Tokio Marine Holdings

Tokio Marine Value Creation Book

2026

Inspiring Confidence.
Accelerating Progress.

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On the Publication of Our Integrated Annual Report 2026

This report has been newly published to provide a comprehensive overview of our value creation initiatives across each area. It illustrates the Tokio Marine Group's distinctive path of evolution: the passion and commitment of each employee are the source of our value creation, strengthening the competitive advantages and financial performance of each of our businesses today while advancing us toward our long-term vision, Aspiration 2035. We are confident that, by steadily pursuing this evolution, we will continue to enhance our corporate value amid a changing business environment. As the issuing authority, I declare that this report accurately and clearly represents our company's sustainable value creation capabilities.

Tokio Marine Value Creation Book2026 Publication Officer
Managing Executive Officer, Group Chief Financial Officer (CFO) Yoshinari Endo
Managing Director, Group Chief Sustainability Officer (CSUO) Mika Nabeshima
Managing Executive Officer, Group Chief Human Resources Officer (CHRO) Satoshi Moriyama

The Story Behind the Cover

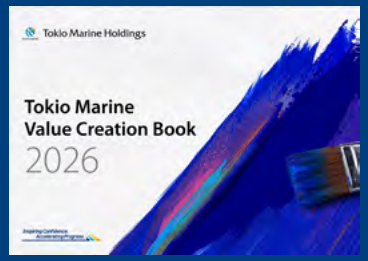
As we look ahead to "Aspiration 2035," this cover reflects our determination to imagine and shape the future ourselves. The unfilled space represents the expanding potential of Tokio Marine Group - potential that will continue to grow through the ownership and accountability of each and every employee.

Abbreviations Used in This Material

P&C: Property & Casualty (general insurance)
TMHD: Tokio Marine Holdings, Inc.
TMNF: Tokio Marine & Nichido Fire Insurance Co., Ltd.
NF: Nisshin Fire & Marine Insurance Co., Ltd.
TMNL: Tokio Marine Nichido Life Insurance Co., Ltd.
PHLY: Philadelphia
DFG: Delphi Financial Group
TMHCC: Tokio Marine HCC
TMK: Tokio Marine Kiln
TMSR: Tokio Marine Seguradora

Tokio Marine Group Disclosure Framework

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



Tokio Marine Value Creation Book 2026

Comprehensive coverage of the Purpose Story and initiatives across all areas

Key Messages: CEO Message, Purpose Story

Content: Management Strategy, Finance, and Governance; Sustainability; Climate & Nature; Human Capital

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

For an overview focusing on management strategy, finance, and governance

Integrated Annual Report 2026

Key Messages

Content
- Detailed Information
- Key Points

Detailed information is provided on management strategy, financial information, and corporate governance, while concise overviews are provided for other topics.

Related Disclosure and IR Materials
- 2026 Integrated Annual Report Separate volume (Financial and Company Data)
- Management Strategy of Tokio Marine Group
- Annual Securities Report (Japanese only)
- Financial Summary Report
- Corporate Governance Report

Learn More about Our Sustainability-Related Information

Sustainability Report 2026

Key Messages

Content

This report presents our initiatives in sustainability management, materiality, environmental, social, and governance (ESG) matters.

Learn More about Our Responses to Climate Change and Natural Capital

Climate & Nature Report 2026

Key Messages

Content

This report provides a comprehensive overview of our initiatives on climate change and nature-related issues, in line with the recommendations of the TCFD and TNFD.

Learn More about Human Capital and Human Resources Strategy

Human Capital Report 2026

Key Messages

Content

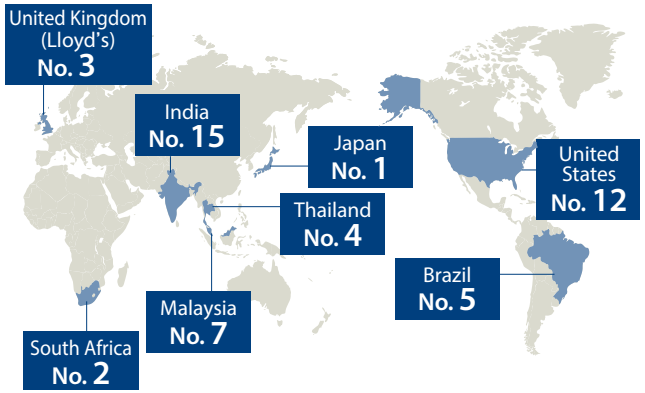
This report presents our approach to human capital management and our initiatives in human resources strategy, talent development, DE&I, and related areas.

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%

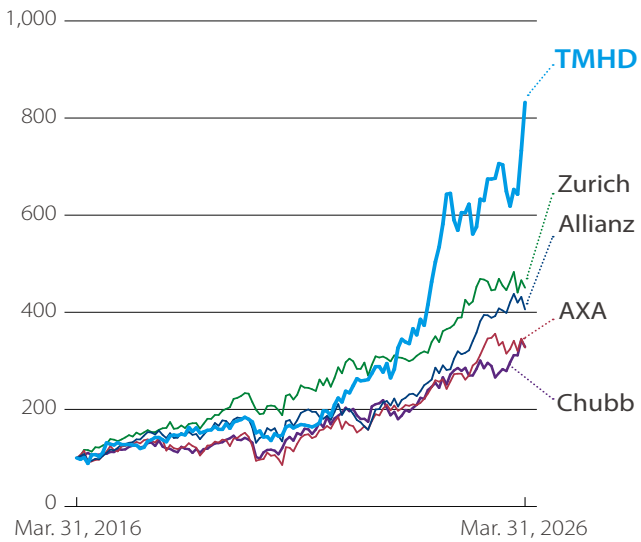
Adjusted ROE
13.0%

*: Based on IFRS

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

S&P	Moody's	A.M.Best
A+	**Aa3**	**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)	United States (PHLY)
+11pt	**+28pt**

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

ESG Rating (as of August 31, 2026)

MSCI	CDP	S&P Global
AAA (Highest rating)	**A list** (Climate Change: Highest Rating)	**Selected for DJBIC* 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 Tokio Marine Group Awards, a Group-wide program that honors employees who exemplify Our Purpose

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.

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

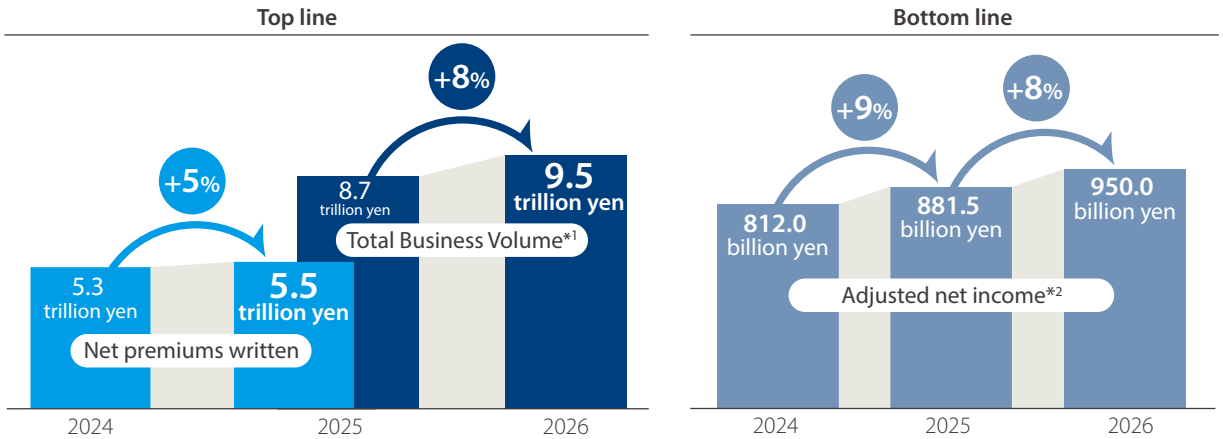
In fiscal 2025, our top line grew by 5% year on year. Our bottom line increased 9%, supported by relatively lower natural catastrophe losses in Japan and overseas, higher underwriting profits driven by business expansion and rate improvements, and continued underwriting discipline. It was a year in which 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	(Net Income Basis)	ROE	Employees, our source of value creation, work with
≥ 2×	Top 5 Global Insurance Group	Global Top tier	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

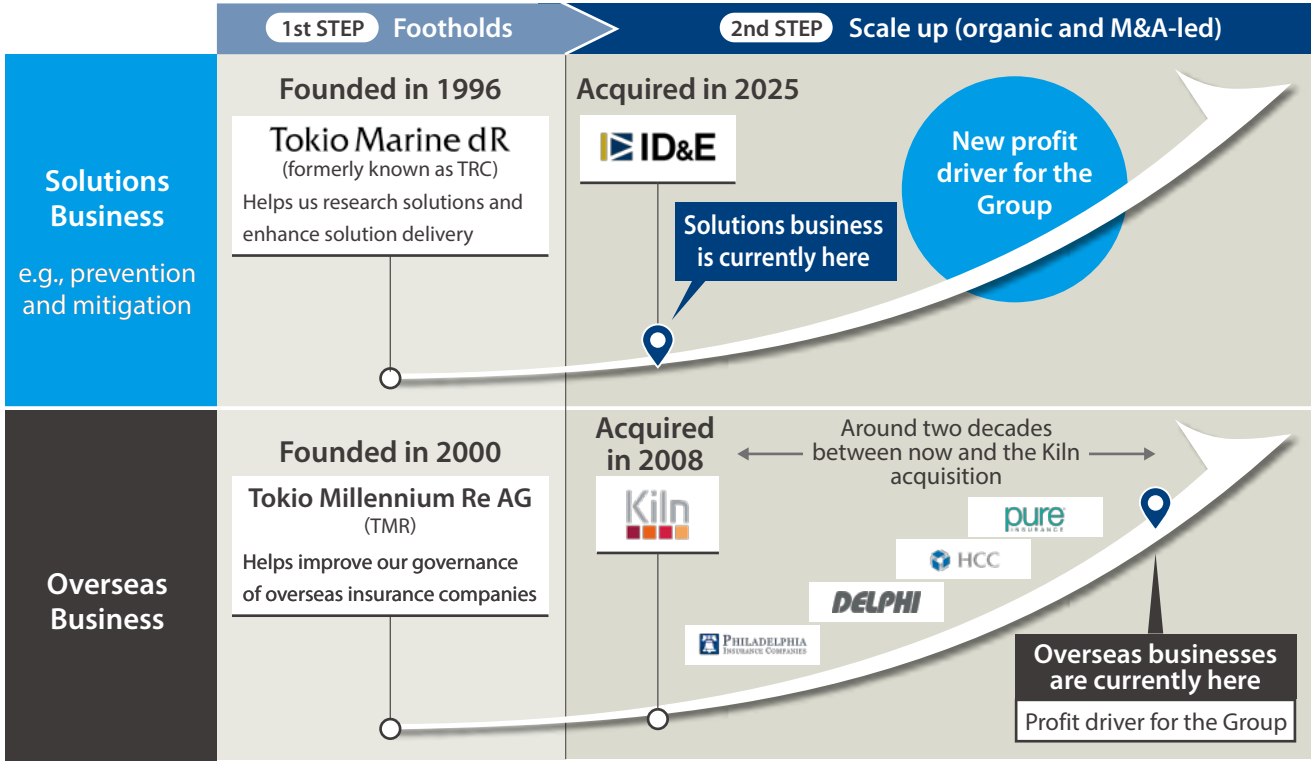
Since our founding in 1879, we have always tailored the value we deliver to the needs of each era, while remaining steadfast in our core Purpose: to be there for our customers and society in times of need. Now, in this latest phase of our evolution, we intend to go beyond insurance, becoming a more holistic 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.

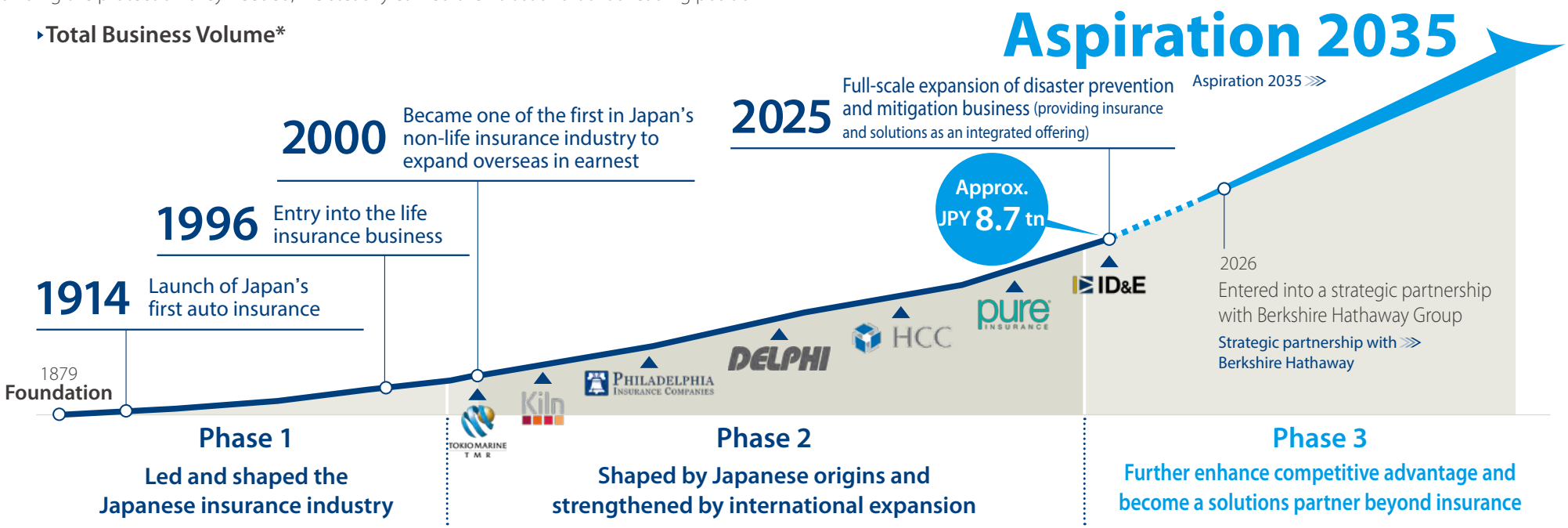
Our journey began in 1879, when Tokio Marine was founded as Japan's first non-life insurance company. As Japan modernized and trade expanded overseas, maritime accidents posed a growing risk to businesses. By taking on those risks, we helped support the country's economic and social development. Later, 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 Business Volume***



*: 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.

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

Addressing societal issues through business activities

The Society We Aim to Create

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

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

1 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.

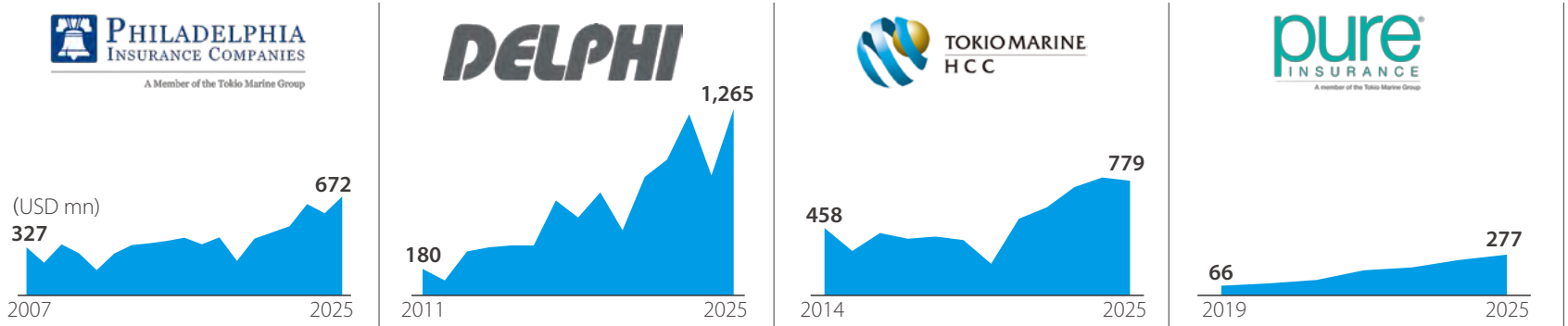
At the same time, while respecting the autonomy of each Group company, we establish Group-wide guardrails, including governance and risk management, and actively encourage dialogue and interaction across the Group. By leveraging the Group's collective capital, expertise, and networks while bringing together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



	PHILADELPHIA INSURANCE COMPANIES	DELPHI	TOKIO MARINE HCC	pure INSURANCE
Average annual growth rate since joining the Group	**+4.1%** Reference peers*2 +2.2%	**+14.9%** Reference peers*2 -1.3%	**+4.9%** Reference peers*2 +3.1%	**+27.0%** Reference peers*3 +8.3%

*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

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

Christopher Williams
Chairman of Int'l Business

Donald Sherman
Vice President Executive Officer Co-CIO

Brad Irick
Managing Executive Officer Co-Head of Int'l Business

Susan Rivera
Managing Executive Officer Co-CRSO

John Glomb
Managing Executive Officer

José Adalberto Ferrara
Managing Executive Officer

Caryn Angelson
Executive Officer Group CDIO

Stephan Kiratsous
Executive Officer Deputy CFO

Leverage Group Expertise

Global talents in key function roles

IT
Robert Pick

Broker Relationship
Mark Wilhelm

Internal Audit
Dawn Miller

Insurance Underwriting
Barry Cook

Legal Affairs
Randy Rinicella

Senior General Managers

Cyber Insurance
Daljitt Barn

Operations
Nick Hutton-Penman

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

REVENUE
Leverage our global network (e.g., cross-selling)

INVESTMENT
Leverage DFG's asset management capabilities

CAPITAL
Optimize retention/ reinsurance at the Group level

COST
Leverage Group resources and economies of scale

Annual Profit Contribution from Group Synergies
approx. 70 billion yen
(Dec. 31, 2025)

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.

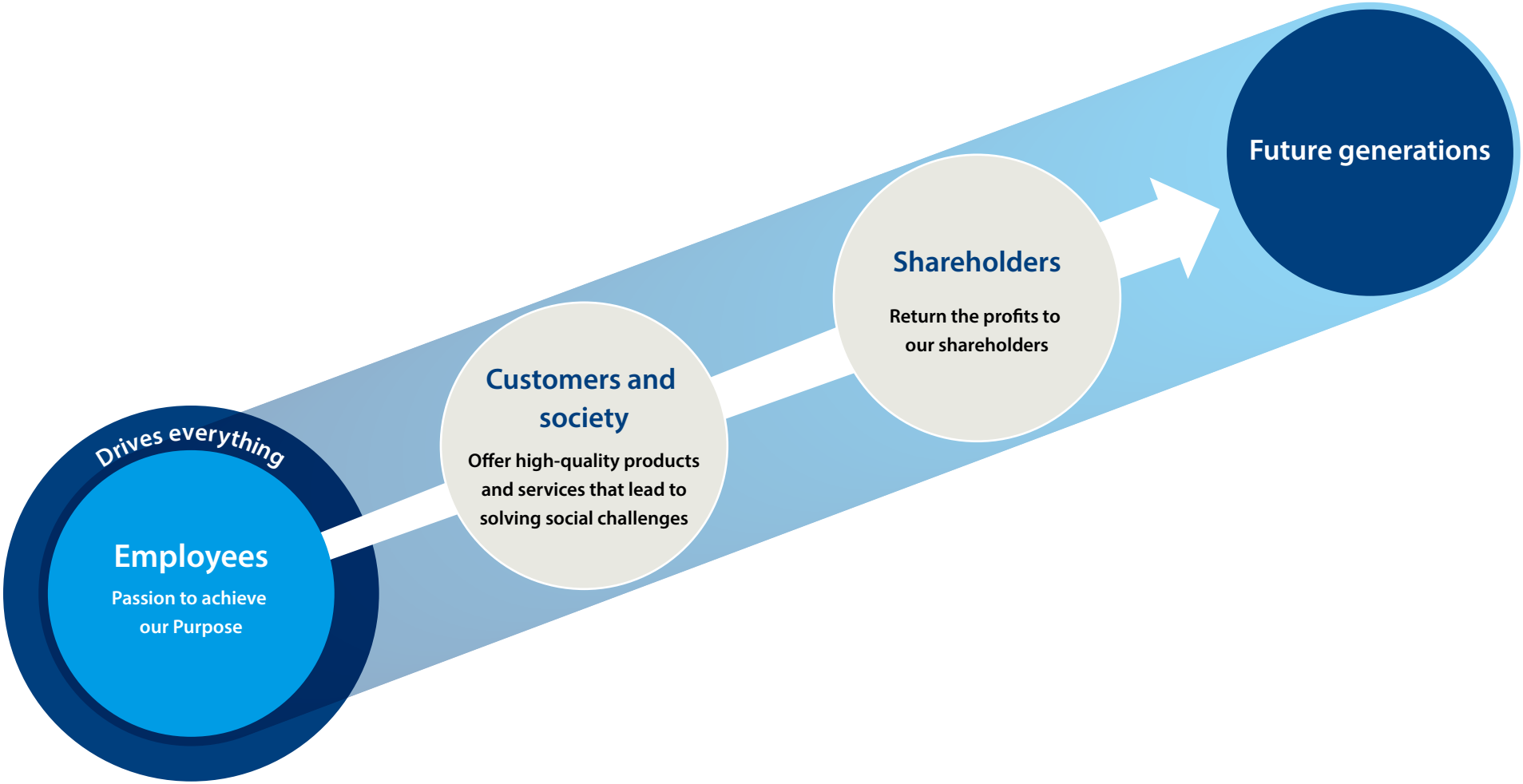
Our Approach to Value Creation

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 employee, 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.

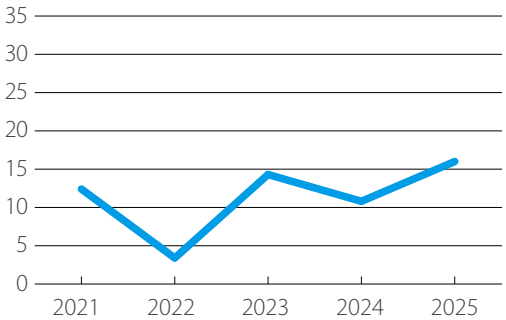
The passion of our employees also enhances the value we deliver to our customers. By listening closely to customers, understanding their challenges, and taking action to address them, we continue to earn their strong support. Our Net Promoter Score (NPS), an indicator of customer advocacy, has consistently 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.

