



Tokio Marine Holdings

Climate & Nature Report 2026

Climate & Nature Report 2026 Contents

Introduction

P.2

- P.2 Tokio Marine Group Disclosure Framework
- P.3 Tokio Marine At a Glance

CEO Message

P.4

Purpose Story 2026

P.10

- P.11 ① Our Strength
- P.15 ② Where We Stand
- P.19 ③ Where We're Going
- P.23 Financial and Non-Financial Data

Climate & Nature Nexus

P.25

- P.26 Tokio Marine Group's Contribution to a Decarbonized Society and a Society in Harmony with Nature

Governance

P.28

- P.29 Organizational Structure for Promoting Sustainability

Risk and Impact Management

P.84

- P.85 Managing Climate Change and Nature-Related Risk Based on Enterprise Risk Management (ERM)

Metrics and Targets

P.86

- P.88 Emissions Associated with the Group's Business Activities
- P.89 GHG Emissions for Investment Portfolio

Strategies

P.31

- P.32 **1 Overview of Strategies**
- P.33 **2 Plan for the Transition to a Decarbonized Society in Harmony with Nature**
- P.33 Transition Plan
- P.34 Tokio Marine Group's Role in Achieving a Decarbonized Society:
A New 2030 Target for Decarbonization-Related Insurance Premiums
- P.35 **3 Recognition of Risks and Opportunities**
- P.35 Recognition of Risks and Opportunities
- P.36 Impacts of Climate Change and Nature-Related Risks and Opportunities on Tokio Marine Group's Business Model and Value Chain
- P.37 **4 Climate Change Analysis**
- P.37 Impact on Claims Payments
- P.43 Impact on Asset Management
- P.44 Impact on Business Continuity: Promoting Climate Change Adaptation Measures
- P.45 **5 Nature-Related Issue Analysis**
- P.45 Our Initiatives to Contribute to the Achievement of Nature Positive by 2030
- P.46 Specifying Material Sectors: Insurance Underwriting and Investment and Financing Portfolios
- P.47 Specifying Material Sectors: Solutions (Construction Consulting and Engineering)
- P.48 In-depth Analysis of Material Sectors (Automobile Subsector)
- P.49 Detailed Analysis of Material Sectors (Trading Companies Subsector)
- P.54 **6 Value Provided by Tokio Marine Group**
- P.54 Overview of Value Provided in Climate & Nature
- P.55 ◆ Insurance Underwriting
- P.60 ◆ Investment and Financing
- P.64 ◆ Provision of Solutions
- P.68 ◆ Engagement
- P.73 ◆ Tokio Marine Group's Policy to Address Environmental and Social Risks
- P.74 ◆ Contribution to Rulemaking
- P.76 ◆ Initiatives as a Corporate Citizen
- P.77 ◆ Co-Creation with Companies and Local Governments
- P.79 Special Feature 1: Contributing to the Carbon Credit Market
- P.82 Special Feature 2: Contributing to the Realization of a Nature-Positive Economy in Gunma Prefecture
— Building a Regional Value Creation Model Based on Natural Capital

Appendix

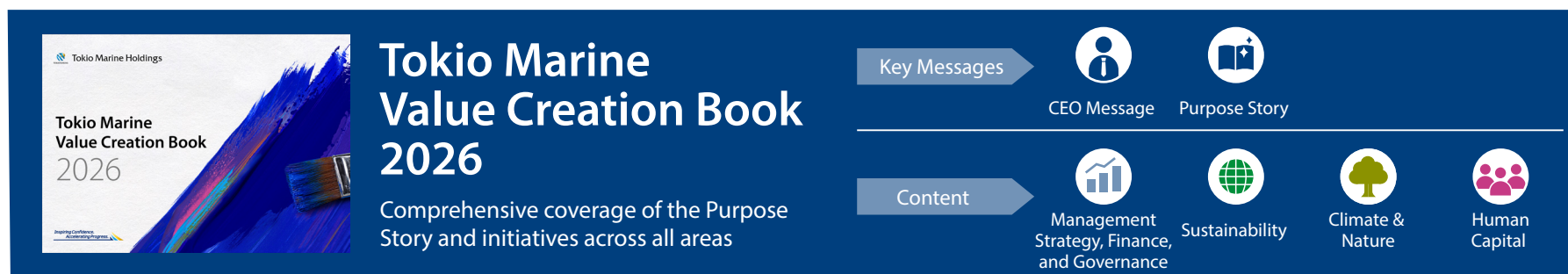
P.90

- P.90 Appendix 1 Dependencies and Impacts on Natural Capital in Our Insurance Underwriting and Investment and Financing Portfolios
- P.91 Appendix 2 Trading Company Sector: Fossil Fuel Business
- P.92 Appendix 3 Trading Company Sector: Metal Mining Business

Tokio Marine Group Disclosure Framework

In FY2026, we redesigned our disclosure framework to communicate more consistently how we create value.

We positioned the CEO Message and Purpose Story as the key messages that run throughout our entire disclosure framework and serve as the starting point for all reports. Building on this foundation, we launched the Tokio Marine Value Creation Book, which provides a comprehensive overview of initiatives across all areas, while also publishing thematic reports designed to make it easier for stakeholders to access the information most relevant to their needs.



Divided into theme-specific reports from the Value Creation Book based on readers' interests

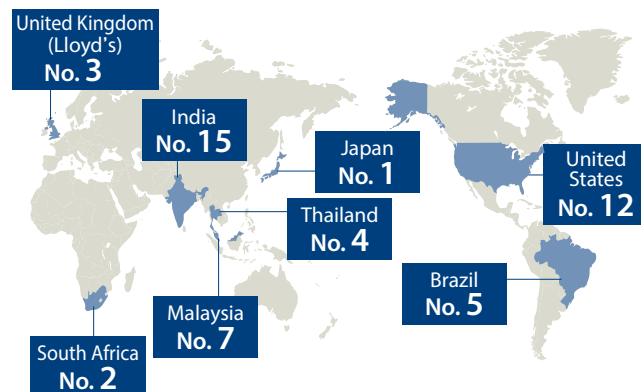


All reports and disclosure materials are available on our website. <https://www.tokiomarinehd.com/en/ir/download/2026.html>

Tokio Marine At a Glance

Market Position

● Business development



*: FY2025 Rankings by each country based on non-life insurance premiums.

Sources: AXCO, IRDAI, IPRB, SUSEP, Swiss Re, FSCA Financial Sector Conduct Authority, S&P Capital IQ, PA annual report, Global Data forecasts, KPMG insurance survey, company public materials

● Ranking of the market capitalization of global P&C companies (as of the end of June 2026)

Ranking	Company name	Market capitalization (billions of yen)
1	Allianz	29,130.9
2	Chubb	21,489.3
3	Progressive Corp.	20,726.1
4	Zurich	18,469.2
5	AXA	17,014.5
6	Tokio Marine Holdings	13,924.1
7	Travelers	11,414.4
8	Allstate	9,959.5
9	PICC Group	6,597.6
10	AIG	6,425.4

*: Covers the non-life insurance sector under the Bloomberg Industry Classification System (BICS). Source: Bloomberg

Performance* (Full-year forecast for FY2026)

Total Business Volume

9.5 tn yen

Adjusted net income

950.0 bn yen

EPS Growth (2024-2026 CAGR)

+11.0%

Adjusted ROE

13.0%

*: Based on IFRS

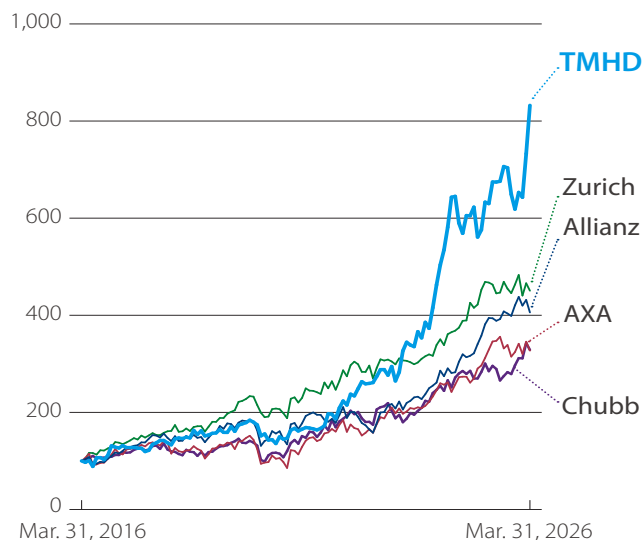
Financial Foundation: TMNF's Financial Rating (as of June 30, 2026)

S&P
A+

Moody's
Aa3

A.M.Best
A++

TSR* Trend (Last 10 years)



*: Total Shareholder Return (TSR): Capital return after dividend reinvestment, indexed to 100 based on the share price as of March 31, 2016. Source: S&P Capital IQ.

Employees (as of March 31, 2026)

Consolidated

67,000

Engagement score*

80%

*: Percentage of favorable responses (4 or 5 on a five-point scale) to relevant items in the Culture & Value Survey (CVS).

Customer Rating

NPS* advantage (Tokio Marine NPS – industry average NPS)

Japan (TMNF)

+11pt

United States (PHLY)

+28pt

*: Net Promoter Score (NPS). See the [Purpose Story](#) for details.

ESG Rating (as of August 31, 2026)

MSCI

AAA
(Highest rating)

CDP

A list
(Climate Change: Highest Rating)

S&P Global

Selected for DJBI*
World / Asia Pacific

*: The Dow Jones Best-in-Class Index

Environment (as of March 31, 2026)

GHG emissions reduction

vs. FY2015*¹

60% reduction

(FY2030 target: 60% reduction)

Decarbonization-related insurance premiums*²

55.5 bn yen

(FY2030 target: 100.0 bn yen)

Economic value generated by mangroves*³

Cumulative total: 220.3 bn yen

*¹: Preliminary figure

*²: Insurance products that directly contribute to the realization of a decarbonized society, including insurance for renewable energy businesses such as offshore wind and solar power generation, as well as extended warranty insurance for electric vehicles and storage batteries

*³: For details, see [Sustainability Report 2026](#)

CEO Message

Realizing Our Next
Evolution, Powered by Our
People Around the World

Masahiro Koike
President and Group CEO



Opening remarks

Since becoming Group CEO in June 2025, I have engaged in extensive dialogue with a wide range of stakeholders, including investors and analysts in Japan and overseas, customers, business partners, and employees around the world. Through these conversations, my conviction has only grown stronger: The Tokio Marine Group's greatest strength lies in our people and in the deep trust we have earned from customers and business partners who know us well. Our enduring success has been built not only on the capabilities of our businesses but also on the shared values, commitment, and integrity of the people who bring our Purpose to life every day. In this message, I would like to share my thoughts on the Tokio Marine Group's core strengths, how they have translated into value creation, and how they will guide the next phase of our evolution.

Tokio Marine Group's characteristics and core strengths

Purpose-driven evolution

The first of the Tokio Marine Group's core strengths is our ability to evolve while remaining firmly anchored in our Purpose: to be there for our customers and society in times of need. Since our founding, we have sought to address the challenges facing society in each era and to expand the value we provide. In the late 19th century, as Japan began its modernization and international trade expanded, Tokio Marine was established as Japan's first marine insurance company, helping protect cargo from losses at sea. We subsequently introduced Japan's first automobile insurance, supporting the country's motorization. At a time when accident victims were often left without adequate recourse, we also launched Japan's first liability insurance, helping foster a greater awareness of fair compensation and social responsibility. Throughout our history, we have remained committed to serving customers and contributing to the development

of society. This commitment has enabled us to grow into a leading company in Japan's non-life insurance industry.

If this early period was Phase 1 of our history, then Phase 2 began around 2000, when we accelerated our international expansion and evolved into a global insurance group originating from Japan. Through M&A, we welcomed companies and colleagues who shared our Purpose and culture into our Group. Together, we expanded our purpose-led approach to value creation around the world.

Today, we are entering Phase 3. In this next phase, we will continue sharpening our competitive edge as an insurer while expanding the value we deliver to become a solutions partner beyond insurance. Our role will still be to provide compensation after a loss occurs, but it will also extend further, as we aim to help prevent accidents, mitigate losses, support rapid recovery, and contribute to stronger, more resilient communities. This is not a departure from our past. Rather, it is the natural evolution of the Purpose that has guided us since our founding: to serve customers and society in ways that are adapted to the challenges of each new era.

Always sharpening our competitive edge: The Federated Model

Our second core strength is our distinctive approach to Group management: the Federated Model. Under this model, each Group company is led with strong ownership and accountability. Management teams are empowered to refine their business models, respond quickly to local needs, and pursue growth in ways that reflect the characteristics of their respective markets. At the same time, the Group maintains clear guardrails for governance and risk management. We also work together across the Group in areas where collaboration and the sharing of expertise can create greater value. This balance between autonomy and co-creation is one of the Tokio Marine Group's defining strengths. In my view, it is also rare. Many large organizations choose either control or autonomy. We have built a model that delivers both, and our results reflect that.

Autonomy enables agility. It allows our frontline teams, those closest to customers, markets, and local communities, to make timely and well-informed decisions. At the same time, by sharing insights and best practices across the Group, we can unlock meaningful synergies. Our record of profit growth across Group companies and our success in generating synergies demonstrate both the soundness and effectiveness of this model (**Federated Model**). I believe that, in an increasingly uncertain world, the Federated Model will become even more important as a foundation for sustaining our competitive advantage, our positive social impact, and our long-term growth.

Our approach to value creation and where we stand now

Our workforce is the driving force of value creation

At the heart of the Tokio Marine Group's value creation, and the very starting point of everything we do, is one essential force: every one of our employees around the world. Employees who believe in our Purpose and find genuine meaning and fulfillment in their work bring passion and commitment to serving customers. Together with our valued partners, including agents, brokers, and other stakeholders, they help solve customer challenges, strengthen societal resilience, and create positive impacts in the communities where we operate. These efforts enable us to achieve sustainable growth, generate returns for shareholders, and continue evolving our business model for future generations. This is the Tokio Marine way of creating value.

Our approach is not simply about generating economic value. Today's societal challenges, including climate change, are becoming more complex and interconnected. We believe that our role extends beyond insurance coverage. By providing value across the entire risk life cycle, from prevention and mitigation to recovery and reconstruction, we can contribute to a more sustainable and resilient society. In other words, helping solve societal challenges

is not separate from our business. It is fundamental to our sustainable growth. This upward spiral is what we call “Sustainability, the Tokio Marine Way.” It is the essence of our Purpose and the very reason the Tokio Marine Group continues to exist and grow.

Where we stand now in delivering value to stakeholders

Against this backdrop, let me turn to where we stand today in delivering value to each of our stakeholders and contributing to their happiness.

Let me start with employees. Employees are the driving force of our value creation. For that reason, strengthening our human capital remains one of our highest priorities. We have continued to invest strategically in creating an environment where every employee can work with pride,

find genuine meaning in their role, and realize their full potential. Our initiatives include embedding our Purpose throughout the organization; advancing diversity, equity and inclusion; developing future Group leaders; cultivating highly specialized talent; and creating systems that encourage each employee to take on new challenges.

As a result of these efforts, our employee engagement scores are consistently high ([Human Capital Report 2026](#)), and we have received strong external recognition. High engagement is an important foundation for delivering better and faster value to customers, while also enhancing our ability to adapt to a changing external environment. As CEO, I remain fully committed to strengthening both the quality and depth of our human capital. What inspires me most is not the scores themselves, but the actions they represent: employees who stayed to support customers through a

major disaster, underwriters who redesigned a product because they identified a gap in community protection. That is what our Purpose looks like in practice.

The next group of stakeholders to discuss is customers. For customers, we seek to assess objectively whether our Purpose-led actions are truly contributing to their happiness. Insurance is an intangible product. Its true value is tested in the moment of greatest need, when a customer faces an accident, a disaster, or an unexpected loss. In those moments, we must respond with speed, expertise, empathy, and integrity. The quality of our products and services, our collaboration with distribution partners, and the actions of every employee all matter. I am grateful that customers in the markets around the world continue to place their trust in the Tokio Marine Group. Our Net Promoter Scores remain high both in Japan and overseas. This trust, the confidence that “Tokio Marine can be relied upon when it truly matters,” has contributed to profit growth that exceeds the market across our businesses ([The Passion of Our Employees, the Trust of Our Customers](#)).

As for the value we deliver to shareholders, our value creation efforts have yielded top-tier growth in earnings per share (EPS) and dividend per share (DPS) along with a steady improvement in return on equity (ROE). Alongside these metrics, our overall value traces an upward path, while total shareholder return (TSR) compares favorably with that of our global peers ([Delivering Consistently Strong Shareholder Returns](#)).

We position dividends as the cornerstone of shareholder returns and aim to increase them sustainably in line with profit growth. We will continue to allocate capital with discipline, invest it efficiently, and generate sustainable value over the medium to long term. I do not take lightly the trust that shareholders have placed in this management team. In the capital allocation decisions we make, we keep that trust in mind. I deeply value the track record we have built together: expanding value creation, growing EPS and book value per share, improving ROE, and steadily enhancing shareholder returns. We will remain disciplined and unwavering in our commitment to deliver on that trust.



The Tokio Marine Group Awards, a Group-wide program that honors employees who exemplify Our Purpose

Strengths of our businesses

Our achievements have been made possible by the clear competitive advantages we have built in each market.

In Japan, where the three largest insurers account for close to 90% of the market and profitability is relatively stable, we have developed strong underwriting capabilities and maintained a high-quality distribution network over many years. As a market leader, we have achieved the highest profitability in the industry. In North America, the world's largest insurance market, we have delivered both strong growth and high profitability by leveraging our expertise in specialty insurance, a well-diversified portfolio, and our asset management capabilities. In high-growth emerging markets such as Brazil, we have continued to outperform the market by using digital technology and IT to achieve exceptional operational efficiency and customer convenience ([Business Portfolio with Clear Competitive Advantages](#)).

Across the Group, we identify the right path to success in each market based on its structure and competitive dynamics. By continuously refining these approaches, we have achieved top-tier profit growth on a global basis.

I should also mention something that will play a vital role in sharpening our edge in the future, and that is AI. We see AI as an enabler. Our goal is straightforward: to use AI to serve customers better, support our employees more effectively, and make faster and smarter decisions. The technology is the means. The outcome is what matters. Under the Federated Model, Group companies are advancing AI initiatives suited to their business characteristics, including underwriting, claims handling, sales support, risk analysis, and operational efficiency. At the same time, we are committed to ensuring that these efforts strengthen the competitiveness of the Group as a whole. Our AI Hubs in Tokyo and New York are driving the sharing of best practices and advancing research and development across the Group. In April 2026, we appointed a Chief AI Officer to accelerate the implementation and advancement of AI capabilities on a Group-wide basis. With this principle firmly in mind, we

will continue deepening our use of AI to strengthen our competitive edge and deliver greater value to customers and society ([Message from the CAIO](#)).

Recent performance

In fiscal 2025, our top line grew by 5% year on year. Our bottom line increased 9%, supported by relatively lower natural catastrophe losses in Japan and overseas, higher underwriting profits driven by business expansion and rate improvements, and continued underwriting discipline. It was a year in which we expanded our support for customers and enhanced both the quality and scale of the value we provide.

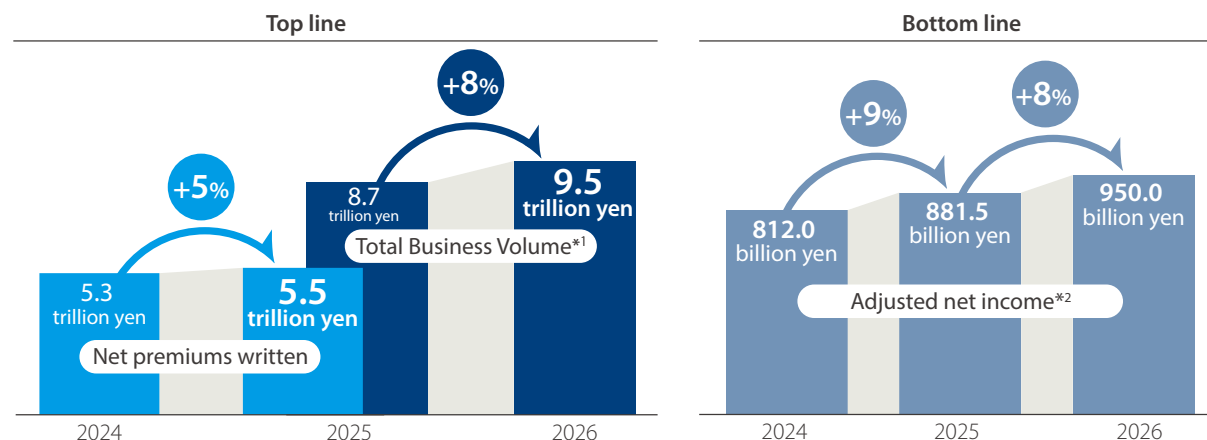
Beginning in fiscal 2026, we will disclose Total Business Volume (TBV) as a new KPI representing our top line. TBV combines gross premiums in the insurance business with revenue from the solutions business, providing a more comprehensive measure of the total value we deliver to customers. For fiscal 2026, we are targeting 8% growth in TBV across all businesses. We also expect adjusted net income of 950 billion yen, representing year-on-year growth of 8%. These targets reflect our confidence that our value creation

efforts are resonating with customers. We will continue strengthening the foundations of sustainable growth and delivering value to all stakeholders.

Evolving the Tokio Marine Way: Aspiration 2035

Strong performance today does not guarantee growth tomorrow. The pace of change in our operating environment will only accelerate from here. Rising geopolitical risk, more severe natural catastrophes, volatility in interest rates and the capital markets, an evolving regulatory landscape, and rapid advances in AI: Each of these forces represents both a risk and an opportunity for the Tokio Marine Group. I am convinced that in an era of profound and accelerating change, only those companies that remain firmly grounded in their culture, business model, and competitive strengths, while simultaneously having the agility to transform, will be the ones that achieve the next level of success and growth. It is with this conviction that we formulated [Aspiration 2035](#): a clear articulation of how far, and in what direction, the Tokio Marine Group will evolve over the next decade. The foundation is

► Latest performance



*1: Total Business Volume represents the sum of the gross premiums in the insurance business and revenue in the solutions business.

*2: Calculated on an IFRS-basis.

unchanged. The values shaped by our Japanese origins and strengthened together with colleagues around the world remain our bedrock: integrity, ownership, accountability, and a long-term perspective. Building on that foundation, we will sharpen our competitive edge in insurance even further, while expanding into solutions businesses that go beyond insurance. As a global company shaped by our Japanese origins, we will protect customers and society not only in times of need but also every day. We will continue striving to create a society and a future filled with greater happiness, through safety, security, and resilience. The quantitative milestones we have set reflect our ambition for this evolution, done the Tokio Marine way: adjusted net income of at least 1.7 trillion yen, more than double the current level and placing us among the top five global life and non-life insurance groups by net income, and ROE of at least 17%, positioning us at the top tier of global insurers.

So how do we intend to get there? The first driver of Aspiration 2035 is the **further pursuit of risk diversification**. We have always grown by taking on new risks and building a well-diversified portfolio. Going forward, we will accelerate that effort with greater ambition and pace. This means expanding our presence in markets where our share of Group profits remains relatively limited, including Australia, Canada, and Southeast Asia, deepening our geographic diversification. It also means expanding into new insurance product lines, broadening our diversification across business domains. We will pursue both paths through a combination of organic growth and strategic M&A. By incorporating risks with lower correlation to our existing businesses, we will strengthen the resilience of our portfolio, enhance the diversification effect, and create the conditions for sustained profit growth and ROE improvement.

The second driver is our **solutions business**. Our ambition is to establish a distinctive Tokio Marine business model in which insurance and solutions are offered as a fully integrated proposition. As risks grow in both magnitude and complexity, truly serving our customers and society demands more than compensation after the fact. We must be present

across the entire arc of risk: before an event occurs, helping customers prevent accidents and mitigate their effects; and after an event, supporting rapid recovery and enabling them to build back better and more resilient than before. Realizing a model that is unique and different from our global peers is precisely what we hope to achieve by complementing our core insurance business with our solutions business.

Through these efforts, we will deliver greater security and peace of mind to our customers. As accident prevention improves and losses are better mitigated, we will also be in a position to offer insurance at more affordable premiums over time. For the Tokio Marine Group, the benefits extend further still: deeper, more enduring relationships with customers, stronger retention, and a more robust and resilient business model overall. The solutions business also carries the characteristics of a fee-based model, with a meaningfully lower capital requirement than our insurance business. As it scales, it will contribute to higher ROE for the Group as a

whole. For all of these reasons, we are fully committed to developing the solutions business steadily and deliberately into the next major pillar of Group profit.

Ultimately, it is our employees and our businesses that will bring these two drivers to life. Risk diversification and the solutions business will only deliver results through the dedication and passion of every employee and every frontline team across the Group. That is why realizing these drivers requires us to become a more business-driven organization. In an era of mounting uncertainty, where the path toward the future cannot be drawn by a single stroke, the key to continuously refining our business model lies with those who are closest to customers and who know their markets best. These frontline teams must exercise genuine ownership and accountability, making well-informed decisions with speed and conviction. The role of the holding company is to set the overall direction for the Group and to maintain discipline. But the energy that drives real growth comes from the front lines,

▶Aspiration 2035: Our future vision

As a global Group shaped by our Japanese origins and strengthened by our international expansion, we are there for our customers and society, protecting them at all times, committed to realizing a future of safety, security and happiness.

Our diverse people are the source of our value creation. Driven by integrity, ownership, and accountability, we contribute globally to the happiness of our customers, colleagues, society, shareholders, and future generations, earning the trust of all stakeholders.

We blend the power of technology with our core strengths in underwriting, investment, and solutions. By taking calculated risks and working hand-in-hand with our partners, we address the most complex challenges facing our world.

What we can achieve			
Value Creation Scale	Global Ranking	Value Creation Efficiency	Engagement
Net Income ≥ 2×	(Net Income Basis) Top 5 Global Insurance Group	ROE Global Top tier	Employees, our source of value creation, work with purpose and pride

from each business, and from every individual employee. That is my conviction. It is on the basis of this conviction that we began our transition in April 2026 to a three-business structure, comprising the Japan business, the overseas business, and the solutions business. By further clarifying the roles and responsibilities of business owners, and by delegating authority where it is most needed, we are building a more autonomous, agile, and execution-oriented organization. I am confident that this transition will take our Federated Model to the next level, unlocking greater growth potential and sharper business execution across the Group.

In March 2026, we announced **a strategic partnership with Berkshire Hathaway Inc.** The partnership rests on three pillars: a strategic equity investment in the Tokio Marine Group, collaboration in reinsurance, and strategic cooperation on M&A and other initiatives. What makes this partnership distinctive is not simply its structure, but the values that underpin it. The Tokio Marine Group and Berkshire Hathaway share the same core business principles: a long-term perspective, decentralized management, and capital discipline. By combining our respective strengths atop this shared foundation, we will broaden our strategic options, sharpen our ability to execute, and create new value for customers and society in an increasingly complex world.

At Berkshire Hathaway's annual meeting in May 2026, CEO Greg Abel and Ajit Jain, Vice Chairman of Insurance Operations, expressed their confidence in the partnership and their expectations for what we will build together.

Aspiration 2035 is fully achievable through our own efforts. But I see this partnership as a powerful accelerator: one that will enable us to reach higher goals and reach them sooner.

That conviction is what drove us to form this partnership and will drive us to make the most of it.

In closing

Since our founding in 1879, we have always tailored the value we deliver to the needs of each era, while remaining

steadfast in our core Purpose: to be there for our customers and society in times of need. Now, in this latest phase of our evolution, we intend to go beyond insurance, becoming a more holistic risk solutions partner.

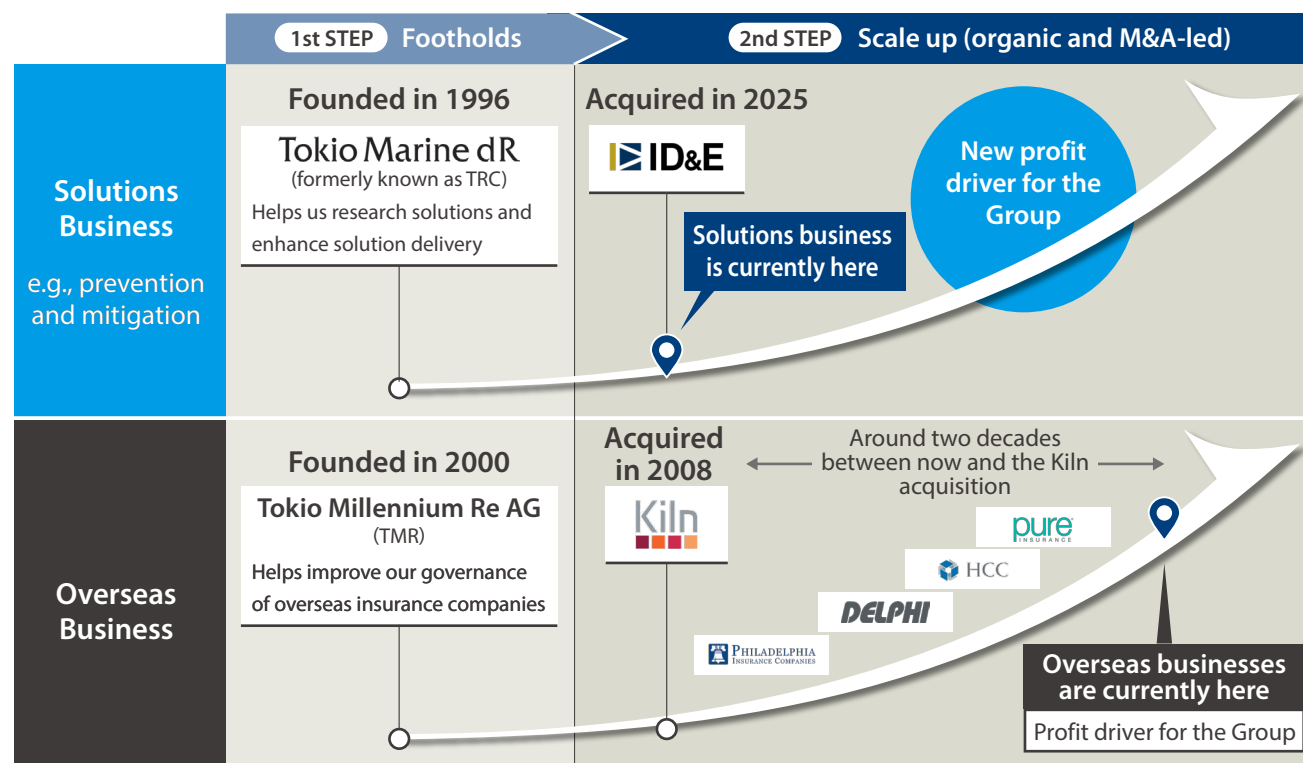
The solutions business will not be built overnight. But consider our overseas businesses, which today account for more than 60% of Group profits. That result is the culmination of more than two decades of tenacious, disciplined effort. We will bring exactly the same long-term commitment and determination to building the solutions business.

In the nearer term, I am acutely aware that our strategic partnership with Berkshire Hathaway has raised expectations further among investors and analysts. It has become one of

the defining topics in my conversations with stakeholders, and I take that heightened interest seriously. To meet it, we will work in close collaboration with Berkshire Hathaway while executing the distinctive approach to value creation set out in Aspiration 2035, delivering greater value to customers and society, and driving higher growth and improved capital efficiency.

Powered by every one of our employees around the world, we will carry the Tokio Marine Group into its next phase of evolution. As Group CEO, I will lead this journey with unwavering resolve, committed to achieving the sustained enhancement of corporate value. I sincerely appreciate your continued support.

►The solutions business at present



PURPOSE STORY 2026

1

Our Strength

Exploring our unique strengths
and the drivers of our evolution

2

Our Progress

Tracing how our value creation
is reaching stakeholders today

3

Our Future

Charting a path forward that
is uniquely Tokio Marine

Purpose-Driven Evolution

Expanding value creation as an industry frontrunner in a changing world

Since our founding, we have remained true to our Purpose—to be there for our customers and society in their times of need. As society has evolved, we have continually taken on new challenges and found new ways to address them.

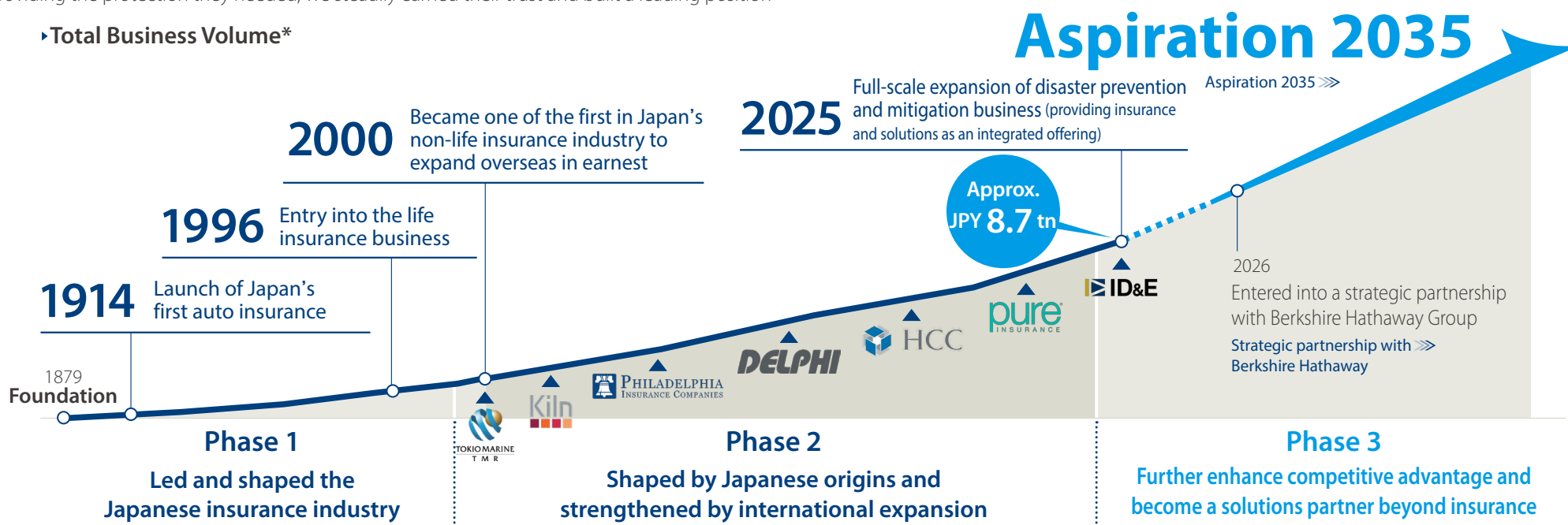
Our journey began in 1879, when Tokio Marine was founded as Japan's first non-life insurance company. As Japan modernized and trade expanded overseas, maritime accidents posed a growing risk to businesses. By taking on those risks, we helped support the country's economic and social development. Later, when only around 1,000 automobiles were on Japan's roads, we introduced the country's first auto insurance, supporting the rise of motorization. After the Great Kanto Earthquake of 1923, although fires caused by earthquakes were excluded from policy coverage, we made condolence payments to customers affected by the disaster. After World War II, we expanded into fire insurance and other areas to meet the needs of Japan's reconstruction and industrial growth. We later introduced Japan's first liability insurance and entered the life insurance business.

As society changed, so did the risks facing our customers. By anticipating those changes and providing the protection they needed, we steadily earned their trust and built a leading position

in Japan.

From 2000, we accelerated our global expansion. We first established Tokio Millennium Re AG (TMR), gaining experience across a wide range of global risks while building our underwriting expertise and capabilities to manage overseas insurers. Building on this foundation, we expanded across Europe and North America through a series of major acquisitions, beginning with Kiln in 2008. By bringing together the strengths of colleagues around the world and continuing to refine our business model, we evolved into a Japan-born global company.

Today, the risks facing society are increasingly diverse and complex. Our next evolution is therefore not only to further strengthen our insurance business, but also to extend our role beyond insurance. By helping customers prevent and mitigate risks as well as recover from them, we aim to evolve into a solutions partner that provides more comprehensive protection. Just as we have continued to adapt the way we support customers and society since our founding, we will keep evolving around our Purpose—creating greater value for our stakeholders and enhancing corporate value over the long term.



*: Total of gross written premiums from the insurance business and revenue from the solutions business. Figures for 2024 and earlier are based on direct premiums written (excluding deposit premiums).

Value Creation Model

Contributing to solving social challenges through Purpose-driven business activities

Employees driven to fulfill our Purpose are the force behind our value creation. Through our unique “insurance + solutions” business model, they continue to tackle increasingly diverse and complex social challenges around the world. These efforts, in turn, sharpen our strengthen and strategies, further enhancing our value creation capabilities. Through this virtuous cycle, we will continue to sustainably enhance our corporate value.

The Group We Aspire to Be

A Global Insurance Group That Delivers Sustainable Growth by Providing Safety and Security to Customers Worldwide

Aspiration 2035 >>>

As a global Group shaped by our Japanese origins and strengthened by our international expansion, we are there for our customers and society, protecting them at all times, committed to realizing a future of safety, security and happiness.

The Society We Aim to Create

A Sustainable Society in Which Everyone Can Live in Safety and Security and Take on Any Challenge

Addressing societal issues through business activities

The 8 Material Issues (Materiality)

- Take Climate Action
- Improve Disaster Resilience
- Support Healthy and Fulfilling Lives
- Value People and Promote Diversity and Inclusion
- Provide Innovative Solutions
- Protect the Natural Environment
- Provide Opportunities for Future Generations
- Open Governance with Integrity

Global Warming	Increase in Intensity of Natural Disasters	Demographic Changes
Growing Geopolitical Risks	Increasing Cyber Risks	Rapid Advancement of DX and AI etc.

Ever-expanding and increasingly complex societal issues

Business Activities: “Insurance and Solutions”
Support our customers and society at all times and protect them in times of need

Insurance
Cover damages (insurance payments)

Solutions (“post-incident” area)
Quickly restore
Prevent recurrence
“Build Back Better”

Insurance
Underwrite risks

Solutions (“pre-incident” area)
Detect risk
Contain damages

Drives everything:
Employees driven to fulfill our Purpose

Federated Model—Autonomy and Co-creation

Tokio Marine Group Purpose

Protect our customers and society in their times of need

1 PURPOSE STORY 2026 **Our Strength**

Federated Model Group management based on Autonomy and Co-creation

One of the defining features that accelerates our value creation is our distinctive group management approach: the Federated Model.

For any company operating globally, how the group is managed can have a significant impact on the quality of its growth. Should it pursue centralized integration to maximize synergies, or preserve the autonomy of individual companies to maintain agility? Rather than choosing one over the other, we have spent the past 11 years refining our Federated Model to combine autonomy and co-creation.

First, autonomy. Our Group brings together companies that have built distinctive business models and competitive strengths in different markets. Each company is therefore best placed to understand its own market. By respecting their autonomy, we enable local management teams to run their business with ownership and accountability—an approach we believe gives them the best chance of succeeding in their respective markets. This allows decisions to be made close to the market, enables agile responses to changing conditions, and empowers each company to continue strengthening its capabilities and pursue growth.

