness of the Board of Directors, it shall be comprised in a way balancing diversity and an appropriate size. Directors shall be appointed for a term of office of 1 year. Directors may be re-appointed. As of the date of submission of this report, the Board of Directors of the Company consists of 15 Directors, including 7 Outside Directors (including 2 female Outside Directors).

We intend to fully utilize the insight of Outside Directors and Outside Audit & Supervisory Board Members when considering and formulating management strategies aimed at achieving sustainable growth for the company and increasing corporate value over the medium to long term. To this end, the Board of Directors discusses management issues and the management environment, which are called "Discussions on Corporate Strategy." The discussion topics are chosen through a survey of Directors and Audit & Supervisory Board Members or from those which came up in "independent Directors/Audit & Supervisory Board Members' meetings." In fiscal year 2022, discussions were held on the following topics, and we will continue these discussions in fiscal year 2023.

- Direction of the Group's formulation of strategies for the next medium-term business plan
- The Group's domestic non-life insurance business strategy
- The Group human resources strategy
- The Group's cybersecurity
- Exchanging opinions with the presidents of overseas Group companies

In fiscal 2022, in accordance with laws and regulations, the Articles of Incorporation, and the Rules of the Board of Directors, the Board of Directors made decisions on important business operations and supervised the execution of duties by the Directors. At the same time, "Discussions on Corporate Strategy," a voluntary initiative, were also held.

Under the Board of Directors Regulations, the Company stipulates that the Board of Directors shall consist of all Directors and that Audit & Supervisory Board Members shall attend Board of Directors meeting and state their opinions, if it is deemed necessary. As a general rule, Directors and Audit & Supervisory Board Members shall attend each meeting of the Board of Directors. In fiscal year 2022, Board of Directors' meetings were held 10 times. The average attendance rate at Board of Directors meeting was 99.3% for all Directors and 100% for all Audit & Supervisory Board members.

Attendance by respective Outside Directors and Outside Audit & Supervisory Board Members at the Board of Directors' meetings were as follows.

Tsuyoshi Nagano (Chairman of the Board): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Satoru Komiya (President & Chief Executive Officer): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Akira Harashima (Vice President Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Kenji Okada (Senior Managing Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Yoichi Moriwaki (Senior Managing Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Yoshinori Ishii (Managing Director): Attended all of the 8 Board of Directors' meetings held in fiscal 2022, after appointment as Director.

Kiyoshi Wada (Managing Director): Attended all of the 8 Board of Directors' meetings held in fiscal 2022, after appointment as Director.

Shinichi Hirose (Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Takayuki Yuasa (Vice President Director): Attended all of the 2 Board of Directors' meetings held in fiscal 2022, prior to his resignation as Director.

Yoshinari Endo (Managing Director): Attended all of the 2 Board of Directors' meetings held in fiscal 2022, prior to his resignation as Director.

Akio Mimura (Outside Director): Attended 9 of the 10 Board of Directors' meetings held in fiscal 2022.

Masako Egawa (Outside Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Takashi Mitachi (Outside Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Nobuhiro Endo (Outside Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Shinya Katanozaka (Outside Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Emi Osono (Outside Director): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Hirokazu Fujita (Audit & Supervisory Board Member (full-time)): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Takayuki Yuasa (Audit & Supervisory Board Member (full-time)): Attended all of the 8 Board of Directors' meetings held in fiscal 2022, after appointment as Audit & Supervisory Board Member.

Akinari Horii (Outside Audit & Supervisory Board Member): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Akihiro Wani (Outside Audit & Supervisory Board Member): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Nana Otsuki (Outside Audit & Supervisory Board Member): Attended all of the 10 Board of Directors' meetings held in fiscal 2022.

Shozo Mori (Outside Audit & Supervisory Board Member (full-time)): Attended all of the 2 Board of Directors' meetings held in fiscal 2022, prior to his resignation as Audit & Supervisory Board Member.

(Note) Names and titles are as of March 31, 2023. Regarding those who resigned during the term, the names and titles are as of the time of retirement.

(2) Audit & Supervisory Board Members and Audit & Supervisory Board

Audit & Supervisory Board Members of the Company shall, as an independent body entrusted by shareholders, audit the performance of Directors, with the aim to ensure sound and fair management and accountability to society. In conducting audits, the Audit & Supervisory Board Members endeavor to conduct high-quality audits in accordance with the Board of Auditors Regulations, Auditing Standards, Auditing Policies, and Audit Plans established by the Audit & Supervisory Board of the Company.

The number of the Audit & Supervisory Board Members shall be no more than 6 per the Articles of Incorporation, of which the majority shall be Outside Audit & Supervisory Board Members in principle. As of the submission date of this report, the Audit & Supervisory Board of the Company consists of 5 Audit & Supervisory Board Members, of whom 3 are Outside Audit & Supervisory Board Members, all of whom have considerable knowledge of finance and accounting.

(3) Nomination Committee and Compensation Committee

The Company shall establish a Nomination Committee and a Compensation Committee to serve as advisory bodies to the Board of Directors.

The Nomination Committee deliberates on the following matters and reports to the Board of Directors.

- a. Appointment and dismissal of the President & Chief Executive Officer, Directors, Audit & Supervisory Board Members, and Executive Officers
- b. Criteria for the appointment and policy for the dismissal of the President & Chief Executive Officer, Directors, Audit & Supervisory Board Members, and Executive Officers

Also, the Nomination Committee deliberates on a succession plan for the President & Chief Executive Officer and appropriately supervises the implementation of the succession plan in order to develop successor candidates systematically.

The Compensation Committee deliberates on the following matters and reports to the Board of Directors.

- a. Evaluation of the performance of the President & Chief Executive Officer, Directors and Executive Officers
- b. The compensation system and level of compensation for the President & Chief Executive Officer, Directors and Executive Officers
- c. Policies for determination of compensation of Directors, Audit & Supervisory Board Members and Executive Officers

In principle, a majority of members of the Nomination Committee and the Compensation Committee respectively shall be from outside the Company, and the chairperson for each of these committees shall be elected from among outside members.

The status of the members is as follows.

<Nomination Committee>

Shinya Katanozaka (Outside Director)

Emi Osono (Outside Director)

Kosei Shindo (Outside Director)

Tsuyoshi Nagano (Chairman of the Board)

Satoru Komiya (President & Chief Executive Officer)

<Compensation Committee>

Nobuhiro Endo (Outside Director)

Takashi Mitachi (Outside Director)

Robert Alan Feldman (Outside Director)

Haruka Matsuyama (Outside Director)

Satoru Komiya (President & Chief Executive Officer)

In fiscal year 2022, the Nomination Committee deliberated on the appointment and dismissal of the President & Chief Executive Officer, Directors, Audit & Supervisory Board Members and Executive Officers, as well as the criteria for the appointment and policy for the dismissal thereof, and made reports to the Board of Directors. In fiscal year 2022, the Nomination Committee's meeting was held twice.