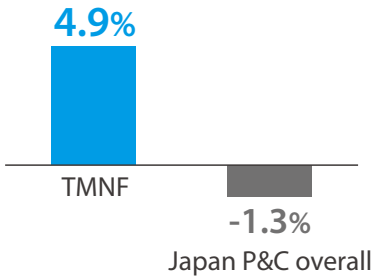
TMSR receiving its award after ranking second among companies with 1,000–9,999 employees in Brazil in the 2025 Great Place To Work rankings

Japan (TMNF)

NPS advantage*2
(our NPS − industry average NPS)



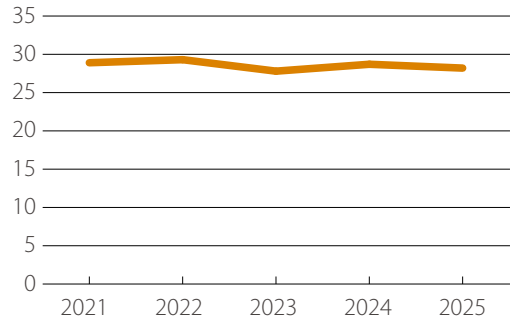
Underwriting profit growth*3
(10-year CAGR)



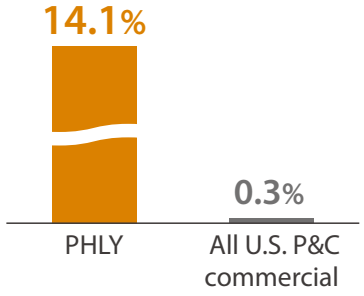
*1: Workplace environment evaluation/certification by third-party organizations in each country, based on employee experience (including engagement)
*2: Agency-based auto insurance NPS. The source of the industry average NPS is a survey conducted by NTT Com (average of TMNF, MS, AD, SJ, and AIG). Source: 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)

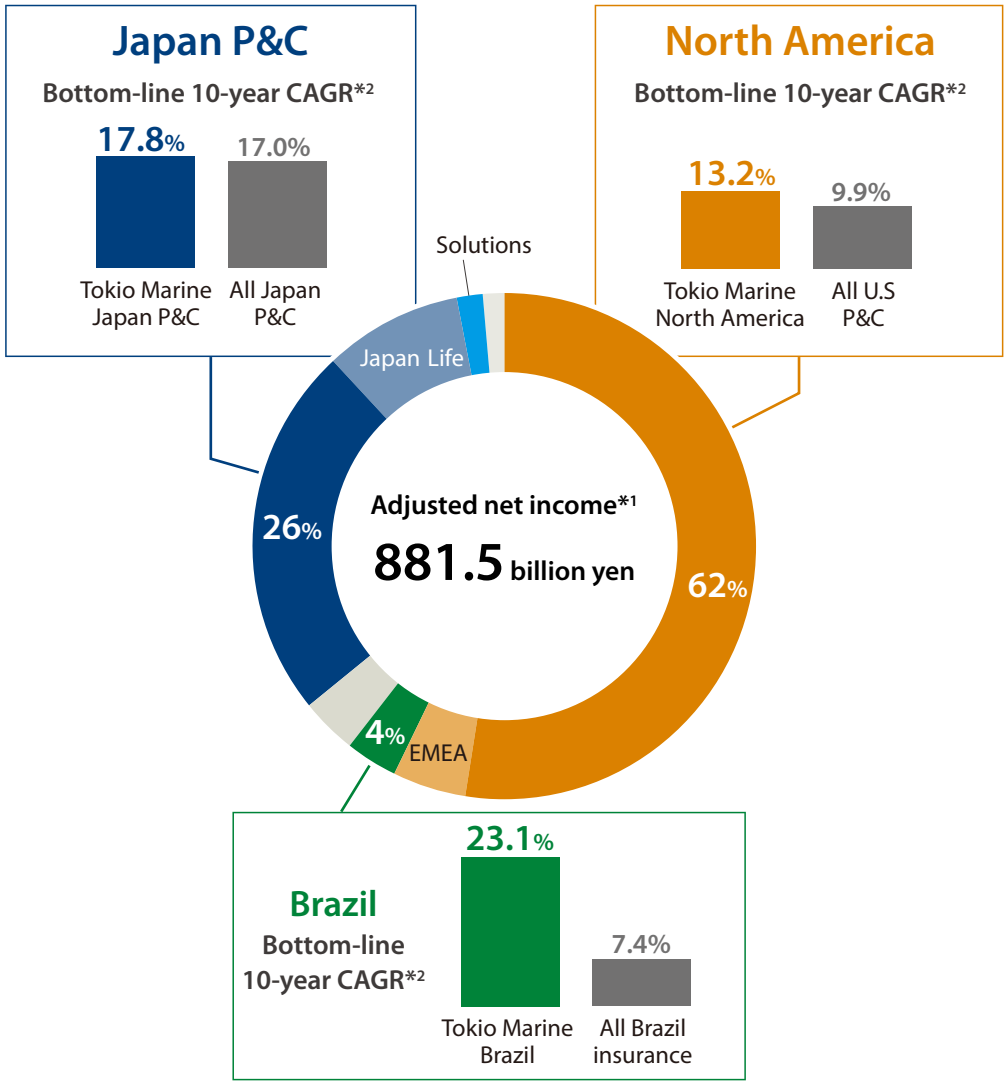


*4: Industry average NPS is the average for the U.S. auto insurance industry. (Source) NICE Satmetrix, Consumer Net Promoter Benchmark Study
*5: 2022–2025 CAGR, calculated by Tokio Marine. The calculation period is limited to three years due to the availability of U.S. P&C commercial data. Source: S&P 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%

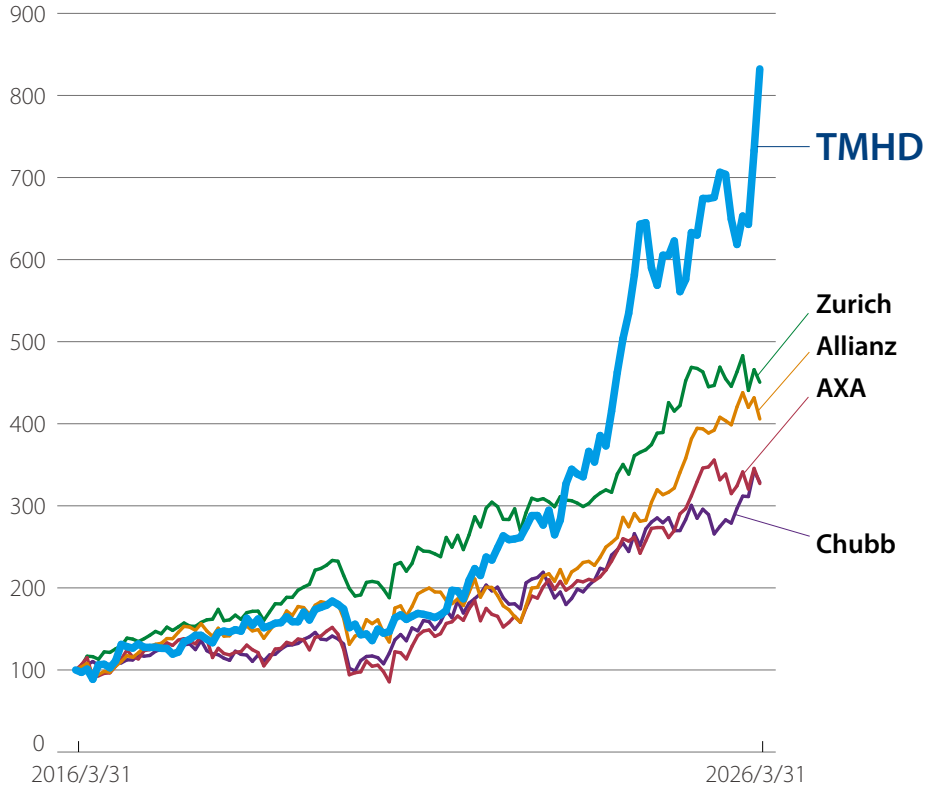
DPS growth (10-year CAGR) +19.4%

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

ROE improvement +5.8pt

(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

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 ot its own growth, define where it wants to be over the mid- to long-term growth trajectory, and act proactively to get there.

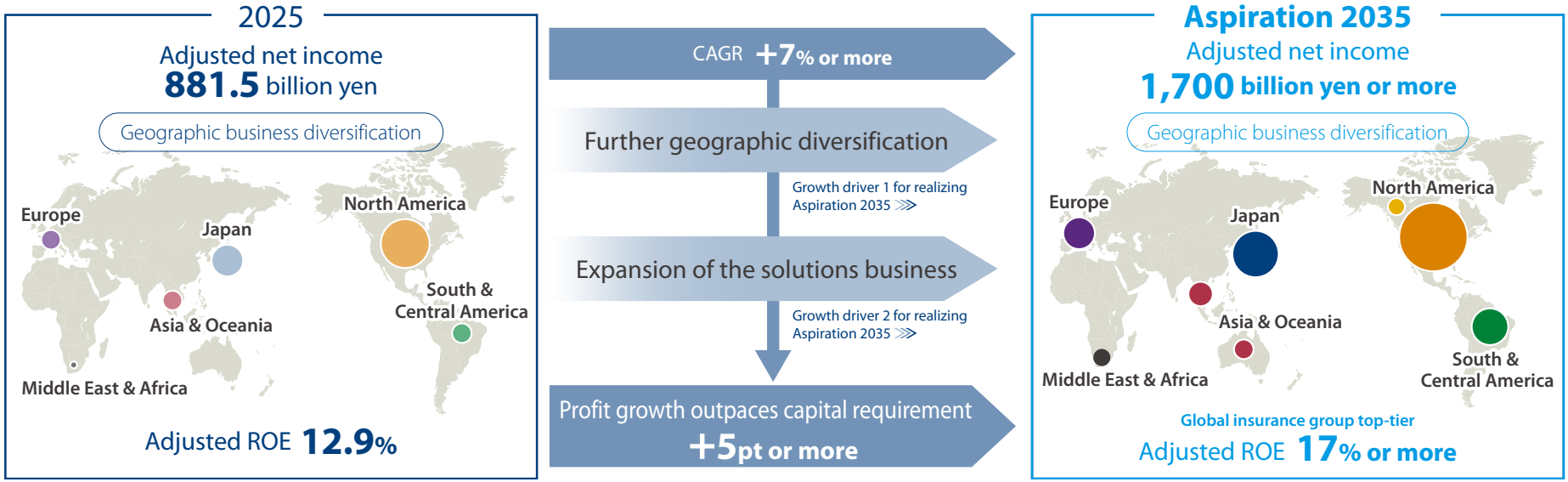
Our Purpose serves as our North Star, while our Mid-Term Business Plan sets out our concrete strategies and initiatives. Aspiration 2035 connect the two by providing a shared direction for the Group. With this direction in place, each business can define its own challenges more clearly, while every employee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



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.

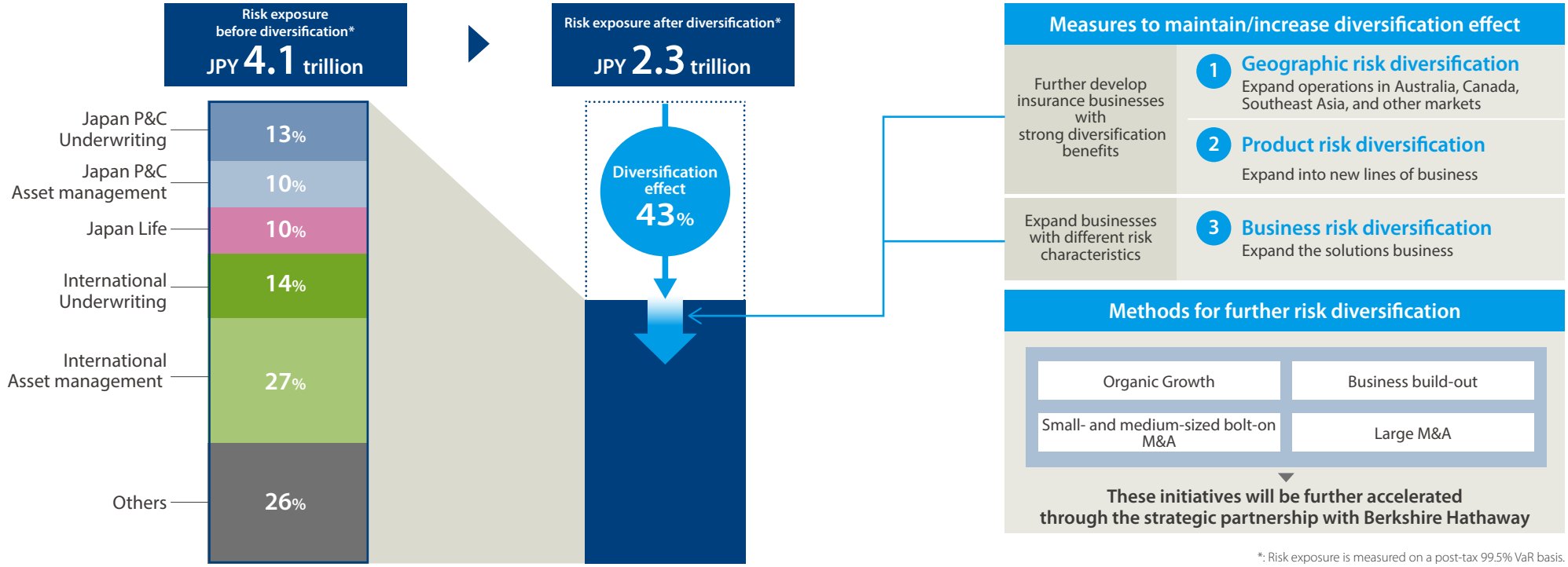
Insurance is fundamentally a business of assuming risk and the foundation of our promise to be there for our customers and society in times of need. That promise must be kept, whatever happens. As a global insurer taking on risks around the world, we therefore need to ensure our financial foundation 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)



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

Growth Driver 2 for Realizing Aspiration 2035

Making the solution business a core growth pillar

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.

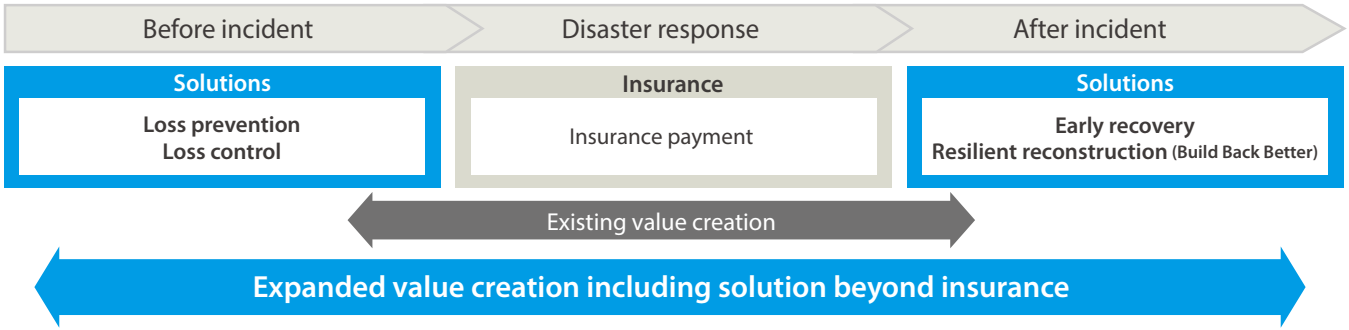
Benefits of the "Insurance + Solutions" model

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%	400 billion yen (announced May 2026)
(same as above)	(427 yen) (CAGR+12.3%)	(790 billion yen) (CAGR+9.8%)	(14.0%)		
FY2025 Results	545 yen CAGR+25.4%	1,035.6 billion yen CAGR+22.9%	19.0%	50%	240 billion yen
(same as above)	(334 yen)	(635.6 billion yen)	(11.7%)		
FY2024 Results	549 yen	1.069 trillion yen	19.8%	50%	220 billion yen
(same as above)	(349 yen)	(679 billion yen)	(12.6%)		
FY2023 Results	346 yen	685.5 billion yen	15.0%	50%	120 billion yen
(same as above)	(301 yen)	(596.5 billion yen)	(13.0%)		
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)

The Society We Aim to Create

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

Future	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
2035		FY2030 -60%*2 (compared with FY2015)	FY2030 Decarbonization-related insurance premiums*3 100 billion yen	
2026	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 Expansion of GX-related underwriting		Build an ecosystem that improves health starting with health check — 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 HelDi, a health management support platform for companies and organizations — FY2025 Results
	Acquisition of ID&E Holdings (May 2025)	-53%*2 (compared with FY2015)		Renamed to Tokio Marine Healthcare and officially launched the healthcare business — FY2024 Results
2023	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) — FY2023 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 — 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)

Strategy Based on the Purpose Story and the Business Platform Supporting It

Business Strategy and Capital Policy	Sustainability Management	Climate & Nature	Human Capital Strategy	Corporate Governance

Business Strategy and Capital Policy

Message from the Co-Heads of International Business

Supported by disciplined M&A and the organic growth of our group companies, our international business will continue to expand and serve as a powerful growth engine for the Group.

Kichiichiro Yamamoto
Vice President Director
(Representative Director)
Co-Head of International Business

Brad Irick
Managing Executive Officer
Co-Head of International Business

Yamamoto: Insurance is a business that assumes risk on behalf of its customers. To be there for our customers and society in times of need, we must remain financially strong in any environment. That is why risk diversification sits at the heart of the insurance business. For more than 20 years, we have built our business overseas so that our risks are diversified across the world. As a result, profits from our international business have grown more than 3.5 times, from roughly JPY 130 billion a decade ago to JPY 473.9 billion in FY2025. Today, it accounts for around 70% of the Group's adjusted net income and has become a core business of the Group. That growth is not simply the result of M&A transactions. What has driven the growth is a consistent strategy of bringing in "Good Companies" with real competitive advantages into the Group, and then helping them build on those strengths. Then after the merger, we strive to respect each company's autonomy and expertise. This has led them to achieve sustainable growth after becoming a part of the Group.

Brad: Everything in our M&A starts with identifying a Good Company, and that is the key to successful deals. Our M&A strategy is built on three acquisition principles: cultural fit, high profitability, and a strong, distinctive business model. Among these, cultural fit is the most important. A deep alignment with the Group's purpose and values is essential for management teams and employees to maintain strong motivation and keep growing on their own after joining the Group.

Ten years ago, as CFO of HCC, I was involved in Tokio Marine's M&A transaction from the acquired company's perspective. I still clearly remember when then-Group CEO Mr. Nagano visited London. Since we were in the midst of acquisition discussions, I expected the conversation to focus primarily on financial and business matters. However, what Mr. Nagano spent a significant amount of time discussing were themes such as "What makes a company a Good Company?" and "Why does Tokio Marine Group exist?"

Yamamoto: Because we confirm that our values are aligned before an M&A transaction takes place, its management and people stay highly committed after the company joins us. We set a common direction as a Group, but we leave the management of each business to the company itself. This "Federated Model" works because our purpose and values are already shared prior to the merger.

As a result, our group companies can sustain what makes them distinctive and further sharpen their competitive edge. In North America, our specialty businesses have grown faster than the market, supported by deep underwriting expertise and a portfolio spread across more than 100 specialty lines. In growth markets such as Brazil, efficient IT-enabled operations and high standard of service have earned us the leading position in the market.

Brad: I am also confident in our future profit growth. In North America, which is the core market for our international business, rates are beginning to decline as the market softens, creating industry headwinds. Even under such circumstances, I believe we can continue to deliver superior growth by leveraging on the strength of our portfolio built over many years and is diversified across geographies and product lines, and our disciplined underwriting which have enabled us to manage the inevitable market cycles and outperform our peers in the past.

A softening market can also bring new M&A opportunities. Historically, many of our major acquisitions have taken place in such environments when valuations of potential acquisition targets have depreciated. However, a lower valuation alone is never a reason to invest. We have not executed a major acquisition since PURE in 2020, not because opportunities have been lacking, but because we have held ourselves to our three acquisition principles. The expertise and discipline we have accumulated through more than 20 years of M&A and PMI are among our key competitive advantages. We are often asked about our next acquisition, and while we feel a healthy degree of pressure from the market, we will continue adhering to our three acquisition principles and pursue growth opportunities with discipline and agility.

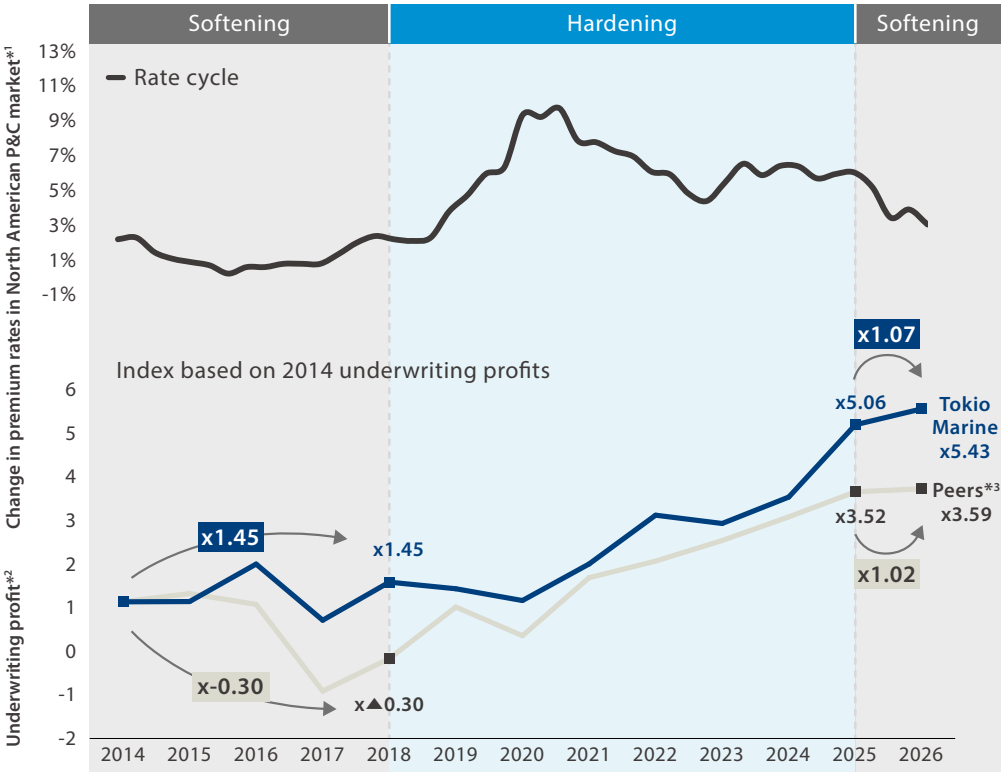
Yamamoto: Under Aspiration 2035, we have set ourselves the goal of roughly doubling adjusted net income over the next ten years. This is an ambitious target, but as I said at the outset, our international business has already grown to around 3.5 times the size it was a decade ago. Past track record certainly does not guarantee future growth. However, by sharpening each company's competitive advantage and steadily capturing growth through disciplined M&A, we will do our part to make Aspiration 2035 a reality.

North America

Disciplined underwriting and a well-diversified portfolio drive superior underwriting profits across market cycles

Insurance market experiences recurring cycles of softening, when pricing and underwriting conditions ease, and hardening, when they tighten, in response to changes in supply and demand conditions and loss trends. While industry profitability is inevitably influenced by these market cycles, we have consistently delivered earnings growth that outpaces peers regardless of market conditions. The drivers of this growth are our disciplined bottom-focused underwriting approach and our highly diversified portfolio. Leveraging these strengths, we will continue to deliver superior earnings growth.

Superior underwriting profitability across market cycles



*1: Source: WTW "Commercial Lines Insurance Pricing Survey" *2: Excluding the impact of the change of prior year's reserves
*3: Companies covered: Chubb, Travelers, AIG (Source: Prepared by Tokio Marine based on D&P and analyst consensus estimates) *4: Prepared using FY2025 GWP results.

Disciplined underwriting

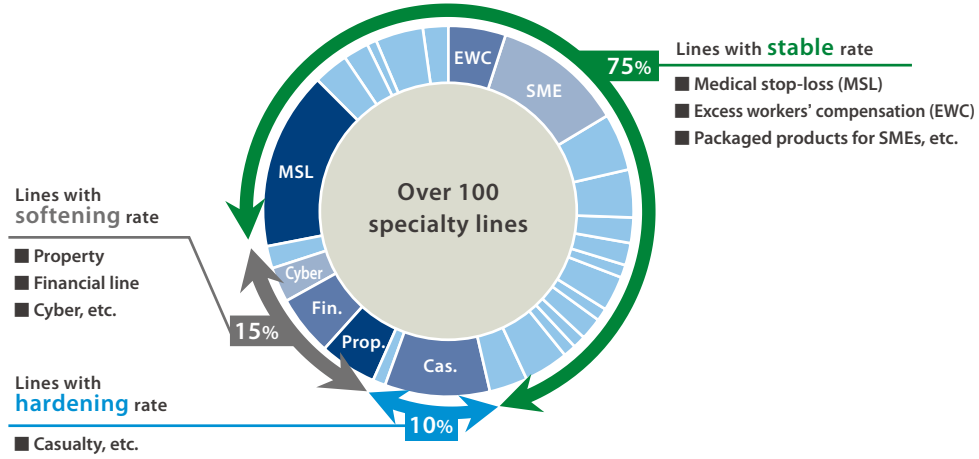
Our highly specialized underwriting teams carefully select risks based on prevailing pricing conditions and take a rigorous approach to underperforming policies. Through this disciplined bottom-focused approach, we have maintained a consistently strong combined ratio (C/R) of around 90%, demonstrating stable and superior underwriting performance.

A well-diversified portfolio resilient to market cycles

Over more than past two decades, we have strategically expanded our business through M&A, the acquisition of underwriting teams, and the development of new business lines. As a result, we have built a highly diversified portfolio spanning more than 100 specialty insurance lines.

The combination of businesses with different pricing cycles makes the portfolio as a whole more resilient to pricing cycle fluctuations. This diversification provides a solid foundation for the stable and superior profitability that distinguishes our business.

Well-diversified portfolio*4



Emerging Markets: Brazil

Superior earnings growth driven by high service quality and efficient operations powered by technology

Outpacing the market in top-line growth

Our Brazil business has achieved annualized top-line growth of 19% over the past five years, significantly outpacing the market. Today, we rank fifth in the Brazilian insurance industry by market share and third in the key auto insurance market, establishing ourselves as one of the leading players in the industry. This growth has been underpinned by exceptional operational quality driven by the extensive use of technology. From enhancing customer engagement through digital applications to delivering technology-enabled services, we have earned strong support from both customers and brokers. As a result, the number of brokers doing business with us has increased 2.4 times over the past decade, reaching 46,000. Going forward, we will continue to capture the growth of the Brazilian market and further expand the scale of our business.

Industry-leading profitability

Our combined ratio (expense ratio + loss ratio), a key profitability metric, has consistently remained below peer levels. This performance is supported by our highly efficient operating model.

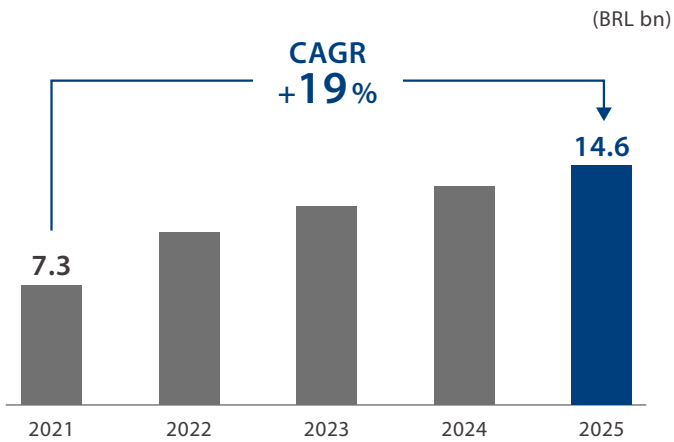
(1) Superior expense ratio driven by operational efficiency

While peers typically operate with expense ratios of around 15%, ours stands at 8.3%, demonstrating a significant advantage in cost efficiency. This is supported by advanced automation and other technology-driven initiatives that reduce operating costs and create a competitive advantage that is difficult to replicate.

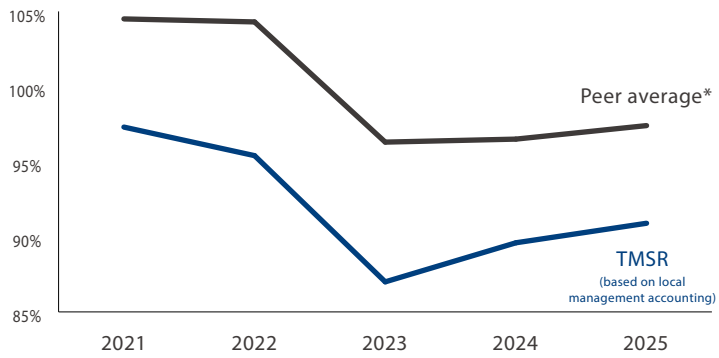
(2) Stable and favorable loss ratio supported by agile pricing actions

Leveraging advanced IT capabilities and analytics, we conduct proactive loss cost assessments and respond with timely and frequent pricing adjustments. Even in Brazil, where loss cost trends can be highly volatile, this capability helps mitigate deterioration in loss ratios and supports consistently strong profitability.

▸ Strong top-line (GWP) growth



▸ Favorable combined ratio (expense ratio + loss ratio)



*: Allianz, HDI, Mapfre, Porto, Sompo, Zurich
Source: SUSEP

Global Risk Diversification

Pursuing global risk diversification to support sustainable growth

Global risk diversification strategy

In the insurance business, avoiding excessive concentration in any single risk and maintaining a well-diversified portfolio are essential. One of the most effective ways to achieve such diversification is through M&A. Over the past two decades, we have expanded our international business through overseas M&A and other strategic initiatives, focusing on businesses with low correlation to natural catastrophe risks in Japan. As a result, we have enhanced diversification across geographies, products, and business lines. In addition to large-scale M&A, we have actively pursued bolt-on M&A. To date, we have completed more than 60 bolt-on acquisitions. In FY2025, PHLY acquired Ignyte's collector vehicle insurance business, the No. 2 player in its market, while TMHCC acquired Agrihedge, a provider of insurance and risk management solutions for the agriculture and livestock industries.