At the same time, while respecting the autonomy of each Group company, we establish Group-wide guardrails, including governance and risk management, and actively encourage dialogue and interaction across the Group. By leveraging the Group's collective capital,

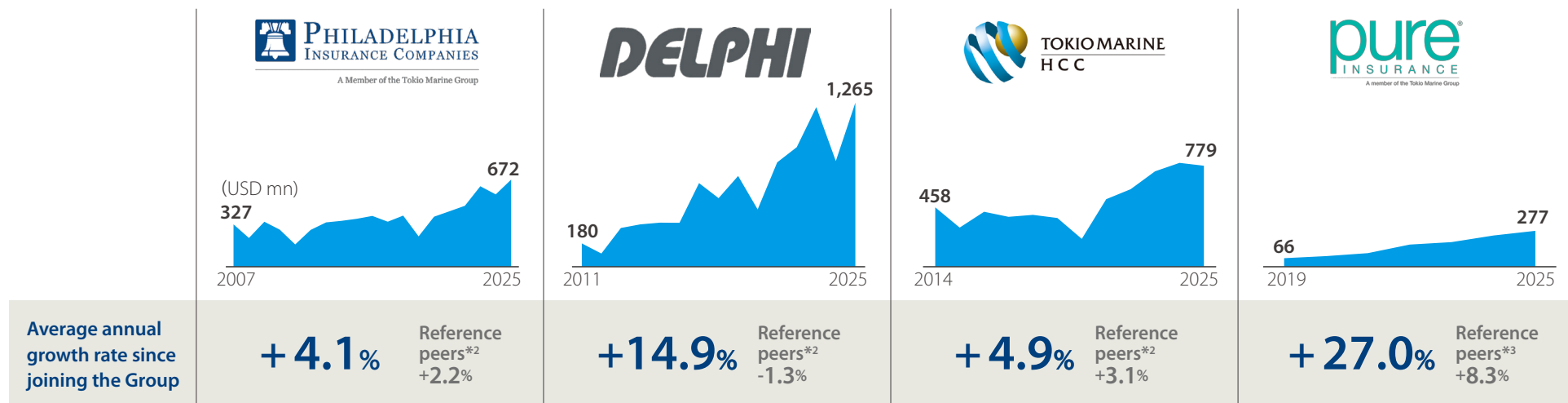
expertise, and networks while bringing together the strengths of each company, we create growth opportunities that no single company could generate alone. This is what we mean by “co-creation.”

The Federated Model is therefore a form of group management that draws out the full potential of each company through respecting autonomy and elevates those individual strengths into the collective strength of the Group through co-creation. The results can be seen in the performance of the companies that have joined our Group, which have achieved growth exceeding that of their peers in their respective markets.

Underlying this model is a deep commitment to our Purpose. Because our companies share the same values even as they operate autonomously, they are able to respect and learn from one another and combine their strengths. This cannot be easily replicated simply by adopting the same systems or structures, and is a distinctive strength of Tokio Marine.

It also helps attract new members to our Group. Companies that share our Purpose and culture, and seek to further develop their own strengths, join Tokio Marine to take on new challenges. They then exercise their capabilities autonomously and grow further through co-creation with the Group. Through this virtuous cycle, we will continue to enhance both the quality and speed of our value creation.

► Profit growth outpacing peers*1 (Profit growth since joining the Group)



*1: Local accounting basis after-tax profit for TMHD. Peer figures prepared by TMHD based on D&P / analyst consensus data *2: Peer companies: Chubb, Travelers, and AIG *3: Peer companies: Chubb, Cincinnati, and AIG

1 PURPOSE STORY 2026 Our Strength

Globally Integrated Group Management

Integrated Group Management is one way we foster co-creation. By combining the distinctive strengths of each Group company, we amplify the capabilities of the Group as a whole.

Putting the right talent in the right place across the Group globally

Through M&A, we have steadily expanded our international business, diversified risk, and achieved profit growth. The greatest benefit, however, has been the exceptional talent and expertise we have welcomed into the Group.

The top management teams from acquired companies now help shape and execute key decisions by bringing together expertise from around the world, making our decision-making faster and more effective. Refined over the past 11 years, this approach has become a distinctive engine of growth for the Tokio Marine Group.

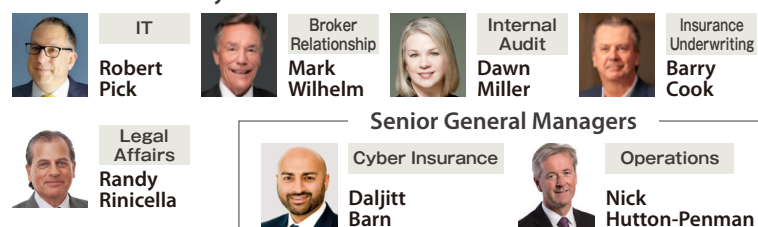
Deploying Global Talent to Strengthen Integrated Group Management

Appointment of Joint Group Leaders



Leverage Group Expertise

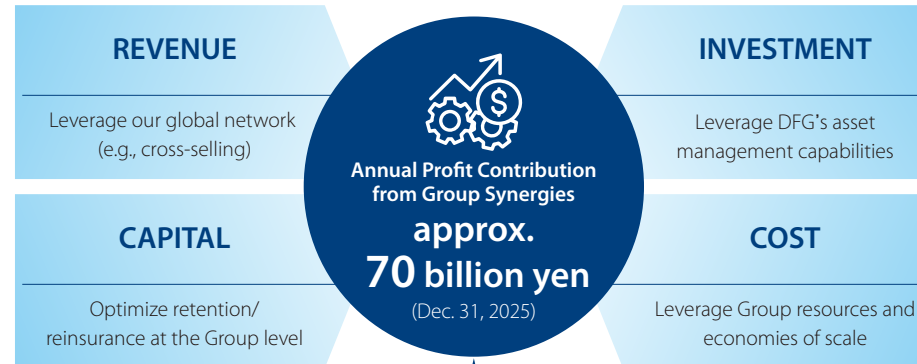
Global talents in key function roles



Creating synergies by combining Group capabilities

Our Group companies accelerate growth by drawing on capabilities across the Group, including our product portfolio, underwriting capacity, and distribution networks. These synergies contribute approximately 70 billion yen to annual profit across four areas: Revenue, Investment, Capital, and Cost. This is comparable to the profit contribution expected from an acquisition of approximately 900 billion yen*. In addition to the direct earnings generated through M&A, we create substantial value by combining capabilities across the Group. We will continue to expand these synergies as a distinctive source of strength.

Group synergies



Example of revenue synergies

REVENUE

We leverage the Group's globally expanding distribution network to offer highly competitive specialty products, such as those offered by TMHCC and TMK.

INVESTMENT

Since July 2014, major Group companies in Japan and overseas have progressively entrusted asset management to DFG, strengthening investment capabilities across the Group.

*: Group synergies of approximately 70 billion yen multiplied by the average P/E ratio of approximately 13x for North American P&C insurers.

Our Approach to Value Creation

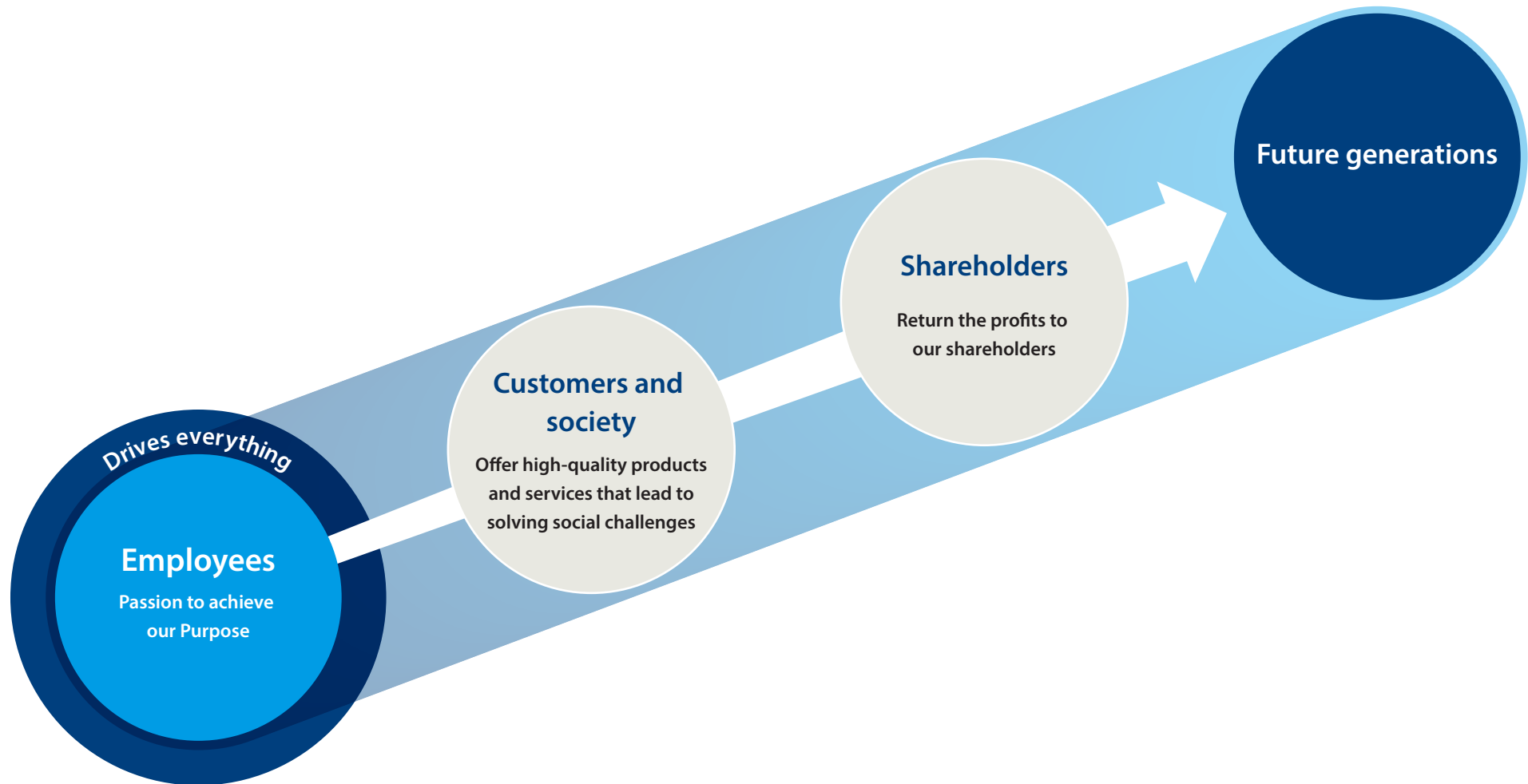
Creating value from our employees to future generations

Our **Value Creation Model** illustrates how, with our Purpose as its foundation, we address social challenges through our business activities and work toward realizing both the society we aspire to create and the Group we aspire to be. The diagram below shows how the value created through this process extends across our stakeholders.

The starting point is the commitment and actions of each employee. Driven by our Purpose, our employees act proactively with pride and a strong sense of purpose. Their commitment and actions extend to our partners, including agencies and brokers, building strong relationships

based on trust. These relationships enable us to provide customers with high-quality products and services that help address social challenges and, in turn, contribute to the development and sustainability of society. By creating value for our customers and society, we also achieve sustainable growth, enabling us to return the profits generated through our business activities to our shareholders. We will continue to strengthen this chain of value creation and carry it forward to future generations.

This is our approach to value creation.



The Passion of Our Employees, the Trust of Our Customers

The needs of customers and society continue to evolve. At the forefront of that change are our employees, driven to fulfill our Purpose and committed to creating value. That is why we place great importance on creating an environment where employees can take pride in their work, find fulfillment, and realize their full potential. We invest in employee growth, encourage people to take on diverse challenges, and recognize employees across the Group who bring our Purpose to life through their daily work. Through these initiatives, commitment to our Purpose continues to deepen across the Group, as reflected in our employee engagement. Engagement scores across the Tokio Marine Group remain consistently high ([Human Capital Report 2026](#)), and several Group companies with particularly strong engagement have also received external recognition, including awards such as

Best Place to Work^{*1}. Creating an environment in which every employee can work with pride and realize their full potential provides an important foundation for our sustainable growth.

The passion of our employees also enhances the value we deliver to our customers. By listening closely to customers, understanding their challenges, and taking action to address them, we continue to earn their strong support. Our Net Promoter Score (NPS), an indicator of customer advocacy, has consistently remained well above the industry average. We believe that the trust built through these efforts has contributed to profit growth that outpaces the market in each region.

When employees take pride in their work, they create value that earns customers' trust. We will continue to harness the passion of our employees as the driving force behind our

value creation, increasing our contribution to customers and society and, as a result, achieving sustainable growth.

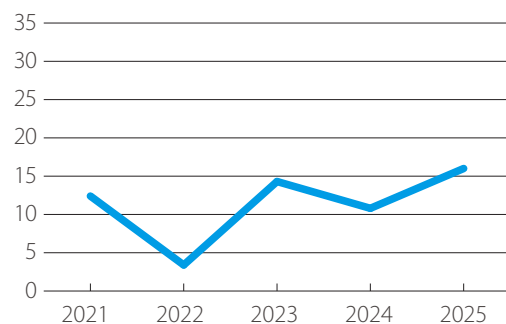


TMSR receiving its award after ranking second among companies with 1,000–9,999 employees in Brazil in the 2025 Great Place To Work rankings

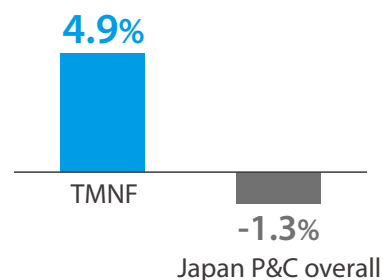


Japan (TMNF)

NPS advantage^{*2} (our NPS – industry average NPS)



Underwriting profit growth^{*3} (10-year CAGR)



^{*1}: Workplace environment evaluation/certification by third-party organizations in each country, based on employee experience (including engagement)

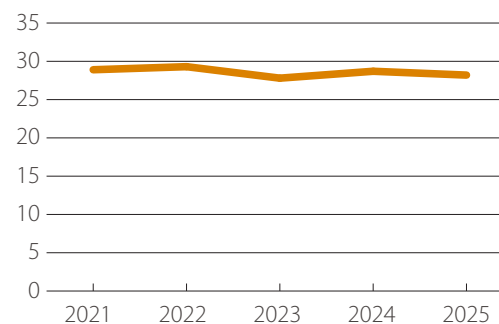
^{*2}: Agency-based auto insurance NPS. The source of the industry average NPS is a survey conducted by NTT Com (average of TMNF, MS, AD, SJ, and AIG). Source: NTT Com Online. NPS Benchmark Survey 2025

^{*3}: 2014–2024 CAGR. Source: General Insurance Association of Japan

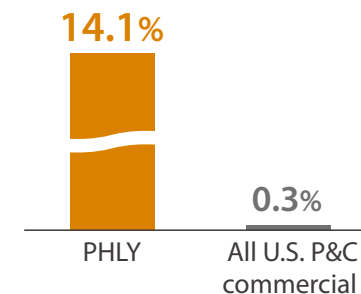


United States (PHLY)

NPS advantage^{*4} (our NPS – industry average NPS)



Underwriting profit growth^{*5} (3-year CAGR)



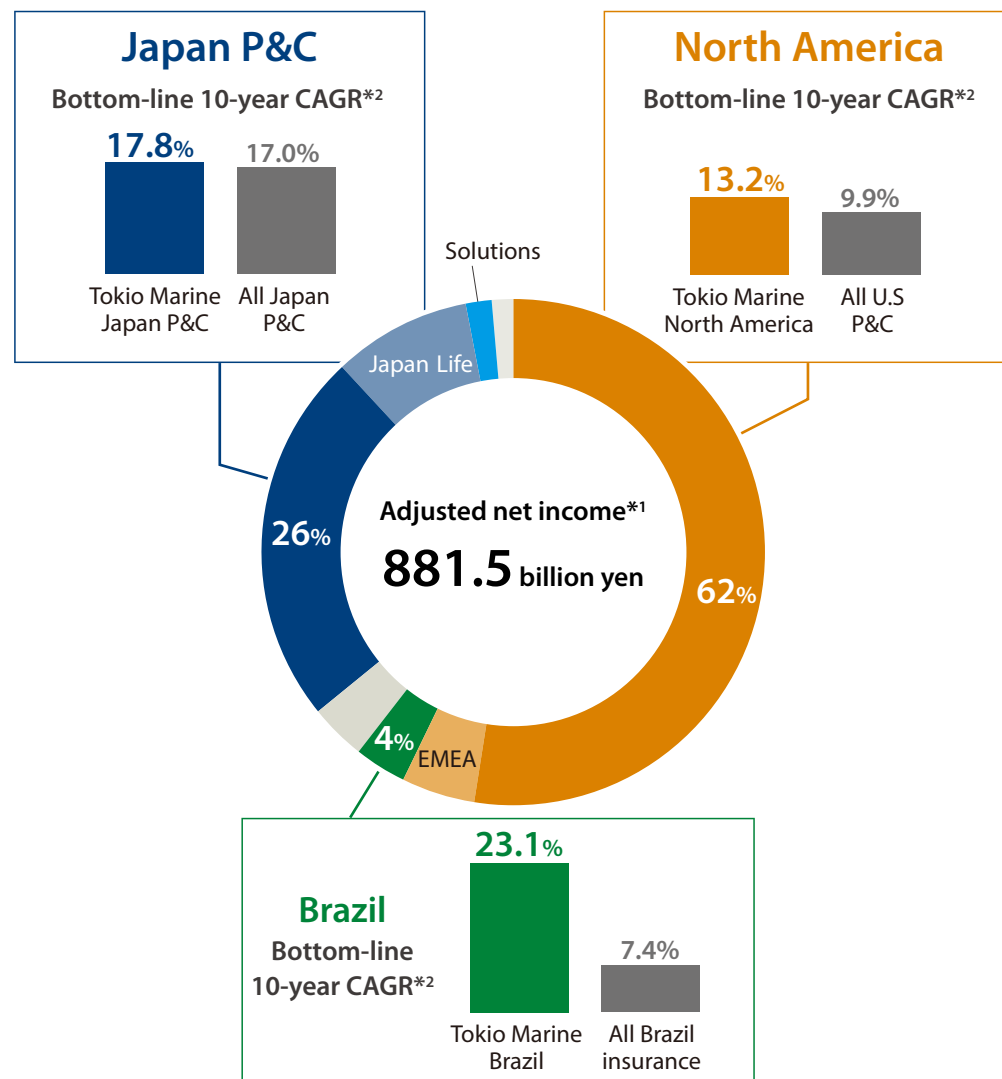
^{*4}: Industry average NPS is the average for the U.S. auto insurance industry. (Source) NICE Satmetrix, Consumer Net Promoter Benchmark Study

^{*5}: 2022–2025 CAGR, calculated by Tokio Marine. The calculation period is limited to three years due to the availability of U.S. P&C commercial data. Source: S&P Capital IQ

Business Portfolio with Clear Competitive Advantages

Winning by sharpening our strengths in each market

► Business portfolio



*¹: FY2025 results on an IFRS basis.

*²: Profit growth (CAGR) for 2014–2024 (Japan P&C) and 2015–2025 (North America and Brazil). Tokio Marine Japan P&C figures are financial accounting profit of TMNF. Tokio Marine North America and Brazil figures are business unit profit (excluding FX). (Sources) Japan P&C: General Insurance Association of Japan; North America: S&P Capital IQ; Brazil: SUSEP

Our ability to create value is reflected in the competitive advantages we have built across our key markets, particularly Japan, North America, and Brazil. By developing a deep understanding of each market and continually refining the strategies that enable us to win, we have achieved strong Group-wide growth and stable profitability.

Japan:

In Japan, we combine underwriting capabilities developed over many years—including our ability to assess risk and price it appropriately—with the advanced underwriting expertise of our Group companies in Europe and North America. This helps us maintain and improve portfolio profitability. Our global presence also enables us to bring cutting-edge global products, such as cyber insurance and GX-related insurance, to the Japanese market, supporting growth in the domestic specialty insurance segment. In addition, the strong customer base built through our agency network enables us to implement timely premium rate revisions in response to changing market conditions. Together, these strengths allow us to deliver high profitability and sustainable growth that outperform our competitors.

North America:

In the world's largest insurance market, we focus on specialty insurance, where deep expertise and strong underwriting capabilities are essential. Each Group company concentrates on niche markets where it has particular strengths, while together they offer more than 100 product lines with relatively low correlation to one another. This creates a well-diversified portfolio across our North American business. As a result, we are able to maintain high and stable profitability while limiting the impact of changes in market conditions or weaker profitability in specific product lines. The strong asset management capabilities of our Group companies are another source of competitive advantage, enabling us to deliver market-outperforming growth and profitability through the combined strength of our underwriting and asset management.

Brazil:

In Brazil, extensive use of digital technologies has enable us to achieved high operational quality. Together with our in-house call center operations, which support a high level of service, this has helped us attract and retain a broad base of customers and brokers. As a result, in our core auto insurance business, market share has more than doubled over the past decade, making us the third-largest player in the market. We also maintain high profitability through industry-leading cost efficiency, supported by operational automation, and a flexible premium rate revision framework that helps us secure appropriate margins. These strengths have enabled us to grow well ahead of the market.

Delivering Consistently Strong Shareholder Returns

Enhancing shareholder value through sustained profit growth and disciplined capital management

Earnings per share (EPS), one of our key performance indicators, has delivered a top-tier compound annual growth rate (CAGR) of 12.0% over the past decade, driven by steady profit growth. We view this strong track record as evidence of our ability to continue creating value for customers and society, and to deliver that value consistently across our operations worldwide. As a result, dividend per share (DPS) has also achieved top-tier growth, while return on equity (ROE) has steadily improved. In other words, we have made progress not only in growing profits

but also in improving capital efficiency.

Against this backdrop, total shareholder return (TSR) has significantly outperformed our global peers. Looking ahead, we will continue to create value for customers and society while achieving sustainable growth ourselves. At the same time, we will execute our capital policy with discipline and continue to improve ROE. Through these efforts, we aim to further enhance corporate value and deliver sustainable, long-term returns to our shareholders.

►Key indicators*1

EPS growth (10-year CAGR) +12.0%

(Reference) Global peer EPS growth
Allianz: +6.8%, AXA: +6.1%, Chubb: +9.9%, Zurich: +12.3%

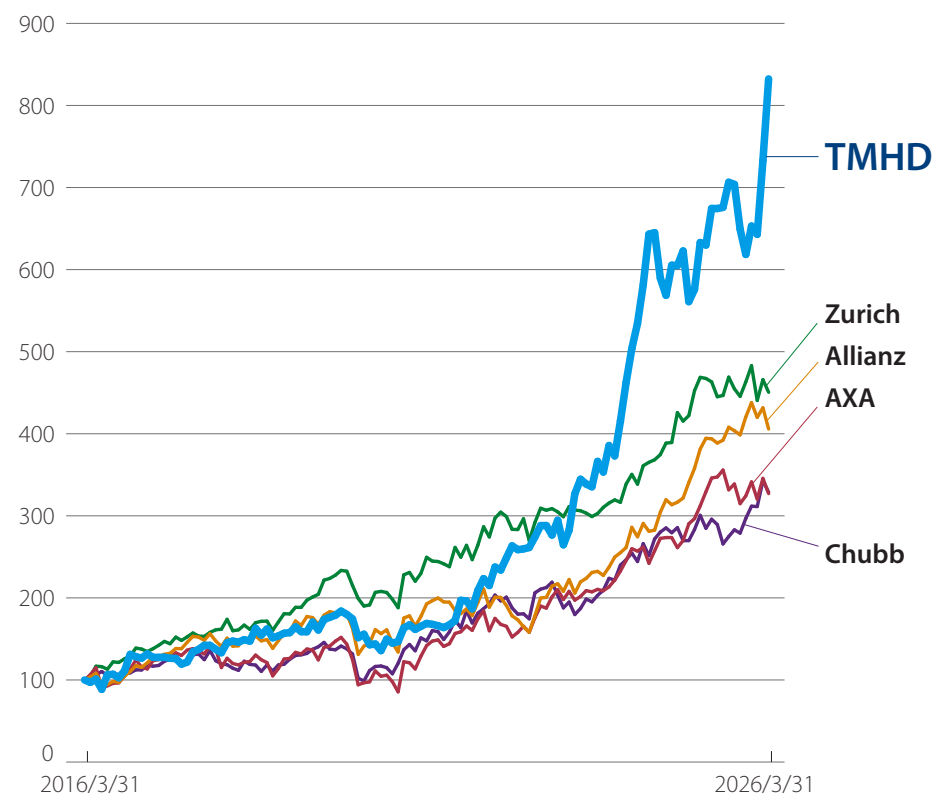
DPS growth (10-year CAGR) +19.4%

(Reference) Global peer DPS growth
Allianz: +8.9%, AXA: +7.7%, Chubb: +3.8%, Zurich: +5.8%

ROE improvement +5.8 pt

(Reference) Global peer ROE improvement
Allianz: +5.6pt, AXA: +3.1pt, Chubb: +2.2pt, Zurich: +20.5pt

►Total shareholder return*2



*1: EPS growth (CAGR), DPS growth (CAGR), and ROE improvement for 2015–2025. Adjusted net income, the numerator for our EPS and ROE, excludes gains from sales of the business-related equities, which is unique to Tokio Marine. Tokio Marine 2015 ROE is on a JGAAP basis (7.1%), while 2025 ROE is on an IFRS basis (12.9%). Peers' profits, the numerators for their EPS, are based on each company's respective KPI measure. Source: Company disclosures

*2: Capital return after dividend reinvestment. Indexed with the stock price as of March 31, 2016 set to 100. Source: S&P Capital IQ

3 PURPOSE STORY 2026 Our Future

Aspiration 2035 Our Aspiration and the Guidepost

Where are we headed? Aspiration 2035 defines the direction our Group will pursue and the future we aspire to achieve.

Today, in addition to the domestic and international insurance businesses we have built since our founding, we are developing a new pillar—the solutions business—and expanding the value we provide beyond the traditional boundaries of insurance. To Realize this evolution in our business model, each business must take ownership of its own growth, define where it wants to be over the mid- to long-term growth trajectory, and act proactively to get there.

Our Purpose serves as our North Star, while our Mid-Term Business Plan sets out our concrete strategies and initiatives. Aspiration 2035 connect the two by providing a shared direction for the Group. With this direction in place, each business can define its own challenges more clearly, while every employee can better see how the challenges they take on today connect to the future we aspire to create. This is why we established Aspiration 2035.

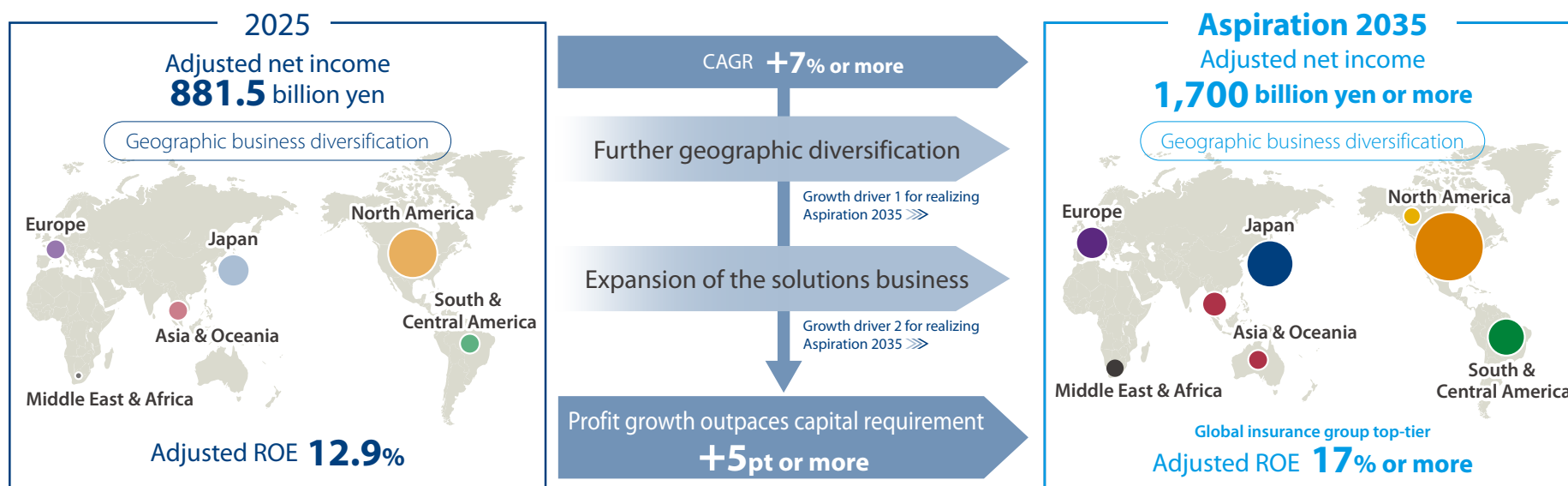
Since our founding, we have protected our customers and society in times of need through insurance. Going forward, we will evolve to protect them not only in times of need, but also in their everyday lives. Rather than simply paying insurance claims after an accident or disaster, we will help prevent and mitigate risks before they materialize, empowering our customers and society to take their next step with confidence. By providing safety and security, we will continue striving to create a society and future filled with happiness. This is the future we

envision through Aspiration 2035.

To realize this vision, we will continue to strengthen our existing insurance businesses while expanding into new geographies and growing our solutions business, whose risk characteristics differ from those of insurance. By further diversifying both our geographic footprint and business portfolio, we will reinforce the foundation for stable and sustainable value creation. At the same time, we will develop our solutions business into a third core business alongside our domestic and international insurance businesses. In doing so, we will evolve beyond an insurance into a solutions partner capable of providing more comprehensive responses to increasingly complex social challenges.

The driving force behind this evolution is our people. Insurance, our founding business, is built on a promise: to be there for our customers in their times of need. That is why customer trust is our most important asset—and why the actions of each employee matter so much. Grounded in integrity, our employees act with ownership and accountability, take on challenges with pride and a sense of fulfillment, and work together with their colleagues. The accumulation of these actions will bring to life the distinctly Tokio Marine evolution envisioned in Aspiration 2035.

As quantitative guidepost on this path, we aim to more than double adjusted net income to at least JPY 1.7 trillion and achieve an adjusted ROE of at least 17%, placing us among the global top-tier insurance groups.



3 PURPOSE STORY 2026 Our Future

Growth Driver 1 for Realizing Aspiration 2035

Further Risk Diversification

To sustainably achieve our Aspiration 2035 targets of at least JPY 1.7 trillion in adjusted net income and an adjusted ROE of at least 17%, we need to do more than simply grow the business. We must continue to deliver profit growth that outpaces growth in risk exposure by underwriting high-quality risks. Further diversification is key.

Insurance is fundamentally a business of assuming risk and the foundation of our promise to be there for our customers and society in times of need. That promise must be kept, whatever happens. As a global insurer taking on risks around the world, we therefore need to ensure our financial foundation never falters. Over the years, we have diversified risk globally by expanding our international insurance business, whose risk profile has a low correlation with our Japan P&C business, helping us manage volatility across the Group.

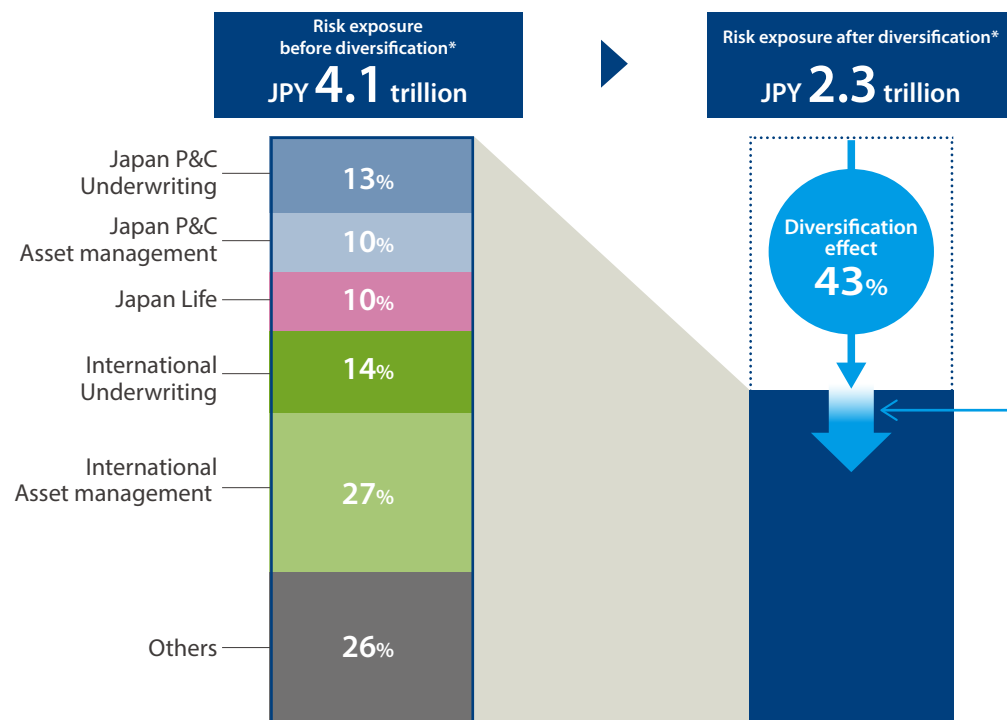
This approach has enabled us to steadily grow adjusted net income while containing growth in risk exposure. It reflects not growth for growth's sake, but disciplined investment and risk-

taking grounded in a careful assessment of risk and return.

Looking ahead, global risks will become increasingly diverse and complex as climate change, geopolitical tensions, cyber risk, and other challenges continue to evolve. Against this backdrop, we will further pursue risk diversification to strengthen the foundation for stable and sustainable value creation, while improving capital efficiency and delivering profit growth and higher ROE.

We have multiple levers to further diversify risk, including organic growth, greenfield business development, bolt-on acquisitions, and large-scale M&A. In particular, our strategic partnership with Berkshire Hathaway significantly broadens our M&A options, providing access to large-scale transactions that would have been difficult to pursue on our own and enabling us to evaluate and execute multiple transactions in parallel. With this partnership as a catalyst, we will further advance global risk diversification and progress toward Aspiration 2035.

► Risk diversification effect (FY2026, excluding business-related equities)



Measures to maintain/increase diversification effect

- | | |
|---|---|
| Further develop insurance businesses with strong diversification benefits | 1 Geographic risk diversification
Expand operations in Australia, Canada, Southeast Asia, and other markets |
| | 2 Product risk diversification
Expand into new lines of business |
| Expand businesses with different risk characteristics | 3 Business risk diversification
Expand the solutions business |

Methods for further risk diversification

Organic Growth	Business build-out
Small- and medium-sized bolt-on M&A	Large M&A

These initiatives will be further accelerated through the strategic partnership with Berkshire Hathaway

*: Risk exposure is measured on a post-tax 99.5% VaR basis.

Evolving into a Solution Partner beyond insurance

One of the businesses that we will significantly evolve as we work toward realizing Aspiration 2035 is the solution business. Insurance is an essential form of social infrastructure that provides financial protection when accidents or disasters occur and supports customers' lives and the recovery and rebuilding of their businesses. In addition to such financial protection, we are expanding the value we provide through solutions that support customers, from accident and disaster prevention and loss mitigation to recovery and reconstruction. By delivering insurance and solutions in an integrated manner, we will contribute to our customers' sustainable growth and enhanced resilience.

Before an accident or disaster occurs, we provide solutions that help prevent accidents and mitigate losses, while also supporting customers in implementing optimal risk management measures through risk visualization and quantitative risk assessment. However, no matter how thoroughly we prepare it is impossible to prevent every accident and disaster. If an insured event does occur, we support our customers through the financial protection provided by insurance. Moreover, our role does not end with the payment of insurance claims. We also support recovery and reconstruction efforts, helping customers not only restore what was lost, but also rebuild in a stronger and more resilient way, thereby helping to make Build Back Better a reality.

The value created through our "Insurance + Solutions" approach is already beginning to take concrete shape. One example is the data center business, where demand is growing rapidly with the proliferation of generative AI. Data centers operate within a complex ecosystem involving a wide range of stakeholders from site acquisition and design through construction and operation, making risk management increasingly important. These risks include operational downtime, contractual liabilities, and other exposures unique to data center operations.

The Tokio Marine Group combines the expertise cultivated through its insurance business with the infrastructure and disaster prevention expertise of ID&E Group, Japan's No.1 construction consulting group, which joined the Group in 2025. By bringing these capabilities together, we support our customers' decision-making and risk management throughout the entire lifecycle of a data center, from the planning stage through operation.

To further expand the value we provide, we will bring in new expertise through business alliances and M&A. In doing so, we will evolve into a "Solution Partner" that delivers insurance and solutions in an integrated manner. Our aspiration is to continue supporting customers and society across every stage: before, during, and after accidents and disasters.

Benefits of the "Insurance + Solutions" model

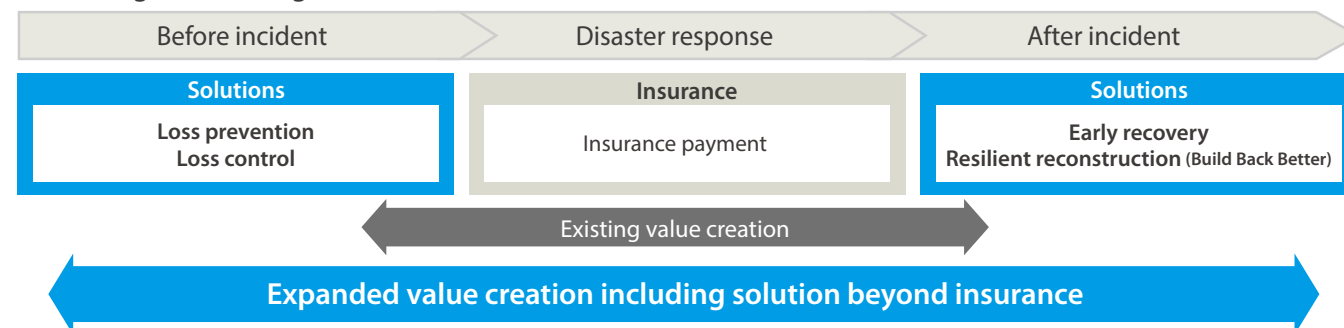
For customers, this means receiving seamless support not only through financial protection when accidents or disasters occur, but also across the entire spectrum from loss prevention and mitigation to recovery and reconstruction. Preventing accidents and reducing losses not only contribute to business continuity and the preservation and enhancement of corporate value, but

also improve the loss ratios of customers' insurance policies. This supports the stable provision of insurance coverage at lower premium levels.

For Tokio Marine, the solution business does more than create new revenue opportunities. By engaging more deeply with customers' risks and management challenges, we can build even stronger relationships with our existing customers. Being recognized as a trusted partner that works alongside customers to address challenges before accidents occur will also contribute to higher policy renewal rates and acquisition of new business. In addition, the solution business is a capital-light business that primarily generates fee-based revenue through consulting and other services. Growing this business into a core earnings pillar will also contribute to the Group's earnings growth and to improved ROE.

We will continue to expand our solution capabilities through business alliances and M&A, further evolving the value we provide through "Insurance + Solutions." We will grow the solution business tenfold, from its current profit level of approximately 10 billion yen to approximately 100 billion yen by 2035, making it a key growth driver supporting the achievement of the targets set out in Aspiration 2035: adjusted net income of at least 1.7 trillion yen and adjusted ROE of at least 17%.

►Delivering value through "Insurance + Solutions"



The Partnership with Berkshire Hathaway Group

A strategic catalyst for Aspiration 2035

In March 2026, we announced a comprehensive strategic partnership with Berkshire Hathaway (BH). The partnership is built on three pillars: (1) a strategic equity investment in TMHD, (2) collaboration in reinsurance, and (3) strategic collaboration in M&A and global investment opportunities. The relationship between our two companies has been built over many years, beginning with reinsurance transactions. Exchanges between senior management have continued across five generations of Tokio Marine leadership, with ongoing discussions over the years about potential areas of collaboration.

Through this longstanding relationship, we have come to share many core values, including a long-term management philosophy, disciplined capital allocation and underwriting, a strong financial foundation, and management model that respects the autonomy of individual Group companies. This mutual trust and alignment of values form the foundation of the partnership.