Attendance by each of the committee members was as follows.

<Attendance of the Nomination Committee>

Akio Mimura (Chairman/Outside Director): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

Masako Egawa (Outside Director): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

Takashi Mitachi (Outside Director): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

Nobuhiro Endo (Outside Director): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

Shinya Katanozaka (Outside Director): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

Emi Osono (Outside Director): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

Tsuyoshi Nagano (Chairman of the Board): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

Satoru Komiya (President & Chief Executive Officer): Attended all of the 2 Nomination Committee's meetings held in fiscal 2022.

(Note) Names and titles are as of March 31, 2023. Regarding those who resigned during the term, the names and titles are as of the time of retirement.

In fiscal 2022, the Compensation Committee deliberated on matters such as the evaluation of the performance of the President & Chief Executive Officer, Directors, and Executive Officers, the compensation system and level of compensation, policies for determination of compensation of the President & Chief Executive Officer, Directors, and Executive Officers. The Compensation Committee met three times in fiscal 2022. Attendance by each of the committee members was as follows.

<Attendance of the Compensation Committee>

Akio Mimura (Chairman/Outside Director): Attended all of the 3 Compensation Committee's meetings held in fiscal 2022.

Masako Egawa (Outside Director): Attended all of the 3 Compensation Committee's meetings held in fiscal 2022.

Takashi Mitachi (Outside Director): Attended all of the 3 Compensation Committee's meetings held in fiscal 2022.

Nobuhiro Endo (Outside Director): Attended all of the 3 Compensation Committee's meetings held in fiscal 2022.

Shinya Katanozaka (Outside Director): Attended all of the 3 Compensation Committee's meetings held in fiscal 2022.

Emi Osono (Outside Director): Attended all of the 3 Compensation Committee's meetings held in fiscal 2022.

Satoru Komiya (President & Chief Executive Officer): Attended all of the 3 Compensation Committee's meetings held in fiscal 2022.

(Note) Names and titles are as of March 31, 2023. Regarding those who resigned during the term, the names and titles are as of the time of retirement.

(4) Outside Directors and Outside Audit & Supervisory Board Members (hereinafter "Outside D&A")

The establishment of Outside Directors enables the Company to secure the effectiveness of supervision by the Board of Directors over the performance of Directors. Moreover, the Company secures a system enabling it to appropriately determine significant business execution matters by receiving valuable advice from Outside Directors based on their various insight. The establishment of Outside Audit & Supervisory Board Members enables the Company to secure audit systems from an unbiased and objective viewpoint. Furthermore, the Company secures a system enabling it to improve the effectiveness of audits by the Audit & Supervisory Board and to keep the transparency and soundness of management of the Company.

All of the Outside D&A meets the requirements for Independent Directors and Audit & Supervisory Board Members stipulated by the Tokyo Stock Exchange, Inc., and the Company has registered them as Independent Directors and Audit & Supervisory Board Members. In addition, we have established independence criteria on our own. In principle, those who meet these criteria are appointed as Outside D&A and all Outside D&A also meet these criteria.

In addition, there is no risk of a conflict of interest between Outside D&A and our general shareholders with respect to the personal, capital, or business relationships or other interests between us or our subsidiaries and them, the company from which they come, or the company for which they concurrently work (including companies in which Outside D&A have had relationships in the past), etc.

For this reason, we have determined that we have appointed Outside D&A who can fully perform the functions and roles that we expect.

(5) Status of Audit

a. Audit by the Audit & Supervisory Board Members

Each Audit & Supervisory Board Member attends the Board of Directors meetings, has regular discussions with the Representative Directors and Internal Audit Dept., etc., based on the rules of Audit & Supervisory Board, auditing standards of Audit & Supervisory Board Members, auditing policies, auditing plans, priority audit items (progress in Strengthening the IT Governance System of the Group, etc.) determined by the Audit & Supervisory Board. Through these measures, the Audit & Supervisory Board Members appropriately audit the performance of individual Directors. Two Audit & Supervisory Board Members (full-time) grasp the decision-making process and internal control progress, and report to the Audit & Supervisory Board, by attending the Board of Directors meetings and important meetings such as the Management Meeting, Internal Control Committee, etc., reading important documents that have been approved, conducting hearing meetings with officers and employees of business execution divisions, conducting on-site audits, and hearing meetings with Audit & Supervisory Board Members (part-time) of the Group companies, etc. The Audit & Supervisory Board also makes decisions on the appropriateness of accounting audits, prepares the audit reports by the Audit & Supervisory Board, assesses accounting auditors, and examines the contents of proposals for appointment and dismissal. In fiscal year 2022, the Audit & Supervisory Board was held 10 times. Attendance by each of Audit & Supervisory Board Members at the Audit & Supervisory Board meetings was as follows.

Hirokazu Fujita (Audit & Supervisory Board Member (full-time)): Attended all of the 10 Audit & Supervisory Board meetings held in fiscal 2022.

Takayuki Yuasa (Audit & Supervisory Board Member (full-time)): Attended all of the 8 Audit & Supervisory Board meetings held in fiscal 2022, after appointment as Audit & Supervisory Board Member.

Akinari Horii (Outside Audit & Supervisory Board Member): Attended all of the 10 Audit & Supervisory Board meetings held in fiscal 2022.

Akihiro Wani (Outside Audit & Supervisory Board Member): Attended all of the 10 Audit & Supervisory Board meetings held in fiscal 2022.

Nana Otsuki (Outside Audit & Supervisory Board Member): Attended all of the 10 Audit & Supervisory Board meetings held in fiscal 2022.

Shozo Mori (Audit & Supervisory Board Member (full-time)): Attended all of the 2 Audit & Supervisory Board meetings held in fiscal 2022, prior to his resignation as Audit & Supervisory Board Member.

(Note) Names and titles are as of March 31, 2023. Regarding those who resigned during the term, the names and titles are as of the time of retirement.

b. Internal Audit

The Company has an internal audit division that is independent from the other divisions. The internal audit division audits the business execution of the other divisions, including the internal control division, in order to establish an appropriate management system for the Group as a whole. The Company has formulated basic policies for the internal audits of the Group and implements efficient and effective internal audits of the Group companies by adapting the method (for example, on a case-by-case basis, the audit may be conducted by the internal audit department of the Group company or the internal audit department of the parent company), frequency, etc., of internal audits according to the size of each Group company.