Through these strategic acquisitions, we have built a portfolio that reduces dependence on any single risk factor, enhances earnings stability, and strengthens our resilience to changes in the business environment.

▸ Stringent acquisition criteria

Targets (Three principles for acquisition)	Cultural fit High profitability Solid business model
Hurdle rate	Cost of capital (7%) + Risk premiums + Country interest rate spread

M&A and PMI execution capabilities supporting our strategy

Our objective is not diversification for its own sake, but the creation of a high-quality portfolio that delivers profit growth. To that end, every acquisition is evaluated against our three core principles: cultural fit, high profitability, and a distinctive, sustainable business model. Of these, we place particular emphasis on cultural fit.

Our dedicated Market Intelligence team proactively identifies potential opportunities, which are then carefully reviewed by a committee comprising members of Group management. Acquisition decisions are never based solely on quantitative financial information. Instead, we engage in extensive dialogue with management teams to assess the alignment of strategic direction and values.

As a result, the management teams of acquired companies continue to lead their businesses with strong motivation after joining the Group, fully leveraging their strengths, including robust business models and management capabilities. Supported by the Group's resources, including capital, expertise, networks, and investment capabilities, meaningful synergies are created, resulting in earnings growth that consistently outpaces peers.

Large-scale acquisitions have generated an ROI of 27.3%, significantly exceeding our 7% cost of capital, demonstrating the strength of our M&A and PMI execution capabilities.

Looking ahead, we will continue to pursue high-quality M&A opportunities with discipline, further diversifying risk while expanding businesses that deliver sustainable profitability and growth.

▸ ROI for large-scale M&A

27.3% > Cost of Capital **7%**

Kiln	Philadelphia Insurance Companies	Delphi	HCC	pure Insurance
March 2008	December 2008	May 2012	October 2015	February 2020

Message from the Head of Japan Business

Creating and delivering value as one Group to drive the next stage of growth for our Japan business

Hiroaki Shirota
Director
Head of Japan Business
(President & Chief Executive Officer of Tokio Marine & Nichido Fire Insurance Co., Ltd.)

As Head of Japan Business, my foremost responsibility is to strengthen the Japan business that underpins our aspiration to become "a global company with roots in Japan" and use it to drive the Group's growth. Guided by our Purpose of being there for customers and society in times of need, I find both a strong sense of mission and fulfillment in shaping and realizing the future of our Japan business.

As risks and social challenges grow more complex and severe, customers increasingly expect us to go beyond financial protection and help solve the challenges they face. I see this shift as an opportunity to evolve our strengths and unlock new growth.

Our competitiveness begins with delivering the essential value of insurance. We identify customer risks, develop products and services for emerging needs, and price those risks appropriately.

When an accident occurs, we respond promptly with our sophisticated claims handling capabilities. Continuously refining these capabilities earns customers' trust, makes us their insurer of choice, and strengthens our competitive advantage.

We must also bring together the full strengths of the Group. Each of our businesses, in Japan and overseas and across non-life and life insurance, has developed distinctive expertise and customer relationships. We can build on relationships established through non-life insurance to address customers' life insurance needs. We can also combine advanced products and underwriting expertise from Europe and North America with the deep customer insights of our domestic companies to deliver solutions tailored to Japan. Combining these strengths enables us to respond flexibly to changing needs and creates a competitive advantage unique to the Tokio Marine Group.

Building on this advantage, we are expanding beyond the traditional role of insurance. We do more than pay claims after an accident or a disaster. We help prevent losses, reduce their impact, and, when damage does occur, support faster recovery and "Build Back Better." This requires us to integrate insurance with broader solutions. One example is our collaboration with ID&E, which joined the Group in 2025. By combining our underwriting expertise and risk data with ID&E's advanced disaster prevention and mitigation capabilities, we can support customers seamlessly from prevention through recovery. In this way, we are evolving from a company that is there in times of need to a partner that supports customers every day.

We will strengthen the essential value of insurance, multiply it by combining capabilities across the Group, and expand our role beyond insurance. My role as Head of Japan Business is to bring these capabilities together and maximize the value we create as a Group.

But value matters only if it reaches our customers.

That is why our ability to deliver is becoming more important than ever. As customer needs and social challenges evolve, we are enhancing our distribution capabilities so that we can identify change early and deliver the right value in the right way.

For individual customers and SMEs, we will enable agencies to spend more time engaging with customers and providing advice, expanding tailored support rooted in local communities. For large and mid-sized companies, we will strengthen the expertise of our employees to design sophisticated insurance programs, provide risk management solutions, and help solve management challenges. In the direct market, we will further develop Tokio Marine Direct's products, services, and brand to provide a simple and convenient customer experience.

AI and data will accelerate these initiatives by transforming our business processes. Efficiency is not the end goal. The goal is to free our people to focus on areas where human judgment and engagement matter most, including customer dialogue and sophisticated risk management. By combining the strengths of people, AI, and data, we will significantly enhance our ability to deliver value.

By creating and delivering value as one Group, we will open a new chapter of growth for our Japan business. I will empower each company to fully leverage their autonomy and strengths, while taking the lead in driving these initiatives forward. By continuing to earn the trust and confidence of customers and society, we will support the Group's sustainable growth.

Japan Business

The core of Value Creation: Underwriting excellence

The competitiveness of our Japan business is built on two capabilities: creating value and delivering it to customers. At the heart of value creation is underwriting excellence.

We have refined our underwriting in two areas. The first is product development: identifying emerging customer needs, assessing the underlying risks, and developing the right insurance products and services. The second is risk-based pricing. By pricing each risk appropriately, we can resist short-term volume growth, maintain underwriting discipline, and continue providing the protection customers need over the long term.

One source of this strength is more than a decade of global underwriting collaboration with our overseas Group companies. This gives us early insight into risks emerging in the advanced insurance markets of Europe and North America, as well as insurance trends in response to these risks. We combine these insights with the market knowledge and relationships built in Japan to bring relevant protection to domestic customers quickly. This is particularly valuable in fast-changing areas such as cyber insurance. By continually updating underwriting criteria, coverage, and pricing as attack methods and corporate defenses evolve, we help customers stay ahead of changing risks.

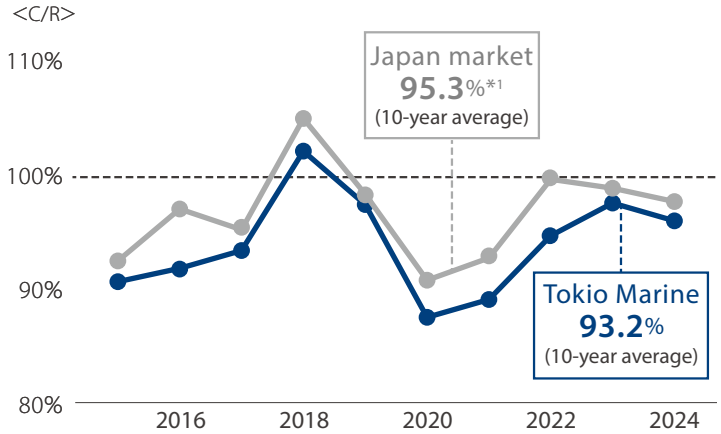
This underwriting strength also supports our profitability. By consistently offering products and services that meet customer needs, we earn their business at prices that reflect the risks we assume. This discipline has produced an average combined ratio of 93.2% over the past 10 years, consistently outperforming the market.

Specialty insurance, including cyber, is one area where our underwriting strengths are especially valuable. These products remain underpenetrated in Japan and offer significant room for growth. By expanding the value we provide in these areas, we achieved annual premium growth of more than 5% from fiscal 2021 to fiscal 2025.

We will continue combining expertise from Japan and overseas to advance our product development and pricing. In doing so, we will respond to emerging customer needs and further strengthen the value created by our domestic business.

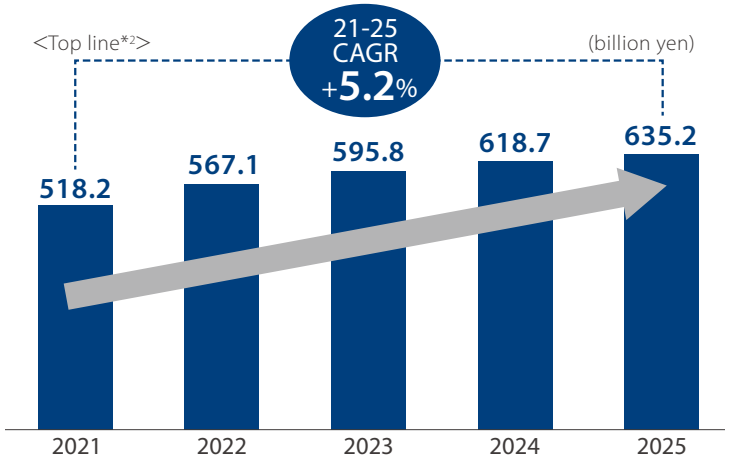
Outstanding underwriting track record

▸ Combined ratio: Consistently outperforming the market



*1: Source: The General Insurance Association of Japan

▸ Growth in specialty insurance: CAGR above 5%



*2: Net premiums written

Delivering value through high-quality distribution

Creating value is only part of what makes our domestic business competitive. We must also deliver that value effectively. To do so, we are strengthening each distribution channel around the distinct needs of the customers it serves.

For individuals and SMEs, we will expand tailored support rooted in local communities through our agency channel. We will help agencies strengthen their consulting and business development capabilities through training and other support. We will also redefine the roles of agencies and us so that each can focus on what it does best. By taking on more policy administration and claims-related work, we can give agencies more time to engage with customers. This will enable them to discuss issues such as business succession, labor shortages, and cyber risk in greater depth and recommend the right insurance and services. Through these initiatives, we will deliver greater value tailored to each customer's needs.

For customers who prefer to purchase insurance online, Tokio Marine Direct will provide a simpler and more convenient experience. Streamlined online applications and digital services, including an app that supports safer driving, will help us meet increasingly diverse needs. Furthermore, in October 2025, we rebranded E.design Insurance as Tokio Marine Direct, making it easier for customers to recognize the reassurance and trust associated with the Tokio Marine Group.

For large and mid-sized companies, our employees will work alongside agencies to address increasingly diverse and complex risks. We will develop specialist talent and deepen our risk management and consulting capabilities, enabling us to propose underpenetrated specialty products such as cyber and D&O insurance, together with solutions spanning prevention, response, and recovery. Where appropriate, we will also work with brokers to design and manage complex insurance programs and structure effective risk financing. Our aim is to become a long-term partner in solving management challenges and supporting the sustainable growth of our clients.

In this way, we tailor our approach to each customer segment by drawing on the respective strengths of agencies, our direct channel, and our employees. By turning customer access and engagement into a competitive advantage, we will further strengthen our ability to deliver value as customer needs continue to diversify.

Initiatives to strengthen distribution

Distribution Channel	Initiatives to Strengthen Distribution
Customers → Agencies	**Expand Value through Consulting** • Boost agencies' proposal and business development capabilities for SMEs **Redefine Responsibilities Based on Agency Capabilities** • Introduce a framework that tailors delegated responsibilities to each agency's capabilities
Customers → Direct (online)	**Refresh and Strengthen the Direct Brand** • Enhance the resources and brand of Tokio Marine Direct to accelerate value delivery in the growing direct market
Customers → Employees	**Strengthen Advanced Risk Management and Consulting** • Expand specialty insurance and solution proposals for large and mid-sized companies • Establish a Dedicated Broker Relations Department to enhance risk management support for customers through brokers

Message from Head of Solution Business

Through our solution business, we will evolve from protecting customers and society in times of need to supporting them always. By evolving into a Solution Partner, we aim to both address social challenges and achieve sustainable growth

The world is facing an increasingly broad and complex range of uncertainties and risks, driven by factors such as climate change, rising geopolitical tensions, and accelerating technological innovation. However, I do not view these changes simply as threats. Rather, I believe they represent an opportunity for us to play an even greater role in supporting our customers and society. As Head of Solution Business, I aspire to transform Tokio Marine from a company that protects customers and society in times of need through traditional insurance into one that supports them at all times.

As an insurance company, we have supported customers in rebuilding their lives and businesses by providing financial protection when accidents or disasters occur. But we believe our customers and society need more from us. Rather than simply supporting them after accidents or disasters occur, we must ask ourselves whether we can help prevent such events from happening in the first place, minimize their impact when they do occur, and support customers in recovering more quickly and emerging stronger. Can we also help prevent similar events from recurring, or reduce the damage even if they do? Making a greater contribution to solving challenges such as these for our customers and society is precisely why we are pursuing the solution business.

To make this reality, we will make full use of the risk data and expertise accumulated through our insurance underwriting operations, while expanding our problem-solving capabilities through collaboration with external partners, including startups, as well as through M&A. A symbolic example in the area of disaster prevention and mitigation is the addition to the Tokio Marine Group in 2025 of ID&E Group, whose core company, Nippon Koei, is Japan's largest construction consulting firm. By combining ID&E Group's advanced engineering expertise and consulting capabilities, developed over many years through public works and disaster prevention projects, with our risk data and insurance underwriting expertise, we can now provide customers with end-to-end support before, during, and after accidents and disasters. In addition, through the Disaster Prevention Consortium CORE, which had 146 participating organizations as of the end of June 2026, we are working with companies, national and local governments, and other stakeholders on public-private initiatives to build a more resilient society.

Our efforts extend beyond disaster prevention and mitigation to addressing a wide range of social challenges. In the logistics sector, for example, challenges such as driver shortages, working-hour restrictions, and declining load factors are becoming increasingly apparent, raising concerns about the sustainability of the logistics networks that underpin Japan's economy and daily life. To address these challenges, through the Logistics Consortium baton, which was launched in November 2024, we are working to establish cross-company relay transportation* that improves transportation efficiency and optimizes operations.

Since our founding in 1879, the Tokio Marine Group has grown by addressing the social challenges of each era and helping to solve them. Our social mission of protecting customers through the financial protection provided by insurance will remain unchanged. However, today's social challenges are increasingly difficult to address through insurance alone. That is why we need a solution business that goes beyond providing insurance protection in times of need to supporting customers and society at all times.

We believe the solution business has an important role to play in further evolving insurance, which itself serves as a form of social infrastructure, and enabling us to create even greater value for society. Expanding safety and security through "Insurance + Solutions" is our new challenge.

Under Aspiration 2035, we aim to establish the solution business as our third pillar and a core business alongside insurance underwriting and asset management, and as a new source of competitive advantage. Achieving this will not be easy. But driven by our strong commitment to supporting customers and society not only in times of need but at all times, we will provide effective solutions to complex social challenges and turn those efforts into growth for our Group. I firmly believe we can achieve this evolution in a way that is uniquely Tokio Marine. As Head of Solution Business, I will lead these efforts and do everything I can to make it a reality.

*: Cross-company relay transportation: An initiative that enables drivers departing from different locations to exchange loads at relay points, allowing each driver to complete line-haul transportation within a single day, thereby improving logistics efficiency and reducing the burden on drivers.

Solution Business

As a "Solution Partner," we will provide solutions that help reduce and address risks both before and after accidents and disasters, together with the financial protection offered by insurance. By doing so, we will help address challenges facing our customers and society that cannot be fully resolved through insurance alone.

In developing the solution business, we have designated four focus areas: disaster prevention and mitigation, mobility, healthcare, and decarbonization. We will further enhance the value we provide in these areas while expanding our solutions offerings into additional fields.

Priority areas	
Disaster prevention and mitigation	**Provide integrated insurance and disaster prevention and mitigation solutions seamlessly across all phases, including both pre- and post-event stages** • Acquired ID&E, Japan's No. 1 construction consulting company • Established the disaster prevention consortium CORE, with TMHD as a founding member • Established Tokio Marine Resilience to provide solutions in the private-sector disaster prevention field
Mobility	**Provide value through IoT, networks, and risk management to address a growing range of social challenges related to mobility, logistics, and transportation, extending beyond accident prevention** • Established Tokio Marine Smart Mobility to provide solutions related to mobility, logistics, and transportation • Established the Logistics Consortium baton, with TMHD as a founding member
Healthcare	**For corporate clients, build platforms that drive behavioral change among employees and provide total support services to improve health conditions** • Established Tokio Marine Healthcare, providing solutions that realize longer healthy life expectancy
Decarbonization	**Provide decarbonization solutions to SMEs and individuals that face challenges in achieving decarbonization on their own** • Established Tokio Marine Smart GX to provide decarbonization management support and renewable energy supply services

Solution business (disaster prevention and mitigation) introduction video

https://www.tokiomarine-nichido.co.jp/hojin/solution/tmg_id-and-e.html#movie (Japanese only)

This video introduces the concept of disaster prevention and mitigation solutions made possible by ID&E's advanced expertise and technological capabilities.

ID&E
A member of Tokio Marine Group

Enhanced disaster prevention and mitigation capabilities

Recurrence prevention and resilient reconstruction (Build Back Better)

- With approximately 1,800 highly skilled engineers, ID&E draws on engineering expertise and data analytics capabilities developed through public works projects in Japan and overseas to deliver precise and effective disaster prevention and mitigation solutions.
- Leveraging the Tokio Marine Group's customer base to make a full-scale entry into the private-sector disaster prevention market, which offers significant growth potential.

防災コンソーシアム CORE

Advance public-private initiatives to build a resilient society

- 146 participating organizations as of the end of June 2026.
- Developed new private-sector-led disaster prevention and mitigation initiatives through partnerships with a diverse range of industries and organizations.

物流コンソーシアム baton

Launched by 11 organizations, primarily major specialized cargo carriers, to address challenges facing the logistics industry

First initiative: Conducted Japan's first demonstration operation in January 2026 and developed risk management guidelines and a template for a relay transportation agreement

Message from the CAIO

Sharpening our strengths through AI and turning them into customer value to remain the insurance group of choice

Masaru Kusutani
Managing Executive Officer
Group Chief AI Officer (CAIO)

The rapid advancement of AI is fundamentally reshaping the competitive landscape of the insurance industry. Looking ahead, the widespread adoption of autonomous vehicles could alter today's auto insurance business model itself, where vehicle owners purchase insurance. Some also foresee a future in which AI agents, rather than people, make decisions on the selection of insurers. In such an environment, there is no guarantee that the strengths we have built over decades, including underwriting, distribution, and claims capabilities, will continue to serve as sources of competitive advantage. As Chief AI Officer, my mission is to ensure that our Group remains a company chosen by customers in the AI era. To do so, we must anticipate change, stay ahead of emerging trends, and continuously evolve our strengths so that they remain relevant and differentiated well into the future.

We view AI not simply as a tool for improving efficiency, but as a strategic enabler that accelerates business growth. Across the Group, AI is currently being deployed in ways tailored to the characteristics of each market and business. In Japan, where retail insurance dominates, AI is being used to enhance customer engagement and automate operations, strengthening our customer experience while reducing expense ratios. In North America and Europe, where specialty insurance plays a central role, AI is helping improve underwriting and claims management, contributing to lower loss and expense ratios. In emerging markets, where standard products such as auto insurance are the mainstay, AI supports profitability through dynamic pricing and greater operational efficiency.

For initiatives that should be pursued across the Group, our Center of Excellence, AI-HUB, serves as a driving force. Today, AI-HUB supports Group companies through the sharing of best practices, research and development activities, and assistance with organizational design and strategy formulation. At the same time, we are building a platform that uses AI and data to leverage the knowledge, products, and services accumulated across the Group bevond organizational boundaries and deliver them to customers in the most relevant way (AI Strategy). Our businesses around the world have developed a wide range of unique strengths, but unlocking their full value across companies and regions has traditionally been a challenge. AI provides a powerful way to overcome these barriers, connecting capabilities across the Group and enabling us to deliver more tailored solutions to customers with greater speed and precision. Through AI, we aim to harness the full strength of the Group and further enhance the value we provide to customers.

At the same time, advances in AI and its growing use also bring new risks. If not properly managed, AI can undermine trust rather than strengthen competitiveness. For this reason, we regard AI risk as a management priority and discuss it regularly at the executive level, while implementing necessary countermeasures on a timely basis. One recent example involved recognizing the potential for Claude Mythos to be misused in cyberattacks. Upon identifying this risk, we immediately established a task force led by our Chief Information Security Officer (CISO). In addition to supporting Group companies in their response efforts, we have worked closely with regulators and industry bodies to ensure appropriate action is taken.

Moreover, AI is evolving at an extraordinary pace and requires highly specialized expertise. It is increasingly difficult for any one company to navigate these developments alone. We therefore collaborate closely with leading external partners in the AI ecosystem, actively incorporating cutting-edge technologies and insights to accelerate the speed and effectiveness of AI adoption.

Ultimately, the competitive advantage in the AI era will not be determined by access to the latest technology alone. What matters most is the ability to embed that technology deeply into underwriting, claims, sales, and service operations, and convert it into tangible value for customers. By continuously challenging conventional thinking and building on past success through constant improvement, we will evolve our competitive advantages with AI. In doing so, we will contribute to the realization of Aspiration 2035. I am convinced that this is the path toward becoming the insurance group most trusted and chosen by customers and society, even in the age of AI.

Unlocking the Full Strength of the Group through AI and Data

Bringing together the Group's diverse products, services, and expertise to maximize customer value

To date, we have leveraged AI in ways tailored to the characteristics of each business, strengthening our capabilities in areas such as underwriting, claims management, and customer engagement. These efforts have enhanced our ability to earn customers' trust in each market we serve. At the same time, as customer needs become more complex, the products, services, and expertise of any single company alone are no longer sufficient to deliver the value customers increasingly expect. That is why it is becoming ever more important to bring together the diverse strengths of the Group across companies and regions, enabling us to provide more relevant and effective solutions. To support this ambition, we are building a framework that harnesses AI and data.

Across our global operations, we have accumulated a wide range of unique strengths. These include claims expertise developed through our retail insurance business in Japan, underwriting capabilities built in North American specialty insurance, and the disaster prevention, mitigation, and recovery expertise of ID&E. While collaboration among Group companies is already creating value, expanding business domains and a growing range of products and services make it increasingly difficult for employees to quickly identify and deliver the most relevant solutions available across the Group. Even the best products and services create limited value if they are not connected to customers' specific needs.

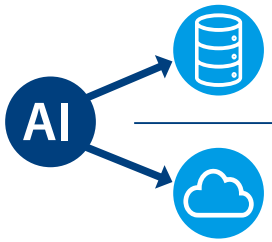
The key to overcoming this challenge lies in AI and two complementary platforms. The first is a "Data Platform," designed to organize information such as policy details and claims histories, enabling a deeper understanding of each customer's circumstances and needs. The second is a Business Platform, which structures the products, services, and expertise of Group companies in a way that AI can easily search and utilize. By connecting a platform for understanding customers with a platform for understanding the value we can provide, AI will help identify the best solutions for each customer and enable our employees to deliver the Group's strengths more quickly and effectively.

One example is the enhancement of our call centers in Japan. In the past, customers needed to contact different service desks depending on the type of inquiry, and multiple requests could not always be resolved through a single interaction. By leveraging AI and the two platforms that cover both life and non-life insurance, we aim to provide seamless support through a single point of contact, even for inquiries that span multiple products or services.

We will extend this approach across the entire value delivery process, from understanding customer needs and providing recommendations to administration, claims, and recovery support. AI and data will help our employees better understand customers, connect them with the most relevant solutions across the Group, and spend more time creating value through dialogue and advice. In times of need, support will go beyond claims payments to help customers recover and rebuild. AI and data will make this possible.

Our competitive advantage will not come from AI itself. It will come from the breadth of products, services, and expertise connected through AI, and our ability to turn them into value for customers. By unlocking the strengths developed across the Group through AI and data, we aim to deliver even greater value to customers and remain the Group of choice in the age of AI.

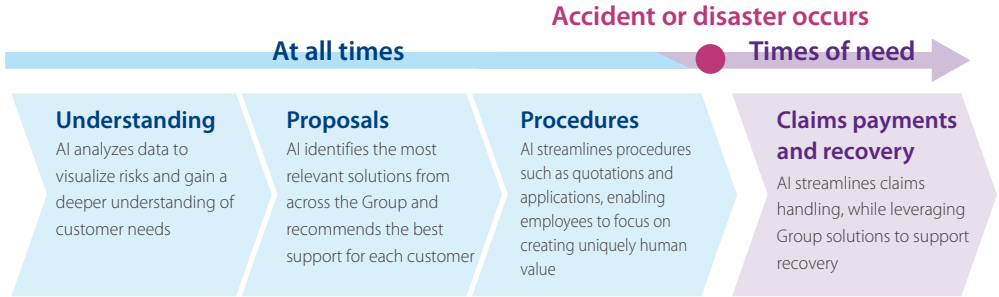
Two platforms that unlock the full strength of the Group



Data platform
A platform that organizes information for understanding customers
e.g., policy details, claims history

Business platform
A platform that organizes the capabilities the Group can deliver
e.g., insurance, solutions, services

Value delivery process powered by AI and the two platforms



CFO Message

Through disciplined capital allocation, we will continue to deliver top-tier EPS growth, enhance ROE toward the level of our global peers, and accelerate progress toward Aspiration 2035.

Yoshinari Endo
Managing Executive Officer
Group Chief Financial Officer (CFO)

Since assuming the role of CFO, I have focused on a fundamental question: where, when, and how much of the Group's capital we should deploy to create the greatest value? My guiding principle is clear: capital should not remain idle. Capital must provide financial resilience in periods of stress, but it is also a resource for creating value for customers and society and, in turn, driving profit growth. I therefore see my role as CFO as preserving financial strength while allocating capital to growth opportunities with discipline and ensuring that it is put to effective use.

We have combined profit growth in our insurance underwriting and asset management businesses with disciplined capital allocation to deliver top-tier EPS growth and steadily improve ROE. This performance is underpinned by a positive cycle in which we generate capital through organic growth and portfolio optimization and then redeploy it into business investments and shareholder returns.

While Tokio Marine Group has made steady progress, our ROE continues to have significant potential for further improvement relative to global peers. At the same time, strong business performance and the sale of business-related equities have increased our capital headroom. As a result, we have received increasing questions from capital markets regarding the timing and priorities of our capital deployment.