① Strategic equity investment in TMHD

BH's investment goes beyond simply adding a stable long-term shareholder. Welcoming one of the world's leading long-term investors, with its strong focus on fundamental value creation, as a shareholder has brought greater discipline and a healthy sense of tension to our management. At the same time, our three business areas, domestic insurance, international insurance, and newly established solution business, are each entering an important stage in their evolution. Against this backdrop, BH's long-term commitment as a shareholder has strengthened our conviction in the direction we are pursuing, while also instilling a strong sense of confidence and pride among our employees.

② Collaboration in reinsurance

Through Whole Account Quota Share (WAQS) reinsurance*, BH will assume a portion of the Tokio Marine Group's insurance underwriting portfolio. By securing long-term

and stable reinsurance capacity from BH, with one of the world's strongest credit profiles we will further strengthen the foundation for our risk-taking. Leveraging this enhanced capacity, we will pursue strategic growth investments and expand underwriting in emerging risk areas, driving further earnings growth.

③ Strategic collaboration in M&A and global investment opportunities

This partnership has significantly broadened our M&A options, enabling us not only to consider larger transactions but also to pursue multiple investment opportunities simultaneously. We have consistently welcomed high-quality companies into the Group based on disciplined acquisition principles. While this partnership expands the range of opportunities available to us, our fundamental commitment to disciplined investment decisions remains unchanged.

The key factor behind our decision to enter into this partnership was that its three pillars together form an integrated package that supports our long-term value creation. What we found particularly attractive was BH's commitment over a 10-year horizon. By gaining a stable shareholder, long-term and stable reinsurance capacity, and greater optionality for future M&A and capital management, we have significantly enhanced our strategic flexibility.

We cannot fully know all the factors that led BH to enter into this partnership or the considerations behind its decision. However, we view its 10-year commitment as a reflection of its confidence in, and expectations for, the quality of our insurance underwriting portfolio, our M&A execution capabilities, and our future value creation built on those strengths.

What matters now is translating the expanded range of options provided by this partnership into tangible value creation. Which growth opportunities should we pursue to realize Aspiration 2035? The ownership and accountability for making those choices and executing them rest with us. While the partnership provides a 10-year framework, the most important period will be the first five years, during which the collaboration is exclusive. We do not have much time remaining. We will continue to make disciplined management decisions with a healthy sense of constructive tension.

Aspiration 2035 is something we aim to realize through our own capabilities, regardless of our partnership with BH. At the same time, this partnership serves as a strategic catalyst that can accelerate and enhance the achievement of Aspiration 2035. By making full use of this partnership as a strategic management resource, we will accelerate our progress toward the future envisioned in Aspiration 2035.

*: Whole Account Quota Share (WAQS) reinsurance is a form of proportional reinsurance under which a predetermined percentage of premiums, claims, loss adjustment expenses, and other amounts attributable to an entire predefined portfolio is ceded to a reinsurer.

▶Three key elements of the strategic partnership

Strategic equity investment
in TMHD

Reinsurance collaboration

M&A and global investment

Reduction of earnings volatility in the insurance underwriting portfolio
Strategically deploying long-term, stable capacity to growth areas
Significant broadening of M&A options and opportunities

Financial and Non-Financial Targets

The Group We Aspire to Be (Long-term vision)

A Global Insurance Group That Delivers Sustainable Growth by Providing Safety and Security to Customers Worldwide

Aspiration
2035

As a global Group shaped by our Japanese origins and strengthened by our international expansion, we are there for our customers and society, protecting them at all times, committed to realizing a future of safety, security and happiness.

	Achieve top-tier EPS growth	Raise ROE to the level of global peers	DPS growth consistent with EPS growth	
Plan for FY2026 (Current MTP)	CAGR of +16% or more	CAGR of +15% or more	20% or more	Maintain a dividend payout ratio of 50% as a general principle
(excl. capital gains from sale of business-related equities)	(+8% or more)	(+7% or more)	(14% or more)	Share repurchases are expected to boost EPS growth by 1–2%
FY2026 Projections	573 yen CAGR+18.3%	1,060 billion yen CAGR+15.6%	18.8%	50%
(same as above)	(427 yen) (CAGR+12.3%)	(790 billion yen) (CAGR+9.8%)	(14.0%)	400 billion yen (announced May 2026)
FY2025 Results	545 yen CAGR+25.4%	1,035.6 billion yen CAGR+22.9%	19.0%	50%
(same as above)	(334 yen)	(635.6 billion yen)	(11.7%)	240 billion yen
FY2024 Results	549 yen	1,069 trillion yen	19.8%	50%
(same as above)	(349 yen)	(679 billion yen)	(12.6%)	220 billion yen
FY2023 Results	346 yen	685.5 billion yen	15.0%	50%
(same as above)	(301 yen)	(596.5 billion yen)	(13.0%)	120 billion yen
Financial KPIs	Adjusted EPS*1	Adjusted net income*1	Adjusted ROE*1	Dividend payout ratio*1
				Capital level adjustment (share buybacks)

*1: Based on normalized profit under JGAAP (previous definition)

Future

2035

2026

2023

The Society We Aim to Create

A Sustainable Society in Which Everyone Can Live in Safety and Security and Take on Any Challenge

Offer pre- and post-incident peace of mind, rather than staying just as a payer of insurance claims (Realize "Build Back Better")	FY2050 Net zero (including insurance customers and investment and financing recipients)	Development and provision of new healthcare services that contribute to well-being
	FY2030 -60%*2 (compared with FY2015)	FY2030 Decarbonization-related insurance premiums*3 100 billion yen
Expansion of the solution lineup toward the realization of comprehensive disaster prevention and mitigation solution business	Engage 200 high-emitting customers, including in-depth engagement with 160*4	Build an ecosystem that improves health starting with health check
	Expansion of GX-related underwriting	Plan for FY2026
Provide customers with disaster prevention and mitigation solutions by leveraging the Group's combined capabilities, including ID&E	-60%*2 (compared with FY2015)	Decarbonization-related insurance premiums*3 55.5 billion yen
		Launch of HeIDI, a health management support platform for companies and organizations
Acquisition of ID&E Holdings (May 2025)	-53%*2 (compared with FY2015)	Renamed to Tokio Marine Healthcare and officially launched the healthcare business
		FY2025 Results
Established Tokio Marine Resilience (November 2023)	-43%*2 (compared with FY2015)	Established a preparatory company in anticipation of business in the preventive care and early intervention domain (April 2023)
		FY2024 Results
Acceleration of development and provision of disaster prevention and mitigation solutions Improve Disaster Resilience	Reduction of greenhouse gas emissions Take Climate Action	Expansion of healthcare-related products and services Support Healthy and Fulfilling Lives
		FY2023 Results
		Major Non-Financial KPIs

*2: Based on our business activities (Scope 1 + 2 + 3 (Categories 1, 3, 5, and 6)), FY2025 is based on preliminary figures.

*3: Insurance products that directly contribute to a decarbonized society.

*4: Goals for Tokio Marine Nichido (2030)



Climate & Nature

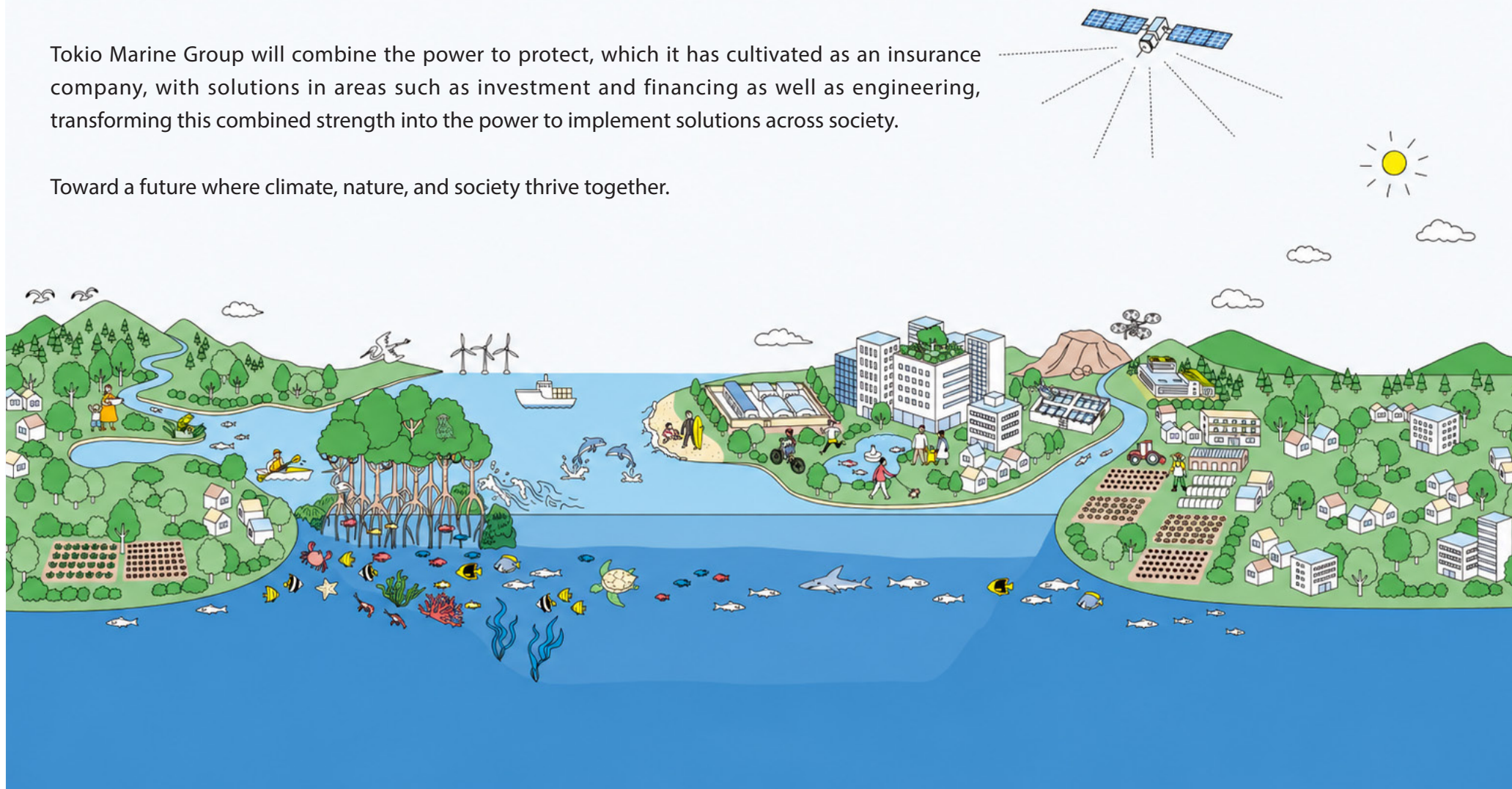
Tokio Marine Group's Climate & Nature Nexus

Nature has value in its own right – value that must be protected.

Yet protection alone cannot address climate change, biodiversity loss or the challenges local communities face.

Tokio Marine Group will combine the power to protect, which it has cultivated as an insurance company, with solutions in areas such as investment and financing as well as engineering, transforming this combined strength into the power to implement solutions across society.

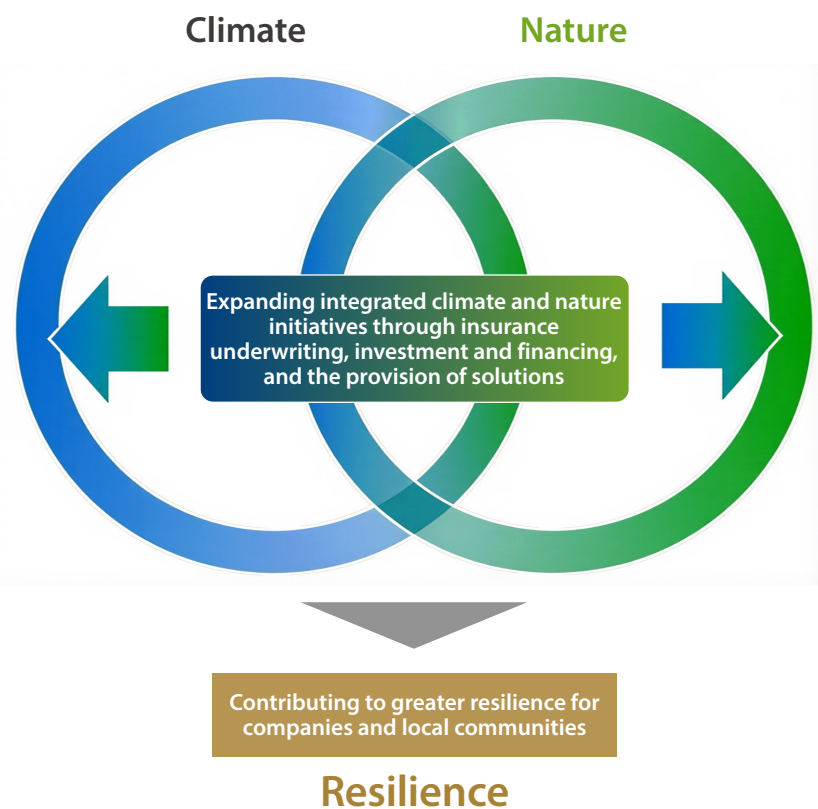
Toward a future where climate, nature, and society thrive together.



Note : This illustration is based on Tokio Marine Group's panel displayed at the Global Nature Positive Summit 2026 held in Kumamoto Prefecture in 2026.

Tokio Marine Group's Contribution to a Decarbonized Society and a Society in Harmony with Nature

The climate and nature underpin people's lives and economic activity. By taking a holistic approach to climate change and nature-related challenges, Tokio Marine Group aims to contribute to the enhancement of society's overall resilience and realize a society with abundant nature and a sense of security that will sustain us into the future.



The Nexus between Climate Change and Nature-related Challenges, and Resilience

Climate change and nature-related challenges are closely interconnected and inseparable, with significant impacts for the resilience of companies and local communities. The intensification

of natural disasters due to climate change causes severe damage to social infrastructure and natural capital. At the same time, the degradation of forests, wetlands and coastal ecosystems further amplifies the impacts of climate change by weakening their capacity to absorb carbon and help prevent and mitigate disasters. It is therefore more important than ever to understand the nexus between climate change and nature-related issues and start appropriate initiatives.

As a good corporate citizen, Tokio Marine Group has been addressing these challenges for many years. Examples include the Mangrove Planting Project and Green Gift Project carried out by Tokio Marine & Nichido and the PHLY 80K Trees Initiative, a planting project launched by Philadelphia Insurance Companies (PHLY) in the United States. Mangrove trees, in particular, have an exceptional ability to absorb and store carbon. They serve as a natural breakwater and protect communities and infrastructure in coastal areas, while also playing a crucial role in preserving biodiversity by purifying water and stabilizing soil. In addition, we are developing and providing solutions designed to reduce damage caused by natural disasters.

In addition to these initiatives, Tokio Marine Group believes it has considerable scope to contribute through its core businesses of insurance underwriting, investment and financing, and the provision of solutions. Going a step beyond conventional insurance claims payments, we are working to expand the value we provide through solutions both before and after insured events, including disaster prevention and mitigation, early recovery and measures to prevent recurrence. We believe these efforts will enhance the resilience of society as a whole and, help ensure appropriate claims payments and ultimately contribute to lower insurance premiums for customers. In our capacity as an institutional investor, we also recognize the importance of supporting the transition to a decarbonized society in harmony with nature through sustainability-themed investments and financing—such as green bonds and transition bonds—and investments and financing in renewable energy funds, forestry funds and similar funds.

This report describes how the Group is promoting initiatives through its three functions—insurance underwriting, investment and financing and the provision of solutions—to help strengthen the resilience of companies and local communities and support the transition to a decarbonized society and a society in harmony with nature. It also presents a range of other initiatives, including engagement designed to enhance the effectiveness of transition support and our corporate citizenship activities.

We will deepen dialogue and collaboration with our stakeholders through this report, work to address climate change and nature-related challenges and actively assist the transition to a sustainable society.

Key Initiatives for Climate Change and Nature-related Challenges

- Common initiatives
- Initiatives primarily focused on climate change
- Initiatives primarily focused on nature-related challenges

- 1999 ○ Launch the Mangrove Planting Project
- 2007 ○ Announce the Mangrove Planting 100-Year Declaration
- 2009 ○ Launch the Green Gift Project, **Forest for the Future**, and Green Lessons
- 2012 ○ Launch the Disaster Prevention Lessons
- 2013 ○ **Achieve the carbon neutral status (for 11 consecutive years since then)**
- 2015 ○ **Tokio Marine employees participate in TCFD**
Launch the 80K Trees project
- 2016 ○ **Announce the economic value of the ecosystem services provided through the Mangrove Planting Project**
- 2017 ○ **Contribute to the publication of TCFD recommendations; Start to disclose climate-related information based on TCFD recommendations**
- 2019 ○ Announce the Mangrove-based Value Co-creation 100-Year Declaration
Contribute to the establishment of the TCFD Consortium
- 2020 ○ **Announce the Basic Approach to Climate Change (revise every year since then)**
- 2021 ○ Establish the Sustainability Committee
- 2022 ○ **Participate in the GX League**
Join the TNFD Forum
Participate in the 30 by 30 Alliance for Biodiversity established by Japan's Ministry of the Environment
Launch the activity to protect and restore eelgrass bed
- 2023 ○ **Sign TNFD Early Adopters**
- 2024 ○ **Start to disclose nature-related information based on TNFD recommendations**
Revise the Tokio Marine Group Basic Policy on Environment
- 2025 ○ ID&E Holdings joins Tokio Marine Group
Tokio Marine & Nichido's Forest for the Future (Higashiyama Forest Park, Aki City, Kochi Prefecture) certified as a Nature Coexistence Site by Japan's Ministry of the Environment
Issue the Climate & Nature Report
- 2026 ○ **Participate in the Global Nature Positive Summit as a Platinum Partner**

Corporate Philosophy and Sustainability Charter

As its [Corporate Philosophy](#) states, Tokio Marine Group continually strives to raise corporate value with customer trust as the foundation for all its activities. We have also established the Sustainability Charter, under which we are committed to fulfilling our corporate social responsibility (CSR) by implementing our Corporate Philosophy to achieve sustainable growth with society in line with the following six principles: providing products and services; respect for human dignity; protection of the global environment; contribution to local communities and societies; compliance; and communication. Solving nature-related challenges thus represents the actual application of our Corporate Philosophy.

In 2021, we formulated a range of policies: the [Tokio Marine Group Basic Policy on the Environment](#) to protect the global environment and create environmental value through business activities as a Group; the [Tokio Marine Group Basic Policy on Human Rights](#) that advocates respect for the human rights of all people; and the [Tokio Marine Group Policy to Address Environmental and Social Risks](#) for our insurance underwriting and investment and financing. In March 2023, we established the [Tokio Marine Group Responsible Procurement Guidelines](#) as we work closely with our business partners in the value chain on climate action, disaster resilience, reducing environmental impacts, the effective utilization of resources and preserving natural capital and biodiversity.

Materiality and Conservation of Natural Capital and Biodiversity

Based on the strong belief that it is our duty to pass on a bright future to the next generation, we have positioned future generations as a stakeholder. In 2021, we clarified eight material issues (materiality) that we must address based on the value we provide to each type of stakeholder and the societal challenges that affect our insurance business. We determined these material issues by seeking advice from stakeholders such as customers, investors, business partners, corporate citizenship organizations and employees, as well as specialists and outside experts while referencing principal frameworks related to domestic and international societal challenges such as the SDGs, ISO 26000 and New Industry Vision.

Among the eight material issues, “taking climate action,” “protecting the natural environment” and “improving disaster resilience” are directly linked to climate change mitigation and adaptation and to conserving natural capital and biodiversity.

Tokio Marine Group is working to resolve societal challenges in these material issues through all business activities.

Governance



Governance

Organizational Structure for Promoting Sustainability

Various initiatives related to climate change and nature-related challenges are discussed at a meeting of the Board of Directors after the discussion at the Sustainability Committee and Management Meeting. In our governance structure, each relevant execution body voluntarily promotes initiatives under the supervision of the Board of Directors. Key related bodies and their roles are as follows.

Supervisory and Execution Structure

[Board of Directors]

The Board of Directors recognizes responding to climate change and nature-related challenges as a material management issue and assumes the role of supervising our sustainability strategy and initiatives. The Board deliberates on our sustainability policies including climate change and nature-related challenges, as well as evaluates and determines mid-term and single-year plans. The Board receives reports from the Sustainability Committee every quarter in principle to monitor sustainability initiatives and provides instructions as necessary. In addition, the Board of Directors holds deliberation on corporate strategy on the themes of the management environment and management issues, including climate change and nature-related challenges, to fully utilize the knowledge of outside directors and outside Audit & Supervisory Board members.

[Corporate Governance, Integrated Annual Report 2026](#)

In fiscal 2025, the Board met four times to deliberate on and receive reports about our sustainability initiatives including climate action.

[Group Chief Sustainability Officer (CSUO)]

To accelerate the promotion of sustainability management, including climate change and nature-related challenges, across the entire Group, the CSUO oversees the promotion and permeation of the sustainability strategy, presents related policies to the Board of Directors and the Management Meeting for discussion and takes the role of reporting the progress to these bodies.

[Sustainability Committee]

Chaired by the CSUO and comprising such members as chief officers, including the CEO, CFO and CRO, and management of overseas Group companies, the Sustainability Committee was established in April 2021 to deliberate on details of our sustainability initiatives and policies on a global basis and monitor the progress of each initiative. The committee met four times in fiscal 2025 to promote and engage in the sustainability management, formulate mid- to long-term targets (KPIs) related to sustainability, formulate and review annual plans and deliberate on other items. The committee is also responsible for risk management for the entire Group, including climate change and nature-related risks, based on enterprise risk management (ERM) through discussions at the ERM Committee.

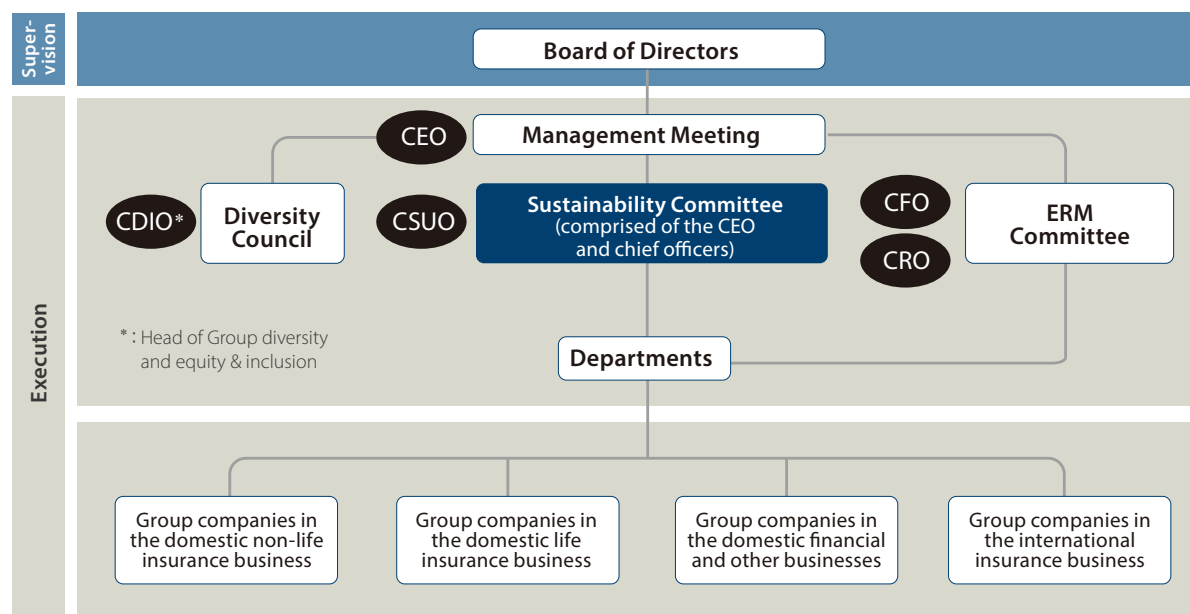
Date	Deliberated items
Apr. 2025	Review of the Group's sustainability-related initiatives in fiscal 2024 and formulation of the annual sustainability plan for fiscal 2025
Aug. 2025	Progress report on initiatives in fiscal 2025
Nov. 2025	Activities of the Group's annual sustainability plan for fiscal 2025 (first half)
Feb. 2026	Review of the initiatives in fiscal 2025 and direction of the annual sustainability plan for fiscal 2026

[Division Dedicated to Promoting Sustainability]

The Sustainability Division of the Corporate Planning Department is a division dedicated to the promotion of the Group's sustainability initiatives, including climate change and nature-related challenges. This division is responsible for operating the Sustainability Committee and discussing how to promote sustainability initiatives with working groups and task forces in which relevant departments participate, including the Risk Management Department. The division shares matters discussed with Group companies through departments and organizes educational and support activities to encourage the globally consistent implementation of sustainability initiatives across the Group.



►Tokio Marine Holdings' Organizational Structure for Promoting Sustainability



Compensation for Directors and Executive Officers

From fiscal 2022, we have incorporated non-financial indicators concerning priority issues of our sustainability strategy, including climate action, into the performance-linked compensation for Directors and Executive Officers. We use the progress toward our vision as an indicator, and after the first assessment at the Sustainability Committee, deliberation and final decision is made at the Compensation Committee.

Stakeholder Engagement Policies

Recognizing that protecting the environment and creating environmental value are important responsibilities for future generations, Tokio Marine Group has formulated the Basic Policy on Environment, which demonstrates our commitment to realizing a safe, secure and sustainable society through every aspect of our corporate activities. Accordingly, based on dialogue, cooperation and collaboration with various stakeholders, we are working to take climate action, conserve natural capital and biodiversity, sustainably improve the environment, prevent, and reduce pollution. We have also formulated the Basic Policy on Human Rights to promote respect for human rights throughout our business activities, including our entire value chain, as respect for human

rights of all people is the foundation for implementing our Corporate Philosophy.

In addition to our Basic Policy on Environment and Basic Policy on Human Rights, we have formulated the Policy to Address Environmental and Social Risks to identify risks that have a negative impact on the environment and society. This policy also stipulates that we undertake transactions with external partners based on factors such as their consideration of the environment and society.

These policies are presented on our corporate website and in our Sustainability Report and we also distribute a summary of key points of our approach to Group employees as an effort to ingrain these policies throughout the Group.

Strategies



Strategies

1 Overview of Strategies

Tokio Marine Holdings identified “taking climate action,” “protecting the natural environment” and “improving disaster resilience” as materialities and believes that climate change and nature-related issues should be a strategic theme in enhancing corporate value. There are many similarities between our two initiatives, namely achieving net zero emissions by 2050 and becoming nature positive, the aim of which is to protect and restore biodiversity. As such, we are executing transition plans to achieve the targets, including interim targets, by taking an integrated approach that also considers synergies and trade-offs.

Tokio Marine Group has identified the risks and opportunities associated with climate change and nature-related issues and analyzed their impacts on its business. In terms of climate change, we have performed an analysis of its impacts, including scenario analysis, on claims payments, asset management and business continuity. The results indicate that the Group can respond flexibly and be resilient to these impacts although natural disasters continue to intensify. We believe that initiatives to improve disaster resilience will help reduce claims payments and ultimately lead to lower insurance premiums for customers. In terms of nature-related issues, we adopted the LEAP approach*¹ to visualize the dependencies and impacts on nature in our business and across our portfolio and identified material sectors we need to prioritize. We will contribute to creating a society that is in harmony with nature through engagement such as dialogue with customers primarily in these material sectors.

Based on these analyses, we provide value to our customers and society through three functions: insurance underwriting, investment and financing, and the provision of solutions. We are committed to addressing societal challenges by contributing to society’s sustainable development through insurance underwriting, improving disaster resilience and taking climate action through investment and financing, and providing solutions to a variety of challenges.

◆ Significant changes from fiscal 2025

• New target for decarbonization-related insurance premiums (p. 34)

We have defined “decarbonization-related insurance” as insurance that directly contributes to the establishment of a decarbonized society, setting a target of 45 billion yen in insurance premiums by 2026. As of the end of fiscal 2025, we have reached 55.5 billion yen, surpassing our target. This was largely due to the Tokio Marine GX project, which was launched in 2025 and focuses on underwriting insurance for renewable and clean energy. Accordingly, we have established a new interim target of reaching 100.0 billion yen by 2030.

• Enhancement of our TNFD analysis (p. 45)

We have expanded the scope of our analysis using the ENCORE*² analysis tool from Tokio Marine & Nichido’s insurance underwriting and investment and financing portfolios to include major domestic and international Group companies. At the same time, following ID&E Holdings’ integration into Tokio Marine Group, we are reviewing our material sectors. In the Industrials sector, the second most material sector after the Consumer Discretionary sector, we have conducted an in-depth analysis of the trading company sector, where our exposure is significant. Through this analysis, we have identified nature-related risks and opportunities and organized nature-related solutions.

• Articulating the value provided by Tokio Marine Group (p. 54)

In the 2025 report, we focused on initiatives led by various roles within the Group. For this year, we have shifted our focus to our functions and strengths. We present the value that we provide in the climate and nature area in an integrated way through insurance underwriting, investment and financing, the provision of solutions, and other functions.

• Using data to enhance engagement (p. 69)

We have started using data to objectively and continuously monitor customers’ progress during their transition, in addition to conducting customer engagement. This document provides an overview of this monitoring and its applications.

• Feature 1: Our contributions to the carbon credit market (p. 79)

We have started implementing multifaceted initiatives in anticipation of future carbon credits. These initiatives are detailed in the feature section.

• Feature 2: Participation in efforts to create a nature-positive economy in Gunma Prefecture (p. 82)

At Tokio Marine Group, Tokio Marine & Nichido, Tokio Marine Asset Management, and Nippon Koei are collaborating with Gunma Prefecture, research institutes, local businesses, and other stakeholders to promote a nature-positive economy focused on forest conservation. The feature section reports on integrated efforts ranging from the visualization of the value of forests to the creation of forest credits for the local implementation.

*1: Short for Locate, Evaluate, Assess and Prepare, LEAP is an integrated approach developed by the TNFD for assessing and managing nature-related issues.

*2: Short for Exploring Natural Capital Opportunities, Risks and Exposure, ENCORE is a tool to assess the potential dependencies and impacts of business activities on natural capital and biodiversity

2 Plan for the Transition to a Decarbonized Society in Harmony with Nature

Transition Plan

The Tokio Marine Group aims to achieve a net-zero society by 2050 and realize a society in harmony with nature and formulated a plan for transition encompassing interim targets for its major initiatives. In fiscal 2026, the Group reviewed the plan and set a new target of achieving 100.0 billion yen in decarbonization-related insurance premiums by 2030.

We will continue to implement a range of effective initiatives as outlined in the transition plan. These initiatives include the provision of insurance, investments, financing and solutions, as well as the promotion of engagement and social implementation. We are committed to contributing to the creation of a net-zero society in harmony with nature by 2050.

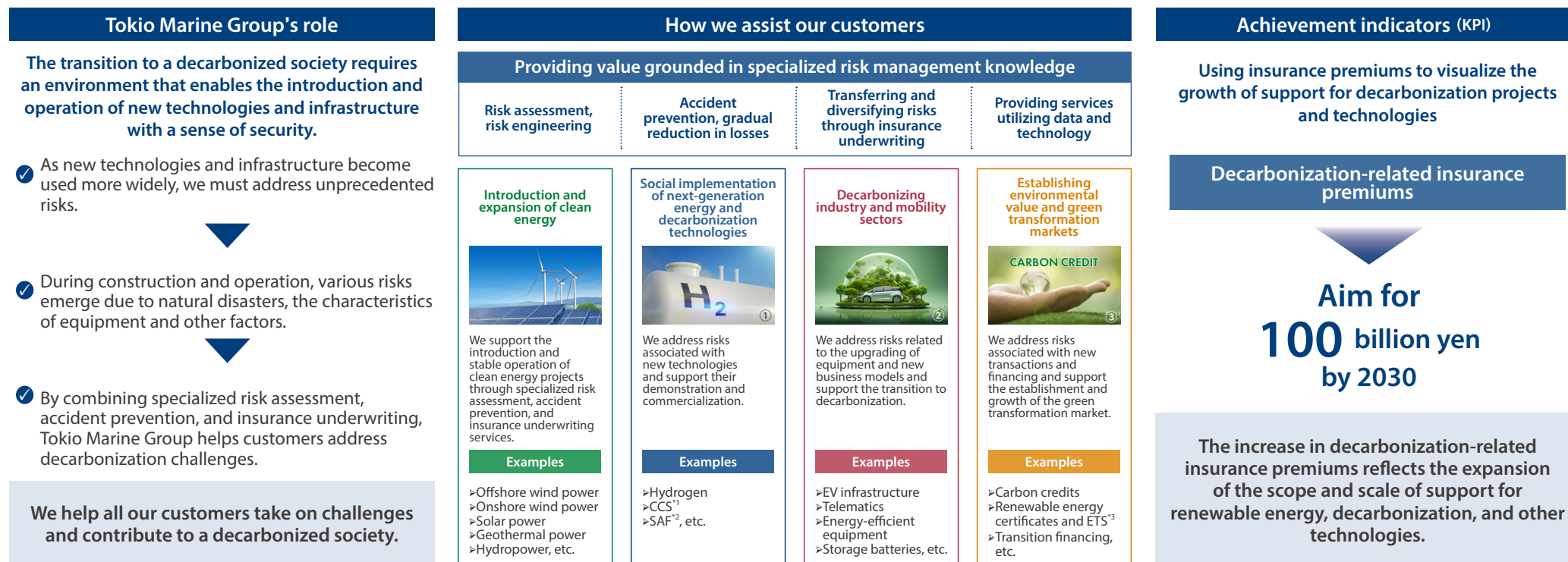
		2026	2030	2050
Provision of value in the climate & nature area	Functions that support the transition	Decarbonization-related insurance underwritten* ¹ 45 billion yen	Decarbonization-related insurance underwritten 100 billion yen	Achieve a decarbonized society (encompassing insurance underwriting and investment and financing)
		Continuing to invest in and finance climate change and natural capital initiatives		
		Providing a broader range of solutions		
	Foundation for increasing effectiveness	Engage in an in-depth dialogue about decarbonization with 200 large corporate customers* ² of Tokio Marine & Nichido ● Number of customers to whom we have prepared decarbonization proposals: 130 customers as of the end of fiscal 2025 ● Having identified Industrials * ³ , Consumer Discretionary * ⁴ , and Social Infrastructure Development Projects * ⁵ as material sectors related to natural capital, engage in dialogue with corporate customers in these sectors when offering insurance underwriting, investment, financing, and solutions	Engage in an in-depth dialogue with 200 large corporate customers and propose decarbonization initiatives to 160 of these companies	Contribute to realizing a society in harmony with nature
		● Use negative screening to refrain from providing insurance underwriting, investment, financing, and solutions to companies involved in the following: coal-fired power generation, thermal coal mining, oil and gas development in the Arctic, and oil sands	Hold dialogue and cease transactions with companies if they fail to have decarbonization plans by 2030	
		● Continue the ongoing mangrove planting project that began in 1999 in line with the Mangrove-based Value Co-creation 100-Year Declaration ● Joined the 30 by 30 Alliance for Biodiversity established by Japan's Ministry of the Environment and engage in initiatives for the certification of sites in harmony with nature: Tokio Marine & Nichido Forest for the Future (Higashiyama Forest Park in Aki City, Kochi Prefecture) and Nosoko seagrass beds (Ishigaki City, Okinawa Prefecture)	Conservation, creation, and registration of sites in harmony with nature that help achieve the 30 by 30 targets	
	Direct operations	● Direct operations: Reduce environmental impact by decreasing paper usage, replacing the current company vehicles with electric vehicles, and introducing renewable energy	Reduce GHG emissions from Tokio Marine Group by 60%* ⁶ (vs 2015)	

*1: Total premium income of insurances that directly contribute to the realization of a decarbonized society, such as insurance for renewable energy businesses, including offshore wind and solar power generation, as well as extended warranty for electric vehicles and storage batteries *2: Among prime-listed companies, the top 150 firms in revenue premiums for Tokio Marine & Nichido and the top 100 firms in GHG emissions were selected. *3: Trading Companies and Distributors, Industrial Machinery, Construction Machinery and Heavy Trucks, Air Freight and Logistics, Aerospace and Defense, etc. *4: Automobile Manufacturers, Auto Parts and Equipment, Household Appliances, etc. *5: The power business operated directly by ID&E Holdings, as well as public works, roads, railways, hydroelectric power generation systems, and agriculture businesses that ID&E Holdings is indirectly engaged in *6: Group-wide targets, including using 100% renewable energy and switching all company-owned vehicles to electric vehicles at major bases (Tokio Marine & Nichido, Tokio Marine & Nichido Life, and Nisshin Fire) by 2030

Tokio Marine Group's Role in Achieving a Decarbonized Society: A New 2030 Target for Decarbonization-Related Insurance Premiums

Tokio Marine Group considers climate change a crucial societal challenge and actively supports its customers in their decarbonization efforts through insurance underwriting, investment, financing and the provision of solutions. By leveraging our specialized risk management

expertise, we support transitions in areas such as renewable energy, next-generation energy, industry and mobility, and environmental value markets. We use decarbonization-related insurance premiums to visualize the results of these initiatives.



Examples (TMGX, Tokio Marine & Nichido)



Comprehensive support for the construction and operation of offshore wind power generation projects

- ✓ Analyzed risks at the construction and operation stages and proposed improvement measures to prevent accidents and gradually reduce losses.
- ✓ Facilitated the steady progress of the project by providing insurance underwriting based on risk engineering services.
- ✓ Paid insurance claims promptly when accidents occurred and offered support to prevent recurrence.

➔ **Contributed to the growth and stable operation of renewable and clean energy projects.**



*1: Carbon capture and storage (CCS) is the technology for sequestering and capturing CO₂ emissions from factories, power plants, and other sources and storing it in deep underground geological formations to reduce its release into the atmosphere.

*2: Sustainable aviation fuel (SAF) is aviation fuel made from waste cooking oil, biomass, and renewable energy-derived sources. The GHG emissions throughout the entire lifecycle of SAF are lower than conventional aviation fuel.

*3: The emissions trading system (ETS) is a system that establishes upper limits on GHG emissions for companies and other entities, allowing them to trade any surplus or deficit of emission allowances on the market to provide an economic incentive to reduce emissions.

photo ①credit: wirestock / source: Magnific ②credit: Magnific ③credit: jcomp / source: Magnific

3 Recognition of Risks and Opportunities

Recognition of Risks and Opportunities

Regarding strategy, recognizing inherent risks is essential.

Tokio Marine Group assumes an increase in climate change and nature-related risks and accordingly identifies and evaluates their impact on our business.

Climate change and nature-related risks include physical risks and transition risks. Physical risks arise from the increased intensity of natural disasters caused by climate change and the loss of nature, while transition risks result from the impacts of the transition to a decarbonized society in harmony with nature on the corporate value of companies that Tokio Marine Group invests in or finances as well as the value of the assets held by the Group.

We also recognize business opportunities arising from efforts to mitigate or adapt to climate change and coexist with nature. We are committed to contributing to transitioning to a decarbonized society in harmony with nature through the development and provision of insurance products and services.

The table on the upper right contains examples of physical and transition risk events as well as risks and opportunities in the Group's business activities.

The list on the lower right corner highlights important risks and opportunities related to climate change and nature. The Group has identified significant and emerging risks as part of its qualitative management of risks based on enterprise risk management (ERM). From among the identified risks, we have singled out those related to climate and nature. The Group has also identified opportunities that are deemed significant based on the demand arising from changes in energy sources and the need to improve resilience.