The internal audit plan of each Group company that has its own internal audit function is approved in advance by the Company. In addition, the Company receives reports on the results of internal audits of each Group company and the status of execution of improvement measures and improvement plans, and monitors the status of conducting internal audits and the status of internal management.

To ensure the effectiveness of internal audits, the Board of Directors decides by resolution the annual internal audit plan in accordance with the rules of the Board of Directors. The internal audit division reports directly to the Board of Directors on the implementation status of the internal audit plan and important matters among the results of internal audits conducted by the Company and the Group companies. In addition, the annual audit plan and its implementation status of the annual internal audit plan and the internal audit plan is directly reported to the Audit & Supervisory Board. The status of internal controls at each Group company is reported directly to the Board of Directors in principle on a semi-annual basis and to the Audit & Supervisory Board on a quarterly basis, in principle, in cooperation with the Risk Management Division and the Compliance Division.

As of March 31, 2022, the number of employees at the Company engaging in internal audits of the Company was 46.

c. Audit by Independent Auditor

The Company concludes audit agreements with independent auditor, the firm that audits the Company's financial statements and internal control relating to financial reporting. In the process, an internal control division provides required information to the Independent Auditor. 3 Certified Public Accountants performed audits for the Company, that is, Messrs. Masahiko Nara, Takaki Suzuki, and Katsuki Kusachi, all of whom belong to PricewaterhouseCoopers Japan LLC. The number of years each of these Certified Public Accountants has performed audits for the Company does not exceed 7.

- Name of Auditing Firm: PricewaterhouseCoopers Japan LLC

- Continuing Audit Period: since fiscal year 2002

- Composition of Assistants for Audit Services: In fiscal year 2021, the number of assistants for audit services was 15 certified public accountants and 30 other members.

(6) Liability Limitation Agreements

In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with the Outside Directors and the Outside Audit & Supervisory Board Members to limit their liability provided for in Article 423, paragraph 1 of the Companies Act of Japan. The limitation of liability under the agreement is the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan.

(7) Directors and Officers Liability Insurance

The Company has entered into a directors and officers liability insurance contract provided for in Article 430-3, paragraph 1 of the Companies Act of Japan with an insurance company. The contract covers damages and defense costs that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. A deductible amount is established under the contract, and insured persons are required to cover damages up to a certain amount.

Other relevant matters are described in 【Disclosure Based on the Principles of the Corporate Governance Code】 in I. Fundamental Views on Corporate Governance, and Basic Information on Capital Structure, Corporate Attributes and Other Matters.

3. Reasons for Adoption of Current Corporate Governance System

The Company defines the “Tokio Marine Group Corporate Philosophy” and is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, society, employees and other stakeholders. For this purpose, we consider it important that the Company establishes a sound and transparent corporate governance system, and based on its “Basic Policies for Internal Controls”, aims to exercise appropriate control over the Group companies as a holding company.

The Company sets forth the framework of its corporate governance system in the “Tokio Marine Holdings Fundamental Corporate Governance Policy.” The corporate governance system of the Company is designed as 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. We believe 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, 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 a Board of Directors meeting conduct unbiased and objective audits; the transparency of decision-making process of nomination and compensation of and for Directors, Audit & Supervisory Board Members, and Executive Officers are ensured by those issues being deliberated at the Nomination Committee and Compensation Committee.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Meeting of Shareholders and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Meeting of Shareholders	Dispatched on Thursday, June 1, 2023
Scheduling General Meeting of Shareholders Avoiding the Peak Day	Held on Monday, June 26, 2023
Allowing Electronic Exercise of Voting Rights	Starting from 2004, voting rights may be exercised via the Internet.
Participation in Electronic Voting Platform and Other Efforts to Enhance the Environment for the Exercise of Voting Rights by Institutional Investors	Starting from 2006, voting rights may be exercised through the “Electronic Voting Platform for Institutional Investors.”
Providing Convocation Notice in English	Notice of Convocation (including Reference Materials regarding the General Meeting of Shareholders and part of the Business Report) is prepared in English and published on the Company’s website, etc.
Other	Prior to its dispatch on Thursday, June 1, 2023, Notice of Convocation was published on the Company’s website on Monday, May 22, 2023.

2. IR Activities

	Supplementary Explanations	Explanation from a representative himself/herself
Preparation and Publication of Disclosure Policy	The Company formulates and announces the “Disclosure Policy of the Tokio Marine Group” as the basic policy of disclosure, and “Tokio Marine Holdings, Inc. IR Policy” as the basic policy of IR activities. (URL/ https://www.tokiomarinehd.com/company/governance/internal/policy/ (in Japanese)) English website is as follows. (URL/ https://www.tokiomarinehd.com/en/company/policy/)	
Regular Investor Briefings for Individual Investors	The Company held investor briefing sessions in four cities, with the Group CEO as presenter, to explain the Company’s history of contributions to the resolution of social issues, the Group management strategy, etc. (September 2022: Tokyo; February 2023: Osaka and Fukuoka; March 2023: Nagoya)	Yes
Regular Investor Briefings for Analysts and Institutional Investors	In May 2023, the Company held an IR conference call, with the Group CEO and others as presenters, to explain our financial results for fiscal year 2022 and our full-year forecast for fiscal year 2023.	Yes
Posting of IR Materials on the Website	The Company publishes the following on its website: financial information, timely disclosure materials (other than financial information), securities reports, materials for IR briefings, video recordings of IR briefing sessions,	

	Integrated Annual Report, explanations on monthly performance flash reports of major subsidiaries, etc.	
Establishment of Department and/or Manager in Charge of IR	A dedicated person is assigned to Global Communication Department, and the Investor/Shareholders Relations Group.	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<p><Tokio Marine Group Corporate Philosophy> With customer trust as the foundation for all its activities, the Group continually strives to raise corporate value.</p> <ul style="list-style-type: none"> • Through the provision of the highest quality products and services, the Group aims to deliver safety and security to all our customers. • By developing sound, profitable and growing businesses throughout the world, the Group will fulfill its mandate to shareholders. • The Group will continue to build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential. • Acting as a good corporate citizen through fair and responsible management, the Group will broadly contribute to the development of society.
Implementation of Environmental Activities, CSR Activities etc.	<p>In addition to participating in international initiatives, enlightening programs on disaster prevention and environment for elementary schools and special needs schools through "Green Lessons" and "Disaster Prevention Lessons" and career education programs for junior and senior high-schools through "Thinking about the risk and future," we are also promoting to protect the earth's environment by mangrove planting through the Green Gift Projects etc.</p> <p>The Company's website contains a "Sustainability Report" that provides an overview of our sustainability efforts, including detailed contents of various sustainability-related activities.</p> <p>(https://www.tokiomarinehd.com/en/sustainability/)</p>
Development of Policies on Information Provision to Stakeholders	<p>The Company has set forth the "Disclosure Policy of the Tokio Marine Group" and strives to provide information conducive to improving management transparency and fairness in a prompt, precise, and fair manner.</p>