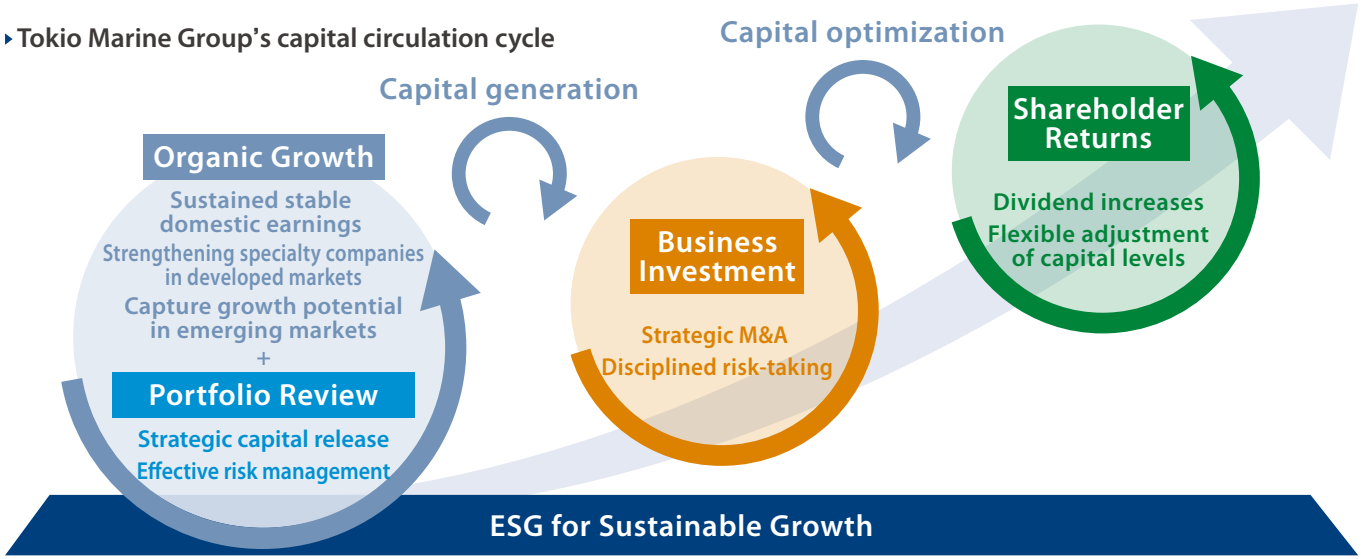
I take these expectations seriously. However, growth must be pursued with discipline. Investing in businesses where we cannot fully leverage our strengths, or paying excessive prices for acquisitions, could undermine the medium- to long-term profit growth and ROE improvement we seek to achieve. Rigorous discipline in determining which risks to take, and which to limit, is therefore not a constraint on growth, but a prerequisite for sustainable value creation.

The foundation for these decisions is the ERM framework that we have continuously refined (Risk-Based Management (ERM)). As the business environment becomes more complex and the pace of change accelerates, we will further strengthen our ability to assess the risk-return profile of each business and investment opportunity with rigor, and to allocate capital with both agility and discipline. By enhancing this cycle of capital generation and capital allocation, we will drive sustainable profit growth and further improve capital efficiency.

Our partnership with Berkshire Hathaway is an important initiative supporting this evolution. Its substantial capital strength provides stable, long-term reinsurance capacity, helping us manage volatility arising from natural catastrophes and other risks. By reducing the capital required to prepare for contingencies, this arrangement expands our capacity to invest in growth opportunities. The partnership also broadens our strategic options, including for large-scale M&A, and further enhances the flexibility of our capital management.

As CFO, I will lead these efforts. Through constructive and transparent dialogue with capital markets, I will incorporate the perspectives and expectations of our stakeholders into management decisions. In doing so, we will further strengthen our earnings capacity and advance toward the Aspiration 2035 targets of adjusted net income of at least ¥1.7 trillion and adjusted ROE of at least 17%.

Tokio Marine Group's capital circulation cycle



Capital Policy

Sustaining top-tier EPS growth through organic growth, portfolio review, and business investment

Organic growth

Our focus is not simply on capital reduction or balance-sheet contraction, but on improving ROE by growing profits and expanding our businesses. In fact, we have consistently generated stable profit growth in both insurance underwriting and asset management while managing volatility, achieving top-tier EPS growth comparable to, or even exceeding, that of our global peers. Under our current Mid-Term Business Plan (FY2024–FY2026), we target an EPS growth CAGR of 8% or more on a JGAAP basis and currently expect to deliver a CAGR of 12%, well above that target.

The driving force behind this growth is our well-diversified business portfolio, which enables us to capitalize on our competitive advantages in ways that reflect the characteristics of each market. In Japan, our strong distribution network and sophisticated underwriting capabilities generate earnings on a stable basis. In North America, our specialty expertise and disciplined underwriting enable us to achieve superior growth in the world's largest insurance market. In emerging markets such as Brazil and Asia, we are capturing market growth and enhancing profitability through the use of data and digital transformation. Meanwhile, our solutions business is expanding our ability to deliver safety and security solutions beyond insurance products. Together, these distinct growth drivers enable us to achieve sustained, strong profit growth.

Portfolio review and business investment

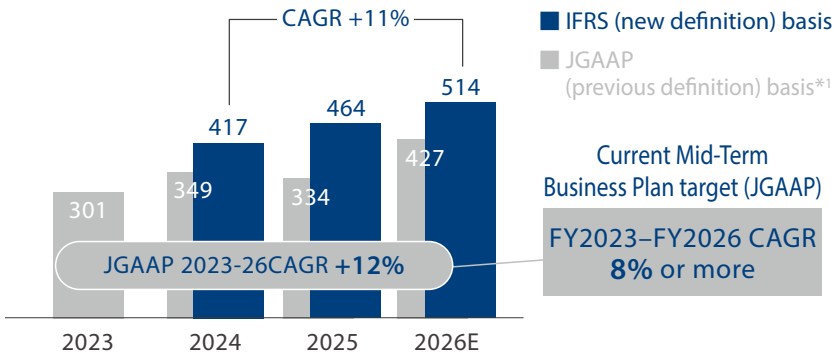
Sustaining top-tier EPS growth requires not only organic growth but also continuous review of our business portfolio and the reallocation of capital to areas offering greater growth and return potential. We take a forward-looking approach to assessing each business's growth prospects and risk-adjusted returns, its contribution to diversification across the Group, and whether Tokio Marine can be the best owner. Based on these assessments, we execute both "In" strategies (acquisitions and new business launches) and "Out" strategies (divestments and run-off).

For "In" strategies, we allocate capital with discipline to opportunities that offer a strong cultural fit and an attractive ROI. Valuations of potential targets for large-scale M&A remain high, requiring us to be patient in identifying the right opportunities. However, we are seeing a growing number of attractive opportunities for small and medium-sized bolt-on acquisitions that can strengthen the competitive advantages of our existing businesses. Recent examples include PHLY's acquisition of Ignyte Insurance and TMHCC's acquisition of Agrihedge, both investments that build on our existing strengths. In Canada, a market where we see strong long-term growth potential, we established a local operation through a greenfield investment in 2022 and achieved profitability in its fourth year of operation.

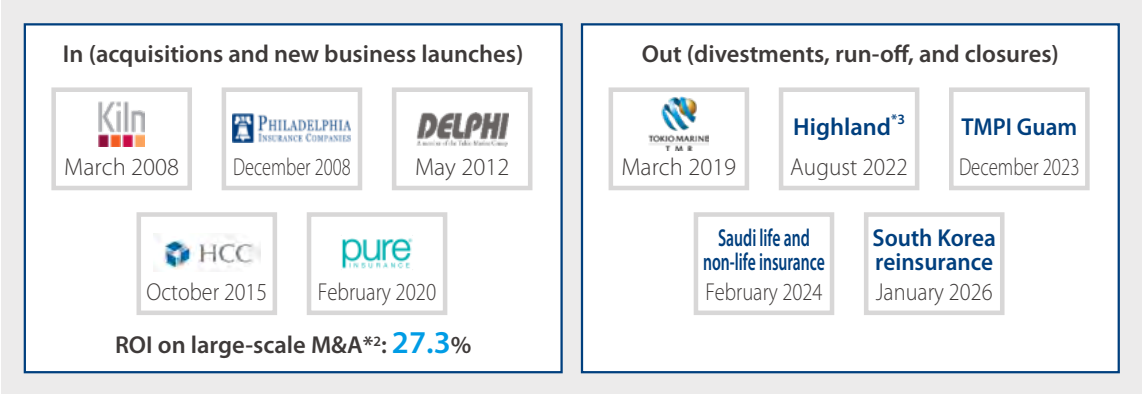
For "Out" strategies, we review businesses with limited prospects for future growth or where our strengths are unlikely to drive further value creation, considering options including divestment and run-off. Recently, in addition to selling our local subsidiary in Saudi Arabia, we completed the transfer of our reinsurance portfolio in South Korea and closed the business. These initiatives have generated capital and increased the amount available for future growth investments.

We support top-tier EPS growth by continuously strengthening our business portfolio through the twin engines of organic growth and our In/Out strategies.

▸ Adjusted EPS (yen)



▸ In (acquisitions and new business launches) / Out (divestments and run-off) strategies



*1: Excluding gains on the sale of business-related equities and changes from the initial forecast for natural catastrophes, capital gains/losses in North America, etc.
*2: ROI is calculated using the simple sum of projected fiscal 2026 adjusted net income on an IFRS basis as the numerator and the simple sum of acquisition amounts as the denominator.
*3: An agency within Tokio Marine Highland Group, a subsidiary of TMK, that handles construction insurance.

Raising ROE to Global Peer Levels

Alongside EPS growth, another important KPI to which we have committed publicly is raising ROE to the level of global peers. As of the end of fiscal 2025, our ROE on an IFRS basis was 12.9%, placing us among the highest levels in Japan's financial sector. However, we recognize that there remains a gap between our ROE and that of global peers.

As explained on the previous page, the foundation for improving ROE is top-tier EPS growth driven primarily by organic growth (① in the chart below). This is a strength we have consistently refined over the years and will remain the most important driver of ROE improvement. However, it is also something that global peers are striving to achieve.

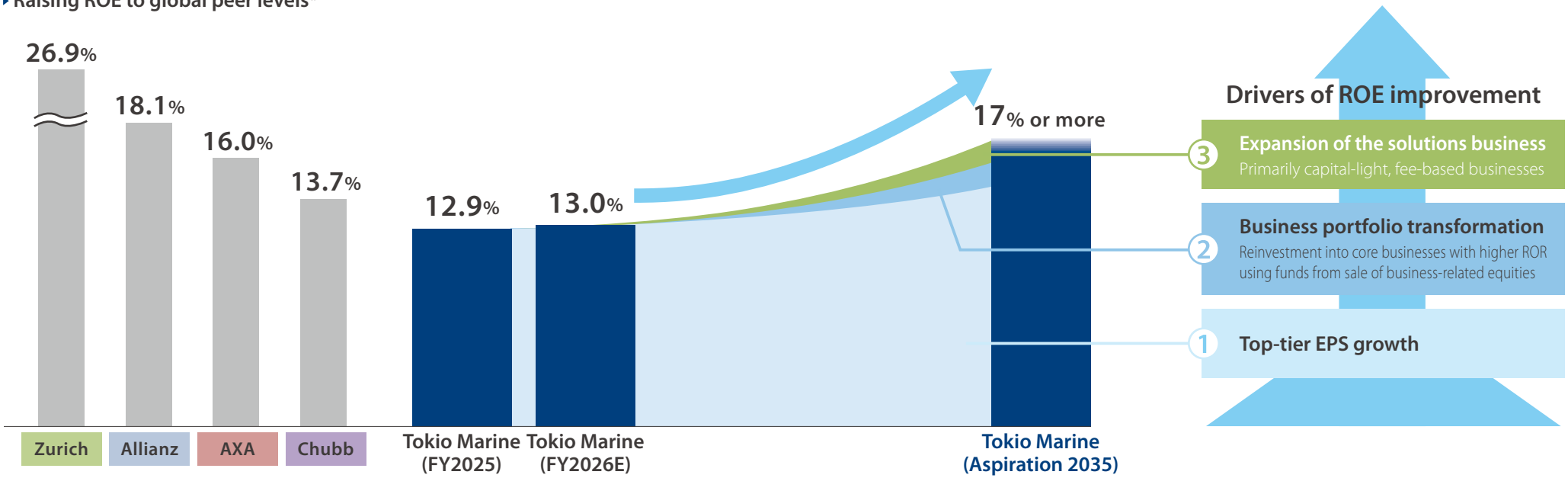
Therefore, to close the ROE gap with global peers, we must not only continue to grow profits but also steadily execute on the drivers specific to Tokio Marine for raising ROE.

Specifically, there are two key drivers. The first is the transformation of our business portfolio through the reduction of business-related equities (② in the chart below). By releasing approximately 0.6 trillion yen of risk tied up in business-related equities, we will create additional capital headroom that can be redeployed to our core businesses, where we expect higher returns on risk. This is an ROE enhancement opportunity largely unique to us.

The second is the expansion of our solutions business (③ in the chart below). By expanding our fee-based solutions beyond insurance, including risk consulting for disaster prevention and mitigation and support for rapid post-accident recovery, we will develop sources of earnings with relatively low capital requirements. The solutions business is an area we are only now beginning to expand in earnest, giving us another unique opportunity to improve ROE.

By fully leveraging these drivers, we will raise ROE to the level of our global peers.

▸ **Raising ROE to global peer levels*1**



*1: Tokio Marine's ROE is adjusted ROE based on the new definition (IFRS). For peers, figures are actual ROE for 2025 as disclosed by each company as a KPI. (Source: Company disclosures)

Progress on Reducing Business-Related Equities and Transformation of the Business Portfolio

The steady execution of business-related equity sales underpins one of the drivers of ROE improvement explained on the previous page: the transformation of the business portfolio. This initiative not only responds to capital market expectations for reducing business-related equities but also represents an important initiative aimed at optimizing our risk portfolio and improving capital efficiency.

We have set a policy of reducing business-related equities to zero by the end of fiscal 2029, with an interim milestone of halving the balance over the three years of the current Mid-Term Business Plan. As in fiscal 2024, sales in fiscal 2025 exceeded the initial plan. Based on planned sales for fiscal 2026, we expect to reduce the balance beyond the halfway target set under the current Mid-Term Business Plan.

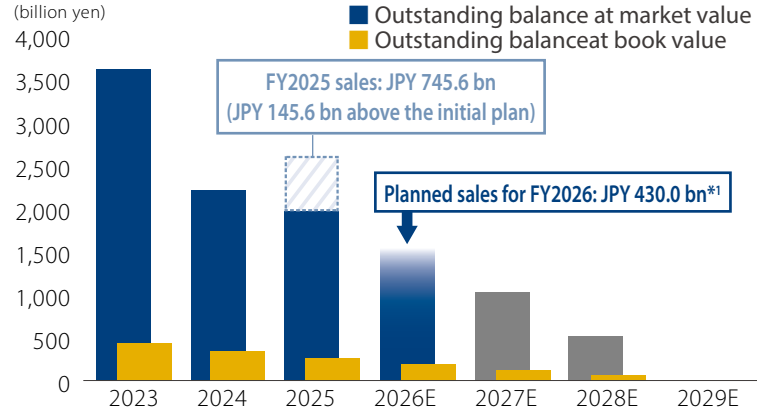
On the other hand, under our IFRS-based definition of adjusted ROE, capital gains/losses, including gains from the sale of business-related equities, are excluded from the numerator, while unrealized gains/losses are excluded from the denominator to enhance comparability with global peers. Consequently, gains from these sales do not increase the numerator of adjusted ROE, but are retained in the capital base included in the denominator. Furthermore, even when the capital and funds generated through these sales are deployed toward business investments, it takes time for them to translate into profit growth. Reducing business-related equities therefore acts as a drag on ROE in the short term. Nevertheless, we continue to reduce these holdings because we believe that redeploying the capital tied up in business-related equities to core businesses with higher expected ROR is essential to improving ROE over the medium to long term.

This effect becomes clearer when ROE is broken down into ROR and ESR. To improve ROE, it is important to raise ROR, which measures return relative to risk, while maintaining ESR at an appropriate level. The ROR on business-related equities is approximately 4.9%, substantially lower than the approximately 39.0% for our core businesses, making these holdings a drag on the Group's overall ROR. Redeploying the risk capacity released through the reduction of business-related equities to core businesses with higher expected ROR will therefore contribute to improving ROE over the medium to long term.

Eliminating business-related equities will release risk equivalent to approximately 0.6 trillion yen, or around 21% of total risk*4. This represents a significant opportunity for ROE improvement that is relatively unique to us. We will redeploy the resulting risk capacity toward selective risk-taking in our domestic and international insurance businesses, enhanced asset management, and expansion of the solutions business.

By shifting capital and risk capacity toward higher-return businesses, we will transform our business portfolio to deliver greater profitability and capital efficiency, thereby improving ROE over the medium to long term.

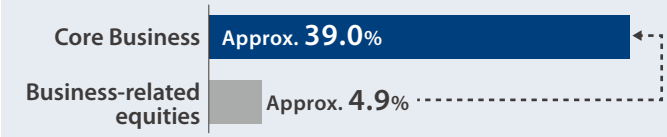
Sales of business-related equities



Reinvestment into higher-ROR businesses (Transformation of business portfolio)

Adjusted Net Income/Adjusted Net Assets*2		Adjusted Net Income/Risk		Net Asset Value*2/Risk
2026 Projection Adjusted ROE **13.0%**	≒	2026 Projection ROR*3 **32.2%**	÷	March 31, 2026 ESR **268%**

Breakdown of projection FY2026 ROR*3 of 32.2%



Reallocating the JPY0.6tn of risk capacity (approximately 21% of total risk*4) released by reducing business-related equities to zero to higher ROR core businesses.

*1: Based on market value as of the end of March 2026 *2: Adjusted net assets are calculated as the average balance of net assets on an IFRS accounting basis, excluding unrealized gains/losses (AOCI), etc. In contrast, economic net assets represent the end-of-period balance on an economic value basis, with assets and liabilities measured at market value. As the definitions differ, figures on each side of the equation do not match. *3: After diversification and after tax.
*4: As of March 31, 2026.

Shareholder Returns Under IFRS and ICS

DPS growth aligned with EPS growth

Dividend per share (DPS) remains the cornerstone of our shareholder return policy. Even after the adoption of IFRS, our policy of steadily increasing DPS in line with profit growth remains unchanged. Previously, we used the five-year average of adjusted net income as the basis for dividends. Following the adoption of IFRS, however, capital gains/losses, including gains from the sale of business-related equities, are excluded from IFRS adjusted net income, which is expected to reduce year-to-year volatility in earnings. We will therefore use the three-year average of IFRS adjusted net income as the basis for dividends, with a payout ratio of 50% as our guiding principle.

Fiscal 2026 is the first year in which our new dividend policy applies and a transitional year between the previous and new definition of adjusted net income. We have therefore based the dividend on the three-year average of IFRS adjusted net income, while also placing importance on continuity with our previous approach. Taking into account the dividend level implied by our previous policy, we have set DPS at 245 yen, up 27 yen year on year, marking the 15th consecutive annual increase. This represents DPS growth of approximately 12%.

We will continue to sustainably expand our dividend-paying capacity through profit growth in our core businesses and achieve DPS growth aligned with our top-tier EPS growth.

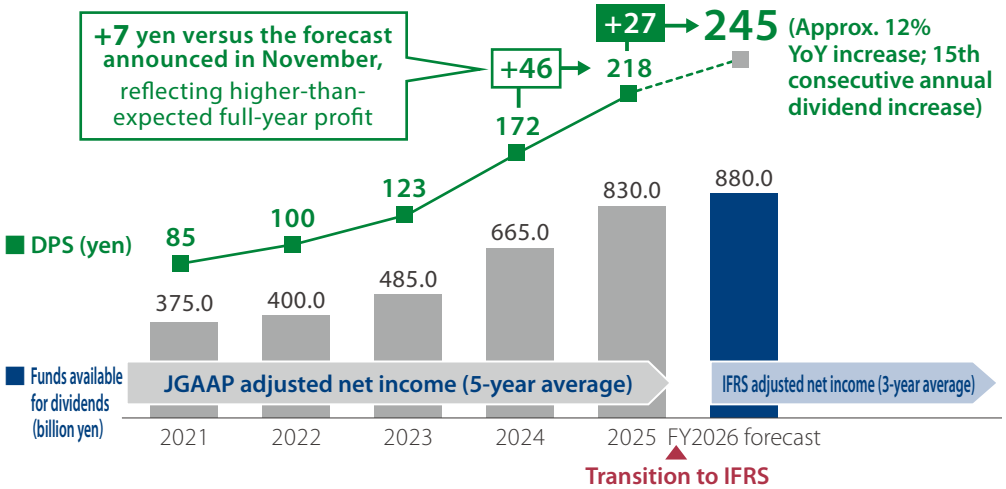
Flexible share buybacks

While dividends remain the cornerstone of our shareholder returns, we position share buybacks as a means of appropriately adjusting our capital level. For fiscal 2026, we have decided to conduct share buybacks totaling 400.0 billion yen. This decision takes into account a range of factors, including our ESR, which remains at a robust level of 268%, the greater flexibility in capital policy provided by our strategic partnership with Berkshire Hathaway, and the capital required for future growth investments.

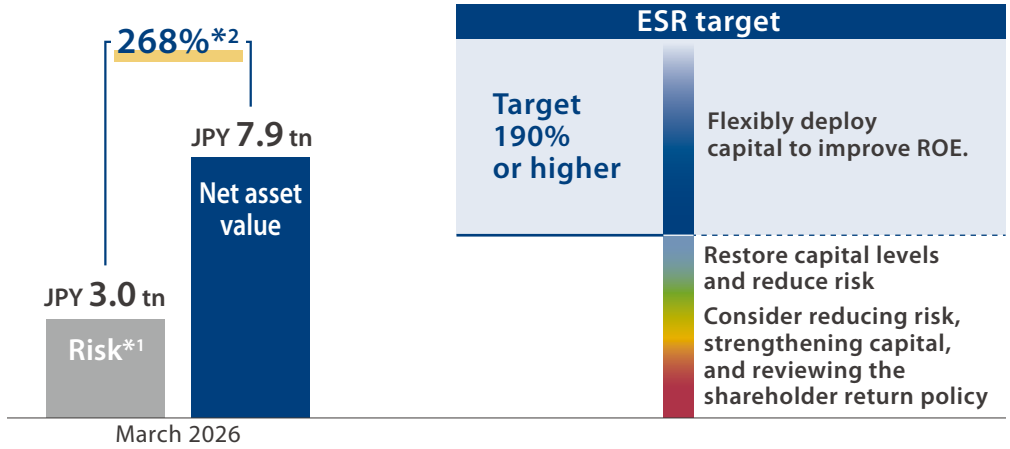
The 287.4 billion yen share buyback announced on March 23, 2026, to offset the dilutive impact of the third-party allotment to Berkshire Hathaway is not included in the aforementioned 400.0 billion yen. As the share price has risen since the announcement, we expect that additional share buybacks will be necessary to fully offset the dilutive impact. Any such additional buybacks will be taken into account in determining shareholder returns for the second half of fiscal 2026.

For share buybacks from fiscal 2027 onward, we will consider them together with the business and capital strategies under our next Mid-Term Business Plan and announce our approach in May 2027. The amount of share buybacks in fiscal 2026 should not be viewed as a baseline for subsequent years. However, our approach remains unchanged: We will prioritize growth investments and, when there are insufficient investment opportunities that meet our disciplined criteria, adjust our capital level through share buybacks.

▸ DPS growth



▸ Economic Solvency Ratio (ESR)



*1: Risk is calculated using 99.5% VaR.
*2: ESR after reflecting the 400.0 billion yen share buyback and risk-taking under the business plan at 234%.

Risk-Based Management – ERM –

As the business environment becomes increasingly complex, sustainably enhancing corporate value requires us to determine which risks to take and which to mitigate or avoid, and to allocate capital with discipline. These decisions are supported by our risk-based management approach (ERM*1). We continually manage the relationship among risk, capital, and profit, and by ensuring sufficient capital relative to risk while pursuing strong profitability, we seek to deliver sustainable growth in corporate value.

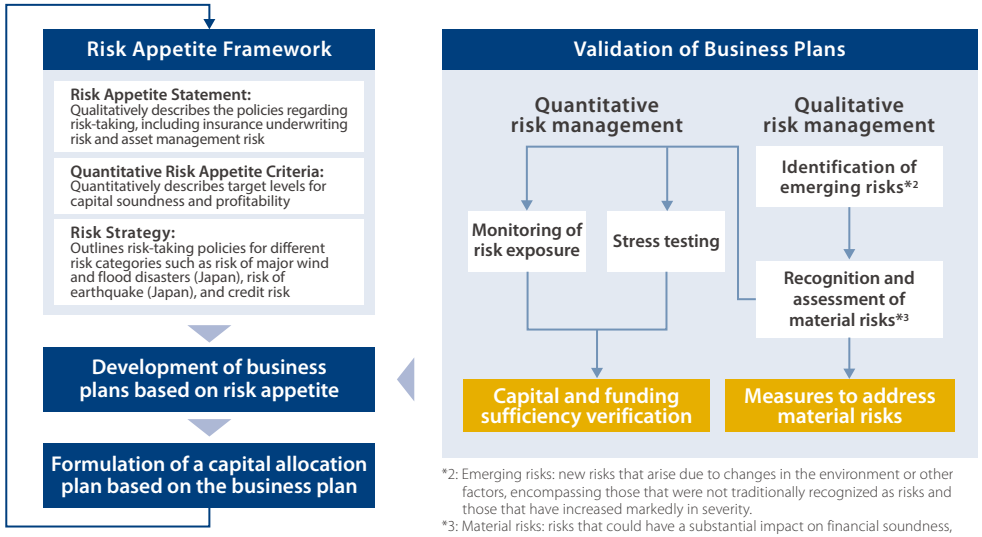
*1: Enterprise Risk Management

Tokio Marine Group's ERM framework and initiatives for enhancement

The risks facing the Tokio Marine Group are becoming increasingly diverse and complex as our global operations expand and the business environment evolves. In today's uncertain and rapidly changing political, economic, and social climate, it is essential to take a forward-looking approach to anticipating the emergence of new risks and their warning signs, while also considering growth opportunities arising from changes in the environment, and to determine which risks to take and which to mitigate or avoid.