		Examples of events	Examples of risks to the Group's business activities	Time frame
Physical risks	Acute	- Potential for intensification of natural disasters - Occurrence and expansion of damage due to the reduction in soil water retention capacity and coastal erosion	- Drop in insurance profits (impact on claims payments, etc.) - Impact on business continuity caused by damage to buildings and other facilities at bases	Short term or longer
	Chronic	- Rising temperature - Other weather changes, such as droughts and heat waves - Rising sea levels - Impact on arthropod-borne infectious diseases		Medium to long term
Transition risks	Policies and regulations	- Increase in carbon prices - Strengthening of environment-related regulations and standards - Increase in climate-related legislation	- Decrease in the corporate value of investment and financing recipients and the value of the assets held by Tokio Marine Group due to higher carbon prices - Impact on liability insurance payments	Medium to long term
	Technology	Progress in technological innovation toward the transition to a decarbonized society and a society in harmony with nature	Decrease in the corporate value of investment and financing recipients whose efforts for the transition to a decarbonized society and a society in harmony with nature are insufficient and in the value of the assets held by Tokio Marine Group	Medium to long term
	Markets	Changes in the demand for and supply of products and services	Decline in revenue due to technological innovation and inability to ascertain changes in customer needs	Short term or longer
	Reputation	Changing customer and public awareness of initiatives for transitioning to a decarbonized society and a society in harmony with nature	Reputational damage due to Tokio Marine Group's efforts being deemed inappropriate	Short term or longer
Opportunities	Resource efficiency, energy sources, products and services, markets and resilience	Demand for products and services aligned with changes in energy sources and designed to increase resilience; changes in public awareness	- Dramatic increases in insurance needs related to renewable energy and nature-related projects - Increases in opportunities to gain insurance profits and for investment and financing on the back of companies' increasing insurance associated with the transition to a decarbonized society and a society in harmony with nature - Increases in disaster prevention and mitigation needs aimed at disaster resilience	Short term or longer

Note: Short term: less than 3 years, Medium term: 3-10 years, Long term: 10 years or more

	Examples of risks to the Group's business activities	Time frame
Physical risks	Major wind and flooding disasters and secondary perils Global warming, loss of natural capital and biodiversity	Short term to medium and long term
Transition risks	Inadequate response to decarbonization and a nature-compatible society	Medium to long term
Opportunities	Dramatic growth in insurance needs related to renewable energy and nature-related businesses	Medium to long term

Impacts of Climate Change and Nature-Related Risks and Opportunities on Tokio Marine Group's Business Model and Value Chain

Climate change and nature-related risks and opportunities influence Tokio Marine Group's business model and value chain in various ways, and these impacts may increase over time. How these risks and opportunities affect the Group now and in the future, and the areas of operations

where climate change and nature-related risks and opportunities are most concentrated within the Group's business model and value chain are detailed below.

Significant risks and opportunities within Tokio Marine Group	Current impact on the business model and value chain	Future impact on the business model and value chain	Area where risks or opportunities are concentrated
Major wind and flooding disasters and secondary perils	- Major typhoons or torrential rains as well as secondary perils, including hail, forest fires, and flooding, may reduce net insurance underwriting income due to high claims payments. - These events may cause significant material damage to Tokio Marine Group, including in its value chain, and may delay or suspend certain operations.	If climate change exacerbates the situation described on the left, leading to a decline in net insurance underwriting income and increased operational impact (including higher costs due to additional measures), it could significantly affect Tokio Marine Group's business model and value chain.	- Japan, North America - Property insurance, including fire insurance
Global warming, loss of natural capital and biodiversity	Although these risks are currently materializing or are likely to do so, we recognize them as emerging risks in our qualitative risk management activities.	- Environmental degradation may increase natural disasters and reduce insurance income. - If disasters become more severe and frequent, socio-economically causing substantial damage, it could adversely affect Tokio Marine Group's business model, including its supply chain.	- Japan - Property insurance, including fire insurance
Inadequate response to decarbonization and a nature-compatible society	Same as above	- Inappropriate management of assets, insurance underwriting, or other actions by Tokio Marine Group may be considered as adversely affecting the transition to a sustainable society, potentially harming the Group's reputation. - Some industries or companies may not appropriately take actions toward a sustainable society or facilitate the transition, potentially impairing their value, consequently declining the value of the Group's assets as well.	Insurance underwriting in sectors that emit significant quantities of GHGs or investments and financing in these sectors
Dramatic growth in insurance needs related to renewable energy and nature-related businesses	As the demand for renewable energy grows, the need for insurance is also increasing as project finance arrangements that support the construction of power generation facilities are imperative. Tokio Marine Group provides decarbonization-related insurance products that directly contribute to realizing a decarbonized society, such as insurance for renewable energy operators including offshore wind and solar power generation projects, as well as insurance for electric vehicles and storage batteries.	It is expected that significant capital investments will be made around the world to achieve carbon neutrality and transition to a decarbonized society, increasing demand for insurance. Expanding existing insurance products and developing new offerings could positively impact Tokio Marine Group's business.	Insurance underwriting in sectors that emit significant quantities of GHGs

4 Climate Change Analysis

Tokio Marine Group performs scenario analyses of physical and transition risks to assess the impact of climate change on claims payments, the value of companies the Group invests in or finances, and the value of assets the Group owns.

These analyses have identified certain impacts on risks in all scenarios. However, given

that most non-life insurance policies are relatively short-term, that the Group’s assets under management primarily consist of highly liquid financial assets, and that the Group is working to divest all cross-shareholdings, we believe we are well-positioned to respond flexibly to these impacts.

Impact on Claims Payments

The Group takes part in the United Nations Environment Programme Finance Initiative (UNEP FI). Using analysis and assessment tools developed by UNEP FI’s climate change impact assessment project, we have created the following assessment of the impact of changes in the intensity (wind speed) and number of tropical cyclones on the change in our insurance claims paid under the IPCC’s Representative Concentration Pathway (RCP) 8.5 scenario forecast as of 2050.

► **Changes in claims payments in 2050**

	Intensity (wind speed)	Number of formations
Japan (typhoons)	+5% to +53%	-30% to +28%
United States (hurricanes)	0% to +37%	-36% to +30%

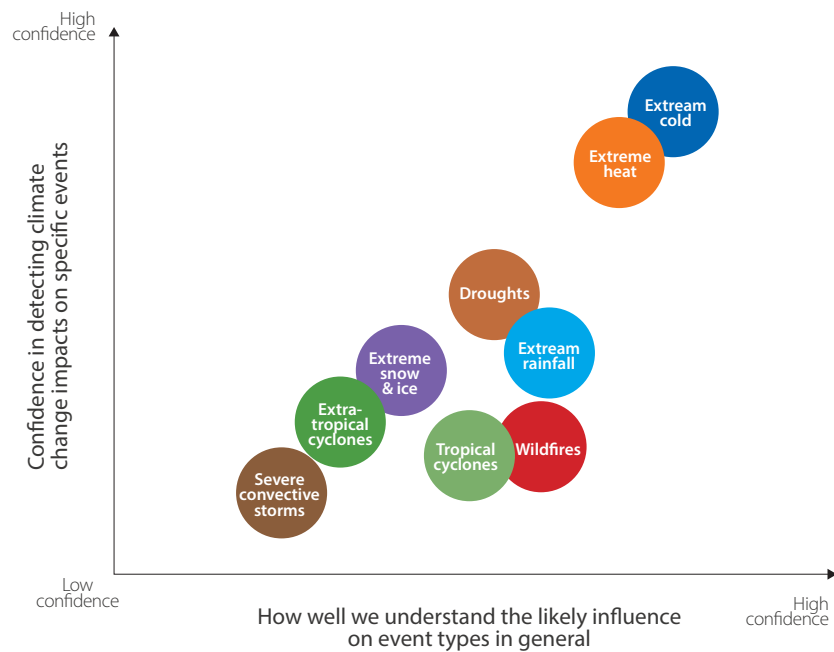
Note: The figures above reflect economic losses, assuming the same impact on claims payments.

The Tokio Marine Research Institute, a Group company, began conducting research in 2007 to evaluate and calculate the impact on insurance loss of changes in wind disaster risk associated with typhoons under future climate conditions (impact under the IPCC’s RCP4.5 and RCP8.5 scenarios) and changes in flood risk due to increased rainfall (impact resulting from temperature increases of 2° C and 4° C). Referring to the results of this scenario analysis, we assess the impact on our insurance claims paid of natural disasters resulting from increasingly severe climate change.

Future projections of climate change scenarios (+2° C, +4° C, etc.) are subject to uncertainties, as described later. In assessing the impact of climate change, it is also important to evaluate not only weather phenomena but also the disaster resilience of society to disasters as well as the extent to which real estate and personal properties will be concentrated in areas exposed to natural disaster risk in the future and the extent to which their asset values will increase (in other words, the extent to which asset concentration will change). The basis for these projections and assessments is indicated in the following pages.

(1) Changes in Weather Events

How a weather event will change due to the impact of climate change and the level of confidence of such an impact forecast will vary depending on the type of weather event. Figure 1 shows the certainty of climate change impact projections by weather event type. As seen in the figure, the level of confidence of impact projections for extreme rainfall (heavy rains) is higher than that for tropical cyclones, such as typhoons and hurricanes, but the impact on extreme rainfall (heavy rains) involves greater uncertainty compared to such temperature variations as extreme heat (heat wave) or extreme cold (cold wave). Confidence in the impact of climate change on wildfire has substantially increased in recent scientific literature.



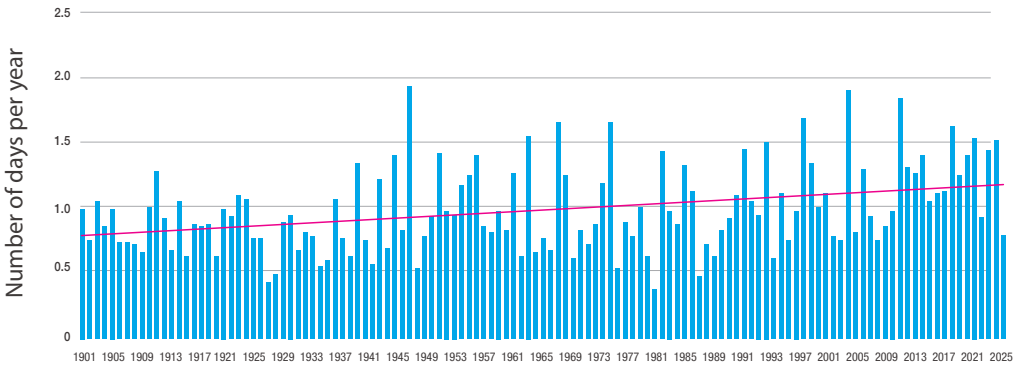
► Figure 1: Confidence of impact forecasts of climate change

Source: Tokio Marine Holdings based on material prepared by the U.S. National Oceanic and Atmospheric Administration (2023)

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

(1)-a Impact of Climate Change on Heavy Rains

The frequency and intensity of heavy rains have increased in many regions due to climate change. In Japan, the frequency of heavy rains has been on the rise since 1900 (Figure 2). The IPCC Sixth Assessment Report states that the intensity (precipitation) of heavy rains will increase by approximately 7% for every 1°C temperature rise. It has also been reported that climate change is likely to increase flood risk significantly, particularly in flood-prone regions.



► Figure 2: Days per year with daily precipitation of 100 mm or more

Source: Tokio Marine Holdings based on materials from the Japan Meteorological Agency (website)

(1)-b Impact of Climate Change on Tropical Cyclones

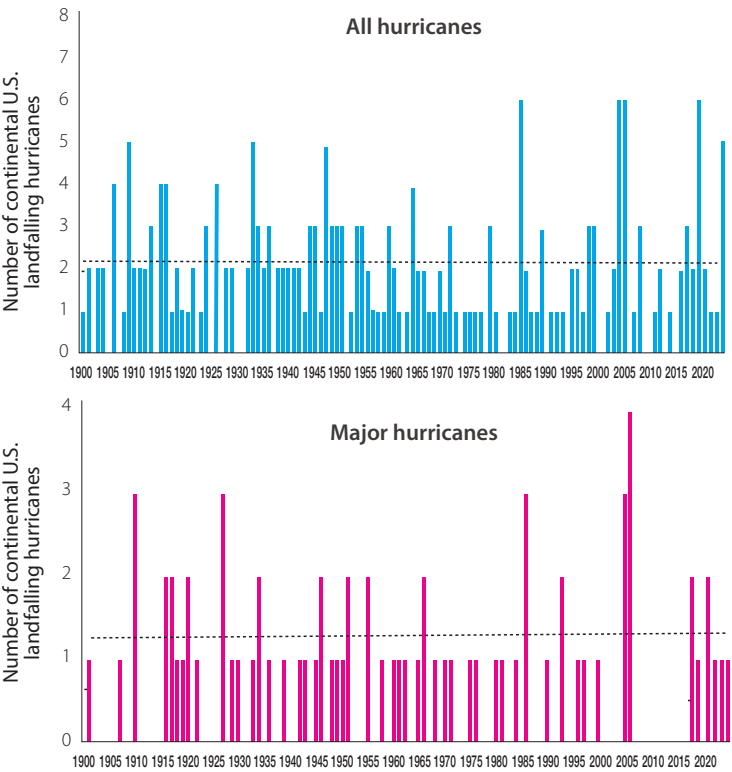
Atmospheric and oceanic large-scale circulations (e.g., El Niño, Atlantic Multidecadal Oscillation and monsoons) are closely related to the formation, development and movement of tropical cyclones. As climate change affects each of these factors, the impact of climate change on tropical cyclones consequently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

First, looking at past trends, the IPCC Sixth Assessment Report reported an increase in the number of intense typhoons in Japan. However, the confidence level is not yet high, and longer-term, higher-quality observations will be needed to monitor changes in long-term trends (Japan Meteorological Agency).

As for hurricanes making landfall in the United States, even though the ratio of major hurricanes (category 3 or higher) has risen over the past 40 years, a longer-term survey covering the period from 1900 revealed that there is no discernible trend both in the number of total hurricanes and that of major hurricanes (IPCC Sixth Assessment Report).

► Figure 3: Number of hurricanes making landfall in the United States

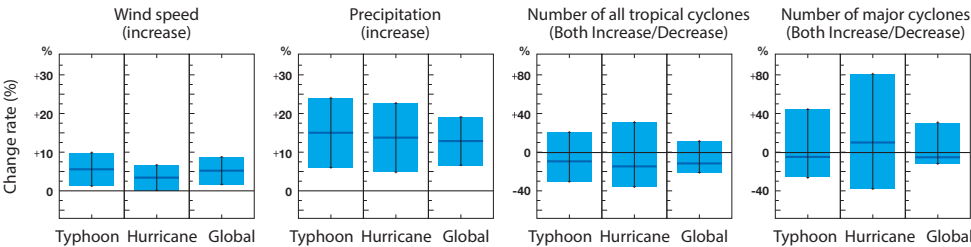
Source: Tokio Marine Holdings based on data from the U.S. National Oceanic and Atmospheric Administration (NOAA)*



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

► Figure 4: Changes in tropical cyclones due to a temperature change of +2°C

Source: Tokio Marine Holdings based on Knutson et al., 2020*



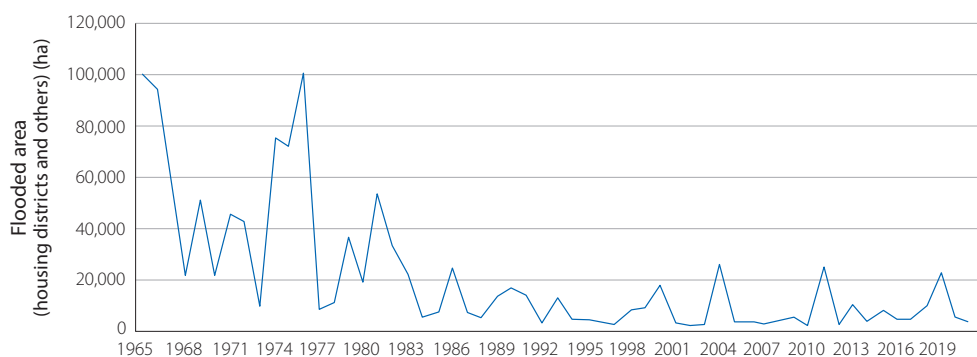
*: Thomas Knutson, Suzana J. Camargo, Johnny C. L. Chan, Kerry Emanuel, Chang-Hoi Ho, James Kossin, Mrutyunjay Mohapatra, Masaki Satoh, Masato Sugi, Kevin Walsh, and Liguang Wu, 2020: Tropical cyclones and climate change assessment part II: Projected response to anthropogenic warming. Bull. Amer. Meteor. Soc., 101, E303–E322, <https://doi.org/10.1175/BAMS-D-18-0194.1> © American Meteorological Society. Used with permission.

(2) Changes in Disaster Resilience in Society and Asset Exposure

As shown in Figure 2, the frequency of heavy rains in Japan has been increasing since 1900. Figure 5 below, on the other hand, shows a declining trend for flooded areas. This is because Japan's disaster prevention infrastructure, including embankments, has improved since the mid-19th century and is effectively reducing the occurrence of floods during heavy rains.

► Figure 5: Areas inundated by floods (ha)

Source: Tokio Marine Holdings based on materials from the Ministry of Land, Infrastructure, Transport and Tourism (flood statistics)



The amount of insurance claims will vary significantly if there is a change in asset exposure, that is, a change in the degree of concentration of assets or in the value of assets in areas exposed to natural disaster risk. In this way, we recognize that identifying changes in weather events themselves, such as heavy rains and typhoons, as well as changes in society's disaster resilience to disasters and in asset exposure are essential in predicting the impacts of natural disasters.

(2)-a Changes in Disaster Resilience in Society

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

Overseas, efforts to increase resilience throughout society have also been under way. The United States, for example, has improved its disaster prevention infrastructure and revised building codes following huge natural disasters, including large hurricanes.

In keeping with the move toward strengthening resilience worldwide, Tokio Marine Group has been contributing to greater resilience of the entire society by offering greater value of its insurance products in the pre- and post-event domains, such as disaster prevention and mitigation, speedy recovery and reoccurrence prevention.

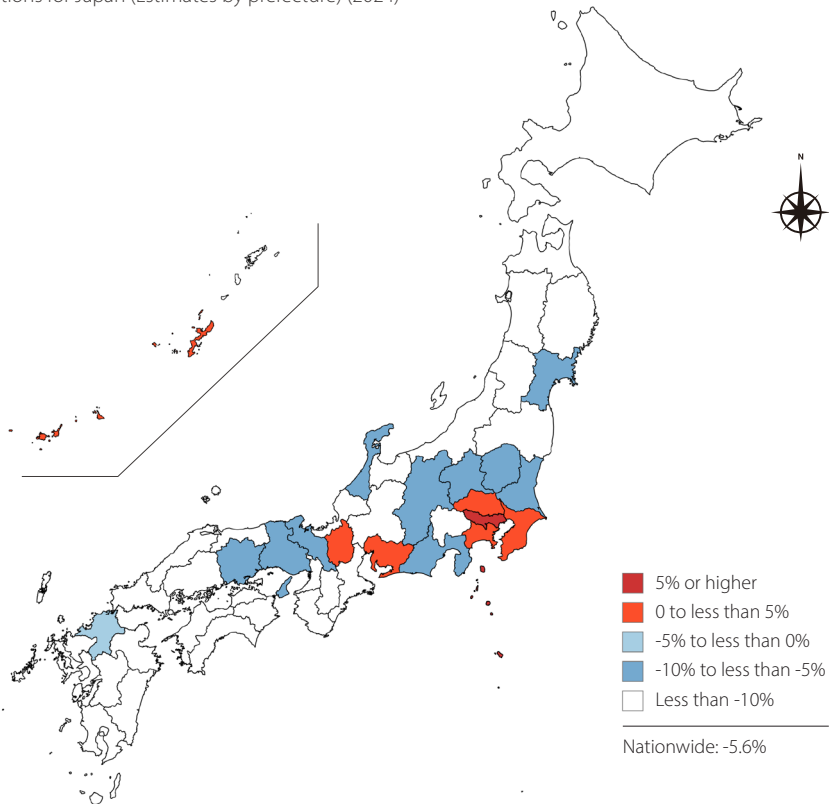
(2)-b Recognition of Changes in Asset Exposure

In Japan, an influx of people into urban areas is expected to continue in the future. Over the period from 2020 to 2050, even though the total number of general households in the country is projected to decline 5.6% on national average, an increase is expected in some prefectures, including Tokyo. As such, the trend of changes in asset exposure varies from region to region.

From the viewpoint of damage due to natural disasters, an important factor is the exact location of assets (whether within a hazardous area). In response to frequent occurrence of natural disasters in recent years, Japan’s Ministry of Land, Infrastructure, Transport and Tourism has stated that it is important to consider flood risk reduction when determining the locations of housing districts and city functions. Accordingly, Tokio Marine Group is monitoring the policy trends of the national and local governments.

►Figure 6: Rate of increase in the number of households from 2020 to 2050

Source: National Institute of Population and Social Security Research, “Number of Household Projections for Japan (Estimates by prefecture) (2024)”

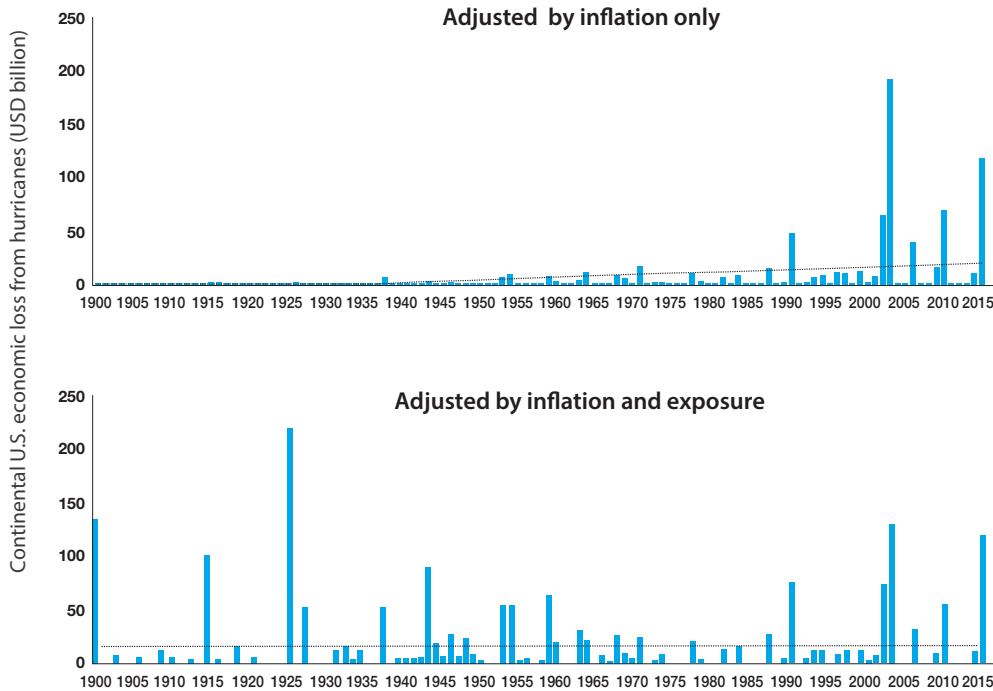


Changes in the exposure geographic distribution are important in considering natural disaster damage both in Japan and overseas. In the United States, insurance loss caused by hurricanes in the past is known to be on an upward trend, but when the impact of a change in inflation, wealth properties and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

►Figure 7: Insurance loss due to hurricanes on the U.S. mainland

Tokio Marine Holdings based on insurance loss data of Collins and Lowe (2001)* and insurance loss data acquired by the Company*

*: Collins, D. J., and Lowe, S. P. (2001). A macro validation dataset for U.S. hurricane models. Casualty Actuarial Society, Winter Forum, pp. 217–252



(3) Incurred Losses in the Recent Major Natural Disasters

The table below shows the recent major natural disasters and their incurred losses. In Japan and the United States, disasters cause a certain level of damage each year that involves insurance claims payments. As such, we enforce appropriate risk control by leveraging risk diversification and reinsurance.

	Domestic ^{*1}	Direct premiums ^{*2}	Overseas	Net incurred losses ^{*2}
2020	Torrential rain in July	¥32.4 billion		
	Typhoon Haishen	¥30.6 billion		
2021	Torrential rain in August	¥11.5 billion	Hurricane Ida	¥18.4 billion
	Typhoon Lupit	¥4.5 billion	Cold wave in Texas	¥17.8 billion
2022	Typhoon Nanmadol	¥33.2 billion	Hurricane Ian	¥30.6 billion
	Typhoon Talas	¥15.2 billion	Winter Storm Elliott	¥15.5 billion
2023	Hail disaster in Gunma and Tochigi in July	¥25.4 billion	Wildfire in Hawaii	¥36.1 billion
	Typhoon Mawar	¥10.3 billion		
	Typhoon Yun-yeung	¥6.6 billion		
2024	Hailstorm in Hyogo in April	¥50.5 billion	Hurricane Helene	¥19.9 billion
	Typhoon Shanshan	¥16.2 billion	Hurricane Milton	¥11.0 billion
	Hailstorm in the Kanto and Tokai regions in March	¥12.5 billion		
2025	Torrential rain in Kyushu in August	¥22.0 billion	Wildfires in Los Angeles	¥33.9 billion
			Severe storm in North America	¥13.5 billion

*1: Total of Tokio Marine & Nichido, Nisshin Fire and Tokio Marine Direct Insurance

*2: Before tax

Column

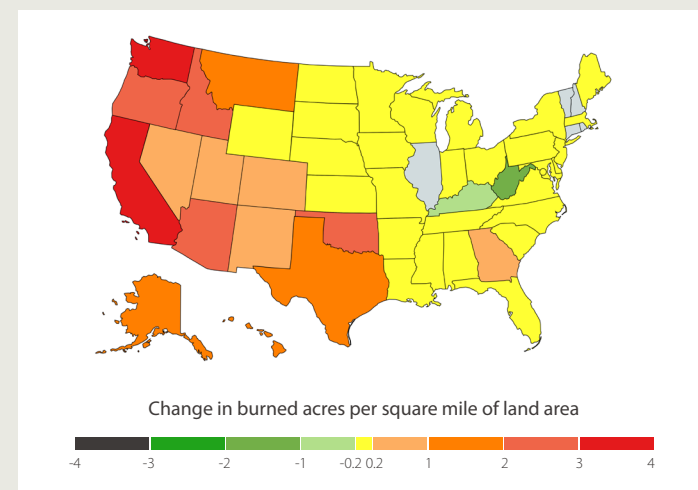
Impact of Climate Change on Wildfires

The IPCC Sixth Assessment Report finds that climate change is increasing the frequency and severity of wildfires worldwide. Rising temperatures and shifting precipitation patterns are contributing to drier conditions and more fire-prone weather in many regions.

The report projects that at 4°C of warming, the global burned area could increase by 50–70%, with fire frequency rising by about 30%. In the United States, there has been a large increase in area burned observed over the past 20 years (see the figure below).

Wildfires will exacerbate climate change by destroying forests, which are natural carbon sinks, releasing stored CO₂, methane, and other greenhouse gases into the atmosphere.

We are improving the methods we use for quantitative assessment to determine the risk of various natural disasters, including wildfires, that may affect our profits.



► Figure: Changes in Annual Burned Acreage by State Between 1984–2002 and 2003–2021

Source: U.S. Environmental Protection Agency

Impact on Asset Management

Climate change poses transition risks as well as the physical risks described in the preceding pages. Transition risks refer to risks that may impair the corporate value of our investment recipients and affect the business of Tokio Marine Group in the same way that physical risks do. Transition risks arise due to rapid changes that take place as the world accelerates its decarbonization efforts, including tightening laws and regulations, technological innovation, fluctuations in asset value as well as changes in the investment environment and customer needs.

The Group is working to reduce the total amount of shares it holds as business-related equities and conduct engagement and other means of mitigating the negative impacts described above.

We estimate the impact of physical and transition risks on assets under management by Tokio Marine Group (equities, corporate bonds, commercial mortgage-backed securities – CMBS and government bonds) using “Aladdin Climate,” a model provided by BlackRock Solutions. With the model, we quantify the impact on corporate value due to changes in scenario variables (carbon prices, energy demand, fuel prices, emissions, temperature, etc.) based on scenarios provided by The Network of Central Banks and Supervisors for Greening the Financial System (NGFS).

Specifically, we looked at the Group’s assets under management (equities, corporate bonds, CMBS and government bonds) as of March 31, 2025. To assess physical risks, we compared the pre-simulation asset value as of March 31, 2025, with the post-simulation asset value following the two scenarios below. To assess transition risks, we compared the asset value when current policies continue to 2050* with the post-simulation asset value following the two scenarios below. We then quantified both risks. The simulation results on the impact on asset value between now and 2050 are as follows:

- ① Orderly: Net Zero 2050 (Assuming a temperature rise suppressed to 1.5° C and net zero CO₂ emission both by 2050)
- ② Disorderly: Delayed Transition (Assuming a 1.8° C temperature rise by 2050 due to delayed policy changes)

*: NGFS’s Hot House World – Current Policies scenario, assuming limited policy changes and a 3.3°C temperature rise at the end of this century

	Physical risks		Transition risks	
	Orderly	Disorderly	Orderly	Disorderly
Total	-1.3%	-1.4%	-3.9%	-1.6%
Equities	-4.6%	-4.9%	-24.2%	-8.7%
Corporate bonds	-0.5%	-0.6%	-1.9%	-1.0%
CMBS	-	-	0.0%	-0.4%
Government bonds	-0.6%	-0.6%	-0.1%	-0.2%

Note: The Aladdin Climate analytics of BlackRock Solutions contained in this report should not be construed as a characterization of the materiality or financial impact of the corresponding information. The Aladdin Climate analytics includes non-financial metrics and involves measurement uncertainties resulting from limitations inherent to the nature of the corresponding data and the methods used for determining such data.

The Aladdin Climate analytics is not fixed and is likely to change and evolve over time. The Aladdin Climate analytics relies on relatively new analysis methods, and there are limited peer reviews or comparable data available. BlackRock Solutions does not guarantee and shall not be responsible for the content, accuracy, timeliness, non-infringement or completeness of the Aladdin Climate analytics contained herein or have any liability resulting from the use of the Aladdin Climate analytics in this report or any actions taken in reliance on any information herein.

It should be noted that the model used in this analysis incorporates the positive effects arising from advantages (so-called “opportunities”) gained through the implementation of climate change mitigation and adaptation measures in the transition to a low-carbon society. Climate change quantification models may also be updated based on the latest research findings, and we therefore recognize that the results are subject to a certain degree of uncertainty. Accordingly, we will continue to conduct research and analysis to explore more appropriate ways of utilizing such quantification models.

Impact on Business Continuity: Promoting Climate Change Adaptation Measures

Tokio Marine Group uses multiple scenarios*¹ to perform analysis and evaluation*² on the impact of climate change risk on our operations using holistic and context-specific approaches. By doing so, we are promoting climate action and initiatives to increase resilience against disasters.

*1: Including IPCC’s Shared Socioeconomic Pathway (SSP) 5-8.5, SSP3-7.0, SSP2-3.5, SSP1-2.6, SSP1-9, RCP8.5, RCP6.0, RCP4.5 and RCP2.6 scenarios
*2: Climate change risk analysis and evaluation conducted in collaboration with Resilience of the United Kingdom

[Holistic Approach]

Based on a holistic approach, we use multiple scenarios to analyze and evaluate, both quantitatively and qualitatively, the impact of an increase in weather disasters (such as heavy rains and floods) caused by climate change on our operations. Accordingly, we have been implementing measures from medium- to long-term (about two to five years) and short-term (within one year) viewpoints. On the whole, we have specifically concluded that an increase in weather disasters will not have a profound impact on our operations as compared to the manufacturing and other industries for a number of reasons. For example, insurance products represent an intangible service and do not necessarily require physical sales bases, and their development and provision involve minor supply chain risks such as the procurement of raw materials.

[Context-Specific Approach]

Based on a context-specific approach, we use multiple scenarios to analyze and evaluate, both qualitatively and quantitatively, the impact of an increase in weather disasters (such as heavy rains and floods) caused by climate change on our operations. Accordingly, we have been promoting initiatives to protect our own assets from weather disasters, which are expected to become more severe due to climate change. Specifically, we are examining measures from medium- to long-term (about two to five years) and short-term (within one year) viewpoints and implementing measures against flood disasters, such as installing emergency power generators and more water bars at our major bases.

◆ Findings from the Analysis of Water-Related Risks at Our Business Offices in Japan

In fiscal 2023, in an effort to understand water-related risks facing our business offices in Japan, we analyzed and assessed water-related physical risks (flood inundation and storm surge, landslide disasters, etc.) at our consolidated subsidiaries in Japan and some insurance agents* of Tokio Marine & Nichido by using the digital national land information provided by the Ministry of Land, Infrastructure, Transport and Tourism. As a result, among the 1,154 business offices analyzed (489 business offices of Group companies in Japan and 665 business offices of Tokio Marine & Nichido’s insurance agents), 203 business offices are located in areas with high risk of flooding, while 12 are in areas with high risk of landslide disasters. We have already investigated and analyzed the flood risk at our business offices and have not detected any notable negative impacts associated with the risk at this point. In addition, each office has independently implemented crisis management measures. Nonetheless, these water-related risks may become increasingly apparent in the future, following the rise in the sea level and more frequent heavy rains due to global warming as well as changes in land use. Thus, in addition to the crisis management measures of each office, we will promote initiatives to educate and raise awareness of employees and other related parties.

*: Top-tier agents of Tokio Marine & Nichido, designated as “TOP QUALITY” agents, and Tokio Marine & Nichido Partners, wholly owned insurance agents of Tokio Marine & Nichido

► Findings of Analysis of Our Business Offices in Japan (Including the Value Chain):

——Number of Business Offices Located in Priority Locations Exposed to Flood Immersion and Landslide Risks

No. of business offices analyzed		Located in areas with high risk of flood immersion	Located in areas with high risk of landslide disasters
Domestic Group companies	489	86	3
Insurance agents of Tokio Marine & Nichido	665	117	9
Total	1,154	203	12

[Data Sources]

- Flood immersion risk: Based on the digital national land information (areas subject to possible immersion by floods) (by river) (Ministry of Land, Infrastructure, Transport and Tourism) (https://nlftp.mlit.go.jp/ksj/gml/datalist/KsjTmplt-A31a-v4_0.html)
- Landslide disaster risk: Based on the digital national land information (areas prone to landslide disasters) (Ministry of Land, Infrastructure, Transport and Tourism) (https://nlftp.mlit.go.jp/ksj/gml/datalist/KsjTmplt-A33-v2_0.html)

5 Nature-Related Issue Analysis

Tokio Marine Group operates globally, with insurance at the core of its business. Similar to the effects of GHG emissions on climate action, when addressing nature-related challenges, it is important to recognize the dependencies and impacts not only of our own operations but also of businesses and value chains of insurance customers as well as investment and financing recipients on natural capital. It is equally essential to avoid and reduce negative impacts.

As an insurance company group, we strive to not only accurately understand how nature-related challenges affect the business continuity and supply chains of our customers and investment or financing recipients but also enhance risk management and provide insurance products and solutions. We recognize it is crucial to strengthen our customers’

resilience and help address nature-related challenges through these efforts.

Accordingly, in fiscal 2023, we conducted an ENCORE*¹ analysis and identified Consumer Discretionary*² and Industrials*³ as material sectors in our insurance underwriting and investment and financing portfolios. In fiscal 2024, we conducted an in-depth analysis of the Automobile Manufacturing subsector in the identified material sectors using the LEAP approach. In fiscal 2025, we expanded our analysis to include the entire Tokio Marine Group. We are currently conducting an in-depth analysis of the Trading Companies subsector in the material sectors.

In fiscal 2024, ID&E Holdings joined Tokio Marine Group, allowing us to broaden our nature-related solutions to

include social implementation realms such as green infrastructure and river basin management in addition to insurance underwriting as well as investment and financing. We can now offer a wide range of solutions such as insurance products and other solutions to address the nature-related challenges we have identified. This report outlines specific initiatives we are undertaking.

*1: Short for exploring natural capital opportunities, risks and exposure, ENCORE is a tool to assess the potential dependencies and impacts of business activities on natural capital and biodiversity

*2: Automobile Manufacturers, Auto Parts and Equipment, Household Appliances, etc.

*3: Trading Companies and Distributors, Industrial Machinery, Construction Machinery and Heavy Trucks, Air Freight and Logistics, Aerospace and Defense, etc.

Our Initiatives to Contribute to the Achievement of Nature Positive by 2030

Tokio Marine Group is progressively enhancing its efforts, from understanding nature-related dependencies and impacts, to identifying material sectors, conducting in-depth analyses, expanding the scope of these efforts to encompass the entire Group, and developing solutions.

Fiscal year	Initiative	Subject of analysis	Description
Fiscal 2023	Specifying material sectors (ENCORE analysis)	Tokio Marine & Nichido's insurance underwriting and investment and financing portfolios	Based on the ENCORE analysis, identified material sectors (Consumer Discretionary and Industrials) by taking into account dependencies and impacts on natural capital as well as transaction volumes in insurance underwriting as well as investment and financing.
Fiscal 2024	In-depth analysis of a material sector (LEAP + value chain analysis)	Automobile Manufacturing subsector in a material sector (Consumer Discretionary) and its value chain	Based on the LEAP approach, conducted an in-depth analysis on relationships with priority locations, as well as nature-related risks and opportunities in the Automobile Manufacturing subsector (automobile, battery, and tire manufacturers) (see p. 48) Please refer to the following for detailed analysis results. Climate & Nature Report 2025
Fiscal 2025	Specifying material sectors (new ENCORE analysis; an increased number of sites subject to analysis)	Insurance underwriting and investment and financing portfolios of major domestic and overseas Tokio Marine Group companies and ID&E Holdings	Expanded the scope of ENCORE analyses from Tokio Marine & Nichido to include major domestic and overseas Group companies, and reviewed the material sectors following ID&E Holdings' integration into the Group (see p. 46)
	In-depth analysis of a material sector (value chain analysis)	Trading Companies subsector in a material sector (Industrials) and its value chain	- Identified the Group's nature-related risks and opportunities through an in-depth analysis of the Trading Companies subsector (see p. 49–52) - Mapped the links to nature-related solutions (see p. 53).

Specifying Material Sectors: Insurance Underwriting and Investment and Financing Portfolios

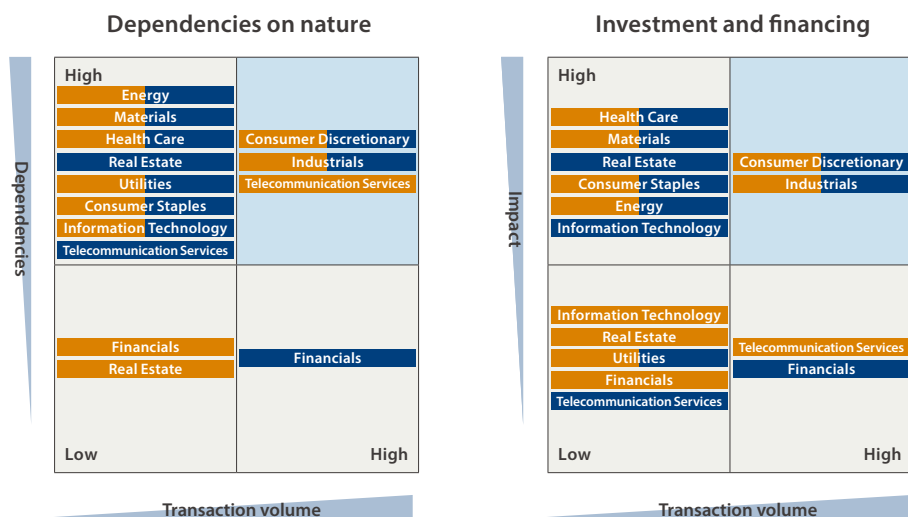
Tokio Marine Group underwrites insurance and provides investment and financing for various companies. We thus need to identify priority sectors in our portfolios to effectively respond to nature-related risks and opportunities.

In fiscal 2023, we performed ENCORE analysis on insurance underwriting and investment and financing recipients of Tokio Marine & Nichido, which is responsible for most of the corporate transactions in the Group. The analysis was conducted using the two axes of “dependencies/impacts” on natural capital and “transaction volume in insurance underwriting and investment and financing portfolios.” Consequently, we identified “Consumer Discretionary^{*1}” and “Industrials^{*2}” as our material sectors.