IV. Matters Related to the Internal Control System

1. Fundamental Views on the Internal Control System and the Progress of System Development

The Company has formulated “Basic Policies for Internal Controls.” In line with this policy, the Company has established an internal control system for the entire Tokio Marine Group, which includes business management, compliance, risk management, internal audits, and ensuring the effectiveness of audits by the Audit & Supervisory Board Members. In this way, we are striving to ensure the appropriateness of operations and increase corporate value. In addition, the Company conducts monitoring of the development and operation of internal control systems, and the Board of Directors confirms the contents based on the results of deliberations by the Internal Control Committee, which is a committee of the Board of Directors. The Company has confirmed that there were no material deficiencies in internal controls throughout the entire Group for fiscal year 2022.

Basic Policies for Internal Controls (Amended on April 1, 2021)

Tokio Marine Holdings, Inc. (the "Company") shall establish a basic policy for internal control in accordance with the Companies Act of Japan and its Ordinance for Enforcement, as follows:

1. System for ensuring proper operations within the Tokio Marine Group (the "Group")

(1) Based on the Tokio Marine Group Corporate Philosophy, the Company, as the holding company controlling the businesses of the Group, by establishing both the Group's basic policies for the administration of Group companies and a system of reporting to the Board of Directors, shall implement the Company's management system for all Group companies.

a. The Company shall administer the business of Group companies under its direct management ("Managed Companies") by concluding business management agreements with them and through other means.

(a) The Company shall provide Managed Companies with the Group's basic policies that form the fundamentals of the Group's management strategies and the Company's management.

(b) Business strategies, business projects and other important plans by Managed Companies shall be subject to the Company's prior approval.

(c) Managed Companies shall report to the Company their initiatives based on the Group's basic policies and the progress of their business plans.

b. The business management of Group companies other than Managed Companies shall, in principle, be made through Managed Companies.

(2) The Company shall establish the Group's basic policy for capital allocation and implement systems for operating the capital allocation program.

(3) The Company shall establish the Group's basic policy for accounting, understand its consolidated financial position and the Group companies' financial positions, and implement systems for obtaining approval from, and submitting reports to, shareholders and supervisory organizations and submitting tax returns to authorities in a proper manner.

(4) The Company shall establish the Group's basic policy for internal controls over financial reporting and implement systems for ensuring the appropriateness and reliability of financial reporting.

(5) The Company shall establish the Group's basic policy for disclosure and implement systems for disclosing information on corporate activities in a timely and proper manner.

(6) The Company shall establish the Group's basic policy for IT governance and implement systems for achieving IT governance.

(7) The Company shall establish the Group's basic policy for personnel matters with a view to enhancing productivity and corporate value through comprehensive efforts to enhance employees' satisfaction and pride in their work and promoting fair and transparent personnel management linked with proper performance evaluation.

2. System for ensuring the execution of professional duties in accordance with applicable laws, regulations and the Articles of Incorporation

(1) The Company shall establish the Group's basic policy for compliance and implement compliance systems

a. The Company shall establish a department supervising compliance.

b. The Company shall formulate the Group's code of conduct and ensure that all directors and employees of the Group respect such code of conduct and give top priority to compliance in all phases of the Group's business activities.

c. The Company shall have Managed Companies prepare compliance manuals and widely promote compliance within the Group by means of training on laws, regulations, internal rules and other matters that all directors and employees of the Group must respect.

d. The Company shall establish reporting rules in the event of a violation of laws, regulations or internal rules within any of the Managed Companies and, in addition to usual reporting routes, set up hotlines (internal whistle-blower systems) to an internal and external organization and keep all directors and employees of the Group well informed as to the use of the systems.

(2) The Company shall establish an internal audit department separate and independent of other departments, establish the Group's basic policy for internal audits of the Group and implement systems for efficient and effective internal audits within the Company and the Group companies.

3. System for risk management

(1) The Company shall establish the Group's basic policy for risk management and implement risk management systems.

a. The Company shall establish a department supervising risk management.

b. The Company shall perform risk management by following the basic processes of risk identification, evaluation and control, contingency planning and assessment of outcomes through risk monitoring and reporting.

c. The Company shall have each of the Managed Companies perform risk management appropriate to its types of business and its risk characteristics.

(2) The Company shall establish the Group's basic policy for integrated risk management and perform quantitative risk management across the entire Group to maintain credit ratings and prevent bankruptcies.

(3) The Company shall establish the Group's basic policy for crisis management and implement systems for crisis management.

4. System for ensuring efficient execution of professional duties

(1) The Company shall formulate a medium-term management plan and an annual plan (including numerical targets, etc.) for the Group.

(2) The Company shall establish rules regarding the exercise of authority and construct an appropriate organizational structure for achieving its business purposes in order to realize efficient execution of operations through a proper division of responsibilities and a chain of command.

(3) The Company shall formulate rules for and establish a "Management Meeting", composed of directors, executive officers and other relevant persons, that shall discuss and report on important management issues.

(4) The Company shall establish an "Internal Control Committee" that shall formulate various basic policies and other measures concerning the Group's internal control systems, evaluate their progress, discuss how to improve them, and promote their implementation.

(5) The Company shall establish systems for ensuring efficient execution of professional duties at the Group companies as well as the Company in addition to the above (1) to (4).

5. System for preserving and managing information concerning the execution of directors' duties

The Company shall establish rules for the preservation of documents and other materials. The minutes of important meetings and documents containing material information regarding the execution of duties by the directors and the executive officers shall be preserved and managed appropriately in accordance with such rules.

6. Matters concerning support personnel to the Audit & Supervisory Board Members

(1) The Company shall establish the "Office of Audit & Supervisory Board" under the direct control of the Audit & Supervisory Board Members for the purpose of supporting them in the performance of their duties. Upon request of the Audit & Supervisory Board Members, the Company shall assign full-time employees having sufficient knowledge and ability to support the members in the performance of their duties.