From this perspective, we have established a framework for comprehensively assessing risks through both qualitative and quantitative approaches, including risks not previously recognized. In addition, we are continuing our efforts to further strengthen the ERM framework by enhancing our assessments of risks that are difficult to quantify, such as cyber risks, and strengthening natural catastrophe risk management, including through reviews of our reinsurance arrangements.

▸ ERM cycle



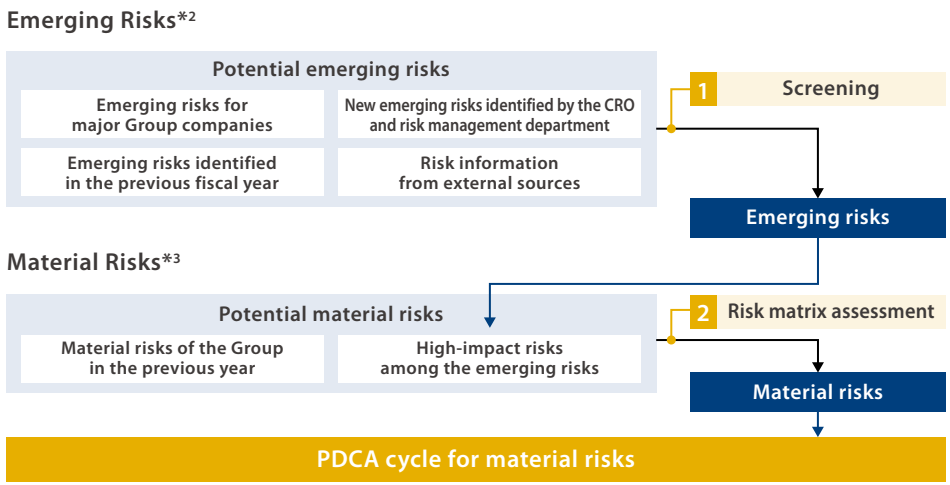
*2: Emerging risks: new risks that arise due to changes in the environment or other factors, encompassing those that were not traditionally recognized as risks and those that have increased markedly in severity.
*3: Material risks: risks that could have a substantial impact on financial soundness, business continuity, and other critical aspects.

Qualitative risk management

In qualitative risk management, all risks facing the Group, including emerging risks that arise due to changes in the environment, are comprehensively identified and reported to management. Risks identified in this manner are evaluated not only in terms of economic loss and frequency of occurrence but also in terms of their impact on business continuity and reputation. Risks that could have a severe impact on the financial soundness or business continuity of the Group as a whole or individual Group companies are identified as "material risks." For identified material risks, we assess the sufficiency of capital in the event that the risks materialize through the quantitative risk management process, formulate control measures before the risks emerge and countermeasures to be taken if they do emerge, and manage them through a PDCA cycle.

In recent years, the rapid advancement of digital technologies, including generative AI, has made the ways in which cyber risks, information management risks, and other risks materialize increasingly complex and broadened the scope of their potential impact. We continuously assess the likelihood and potential business impact of such new and evolving risk patterns and continually enhance our ERM framework by identifying early warning signs, analyzing potential impacts, and reviewing response measures.

▸ Identification of emerging risks and the process of identifying material risks



Examples of emerging risks

Note: For details, refer to the Annual Securities Report (Japanese only) for the fiscal year ended March 31, 2026 (p. 27).

Emerging risks	Examples of responses
① Inadequate response to decarbonization and the transition to a society in harmony with nature (climate change and nature-related transition risk)	• Stricter underwriting for coal-related companies, etc.
② Global warming, loss of natural capital and biodiversity (climate change and nature-related physical risks)	• Analysis and disclosure related to natural capital and biodiversity
③ Business partner risk	• Raising awareness of the Guidelines for Responsible Procurement and requesting cooperation
④ Management risks arising from the expansion and transformation of the business portfolio	• Phased development of governance and internal control frameworks in new business areas
⑤ Delayed response to global human rights issues	• Development and updating of a human rights risk map

Material risks for fiscal 2026

Note: For details, refer to the Annual Securities Report (Japanese only) for the fiscal year ended March 31, 2026 (p. 25 and 26)

Material risks	Examples of responses
① Economic and financial crises	• Analyze the impact of geopolitical risks, etc. • Conduct stress testing and credit risk management
② Major earthquakes	• Assess and manage relevant risks • Verify capital adequacy and liquidity through stress testing • Maintain crisis management frameworks and business continuity plans and conduct drills , etc.
③ Major wind and flood disasters and secondary perils (including climate-related physical risks)	
④ Volcanic eruptions	
⑤ Spread of novel viruses	
⑥ Inflation	• Analyze the impact of inflation and implement product revisions or underwriting to reflect the associated risks
⑦ Cyber risk	• Apply risk-appropriate underwriting and arrange reinsurance • Maintain and strengthen the cybersecurity framework
⑧ Legal and regulatory and conduct risk	• Monitor compliance systems and enhance responses in line with social and regulatory developments • Improve Group-wide initiatives through employee awareness surveys and sharing of best practices
⑨ Leakage or unauthorized access to and acquisition of critical information	• Strengthen information security controls and provide comprehensive employee training
⑩ AI/Data governance deficiencies	• Further develop Group-wide rules and the governance framework
⑪ Geopolitical risk	• Establish and strengthen crisis management and business continuity plans • Appropriately assess situations and forecast future developments using external expertise
⑫ Risks associated with business model transformation	• Select priority areas for digital and AI utilization and concentrate investment in these areas
⑬ Potential disruption to our business	• Develop medium- to long-term business strategies in anticipation of structural changes across industries, etc.
⑭ System failures	• Support Group companies in strengthening their system risk management frameworks, etc.

Quantitative risk management

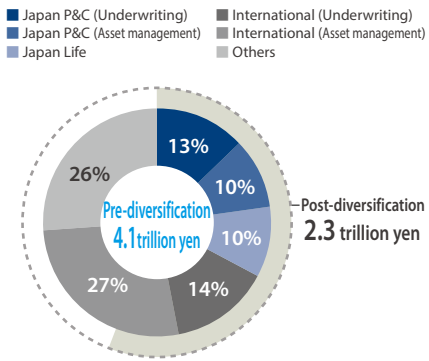
In quantitative risk management, we verify from multiple perspectives that capital is sufficient relative to the risks we hold by measuring risk using risk models based on the latest knowledge and conducting stress tests.

Following the introduction of new ICS-based capital regulations in Japan at the end of March 2026*1, we revised the definition of ESR to emphasize consistency with these capital regulations and comparability with global peers. Specifically, we quantify risk using a 99.5% Value at Risk (VaR), representing a loss level associated with a once-in-200-year event, and assess financial soundness using ESR, calculated by dividing capital by the risk amount.

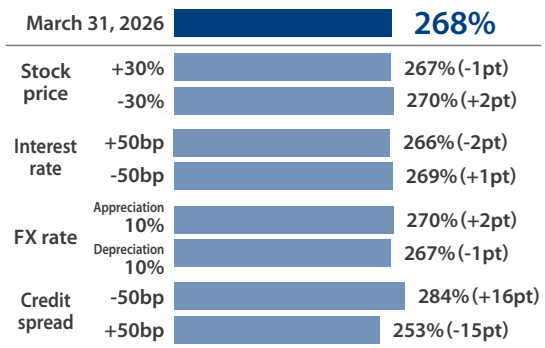
ESR under the new definition is positioned as an indicator of financial soundness. Based on our longstanding approach of maintaining a level of capital consistent with an AA rating, we have set the ESR target at 190% or higher. As of March 31, 2026, our ESR stood at 268%, well above the target.

For economic and financial crises, major earthquakes, pandemics, and other events, we also conduct stress tests of capital adequacy and liquidity based on scenarios involving extremely large economic losses or the simultaneous materialization of multiple material risks. We also conduct liquidity stress tests for major wind and flood disasters. Through these assessments, we confirm that our financial soundness and business continuity can be maintained under the stress scenarios tested.

Risk*2 composition and diversification effects



ESR sensitivity



*1: Due to the application of transitional measures in the first year of the new framework, the consolidated solvency margin ratio will be disclosed by the end of October 2026.
*2: Risk is calculated using 99.5% VaR on an after-tax basis. Risk associated with business-related equities is excluded.

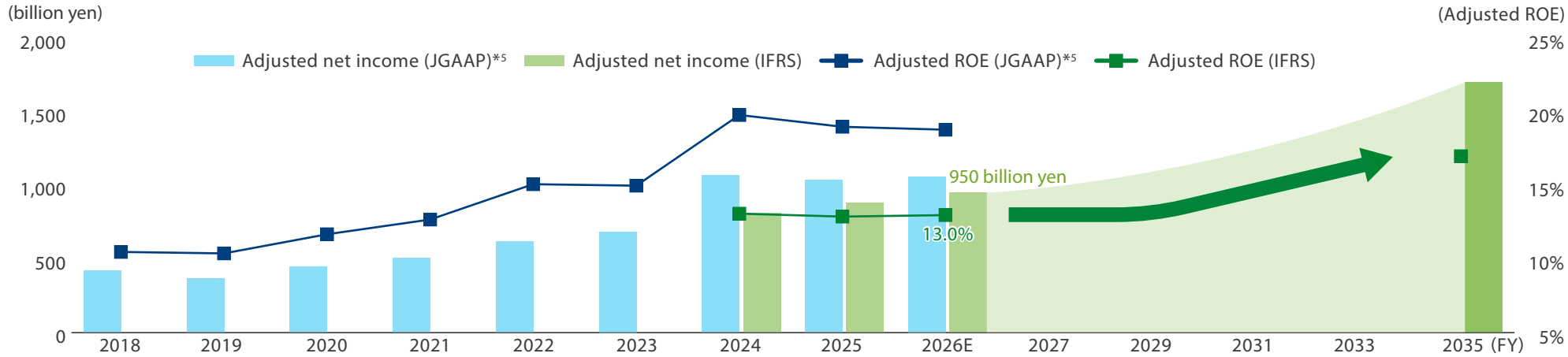
Mid-Term Business Plan

Our growth journey through successive Mid-Term Business Plans and the path toward Aspiration 2035

Through our three-year Mid-Term Business Plans, we have continued to evolve our strategies in response to changes in the environment, achieving sustainable profit growth and higher ROE. Our purpose remains our North Star, while each Mid-Term Business Plan sets out the specific strategies and initiatives for the three years ahead. Aspiration 2035 was formulated as a guidepost connecting our purpose with our mid-term strategies. Going forward, we will backcast from the desired future state envisioned in Aspiration 2035, translating it into concrete strategies and initiatives for each Mid-Term Business Plan in light of changes in the environment and steadily executing them.

	Strategy Execution and Outcomes under Successive Mid-Term Business Plans			Future Mid-Term Business Plans shaped by Aspiration 2035	
	FY2018–FY2020 Mid-Term Business Plan	FY2021–FY2023 Mid-Term Business Plan	Current Mid-Term Business Plan FY2024–FY2026	Next Mid-Term Business Plan FY2027–FY2029	Aspiration 2035
Strategic Priorities	・Further diversify the portfolio ・Enhance the business structure ・Strengthen integrated group management	・New Markets × New Approach ・Enhance the profitability of the insurance business ・Business investment for the next growth stage ・Business portfolio optimization for sustainable growth	・Drastic expansion of domains where we can deliver our value ・Diversification of distribution channels ・Extensive improvement of productivity ・Strengthening internal control and governance ・Enhancing the business portfolio and capital management	To be announced in May 2027	Adjusted net income 1.7 trillion yen or more Adjusted ROE 17% or higher
Achievement of Main KPIs	Adjusted ROE: 12.0%*1, Target: 10% or higher*2, Achieved Adjusted net income: 431.1 billion yen*1, Target: 400–450 billion yen*2, Achieved Payout ratio*3: 42%, Target: 35% or higher, Achieved	Adjusted ROE: 15.0%*4, Target: Approximately 12%, Achieved Adjusted net income: CAGR +15%*4, Target: CAGR +3%–7%, Achieved Payout ratio*3: Payout ratio*3 50%, Target: 50%, Achieved Share buybacks: 120 billion yen, Flexible approach, Achieved	See page 45 for details		
Remaining issues	Advancement of greater risk diversification as well as further improvement of profitability in the insurance business, and the ability to respond to an increasingly diverse range of issues	Expansion of revenue sources and further strengthening of governance at the Group level			

▸Trends in Adjusted net income and ROE



*1: Figures based on the market environment as of March 31, 2018, after adjusting for natural catastrophes to an average annual level and excluding the impact of the COVID-19 pandemic
*2: Figures based on the market environment as of March 31, 2018, after adjusting for natural catastrophes to an average annual level. *3: The payout ratio is based on five-year average adjusted net income. Based on original projections.
*4: Adjusted for natural catastrophes at an average annual level and excluding gains on the sale of business-related equities (amount exceeding the initial plan) and capital gains/losses in North America, etc. *5: Normalized basis.

Mid-Term Business Plan 2026 -Inspiring confidence. Accelerating progress.-

Under our Mid-Term Business Plan 2026, launched in fiscal 2024, we established the 3 Pillars of Growth and 2 Pillars of Discipline alongside our Group Core Strategies. These pillars address the remaining issues identified under the previous Mid-Term Business Plan: expansion into new sources of earnings and further strengthening of Group-wide governance. By steadily advancing these initiatives, we are pursuing top-tier EPS growth while improving ROE through disciplined capital policy.

Group Core Strategies we continue to promote	Key Group Strategies in the Mid-Term Business Plan 2026
Global Risk Diversification	**3 Pillars of Growth** (1) Drastic expansion of the areas in which we create value (2) Diversification of distribution channels (3) Extensive productivity improvement
Global Integrated Group Management	**2 Pillars of Discipline** (1) Strengthening internal control and governance (2) Enhancing the business portfolio and capital management

Progress of the current Mid-Term Business Plan (Group-wide)

In fiscal 2025, the second year of the plan, EPS growth excluding gains on the sale of business-related equities was +5.3%, and adjusted ROE was 11.7%. In fiscal 2026, the final year of the plan, we expect to achieve both KPI targets under the Mid-Term Business Plan, with EPS growth of +12.3% and adjusted ROE of 14.0%, reflecting improved profitability in the Japan P&C business as well as the effect of yen depreciation.

*: JGAAP basis
*: CAGR is calculated using fiscal 2023 as the base year.

	Mid-Term Business Plan Announced in May 2024	FY2026 Projections	FY2025 Results*1
EPS growth (incl. gains on the sale of business-related equities in parentheses)	CAGR+8% or more (+16% or more)	CAGR+12.3% (+18.3%)	CAGR+5.3% (+25.4%)
= Adjusted net income growth (incl. sales of business-related equities in parentheses)	CAGR+7% or more (15% or more)	CAGR+9.8% (+15.6%)	CAGR+3.2% (+22.9%)
+ Share buyback	1~2%	2%+	2%
Adjusted ROE (incl. gains on the sale of business-related equities in parentheses)	14% or more (20% or more)	14.0% (18.8%)	11.7% (19.0%)

Progress and challenges under the current Mid-Term Business Plan (by business)

While we expect to achieve the Group-wide KPI targets under the Mid-Term Business Plan, progress varies by business.

〈Japan P&C〉

We expect to achieve our targets as profitability improvement measures, including rate increases, continue to make progress. On the other hand, loss costs continue to rise, particularly in auto insurance. We will therefore closely monitor trends in repair costs per vehicle and accident frequency and take necessary measures in an agile manner.

〈Japan Life〉

We expect to fall short of the plan due to intensifying competition and other factors. To return the business to a growth trajectory, we will promote consultative sales that leverage the Group's customer base, while establishing the necessary product, system, and human resource development frameworks during fiscal 2026 to drive the next phase of growth.

〈International〉

We expect to fall short of the plan excluding foreign exchange effects, mainly due to a challenging investment environment, with spreads tightening more than anticipated when the plan was formulated. In underwriting, however, we expect growth to exceed the plan, supported by our disciplined underwriting strategy and diversified portfolio despite continued market softening. Going forward, in addition to strong underwriting performance, we will leverage our asset management capabilities to generate investment yields above the market average*4 even in a challenging environment, with the aim of delivering profit growth that outpaces our global peers.

*: JGAAP basis
*: KPI excludes gains on the sale of business-related equities
*: CAGR is calculated using fiscal 2023 as the base year

Adjusted net income		Mid-Term Business Plan Announced in May 2024	FY2026 Projections	FY2025 Results*1
Business Unit Profit (Figures in parentheses indicate the profit mix in the fiscal 2026 forecast)	Japan P&C*2 (25%)	CAGR+7% or more	CAGR+9.8%	CAGR+3.2%
	Japan Life*3 (4%)	CAGR+5% or more	CAGR+7.6% incl. FX +21.2%	CAGR+4.2% incl. FX +12.1%
	International (69%)	CAGR+3% or more	CAGR−9.0%	CAGR+16.1%
		CAGR+5% or more	CAGR+2.4% incl. FX +6.8%	CAGR−6.4% incl. FX -1.3%

*1: Figures excluding the impact of variances from the initial forecast for natural catastrophes, capital gains/losses in North America, etc.
*2: Japan P&C = TMNF; excl. FX effects *3: Japan Life = TMNL
*4: Compared to the average for U.S. P&C insurers with market capitalization of US$20 billion or more. In fiscal 2025, Tokio Marine's income yield was 5.3%, compared to 4.2% for the market average.
(Source: S&P Capital IQ, FactSet)

Sustainability Management

CSUO Message

We will address societal challenges through our business, creating a virtuous cycle of value that drives sustainable growth for future generations.

Mika Nabeshima
Managing Director
Group Chief Sustainability Officer (CSUO)

Creating value for future generations through our business

We envision a disaster-resilient society where people can live in safety and security. An environment where nature continues to sustain and enrich our lives. A future where everyone can pursue their aspirations in their own way. We have a responsibility to leave a sustainable world for future generations, and with this commitment in mind, we view them as key stakeholders.

Even as societal challenges grow more complex, and expectations surrounding sustainability continue to diversify, the core principles guiding our business remain unchanged. Since our founding, our business has been rooted in our purpose of "To be there for our customers and society in times of need." Supporting safety and security and contributing to a more resilient society are fundamental to what we do. Sustainability is a critical foundation for business growth, risk management, and sustainable value creation.

Three priority themes for this fiscal year

As the CSUO of Tokio Marine Group, I will continue to position sustainability at the core of our management approach. This fiscal year, I will focus on the following three priority areas:

The first is an integrated approach to climate change, natural capital, and disaster resilience that leads to meaningful action. These challenges are closely interconnected, carrying far-reaching implications for both society and the economy. Tokio Marine has built a rich legacy of initiatives over the years, including our mangrove planting program initiated in 1999. We reaffirm the importance of these efforts and will continue addressing both risks and opportunities across our business activities. In particular, to help build a disaster-resilient society, we will leverage the strengths of Tokio Marine Group across the entire disaster cycle - from preparedness and mitigation to recovery and reconstruction.

The second is to further enhance the value we provide to society through our core functions: insurance underwriting, investment and financing, and the provision of solutions. Through these capabilities, we are working to address a wide range of societal challenges. Our insurance underwriting supports the sustainable development of society, our investment and financing contribute to greater disaster resilience and climate action, while our solutions help clients and communities better prepare for and respond to risks. Since fiscal year 2024, we have also been working to quantify the social value we create. By applying these insights to our business operations, we aim to expand both social and economic value.

The third is to strengthen human capital and foster respect for human rights as the foundational pillars of sustainable value creation. Our competitiveness is rooted in an environment where diverse talent can realize their full potential and continue to take on new challenges. Alongside developing talent, strengthening expertise, and expanding opportunities for growth, we will steadily advance our commitment to human rights, ensuring robust due diligence and remediation mechanisms across our entire business value chain.

Our progress to date and challenges ahead

Tokio Marine continues to advance its efforts to address climate- and nature-related issues while strengthening human capital and respect for human rights. Key achievements and KPIs are disclosed in our Sustainability Report, Climate & Nature Report, and Human Capital Report. At the same time, as a global company, we cannot adopt a one-size-fits-all approach to sustainability. Our response must reflect differences in regional business models, regulations, and societal expectations. We also face a wide range of challenges, including ensuring a just transition to a decarbonized society, addressing the associated trade-offs, advancing the circular economy, and improving data availability across the value chain. As CSUO, I look forward to clarifying our priorities through open dialogue with stakeholders and enhancing the effectiveness of our initiatives.

In closing: Creating sustainable value by addressing societal challenges

Our mission is to continue creating lasting value for future generations. We remain fully focused on addressing societal challenges through our core business activities, driving a virtuous cycle between the sustainability of society and our own sustainable growth to ultimately enhance our corporate value.

Organizational Structure for Promoting Sustainability

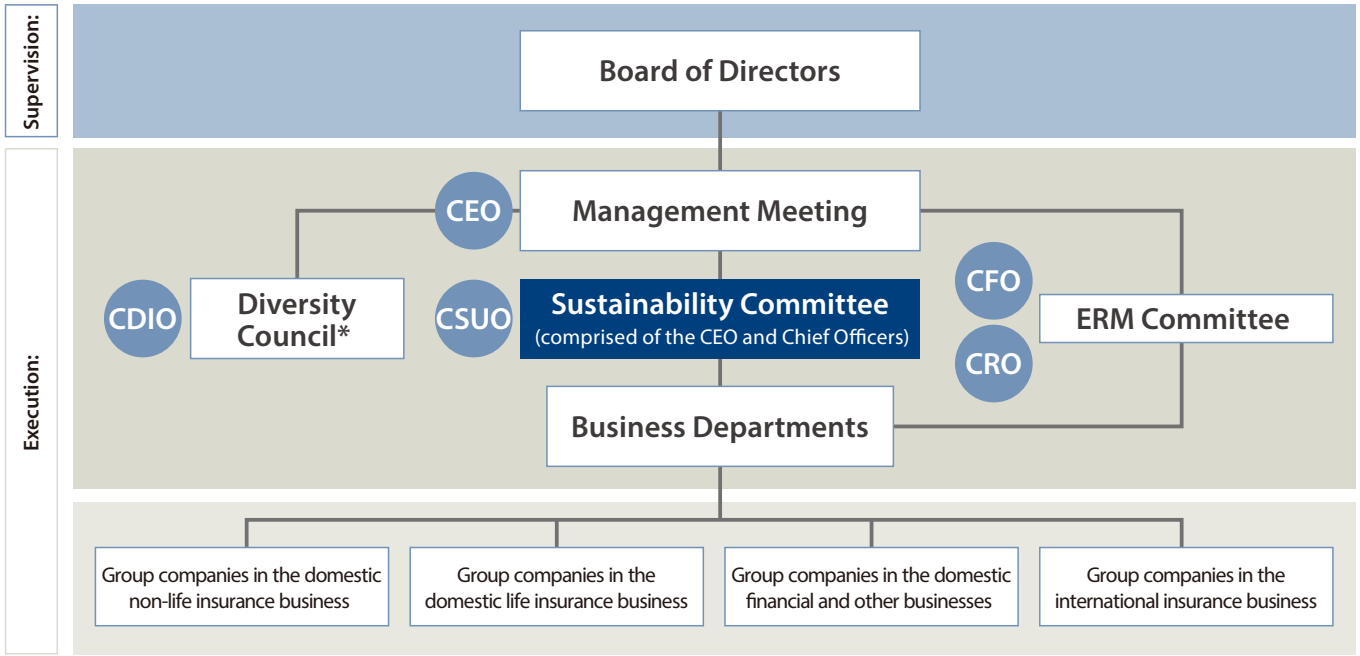
The Sustainability Committee, considering its importance, is composed of the CEO and other Chief Officers.

Management members from various countries participate in the Committee, bringing together the wisdom of the Group globally to address diversifying and increasingly complex societal challenges.

In addition, starting from fiscal 2025, outside directors participate as observers with the aim of evaluating the Company's sustainability and its initiatives in each area from a third-party perspective and linking this to improvements. The deliberations of the Committee are promptly reported to the Management Meeting and the Board of Directors, and the feedback obtained is utilized in subsequent discussions and examinations.

The Sustainability Committee meets four times a year in principle, deliberating on policies for addressing sustainability issues and monitoring the progress of individual measures. The Board of Directors bears ultimate responsibility for overseeing the Group's strategies, business plans, and risk management processes, including strategies relating to sustainability-related risks and opportunities. In accordance with internal rules such as the Regulations on the Division of Duties and Authority, the CSUO oversees the promotion and dissemination of sustainability across the Company, including the setting of sustainability-related targets, submits policies to the Board of Directors for consideration, and reports to the Board on the Committee's deliberations and on progress toward achieving targets. The Board of Directors receives such reports at least once a year, deliberates on sustainability initiatives while taking into account trade-offs relating to sustainability risks and opportunities, and appropriately supervises execution.

Organizational Structure for Promoting Sustainability



*: Diversity Council: An organization that fosters consensus across the Group regarding critical DE&I themes such as nurturing female executive candidates and creating an inclusive company

Role of the Sustainability Committee

Deliberates on the Tokio Marine Group's sustainability initiatives
Oversees the overall planning and execution of sustainability initiatives
Reports to and submits matters for deliberation to the Management Meeting and the Board of Directors, depending on the applicable authority.