In fiscal 2025, we broadened the scope of analysis to include major Group companies in and outside Japan. We re-evaluated the Group’s sectors using the latest ENCORE tool, which was updated in July 2024.^{*3} Both the Consumer Discretionary and Industrials sectors received high scores for both dependencies and impacts. Additionally, these sectors had significant transaction volumes in insurance underwriting as well as investment and financing. As a result, we identified these two sectors as material, similar to our findings in fiscal 2023.

► Identifying Key Sectors

Insurance underwriting Investment and financing



*1: Automobile Manufacturers, Auto Parts and Equipment, Household Appliances, etc.

*2: Trading Companies and Distributors, Industrial Machinery, Construction Machinery and Heavy Trucks, Air Freight and Logistics, Aerospace and Defense, etc.

*3: Insurance underwriting applies to listed companies. Investment and financing applies to listed stocks and bonds.

Identifying Key Natural Capital for Insurance Underwriting and Investment and Financing Portfolios

We analyzed our climate- and nature-related dependencies and impacts in the identified material sectors. The results revealed that both the Consumer Discretionary and Industrials sectors heavily rely on ecosystem services, including storm mitigation, flood mitigation, water flow regulation, soil and sediment retention, and water supply. These sectors were found to have impacts on noise and light pollution, as well as toxic pollution of water and soil (see [Appendix 1](#) for detailed findings from the ENCORE analysis).

Based on this analysis, we found that the Consumer Discretionary and Industrials sectors rely heavily on and impact natural capital, particularly water and soil. Accordingly, we have identified these resources as crucial natural capital in our insurance underwriting and investment and financing portfolios. Recognizing the material sectors’ significant dependency and impact on water resources and soil, and the importance of this natural capital in our insurance underwriting and investment and financing portfolios, we will identify specific challenges and response needs related to this natural capital through engagement with our customers in these sectors. Additionally, we will consider our potential contributions in insurance underwriting, investment, financing, and the provision of solutions.

► Dependencies and impact of material sectors on natural capital^{*4}

	Dependencies													Impact									
	Storm mitigation	Flood mitigation	Water flow regulation	Soil and sediment retention	Water supply	Water purification	Local climate regulation	Global climate regulation	Solid waste remediation	Rainfall pattern regulation	Dilution by atmosphere and ecosystems	Air quality regulation	Noise attenuation	Sensory impact regulation	Biological control	Noise and light pollution	Toxic pollution of water and soil	Water use	Area of land use	Air pollutants	Solid waste	GHG emissions	species
Consumer Discretionary	VH	VH	VH	VH	VH	VH	H	H	H	H	H	M	M	M	L	VH	VH	H	H	H	H	M	L
Industrials	VH	VH	VH	VH	VH	H	H	H	H	H	H	M	M	M	M	VH	VH	H	H	H	M	H	M
	Very High					High					Medium				Low			Very Low					

*4: The ENCORE analysis results shown here are limited to items with relatively high dependencies and impacts on natural capital in material sectors. Assessments related to cultural ecosystem services are excluded. For detailed analysis results, please refer to [Appendix 1](#).

Specifying Material Sectors: Solutions (Construction Consulting and Engineering)

With ID&E Holdings joining the Group, Tokio Marine Group's solutions now include support for social infrastructure and regional foundations.

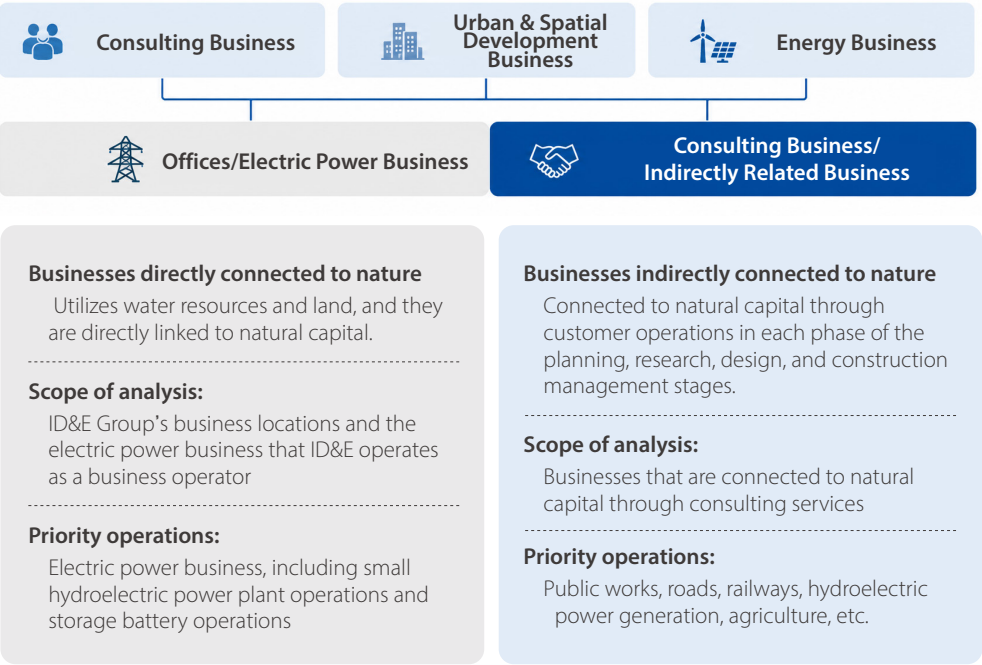
ID&E Holdings' solution business significantly depends on and impacts nature. In fiscal 2025, the company performed an ENCORE analysis of its Consulting Business, Urban & Spatial Development Business, and Energy Business. The results revealed that its electric power business, which the company directly operates, as well as its operations related to public works, roads, railways, hydroelectric power generation, and agriculture, which it engages in through consulting services, have significant dependencies and impacts on natural capital and biodiversity.

Based on this analysis, in addition to the Consumer Discretionary and Industrials sectors identified from the perspectives of insurance underwriting and investment and financing, Tokio Marine Group has newly designated Social Infrastructure Development Projects*⁵ as a material sector from the perspectives of solution provision and the need for social implementation.

For detailed results of ID&E Holdings' ENCORE analysis, please refer to its [TNFD Report 2025](#).

*5: The electric power business operated directly by ID&E Holdings, as well as operations related to public and private works for public benefit, roads, railways, hydroelectric power generation, and agriculture that ID&E Holdings is indirectly engaged in

▸ ID&E Holdings' business segments



In-depth Analysis of Material Sectors (Automobile Subsector)

In fiscal 2024, we used the LEAP approach to conduct a detailed analysis of the Automobile Manufacturing subsector identified as a material sector. We analyzed the nature-related risks and opportunities faced by automobile manufacturers and the companies in their value chains, including battery and tire manufacturers.

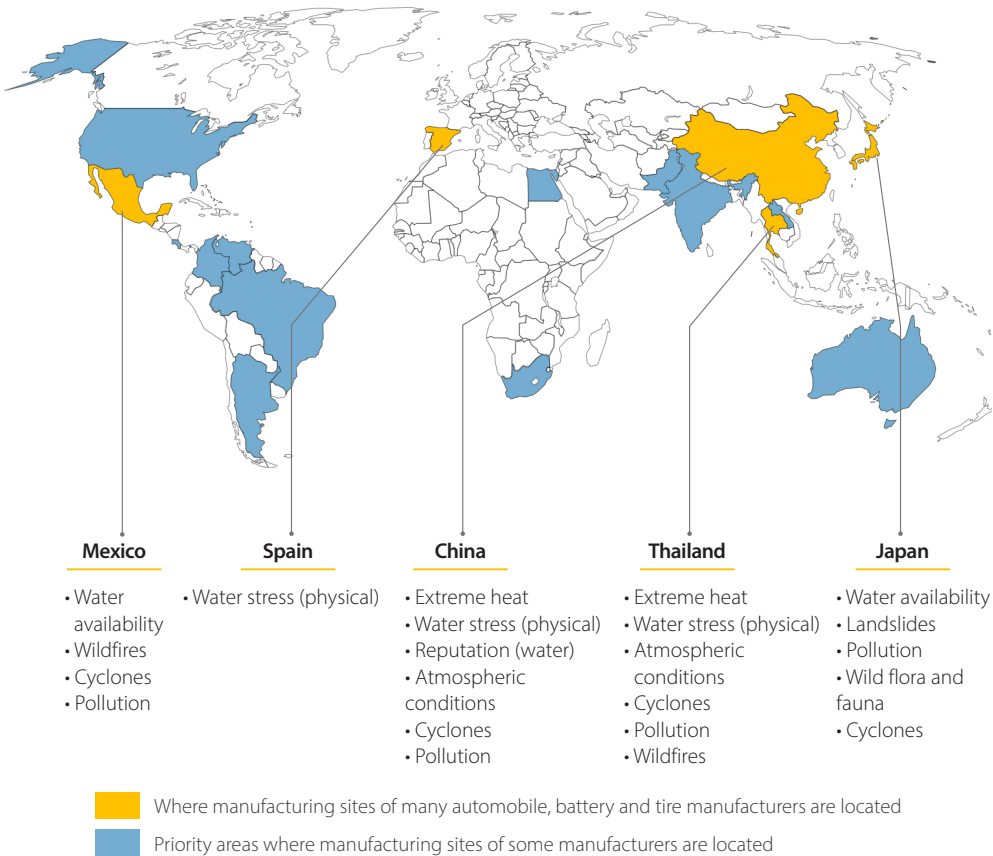
The results revealed that many manufacturing sites are in areas where water stress, tropical cyclone, extreme heat, and other nature-related risks are high. The manufacture of components such as rubber and metal products, as well as automobile manufacturing, was also identified as involving processes that are significant in terms of their relationship with nature. At the same time, the increase in the popularity of electric vehicles is creating business opportunities related to resource circulation, the efficient use of water, and recycling. We concluded that addressing nature-related challenges could support the effective management of risks and create new business opportunities.

Tokio Marine Group will use the results of these analyses to improve its engagement with customers in the future. Additionally, we will help our customers maintain the continuity of their businesses during natural disasters such as floods, typhoons, and hurricanes by providing insurance products and other solutions.

Risks and opportunities identified in the value chains of leading automobile manufacturers

Companies		Carmaker A	Carmaker B	Battery maker C	Battery maker D	Tire maker E	Tire maker F
Value chain		Direct operations	Direct operations	Battery parts production	Battery parts production	Rubber product production	Rubber product production
Operation sites		Japan, China, Thailand	Japan China	China	China Spain	China Mexico Thailand	China Thailand
Risks and opportunities	Physical risks	Water stress, biodiversity	Water stress, biodiversity	Water stress, tropical cyclones, extreme heat	Water stress, tropical cyclones, extreme heat	Water stress, tropical cyclones, extreme heat	Water stress, landslides, tropical cyclones, extreme heat
	Transition risks	Pollution, reputational risks	Pollution, reputational risks	Pollution	Pollution	Pollution, freshwater species, reputational risks	Pollution, reputational risks
	Opportunities	Increased demand due to electrification of vehicles, recycling of water resources	Increased demand due to electrification of vehicles	Increased demand due to electrification of vehicles, improved testing efficiency	Increased demand due to electrification of vehicles	Effective use of water resources, recycling	Entry into nature business, recycling

Location map of risks in the automobile manufacturing sector in our portfolio

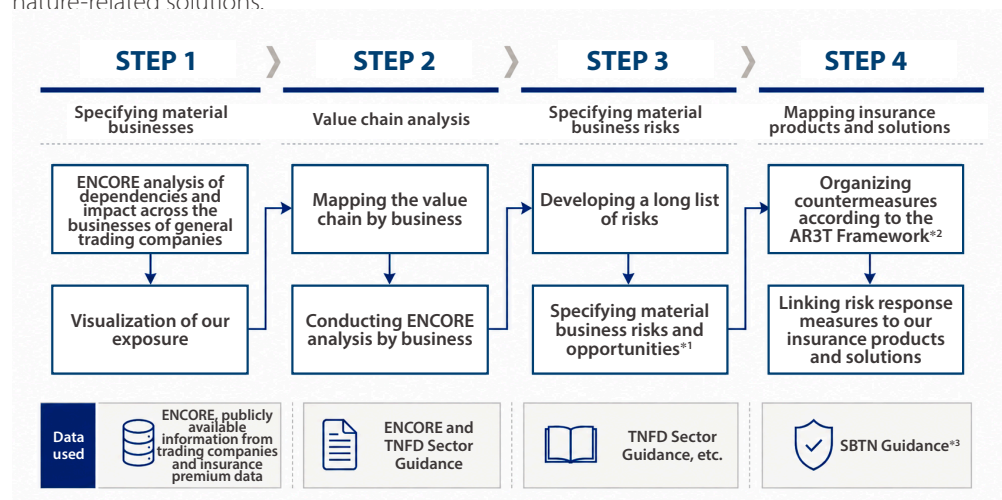


Detailed Analysis of Material Sectors (Trading Companies Subsector)

In fiscal 2025, we conducted an in-depth analysis of the Industrials sector, which is the second most important sector after Consumer Discretionary. Within the Industrials sector, we conducted a detailed analysis of nature-related risks and opportunities for general trading companies, which account for the largest share of the Group's underwriting exposure.

General trading companies operate in a diverse field of business, including agriculture, mining, and energy. General trading companies operate across a broad range of businesses, including agriculture, mining, and energy. Their dependencies and impacts on natural capital, as well as their associated business risks, therefore vary significantly by business area. Therefore, we assessed the nature-related risks specific to each business rather than assessing general trading companies in their entirety and identified areas where Tokio Marine Group can contribute by offering insurance products and solutions.

In STEP 1, we specified the key businesses in which general trading companies operate. In STEP 2, we analyzed each key business's dependencies and impacts on natural capital within its value chain. In STEP 3, we identified significant nature-related business risks. In STEP 4, we organized the areas where the Group can contribute to addressing challenges and providing nature-related solutions.



*1: Risks and opportunities are assessed from the perspectives of their financial magnitude, likelihood, and relevance to the Group's insurance products and solutions.

*2: Short for "avoid, reduce, regenerate, restore, and transform," AR3T prioritizes corporate actions to address nature-related risks and achieve nature-related goals.

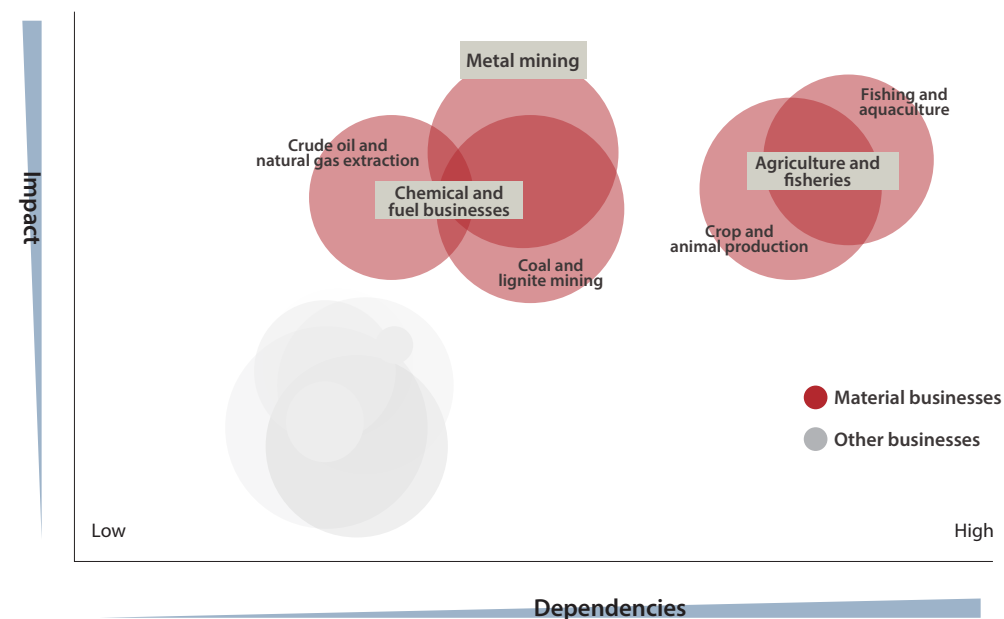
*3: The science-based target (SBT) guidance provides a global framework for companies to establish goals related to natural capital and biodiversity and discuss strategies to achieve them based on scientific evidence.

STEP 1: Specifying Material Businesses

In STEP 1, we conducted an ENCORE analysis to assess the dependencies and impacts on natural capital of each key business in Japanese general trading companies. We then reviewed sales at each general trading company business and our insurance underwriting exposure to identify the five businesses that have high dependencies and impacts on natural capital. Because similar ENCORE analysis results were identified across multiple businesses, we grouped the key businesses in the Trading Companies subsector into the following three categories and identified them accordingly.

- **Agriculture and Fisheries:** Crop production, animal production, fisheries and aquaculture
- **Fossil Fuel:** Crude oil and natural gas extraction, coal and lignite mining
- **Metal Mining**

Material businesses specified in the Trading Companies sector



Note: The size of each circle represents net sales from each business, weighted by its share of premiums.

■ STEP 2: Value Chain Analysis

In STEP 2, we examined the dependencies and impacts on natural capital in the value chains (upstream, midstream, and downstream) in the key businesses identified in STEP 1. We categorized each business's dependencies and impacts as upstream, midstream or downstream processes.

In Agriculture and Fisheries, we found that the dependencies and impacts on the natural capital below are very high in upstream, midstream, and downstream processes.

Dependencies: Water purification; solid waste purification; soil and sediment retention; rainfall pattern regulation; flood mitigation; global climate regulation; local climate regulation; biomass

provisioning; genetic materials; soil quality regulation; and nursery population and habitat maintenance

Impacts: Emissions of eutrophying substances into water and soil; noise and light pollution; emissions of toxic pollutants into water and soil; water use; areas of freshwater use; introduction of invasive species; and extraction of biological resources

In STEP 2, we focus on the analysis of Agriculture and Fisheries, which both have high dependencies and impacts on natural capital. We also conducted similar analyses for the Fossil Fuel and Metal Mining businesses. For detailed results of these analyses, please refer to [Appendices 2 and 3](#).

► Dependencies and impact in Agriculture and Fisheries*

	Dependencies																				Impact																		
	Water purification	Solid waste remediation	Soil and sediment retention	Rainfall pattern regulation	Flood mitigation	Water supply	Storm mitigation	Water flow regulation	Global climate regulation	Local climate regulation	Biomass provisioning	Genetic materials	Biological control	Soil quality regulation	Dilution by atmosphere and ecosystems	Air quality regulation	Nursery population and habitat maintenance	Animal-based energy	Sensory impact regulation	Noise attenuation	Pollination	Nutrient pollution of water and soil	Noise and light pollution	Toxic pollution of water and soil	Water use	Area of freshwater use	GHG emissions	Emissions of non-GHG air pollutants	Solid waste	Introduction of invasive species	Biological resource extraction	Area of land use	Area of seabed use	Non-biological resource extraction					
Upstream	VH	VH	VH	VH	H	H	H	H	VH	VH	VH	VH	H	VH	M	M	VH	M	L	M	H	VH	VH	VH	VH	H	H	H	H	VH	H	H	H	H	—				
Midstream	VH	VH	VH	VH	H	H	H	H	M	H	VH	VH	H	M	M	M	VL	M	VL	VL	—	VH	VH	H	M	VH	H	H	H	VH	VH	M	H	H	—				
Downstream	VH	M	M	M	VH	H	H	H	M	L	—	—	VL	—	L	VL	—	—	VL	—	—	VH	M	M	M	L	M	M	M	—	—	L	—	—					
Very High High Medium Low Very Low																																							

*: This analysis focuses on natural capital-related risks. Human rights-related cultural ecosystem services are excluded.

■ STEP 3: Specifying Material Risks

Using the results from the value chain analysis in STEP 2, we compiled a long list of anticipated business risks referencing the TNFD Sector Guidance and other references.

We then developed a long list of risks and assessed each on a three-point scale (high, medium, or low) from three perspectives: “financial impact” (the magnitude of the financial impact on the business), “likelihood” (probability and time horizon), and “relevance” (feasibility of addressing the risk through insurance products and solutions). Based on this assessment, we identified the key risks that the Group should prioritize.

In agriculture and fisheries, we identified material risks, including damage to facilities and business interruptions caused by natural disasters, higher logistics costs, and impacts on ecosystems and local communities resulting from water and soil pollution. These risks can substantially affect business continuity and profitability. They are also areas in which the Group can help address challenges through insurance products and solutions. Therefore, we have designated them as material risks requiring priority action.

In STEP 4, we organized how the Group can address these material risks through insurance products and solutions.

► Material risks specified in the Agriculture and Fisheries sector

Risk type	Category	Risk item	Assessment result		
			Financial magnitude	Likelihood	Relevance
1 Physical risk	Acute	Risk that natural disasters damage facilities and other assets, resulting in production line shutdowns and increased capital expenditure for repairs and restoration	High	High	High
2 Physical risk	Acute	Risk that natural disasters disrupt logistics, increasing logistics costs or destabilizing logistics operations	High	High	Medium
3 Transition risk	Reputation/ Compensation liabilities	Risk that concerns over the impacts of pollutants on ecosystems and local communities lead to reputational damage, litigation, or fines	High	High	Medium
4 Physical risk	Acute	Risk that natural disasters affect crop production, increasing procurement costs or destabilizing supply	High	High	Low
5 Physical risk	Chronic	Risk that chronic temperature increases and other factors reduce yields or impair growth in crop production and fisheries, leading to lower revenue, higher production and procurement costs, and increased investment in adaptation measures such as introducing new varieties or relocating production and sourcing regions	High	High	Low
6 Physical risk	Acute/Chronic	Risk that water scarcity in crop production (caused by reduced rainfall, pollution, drought, or usage restrictions) and pollution (including marine pollution) increase production and procurement costs and require greater investment in adaptive technologies such as water purification and desalination	High	High	Low

Material risks identified based on the assessment results.

STEP 4: Organizing Insurance Products and Solutions

In STEP 4, we used the SBTN’s AR3T (avoid, reduce, restore, regenerate, transform) framework recommended by the TNFD to organize the countermeasures to the material risks identified in STEP 3. This framework enables the systemic organization of the insurance products and solutions that Tokio Marine Group is able to offer to avoid and mitigate negative impacts on nature, restore and regenerate ecosystems, and transform to a sustainable society.

Based on the analysis, we organized the insurance products and solutions it can offer to customers for each phase of the AR3T framework (outlined in the next section).

- **Avoid:** In Agriculture and Fisheries, we identified the impact of natural disasters and ecosystem degradation on facilities and production sites as a material risk. Therefore, it is crucial to avoid high-risk areas when locating facilities and planning business operations. We will leverage our expertise in natural capital and biodiversity risk assessment and disaster prevention and mitigation to assist our customers. (See 1. Nature risk assessment.)
- **Reduce:** Since it is difficult to completely avoid nature-related risks, implementing measures to adapt to climate change and be prepared for disasters is crucial to minimize damage. We provide solutions like green infrastructure and Eco-DRR (disaster risk reduction) through landscape design and engineering services. By leveraging the benefits of nature, we can help

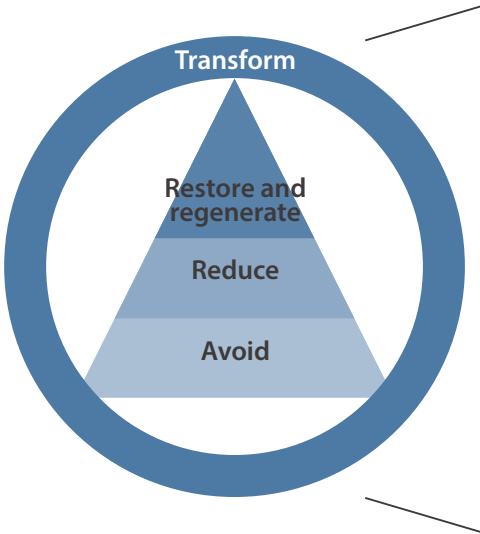
enhance resilience. (See 2. Landscape design and engineering)

- **Restore and regenerate:** The decline of natural capital exposes companies to business continuity risks. As such, we provide risk financing and consulting services for the regeneration of natural capital. (See 3. Nature-risk financing and 4. Regeneration).
- **Transform:** As natural capital declines, business models and social systems will need to undergo long-term transformations. In addition to addressing individual risks, the Group is committed to supporting customers in the transformation of their businesses and the transition to a nature-positive society by combining the four solutions outlined on the next page.

Considerations based on the analysis of the Trading Companies subsector

The analysis of the Trading Companies subsector increased our understanding of nature-related risks, opportunities, and countermeasures in Agriculture and Fisheries, Fossil Fuel, and Metal Mining businesses. Also, since general trading companies have extensive supply chains, we can apply insights gained from this analysis to help not only customers in the Trading Companies subsector but also those directly involved in agriculture and fisheries, fossil fuels, and metal mining businesses to achieve nature positive status through engagement, insurance products, and solutions.

AR3T Framework



Source: Tokio Marine Holdings with reference to the SBTN guidance

Solutions to the identified material risks in Agriculture and Fisheries

Risk category		Avoid	Reduce	Restore and regenerate	Transform
Physical risk (acute)	Risk that natural disasters damage facilities and other assets, resulting in production line shutdowns and increased capital expenditure for repairs and restoration	Avoid constructing or expanding production lines in high-hazard areas and place critical equipment in elevated, waterproof compartments.	Reduce damage and shorten downtime by creating disaster-resilient facilities and infrastructure and implementing a system for halting operations and evacuating based on early warnings.	Restore wetland and disaster-prevention forest ecosystems in river basins and coastal areas during post-disaster recovery.	Help enhance resilience in production lines by predicting disasters and providing early warnings that utilize digital technologies and weather data from satellites and other sources.
	Risk that natural disasters disrupt logistics, increasing logistics costs or destabilizing logistics operations	Avoid operating collection centers susceptible to climate disasters during harvest seasons and peak fish landing periods.	Avoid focusing on routes with a high risk of port and road disruptions and diversify risk by securing multiple ports and modes of transport in advance.	Contribute to restoring natural functions in river basins and coastal areas (wetlands, seagrass beds, and disaster-prevention forests) to decrease the occurrence of disasters in the long term.	Help transition to a system that predicts logistics disruptions by integrating AI and weather data from satellites and other sources and automatically switching to alternative modes of transport (railroads, coastal shipping, multiple ports).
Transition risk (reputation/compensation liabilities)		Suspend high-risk operations that could lead to serious accidents. Suspend operations in areas where potential liability and remediation obligations are significant, and during sensitive periods such as fishing and breeding seasons.	Establish stakeholder response procedures to minimize reputational damage when problems arise, and formulate accident response plans (training, stockpiling, and outsourcing contracts) to limit losses.	Implement prompt post-incident containment, recovery, and purification measures while compensating victims and local communities and engaging in a dialogue with them to restore trust. Participate in restoring river basin buffer zones (vegetation zones), tidal flats, and seagrass beds to restore their water purification and juvenile fish nursery functions.	Help customers transition to resource-efficient production methods and circular agriculture to strengthen resilience to climate change and resource constraints.

Tokio Marine Group's Value Proposition to Achieve Nature Positive Status

Tokio Marine Group aims to help customers achieve nature positive status by 2030 by offering insurance products and services, investments and financing, and solutions. By leveraging ID&E

Holdings' social implementation capabilities, we will collaborate with customers to accelerate the creation of projects and contributions to achieving nature positive status.

4

Regeneration

(P.66-67)

- Support for the regeneration and restoration of degraded or lost ecosystems
- Support for nature restoration to enhance community resilience
- Support for community recovery through nature restoration

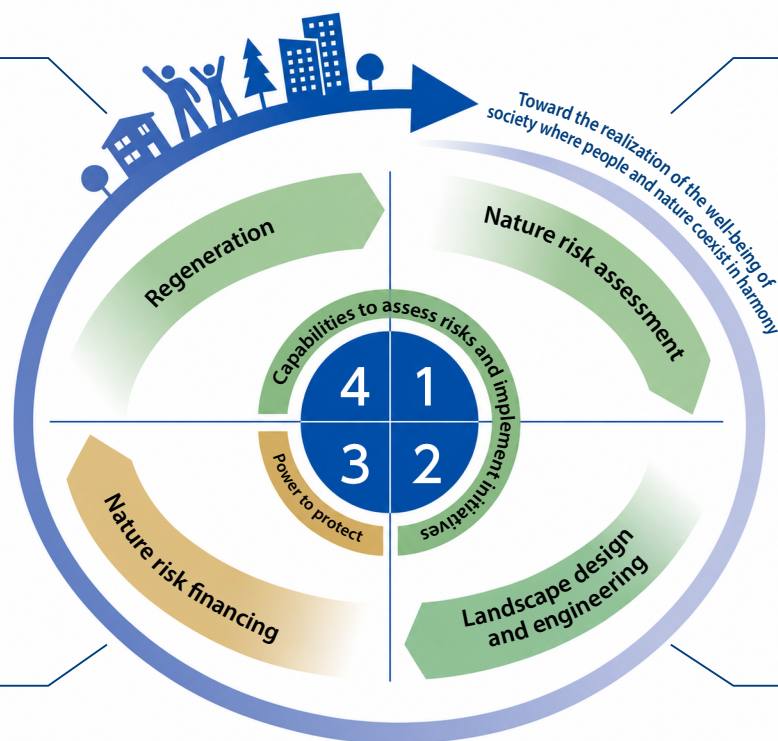
3

Nature risk financing

(P.58-64)

- Providing insurance for businesses that have significant dependencies or impact on natural capital
- Providing insurance against environmental damage
- Addressing price fluctuation risks for agricultural products and other goods
- Providing funds for businesses conducive to achieving nature-positive status

Tokio Marine Group's nature-related solutions



1

Nature risk assessment

(P.64-65)

- Natural capital and biodiversity risk assessment
- Support for TNFD/nature-related disclosures
- Nature-related risk analysis utilizing satellite data
- Human rights and supply chain due diligence
- Support for the creation and utilization of carbon credits

2

Landscape design and engineering

(P.65-66)

- Support for the design and construction of green infrastructure
- Eco-DRR support (disaster prevention and mitigation utilizing ecosystems)
- Support for watershed and coastal zone management
- Support for the formulation of development plans in harmony with local communities and ecosystems
- Risk management support for the agriculture and livestock industries

6 Value Provided by Tokio Marine Group

Overview of Value Provided in Climate & Nature

Tokio Marine Group supports customers and society in transitioning to a decarbonized society in harmony with nature by providing insurance, investment and financing, and solutions.

Through engagement, we identify issues and develop specific support policies, while

promoting the social implementation of solutions by participating in rulemaking, co-creation, and other initiatives to maximize the value we provide in the climate and nature domain.

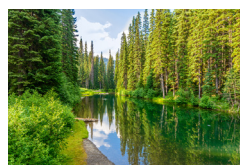
Supporting the transition to a decarbonized society in harmony with nature: Three functions supporting the transition

Insurance Underwriting (P.55)



- Support the transition to a decarbonized society by underwriting risks associated with the construction and operation of renewable energy facilities and other projects
- Support sustainable community development by underwriting risks associated with businesses that utilize natural capital

Investment and Financing (P.60)



- Support the transition to a decarbonized society and the conservation of natural capital through sustainability-themed investment and financing, impact investing, and other initiatives
- Support the social implementation of climate tech through investments in startups

Provision of Solutions (P.64)



- Provide end-to-end support for companies and communities from the formulation to the implementation of decarbonization strategies by leveraging risk expertise developed in the insurance business
- Starting with the assessment of nature-related risks, support the design and implementation of solutions for a society in harmony with nature by leveraging engineering expertise

Foundation for enhancing the effectiveness of transition support

Engagement (P.68)

Identify issues



Determine priorities



Propose solutions

- Identify climate change- and nature-related risks and opportunities, the status of initiatives, and issues
- Based on the issues identified, work with customers to determine key issues and priorities for the transition
- Based on the issues identified, propose the necessary support, including insurance and solutions

Policy to Address Environmental and Social Risks (P.73)



Policy to Address Environmental and Social Risks

- Formulate the Policy to Address Environmental and Social Risks based on international guidelines and stakeholder expectations, and establish consistent criteria for insurance underwriting and investment and financing

Promoting Social Implementation (P.74)

Contributing to rulemaking



Co-creating value with companies and local governments



Corporate citizenship activities

- Contribute to international rulemaking activities by participating in international initiatives
- Conduct corporate citizenship activities in Japan and overseas, including mangrove planting and the restoration of eelgrass beds
- Help address regional and industry challenges by collaborating with corporate consortia and local governments

◆ Insurance Underwriting

■ Decarbonization-related Insurance

[Tokio Marine GX: Supporting Global Green Transformation]

Climate

The green transition is poised to spark the greatest capital reallocation in a century, requiring \$9.2 trillion in annual average spending on physical assets. Specialist insurance will be critical to mobilizing this investment.

Against the backdrop of the global transition toward a decarbonized society, investment is accelerating across multiple industries including: Energy, Transportation, Heavy Industry, Buildings and Agriculture with the goal of limiting climate change. Related businesses, including, wind, solar, hydrogen, battery energy storage systems (BESS), nuclear and carbon capture and storage (CCS) and carbon capture, utilization and storage (CCUS) are all contributing to reducing or eliminating carbon dioxide in order to limit climate change. At the same time, the global trend to electric vehicles, using sustainable fuels for shipping and aviation and improving energy efficiency through electrifying industrial processes is driving a decarbonized net zero economy. Finally, hard to abate sectors, from steel and construction to manufacturing, are also actively decarbonizing, and require specialist risk solutions at every stage of their journeys.



Transitioning businesses are exposed to complex and evolving risks, including technology maturity, more complex financing and investment structures, natural catastrophes, supply chains, and changes in regulatory and policy frameworks. In particular, for the development and operation of these assets, risk transfer through insurance has become a critical element in supporting project finance and business continuity. As a result, insurers are expected to provide advanced underwriting capabilities and specialist claims services.

To support the transition, Tokio Marine Group launched Tokio Marine GX, (TMGX), as a platform for providing integrated underwriting and risk solutions. TMGX is founded upon GCube's decades of experience in renewable energy underwriting and claims, Tokio Marine & Nichido's offshore and marine offering, and expertise drawn from across Tokio Marine's global operations. TMGX provides clients and partners across every sector with a single point of access to a comprehensive suite of products spanning renewables, conventional power, project cargo, marine, and financial lines including credit risk, surety and tax credit insurance. TMGX further supports businesses with a growing network of underwriting and risk management partners, providing the risk capacity, financial certainty and specialist expertise they need to decarbonize, invest and grow. This breadth of coverage, spanning both physical assets and the financial

structures that fund them, positions TMGX as the specialist marketplace for green transition insurance.

TMGX works with businesses, innovators, developers and investors to secure the cover they need to fund, build and operate their projects. Its insurance products and risk solutions have been developed and refined to equip clients at every stage of their journey, embedding stability and reducing volatility. TMGX sets appropriate terms and deploys the capacity required to get projects built and operating.

In the event of a loss, TMGX's claims team provides specialist expertise in TMGX-related projects, supporting the identification of loss causes, assessment of loss quantum and the timely restoration of operations. In addition to claims payments, TMGX uses insights accumulated through historical loss data, underwriting, and claims handling to provide advice on risk mitigation and loss prevention, thereby supporting the stable operation of customers' businesses.

In this way, TMGX supports businesses across multiple sectors, at every stage of their transition journey, not merely through the provision of insurance products, but by combining specialist risk assessment, underwriting, claims expertise, and advice on risk mitigation and loss management, to provide the risk capacity, financial certainty and specialist expertise that businesses need to decarbonize, invest and grow. In doing so, it helps enable the flow of capital into the technologies and infrastructure required for a sustainable, low-carbon economy.



TMGX's top management team, bringing together advanced insurance underwriting and loss-servicing capabilities

[Insurance and Services to Support Offshore Wind Power Generation]

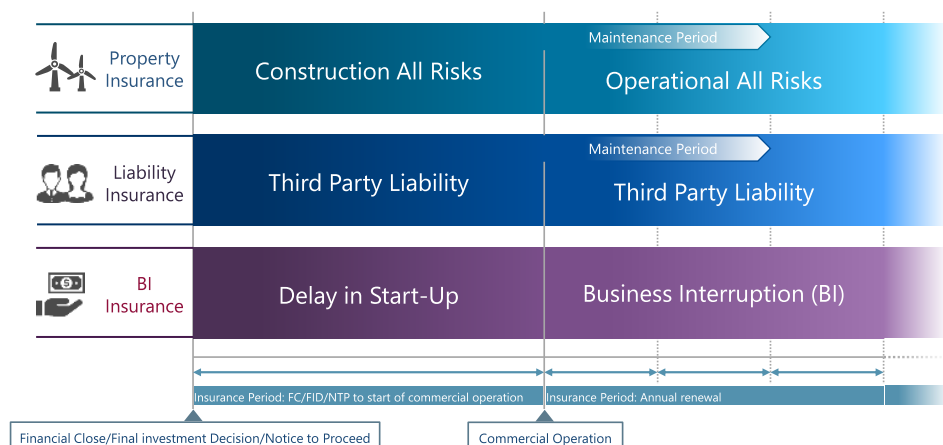
Climate

Tokio Marine & Nichido has been underwriting insurance for offshore wind power generation projects across the world since 2013 when they were not yet widely known in Japan. The company is now regarded as one of the major international players in this field.

Offshore wind power generation projects, which require largescale investment, often entail project financing and involve various parties, including the manufacturer of windmills and other contractors. Thus, an insurance package exclusively designed for such projects plays a crucial role. Such an insurance package offers comprehensive and seamless total support in order to cover a variety of risks faced by each party involved in constructing and operating wind farms. As a managing underwriter, Tokio Marine & Nichido offers globally competitive coverage in its insurance package. Contracts related to such projects vary by country or region. Thus, Tokio Marine & Nichido's insurance policy has been adjusted to their respective conditions to provide appropriate risk coverage. As for risks specific to Japan, the company has been actively promoting initiatives that harness its knowledge of maritime risks, which has been accumulated through its long history and tradition of providing hull and cargo insurance, and the experiences of underwriting insurance for marine development projects.



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

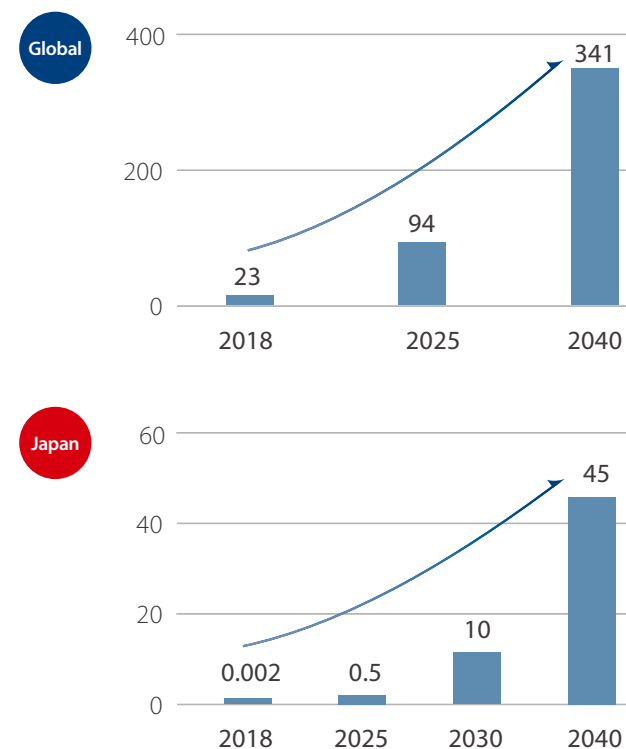


As offshore projects require preparations for typhoons and other natural disaster risks and pose greater challenges than land projects, we have made a range of efforts to counter these challenges. Given that Japan faces many natural disasters, we have built a risk model specific to the country through industry-academia collaboration with the Nippon Kaiji Kyokai (known as ClassNK) and Kyoto University.