(2) Employees assigned to the Office of Audit & Supervisory Board shall perform duties ordered by the Audit & Supervisory Board Members and other work necessary for proceeding with audits, and such employees shall have the right to collect information necessary for audit purposes.

(3) Performance evaluations, personnel transfers and disciplinary action concerning such employees shall be made with the approval of the full-time members of the Audit & Supervisory Board.

7. System of reporting to the Audit & Supervisory Board

(1) Directors and employees shall regularly report to the Audit & Supervisory Board on management, financial condition, compliance, risk management, internal audits and other matters. In the event that they detect a material violation of laws, regulations or internal rules concerning the execution of operations of the Company or a Group company or a fact likely to cause significant damage to the Company or the Group, they shall immediately report thereof to the Audit & Supervisory Board.

(2) The Company shall establish a system to ensure that the Audit & Supervisory Board Members shall be notified by directors and employees or those who receive reports from them, in the event that they detect a material violation of laws, regulations or internal rules concerning the execution of operations of the Company or a Group company, or a fact likely to cause considerable damage to the Company or the Group.

(3) The Company shall establish systems necessary to ensure that directors and employees who report the matters described in the preceding paragraph to the Audit & Supervisory Board, shall not be given any disadvantageous treatment as a result.

(4) Directors and employees shall regularly report to the Audit & Supervisory Board on matters such as how the hotlines (the internal whistle-blower system) are used and reports and consultations made.

8. Other systems for ensuring effective audits by the Audit & Supervisory Board Members

(1) The Audit & Supervisory Board Members shall attend meetings of the Board of Directors, have the right to attend Management Meetings and other important meetings and committees, and express their opinions.

(2) The Audit & Supervisory Board Members shall have the right to inspect at any time the minutes of important meetings and other important documents relating to decisions approved by directors and executive officers.

(3) Directors and employees shall, at any time upon the request of the Audit & Supervisory Board Members, explain matters concerning the execution of their duties.

(4) The Internal Audit Department shall strengthen its coordination with the Audit & Supervisory Board Members by assisting in the audit process and through other means.

(5) The Company shall pay all the expenses and fees incurred in the execution of duties by the Audit & Supervisory Board Members, except to the extent that the Company proves that such expenses are not necessary.

9. Amendment and Repeal

This Policy may be amended or repealed by the Board of Directors of the Company. Notwithstanding the foregoing, the General Manager of the Corporate Planning Department may approve minor amendments to the Policy.

2. Fundamental Views on Eliminating Anti-Social Factions and Groups

The Company establishes the Group's basic policies against anti-social factions and groups in "the Group's basic policy for compliance," and in association with lawyers, police and other professionals, implements its systems against such anti-social factions and groups, and responds to them in an organized and uncompromising manner by severing relationships with them and refusing unfair demands.

Based on these policies, the Company formulates the "Tokio Marine Group's Manual against Anti-social Factions and Groups" and presents the manual to its subsidiaries, etc. The Company also collects information on anti-social factions and groups and responds to inquiries and other communications regarding anti-social factions and groups from the subsidiaries. Meanwhile, the subsidiaries formulate manuals for themselves, etc. and strive to disseminate the manuals to directors and employees via training, etc. Through these measures, the Group secures a structure to refuse unfair demands from anti-social factions and groups and conduct appropriate legal responses.

V. Others

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
Supplementary Explanation	
—	

2. Other Matters Concerning the Corporate Governance System (Updated)

<Outline of Timely Disclosure System>

The Company's internal system relating to the timely disclosure of corporate information is as follows.

1. Basic Policies for Disclosure

(1) Fundamental views

The Company aims to disclose timely and appropriate information in order to secure management transparency and fairness as well as enhance brand value.

Regarding the disclosure of information, the Company collects information and decides upon the need for its disclosure promptly and appropriately, and discloses it accurately and fairly

(2) Fundamental policy on disclosure

The Company formulates a "Disclosure Policy of the Tokio Marine Group" as follows and publishes it on its website.

"Disclosure Policy of the Tokio Marine Group" (April 1, 2018)

1. Fundamental views

The Tokio Marine Group strives for timely, accurate and fair disclosure of meaningful information which enhances management transparency and fairness so that customers, shareholders and investors, agents, and society at large can have an accurate understanding of the state of the Group.

2. Information Disclosure Standards

The Tokio Marine Group discloses information in accordance with the relevant laws and regulations of Japan and foreign countries.

We provide disclosure of information pursuant to the "Securities Listing Regulations" stipulated by the Tokyo Stock Exchange.

Other disclosure is made in a manner appropriate to the content of the relevant information.

3. Information Disclosure Methods

The Tokio Marine Group discloses information by issuing disclosure-related reports pursuant to relevant laws and regulations set forth in Japan and foreign countries, and posting information through the Timely Disclosure Network (TDnet) of the Tokyo Stock Exchange, as well as the press and other appropriate means. We also post the disclosed information on the websites of Tokio Marine Group companies.

4. Note

Information disclosure made based on this Disclosure Policy is intended to accurately, timely and fairly inform the public of the Tokio Marine Group's activities and is not intended to constitute an investment offer or solicitation.

2. Internal System relating to Timely Disclosure of Corporate Information

(1) System for grasping and conducting timely disclosure of important information

The Company has developed a system whereby the General Manager of the Legal & Compliance Dept. grasps important information of the Company in a unified manner mainly in accordance with the Insider Trading Prevention Regulations and Standard of Submission and Reporting to Management Meeting.

The Company establishes a system whereby the General Manager of the Legal & Compliance Dept. who grasps the important information promptly reports it to Directors and Executive Officers and discloses it

through the required procedures whenever he or she considers it necessary in light of the Financial Instruments and Exchange Act, the Order for Enforcement of the Financial Instruments and Exchange Act, and disclosure standards set forth by the stock exchange.

Regarding important information pertaining to subsidiaries of the Company as well, the Company establishes a system whereby the General Manager of the Legal & Compliance Dept. of the Company grasps such information in a unified manner and discloses it in a timely manner mainly in accordance with the Basic Policies for Internal Controls of the Company and the Group's policies, etc., as well as rules and regulations prescribed by subsidiaries including the Insider Trading Prevention Regulations, Standard of Submission and Reporting to Management Meeting, and Subsidiaries Management Regulations.