Topics discussed by the Sustainability Committee in fiscal 2025

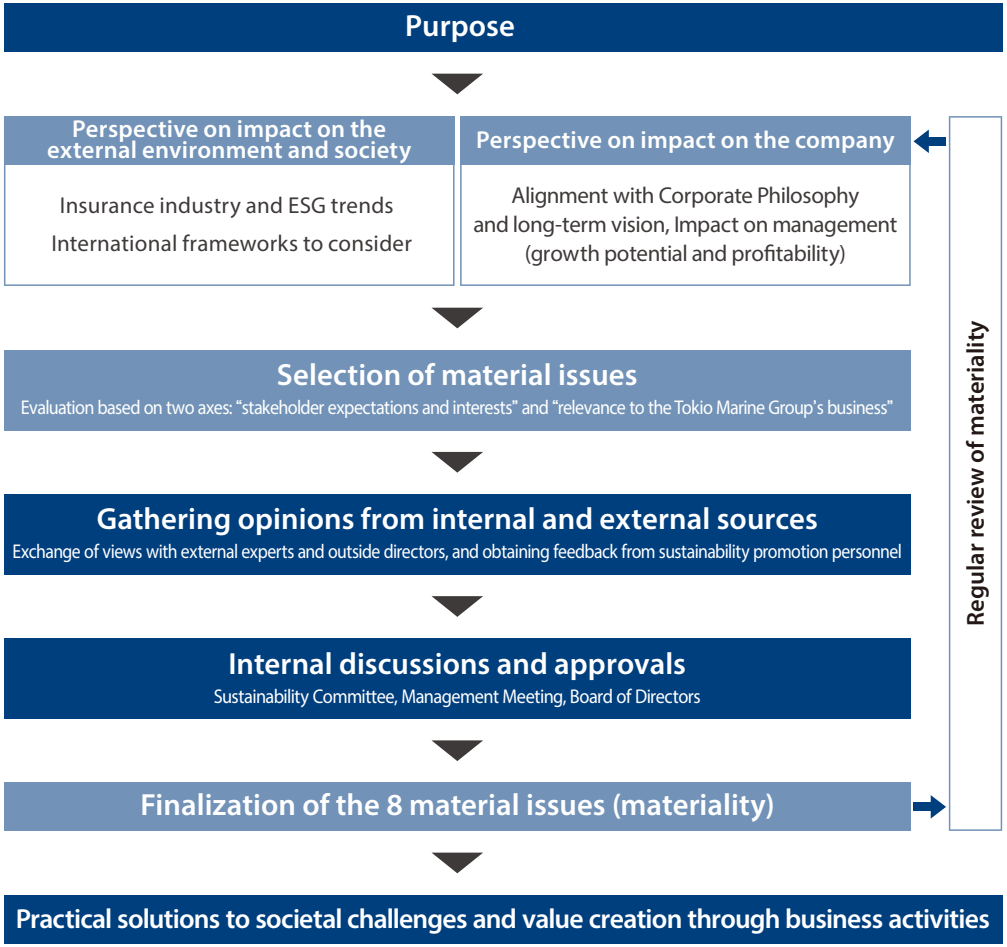
Apr. 2025	• Review of initiatives for fiscal 2024 and formulation of the annual plan for fiscal 2025, etc.
Aug. 2025	• Initiatives toward the integration of sustainability into business activities • Clear and accessible information disclosure for a wide range of stakeholders • Strengthening initiatives to realize a decarbonized society, etc.
Nov. 2025	• Initiatives toward the integration of sustainability into business activities • Responding to international sustainability disclosure regulations • Reporting on initiatives to contribute to future generations • Deepening initiatives in the nature domain, etc.
Feb. 2026	• Review of initiatives for fiscal 2025 and direction of the annual plan for fiscal 2026 • Improvement of ratings from key ESG rating agencies, etc.

Identification and Periodic Review of the 8 Material Issues (Materiality)

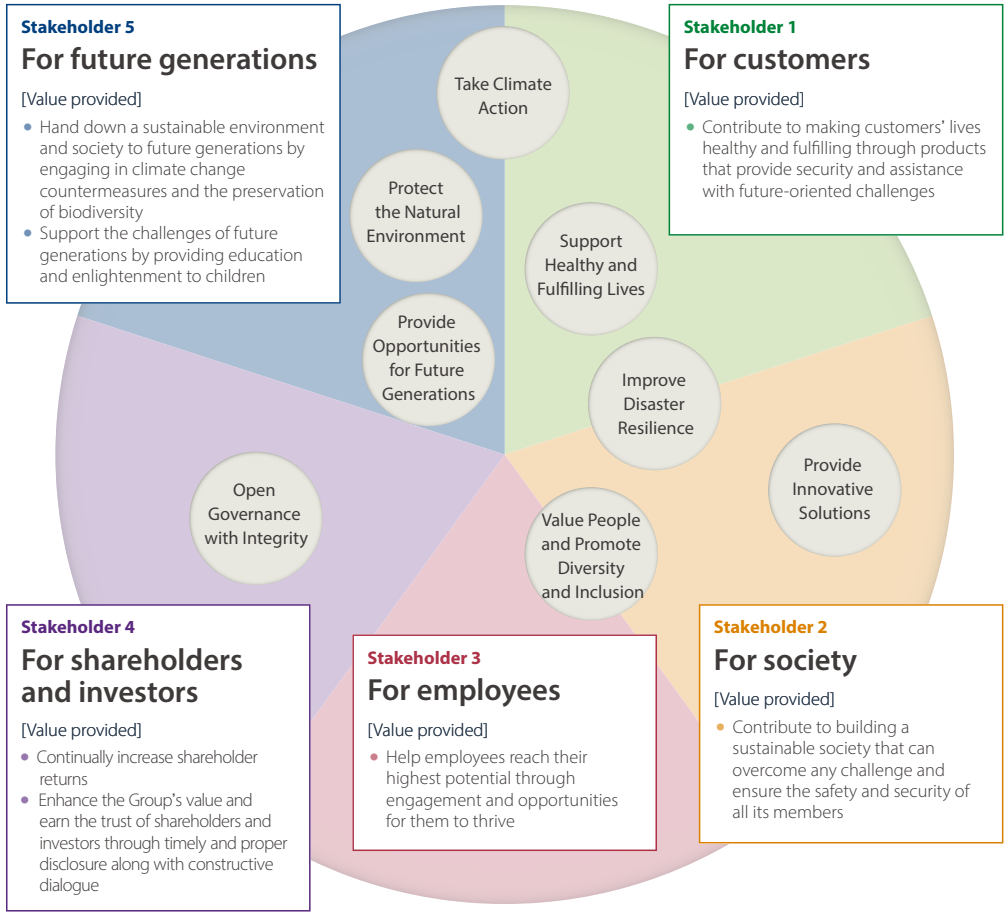
The Tokio Marine Group has identified the 8 material issues (materiality) to be addressed based on our Purpose. In this identification process, we first consider both the impact on the external environment and society and the impact on the Company. We evaluate and select the issues based on two criteria: "stakeholder expectations and interests" and "relevance to the Tokio Marine Group's business." Afterward, we finalize the material issues through consultations with internal and external experts, as well as deliberations by the Sustainability Committee and the Board of Directors. As the field of sustainability is subject to rapid changes in the external environment, including environmental, social and governance (ESG) trends and international frameworks that need to be considered, we assess each year whether our materiality needs to be reviewed.

Most recently, we revised our materiality in 2024. Based on an analysis of the external environment and alignment with our Mid-Term Business Plan, we added new areas including "Responsible Corporate Conduct," "Strengthening Governance," and "Human Capital and Human Rights," while also revising some of the wording.

Materiality Identification and Review Process



Relationship between Materiality and Stakeholders



*: "Society" under Stakeholder 2 includes business partners and value chain partners.

Reasons for Selection for Each Materiality

Materiality	Reason for selection
Take Climate Action	The adverse effects of climate change, including increasingly serious natural disasters, threaten people's safety and security and interfere with the sustainable development of society. The Tokio Marine Group recognizes the importance of addressing climate change and natural disasters because it underwrites risks in Japan, a country especially prone to natural disasters. Therefore, in its roles as an insurance provider, institutional investor, and global enterprise, the Group intends to deal with these issues head-on and contribute to solutions.
Improve Disaster Resilience	
Protect the Natural Environment	The Tokio Marine Group understands that a sustainable society, in which everyone can live safely and securely and pursue any aspiration, depends on the natural environment, the basis for all life and people's livelihoods. Moreover, the Group recognizes its obligation to help ensure that future generations inherit a sustainable natural environment, as it is irreplaceable. Based on these principles, the Group intends to bolster the initiatives it has taken to combat climate change and protect biodiversity and wetlands through environmental conservation activities, including its Green Gift Project and mangrove planting activities.
Support Healthy and Fulfilling Lives	In an age of the 100-year life span, people hope to lead a long and healthy life. With the aging of the population and widespread advancements in medicine, however, the financial burden on individuals, families, and society is growing each year. The Tokio Marine Group intends to address this issue by fully utilizing its extensive expertise to offer high-value-added products and services while covering disease and illness through its many life and non-life insurance products.
Value People and Promote Diversity and Inclusion	The environment surrounding companies is changing significantly, with the growing importance of human capital management, the diversity of values that accompanies advancing globalization, and heightened interest in respect for human rights. We believe it is necessary to further accelerate efforts to ensure diversity and respect for human rights, while also implementing a human resources strategy that contributes to strengthening human capital and achieving our management strategy.
Provide Innovative Solutions	As technological innovation and AI advance rapidly, society and the economy are experiencing profound transformations. To ensure sustainable economic growth, companies must establish a solid foundation for innovation. We are committed to supporting corporate growth and economic development by expanding our value offerings across both the insurance and solutions sectors—encompassing areas such as disaster prevention and mitigation, mobility and decarbonization—leveraging digital tools, data, and AI.
Provide Opportunities for Future Generations	Addressing the challenges that evolve with the times falls to each generation, and supporting the development of future generations can be seen as an initiative toward building the foundation for the future. Having specified future generations of people as stakeholders, we have a duty to help equip children with the skills they will need in life. With this understanding, we aim to provide opportunities for future generations by establishing various educational programs and mechanisms to incorporate their perspectives into our management.
Open Governance with Integrity	In establishing the Tokio Marine Group Corporate Philosophy, we are committed to enhancing the Group's corporate value by fulfilling our responsibilities to stakeholders, including shareholders, investors, customers, society, and employees. To achieve this, we will focus on improving the quality of operations across the entire value chain, strengthening internal controls and enhancing the enterprise risk management (ERM) framework across all Group companies, including those overseas. In addition, to further build trust with stakeholders, we believe that timely, appropriate and transparent information disclosure is crucial.

Initiatives and Progress on the 8 Material Issues (Materiality)

Take Climate Action

Climate change is a significant global challenge that poses threats worldwide. As a global insurance company and institutional investor, we have been advancing various initiatives to directly confront this issue.

What does our company do?

- Engage with clients and provide insurance and solutions to support decarbonization
- Reduce CO_2 emissions in our operations

FY2025 Results

Insurance underwriting engagement — Number of companies to which decarbonization proposals were made	Decarbonization-related insurance premiums*1	Greenhouse gas emissions from our own operations*2
130 companies (FY2030 target: 160 or more companies)	55.5 billion yen (FY2030 target: 100 billion yen)	62 % reduction (FY2030 target: 60% reduction compared with fiscal 2015)

Protect the Natural Environment

The richness of nature forms the foundation for all life, living, and economic activities. We strive to contribute to nature-positive outcomes through activities ranging from the provision of products and services to corporate citizenship activities.

What does our company do?

- Mangrove planting and ocean conservation activities
- Evaluation of nature-related challenges through the LEAP approach*3 and provision of products and services to address these challenges
- Sustainability-themed investment and financing, and impact investment

FY2025 Results

Annual CO_2 fixation volume through mangrove planting and other measures	"Green Gift" project: Reduction in paper usage	Sustainability-themed investment and financing
77,000 tons	3,256 tons (Tokio Marine & Nichido)	159.9 billion yen (balance at the end of FY2025)

Improve Disaster Resilience

Recognizing the increasing frequency and severity of natural disasters as urgent challenges that directly threaten the safety and security of our customers and society, we aim to contribute to building a resilient society by providing services in both preventive and post-disaster areas, in addition to fulfilling the primary role of insurance.

What does our company do?

- Enhance responses to natural disasters
- Develop and provide products and services contributing to disaster prevention, mitigation and early recovery
- Support BCP formulation in cooperation with municipalities and companies

FY2025 Results

Large-scale natural disaster response*4	Customer satisfaction with insurance claim payments for large-scale natural disasters*5	Number of companies provided with paid services*6 contributing to resilience improvement
Approximately 16,000 cases Approximately 25.0 billion yen (Tokio Marine & Nichido)	Approximately 92 % (Tokio Marine & Nichido)	2,657 companies

Support Healthy and Fulfilling Lives

We leverage our strengths to address customer needs and concerns arising in areas such as extending the healthy life span and wealth formation associated with aging.

What does our company do?

- Expand and promote health management support services
- Respond to wealth-building and savings needs associated with extended healthy life expectancy (through the development and provision of new healthcare services)

FY2025 Results

Number of companies supported in health and productivity management	Certification as a Health and Productivity Management Outstanding Organization	Product supporting a healthy and long-life society
Approximately 1,700 Companies (Tokio Marine & Nichido)	Recognized 10 times	Launch of "Anshin Dream Whole-Life Insurance" (Tokio Marine Nichido Life)

*1: Insurance that directly contributes to the realization of a decarbonized society, such as insurance for renewable energy businesses including offshore wind and solar power generation, and extended warranty insurance for electric vehicles and storage batteries
*2: Excluding ID&E Holdings, which joined the Group in February 2025. ID&E Holdings has also set its own fiscal 2030 target on a stand-alone basis (a 42% reduction in Scope 1 and 2 emissions compared with the fiscal year ended June 2023).
*3: An integrated approach developed by the TNFD for assessing and managing nature-related issues. LEAP is an acronym formed from the initial letters of Locate, Evaluate, Assess, and Prepare.
*4: The number of insurance claims and amounts paid by Tokio Marine & Nichido without consideration of reinsurance, based on direct underwriting for a total of six major disasters, including the torrential rains in the Kyushu region, Typhoon No. 15, and the earthquake off the east coast of Aomori Prefecture
*5: Aggregated results of the most recent customer survey of automobile and fire insurance policyholders regarding insurance claim payments at times of disaster (April 2025 to March 2026)
*6: Solutions provided by the Group in Japan for a fee, such as support for developing Business Continuity Enhancement Plans and risk management-related support

Value People and Promote Diversity and Inclusion

Awareness of the importance of human capital management, the diversification of values, and respect for human rights is growing. We will further accelerate our initiatives to promote human capital management, ensure diversity, and respect human rights.

What does our company do?

- Promote human capital management
- Promote a culture of diversity, equity & inclusion
- Advance human rights due diligence

FY2025 Results

Engagement score*1	Ratio of female Directors and Audit & Supervisory Board members	Paternity leave utilization rate*2
80 %	27.8 % (Tokio Marine Holdings)	86.7 % (including domestic consolidated subsidiaries in Japan)

Provide Innovative Solutions

We utilize digital technology, data, and AI to expand our value provision areas in both the insurance and solutions businesses.

What does our company do?

- Utilize digital technology and data to expand the insurance and solution businesses (including disaster prevention and mitigation, mobility, decarbonization, and healthcare)
- Address the increasing cyber risks amid advancing digitalization

FY2025 Results

Number of companies provided with solutions	Number of start-up companies invested in	Telematics devices provided
5,282 companies*3 (Tokio Marine & Nichido)	Approximately 70 companies (as of May 2026, on a publicly disclosed basis)	Approximately 1.12 million units*4

Provide Opportunities for Future Generations

Supporting the development of children, who will lead the future, is a significant responsibility we must fulfill. We are advancing initiatives to pass on a better environment and society to future generations.

What does our company do?

- Educational support for children and students through programs such as "Green Lessons" on environmental themes, "Disaster Prevention Lessons" on disaster preparedness, and financial and insurance education programs
- Support for participation in business activities through initiatives such as offering junior internship opportunities to high school students

FY2025 Results

Number of students attending Green Lessons	Number of participants in Disaster Prevention Lessons*5	Number of participants in financial and insurance education in South Africa*6
62,000 people (starting in 2005, cumulative)	132,000 or more (starting in 2012, cumulative)	Approximately 200,000 participants (cumulative total as of the end of June 2026)

Open Governance with Integrity

To realize a virtuous cycle of solving societal challenges and achieve sustainable growth, we will establish a governance structure that is trustworthy and highly transparent.

What does our company do?

- Improve business quality and enhance internal controls
- Timely, appropriate, and highly transparent information disclosure

FY2025 Results

Percentage of Outside Directors on the Board	Percentage of Outside Auditors on the Audit Committee	Percentage of outside members on the Group Audit Committee	Comprehensive disclosure of initiatives on climate change and nature-related issues
54 %	60 %	50 %	Publication of the Climate & Nature Report

*1: The percentage of favorable responses (a rating of 4 or 5 on a 5-point scale) to the relevant items of the Culture & Value Survey (CVS)
*2: Calculated under the Child Care and Family Care Leave Act as follows: "Number of male employees who took childcare leave, etc., during the fiscal year (including cases where leave was taken for childcare purposes) ÷ Number of male employees whose spouses gave birth during the fiscal year"
*3: When multiple solutions are contracted by one company, they are counted more than once.
*4: The combined total of Drive Agent Personal (DAP) units provided (Tokio Marine & Nichido) and PHLYTRAC telematics program units provided (PHLY)
*5: Global achievements including implementation in countries such as China, Vietnam, and Indonesia
*6: In 2011, South Africa's Hollard Insurance Group developed a financial and insurance education program called "StreetWise Finance" to teach essential financial management skills, offering it free of charge in rural areas of South Africa.

Specific Initiatives on the 8 Material Issues (Materiality)

Take Climate Action

Progress of Tokio Marine GX, Supporting the Green Transformation

To address the increasingly complex risks associated with the transition to a decarbonized society, the Tokio Marine Group launched Tokio Marine GX (TMGX) as a fully operational business in 2025. Building on GCube's (TMGX's) long-standing underwriting and claims expertise in renewable energy, TMGX combines the Tokio Marine Group's global expertise and underwriting capacity to provide specialized insurance and risk solutions for customers advancing green transformation.

Over the past year, TMGX has expanded its capabilities beyond renewable energy into a broader range of green transition sectors, including battery energy storage systems (BESS), hydrogen, carbon capture, and carbon credits. TMGX has also strengthened its market engagement by sharing insights on increasingly complex GX-related risks. Through these efforts, TMGX achieved approximately 50% year-on-year business growth. The Tokio Marine Group will continue to support customers' decarbonization efforts through insurance and risk solutions, contributing to the transition to a more sustainable society.

Voice of Our Employee

Olly Litterick

Head of Renewables,
TMGX

Harnessing Group expertise to address increasingly complex GX risks

Over the past year, renewable energy has continued to expand alongside new technologies and business models such as battery storage and hydrogen. As the energy transition evolves, insurers are expected to provide increasingly specialized expertise and consistent underwriting capabilities. At TMGX, we bring together the Tokio Marine Group's expertise to help customers move forward with confidence as they navigate this changing risk landscape.

Protect the Natural Environment

Participation in the Global Nature Positive Summit in Kumamoto

Tokio Marine Holdings and ID&E Holdings took part in the Global Nature Positive Summit held in Kumamoto, where they presented the Group's ability to provide insurance, investment and financing, and solutions that contribute to achieving nature positive by 2030—including not only conventional risk finance through insurance but also support for the design and construction of green infrastructure, an area of strength for ID&E. Through dialogue with stakeholders such as UNEP FI, WWF, companies, and governmental bodies, the participants also deepened discussions on how to collaborate toward realizing a nature-positive future.

Voice of Our Employee

Hikaru Inora

Integrated Design & Engineering Holdings Co., Ltd.,
Sustainability Promotion Operations,
Sustainability Promotion Office

Combining the Group's strengths to turn efforts to protect nature into social value

The ID&E Group has engaged in a wide range of businesses related to natural capital and biodiversity, including environmental risk assessment in Japan and overseas, ecosystem-based disaster risk reduction (Eco-DRR), and the development of green infrastructure. As a consulting and engineering group, we hope to combine our capabilities with the Tokio Marine Group's expertise in risk and finance, and to grow our efforts to protect nature as social value.

Improve Disaster Resilience

Addressing the protection gap by leveraging the Group's comprehensive capabilities

As natural disasters have grown increasingly severe in recent years, the portion of economic losses from disasters that is not covered by insurance or similar mechanisms—the so-called protection gap—has become a major global challenge.

In response to the protection gap, the Tokio Marine Group supports the design of disaster risk insurance schemes and underwrites reinsurance. These schemes are intended to strengthen financial preparedness against natural disaster risks and to support early recovery and reconstruction after disasters occurs. One approach is the use of parametric insurance, which enables claims to be paid quickly based on predefined parameters. While its strength lies in the speed of payment, underwriting such insurance requires advanced data analysis and risk assessment to support appropriate product design. The Tokio Marine Group supports these insurance schemes by underwriting reinsurance, drawing on the distinctive, highly developed risk assessment capabilities it has built up over the years.

We also leverage Tokio Marine HCC's extensive underwriting expertise and global network to provide reinsurance capacity based on sophisticated risk assessment across a broader range of countries and regions. In addition, through collaboration with the ID&E Group, we provide disaster preparedness solutions such as hazard maps. By bringing together capabilities from across the Group, we are developing a distinctive Tokio Marine approach that provides integrated support spanning disaster preparedness and financial protection against the impact of disasters.

Voice of Our Employee

Yusuke Ohya

Tokio Marine Holdings, Inc., Corporate Underwriting Department, Planning & Analytics Group

Supporting security around the world with the Group's comprehensive capabilities

To help close the protection gap, we provide reinsurance based on advanced risk assessment that draws on the Group's expertise; support the design of insurance schemes in collaboration with international organizations, emerging-market governments, and overseas insurers; and deliver solutions that go beyond the framework of insurance. Building consensus among these many parties and pursuing initiatives that are not simply extensions of existing practice is not easy, but seeing the positive impact this work can have on society motivates us to continue contributing to narrowing the protection gap.

Support Healthy and Fulfilling Lives

Initiatives to support low-income communities in Botswana, Africa

The South Africa-based Hollard Group views insurance as a mechanism that supports people's lives and embraces the purpose of enabling more people to build and protect a better future. The Hollard Group provides people who have difficulty accessing adequate coverage with affordable insurance premiums and convenient enrollment channels in their everyday life. It also promotes financial inclusion, the state in which everyone can access the financial services they need. Through these efforts, the Hollard Group is working to expand access to insurance and address local societal challenges.

One example is funeral insurance in Botswana. In many parts of Africa, families and entire communities observe mourning rituals over several days, and funerals can entail substantial costs. For low-income families in particular, these expenses can place a heavy strain on household finances. To reduce the financial burden on bereaved families, Hollard Botswana partners with a major local mobile phone operator to offer affordable funeral insurance that can be purchased using only a mobile phone, even by people facing financial hardship who do not have a bank account. The coverage is available from approximately 100 yen per month. By extending coverage options to people who never had access to financial services, the initiative has enrolled approximately 16,000 people in funeral insurance during the two years since its launch, representing a 2% penetration rate among low- to middle-income families.

Voice of Our Employee

Richard Masoko

Corporate Relationship Manager, Hollard Insurance

Toward a society where everyone has access to protection

I have been part of the Karabo Funeral Plan team since the very beginning, and some of my most memorable moments have come from traveling to rural communities far from any formal services, where access to insurance once felt unimaginable. Meeting families in these areas, I have seen firsthand how Karabo restores dignity and respect, giving people protection that was previously out of reach. For me, this is what financial inclusivity truly means. Ensuring affordable insurance is not a privilege for the few, but a right accessible to everyone, regardless of where they live. That belief continues to drive my commitment to this work.

Value People and Promote Diversity and Inclusion

Promotion of DE&I

The Tokio Marine Group promotes Employee Resource Group (ERG) activities with the aim of creating an environment in which every employee, with their diverse backgrounds and values, can make the most of their abilities. In North America, employee-led ERGs collaborate across group companies to advance career development, talent development, and inclusion. In 2026, the ERG held career growth seminars and panel discussions on balancing childcare and career, among other events, building a more inclusive and vibrant organization by creating opportunities for employee growth and by fostering networks.

Voice of Our Employee

René D. Tappata

AVP, Benefits/DEIB Community Leader, Tokio Marine North America Services

From employees' voices to an inclusive workplace

Our Employee Resource Groups across North America continue to create meaningful spaces where team members feel supported, seen, and empowered to grow.

Earlier this year, the PHLY Black and African-American Employee Resource Group (BAAERG) hosted a career growth workshop focused on adaptability, resilience, and patience. The TMNAS Women's and Allies Collective and TokioPACT also hosted a Parent Panel, where team members shared candid experiences of balancing parenthood and career growth.

Reflecting the vision of our Group's Development and Networking pillar, these activities create opportunities for dialogue, connection, and growth so everyone can thrive.

Provide Innovative Solutions

Accel Trainer: An environmental and safe-driving support program based on building driving habits

Accel Trainer* is an environmental and safe-driving support program that focuses on how the accelerator is used when pulling away. By making a simple driving behavior habitual—taking five seconds to accelerate from a standstill to 20 km/h—the program aims to reduce CO_2 emissions, improve fuel efficiency and lower the risk of traffic accidents. A dedicated onboard device collects and analyzes driving data such as speed, accelerator opening, and fuel consumption, and scores accelerator operation, enabling drivers to grasp their driving objectively. Because the effects of improvement are easy to see and no special knowledge or skills are required, a wide range of drivers can adopt it without difficulty in the course of their daily work. Accel Trainer supports the promotion of decarbonization and safe driving at companies and in local communities.

accel trainer

*: Accel Trainer is the name of an application provided by Accel Trainer Inc.

Voice of Our Employee

Momoko Ogawa

Tokio Marine dR Co., Ltd., Transportation & Mobility Consulting Department

Aiming to achieve both safe driving and decarbonization

The appeal of Accel Trainer is that simply improving how drivers press the accelerator advances decarbonization and safe driving at the same time. Companies that have adopted it tell us not only about better fuel efficiency but also that drivers naturally leave more space between vehicles and drive with greater composure, and that their families have praised them for driving more safely—all of which points to heightened safety awareness. Rather than simply supplying an onboard device, we want to support continuous behavioral change using driving data, thereby contributing to greater safe-driving awareness and a lower environmental burden while supporting our customers' sustainable growth.

Provide Opportunities for Future Generations

Safety training for children: Delivering disaster prevention lessons

Tokio Marine Insurance Vietnam Company Limited has been conducting volunteer-led disaster preparedness lessons since 2023 with the aim of raising disaster awareness in local communities and supporting the development of future generations.

Focusing on drowning prevention and earthquake preparedness, the company delivered lessons at two secondary schools in Hanoi in 2025, bringing the total number of student participants to approximately 3,000 from 2023 to 2025.

Following the training sessions, students took part in a contest entitled "Shaking Ground—Steady Mind," in which they expressed what they had learned about disaster preparedness through videos and artwork.