Additionally, we have formulated the Guidelines for Marine Warranty Survey in Japan by applying our experiences in offshore wind power generation projects in Europe and modifying a marine warranty survey, which is common in Europe, to match the actual state of construction and other related contractors and weather conditions in Japan.

At Tokio Marine & Nichido, premiums related to offshore wind power generation increased by about 2.7 billion yen from fiscal 2020 to fiscal 2024. The number of projects is expected to increase further, and we anticipate continued, sharp market growth both in and outside Japan.

► **Electricity generated by offshore wind power**



Source: Vision for Offshore Wind Power Industry (1st Draft), materials from the Japan Wind Power Association and partially surveyed by Tokio Marine

[Insurance Package for Solar PPA Operators]

Climate

Tokio Marine & Nichido offers Insurance Package for Solar PPA Operators, an insurance product providing power purchase agreement (PPA) operators with comprehensive coverage for various risks, including the risk of damage to power generation facilities, third party liability risk arising from the management of facilities and risk of the user (company using the facilities) going bankrupt.

In recent years, a PPA model has drawn much attention on the back of the growing need to use renewable energy. It is a business model in which a third party installs its own renewable energy facilities on the roof of the user's building or within its premises by incurring the installation costs, and supplies generated power to the user while recovering these and other costs through a long-term PPA with the user. An increase in the introduction of renewable energy is expected to continue via this model, as it has the advantage of eliminating the associated initial cost for the user. There is, however, a risk that the originally planned cost recovery would be difficult for reasons such as unexpected and sudden accident during the term of the contract. By offering this insurance package, the company contributes to the promotion of renewable energy based on the solar PPA model.

**[Carbon Credit-related Insurance]**

Climate

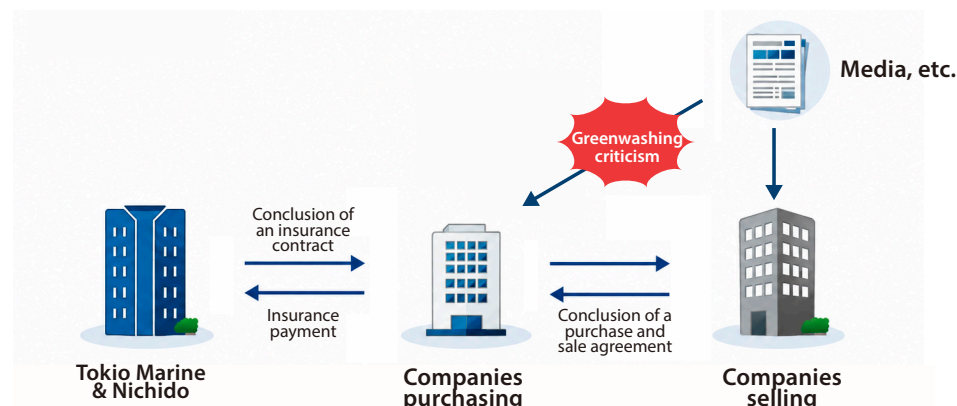
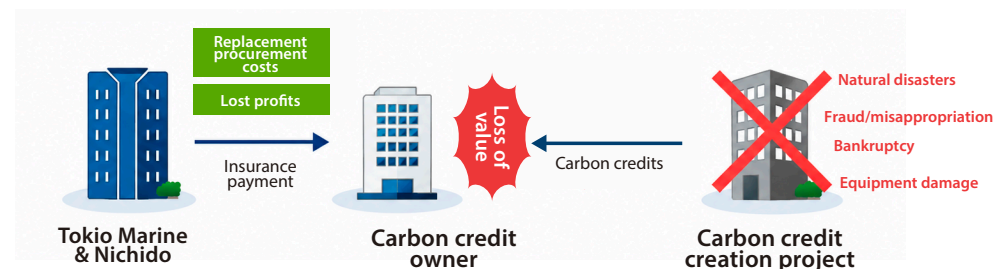
Detailed operational rules for the international trade in carbon credits were approved at the COP29 climate summit in 2024, which shows that there are growing expectations for carbon credits as a way to achieve carbon neutrality globally.

Tokio Marine & Nichido has been conducting engagement with companies that purchase and/or create carbon credits from a risk management perspective and developing the necessary insurance and solutions.

Using the knowledge acquired from this initiative, the company developed Carbon Credit Reputation Cost Insurance in July 2024 for companies that purchase carbon credits in the voluntary market. The insurance covers the costs of responding to greenwashing criticism and the consulting fees with specialized organizations. In February 2025, the company also introduced Carbon Credit Response Cost Insurance for carbon credit owners that compensates the insured for the costs of procuring replacement units when the value of carbon credit is damaged.

We will conduct closer engagement with leading companies that create and use carbon credits through these products, while helping enhance the risk management capacity of the carbon credit domain by participating in discussions with and providing information to government working groups and private organizations.

Tokio Marine & Nichido intends to help achieve carbon neutrality by developing insurance products and services that encourage the growth of the carbon credits market.

►Notional image of Carbon Credit Reputation Cost Insurance**►Notional image of Carbon Credit Response Cost Insurance**

[Recovery and Reuse of Auto Parts from End-of-Life Vehicles]

Climate

Nature

The Ellen MacArthur Foundation is an internationally well-known organization promoting circular economy. It released a report entitled “Completing the picture: How the circular economy tackles climate change,” which states that a transition to renewable energy, complemented by energy efficiency, can only address 55% of global GHG emissions while reducing the remaining 45% requires a circular economy and transformation of the way we make and use products.

Tokio Marine & Nichido, Tokio Marine Direct Insurance and Nisshin Fire acquire end-of-life vehicles in exchange for the payment of insurance claims. The three companies collect materials from the vehicles' taillights and airbags through a network of auto dismantlers and work with a chemical manufacturer to recycle and reuse them again as raw materials.

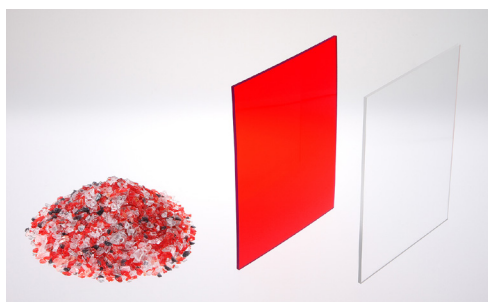
[Number of instances of use of recycled auto parts*] 14,460 (Tokio Marine & Nichido, fiscal 2025)

This initiative both serves to reduce waste through circular economy and helps achieve decarbonization. For example, recycling acrylic resin from used taillights can reduce CO₂ emissions by 50% compared to newly manufactured acrylic resin.

As insurance companies handle many end-of-life vehicles, we will continue to contribute to the achievement of decarbonization and nature positivity by expanding the recovery and reuse of auto parts.



End-of-life vehicles



Acrylic resin recycled from end-of-life taillights

*: Recycled parts are said to have an effect in reducing CO₂ emissions compared with new parts (about 23.1 kg for a bumper, 97.3 kg for a door (Source: Survey by The General Insurance Association of Japan))

■ Nature Risk Finance

Nature

Tokio Marine Group provides insurance products, price volatility risk solutions, and risk management services in sectors that have high dependencies on natural capital, including agriculture, livestock, and fisheries. By helping customers address risks arising from changes in the natural and market environments, the Group contributes to the enhancement of business continuity and the strengthening of the resilience of food supply chains.

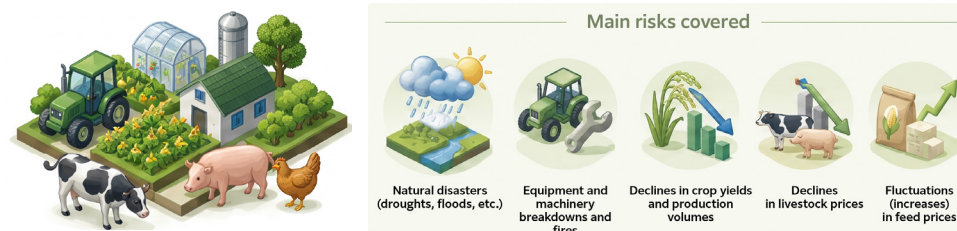
[Agriculture and Livestock Farming]**1. Insurance for Agricultural and Livestock Producers**

The agriculture and livestock industries are exposed to a wide range of risks, including changes in weather and the natural environment, equipment and machinery breakdowns, fires, and the fluctuation of prices. These risks can significantly impact not only crop yields and production volumes but also business operations. In addition to insurance covering general business risks such as fires, natural disasters, and equipment and machinery breakdowns, Tokio Marine Group supports the business continuity of agricultural and livestock producers through crop insurance and livestock insurance. For example, U.S.-based Group company Tokio Marine HCC (TMHCC) provides crop insurance covering the risk of declines in yields or revenue, as well as livestock insurance covering the risk of the decline in the prices of cattle, hogs, and other livestock.

2. Price Volatility Risk Solutions for Agricultural and Livestock Products

In addition to production risks, agricultural and livestock producers face price volatility risks associated with agricultural and livestock products, feed, and other input. For example, the prices of agricultural and livestock products and feed may fluctuate significantly due to changes in crop yields caused by extreme weather, shifts in global supply and demand, import and export restrictions, trade friction, and geopolitical risks.

Commodity & Ingredient Hedging (CIH), a Tokio Marine Group company, provides price volatility risk solutions and consulting services for agricultural and livestock products. Through risk solutions using derivatives (futures and options), CIH helps mitigate the impact of price fluctuations on earnings and supports stable business continuity. CIH also uses its proprietary



risk management software platform to provide price fluctuation simulations, earnings analysis, and support for the visualization of risks. Through education, training, and consulting services, CIH also helps agricultural and livestock producers develop risk management policies tailored to their individual business conditions and risk profiles.

These insurance products and risk solutions help mitigate economic losses arising from natural disasters, changes in market conditions, and other factors, contributing to the stability of food supplies and the business operations of agricultural and livestock producers.

[Fisheries (Aquaculture)]

Against the backdrop of growing global demand for protein driven by population growth and constraints on wild fishery resources, aquaculture is expected to play an important role in supporting a sustainable food supply. At the same time, aquaculture is highly susceptible to changes in the natural environment, including fluctuations in seawater temperatures, red tides, disease outbreaks, natural disasters, and abnormal water quality conditions, all of which can significantly affect business continuity.

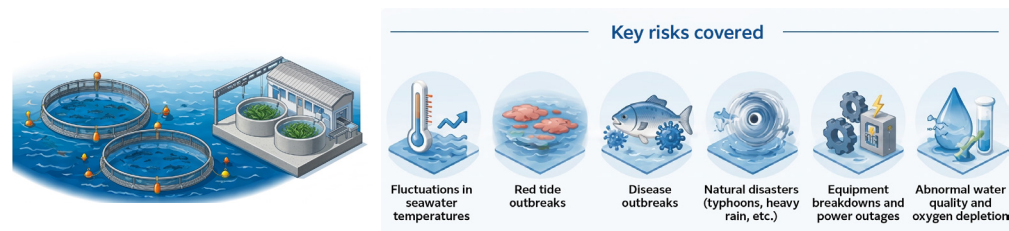
To address these risks, Tokio Marine Group provides insurance for both marine and land-based aquaculture businesses. We provide marine aquaculture operators in Japan and overseas with coverage for loss risks caused by fluctuations in seawater temperatures, red tide, and other events. Particularly in Japan, private insurance plays a complementary role in operations not covered by the fisheries mutual aid system. For land-based aquaculture, we provide coverage for fish mortality risks caused by natural disasters, equipment breakdowns, abnormal water quality conditions, and other events, covering species such as salmon, flounder, grouper, and shrimp.

Closed recirculating land-based aquaculture, in particular, has been attracting attention as a production method that can help reduce dependence on wild fishery resources and minimize environmental impact. However, because it is highly dependent on equipment, equipment failures can significantly impact operations. In 2021, Tokio Marine Holdings developed an insurance product for closed recirculating land-based aquaculture, helping aquaculture operators enhance their risk management and ensure business continuity.

Through these insurance products, Tokio Marine Group supports the stable operation of aquaculture businesses while contributing to a stable supply of fishery products and the development of sustainable production systems. Going forward, the Group will continue to accumulate operational data and enhance its risk assessment methods to develop its insurance framework that supports the sustainable growth of the aquaculture industry.

[Other Nature-related Risk Financing]

In addition to these, Tokio Marine Group provides various insurance products and solutions to address risks related to soil contamination and remediation costs and other nature-related risks. Through risk financing, the Group supports customers in the enhancement of their resilience and the transition toward a nature-positive future.



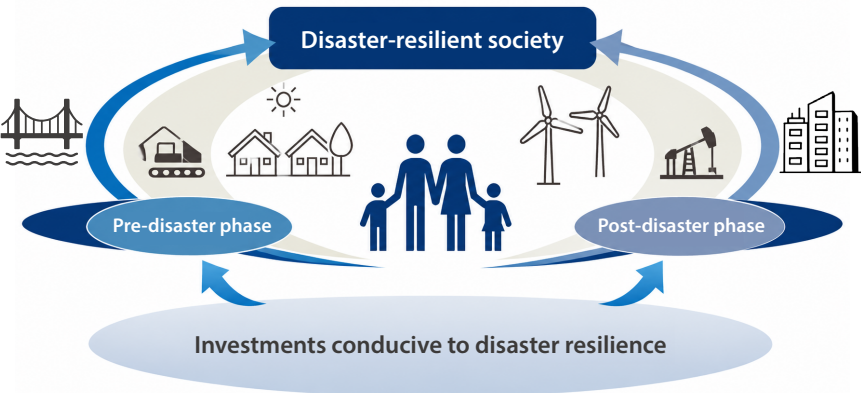
◆ Investment and Financing

■ Investment and Financing Initiatives as an Institutional Investor

Tokio Marine Group recognizes that climate change and loss of natural capital are issues that are closely linked. As such, we engage in ESG investment and financing, which gives appropriate consideration to the environment, social and governance (ESG) factors encompassing these two issues while supporting the transition to a decarbonized society and conservation of natural capital.

Specific efforts include ESG integration where both financial and non-financial data are used in the investment decision-making process; constructive and purposeful dialogue with investees and financing recipients, which encompasses ESG issues; exercising voting rights for these recipients; and addressing specific sectors based on climate change as well as environmental and social risks. We have also been promoting efforts to become nature positive in 2030 and carbon neutral in 2050 in our investment and financing portfolios.

Tokio Marine Group is also working to generate sustainability-related outcomes that help address environmental and societal challenges by engaging in sustainability-themed investment and financing and impact investing, primarily through its insurance companies in Japan. As part of these efforts, Tokio Marine & Nichido is promoting investments that help improve disaster resilience, which constitutes one of the Group’s material issues. The company aims to contribute to the establishment of a disaster-resilient society by investing in the pre-disaster phase, which helps mitigate disaster risks and reduce damage, and in the post-disaster phase, which supports the swift recovery from and reconstruction following disasters.



The Group’s outstanding balance of sustainability-themed investments and financing and total commitments to impact investing as of March 31, 2026 are shown below.

Investment cases	Investments and financing as of March 31, 2026 *
Sustainability-themed investments and financing	159.9 billion yen
Impact investing	38.2 billion yen

*: Total balance of Tokio Marine & Nichido, Tokio Marine & Nichido Life and Nisshin Fire for sustainability-themed investments and financing, including investments in municipal bonds whose proceeds are used to fund flood mitigation projects
Total commitments of Tokio Marine & Nichido for impact investing

Initiatives for Sustainability-Themed Investments and Financing

Sustainability-themed investment and financing include investment in green bonds, sustainability bonds and transition bonds. Additionally, Tokio Marine & Nichido executes green loans and invests in the GX Economy Transition Bonds (climate transition bonds) issued by the Japanese government as an effort to support the transition to a decarbonized society. The company also made new investments in blue bonds issued by the Indonesian government to support marine environment conservation and sustainable fisheries, and invested in Japan’s first publicly issued impact bonds. In addition to these initiatives, in fiscal 2025, Tokio Marine & Nichido invested in municipal bonds whose proceeds are earmarked for flood control projects.

[Investment in Municipal Bonds Earmarked for Flood Control Projects]

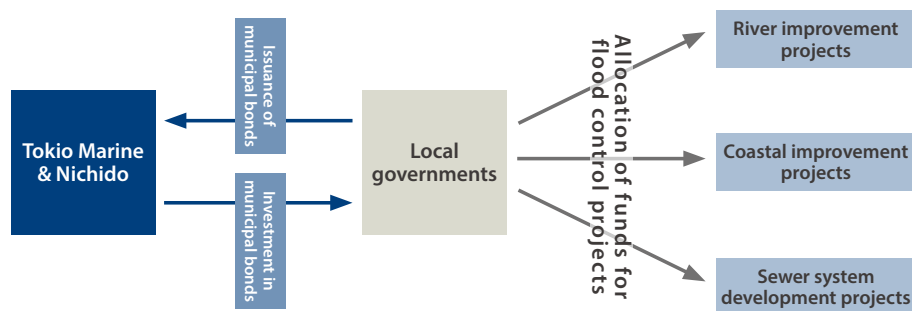
Climate

Tokio Marine & Nichido has begun investing in municipal bonds whose proceeds are earmarked for flood control projects. These investments are intended to help prevent and mitigate flood damage to households and businesses, as flood disasters have become increasingly severe and frequent in recent years.

When investing in these municipal bonds, the company considers not only investment yields but also the expected benefits of infrastructure development and other measures for preventing disasters and mitigating damage. In fiscal 2025, the company first purchased the Flooding Resilience Bond issued by the city of Yokohama, followed by the Mie Green Bond (Flood Resilience Framework) issued by Mie Prefecture. Proceeds of these municipal bonds are both earmarked for flood control projects.

Through these initiatives, the company will strengthen its responsiveness to address natural disaster risks associated with climate change and contribute to the improvement of disaster resilience of local communities.

► Preventing and mitigating flood damage to improve disaster resilience



Note: The flood control projects to which the proceeds are allocated are selected by local governments and limited to those implemented before Tokio Marine & Nichido purchases the municipal bonds.

Initiatives for Impact Investments

In fiscal 2022, Tokio Marine & Nichido established a team to carry out impact investing that generates both social and economic value. The company has made investment commitments to renewable energy funds and a real estate climate impact fund that contribute to addressing climate change as well as forestry funds and agriculture strategic investment funds that contribute to conserving natural capital. In fiscal 2025, the company also launched impact investments in companies working to achieve a resilient society to improve disaster resilience. Through these impact investments, Tokio Marine & Nichido aims to both resolve societal challenges and generate financial returns, while taking a multi-faceted approach to improving disaster resilience through collaborations between its investee companies and its insurance and solutions businesses, as well as through other initiatives.

[Investment in Companies Working to Achieve a Resilient Society]

In fiscal 2025, Tokio Marine & Nichido invested in WOTA Corp., a developer of small-scale decentralized water recycling systems, which recycle and maximize the use of domestic wastewater, as well as the autonomous water-treatment control technologies that enable these systems. Through this investment, Tokio Marine & Nichido aims to facilitate the use of emergency water sources when there are water outages during disasters, mitigate the impact of water outages, and improve sanitary conditions in disaster-affected areas and evacuation shelters. Additionally, by utilizing decentralized water recycling systems to address aging water and wastewater infrastructure, the company aims to improve the sustainability of water infrastructure.

[Investing in Real Estate Climate Impact Fund That Focuses on Climate Action] Climate

We have signed through Tokio Marine & Nichido an agreement to invest in the Fidelity European Real Estate Climate Impact Fund, which addresses climate change issues through the acquisition and renovation of commercial real estate in Europe.

This fund aims to implement sustainability-enhancing renovations to existing buildings acquired through real estate investments to reduce GHG emissions and improve asset value and well-being of users. Through the investment, Tokio Marine & Nichido financially aids the climate action in the real estate sector and provides support for achieving a net-zero society.

[Investment in a Forestry Fund]

Climate

Nature

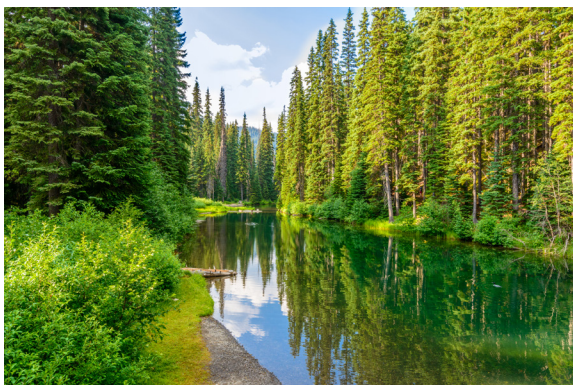
We have signed through Tokio Marine & Nichido an agreement to invest in the Manulife Forest Climate Fund, which invests globally, including in the United States and Australia.

This fund manages forests mainly to acquire carbon credits that are receiving growing expectations for their role in reducing GHG emissions. It plans to acquire international certification to promote sustainable forest management, such as the Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC) certification, for the forests it manages.

Also, we have signed through Tokio Marine & Nichido an agreement to invest in The Reforestation Fund I, managed by BTG Pactual Timberland Investment Group, LLC.

This fund aims to issue carbon credits through the reforestation and conservation of commercial plantations and natural forests for timber production in South American cattle pasture. It plans to manage forests sustainably to generate impact such as biodiversity conservation in collaboration with Conservation International, an international environmental NGO.

Tokio Marine & Nichido supports initiatives for natural capital conservation and carbon neutrality through investments in forestry funds.

**[Investment in an Agriculture Strategic Investment Fund]**

Climate

Nature

We have also signed through Tokio Marine & Nichido an agreement to invest in the Macquarie Agriculture Fund Crop Australia 2, a fund to invest in Australian farmland and agriculture-related businesses.

This fund mainly invests in companies that own and operate farmland in Australia and promotes environmentally friendly operations, such as the use of renewable energy, the reduced use of pesticides and fertilizers by introducing the latest technology and afforestation in abandoned farmland. Through the investment, Tokio Marine & Nichido provides financial support to sustainable agricultural operations for the ultimate goal of reducing GHG emissions and conserving biodiversity while also supporting the agriculture sector to address climate change and nature-related issues for achieving carbon neutrality.



■ Initiatives as an Asset Manager

Climate

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

Performance of renewable energy funds (Total as of March 31, 2026)

Amount committed **Approx. 48 billion yen**

Units installed **43**

Power generation capacity (DC) **Approx. 280 MW**



■ Supporting the Social Implementation of Climate Tech through Startup Investments

Climate

Nature

Through collaboration and co-creation with startups in Japan and overseas, Tokio Marine Group is developing innovative insurance products and solutions that address issues and risks faced by customers and society. Investments in startups through corporate venture capital (CVC) funds such as the Tokio Marine Future Fund are strategic initiatives that go beyond financial investments. The goal is to build relationships with companies that could become future strategic business partners at an early stage and accelerate the exploration of new business models and develop new businesses.

In promoting the transition to a decarbonized society, the social implementation of new technologies and services is required in a wide range of fields, including renewable energy,

resource circulation, carbon credits, climate risk analysis, and disaster prevention and mitigation. By investing in and co-creating value with startups in the climate tech field, Tokio Marine Group supports the growth of these technologies and business models, helping accelerate companies and society's efforts to achieve decarbonization from both financial and business perspectives.

For example, by investing in startups that engage in the generation and distribution of agricultural carbon credits, carbon removal using biochar, AI-based wildfire detection, climate risk analysis, resource circulation, and the use of ocean data, the Group supports the social implementation of new solutions conducive to the realization of a decarbonized society in harmony with nature.

[Major Investments in the Fields of Climate and Nature]

Mitigation: GHG reduction and removal

FAEGER

株式会社 フェイガー

Monetize efforts to reduce GHG emissions in the agricultural sector through the generation and sale of agricultural carbon credits while supporting producers in their transition to low-carbon agriculture and companies in their efforts to achieve carbon neutrality

Midori
Climate Partner

Contribute to the creation of carbon removal credits in Asia, the revitalization of local communities, and the restoration of ecosystems through the development of high-quality carbon removal projects using biochar and other methods

Adaptation and resilience

PANO

Enhance responsiveness to natural disaster risks using AI-enabled wildfire early detection and monitoring systems while supporting the deployment of solutions that help increase the resilience of local communities and infrastructure.

◆ Provision of Solutions

■ [Providing Solutions by Tokio Marine dR]

Climate

Nature

Companies' financial situations may be negatively impacted by various factors. They include physical damage to assets due to floods and other meteorological disasters caused by climate change; a loss of profits due to supply chain disruptions; and changes in policies, laws and regulations, technology and markets as we transition to a low-carbon economy. At the same time, these factors can also spawn opportunities for companies, such as cost savings achieved from improved resource efficiency and the development of new products and services. This is why investors are now demanding the disclosure of such information. Tokio Marine dR supports the identification, assessment, scenario analysis and information disclosure of climate-related risks and opportunities based on the climate-related disclosure standards.

The loss of natural capital and biodiversity is recognized as a global threat and challenge fundamental to the sustainability of human activities, as evidenced by the adoption of the Post-2020 Global Biodiversity Framework at the Conference of the Parties to the Convention on Biological Diversity (COP15). Against this background, companies now need to accurately understand the benefits and impacts of their business activities and take steps to mitigate the loss of natural capital and biodiversity and encourage their restoration. Tokio Marine dR helps companies identify areas in which their business activities interface with natural capital and biodiversity, evaluate dependencies and impacts, assess material risks and opportunities, develop countermeasures and support information disclosure based on the LEAP approach developed by the TNFD.

In addition, using the knowledge acquired from operating in the non-life insurance field, the company provides a wide range of services, including consultation on soil environmental assessment and soil pollution countermeasures as well as risk assessments of renewable energy power stations.



▶ Examples of Climate Change and Natural Capital-related Services Provided by Tokio Marine dR

Service	Overview
Consultation on climate-related information disclosures	Provide support for the identification, assessment, scenario analysis and disclosure of sustainability-related information on climate-related risks and opportunities by applying the expertise on the assessment of natural disaster risks acquired over the years and a track record of helping companies adopt the TCFD recommendations.
Physical risk scenario analysis	Carry out a risk assessment of business facilities of companies against current and future meteorological disasters caused by climate change and help them formulate risk control measures and plans to adapt to climate change. Carry out scenario analysis of raw material and water procurement on request.
Consultation on setting SBT goals	Applying the track record of helping companies adopt ESG practices, provide support for setting GHG emissions reduction targets in line with the SBT initiative (such as by organizing items required for SBT application, developing action plans and building an internal consensus) and GHG emissions calculation, which represents basic data needed to set the targets (by verifying the validity of the calculation method, analyzing and organizing issues and developing a standard operating procedure for tabulation).
Support for nature-positive management (Help companies adopt the TNFD recommendations)	Provide support for clarifying the relationship between business activities and natural capital/biodiversity, identifying the dependencies and impacts on natural capital and biodiversity and assessing risks and opportunities based on the LEAP approach (a comprehensive method used to assess the dependencies, impacts, risks and opportunities of nature-related issues developed by the TNFD) to enable companies to manage nature-related risks and impacts and disclose relevant information.
Consultation on water risks	Provide support for information disclosure of countermeasures and initiatives against water risks by applying the track record of providing services for the assessment and analysis of natural disaster risks and countermeasure development as well as consulting capabilities related to sustainability and ESG management.
Consultation on CDP reporting	As CDP's accredited scoring partner, Tokio Marine dR was involved in the scoring in the area of climate change from 2018 to 2023. It became a CDP-accredited solutions provider in 2025. As a consulting expert in climate change, it offers support to companies dealing with CDP reporting for the first time and to those wishing to improve their scores.
Consultation on external ESG rating	After discovering the status of ESG disclosure, make a list of items that should be disclosed and organize priority initiatives while considering the impact of the data. Study and analyze the status of disclosure of competitors and organize issues to address on request.
Support for obtaining environmental building certifications and turning existing buildings into zero-energy buildings (ZEB)	Provide support for obtaining environmental building certifications, including the Comprehensive Assessment System for Built Environment Efficiency (CASBEE) and Building-Housing Energy-efficiency Labeling System (BELS) and initiatives for ZEB.
Providing diagnosis of energy efficiency of buildings; understanding the current status of ESG practices and verifying the effects	Produce ESG reports summarizing the current status of ESG practices used for buildings, recommended energy-saving measures and verification of the effects and provide support to improve the risk management and performance of real estate investment.
Soil environmental assessment, soil pollution countermeasures and consultation	As part of the risk assessment of soil pollution, investigations are conducted such as screening (preliminary site investigation), the history of hazardous substances use and confirmation of the extent of soil pollution and pollutants. When pollution is confirmed through the risk assessment, comprehensive consultation for executing decontamination work is provided, from developing a decontamination plan to negotiating with local governments and communicating with local residents.
Risk assessment of renewable energy power stations (Risk advisory services for clean energy developers)	Using the knowledge on damage assessment acquired in the non-life insurance field, conduct quantitative assessments of natural disaster risks required when procuring funds through the project finance method mainly used to fund renewable energy projects and large-scale infrastructure projects.

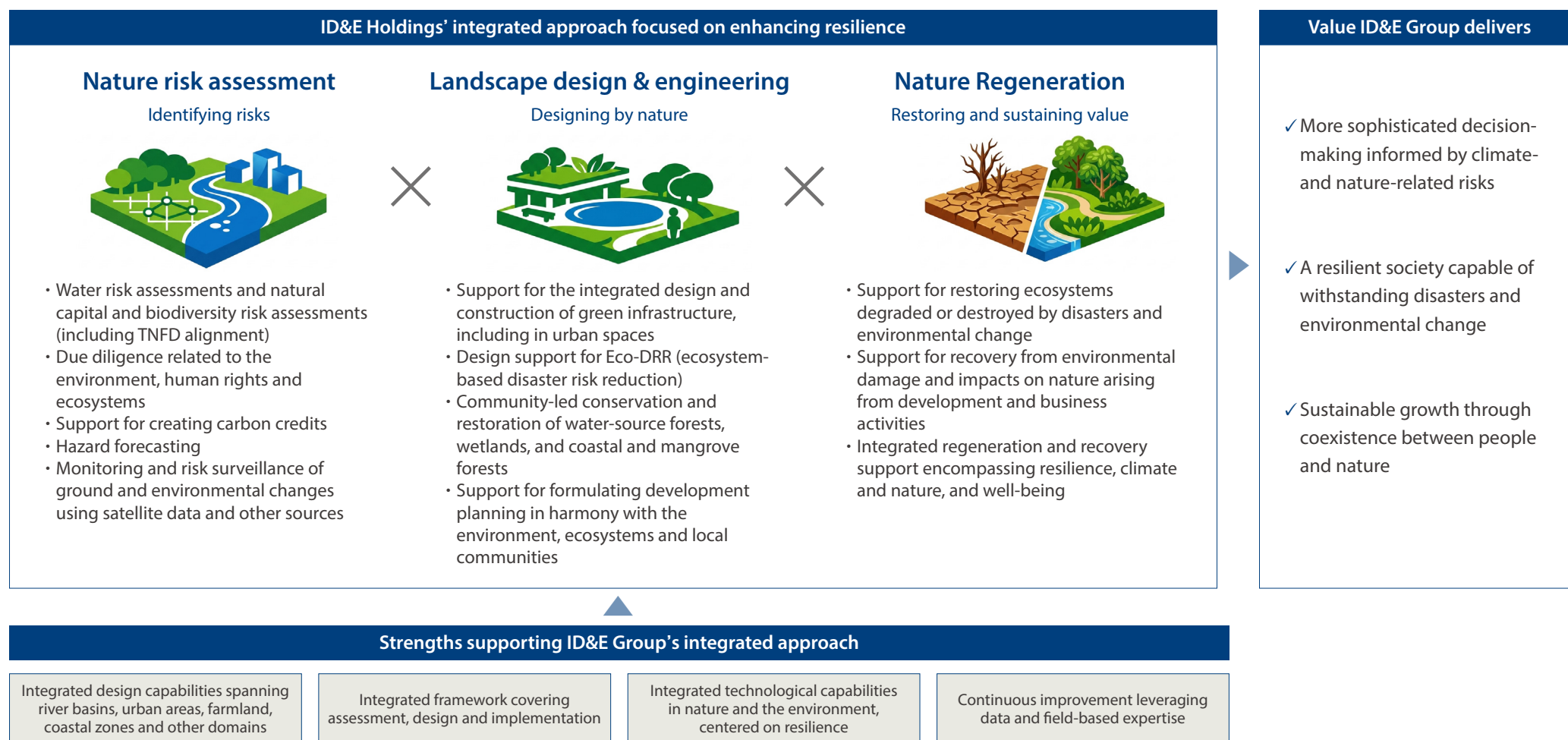
[Integrated Solutions Provided by ID&E Holdings]

Natural capital and biodiversity have become central considerations when making management and investment decisions as disaster risks have emerged, policy and global trends have changed, and expectations regarding the disclosure of information are growing in connection with frameworks such as the TNFD. In particular, the strengthening of resilience in harmony with nature is essential for ensuring the sustainability of infrastructure and communities. At the same time, it is not easy to understand the relationships with nature (dependencies and impacts), incorporate these insights into the planning of businesses and physical spaces, and translate sustainability initiatives into value creation. This is because fragmented assessment, design, and

Nature

implementation processes make it difficult to translate the insights gained from the visualization of nature-related risks into enhanced business value.

Focusing on the enhancement of the resilience of infrastructure and communities, ID&E Holdings provides integrated solutions covering the entire process from assessment and design to implementation that bring together nature risk assessment, landscape design and engineering, and the nature regeneration. This approach enables companies to address nature-related risks not merely as a matter of regulatory compliance, but as an opportunity to increase the value and competitiveness of businesses while strengthening the sustainability and resilience of infrastructure and communities.



[Providing an Insurance Advisory Package]

Climate

Tokio Marine Group provides an insurance advisory package for renewable energy projects designed to address risks at each stage of the project, from early-stage development to construction and operation. The service combines risk due diligence for identifying and analyzing project-specific risks and the provision of advice regarding insurance arrangements and risk transfer based on the results of the due diligence. It supports project operators, financial institutions, and investors to make informed decisions, facilitates financing, and helps ensure the stable operation of projects.

Specifically, we identify key risks by reviewing the project structure, contractual relationships, and construction and operational frameworks, as well as by interviewing relevant stakeholders. Major natural disaster risks are then assessed from both qualitative and quantitative perspectives. Based on the assessment results, the service examines the appropriateness of risk allocation among the stakeholders and contractual insurance requirements. We also advise project owners on the types of insurance they should arrange, coverage terms, coverage limits, deductible terms, and other conditions. This helps stakeholders consider appropriate risk mitigation measures, establish a shared understanding with insurers, and better explain the project and its risk profile to financial institutions and investors.

Going forward, Tokio Marine Group will leverage the technology, design, construction, operations, and project development support capabilities of ID&E Holdings in the renewable energy field to expand the service beyond risk and insurance domains and deliver broader value. By clarifying technical and business risks, developing concrete countermeasures, supporting communication with stakeholders, and preparing information to facilitate the lending decisions of financial institutions, we aim to become a partner that provides more comprehensive support to customers in the securing of financing.

►Insurance advisory package

I Project risk assessments	■ Identification of project risks ■ Natural disaster hazard survey ■ Risk mapping and summary of countermeasures
II Quantitative risk assessments	■ Quantitative assessments of property damage and lost profits resulting from risks such as natural disasters during construction and operation [Risks subject to assessment] • Earthquakes, tsunamis, wind disasters, lightning strikes, snowstorms, floods (river flooding, high tide, landslides), etc. • Other risks: Accidents during transportation; civil engineering and assembly accidents; fires and explosions at substations and power generators; electrical and mechanical accidents, etc.
III Advice and Due Diligence on insurance procurement strategies	■ Review of risk allocation among stakeholders, taking into account the results of qualitative and quantitative risk assessments ■ Review of risk and insurance provisions in contracts between stakeholders ■ Advice on the appropriateness of insurance coverage and policy terms for owner-arranged insurance as well as on insurance procurement strategies ■ Preparation of insurance due diligence reports and support for lender due diligence processes

[Park Regeneration through Nature-based Flood Protection and Ecosystem Restoration]

Climate Nature

BDP Holdings Limited, a member of the ID&E Group, led the landscaping design in the restoration of Beckenham Place Park East in the London Borough of Lewisham, transforming approximately 17 hectares of flood-prone parkland into a vibrant, multifunctional landscape with enhanced resilience to flood risks.



Creating wetlands, meadows, woodlands, and other habitats, nature-based flood protection is at the heart of the design of this project. In particular, the development of a 25,000 m³ flood storage basin and habitat pond helps reduce flood risk for more than 400 homes. Through its landscape design, the project strengthens urban climate resilience while enhancing ecosystems by creating and restoring wetlands, grasslands, and woodlands.

Additionally, the park has been transformed from an underused space with fragmented functions and disconnected circulation routes into a place that reconnects the local community with nature. An inclusive playground and improved accessibility features have created a welcoming space for a broad range of users. The annual number of visitors to the wider park has increased from 200,000 to more than 1.5 million, expanding the opportunities for people to connect with nature.

[Supporting Surveys of Rare Flora and Fauna and Environmental Considerations during Power Plant Upgrades]

Nature

Commissioned by TEPCO Renewable Power, Inc., Nippon Koei Energy Solutions has been conducting surveys since December 2024 in connection with renovation work at the Shimashimadani Power Station to assess the presence of rare plant and animal species in the area.

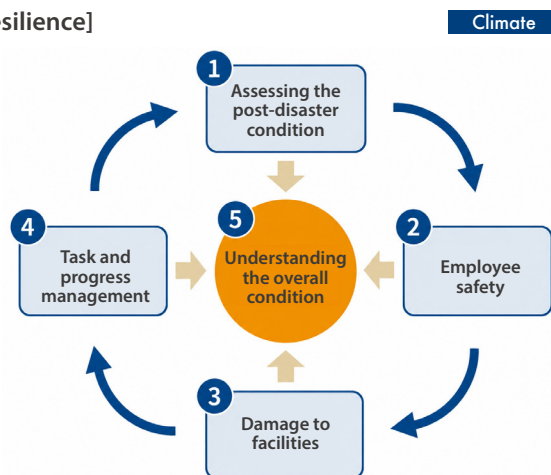


Particular care is taken to protect the rich natural environment surrounding the power station and comply with applicable laws and regulations. The findings of the surveys are incorporated into environmental measures taken during construction to help reduce environmental impact. Through these efforts, the company is promoting infrastructure development that respects the natural environment while keeping the impact on the habitats and growth environments of wild plants and animals to a minimum.

Going forward, the company expects to further advance efforts to balance the conservation of biodiversity and business activities by building on the knowledge it has gained through this project and applying it in similar projects in comparable natural environments.

[Solutions Provided by Tokio Marine Resilience]

In November 2023, Tokio Marine Group established Tokio Marine Resilience Co., Ltd., a Group company specializing in the solutions business in the disaster prevention and mitigation domain. The company has launched this new business to offer value to all phases of the disaster prevention and mitigation value chain (assessment, preparedness, evacuation, reconstruction of livelihoods) and started providing disaster prevention and mitigation services.



(1) Providing Solutions to Companies

We provide various software as a service (SaaS) and other solutions, such as *imatome*, an all-in-one crisis management service designed to automate the initial response (BCP) to a disaster, and an emergency stockpile solution that supports companies in their preparation for disasters and also helps reduce the burden of managing and distributing supplies.

The *imatome* service centrally manages the gathering of information, confirmation of safety, and the sharing of information about the response status during disasters, supporting rapid initial responses and business continuity. The emergency stockpile solution supports companies from the development of stockpiling plans to procurement and management, helping enhance disaster preparedness while reducing the burdens on the personnel responsible for these tasks. In developing these services, Tokio Marine Resilience also utilizes solutions co-created by the CORE consortium. The company will continue to expand its range of services supporting companies' efforts to prevent and mitigate disasters to contribute to the realization of a resilient society.