(2) Development of monitoring structure of the timely disclosure system

The Company develops an effective internal audit system at each group company in accordance with the Basic Policies for Internal Audits and performs internal audits to guarantee the appropriateness of management, including information disclosure.

The internal audit division of the Company performs internal audits of the Company, monitors the implementation status of the internal audits and internal audit systems of subsidiaries, and reports important information thereof to the Board of Directors. Furthermore, the internal audit division of a subsidiary performs internal audits of its own company and its subsidiaries.

< Tokio Marine Holdings Fundamental Corporate Governance Policy > (amended on November 18, 2022)

CHAPTER I Fundamental Views on Corporate Governance
(Fundamental views on corporate governance)

Article 1

Tokio Marine Holdings, Inc. (the "Company"), shall define the "Tokio Marine Group Corporate Philosophy" and is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, society, employees and other stakeholders. For this purpose, the Company hereby establishes a sound and transparent corporate governance system, and based on its Basic Policies for Internal Controls, aims to exercise appropriate control over the Tokio Marine Group companies as a holding company.

CHAPTER II Rights of Shareholders and Securing Fairness
(Rights of shareholders and securing fairness)

Article 2

The Company shall maintain an environment in which voting rights at General Meetings of Shareholders can be appropriately executed.

2 The Company shall work to improve shareholder return by methods such as stable maintenance of shareholder dividend measures.

3 For the exercise of voting rights at General Meetings of Shareholders or the payment of dividends of surplus, the Company shall handle these in a fair manner, based on the type and number of shares held.

(Policies regarding equities held for Business-relationship)

Article 3

The equities held in the purpose of Business-relationship will be reduced to review the Company's risk portfolio and allocate capital to resolving social issues and to growth fields and so on.

(Related party transactions)

Article 4

The Company shall define Rules of the Board of Directors and the "Tokio Marine Group Policies for Management of Intragroup Transactions," and the Board of Directors shall monitor related party transactions between Officers and subsidiaries, etc., in an effort to ensure that the joint interests of the Company and shareholders are not harmed.

CHAPTER III Appropriate Cooperation with Stakeholders Other Than Shareholders
(Appropriate cooperation with stakeholders other than shareholders)

Article 5

The Company shall define the "Tokio Marine Group Corporate Philosophy," and respond to the trust of shareholders through global business expansion that incorporates profitability, growth, and health, providing

peace of mind and safety to customers, and establishing a corporate environment that encourages creativity from employees. Through contributing to the development of society on a wide scale, the Company shall work to perpetually improve its corporate value.

CHAPTER IV Appropriate Information Disclosure and Securing of Transparency

(Appropriate information disclosure and securing of transparency)

Article 6

The Company shall define the "Tokio Marine Group Basic Policies for Disclosure," and with the aim of securing transparency and fairness in management, shall disclose appropriate information at the appropriate time regarding financial information such as business results, etc., corporate principles, and non-financial information such as business plans.

CHAPTER V Responsibilities of The Board of Directors, etc.

(Responsibilities of the Board of Directors and its Members)

Article 7

The Board of Directors is responsible for decisions on important matters relating to the execution of the Company's business and for supervising the performance of individual Directors.

2 The Company shall define Rules of the Board of Directors, and define the content of significant business execution to be determined by the Board of Directors. Determination of significant business execution includes formulating Group management strategies, formulating Group management plans, establishing internal control systems within the Group, and business investment that is larger than a certain level.

3 Each Director shall endeavor to enable the Board of Directors to fulfill the responsibilities and functions outlined in the first paragraph above.

4 The Company shall entrust decision-making to Executive Officers of matters that do not require decisions to be made by the Board of Directors.

(Composition of the Board of Directors and Directors' term of office, etc.)

Article 8

As a general rule, at least one-third of the Directors shall be Outside Directors.

2 In order to ensure the effectiveness of the Board of Directors, it shall be a configuration that balances diversity with an appropriate size.

3 Directors shall be appointed for a term of office of one year. Directors may be re-appointed.

4 The tenure of Outside Directors shall be limited up to a maximum of ten years as a general rule.

(Conditions for selection of Directors)

Article 9

Directors 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.

2 In addition to meeting the requirements set forth in the preceding paragraph of this Article, as a general rule, Outside Directors shall meet the independence standards defined in Exhibit.

(Responsibilities of Audit & Supervisory Board Members)

Article 10

Audit & Supervisory Board Members, as an independent body entrusted by shareholders, shall audit the performance of Directors, with the aim to ensure sound and fair management and accountability.

(Composition of Audit & Supervisory Board and the Audit & Supervisory Board Members' term of office etc.)

Article 11

As a general rule, a majority of the Audit & Supervisory Board Members shall be outside Members.

2 The term of office for Audit & Supervisory Board Members shall be four years. Audit & Supervisory Board Members may be re-appointed.

3 The tenure of Outside Audit & Supervisory Board Members shall be limited up to a maximum of three terms as a general rule.

(Conditions for selection of Audit & Supervisory Board Members)

Article 12

Audit & Supervisory Board Members 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.

2 In addition to meeting the requirements set forth in the preceding paragraph of this Article, as general rule, Outside Audit & Supervisory Board Members shall meet the independence standards defined in Exhibit.

(Conditions for selection of Executive Officers)

Article 13

Executive Officers shall be evaluated based on competency as officers, achievements, experience and personality among others and may become responsible for the execution of business at the company.

(Conditions for selection of President & Chief Executive Officer)

Article 14

The President & Chief Executive Officer shall be a person who not only meets the conditions for selection of Directors defined in Article 9 and the conditions for selection of Executive Officers defined in Article 13, but has talent in leading business administration with a view to seeking the continuous growth of the Group and increasing its medium-to-long term corporate value.

(Dismissal policy)

Article 15

If the President & Chief Executive Officer or any of the Directors, Audit & Supervisory Board Members and Executive Officers fail to meet the conditions for selection to their positions as defined in this policy, the Nomination Committee shall deliberate on the dismissal of the relevant persons.

(Responsibilities of the Nomination Committee)

Article 16

The Company shall establish a Nomination Committee to serve as an advisory body to the Board of Directors.

2 The Nomination Committee shall deliberate on the following matters and otherwise, and report to the Board of Directors:

(1) The appointment and dismissal of the President & Chief Executive Officer, Directors, Audit & Supervisory Board Members and Executive Officers; and

(2) The criteria for the appointment and policy for the dismissal of the President & Chief Executive Officer, Directors, Audit & Supervisory Board Members and Executive Officers.