By creating projects focused on earthquake response and safety measures, students were encouraged to think proactively about disaster preparedness, helping to strengthen awareness and reinforce learning outcomes.

Open Governance with Integrity

Customer-oriented business operations

In April 2024, the Customer-Oriented Promotion Office was established within the Corporate Planning Department of Tokio Marine & Nichido. Under the leadership of this office, initiatives are being carried out such as making greater use of Customer Feedback Data (CFD), including the Net Promoter Score (NPS), and reviewing existing systems and mechanisms from a customer-oriented perspective based on concerns raised by employees.

(1) Making greater use of CFD

Taking CFD such as NPS surveys as our starting point, we have been working to enhance the customer experience (CX) with the aim of improving the quality of our customer service. Going forward, we will embed CFD even more deeply into the entire process from planning products and services through to verifying their effectiveness, further advancing the resolution of customer issues and the delivery of value.

(2) Reviewing existing systems and mechanisms from a customer-oriented perspective based on concerns raised by employees

We gather input from employees on any systems or mechanisms that feel out of step in their daily work, and use this to review existing arrangements. We will continue to work on fostering a sound organizational culture with the capacity for self-correction.

(3) Operation of the Customer-Oriented Promotion Committee (four times a year)

Since April 2024, we have convened the Customer-Oriented Promotion Committee on themes such as company-wide measures to promote a customer-oriented approach at sales and claims service branches nationwide. The Committee then discusses each theme with senior management and considers concrete measures and future direction.

Voice of Our Employee

La Thanh Tung

Risk Engineer,
Tokio Marine Insurance
Vietnam Company Limited

The journey of empowering young minds with life-saving knowledge

Over the past four years, this initiative has become one of the most meaningful parts of my work. Every session with secondary school students reminds me that safety education is not just about sharing knowledge. It is about empowering young people to make the right decisions in critical moments. Seeing their curiosity, confidence, and willingness to protect themselves and others inspires me to continue this journey, knowing that even one lesson today could help save a life tomorrow.

Voice of Our Employee

Mai Mikami

Tokio Marine & Nichido
Fire Insurance Co., Ltd.,
Corporate Planning Department

Turning a customer-oriented approach into a growth strategy

The Customer-Oriented Promotion Office, newly established in fiscal year 2024, is advancing initiatives aimed at realizing a genuinely trusted, customer-oriented company—one of the pillars of our Mid-Term Business Plan.

By having employees take part in management's discussions, gathering the views of employees who work closer to customers when considering company measures, and incorporating a diversity of perspectives into corporate decisions, the entire company is working together to change mindsets and behavior toward a customer-oriented approach.

External Evaluations

The Tokio Marine Group has received numerous evaluations and awards for its ESG initiatives from rating organizations in Japan and overseas. Also, to contribute to the creation of a safe, secure, and sustainable future, the Tokio Marine Group participates in various initiatives that include the United Nations Global Compact (UNGC), the United Nations Environment Programme Finance Initiative (UNEP FI), and the United Nations Principles for Responsible Investment (PRI).

Evaluation from ESG Rating Agencies

Tokio Marine Holdings strives for transparent disclosure of ESG information and has been highly rated by numerous global ESG index providers and rating agencies. As of the end of August 2026, Tokio Marine was listed in the ESG indexes shown below. Through these evaluations, we are working to further strengthen our sustainability promotion structure by incorporating external knowledge and utilizing feedback from ESG rating agencies.

	ESG Indexes / ESG Ratings and Evaluations	Rating Agency
S&P Global DJBIC*1	In 2026, Tokio Marine was selected as a constituent of S&P Global's ESG indexes, the Dow Jones Best-in-Class World Index, and the Asia Pacific Index (the 18th consecutive year for the Asia Pacific Index). Tokio Marine was also selected for The Sustainability Yearbook 2026.	S&P Global
MSCI	In 2025, Tokio Marine Holdings received an AAA rating in the MSCI ESG Ratings. It has also been selected as a constituent of MSCI's ESG investment indexes, the MSCI Japan ESG Select Leaders Index, and the MSCI Japan Empowering Women Index (WIN). THE USE BY Tokio Marine Holdings, Inc. OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES ("MSCI") DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION , OR PROMOTION OF Tokio Marine Holdings, Inc. BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED 'AS-IS' AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.	MSCI
Sustainalytics	Tokio Marine receives an ESG evaluation from Morningstar Sustainalytics.	Sustainalytics
FTSE4 Good Index	https://www.lseg.com/en/ftse-russell/indices/ftse4good	FTSE Russell
FTSE Blossom Japan Index	Comprehensive index	FTSE Russell
S&P/JPX Carbon Efficient Index	Thematic index / Environment	S&P/JPX
CDP (climate change)	Obtained an A rating for climate change and for the Supplier Engagement Rating (SER) in fiscal 2025	CDP

Awards Received for ESG Initiatives

The Tokio Marine Group strives to improve its initiatives in terms of environmental, social, and governance (ESG) criteria, and has received numerous evaluations and awards both in Japan and overseas.

Awards Received in Japan

Certified Health and Productivity Management Outstanding Organization 2026

Under the Certified Health and Productivity Management Outstanding Organizations Recognition Program 2026, designed by the Ministry of Economy, Trade and Industry and certified by Nippon Kenko Kaigi, 24 Tokio Marine Group companies were recognized in the large enterprise category and 17 in the small and medium-sized enterprise category. Of those in the large enterprise category, 13 were also recognized as White 500 companies.

NIKKEI Sustainable Management Survey

In the "SDGs Edition" of the NIKKEI Sustainable Management Survey, conducted by Nikkei Inc. among listed and major unlisted companies nationwide, Tokio Marine Holdings was awarded the highest rank of five stars for the second consecutive year. Tokio Marine Holdings was also selected for the SDGs strategy/business value Prize 2025 at the 7th NIKKEI SDGs Management Survey 2025, which recognize companies that address social, economic and environmental issues through their business.

PRIDE Index 2025

Under the PRIDE Index 2025, an evaluation index established by the voluntary organization work with Pride*2 for initiatives relating to sexual minorities such as LGBTQ+ people at companies and other organizations, both Tokio Marine Holdings and Tokio Marine & Nichido received the Gold award. This is the second consecutive year for Tokio Marine Holdings and the fourth consecutive year for Tokio Marine & Nichido. The PRIDE Index was established with the aim of creating workplaces in Japan where LGBTQ+ people can work comfortably, transcending the boundaries of individual companies and organizations.

SX Brands 2026

Tokio Marine was selected for SX Brands 2026, chosen by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange, as a leading company that is achieving sustainable enhancement of corporate value through sustainability transformation (SX).

DX Stocks 2026

Tokio Marine was selected for DX Stocks 2026, jointly organized by the Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency, Japan. The DX Stocks program recognizes companies engaged in digital transformation (DX)—fundamentally transforming business models and other aspects of their operations on the premise of digital technology in order to drive new growth and strengthen competitiveness.

Awards Received Overseas

Best Places to Work in Insurance 2025

Several Group companies in the United States were selected for Best Places to Work in Insurance 2025. Tokio Marine North America Services (TMNAS) ranked first in both the Medium Employer category and the Insurers/Providers category.

Awards for Disclosure Efforts

WICI Japan Integrated Report Award 2025 — Special Award (Judges' Special Prize)

Tokio Marine received the Special Award (Judges' Special Prize) at the Integrated Report Award 2025, hosted by WICI Japan to recognize outstanding integrated reporting.

*1: The Dow Jones Best-in-Class Index
*2: A voluntary organization that supports the promotion and establishment of diversity management relating to LGBTQ+ people at companies and other organizations

Special Feature: In Conversation

Building a Disaster-Resilient Society Together with Our Business Partners

Beyond Insurance: From Preparedness to Building Back Better, Creating a Resilient Society for the Future

In recent years, natural disasters like heavy rainfall and earthquakes have become increasingly severe, making preparedness more important than ever for society as a whole. Against this backdrop, the Tokio Marine Group has identified "Improving Disaster Resilience" as one of its core Group materialities. Drawing on the expertise we have developed as an insurance group, we are working beyond the traditional boundaries of insurance to help build a disaster-resilient society.

One business partner that shares this commitment is WOTA CORP., which is tackling fundamental water issues such as shortages and water pollution through innovative, decentralized water infrastructure. In this dialogue, Yosuke Maeda of WOTA and Mika Nabeshima of the Tokio Marine Group discuss the importance of disaster resilience and the future that both companies seek to create together.

Yosuke Maeda

President and CEO, WOTA Corp.

Founded WOTA Corp. with the ambition of addressing water challenges at their root by looking beyond individual problems to the underlying systems that create them. Through the development of small-scale, decentralized water recycling systems, WOTA is working to address water infrastructure challenges in everyday life while also providing solutions to water supply disruptions during disasters. The company has provided emergency water supply support in disaster-affected areas across Japan, including the Noto Peninsula Earthquake, and is working with local governments to develop the next generation of water infrastructure.

Mika Nabeshima

Group Chief Sustainability Officer, Tokio Marine Holdings, Inc.

After joining Tokio Marine & Nichido Fire Insurance, she spent many years in the claims service division supporting customers in their times of need, working on resolving issues after accidents and on accident prevention and recurrence prevention. She subsequently served as General Manager of the Human Resources Department at Tokio Marine Holdings and as the first CDIO (Group Chief Diversity & Inclusion Officer), and has held her current position since fiscal 2024.

What is disaster resilience?

Resilience refers to the ability to adapt and recover when faced with adversity. Disaster resilience is the capacity to prevent and mitigate damage from disasters as much as possible, while enabling rapid recovery and reconstruction when damage does occur.

The presence of P&C insurers, seen again and again in disaster-affected areas

Nabeshima: To begin, could you tell us what impression you had of Tokio Marine before you had any business contact with our Group?

Maeda: Ever since I was a child, I recognized Tokio Marine as one of Japan's leading companies. To be honest, though, I did not initially associate Tokio Marine with disaster prevention or resilience. On the other hand, WOTA's work frequently took me to disaster sites. Looking back, I realized that representatives from P&C insurance companies were always there on the ground in affected areas.

Nabeshima: When a disaster strikes, our mission as a P&C insurer is to first grasp the extent of the damage and then to pay claims so that customers can rebuild their lives and businesses as quickly as possible. To do that, we need to get to the site as early as we can to confirm the actual state of

the damage and deliver the support that is needed. Making use of our nationwide offices and networks, setting up a disaster response office immediately after a disaster occurs, and deploying directly to the site is precisely the role a P&C insurer is expected to play.

Maeda: Given the nature of my work, I have been to disaster sites countless times, and my impression was always that the teams from Tokio Marine were already ahead of us, arriving at the early stages.

Nabeshima: Having spent many years in disaster response within the claims service division, I am both surprised and proud to hear that we were on-site ahead of the WOTA team. That said, it was more recent that we connected with WOTA, wasn't it?

Maeda: Yes. The connection began when I received the 15th Youth Leadership Award*[1]. Mr. Nagano, the former Chairman of Tokio Marine Holdings, who was serving as head of the selection committee approached me and suggested that perhaps we could work together in the area of disaster resilience.

Nabeshima: That eventually led us to invest in WOTA as a company working to improve disaster resilience.

Maeda: I never imagined that an insurance company would approach us about an investment. At the same time, because both of us had been looking at the same issues at disaster sites, it also felt like a natural progression.

How should we respond as disasters become more severe?

Maeda: At WOTA, we talk about "creating a world where no one has to struggle for access to water when disaster strikes." As disasters become more severe, our goal is to build a society where people can continue to live with dignity even in the aftermath. Access to clean water is fundamental to maintaining this standard. Helping people regain a sense of normalcy can also reduce the risk of secondary disaster-related deaths associated with prolonged evacuation and displacement.

We cannot prevent disasters from happening altogether. What we can do is design systems in advance that allow people to maintain their daily routines even when disaster strikes. For example, technology and preparedness can reduce the duration of water outages, ensuring that the disruption does not compromise medical care. That is why we see disaster response not as a temporary cost incurred after a crisis, but as an investment in building greater resilience for the future.

Following the 2024 Noto Peninsula earthquake, we saw children take an interest in our water recycling systems and even step up to help operate them. Through disaster response, the next generation can learn firsthand how to play a part in shaping the society of the future. Seeing this firsthand made me realize that disaster response has the power to shape the future.

Nabeshima: I agree. Unfortunately, we cannot prevent disasters from occurring, but we can build a society where damage is minimized and those affected can return to their daily lives as quickly as possible. Achieving this requires society as a whole to strengthen disaster preparedness and mitigation before disasters occur. And even after a disaster, I believe there is still much that we as an insurer can do to help prevent the same damage from happening again.

Maeda: More recently, efforts have begun in disaster-affected areas of the Noto Peninsula to develop new forms of water infrastructure based on the concept of "creative reconstruction," rather than simply restoring damaged infrastructure to what it was before. In regions facing population decline, introducing decentralized water recycling systems instead of rebuilding traditional centralized infrastructure can reduce the future burden of maintenance while making communities more resilient. I believe it is important not simply to restore communities to what they were before, but to rebuild them better than before.

Nabeshima: At the Tokio Marine Group, we refer to this concept as "Build Back Better," and feel it aligns perfectly with the direction WOTA wants to pursue. To achieve this, it is essential that we view disaster preparedness and mitigation not as a "cost", but as an investment in the future. For example, together with the ID&E Group*, we provide consulting services to customers whose factories and other facilities have suffered flooding from typhoons, recommending measures to prevent a recurrence. Such actions - including the installation of flood barriers and floodwalls - are investments that help prevent damage from future disasters and significantly reduce both the risk of business interruption and the burden of recovery. This is an approach we would like to see more widely adopted.

Expanding disaster resilience across society

Maeda: WOTA is a company that develops water recycling systems, but what we want to create is not the equipment itself; it is a system that ensures people have access to water even when disaster strikes. Working with local governments, we consider how best to safeguard each community's water supply in light of population decline and changing disaster risks. We help design water supply plans and provide support all the way from system installation through ongoing operations.

Another area we are focusing on is what we call "social

*1: An awards program organized by D.A.Y. (Development Association for Youthleaders), a public interest incorporated foundation, to recognize next-generation leaders who engage in a variety of social activities with free thinking and a spirit of challenge, as well as individuals and organizations that work to develop and support such leaders.

*2: A group centered on Nippon Koei, Japan's largest general construction consultancy, which joined the Tokio Marine Group in 2025. It is engaged in nation-building and urban development around the world.

stockpiling." With water, the challenge is not simply having enough available, but getting it to where it is needed. Our approach is therefore to treat equipment distributed across different communities as a shared resource for society in normal times, and to establish a system that allows equipment to be deployed from unaffected areas to where it is needed when a disaster strikes. We believe that effective disaster response requires a system capable of reliably reaching the last mile, while taking into account different water needs, including for toilets and showers.

Nabeshima: Our thinking is very similar. As an insurer, our role goes beyond simply providing insurance to reduce losses and risks in the first place. We begin by accurately identifying the risks facing our customers and communities, and then propose measures to control those risks. In recent years, the addition of the ID&E Group, with its deep expertise and advanced technology in these areas, has significantly broadened the ways in which we can support our customers.

And once a disaster has occurred, we pay claims promptly to support recovery and then help customers take measures to prepare for the next disaster. Our aim is to provide seamless support across this entire cycle.

Maeda: So the idea is to reduce risks across society not only after a disaster occurs, but also before it happens. From our conversation, I increasingly feel that building disaster resilience cannot be achieved by any one company alone. To work together to develop the market and create an ecosystem of disaster resilience, I believe the Tokio Marine Group can play a role that extends to making risks visible, encouraging investment in preparedness, and connecting companies with management technology to local governments in order to implement disaster prevention and mitigation. What kind of mechanisms do you think are needed to make the idea of disaster preparedness as an "investment in the future" more widely embraced across society?

Nabeshima: There is a limit to how much any one company can do to strengthen the resilience of society as a whole. I believe we need to work with multiple stakeholders. For that reason, Tokio Marine & Nichido, for example, became a founding member of the disaster prevention consortium CORE, and is working with a wide variety of companies and organizations to co-create disaster prevention and mitigation businesses. We make use of the technologies and data each of them holds, and work with local governments and financial institutions across Japan to hold seminars on formulating business continuity plans for small and medium-sized enterprises.

Maeda: I see. I think that is very encouraging to hear.

Nabeshima: At the same time, no matter how well we prepare, disasters cannot be eliminated entirely. As an insurance company, our mission is to protect our customers through insurance and help those affected rebuild their lives as quickly as possible.

The way we pay claims has also evolved significantly. In the past, employees from across the country would go into the affected areas and carry out paper-based surveys through sheer manpower. Today, by leveraging satellite imagery and digital technology, we are able to deliver claim payments more quickly while minimizing the operational burden on local communities.

Tokio Marine Group's approach to building a disaster-resilient society

The Tokio Marine Group works to improve disaster resilience not only by paying claims to support affected customers in rebuilding their lives, but also through preparedness before a disaster occurs, disaster prevention and mitigation, recovery and reconstruction, and efforts to prevent the same damage from recurring.

What we can do for the children who will shape our future

Maeda: When thinking about disaster response, I believe it is also important for each individual to see water issues and disaster preparedness as their own concern. Understanding the systems that support everyday life, and thinking about how to restore protection when those systems stop, is what disaster preparedness education is fundamentally about.

My interest in water goes back to my childhood in Tokushima. In communities where the population had declined, massive water infrastructure was maintained for just a few households, while in areas with no water supply, residents lived by managing spring water themselves. Growing up in that environment led me to think naturally about how we relate to water and about the systems that sustain us. I hope children today will also have opportunities to think about how water is connected to their own daily lives.

Nabeshima: In urban areas, people take it for granted that water comes out when they turn on a tap. That is exactly why the experience of learning how water systems work and discovering that there are alternative systems can be so important as disaster preparedness education.

Maeda: Schools often serve as evacuation centers during disasters. After the Noto Peninsula earthquake, we saw junior high and high school students step up to operate shower facilities at a shelter and manage the queue of users. As they spoke with evacuees, conversations naturally developed, helping foster a deeper sense of community. Disasters are painful experiences, but I believe the children learned a great deal by taking on active roles as members of their community during such a difficult time.

Nabeshima: In other words, children are not simply there to be protected—they can also become a force that supports their communities. The Tokio Marine Group holds "Disaster

Prevention Lessons" for elementary school students across Japan. The lessons teach how earthquakes and floods occur and how to protect one's own life. For junior high school students, we also emphasize the importance of mutual support within the community. When children talk at home about what they learned in class, it prompts adults to think about preparedness as well, extending this vital knowledge to families and communities.

Insurance itself may not be something that children encounter in their everyday lives. For junior high and high school students, however, we offer interactive workshops and student internship programs where they can learn how insurance works and why risk management matters. We also want to pass on to the next generation an understanding of the value of insurance as a form of financial preparedness for times of need.

Why should companies take action?

Maeda: Extending disaster resilience across society, including to future generations, is clearly important. At the same time, for companies to sustain these efforts over the long term, they also need to make sense from a business perspective. How do you think about the balance between addressing societal challenges and generating profits as a company?

Nabeshima: We do not see the two as separate matters. Our business activities are rooted in our purpose: "to be there for our customers and society in times of need." Since our founding in 1879, we have responded to the changing needs of society by developing and providing insurance products and services. We began by providing marine insurance to support international trade and later expanded into areas such as automobile and property insurance and, more recently, cyber risk insurance. By addressing societal challenges through our purpose and creating new value for society, we also enhance our own corporate value. We see these two sides of the same coin.

Disaster preparedness and mitigation are a particularly clear example. These efforts not only strengthen the resilience of society, but also help manage risks and losses appropriately, thereby contributing to the sustainability of the insurance business itself.

Toward the future we want to create

Maeda: What we want to create is a society where choices that make sense for individuals, businesses, and local governments also lead to better outcomes for society as a whole. In other words, a society where what is optimal at the individual level is also optimal for society. Take water infrastructure, for example. Designing the right system for each community can ultimately contribute to the sustainability of Japan as a whole. The same is true of disaster response. When individual local governments and businesses make choices that collectively strengthen the resilience of society, rather than simply asking people to make sacrifices in the name of energy or water conservation, I envision a society that enjoys economic prosperity and a vibrant culture. We must learn to live in harmony with nature, building a better relationship with our planet.

Achieving this will require us to join forces with many companies, local governments, and communities. Our collaboration with the Tokio Marine Group is an important step toward that future. For me, one of the most rewarding aspects of this work is helping to extend this alignment between individual choices and the good of society more broadly.

Nabeshima: When people have both a peaceful daily life and preparedness for the unexpected, they can live with confidence and take on challenges. And when that moment of need arrives, we step forward to support their lives and businesses and help them take the next step forward as quickly as possible. Supporting both of these is the Tokio Marine Group's mission.

That is why we want to go beyond the traditional boundaries of insurance and work with a wide range of business partners, including companies like WOTA that share our aspirations, to contribute to greater resilience across society through disaster preparedness and mitigation, as well as recovery and reconstruction.

Maeda: Preparing before a disaster strikes, rather than devoting significant time and resources to recovery afterward, can make people's lives and communities more resilient. As we have discussed throughout our conversation

today, I hope the idea that disaster preparedness is not a cost, but an investment in protecting our future, will become more widely embraced across society.

Nabeshima: I could not agree more.

Maeda: Through this dialogue, I have come to see the potential for us to work together on a variety of initiatives going forward. I hope we can also work together to encourage broader action across society.

Nabeshima: Yes, we would very much welcome that. Together, I hope we can make preparing for and responding to disasters an integral part of building a better future and work toward a society where everyone can live in safety with peace of mind.

For specific initiatives by the Tokio Marine Group relating to improving disaster resilience, please see Section 9. "Improve Disaster Resilience" in the Detailed Section. For more information on WOTA Corp.'s initiatives, please also see Section 16 "Quantification of Social Value" in the Detailed Section. The initiative is also featured in the Climate & Nature Report 2026 as an example of investment in companies working to realize a resilient society.

Sustainability Management

(Detailed Section)

1 Progress of the 8 Material Issues (Materiality)

Material issues	How the Group can contribute (Major initiatives)	Key indicators (qualitative or quantitative)	Fiscal 2025 achievements
Take Climate Action	・Engage with clients and provide insurance and solutions to support decarbonization ・CO_2 reduction in our operations	・By fiscal 2030, implement decarbonization proposals for at least 160 of the 200 major corporate customers that account for approximately 90% of GHG emissions (Tokio Marine & Nichido) ・By fiscal 2030, underwrite decarbonization-related insurance*1 of 100 billion yen on a Group basis ・In fiscal 2030, reduce the Group's GHG emissions by 60% compared with fiscal 2015	・Engagement with corporate insurance customers (number of companies to which decarbonization proposals were made): 130 companies ・Decarbonization-related insurance underwritten*1: 55.5 billion yen ・Reduce the Group's GHG emissions*2: 62% (compared with fiscal 2015)
Protect the Natural Environment	・Mangrove planting and ocean conservation activities ・Evaluation of nature-related challenges through the LEAP approach*3 and provision of products and services to address these challenges ・Sustainability-themed investment and impact investment	・Continue mangrove planting activities for 100 years ・Provide products and services aimed at solving nature-related issues	・Annual CO_2 fixation volume through mangrove planting and other measures: 77,000tons ・"Green Gift" project: Reduction in paper usage by 3,256 tons (Tokio Marine & Nichido) ・Sustainability-themed investments and financing: 159.9 billion yen (balance at the end of fiscal 2025)
Improve Disaster Resilience	・Enhancing responses to natural disasters ・Develop and provide products and services contributing to disaster prevention, mitigation and early recovery ・BCP formulation support in cooperation with municipalities and companies	・Develop products and services that provide swift insurance payments in the event of a large-scale disaster ・Co-create disaster prevention and mitigation businesses with various industries and companies ・Continue providing support to BCP	・Large-scale natural disaster response*4: Approximately 160,000 cases, 25.0 billion yen (Tokio Marine & Nichido) ・Customer satisfaction rate*5 for insurance claims payments for large-scale natural disasters: approximately 92% (Tokio Marine & Nichido) ・Number of companies providing paid services*6 contributing to resilience improvement: 2,657
Support Healthy and Fulfilling Lives	・Expand and promote health management support services ・Responding to wealth building and savings needs associated with extended healthy life expectancy (through the development and provision of new healthcare services)	・Continue support for health and productivity management ・Develop and provide new solutions based on health-related information and insurance data	・Number of companies supporting health management: approximately 1,700 companies (Tokio Marine & Nichido) ・Certification as a Health and Productivity Management Outstanding Organization: 10 times ・Product supporting a society based on health and longevity: Launch of *Anshin Dream Whole-Life Insurance*
Value People and Promote Diversity and Inclusion	・Promote human capital management ・Promote culture of diversity, equity & inclusion ・Advance human rights due diligence	・Ensure a stable and continuous supply of managerial talent and build a strategically aligned talent portfolio ・Percentage of female directors and Audit & Supervisory Board members by fiscal 2027: 30% (Tokio Marine Holdings) ・Paternity leave uptake: 100% (Tokio Marine Holdings and its domestic consolidated subsidiaries)	・Engagement score*7: 80% ・Female directors and Audit & Supervisory Board members: 27.8% (Tokio Marine Holdings) ・Paternity leave utilization rate*8: 86.7%
Provide Innovative Solutions	・Utilize digital technology and data to expand the insurance and solution businesses (including disaster prevention and mitigation, mobility, decarbonization and healthcare) ・Address the increasing cyber risks amid advancing digitalization	・Develop and provide insurance products and services related to disaster prevention, mitigation and mobility, primarily for small and medium-sized enterprises ・Develop and provide cyber risk insurance and cutting-edge pre- and post-incident services	・Number of solution provided: 5,282 companies*9 (Tokio Marine & Nichido) ・Investments in startups: Approximately 70 companies (as of May 31, 2026, publicly made available data) ・Provision of telematics devices: Approximately 1.12 million units*10
Provide Opportunities for Future Generations	・Educational support for children and students through programs such as "Green Lessons" on environmental themes, "Disaster Prevention Lessons" on disaster preparedness and financial and insurance education programs ・Support for participation in business activities through initiatives such as offering junior internship opportunities to high school students	・Continue providing Green Lessons ・Continue providing Disaster Prevention Lessons	・Number of students attending Green Lessons: 62,000 (since 2005, cumulative) ・Number of participants in Disaster Prevention Lessons*11: 132,000 (since 2012, cumulative) ・Financial and insurance education in South Africa*12: Approximately 200,000 (cumulative as of June 30, 2026)
Open Governance with Integrity	・Improve business quality and enhance internal controls ・Timely, appropriate and highly transparent information disclosure	・Steadily implement measures to strengthen and improve internal control and governance ・Disclose information through integrated reports, sustainability reports and other materials	・Percentage of Outside Directors on the Board: 54%; Percentage of Outside Auditors on the Audit Committee: 60% ・Percentage of outside members on the Group Audit Committee: 50% ・Issuance of Climate & Nature Report to comprehensively disclose initiatives to resolve climate change and nature-related challenges

*1: Insurance for renewable energy businesses, including offshore wind and solar power, as well as extended warranty insurance for electric vehicles and storage batteries, directly contributing to the realization of a decarbonized society
*2: Excludes ID&E Holdings, which joined Tokio Marine Group in February 2025. ID&E Holdings has also established its own fiscal 2030 target: 42% reduction in Scope 1 and 2 emissions compared with the fiscal year ended June 2023.
*3: An integrated approach for assessing and managing nature-related issues, formulated under the TNFD. LEAP stands for Locate, Evaluate, Assess, and Prepare.
*4: The number of insurance claims and amounts paid by Tokio Marine & Nichido without consideration of reinsurance, based on direct underwriting for a total of six major disasters, including the heavy rain in the Kyushu region, Typhoon No. 15 (Typhoon Peipah) and the 2025 Aomori earthquake
*5: Results of the most recent customer survey of auto and fire insurance policyholders regarding insurance claims payments during disasters (April 2025-March 2026)
*6: Solutions provided by the Group in Japan for a fee, such as support for developing business continuity plans and related risk management assistance
*7: Percentage of employees who responded favorably (ratings of 4 or 5 on a five-point scale) to each question in the culture and value survey (CVS)
*8: Calculated under the Child Care and Family Care Leave Act as follows: "Number of male employees who took childcare leave, etc., during the fiscal year (including cases where leave was taken for childcare purposes) ÷ Number of male employees whose spouses gave birth during the fiscal year"
*9: When multiple solutions are contracted by one company, they are counted more than once.
*10: Combined total of enrollments in *Drive Agent Personal* (DAP) provided by Tokio Marine & Nichido and PHLYTRAC telematics program provided by PHLY
*11: Global achievements including implementation in countries such as China, Vietnam and Indonesia
*12: In 2011, South Africa's Hollard Insurance Group developed a financial and insurance education program called "StreetWise Finance" to teach essential financial management skills, offering it free of charge in rural areas of South Africa.