Dashboard screen of *imatome*, an all-in-one crisis management service



"Unit 1-Day Rescue" emergency stockpile solution

(2) Providing Solutions to Policyholders (Individual Customers)

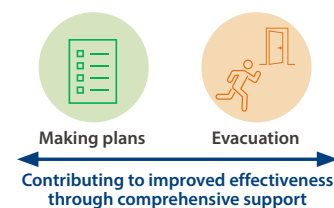
Tokio Marine & Nichido operates a website for its policyholders that sends hail alerts up to 39 hours in advance when the risk of hail increases and shows the areas where hail has fallen on the map. The company also promotes initiatives to reduce damage by providing disaster information in advance and encouraging customers to evacuate and take other preventive measures. Alerts are also issued for risks other than hail, including damage from snow accumulation and frozen water pipes. The company also strives to expand the disaster prevention information it provides and roll out the service to other Group companies to minimize damage to customers.



(3) Providing Solutions to Local Governments

Support Services to Enhance the Effectiveness of Individual Evacuation Plans
Following the 2021 amendment to the Basic Act on Disaster Management, which made the preparation of individual evacuation plans a best-efforts obligation for municipalities, Tokio Marine Group has been working to support local governments in the enhancement of the effectiveness of these plans. In fiscal 2025, the Group supported a municipality in the establishment of coordination flows within and outside the municipal government and the identification of operational issues by taking into account the full process from the preparation of individual evacuation plans through to post-disaster responses. We also leverage the expertise of individual Tokio Marine Group companies to provide comprehensive support, including support for the design of operations based on disaster risk analyses and the planning and implementation of drills to verify the effectiveness of individual evacuation plans. Going forward, Tokio Marine Group will continue to contribute to the realization of a society in which everyone can live safely and with peace of mind by developing mechanisms that increase the effectiveness and efficiency of the preparation and implementation of individual evacuation plans.

► Overview of the service



► Notional image of support for 2025



◆ Engagement

[Tokio Marine & Nichido's Engagement with Companies]

Climate

Tokio Marine & Nichido engages in dialogue with customers to make joint efforts toward a decarbonized society and a society in harmony with nature. Specifically, we hold dialogue with 200 large corporate customers* to capture issues facing them, make proposals based on these issues and underwrite insurance or provide solutions in relation to decarbonization and coexistence with nature.

Engagement to Achieve Decarbonization

In September 2023, Tokio Marine & Nichido set an interim target of holding dialogue with 200 large corporate customers, which account for approximately 90% of the company's insurance-associated GHG emissions, and achieving Level 2 or higher engagement with more than 160 customers by 2030.

As of the end of fiscal 2025, we had dialogue of Level 2 or greater with 130 companies, which account for 65% of the engagement target. Subsequently, we have made proposals on how to address challenges to promote decarbonization or provided insurance underwriting and solutions.

*: Companies listed in the Prime Market of the Tokyo Stock Exchange, selected from Tokio Marine Nichido's top 150 customers in terms of written insurance premiums and top 100 customers in terms of GHG emissions

Level	Topics	Activities	Number of companies with which to have engagement
①	Identify issues	Understand customer's decarbonization plans and initiatives based on the company's management plan, IR reports, etc., while presenting our list of decarbonization solutions	53
②	Make proposal based on identified issues	Provide concrete solutions after creating a shared understanding of issues with each company Support introduction of renewable energy, conduct risk assessment and underwrite insurance to mitigate risks Provide consultation services for climate change-related information disclosures and formulation of decarbonization plans, etc.	69
③	Provide insurance and solutions	Support customers' transition through our pro-posed list of solutions and insurance services	61

▶ Example of Engagement Implemented by Tokio Marine & Nichido

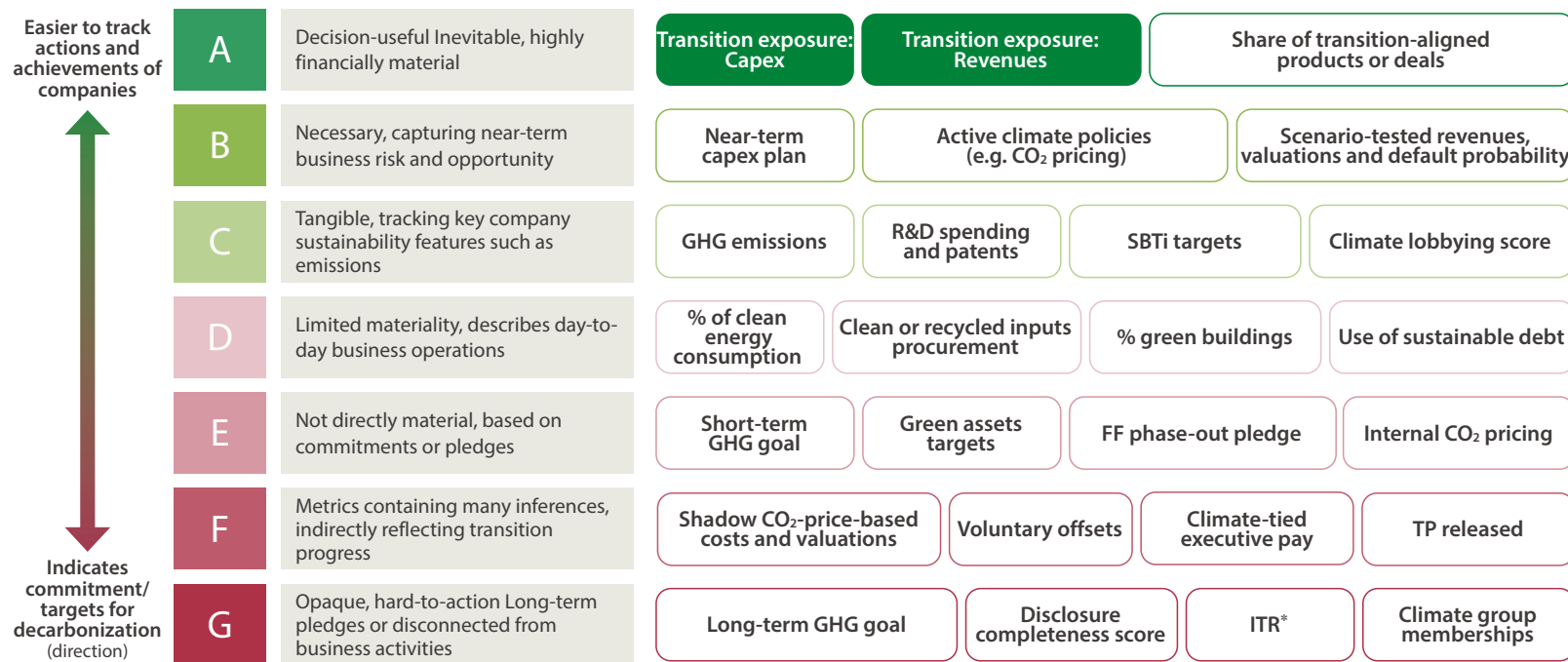
Engagement level	Electric power company A (Tokyo Stock Exchange Prime Market)
Level ① Identify issues	Issue: Identifying and assessing project risks, including natural disaster risks, when financing a new renewable energy generation project
Level ② Make proposal	- Harness the Group's knowledge to visualize risks inherent in a renewable energy project - Propose necessary risk assessments, countermeasures and the direction of insurance usage to prepare for holding discussions with financial institutions and parties concerned
Level ③ Provide insurance and solutions	- Advisory on risk assessment and insurance procurement for the renewable energy project - Provide insurance products and coverage corresponding to major risks in renewable energy facility construction and operation phases
	
New initiatives that help customers make progress with decarbonization	- Following the launch of a new renewable energy project, achieve the target for reducing GHG emissions from business activities ahead of schedule - Revise the roadmap to achieve net zero by 2050

[Utilizing Data to Monitor Engagement]**• Approach to Using Metrics in Capturing Behavior Changes in Companies**

Companies' decarbonization efforts can be tracked using various metrics, including greenhouse gas (GHG) emissions, GHG reduction targets and capital investment in renewable energy. However, the timing to detect behavior changes in each company and the usefulness in forecasting future changes vary by metric. In addition to a 2050 net-zero target, GHG emissions

Climate

reduction status and other similar metrics, Tokio Marine & Nichido pays attention to such leading metrics as business portfolio transformation and climate change-related CAPEX (capital investment) to detect a specific behavior change in a company at an early timing. Through continuous monitoring, the company has successfully increased the level of sophistication of its engagement.

Framework of Metrics to Track Behavior Changes in Companies (Prepared by Tokio Marine & Nichido, Based on a Concept by BloombergNEF (BNEF))**Why Emphasizing Business Portfolio and CAPEX?****To detect specific behavior changes in companies**

Business portfolio and capital investment are leading metrics showing that a company is making steps toward decarbonization.

To visualize continuous changes

Continuously monitoring the same metrics will enable "fixed-point" observation of behavior changes in a company.

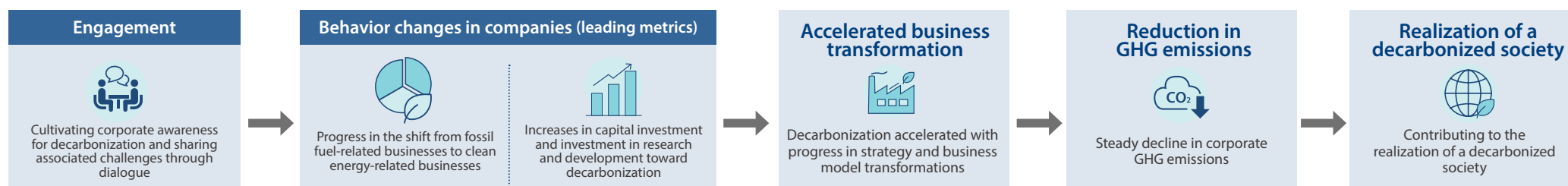
To hold in-depth dialogue based on data

Engagement will be based on the monitoring results and tailored to each company's progress in transition, associated challenges and other situations.

*: Implied temperature rise: A metric that converts GHG emissions of insurance underwriting and investment and financing portfolios into an estimated future temperature rise

Behavior Changes in Companies Triggered by Engagement, and Other Changes Beyond

In addition to conducting engagement, Tokio Marine & Nichido continuously monitors the leading metrics and reflects the monitoring results in dialogue with customers to encourage their business transformation, contributing to the reduction of GHG emissions and, ultimately, to the realization of a decarbonized society.



• Starting Continuous Monitoring of Progress in Transition of 200 Large Engagement Target Customers Using BNEF Data

Monitoring launched in 2025

In addition to conducting engagement, Tokio Marine & Nichido has started monitoring its 200 engagement target companies using BNEF data to perform continuous, data-based tracking of their progress in transition. Going forward, the company intends to increase the sophistication

of its engagement by continuously identifying changes in the climate change-related business portfolios and capital investment of the 200 target companies.

Process to Advance Data-Based Engagement

① Identify the business portfolio of each customer

Identify the characteristics of the business portfolio of each corporate customer

② Monitor behavior changes

Continuously monitor capital investment as a metric of a company's specific investment behavior

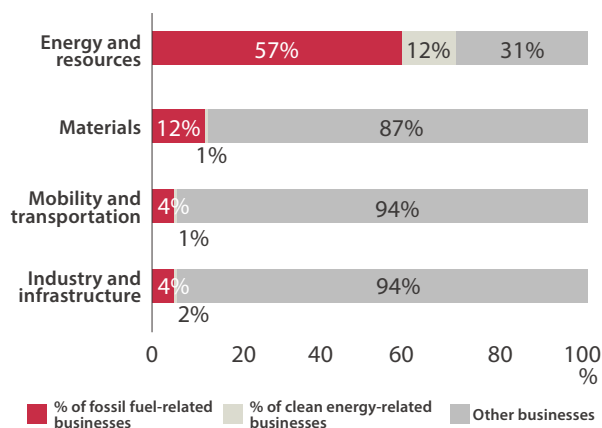
③ Reflect the monitoring results in engagement

Utilize the monitoring results in data-based dialogue to provide specific transition support

Continuous Monitoring and Increasing the Sophistication of Engagement

① Current status of business portfolios

- Classify the 200 engagement target companies by sector and categorize their business portfolios (revenue bases) into fossil fuel-related, clean energy-related and other businesses
- Identify the characteristics of each corporate customer's business portfolio and use them as a baseline for continuously monitoring future changes

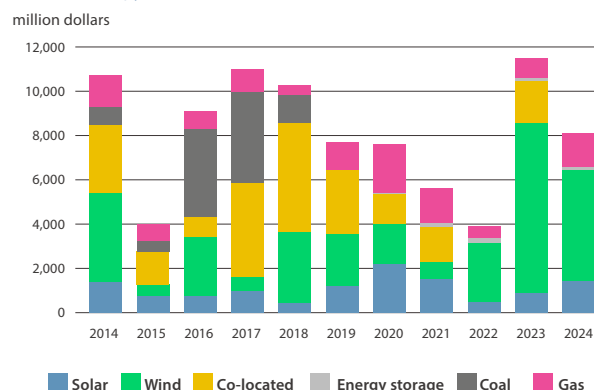


Note: Tokio Marine & Nichido's original analysis, using the Transition Exposure Portfolio Tool of BNEF. The 200 engagement target companies were divided into seven sectors, of which four sectors using fossil fuel-related businesses are shown above. BNEF's definitions are used for fossil fuel-related businesses and clean energy-related businesses. (Refer to the [BNEF website](#) for details.)

② Monitoring capital investment

- Continuously monitor climate change-related CAPEX, because a company's investment behavior is an important metric that has a decisive impact on future changes in its business portfolio
- Continuously track changes in climate change-related CAPEX, mainly in the energy and resources sectors

Changes in Climate Change-Related CAPEX of Companies in the Energy and Resources Sector

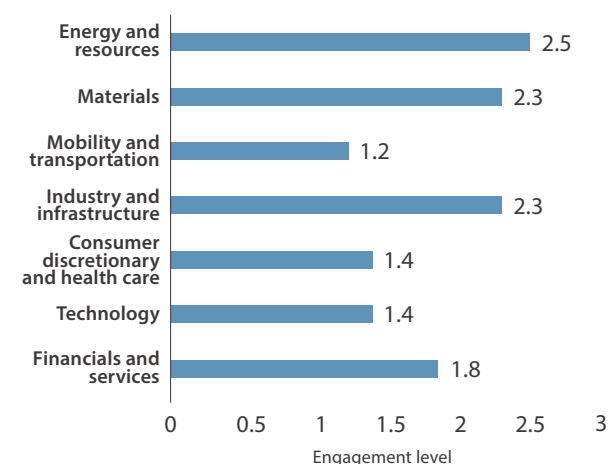


Note: A visual representation created using BNEF's Company Transition CAPEX Tool, showing changes in the total of climate change-related CAPEX by fiscal year. Of the 200 engagement target companies, the data represents companies in the energy and resources sector.

③ Depth of engagement

- Identify engagement levels by sector and continuously monitor the depth, continuity and concreteness of dialogue
- Hold dialogue according to the situations facing each corporate customer based on the results of monitoring of its business portfolio and capital investment

Depth of Dialogue by Sector* (As of March 2026)



*: Average of Engagement Levels 1, 2 and 3

[Corporate Engagement by Tokio Marine Asset Management: Carbon Neutrality] **Climate**

Tokio Marine Asset Management (TMAM) engages in dialogue primarily with companies in its investment portfolio that operate in sectors in which climate change is a critical issue: materials, manufacturing, construction, transportation, and utilities. TMAM assesses the progress of the individual companies' efforts to reduce GHG emissions that they have established as a KPI from the following three perspectives.

- (1) Level of GHG emissions reduction targets set by each company (compared to Japan's nationally determined contributions (NDCs))
- (2) Technical difficulty to achieve carbon neutrality
- (3) Ambition of emissions reduction strategies and likelihood of achieving targets

In the materials and manufacturing sectors, hard-to-abate sectors such as steel face significant technological and financial challenges, including the introduction of hydrogen-based steelmaking processes. Although these industries have received policy support for innovative technologies, setting emissions reduction targets that outperform NDCs remains difficult. TMAM therefore encouraged these companies to formulate and proactively disclose longer-term roadmaps. In the glass and ceramics industry, some companies were recognized for their proactive efforts to develop recycling systems and new production technologies. In the chemical industry, TMAM requested companies with relatively limited GHG emissions from manufacturing processes and strong progress in their reduction plans to pursue more ambitious targets.

In the construction sector, TMAM proposed solutions to companies that find the establishment of KPI targets to be challenging because construction sites are geographically dispersed and change over time. These proposals included specifying their emissions reduction plans; highlighting their track records in the use of construction methods and technological innovation conducive to the reduction of emissions and adaptation to climate change; and taking a leading role in the development of industry-wide emissions measurement protocols.

In the transportation sector, TMAM called on shipping companies that are proactively aligning with International Maritime Organization (IMO) policies and pursuing technological innovation to increase their planned emissions reductions. It also discussed potential climate adaptation initiatives with these companies, such as the use of Arctic shipping routes. For companies in the aviation industry where progress in the reduction of emissions appeared to have stalled, TMAM proposed to emphasize their commitment to longer-term technological innovation, such as direct air capture (DAC), in their information disclosure (potentially presented in the form of an investment portfolio) in addition to their near-term initiatives.

In the public utilities sector, two opposing factors—the restart of nuclear power plants and the

increase in demand for electricity from semiconductor plants and data centers—are affecting the GHG emissions reduction and significantly impacting the progress of individual companies. Some electric utilities with a high nuclear power ratio have made substantial progress in the reduction of Scope 1, 2, and 3 emissions, while others have withdrawn their absolute emissions reduction targets in light of the projected increase in demand for electricity in their service areas. Some companies remain significantly behind their emissions reduction plans due to delays in the restarting of nuclear power plants, while others are allowing for a temporary increase in near-term emissions through around fiscal 2030 from an energy security perspective. In all of these cases, TMAM has called for a reassessment of the achievable reduction targets and the continued development of ultra-long-term measures and technology development roadmaps toward the achievement of carbon neutrality by 2050.

[Corporate Engagement by Tokio Marine Asset Management: Nature Positive]**Nature**

TMAM engages in dialogue with companies primarily in the sectors in which biodiversity is a critical issue: materials, manufacturing, retail, transportation, and public utilities. In line with the TNFD disclosure recommendations, TMAM assesses companies' awareness of and initiatives to achieve nature positive status based on the following five levels.

- (1) Recognition of nature-positive issues and the need to address them
- (2) Understanding and identification of the dependencies and impacts their business activities have on nature
- (3) Determination of the scope and schedule for disclosing information in the form of a TNFD report or similar
- (4) Implementation and disclosure of nature-positive strategies that take opportunities and risks into account
- (5) Disclosure of highly effective strategies that specify priority areas and domains, together with advanced metrics

In the materials sector, many of the companies with which TMAM engages are at levels three to four. These companies have articulated the need for nature-positive strategies and provided specific examples of their initiatives, such as the registration of Nationally Certified Sustainably Managed Natural Sites and integration with resource circulation initiatives. It is expected they will continue to develop initiatives and disclose information linked to opportunities and risks as part of their business strategies.

In the manufacturing sector, the companies with which TMAM engages span a wide range of evaluation levels. Some companies recognize the development of products for measuring biodiversity as an opportunity, while others have shown interest in a landscape approach tailored to the product characteristics that TMAM has asked them to consider.

In the retail sector, the companies with which TMAM engages remained at level one. However, they showed strong interest in supporting agricultural production areas (suppliers) through a value chain approach based on the TNFD recommendations, as well as in strategies that contribute to the improvement of the state of nature and human health in the regions in which they were founded. TMAM intends to continue its engagement with these companies.

The transportation sector has high dependencies and impacts on nature, and some companies have been assessed as being relatively advanced at levels three to five. TMAM has requested that these companies pursue advanced information disclosure in line with the TNFD recommendations, including reporting on the state of nature after identifying priority areas (marine areas) and the measuring of the plastic footprint of their entire value chain and the setting of related targets.

In the public utilities sector, the companies with which TMAM engages were broadly divided into two groups: those at levels two to three and those at levels three to five. Overall, progress has been made in the identification of priority areas, particularly in relation to hydropower. Some companies are also addressing more advanced issues, such as the disclosure of information on the trade-offs between climate change and biodiversity strategies and the exploration of business opportunities such as solar panel recycling and carbon credit generation. TMAM requested and proposed actions tailored to the evaluation levels of the individual companies.

◆Tokio Marine Group's Policy to Address Environmental and Social Risks

■ Policies Concerning Insurance Underwriting and Investment and Financing

As responsible insurance underwriting and investment and financing activities, Tokio Marine Group pays attention to the risks of negatively impacting the environment and society and undertakes transactions (insurance underwriting, investments and financing) based on the customer's consideration for the environment and society.

In this judging process, we comprehensively evaluate not just climate change risks but also risks to indigenous peoples' rights and workers' occupational health and safety as well as nature-related risks on natural capital and biodiversity.

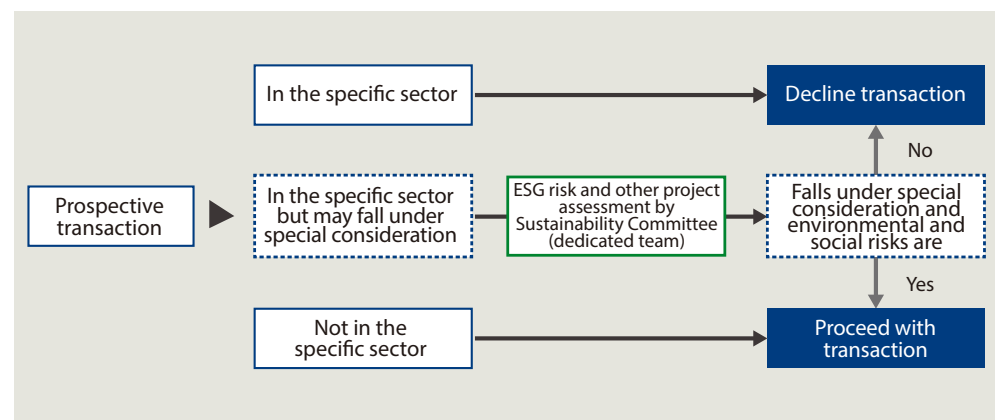
► Policies concerning specific sectors

1. Inhumane weapons Biological weapons Chemical weapons Cluster munitions Anti-personnel landmines	We will not undertake business transactions (insurance underwriting, investment and financing) with the inhumane weapons sector, which manufactures inhumane weapons, as these pose major humanitarian concerns.
2. Coal-fired power generation	Compared to other power generation, coal-fired power generation emits more GHG and also produces toxic substances such as sulfur oxides and nitrogen oxides. Given the high risk of contributing to environmental impacts such as climate change and air pollution, we will not undertake new business transactions (insurance underwriting and financing) for coal-fired power plants, regardless of whether they are new projects or not.*1 Furthermore, certain group companies with expertise on the energy and utilities sector will not provide insurance underwriting and financing to companies that derive more than 30% of their power from coal-fired power generation.*2
3. Thermal coal mining	As with coal-fired power generation, the development of coal mines for power generation projects may result in increased GHG emissions through combustion at thermal power plants in the future. We also recognize the risks to the workers' occupational health and safety and the impacts of hazardous waste on local biodiversity. In light of the negative impacts on climate change, ecosystems and human rights, we will not undertake new business transactions (insurance underwriting and financing) for thermal coal mining projects, regardless of whether they are new projects or not.*2 Furthermore, certain group companies with expertise on the energy and utilities sector will not undertake transactions for companies that mine more than 20 million tons of thermal coal annually.*2
4. Oil sands	We recognize that oil sands mining has the potential to emit large amounts of GHG compared to conventional oil and gas extraction. We also recognize the risks of infringing indigenous peoples' rights and negatively impacting the surrounding wildlife and ecosystems. In light of the negative impacts on climate change, ecosystems and human rights, we will not undertake new business transactions (insurance underwriting and financing) for oil sands mining projects.
5. Arctic oil and gas	Oil and gas extraction projects in the Arctic Circle (all areas north of latitude 66°33', including the Arctic National Wildlife Refuge) entail significant risks of altering the habitats and ecosystems of rare species and marine life. We are also aware of the negative impacts on the livelihoods and cultures of indigenous peoples. In light of the negative impacts on ecosystems and biodiversity, as well as on the indigenous peoples' rights, we will not undertake new business transactions (insurance underwriting and financing) for oil and gas extraction projects*3, regardless of whether they are new projects or not.

Tokio Marine Group has established a strict underwriting management process for specific sectors that we deem to pose a high risk to the environment and society. For projects that relate to any of the specific sectors but may be subject to special consideration, we determine whether to underwrite insurance by using an escalation process, through which a dedicated team will perform risk assessments. We seek the approval of the Sustainability Committee if necessary.

In fiscal 2025, we received inquiries for 11 projects in the specific sectors. Of these, 11 were deemed eligible and underwent an assessment by the dedicated team.

► Escalation Process (Insurance Underwriting)



*1: Exceptions for projects with innovative technologies and approaches, such as CCS/CCUS (carbon dioxide capture and storage / carbon dioxide capture, utilization and storage) and mixed combustion, as well as businesses or companies with decarbonization plans aligned with the Paris Agreement, may be granted after careful consideration, aiming to achieve the goals of the Paris Agreement

*2: Exemptions for companies with decarbonization plans that are aligned with the Paris Agreement may be granted. Insurance that supports the health and well-being of individual employees, such as workers' compensation insurance, is also excluded.

*3: Exemptions for projects with decarbonization plans that are aligned with the Paris Agreement

◆ Contribution to Rulemaking

Climate

Nature

[The Geneva Association: Participating in the Climate Change & Environment Working Group]

Tokio Marine Holdings is represented on the Board of The Geneva Association, an international insurance industry think tank established in 1973 to research risks affecting the insurance industry. As a co-sponsor of the Climate Change & Environment Workstream, we also take charge of research on climate change, decarbonization, and environmental issues. The Geneva Association identifies and analyzes key trends and risk areas affecting the insurance industry. It also makes recommendations to the industry and policymakers and serves as an international platform for sharing knowledge and collaboration through engagement with a diverse range of stakeholders. In this capacity, The Geneva Association conducts research on global issues—climate change, macroeconomic and geoeconomic shifts, health and medical trends, demographic change, digitalization and AI (including cyber risks), and financial inclusion—with a focus on the role the insurance industry can play in addressing these issues. Through these activities, the association also broadly communicates how insurance can contribute to a better understanding of risks and help build a more resilient and sustainable economy and society.

Tokio Marine Group will continue to steadily advance its own initiatives to realize its purpose while continuing to increase its contributions to addressing global issues through the activities of The Geneva Association.

[UNEP FI: Participating in Discussions on Just Transition]

In recent years, there has been an increasing amount of attention to a “just transition” to a decarbonized society in a way that leaves no one behind by taking into account impacts on employment, human rights, local communities, and other factors. Tokio Marine Group has participated from the outset in the Just Transition Pilot Programme for banks and insurance companies launched by the United Nations Environment Programme Finance Initiative (UNEP FI) in 2025. We participate in international discussions on how the financial and insurance sectors can contribute to a just transition. Tokio Marine Group focused on the carbon credit market, which is becoming increasingly important in the transition to a decarbonized society, and presented an assessment framework developed in collaboration with Tokyo Gas, human rights legal experts, and Nippon Koei as a case study for addressing human rights risks affecting indigenous peoples, local communities, and other stakeholders involved in carbon credit projects. Through these efforts, we strive to contribute to the development of international frameworks and practices while continuing to explore how we can support a just transition through our business activities.



[ICVCM : Becoming a Governing Board Member (Market Participant)]

Tokio Marine Group proactively participates in international rulemaking by leveraging its insurance and risk management expertise to help develop the market infrastructure that supports the transition to a decarbonized society. In 2026, Masaaki Nagamura, a fellow at Tokio Marine Holdings, was appointed as a member of the Governing Board of the Integrity Council for the Voluntary Carbon Market (ICVCM), an international organization working to enhance the integrity of the voluntary carbon market.

ICVCM is an independent, nonprofit governance body that establishes international standards for high-quality carbon credits in the voluntary carbon market. Its Core Carbon Principles (CCPs) are a global benchmark for assessing the environmental and social integrity of carbon credits based on criteria such as additionality, permanence, transparency, effective governance, and considerations for sustainable development. While the voluntary carbon market is an important mechanism for channeling private finance into climate action, concerns regarding the quality of carbon credits have constrained its growth. By providing criteria for identifying high-integrity carbon credits, ICVCM enhances market transparency and credibility and helps direct capital toward projects that deliver genuine emissions reductions, conserve nature, and benefit local communities.

Tokio Marine Group will contribute to the international discussion from a practical perspective and help develop a reliable voluntary carbon market. Through its continued participation in rulemaking and efforts to support the sound development of the market, we will contribute to a fair and effective transition to a decarbonized society.

[Policy Engagement by Tokio Marine Asset Management (TMAM)]

In Japan, a system to certify and register sites in harmony with nature represents one of the “Other Effective Area-based Conservation Measures (OECM),” which are positioned as a primary means to implement the country’s biodiversity policies. TMAM is the only asset manager to participate in the working groups related to the system, the Support Certificate Model Trial Working Group (fiscal 2023) and Support Certificate Trial Working Group (fiscal 2024) and cooperated in the formulation of biodiversity policies.

In fiscal 2025, TMAM conducted advocacy activities to communicate its views and positions on social and policy frameworks, including speaking at an ESG policy seminar hosted by the Japan Federation of Bar Associations and participating in a non-public workshop held by the GX Acceleration Agency. TMAM intends to continue to engage in policymaking processes related to natural capital.

■ Climate Change, Natural Capital and Biodiversity Initiatives Joined by Tokio Marine Group

Climate

Nature

Category	Name of initiative	Efforts of Tokio Marine Group
Human rights, labor, the environment and anti-corruption	United Nations Global Compact (UNGC) / Global Compact Network Japan	Tokio Marine Group endorses the UNGC's Ten Principles and promotes efforts on human rights, labor, the environment and anti-corruption.
Sustainable finance and insurance	United Nations Environment Programme Finance Initiative (UNEP FI) / Principles for Sustainable Insurance (PSI)	Tokio Marine Holdings promotes efforts for sustainable finance and insurance as a signatory.
	Ministry of the Environment Principles for Financial Action toward a Sustainable Society (Principles for Financial Action for the 21st Century)	Tokio Marine & Nichido, Tokio Marine & Nichido Life, Nisshin Fire, Tokio Marine Direct Insurance, Tokio Marine Millea SAST Insurance and Tokio Marine Asset Management promote efforts for the formation of a sustainable society as a signatory.
Sustainable investment	Principles for Responsible Investment (PRI)	Tokio Marine & Nichido and Tokio Marine Asset Management promote efforts on responsible investment.
	Japan Sustainable Investment Forum (JSIF)	Tokio Marine & Nichido and Tokio Marine Asset Management contribute to surveys and research on sustainable investment.
Climate change and nature-related disasters	Partnership for Carbon Accounting Financials (PCAF)	Tokio Marine & Nichido contributes to the discussion on the measurement and analysis of GHG emissions.
	The United Nations Office for Disaster Risk Reduction (UNDRR) — Private Sector Alliance for Disaster Resilient Societies (ARISE)	Tokio Marine & Nichido promotes efforts on disaster prevention and mitigation.
	The Geneva Association	Tokio Marine Holdings leads surveys and research on climate change and natural disaster risks as an executive committee member and a Joint-Chairman of the Climate Change and Emerging Environmental Topics Working Group.
	ClimateWise	Tokio Marine Kiln and Tokio Marine HCC promote climate action according to the seven ClimateWise Principles.
	Asia-Pacific Financial Forum (APFF)	Tokio Marine & Nichido leads the discussion on disaster risk financing and insurance and dissemination of climate change-related disclosure conducive to the promotion of sustainable financing.
	Insurance Development Forum (IDF)	Tokio Marine Group has been participating in relevant discussions as a member of the IDF's Operating Committee and Steering Committee since 2018.

Category	Name of initiative	Efforts of Tokio Marine Group
Climate change and nature-related disclosure	CDP	Tokio Marine Holdings supports companies' climate change-related surveys as a CDP Signatory.
	GX Future Consortium / GX Future League	Tokio Marine Holdings contributes to the formulation of rules through public-private collaboration.
	Taskforce on Nature-related Financial Disclosures (TNFD) Forum	Tokio Marine Holdings joined the TNFD Forum in January 2022 and became registered as a TNFD Early Adopter in January 2024.
	TNFD Consultation Group of Japan	
Environmental value creation	Ministry of the Environment Eco- First System	Tokio Marine & Nichido has been continuously certified as an Eco-First company since 2008.
	Ministry of the Environment's COOL CHOICE	Tokio Marine & Nichido encourages "smart choices" to help promote decarbonization.
	Ministry of the Environment's "Fun to Share" Climate Change Campaign	Tokio Marine & Nichido proactively promotes efforts toward a low-carbon society.
	Ministry of the Environment's "Decokatsu" national movement to create new, enriching lifestyles leading to decarbonization	Tokio Marine & Nichido supports the activity in terms of products, services and related efforts as a member of the Decokatsu Support Team (Public- Private Partnership Council).
	Green Purchasing Network	Tokio Marine & Nichido promotes green purchasing.
	30 by 30 Alliance for Biodiversity by the Ministry of the Environment	Tokio Marine & Nichido joined the 30 by 30 Alliance in April 2022 to achieve the 30 by 30 targets.
	Keidanren Committee on Nature Conservation	Tokio Marine & Nichido participates as a Permanent Committee Company.
	Keidanren Initiative for Biodiversity Conservation	Tokio Marine & Nichido endorsed the Keidanren Initiative for Biodiversity Conservation and became a Promotion Partner in January 2010.

Note: For details of each initiative, please refer to [Tokio Marine Holdings Sustainability Report 2026](#)

◆ Initiatives as a Corporate Citizen

In order to accomplish our goal of protecting customers and society in times of need, Tokio Marine Group cooperates and works with our stakeholders and promotes corporate citizenship activities with the participation of all employees around the world. Motivated employees work with sincerity and empathy, continue to find new ways to address nature-related issues and spread those mindsets and actions to the entire organization and Group. This in turn fosters a corporate culture of tackling nature-related issues as a natural course of action, and by doing so, creates a positive cycle between solving nature-related issues and facilitating corporate growth (enhancing corporate value) that will contribute to achieving “nature positive” by 2050.

[Corporate Citizenship Activities with the Participation of All Group Employees]

Tokio Marine Group is implementing different corporate citizenship activities around the world that emphasize voluntary participation by employees and tie-ups and collaboration with NPOs, NGOs and other groups. Each Group company strives to support the proactive involvement of employees in ongoing corporate citizenship activities in a number of ways, such as introducing corporate citizenship activities in which employees can participate and setting up leave systems for volunteer activities. In fiscal 2025, the total corporate citizenship activity participation rate among Group employees around the world (total number of participants in corporate citizenship activities against the number of employees) was 96%. Tokio Marine Group’s annual target is to have each employee take part in one or more corporate citizenship activities every year.

[Planting Mangroves and Protecting and Restoring Eelgrass Beds as Corporate Citizenship Activities]

As mangrove forests have an effect of preserving natural capital and biodiversity, Tokio Marine & Nichido has engaged in the Mangrove Planting Project since 1999 under the concept of “insurance for the future of the Earth.” As of March 31, 2026, approximately 13,270 hectares of mangrove forest have been planted through this project in nine countries in the Asia-Pacific region.

Even though Tokio Marine & Nichido’s Mangrove Planting Project has an aspect of climate action and improved disaster resilience, it can also be viewed as a corporate citizenship activity related to the preservation of natural capital and biodiversity. The project has now expanded to other Group companies. Tokio Marine & Nichido has publicized its Mangrove-based Value Co-creation 100-Year Declaration, which seeks to create value through natural blessings brought

about by mangroves together with tree-planting NGOs, and we intend to carry on the project in the future as well.

In 2022, we launched activities to protect and restore eelgrass beds. We will promote these activities along with the Mangrove Planting Project as an effort to protect the global environment.

[Green Lessons and Disaster Prevention Lessons: Raising Environmental Awareness and Disaster Preparedness]

Tokio Marine Group has positioned future generations as a stakeholder and identified “Providing education to children” as one of our materials issues. As part of this initiative, we visit elementary schools and special needs schools to provide Green Lessons and Disaster Prevention Lessons with employees of Group companies serving as lecturers.

Under the theme of mangrove planting activities, our Green Lessons provide an opportunity for children to think about the prevention of global warming, biodiversity and ecosystem-based disaster risk reduction (Eco-DRR). As of March 31, 2026, these lessons were attended by a total of more than 62,000 children.

Likewise, our Disaster Prevention Lessons encourage children to explore the mechanisms that cause earthquakes and tsunamis as well as flood and landslide disasters, how to protect themselves in disasters, what preparations should be made in advance and what it will be like to live in a temporary shelter. As of March 31, 2026, the total number of participants exceeded 128,000.



◆ Co-Creation with Companies and Local Governments

[Support for Realizing Regional Decarbonization]

Climate

To achieve regional decarbonization, it is important for stakeholders in the regional community to collaborate so that they can create a zero-carbon city together. Tokio Marine Group is working with local residents, such as by supporting project management to ensure inter-community collaboration and providing solutions to local companies promoting management aimed at decarbonization.

Nagano City established the Nagano Regional Decarbonization Promotion Council, and we have been acting as a secretariat together with other companies. The initiative was chosen as a model project by the Ministry of the Environment in fiscal 2024. We help organize recruitment seminars and workshops on GX-oriented recruitment and provide support to address management issues to successfully set up exemplary GX-oriented businesses through engagement.

Fukushima Prefecture collaborates with regional financial institutions and chambers of commerce to consider and implement decarbonization measures for companies in the region as part of the Fukushima Business Decarbonization Support Project. At the Study Group on Decarbonization Management for Small and Medium-sized Enterprises held in fiscal 2024, employees of financial institutions and commercial and industrial associations were present to discuss decarbonization management with companies and give them practical advice.

We will continue to work with residents of the community to help create a zero-carbon city.



[Disaster Prevention Consortium]

Climate

Nature

The Disaster Prevention Consortium (CORE) comprising companies with proven disaster prevention and mitigation capabilities from a wide range of industries was established in November 2021. (As of June 2026, it had 146 member companies.)

CORE aims to jointly create disaster prevention and mitigation businesses using the technologies and data managed by member companies. It also strives to solve challenges relating to the four facets of disaster prevention and develop new solutions in collaboration with the government, local governments and various countries.

More recently, CORE has expanded its initiatives to enhance resilience by promoting the exchange of information with foreign governments and overseas non-life insurance companies. It has also established new working groups to explore and implement solutions for immediate responses to disasters and examine risks associated with aging facilities and develop and implement measures to address them.



[Environmental Conservation Activities and Study on the Creation of Carbon Credits]

Aiming to contribute to the promotion of decarbonization and conservation of biodiversity in the marine and agricultural fields by leveraging its financial strengths, TMAM participates in environmental conservation and restoration projects throughout Japan with the aim of contributing to the promotion of decarbonization and biodiversity conservation in the marine and agricultural sectors through the power of finance.

Since 2023, TMAM has been participating in the Ishigaki Island Nosoko Tape Seagrass Protection Project, which aims to restore tape seagrass beds in the Nosoko area of Ishigaki City, Okinawa Prefecture. In this area, seagrass beds have declined due to grazing by green sea turtles and other animals, leading to problems such as reduced fish catches. Following the installation of protective fencing in October 2023, the project successfully restored tape seagrass, an endangered species.

In June 2025, as part of the efforts to create J-Blue Credits, the project began using aerial drone imagery and underwater photographs to accurately measure the area and coverage of restored seagrass beds, enabling highly precise monitoring. A wide variety of marine life can be observed within the protective fencing where the seagrass has recovered, reaffirming the importance of seagrass beds, often called the nurseries of the sea, not only for CO₂ absorption but also for biodiversity conservation.

Students from a local elementary school participating in the conservation activities visit the site and snorkel to observe the growth of tape seagrass and the organisms that inhabit healthy seagrass beds. Also, an aquarium has been installed in the classroom so that children can have up-close opportunities to observe and learn about the growth of tape seagrass for generations.