3 The Nomination Committee is responsible for deliberating a successor plan for the President & Chief Executive Officer and for appropriately supervising the implementation of the plan in order to develop successor candidates systematically.

4 The Nomination Committee shall identify skills etc. required of Directors and Audit & Supervisory Board Members, based upon which the Committee shall conduct deliberation as provided in paragraph 2 item (1) of this Article.

(Composition of the Nomination Committee)

Article 17

As a general rule, a majority of the members shall be selected from outside of the Company, and the chairman shall be one of the outside members.

(Responsibilities of the Compensation Committee)

Article 18

The Company shall establish a Compensation Committee to serve as an advisory body to its Board of Directors.

2 The Compensation Committee shall deliberate on the following matters and otherwise and report to the Board of Directors:

(1) Evaluation of the performance of the President & Chief Executive Officer, Directors (full-time) and Executive Officers.

(2) The compensation system and the level of compensation for the President & Chief Executive Officer, Directors and Executive Officers.

(3) Policy for determination of compensation for Directors, Audit & Supervisory Board Members and Executive Officers.

(Composition of the Compensation Committee)

Article 19

As a general rule, a majority of the members of each committee shall be selected from outside of the Company, and the chairman of each committee shall be one of the outside members.

(Policies on determination of remuneration for Directors, Audit & Supervisory Board and Executive Officers)

Article 20

The Company shall ensure "transparency," "fairness," and "objectivity" when determining compensation for Directors, Audit & Supervisory Board Members, and Executive Officers.

2 The following structure shall apply to compensation for Directors, Audit & Supervisory Board Members, and Executive Officers.

Applicable personnel	Fixed compensation	Performance-linked compensation	Share 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 share compensation become.

3 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 company and individual targets and is introduced to strengthen individuals' incentives to raise the Company's corporate value.
Share compensation	Share 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.

4 The Board of Directors shall set the level of compensation for Directors and Executive Officers according to the responsibilities, while taking into consideration factors such as the business performance of the Company and the level of compensation in other companies.

5 Of the different types of compensation for Directors and Executive Officers, fixed compensation and performance-linked compensation shall be paid monthly, while share compensation shall be delivered upon resignation.

6 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.

(Training Policies for Directors, Audit & Supervisory Board Members and Executive Officers)

Article 21

The Company will provide opportunities for training, as necessary, to Directors, Audit & Supervisory Board Members and Executive Officers, to allow them to appropriately fulfill duties required in each respective area.

CHAPTER VI Conversation with Shareholders

(Policy on constructive conversation with shareholders and investors)

Article 22

To promote constructive conversation with shareholders and investors, the Company shall work to establish structures according to the following basic principles.

(1) The Company shall establish Executive Officers in charge of business execution to conduct overall management for conversations with shareholders and investors, and establish a dedicated department to plan and implement these activities.

(2) Toward conversations with shareholders and investors such as earnings announcements and presentation meetings for investors, etc., a dedicated department of the Company shall work with other relevant departments to provide accurate and truthful information to shareholders and investors.

(3) Taking into account shareholding conditions and the views of shareholders and investors, etc., the Company shall work to provide various methods to communicate with shareholders and investors.

(4) Concerning comments acquired during the course of conversations with shareholders and investors, the Company shall periodically organize and analyze these comments, and report to the Board of Directors.

(5) The Company, pursuant to its "Insider Trading Prevention Regulations", shall exercise the utmost care with regard to unpublicized information, and shall have conversations with shareholders and investors without utilizing any significant unpublicized information

CHAPTER VII Authority for Revision and Termination

(Authority for revision and termination)

Article 23

Revision and termination of this policy shall be made at a Board of Directors meeting. However, insignificant changes may be made by the Executive Officer in charge of the Legal & Compliance Department.

Exhibit: Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members

Outside Directors and Outside Audit & Supervisory Board Members are judged to be independent from the Company if they do not fall within any of the following categories:

(1) an executive of the Company or a subsidiary or affiliate of the Company;

(2) a person who has been an executive of the Company or a subsidiary or an affiliate of the Company in the past ten years;

(3) a party whose major client or supplier is the Company or a principal business subsidiary of the Company (a party whose transactions with the Company or a principal business subsidiary of the Company in the most recent fiscal year amount to 2% or more of its consolidated net sales), or an executive thereof;

(4) a party who is a major client or supplier of the Company or a principal business subsidiary of the Company (a party whose transactions with the Company or a principal business subsidiary of the Company in the most recent fiscal year amount to 2% or more of consolidated ordinary income of the Company), or an executive thereof;

(5) a financial institution or other major creditor which the Company or a principal business subsidiary of the Company relies on to the extent that it is an indispensable funding source that cannot be replaced, or an executive thereof;

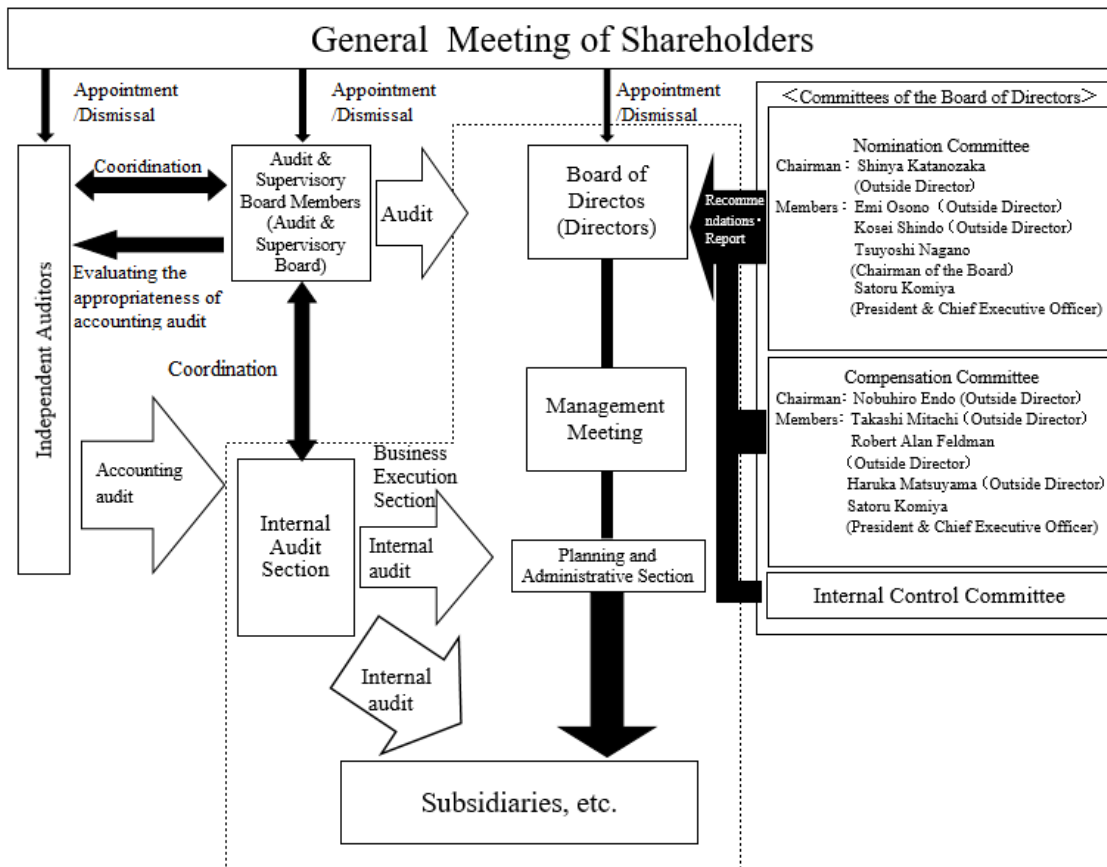
(6) an executive of a corporation or an association or any other organization that receives donations from the Company or a principal business subsidiary of the Company in excess of a certain amount in the most recent fiscal year (10 million yen or 2% of the total revenue of such organization in the most recent fiscal year, whichever is larger);