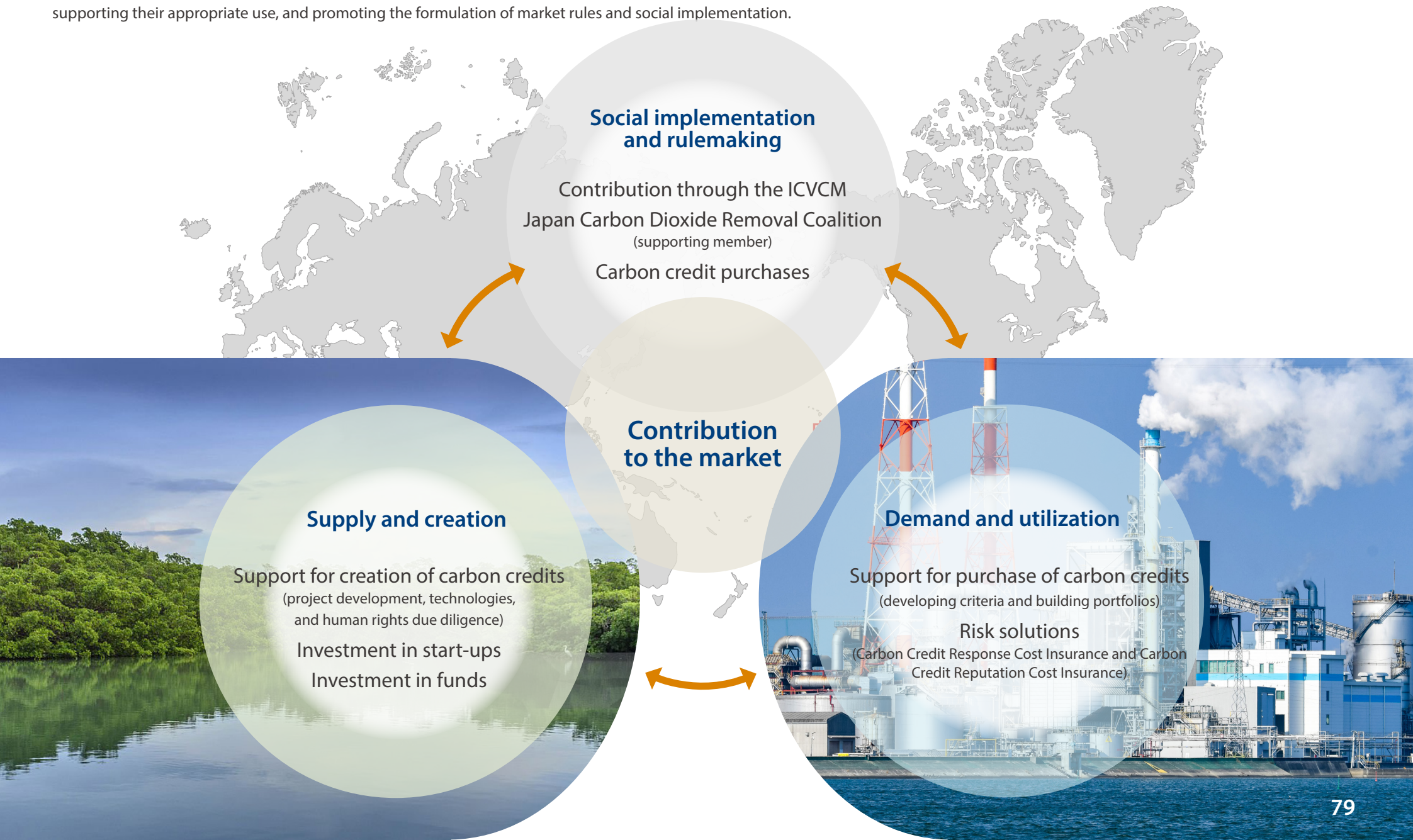
Through these initiatives, TMAM is helping reduce GHG emissions and conserve biodiversity while also working to create carbon credits. Going forward, TMAM will continue to leverage the power of finance and contribute to the sustainable development of the Japanese economy by collaborating with companies with relevant technologies and participating in educational initiatives for future generations.



Successful restoration of seagrass within the barriers

Special Feature 1: Contributing to the Carbon Credit Market

Tokio Marine Group is contributing to the sound development of the carbon credit market by creating and increasing the supply of high-quality carbon credits, supporting their appropriate use, and promoting the formulation of market rules and social implementation.



Our Approach to Carbon Credits: Contributing to the Sound Development of the Carbon Credit Market

While reducing greenhouse gas (GHG) emissions is a top priority, Tokio Marine Group believes that carbon credits represent one of the important systems that underpin the transition to a decarbonized society. With efforts toward carbon neutrality growing across the world, companies and society are now required to conserve and regenerate natural capital and increase investment in innovative decarbonization technologies, in addition to striving to reduce their own emissions. Carbon credits play a role in facilitating the flow of funds to carbon emissions reduction, absorption, and removal projects and support the decarbonization of society as a whole.

Meanwhile, as the carbon credit market is still in the process of development, issues remain in terms of the quality assessment of carbon credits and the market system. Diverse risks must also be addressed appropriately. While properly recognizing and assessing these uncertainties and risks, we are working to increase the reliability and transparency of the market. In addition to supporting the creation and utilization of high-quality carbon credits, we proactively engage in rulemaking and social implementation in order to contribute to the sound development of the carbon credit market and realization of a sustainable society.

[Supply and Creation]

We support the creation and supply expansion of high-quality carbon credits for the sound development of the carbon credit market.

Nippon Koei leverages the knowledge and network it has cultivated over the years by engaging in environmental and infrastructure projects both in and outside Japan to comprehensively support the creation of carbon credits, from forming projects and examining methodologies to monitoring and acquiring certification. The company has been contributing to the formation of the carbon credit market since an early stage of the system's inception, as it developed a methodology in Japan's first joint crediting mechanism (JCM) project, in which a Japanese company participated. Its strengths lie in its ability to perform comprehensive evaluation and analysis from technical and business aspects based on the relevant systems, regional characteristics, and relationships with stakeholders. Additionally, Tokio Marine Group has been providing financing to innovative decarbonization technologies and natural capital-related projects through investments in start-ups and funds conducive to the creation of carbon credits.

[Investment and Financing](#) >>

[Demand and Utilization]

Along with increasing the supply of high-quality carbon credits, we are facilitating sound market development from the demand side by supporting the appropriate use of carbon credits by companies.

The use of carbon credits entails evaluation from diverse perspectives, such as quality, price adequacy, consistency in the purpose of purchase, and the possibility of maintaining value in the future. Nippon Koei has been formulating carbon credit purchase criteria and policies, supporting the establishment of purchase portfolios. It is also assisting companies in making more appropriate decisions by exercising project and business environment due diligence.

Tokio Marine Group has also been developing and offering insurance products to cover risks associated with carbon credit trading, such as Carbon Credit Reputation Cost Insurance and Carbon Credit Response Cost Insurance for companies purchasing carbon credits. Through these products, we offer protection against a variety of risks that market participants face.

[Carbon Credit-related Insurance](#) >>>

[Social Implementation and Rulemaking]

By working to promote the rulemaking and social implementation in and outside Japan, we help increase the reliability and transparency of the carbon credit market and contribute to its sound development.

Increasing market reliability and transparency is essential for the voluntary carbon market to grow. At the Integrity Council for the Voluntary Carbon Market (ICVCM), an organization formulating international rules to increase market reliability, a fellow at Tokio Marine Holdings, who is the only participant from Japan, has become a board member and has been contributing to the discussions on the definition of high-quality carbon credits and sound market development. As a supporting member of the Japan Carbon Dioxide Removal (CDR) Coalition, we are also participating in initiatives for social implementation and more widespread use of CDR.

[ICVCM : Becoming a Governing Board Member \(Market Participant\)](#)

In addition to these activities, Tokio Marine Group has started purchasing carbon credits as a responsible consumer. Upholding the approach of prioritizing the reduction of GHG emissions, we purchase carbon credits to contribute to the realization of a decarbonized society, not as a means to offset our emissions.

In 2026, we have purchased and retired carbon credits related to forest, land, marine, farmland, and soil ecosystems. Based on our own criteria, we perform comprehensive evaluations of multiple projects in terms of the quality of carbon credits, such as additionality and permanence,

as well as impacts on human rights and local communities and attention to biodiversity. We also exercise due diligence according to the characteristics of each project and make a purchase decision after confirming its reliability and social value from multiple aspects. For example, we have purchased carbon credits from projects for which risk assessment has been conducted under the Framework for Respecting Human Rights by Business Enterprises Involved in Carbon Credit Generation Projects jointly developed by Tokio Marine & Nichido, Tokyo Gas Co., Ltd., Kuramoto International Law Office, and Nippon Koei. We have also purchased carbon credits from projects for which the details and impacts on local communities have been checked through field investigations, including interviews with local partners.



**Tokio Marine & Nichido Fire
Insurance Co., Ltd.**



TOKYO GAS



**Kuramoto International
Law Office**

Special Feature 2: Contributing to the Realization of a Nature-Positive Economy in Gunma Prefecture — Building a Regional Value Creation Model Based on Natural Capital

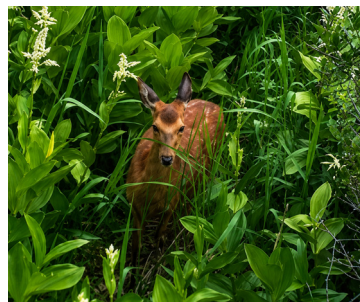
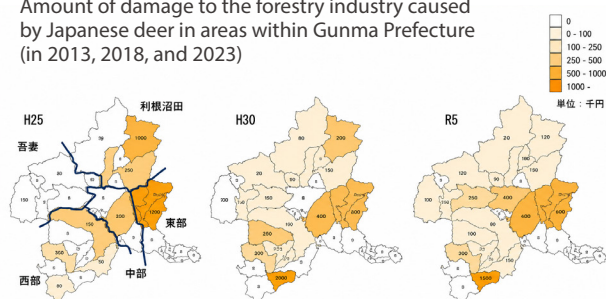
As a nature-positive initiative in Gunma Prefecture, Tokio Marine Group works with local governments, research institutions, and local businesses in seeking to achieve both forest conservation and regional economic revitalization. Specific efforts include taking measures against wildlife damage by addressing forest damage caused by Japanese deer, considering the use of deer meat in the future for food, promoting the creation and utilization of forest carbon

1 Background: Risks Resulting from Degradation of Natural Capital

Gunma Prefecture is rich in natural capital, with two-thirds of its area made up of forests. In recent years, however, the increasing number of Japanese deer has led to the loss of understory vegetation in forests, delayed forest succession, and lower biodiversity. These represent not just environmental issues but also issues that will result in a drop in forests' ability to cultivate water sources and heightened risk of landslide disasters, which could impact local resilience and economic activity.

Tokio Marine Group recognizes that degradation of natural capital is both a management risk over the medium to long term and an opportunity to generate new value. As such, we have positioned the protection of the natural environment as one of its material issues.

Amount of damage to the forestry industry caused by Japanese deer in areas within Gunma Prefecture (in 2013, 2018, and 2023)



Snapshot of deer taken by a sensor camera installed in Numata City

credits, and introducing ways to evaluate biodiversity value. By protecting natural capital and generating value from it, we have been establishing a model to create environmental, economic, and social value in an integrated manner. Going ahead, we will build on the outcomes of our efforts in Gunma Prefecture with a view to extending our reach to other regions and aim to contribute to the development of sustainable communities.

2 Strategy: Approach Integrating Conservation and Utilization of Natural Capital

In collaboration with Gunma Prefecture as well as Numata City and Midori City within the prefecture, Tokio Marine Group has been promoting a nature-positive initiative that extends beyond forest conservation. Unlike conventional approaches that mainly focus on conservation, the initiative is unique in that it combines natural capital recovery with regional economic revitalization. We have been carrying out specific measures to create new demand and revitalize industry in the region. One example is creating distribution channels and tourism resources for deer meat as part of efforts to mitigate wildlife damage. Another is establishing a system to visualize and monetize the value of natural capital by creating and utilizing forest carbon credits and introducing ways to evaluate biodiversity value.

Tokio Marine & Nichido is responsible for planning and promoting the entire verification initiative and, by utilizing its network of private-sector companies, is taking on the role of connecting local resources with corporate activities based on the needs from the corporate side to respond to nature-related issues. Tokio Marine Asset Management supports the evaluation of the initiative from the perspective of ESG investment by organizing the value and impacts of natural capital for investors while examining a mechanism to ensure a sustained flow of funds. Additionally, Nippon Koei is in charge of the evaluation of ecosystems, the introduction of sensing technologies, and technical assistance, such as data analysis, while working to increase the sophistication of natural capital evaluation based on scientific evidence.

These efforts are based on a landscape approach that takes a holistic view of involved factors, such as forests, ecosystems, regional industry, and tourism, and works toward an optimized balance among them in the region as a whole. The aim is to build a sustainable regional model with a focus on natural capital by creating environmental, economic, and social value in an integrated manner.

3 Promotion Structure and Progress: Acceleration of Social Implementation through Co-creation

This initiative has been promoted as a co-creation model in which local governments, companies, research institutions, and local businesses work together. With local governments supporting the system foundation and regional cooperation, we have in place a framework to perform everything from evaluation of natural capital to commercialization in a comprehensive manner. In 2025, the initiative was selected by the Ministry of the Environment as a 2025 Nature-Positive Community Development Support Model Project. Following the selection, Tokio Marine & Nichido concluded a cooperation agreement with Gunma Prefecture and Numata City, respectively, in March 2026, and has successfully set up a promotion structure. Currently, several projects under the initiative have entered the social implementation phase.

4 Future Steps: Advancement of the Model for Implementation in Other Regions Based on Behavior Changes in Citizens, and Market Formation

In March 2026, we hosted an experience-based event for children and adults at the Gunma Prefectural Office, which included a session explaining the roles of forests, a wooden craft workshop, and an event to taste deer meat. Participants commented that they have learned more about natural capital, which points to a sign of behavior change in local communities.

In the future, we will increase the sophistication of the regional value creation model that focuses on natural capital through the initiative in Gunma Prefecture and examine the possibility of adopting the model in other regions. Tokio Marine Group will comprehensively manage nature-related risks and opportunities through co-creation with each region as an effort to realize a sustainable society and enhance our corporate value.



Tanbara Kogen Bunadaira in Numata City (Beech forest adapted to the climate on the Sea of Japan side)



Wooden craft workshop held in March 2026

Risk and Impact Management



Risk and Impact Management

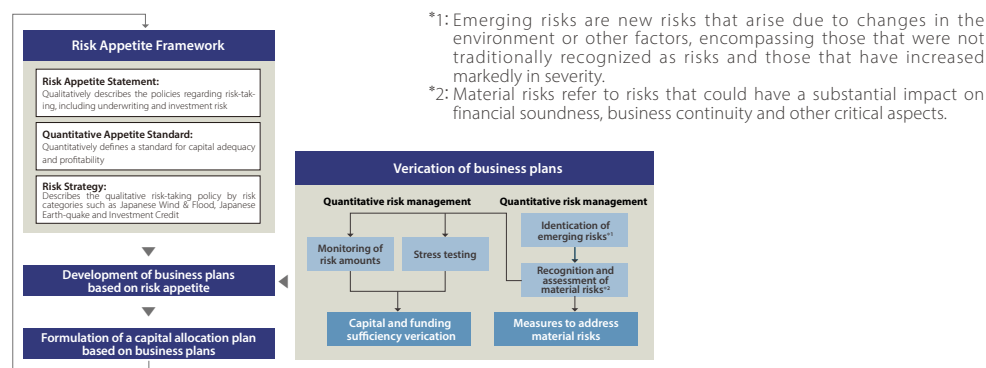
Managing Climate Change and Nature-Related Risk Based on Enterprise Risk Management (ERM)

In conducting enterprise risk management (ERM), Tokio Marine Group comprehensively identifies and assesses climate change and nature-related risks, using both qualitative and quantitative approaches.

In the underwriting business, which pursues profit through risk-taking, risk assessment is the foundation of our business. The Group has been working for many years to increase the level of sophistication of its risk assessment for material risks (including those due to natural catastrophes) both quantitatively and qualitatively. Specific initiatives are as follows.

[Risk Factors](#) | [Financial Data](#) | [Tokio Marine Holdings, Inc.](#)

Notional Image of ERM Cycle



Qualitative Risk Management

We identify all forms of risks comprehensively, including emerging risks resulting from environmental changes, and define risks that will have an extremely large impact on our financial soundness and business continuity as “material risks.” The risk of major wind and flooding disasters as well as secondary perils (including climate-related physical risks), which we believe could become more severe due to the effects of climate change, represent one such material risk. For these defined material risks, we also develop control measures before risks materialize and response measures to take in the event that risks do materialize. Additionally, we specify inappropriate responses to a decarbonized society that coexists with nature (climate change and nature-related transition risks) along with global warming and natural capital/biodiversity loss (climate change and nature-related physical risks) as emerging risks.

Quantitative Risk Management

For material risks, through measuring risk amounts and implementing stress tests as part of our quantitative risk management, we perform a multifaceted review of the adequacy of capital relative to the risks held for the purpose of maintaining ratings and preventing bankruptcy.

We calculate risk amounts posed by natural disasters using a risk model (for Japan, a risk model we developed in-house based on engineering theory and the latest knowledge of natural disasters, and for overseas, models provided by outside vendors). We independently analyze changing trends of past tropical cyclones (typhoons in Japan and hurricanes in the United States) and torrential rains and incorporate the up-to-date trends as necessary in order to properly assess current weather phenomena.

Appropriately Controlling Risk through Risk Diversification and Reinsurance, etc.

Natural disasters are inevitable in Japan, our home market. For that reason, we have sought to control risk capital by geographic, business and product risk diversification through M&A overseas. In addition, reinsurance, as a hedge against risk, is also an effective way to protect our capital and stabilize profits. The Group effectively utilizes sufficient reinsurance as required to prevent capital impairment, which could affect business continuity in the event of a major natural disaster on a scale that occurs once every few centuries. As for reinsurance against natural disasters that occur more frequently, we have introduced the necessary measures such as determining economic rationality based on the reinsurance market environment.

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

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

The Tokio Marine Research Institute collaborates with The University of Tokyo, Nagoya University and Kyoto University, among others, to carry out impact analysis of increased insurance losses associated with climate change.

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

Metrics and Targets



Metrics and Targets

	Timeline	Targets	Metrics	Goals
Climate change	Fiscal 2050	Tokio Marine Group (including insurance customers and investment and financing recipients) ^{*1,*2}	Reduction in GHG emissions	Aim to reduce GHG (CO ₂) emissions to net zero
	Fiscal 2030	Tokio Marine Group	Reduction in GHG emissions (CO ₂) from operations of Tokio Marine Group	Reduce GHG emissions (CO ₂) from Tokio Marine Group's business activities by 60% (vs 2015) ^{*3}
		Tokio Marine Group	Insurance premiums that directly contribute to the realization of a decarbonized society	Achieve decarbonization-related insurance premiums ^{*4} of 100 billion yen by fiscal 2030
		Tokio Marine Group's major business facilities	Renewable electricity use	Use 100% renewable electricity
		Tokio Marine & Nichido, Tokio Marine & Nichido Life, and Nisshin Fire	Electrification of company-owned vehicles	Switch all company-owned vehicles to electrified vehicles (EV, PHV, HV, etc.)
		Tokio Marine Nichido	Number of engaged customers and level of engagement (achieved a dialogue of Level 2 or higher with 130 companies as of March 31, 2026)	Hold dialogues with 200 large corporate customers, which account for approximately 90% of its insurance-associated GHG emissions, and among them make Level 2 or higher engagements with more than 160 customers; request these 200 large corporate customers to formulate decarbonization plans and decline transactions with those failing to present such plans by 2030
	Fiscal 2026	Tokio Marine Group	Insurance premiums that directly contribute to the realization of a decarbonized society	Achieve decarbonization-related insurance premiums ^{*4} of 45 billion yen by fiscal 2026
		Tokio Marine & Nichido	Improvement in profitability of fire insurance	Improve the profitability of fire insurance by around 15 billion yen ^{*5} from fiscal 2024 to fiscal 2026
Nature-related	Timeline	Targets	Metrics	Goals
	Fiscal 2050	Tokio Marine Group	–	Contribute to creating a society that coexists with nature
	Fiscal 2030	Tokio Marine Group	Conservation, creation and registration of sites in harmony with nature that help achieve the 30 by 30 target	Contribute to achieving "nature positive" by 2030

*1: Medium-term targets still under consideration

*2: Scope 3, Category 15, based on the GHG Protocol standards

*3: Associated with our own business activities (Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions; Categories 1, 3, 5 and 6] based on the GHG Protocol standards)
Scope 3 includes categories of importance to the Group for which numerical values can be obtained.

*4: Insurance that directly contributes to the realization of a decarbonized society, such as insurance for business operators of offshore wind, solar and other types of renewable energy and warranty insurance for electric vehicles and storage batteries

Examples:

- Insurance for renewable energy-related business operators (insurance for construction/engineering, property, liability, business income, marine/cargo, etc.)
- Guarantee insurance for electric vehicles and storage batteries
- Warranty and indemnity insurance for the acquisition and transfer of renewable energy businesses

*5: Assuming natural catastrophe claims in an average year

Emissions Associated with the Group's Business Activities

Each Tokio Marine Group company is working to reduce the environmental impact associated with its business activities. At the same time, it aims to achieve carbon neutrality on a global basis, in which the amount of GHG fixed and reduced through mangrove planting and the use of natural energy exceeds GHG (CO₂) emissions from business activities.

Fiscal 2025 (JGAAP consolidation scope^{*1}; calculated using the previous reporting scope)

- **Reduction of GHG (CO₂) emissions from Tokio Marine Group operations^{*2}:
46,904 tons (62% reduction vs 2015)**

(Scope 1: 4,128 tons; Scope 2: 21,422 tons; Scope 3^{*3}: 21,354 tons)

Note: Above emissions reflect the retirement of 8,731 tons of purchased carbon credits

- **Amount of GHG (CO₂) Fixed and Reduced: 108,073 tons**

Tokio Marine Group is working to reduce its environmental impact (domestic and international) and become carbon neutral by 1) conserving energy and using energy more efficiently, 2) planting mangroves to absorb and fix CO₂, 3) using renewable energy (such as by procuring green electricity) and 4) retiring carbon credits. The value of ecosystem services generated through the Mangrove Planting Project from April 1999 to the end of March 2023 has reached approximately 202.3 billion yen. We expect the value to climb to 638.7 billion yen by the end of fiscal 2042^{*4}. As of March 31, 2026, we have planted a total area of 13,270 hectares of mangrove forest.

^{*1}: Following the change in accounting standards to IFRS from the fiscal year ended March 31, 2026, the number of Group companies included in the measurement scope increased. For fiscal 2025 results, CO₂ emissions measured under both the JGAAP and IFRS consolidation scopes are presented.

^{*2}: Associated with our own business activities (Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions; Categories 1, 3, 5 and 6] based on the GHG Protocol standards)

^{*3}: Amount of paper used, etc. (Categories 1, 3, 5 and 6)

^{*4}: Survey contracted out to Mitsubishi Research Institute, Inc. and evaluated following internationally recognized methodologies

^{*5}: Emissions include offsets from Renewable Energy Certificate (REC) and Non-Fossil Certificate

► CO₂ Emissions of Tokio Marine Group (Tokio Marine Holdings and Major Subsidiaries)^{*5}

	Unit	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	
					JGAAP	IFRS
Scope 1 (Direct emissions: Gas, heavy oil, gasoline, etc.)	Ton	13,362	13,685	12,517	12,435	16,618
Scope 2 (Indirect emissions: Electricity, steam, chilled/hot water)	Ton	41,190	28,701	21,344	21,422	31,248
Scope 3 (Other indirect emissions) (Category 1,3,5,6) ^{*3}	Ton	25,649	27,502	23,509	21,778	30,188
Total	Ton	80,201	69,888	57,370	55,635	78,054

GHG Emissions for Investment Portfolio

Tokio Marine Group analyzes the total GHG emissions and weighted average carbon intensity (WACI) of our investment and financing portfolios, the disclosure of which is recommended by TCFD, with the aim of achieving our target of reducing GHG emissions to net zero by fiscal 2050 (including investment and financing recipients).

▶ Total GHG emissions of Tokio Marine Group (Scopes 1 & 2; million tCO₂e)

① By asset^{*3}

Asset	Fiscal 2024
Equities	1,415 [✓]
Bonds	2,914 [✓]
Total	4,330 [✓]

② By region^{*4}

Region	Fiscal 2024	
	Equities	Corporate bonds
Japan	1,353 [✓]	1,026 [✓]
North America	1 [✓]	1,163 [✓]
Asia (excluding Japan)	61 [✓]	697 [✓]
Europe and others	–	27 [✓]

③ By sector^{*5}

Sector	Fiscal 2024	
	Equities	Corporate bonds
Energy and electricity	179 [✓]	1,977 [✓]
Goods and services	535 [✓]	247 [✓]
Finance and real estate	6 [✓]	34 [✓]
Telecommunications	26 [✓]	23 [✓]
Chemicals, materials and healthcare	634 [✓]	561 [✓]
Consumer necessities and others	36 [✓]	72 [✓]

Total GHG emissions:

GHG emissions associated with the portfolio, calculated based on the company's percentage of equity ownership to adjusted corporate value (market capitalization + interest-bearing debt)

Weighted average carbon intensity (WACI):

Calculated by multiplying each investee company's greenhouse gas emissions to revenue by the weight of the company in the portfolio and getting the sum of these figures

Data calculation method (✓items)

🔗 [Method of Calculation and Scope in Data Collection for Key Sustainability Indicators \(PDF/546KB\)](#)

"1. Calculation method of CO₂ emissions from energy sources"

The table below shows the analysis results of the portfolios of listed equities and corporate bonds as of March 31, 2025, at major Group companies engaged in the insurance business*1, 2. Using the analysis results, we will help investment and financing recipients work toward a decarbonized society through engagement.

▶ Weighted average carbon intensity of Tokio Marine Group (tCO₂e/million USD)

① By asset^{*3}

Asset	Fiscal 2024
Equities	106 [✓]
Bonds	360 [✓]

② By region^{*4}

Region	Fiscal 2024	
	Equities	Corporate bonds
Japan	103 [✓]	366 [✓]
North America	86 [✓]	339 [✓]
Asia (excluding Japan)	135 [✓]	501 [✓]
Europe and others	–	121 [✓]

③ By sector^{*5}

Sector	Fiscal 2024	
	Equities	Corporate bonds
Energy and electricity	840 [✓]	1,434 [✓]
Goods and services	67 [✓]	126 [✓]
Finance and real estate	14 [✓]	19 [✓]
Telecommunications	49 [✓]	40 [✓]
Chemicals, materials and healthcare	410 [✓]	418 [✓]
Consumer necessities and others	54 [✓]	91 [✓]

*1: Data may be subject to change retrospectively.

*2: We measured our GHG emissions using information (the "Information") from MSCI ESG Research LLC and its affiliates (the "ESG Parties") as well as from other information providers. The Information may only be used for readers' internal use, may not be reproduced or resold in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. The ESG Parties do not allow the use of the Information to determine which securities to buy or sell or when to buy or sell them and do not warrant or guarantee the originality, accuracy and/or completeness of the Information. The ESG Parties expressly disclaim all explicit or implicit warranties, including those of merchantability and fitness for a particular purpose. None of the ESG Parties shall have any liability for any errors or omissions in connection with the Information or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if they have been notified of the possibility of such damages.

*3: The figures in the table cover 91.4% of the listed equities in the portfolio (based on the market value) in fiscal 2024. Likewise, the figures in the table cover 77.7% of the bonds in the portfolio (based on the book value).

*4: Data by region is classified based on the geographical location of Group companies.

*5: Data by sector is classified based on our own sector classification.

Appendix 1

Dependencies and Impacts on Natural Capital in Our Insurance Underwriting and Investment and Financing Portfolios

	Dependencies																								Impacts												
	Storm mitigation	Flood mitigation	Water flow regulation	Soil and sediment retention	Water supply	Water purification	Local climate regulation	Global climate regulation	Solid waste remediation	Rainfall pattern regulation	Dilution by atmosphere and ecosystems	Air quality regulation	Noise attenuation	Sensory impact regulation	Biological control	Visual amenity services	Spiritual, artistic and symbolic services	Education, scientific and research services	Biomass provisioning	Genetic materials	Animal-based energy	Recreation-related services	Soil quality regulation	Pollination	Nursery population and habitat maintenance	Noise and light pollution	Toxic pollution of water and soil	Water use	Area of land use	Emissions of non-GHG air pollutants	Solid waste	GHG emissions	Introduction of invasive species				
Industrials	VH	VH	VH	VH	VH	H	H	H	H	H	H	M	M	M	M	H	L	M	L	L	L	M	L	L		VH	VH	H	H	H	M	H	M				
Consumer Discretionary	VH	VH	VH	VH	VH	VH	H	H	H	H	H	M	M	M	L	M	M	M	L	L	L	M	L	L	L	VH	VH	H	H	H	H	M	L				
Health Care	VH	VH	VH	VH	VH	VH	M	H	VH	M	H	M	M	M	M	VH	VH	VH	L	H	L			L		H	H	VH	M	VH	VH	H	L				
Consumer Staples	VH	VH	VH	VH	VH	VH	H	VH	VH	M	H	H	L	L	H	L	M	L	M	H	M	L	M	L	M	VH	H	VH	H	H	H	H	L				
Materials	VH	VH	VH	VH	VH	VH	H	H	VH	VH	H	H	M	M	L		L		L	L	L			L	L	VH	VH	VH	H	VH	VH	VH	L				
Energy	VH	VH	VH	VH	VH	VH	VH	H	H	M	VH	H	M	M	M				L	L						VH	VH	H	H	VH	VH	VH	L				
Real Estate	VH	H	H	VH	H	H	H	H	M	H	M	M	H	H	L	VH	L	L				M	L			VH	VH	M	M	M	M	H	L				
Information Technology	VH	VH	VH	H	VH	VH	M	H	H	M	H	M	M	M	M										VH	VH	H	H	H	M	M						
Utilities	VH	VH	H	VH	H	H	H	H	VH	H	L	M	M	L	L				L						H	VH	M	VH	M	H	M						
Telecommunication Services	H	H	H	H	H	L	M	H	L	M		L	L	L	M	M	L	M	L		L	L	L		L	M	M	M	M	L	M	M					
Financials	M	M	M	M	M		M	H																	M	M	L	M	L	L	M						

Very High High Medium Low Very Low

Appendix 2 Trading Company Sector: Fossil Fuel Business

This section specifies key risks in the fossil fuel business, which has been specified as a material business, through an ENCORE analysis of its value chain. It also summarizes areas in which Tokio Marine Group can contribute.

Value chain analysis

The analysis revealed that, across the fossil fuel business value chain from upstream to downstream, dependencies and impacts on the following natural capital are very high (VH).

- **Dependencies:** Water purification; rainfall pattern regulation
- **Impacts:** Noise and light pollution; toxic pollution of water and soil; GHG emissions; use areas for freshwater and seabed resources; introduction of invasive species; emissions of non-GHG air pollutants

► ENCORE analysis results

Impacts												Dependencies													
Non-biological resource extraction	M	—	—									Animal-based energy	—	M	—										
Nutrient pollution of water and soil	—	M	M									Air quality regulation	VL	M											
Water use	M	M	M									Local climate regulation	L	L	L	L	L	L	L	L	L	L	L	L	L
Area of land use	M	M	M									Dilution by atmosphere and ecosystems	M	L	L	L	L	L	L	L	L	L	L	L	L
Area of seabed use	VH	M	M									Solid waste remediation	L	M	M	M	M	M	M	M	M	M	M	M	M
Introduction of invasive species	L	VH	VH									Storm mitigation	M	M	H	H	H	H	H	H	H	H	H	H	H
Solid waste	M	H	H									Global climate regulation	M	M	M	M	M	M	M	M	M	M	M	M	M
Area of freshwater use	M	M	M									Water supply	H	M	M	M	M	M	M	M	M	M	M	M	M
Emissions of non-GHG air pollutants	H	H	H									Water flow regulation	H	H	M	M	M	M	M	M	M	M	M	M	M
GHG emissions	VH	H	H									Flood mitigation	VH	H	H	H	H	H	H	H	H	H	H	H	H
Toxic pollution of water and soil	VH	VH	VH									Rainfall pattern regulation	VH	M	M	M	M	M	M	M	M	M	M	M	M
Noise and light pollution	VH	VH	VH									Water purification	VH	M	M	M	M	M	M	M	M	M	M	M	M
Very High High Medium Low Very Low																									

Note: The analysis focuses on nature-related risks and excludes human rights-related cultural services. Only items with relatively high dependencies and impacts on natural capital are presented.

Key risks and areas in which Tokio Marine Group can contribute

We analyzed the dependencies and impacts specified through the value chain analysis in terms of financial impact, likelihood of occurrence and relevance. As a result, we identified two key risks: an “increased risk of damage from flooding and storms due to the degradation of terrestrial ecosystems” and the “risk of litigation, fines and remediation obligations arising from crude oil spills and similar incidents.”

For these key risks, Tokio Marine Group has identified areas in which we can contribute through risk assessment, disaster prevention and mitigation, nature restoration, monitoring and post-incident recovery and claims payments. Going forward, we will engage with customers to understand their actual challenges and needs and examine specific opportunities for contribution.

► Measures to address key risks identified in the fossil fuel business

Risk category		Avoid	Reduce	Restore and regenerate	Transform
Physical risk (acute)	Increased risk of damage from flooding and storms due to the degradation of terrestrial ecosystems	Select sites and routes for facilities and pipelines by considering inundation, landslide and high-tide risks	Minimize damage and downtime by waterproofing facilities, reinforcing slopes and establishing business continuity plans (BCPs)	Restore and rehabilitate wetlands, coastal forests and other natural protective functions in watersheds and coastal areas	Use satellite data and AI to monitor forest conversion, soil erosion and flood risk; and comprehensively manage risks at critical facilities and pipelines
	Risk of litigation, fines and remediation obligations arising from environmental damage caused by crude oil spills and similar incidents	Avoid high-risk operations that could lead to major accidents; and replace or decommission aging facilities	Reduce accident risk through safety equipment such as shutoff valves and double barriers, corrosion management and maintenance activities	After an incident, rapidly contain and remediate the damage, restore the natural environment and rebuild trust with local communities and stakeholders	Use drones, underwater robots and other devices to detect leaks early and prevent accidents

Appendix 3 Trading Company Sector: Metal Mining Business

This section identifies key risks in the metal mining business, which has been specified as a material business, through an ENCORE analysis of its value chain. It also summarizes areas in which Tokio Marine Group can contribute.

Value chain analysis

The analysis revealed that, across the metal mining business value chain from upstream to downstream, dependencies and impacts on the following natural capital are very high (VH).

- **Dependencies:** Dependencies: Water purification; rainfall pattern regulation
- **Impacts:** Impacts: Noise and light pollution; toxic pollution of water and soil; solid waste; use areas for freshwater and seabed resources; introduction of invasive species

► ENCORE analysis results

	Dependencies																	Impacts													
	Water purification	Rainfall pattern regulation	Flood mitigation	Storm mitigation	Water flow regulation	Water supply	Soil and sediment retention	Global climate regulation	Solid waste remediation	Dilution by atmosphere and ecosystems	Local climate regulation	Animal-based energy	Sensory impact regulation	Air quality regulation	Noise attenuation	Biomass provisioning	Biological control	Noise and light pollution	Toxic pollution of water and soil	Emissions of non-GHG air pollutants	Solid waste	GHG emissions	Water use	Area of seabed use	Area of land use	Introduction of invasive species	Nutrient pollution of water and soil	Area of freshwater use	Non-biological resource extraction		
text	VH	VH	H	M	H	H	H	H	L	M	L	L	L	VL	VL	L	—	VH	VH	H	VH	H	M	VH	M	L	—	VH	H		
text	M	M	M	M	M	M	L	VL	M	L	L	—	VL	L	VL	—	—	VH	VH	H	M	M	M	—	L	—	M	—	—		
text	M	M	H	H	M	M	M	M	M	L	L	M	VL	VL	VL	—	VL	VH	H	H	M	H	M	M	M	VH	M	VL	—		
Very HighHighMediumLowVery Low																															

Note: The analysis focuses on nature-related risks and excludes human rights-related cultural services. Only items with relatively high dependencies and impacts on natural capital are presented.

Key risks and areas in which Tokio Marine Group can contribute

We analyzed the dependencies and impacts specified through the value chain analysis in terms of financial impact, likelihood of occurrence and relevance. As a result, we identified an “increased risk of damage from flooding and storms due to the degradation of terrestrial ecosystems” as a key risk.

For these key risks, Tokio Marine Group has identified areas in which we can contribute through risk assessment, disaster prevention and mitigation, nature restoration, monitoring and post-incident recovery and claims payments. Going forward, we will engage with customers to understand their actual challenges and needs and examine specific opportunities for contribution.

► Measures to address key risks identified in metal mining business

Risk category		Avoid	Reduce	Restore and regenerate	Transform
Physical risk (acute)	Increased risk of damage from flooding and storms due to the degradation of terrestrial ecosystems	Avoid high-risk operations that could lead to major accidents; and replace or decommission aging facilities	Minimize damage and downtime by waterproofing facilities, reinforcing slopes and establishing business continuity plans (BCPs)	Restore and rehabilitate wetlands, coastal forests and other natural protective functions in watersheds and coastal areas	Use satellite data and AI to monitor forest conversion, soil erosion and flood risk; and comprehensively manage risks at critical facilities and pipelines

Third-Party Assurance

Tokio Marine Holdings has received a third-party assurance of the Tokio Marine Group Sustainability Report 2026 from Ernst & Young ShinNihon LLC with the aim of further improving the level of communication with stakeholders. (The independent third-party assurance logo  is marked where appropriate).

By obtaining external assurance, we will work to improve the quality of Tokio Marine Group sustainability reporting. Tokio Marine Holdings has consecutively received same third-party assurances from fiscal 2016 to fiscal 2025 as well.

Environment

 GHG Emissions for Investment Portfolio 



EY
Shape the future
with confidence

Translation

The following is an English translation of an independent assurance report prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

Independent practitioner's assurance report

Mr. Masahiro Koike
President
Tokio Marine Holdings, Inc.

Scope
We have been engaged by Tokio Marine Holdings, Inc. (hereafter the "Company") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the Company's GHG Emissions for Investment Portfolio (the "Subject Matter") contained in the Company's "Climate & Nature Report 2026" (the "Report") for the period from April 1, 2024 to March 31, 2025. The Subject Matter for which assurance procedures were performed has been marked with a  in the relevant sections of the Report.

Other than as described in the preceding paragraph, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by the Company
In preparing the Subject Matter, the Company applied "Method of Calculation and Scope in Data Collection for Key Sustainability Indicators" (the "Criteria").
(https://www.tokiomarinehd.com/en/sustainability/pdf/sustainability_indicatorsFY2026.pdf)

The Company's responsibilities
The Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error. In addition, Greenhouse gas (the "GHG") emissions are estimated using emissions factors, and the scientific knowledge on which such emission factors are based has not been established, thus being subject to inherent uncertainty.

EY's responsibilities
Our responsibility is to express a conclusion on the presentation of the Subject Matter described in the Report based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and with respect to GHG emissions, the International Standard on Assurance

 [Click on the image for an enlarged view](#)

Publication Information

Reporting period	Fiscal 2024 and fiscal 2025
Reporting organizations	Tokio Marine Holdings and its major subsidiaries (consolidated Group companies and others, including Tokio Marine & Nichido)
Subjects of analysis	Analysis of insurance underwriting and investment and financing portfolio: major Tokio Marine Group companies in and outside Japan
Reference guidelines	Recommendations of the TCFD and recommendations of the TNFD