(7) a spouse or relative within the third degree of kinship of a Director, Audit & Supervisory Board Member, or Executive Officer of the Company or a subsidiary or an affiliate of the Company;

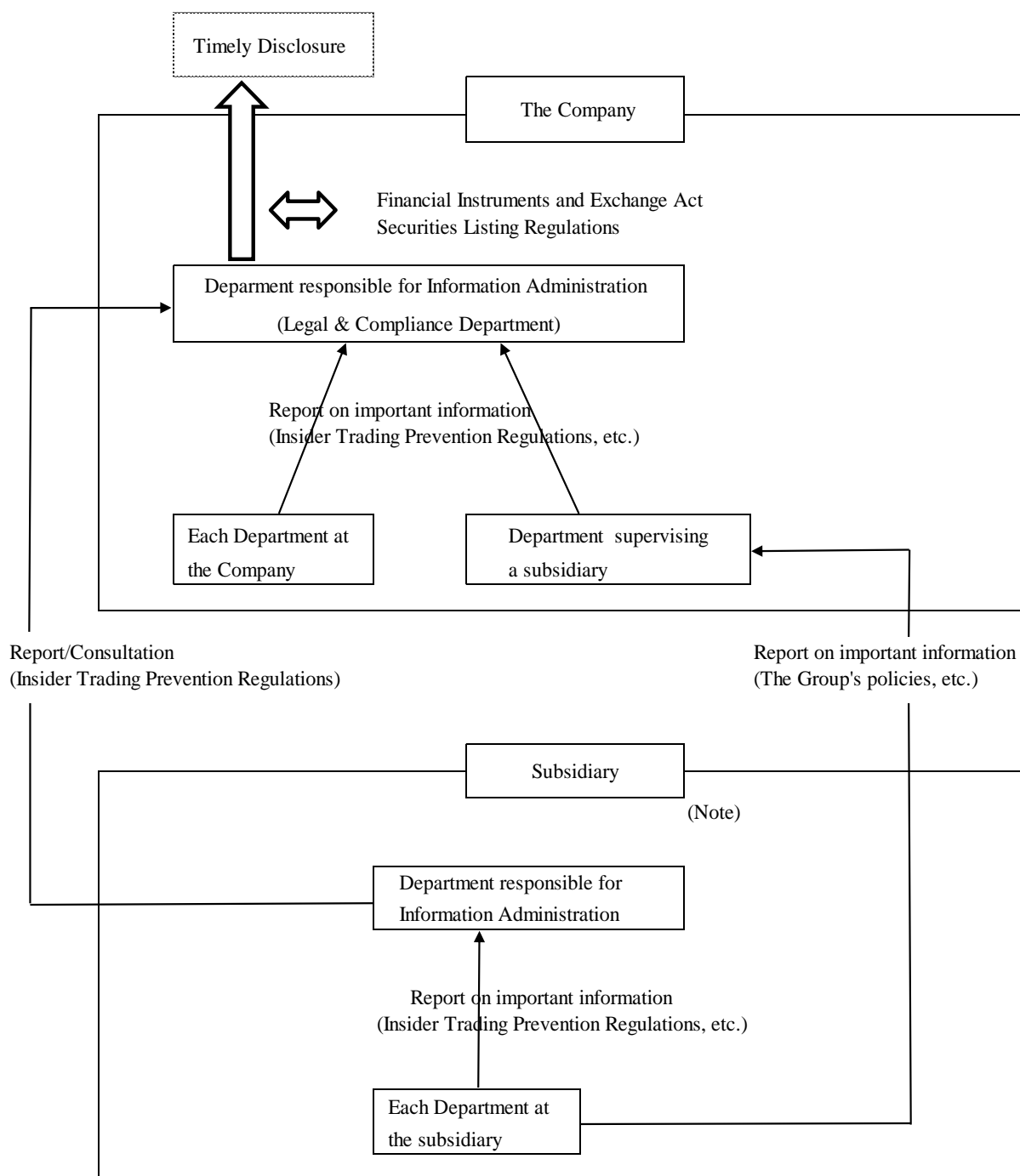
(8) a consultant, accountant, lawyer, or other specialist who receives compensation from the Company or a principal business subsidiary of the Company other than compensation for Directors, Audit & Supervisory Board Members and Executive Officers of the Company or a principal business subsidiary of the Company in excess of a certain amount in the most recent fiscal year (10 million yen or 2% of the total revenue of a corporation or association or any other organization to which such specialist belongs in the most recent fiscal year, whichever is larger); or

(9) a party who holds 10% or more of the voting rights of all shareholders of the Company at the end of the most recent fiscal year, or an executive thereof.

Overview of the Corporate Governance System (Schematic Diagram)



Overview of the Timely Disclosure System (Schematic Diagram)



Note: The Company develops a system whereby a subsidiary of a relevant subsidiary (a sub-subsidiary of the Company) reports important information to the relevant subsidiary as well in accordance with the Basic Policies for Internal Controls of the Company and the Group's Policies, etc.