2 Relationship between the 8 Material Issues and 17 SDG Goals

Tokio Marine Group's 8 Material Issues Contributing to the SDGs

Tokio Marine Group provides various products and services and is undertaking initiatives to realize a sustainable society.

The 8 material issues the Group has defined are closely aligned with the 17 SDG goals. We will strive to contribute to the attainment of the SDGs by resolving these material issues.

8 material issues	17 SDG goal
Take Climate Action	**7. Affordable and clean energy** (Ensure access to affordable, reliable, sustainable and modern energy for all)
	13. Climate action (Take urgent action to combat climate change and its impacts)
Protect the Natural Environment	**6. Clean water and sanitation** (Ensure availability and sustainable management of water and sanitation for all)
	14. Life below water (Conserve and sustainably use the oceans, seas and marine resources for sustainable development)
	15. Life on land (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss)
Improve Disaster Resilience	**11. Sustainable cities and communities** (Make cities and human settlements inclusive, safe, resilient and sustainable)
Support Healthy and Fulfilling Lives	**1. No poverty** (End poverty in all its forms everywhere)
	2. Zero hunger (End hunger, achieve food security and improved nutrition and promote sustainable agriculture)
	3. Good health and well-being (Ensure healthy lives and promote well-being for all at all ages)

8 material issues	17 SDG goal
Support Healthy and Fulfilling Lives	**10. Reduced inequalities** (Reduce inequality within and among countries)
	12. Responsible consumption and production (Ensure sustainable consumption and production patterns)
	16. Peace, justice and strong institutions (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels)
Value People and Promote Diversity and Inclusion	**5. Gender equality** (Achieve gender equality and empower all women and girls)
Provide Innovative Solutions	**8. Decent work and economic growth** (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)
	9. Industry, innovation and infrastructure (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation)
Provide Opportunities for Future Generations	**4. Quality education** (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all)
Open Governance with Integrity	**17. Partnerships for the goals** (Strengthen the means of implementation and revitalize the global partnership for sustainable development)

3 Stakeholder Engagement — Promoting Initiatives Together with Various Stakeholders

For implementing high-quality management practices, Tokio Marine Group believes that building mutual trust through dialogues with all stakeholders including customers is crucial. We work to identify issues of Group companies and promote a deeper understanding of Tokio Marine Group's thinking, values and various types of initiatives based on customer opinions (customer compliments, complaints and other opinions and suggestions) received by Group companies, and through engagement with shareholders and investors, dialogue with agents, communications with employees and ESG rating agencies and opinion exchange with external experts.

Stakeholders		Engagement		Links
Category	Subcategory	Policy	Contents	
Customers	Policyholders	We continually provide customers and society with "safety and security." We will continue to promptly and appropriately provide even higher quality products, services and processes that meet the expectations of our customers.	Basic knowledge of insurance	Naruhodo Insurance Guide (Basic) (in Japanese) Naruhodo Insurance Guide (Life Events)
			Customer satisfaction levels	Response to Customer Feedback
	Business partners	We aim for healthy mutual growth and development with our business partners.	Business partners	Sustainability in the Value Chain
Shareholders	Shareholders and investors	To ensure transparent and fair management, we work for timely and appropriate information disclosure, while implementing a variety of measures to realize constructive dialogue with domestic and overseas shareholders and investors.	Dialogue with shareholders and investors	Stakeholder Engagement (Dialogue with Shareholders and Investors) Corporate Governance (Response to Shareholders and Other Stakeholders)
			Disclosure policy	Disclosure Policy
Employees	Tokio Marine Group employees	We respect each and every employee as individuals and recognize their dignity and value, and pay careful attention to ensure that they can fulfill their responsibilities to their families. We aim to be a professional group with very distinctive characteristics while cooperating to ensure all colleagues maximize their performance with integrity and compassion.	Employee satisfaction levels	Human Capital Management and Promoting DE&I
	Insurance agents	We emphasize mutual trust with our agents and combine our strengths to meet the needs of customers while cooperating to promote mutually sound growth and development.	Agents	Working Together with Agents to Improve Quality Education and Training Systems for Agents

Stakeholders		Engagement		Links
Category	Subcategory	Policy	Contents	
Society	Local communities	As a good corporate citizen, we strive to be trusted by all people and society while contributing to the creation of a society where a diverse group of people can live healthy lives with a sense of security. We also make efforts to soundly protect the global environment for future generations. In addition, by partnering with NPOs, etc., we conduct a mangrove planting project.	Awards	External Evaluations
			Initiatives	Participation in Initiatives
			Mangrove Planting Project	Protecting the Global Environment through Products and Services (Green Gift Project: Mangrove Planting)
	Research institutions	To respond to disasters caused by climate change, we will enhance our natural disaster risk assessment through industry-academia collaboration and will provide products and services for stable responses to disasters in the future.	Climate change and natural disaster risk research	Research on Climate Change and Natural Disaster Risks
	External initiatives, organizations, governments	To respond to global-scale issues such as climate change, poverty, human rights and resource and energy issues and help create a secure, safe and sustainable future, we will collaborate with governments and industry organizations and participate in initiatives that include the United Nations Global Compact and the United Nations Environment Programme Finance Initiative (UNEP FI), and undertake activities in cooperation with a variety of stakeholders toward resolving these issues.	Participation in initiatives	Participation in Initiatives
	Media	Based on the Tokio Marine Group Sustainability Charter that states, "We intend to disclose information timely and appropriately and to promote dialogue with all our stakeholders to ensure effective corporate management," we will cooperate with the media and carry out fair, timely and proper disclosure of company information to gain the trust and understanding of our stakeholders.	News release	News release
			Tokio Marine Holdings corporate website (sustainability page)	Tokio Marine Holdings Corporate Website (Sustainability page)
Future generations		We aim to pass on a sustainable global environment to future generations.	Environmental protection activities	Protecting the Global Environment through Products and Services (Activities to Protect Forests and the Sea)

Dialogue with Stakeholders

Dialogue with Shareholders and Investors

Tokio Marine Holdings ensures the transparency of its disclosures and accountability and provides information to capital markets in a timely, fair and continuous manner to build trust and facilitate an understanding of its initiatives to enhance corporate value and the correct evaluation of the Company. Additionally, through constructive dialogue between management and shareholders and investors, we accurately understand their views on us and conditions in the capital markets. Their opinions and insights are reported widely to management and other members of the Company to improve our management and further enhance our corporate value.

Through constructive dialogue with investors, we communicate our management strategies, business strengths, growth potential and other factors to ensure that our corporate value is appropriately recognized in the capital markets.

As part of investor relations (IR) activities to hold dialogue with institutional and individual investors, we have been proactively engaging in dialogue with investors across the world through IR conferences, financial results conference calls and the Annual Investor Day event (held in New York on-site and live streamed worldwide on the Internet). We have also conducted individual interviews with a total of 816 institutional investors both in Japan and overseas. We have also been working to increase the number of individual investors by holding briefing sessions in Tokyo and Nagoya, which are attended by our top and senior management.

External views and suggestions obtained from the capital markets through these IR activities are fed back internally and reflected in our management and business strategies for enhancing the Group's fundamental value.

In shareholder relations (SR) activities to hold dialogue with shareholders, we have held individual dialogues with a total of 237 companies, including institutional investors, other corporate investors and financial institutions in and outside Japan. The figure covers 72% of the shareholders of our outstanding shares.

Opinions, recommendations and external views obtained from shareholders through these SR activities are also fed back internally and used to enhance the effectiveness of the Board of Directors and increase the sophistication of management decision-making, corporate governance and sustainability management.

IR conference video in May 2026 (in Japanese)

Dialogue with Employees

Tokio Marine Holdings is also making efforts to report the opinions obtained through dialogue with shareholders and investors widely to management and other members of the Company and reflect them in the improvement of management. Many of our employees have no contact with capital markets in their daily work, but through IR activity reporting sessions, come to understand the voices of the capital markets, the evaluation of the Company and the connection between their work and the capital markets. This has a positive impact on their own motivation and growth, and as a result, a virtuous circle of company growth is also created.
In fiscal 2025, we shared the Group's strategies and other matters and held dialogue with a total of some 2,500 Group employees in and outside Japan, including those from six overseas subsidiaries.

Dialogue with the Local Communities (Environment / Human Rights)

Dialogue with Environment-Related NGOs

As another focused effort, Tokio Marine Holdings shares information and has discussions with environment-related NGOs. The knowledge obtained through these efforts is broadly conveyed throughout the Company, including management, and used in its own climate action. In fiscal 2025, we received information from environmental NGOs about energy-related projects that have drawn social interest from the perspectives of human rights and climate change as in the previous fiscal year. We also held online opinion exchange meetings with them on regions requiring attention from the perspective of natural capital and on our climate action policies.

Dialogue with Human Rights-Related NGOs and Rightsholders

Tokio Marine Holdings continuously holds dialogue with experts and rightsholders in the human rights field to increase the effectiveness of its initiatives to respect human rights. In fiscal 2025, in light of the diversifying human rights risks following an expansion of our business domains, we held dialogue on business and human rights with experts and exchanged opinions about revisions to our human rights risk map and direction of our response in high-risk areas. As an effort to identify impacts on human rights in the Group's value chain, we carry out human rights impact assessments for agents and other rightsholders. The knowledge obtained through the dialogue and fact-finding activities is used to increase the sophistication of prevention and mitigation of human rights risks and human rights due diligence.

Dialogue with Future Generations

Tokio Marine Holdings provides a range of participatory educational programs around the world for future generations. One is the Junior Internship Program, in which high school students experience working at Tokio Marine Group and learn about insurance. They hold animated discussions with our employees, providing their opinions about insurance companies and products from the perspective of a future generation. Overseas, we hold the Junior Advisory Council in collaboration with a university, in which university students discuss important issues in the workplace from the perspective of a future generation. We utilize the resulting implications in our management. Tokio Marine Holdings also holds a Family Day event at various locations to provide a fun opportunity for children to tour around their parents' offices and learn about their work. The event also serves as an opportunity for employees themselves to reaffirm the significance and purpose of their work through the reactions of their children.

4 Participation in Initiatives

Tokio Marine Group supports and respects the Universal Declaration of Human Rights, the ILO's International Labour Standards and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. Also, Tokio Marine Group will contribute to the creation of a safe, secure and sustainable future through participation in such initiatives as the United Nations Global Compact (UNGC), the United Nations Environment Programme Finance Initiative (UNEP FI), UNEP FI Principles for Sustainable Insurance (UNEP FI-PSI) and the United Nations Principles for Responsible Investment (PRI).

Category	Name of initiative	Efforts of Tokio Marine Group
Human rights, labor, the environment and anti-corruption	United Nations Global Compact (UNGC) / United Nations 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 disclosure	Partnership for Carbon Accounting Financials (PCAF)	Tokio Marine Holdings contributes to the discussion on the measurement and analysis of GHG emissions as well as avoided 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 TNFD Consultation Group of Japan	Tokio Marine Holdings joined the TNFD Forum in January 2022 and became registered as a TNFD Early Adopter in January 2024.
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 COOL CHOICE	Tokio Marine & Nichido encourages "smart choices" to help promote decarbonization.
	Ministry of the Environment "Fun to Share" Climate Change Campaign	Tokio Marine & Nichido proactively promotes efforts toward a low-carbon society.
	Ministry of the Environment "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.

5 Contributing to Sustainable Society through International Dialogue and Collaboration

Achieving a sustainable future requires dialogue and collaboration with diverse stakeholders, in addition to the efforts of companies alone. At global meeting bodies mainly in Asia, Tokio Marine Group has held repeated dialogue on diverse themes, such as the transition toward decarbonization, disaster resilience, sustainable investment and just transition, with government and financial authorities of each country, international organizations and researchers to share knowledge and foster a mutual understanding.

■ Energy Transition and Insurance in the Asia-Pacific Region

The APEC Business Advisory Committee (ABAC), which provides support from the private sector standpoint for policy challenges of the Asia-Pacific Economic Cooperation (APEC), focuses on the importance of the roles that insurance can play in the process of promoting energy transition toward decarbonization. As one effort, ABAC hosted an online session on July 10, 2025, to discuss means to utilize insurance-related functions to promote the transition based on the energy reality in the APEC region, using the Insurability Readiness Framework developed by The Geneva Association as discussion material. During the session, Tokio Marine Holdings explained its efforts to increase risk assessment capabilities to safeguard insurance coverage from the standpoint of an insurance company based in Asia. Nearly 30 policy practitioners from 10 economies in the APEC region participated in the session, showcasing their high degree of interest in this topic.

■ Participating in the UNDRR & ARISE Japan Joint Symposium 2026

Tokio Marine Holdings participated in the UNDRR & ARISE Japan joint symposium 2026, held in the year marking 15 years since the Great East Japan Earthquake. We conveyed to the world that, under our corporate purpose of "protecting customers and society in times of need," we are working to create a disaster-resilient society by providing comprehensive disaster prevention and mitigation solutions. The solutions cover every step of the risk management cycle, from risk assessment and pre-disaster measures to early recovery and post-disaster measures, including measures to "Build Back Better," in addition to conventional financial compensation through insurance.

■ Increasing the Sustainability of Home Insurance in the Asia-Pacific Region

Tokio Marine Holdings has been serving as a Sherpa at the Asia-Pacific Financial Forum (APFF), which is organized under APEC's Finance Ministers Process (FMP), for the Disaster Risk Financing and Insurance (DRFI) network to provide capacity-building opportunities for the financial authorities of the APEC economies. As part of this effort, we held an online knowledge-sharing session on November 18, 2025, with the cooperation of The Geneva Association, using the report "Safeguarding Home Insurance: Reducing exposure and vulnerability to extreme weather" released by the association in May 2025 as discussion material. Tokio Marine Holdings explained disaster-related laws and policy efforts through the establishment of disaster prevention infrastructure in Japan, whereas the Insurance Council of Australia presented an initiative to help each household increase its risk tolerance through the widespread use of a forest fire risk assessment app. The Department of Finance of the Philippines also reported on the implementation of multi-layered natural disaster financial risk management to increase risk responsiveness at the national level. We shared with the participating authorities that diverse approaches are possible, depending on the situations facing each economy.

■ Roles of Insurance Underpinning Adaptation Finance

Various international sustainable finance meeting bodies have been engaging in discussions on how to implement adaptation finance. For example, the Asia-Pacific Network launched by the Glasgow Financial Alliance for Net Zero (GFANZ) held an online session to discuss adaptation finance on January 13, 2026, for professionals working at financial institutions in the Asia-Pacific region. Tokio Marine Holdings presented example climate change adaptation efforts conducted jointly with relevant government ministries and agencies. Of these, one case led by the Ministry of Land, Infrastructure, Transport and Tourism, which showcased the role an insurance company can play in the government policy for collaborative protection measures for port facilities, has drawn attention. It was included in a collection of exemplary case studies published by GFANZ in June 2026.

■ Presenting Our Efforts in International Dialogue Held by a University for Promoting a Nature Positive Society

Tokio Marine Holdings has been proactively engaging in international discussions toward realizing a nature-positive society. At the 2nd Asian Biodiversity Credit Alliance International Symposium held by The University of Tokyo on March 5, 2026, we presented various nature-related initiatives promoted by Tokio Marine Group as a reference for parties from academia

and relevant government ministries and agencies as well as professionals at private-sector companies in Asia. These initiatives are conducive to the conservation of biodiversity, which is closely linked with climate change, and reinforcement of disaster resilience, such as mangrove planting activities in the Asia-Pacific region, protection and restoration of eelgrass beds at various locations in Japan and regeneration of tape seagrass in Ishigaki City, Okinawa Prefecture. We also presented efforts by Nippon Koei to prevent surface erosion using soil algae, a system to protect seagrass beds, and propose sea areas suitable for seagrass growth and generation of forest-focused carbon credits.

■ Responding to Latent Human Rights Risks in Generation of Carbon Credits

Carbon credits have attracted increased attention as a system to promote transition to decarbonization. To underpin their growth, Tokio Marine Group has been developing insurance products that cover various risks associated with the generation and trading of carbon credits. However, human rights infringements relating to carbon credit generation have been considered as risks that are difficult to deal with, as we only have high-level international principles regarding human rights and no systems for identifying and assessing such risks.

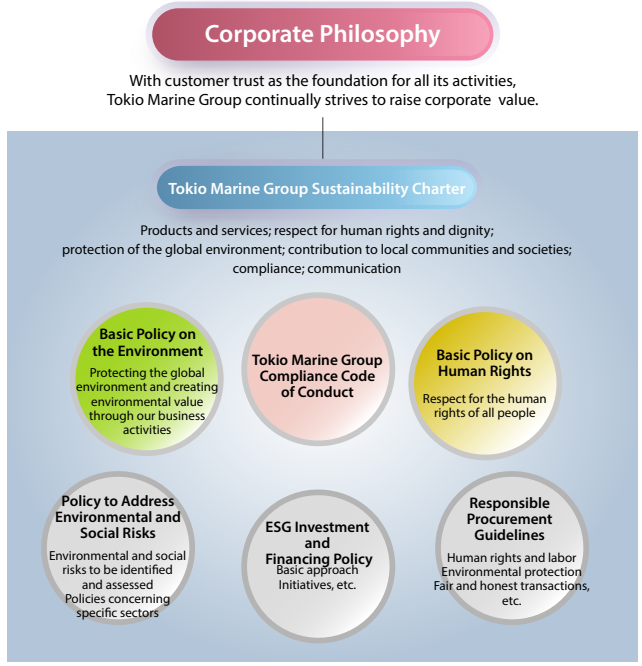
In response, four entities came together to collaborate, including Tokyo Gas Co., Ltd., a major carbon credit offtaker; Kuramoto International Law Office specialized in human rights-related legal affairs; Nippon Koei, which has abundant experience in dealing with human rights risks cultivated through its participation in infrastructure projects in developing countries; and Tokio Marine & Nichido specialized in risk assessment and transfer. Through their joint effort, the Framework for Respecting Human Rights by Business Enterprises Involved in Carbon Credit Generation Projects was developed and published in August 2025.

In order to seek opinions about the framework from among international experts, Tokio Marine & Nichido hosted a panel discussion, "Insurance as a catalyst to enhance carbon credit integrity," on September 25, 2025, as a program at the International Emissions Trading Associations (IETA) North America Climate Summit (NACS) 2025, which was an affiliate program of Climate Week NYC 2025 held in New York City, the United States. The discussion was joined by an expert in legal affairs related to carbon credits and a consultant who have been engaging in policy discussions under the United Nations Framework Convention on Climate Change (UNFCC), in addition to representatives from Tokyo Gas, Kuramoto International Law Office and Tokio Marine Holdings. We presented the framework to parties involved in the generation and trading of carbon credits to seek their feedback. The session participants expressed expectations that the framework will lead to the stabilization of carbon credit generation.

6 Sustainability-Related Policies

As our Corporate Philosophy states, with customer trust as the foundation for all its activities, Tokio Marine Group continually strives to raise corporate value. We have accordingly formulated the Sustainability Charter consisting of six pillars: products and services; respect for human rights and dignity; protection of the global environment; contribution to local communities and societies; compliance; and communication. We seek to fulfill our corporate social responsibility by encouraging each employee to follow these principles of conduct to put our Corporate Philosophy into practice and by achieving sustainable growth in tandem with society.

In 2021, we formulated the Basic Policy on Human Rights, which states to respect the human rights of all people, and the Basic Policy on the Environment, which represents our aim as Tokio Marine Group to protect the global environment and create environmental value through our business activities. In March 2023, we formulated the Responsible Procurement Guidelines and have since been working with business partners in our value chain to take climate action, increase disaster resilience, reduce environmental impact, use resources effectively and conserve natural capital and biodiversity.



Sustainability Charter and Basic Policies
Tokio Marine Group Basic Policy on the Environment
Basic Policy on Human Rights
Tokio Marine Group Compliance Code of Conduct
Policy to Address Environmental and Social Risks
Responsible Procurement Guidelines
ESG Investment and Financing Policy

7 Take Climate Action

7.1 Responding to Climate Change

7.1.1 Our Climate Strategy

Tokio Marine Group's business purpose has been "to be there for our customers and society in times of need." With this in mind, Tokio Marine Group has made it our core identity "To Be a Good Company" — one that can still be trusted by customers and society in their times of need 100 years from now. From our long history in the insurance industry, we have accumulated knowledge and experience that have enabled us not just to provide safety and security but to contribute to social development as well. In continuing to contribute toward solving societal challenges, we help build a safe, secure and sustainable future that generates value for all of our stakeholders and more broadly for all of society while persistently enhancing the Group's corporate value.

Climate change is a global and historic challenge for humanity that threatens the safety and security of customers and society, and the intensification of natural disasters has a direct impact on the insurance industry. As such, we regard it as one of the most important issues that we should tackle head-on in our core insurance business and as an institutional investor and global company. Tokio Marine Group will voluntarily implement climate action and help promote the transition to a decarbonized society based on constructive dialogue and cooperation with various organizations and industrial groups, including international organizations, governments, industries, academic institutions and civil society, toward the achievement of the Paris Agreement adopted at the 21st session of the Conference of the Parties to the UNFCCC held in December 2015.

In advancing the transition to a decarbonized society, it is essential to pursue a realistic and steady transition that takes into account the circumstances of each industry and region, the maturity of available technologies and the energy supply infrastructure. Tokio Marine Group identifies risks and opportunities associated with the transition through dialogue with customers and supports their transition initiatives by combining insurance products and solutions, risk management support and the provision of expertise.

Tokio Marine Group's approach to transition support, specific initiatives and related case examples are described in detail in the Climate & Nature Report. For details, please refer to the following.

Our Climate Strategy
Climate & Nature Report 2026

Release of Climate & Nature Report 2026

The intensification of natural disasters in recent years has caused a significant impact on customers and society and made it an urgent task to take climate action and improve disaster resilience. Advancing climate action absolutely requires the understanding and support of all stakeholders. To date, Tokio Marine Holdings has contributed to the formulation and publication of the TCFD recommendations as a founding member of the TCFD and has been making disclosures based on these recommendations in its integrated annual reports and sustainability reports since 2017.

In 2024, as a TNFD Early Adopter, Tokio Marine Holdings issued the TNFD Report on its initiatives related to nature-related challenges for more enhanced information disclosures.

In order to further promote comprehensive efforts to tackle the inseparable climate change and nature-related challenges, Tokio Marine Holdings integrated the TCFD Report and TNFD Report in 2025 and disclosed relevant information in the Climate & Nature Report. This report describes Tokio Marine Group's response to climate change and nature-related challenges in terms of "governance," "strategies," "risk and impact management" and "metrics and targets," which represent the four pillars of the TCFD and TNFD recommendations. In the "Strategies" section, in particular, we describe the value we deliver in the realms of climate and nature from the perspectives of insurance underwriting, investment and financing and solutions.

While always keeping in mind our purpose of protecting customers and society in times of need, we will continue to seek to resolve societal challenges through business activities, enhance our corporate value and support the decarbonization of customers and local communities and the solving of nature-related challenges through our insurance products and solutions as well as investment and financing.

Climate & Nature Report 2026

7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group

7.2.1 Reducing CO_2 Emissions and Becoming Carbon Neutral

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

❶ Reduce: Use energy-efficient buildings and facilities and cut back on energy usage.
❷ Switch: Switch to natural energy.
❸ Offset: Absorb and fix CO_2 by mangrove planting and retirement of emissions credits.

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

■ Taking Climate Action toward Achieving Net Zero in 2050

Toward achieving carbon zero in 2050, Tokio Marine Holdings has defined new targets for taking climate action, which is one of its material issues related to sustainability and is also one of the key issues over the medium to long term.

❶ Reduce greenhouse gas (GHG) emissions of Tokio Marine Holdings by 60% in fiscal 2030 from the fiscal 2015 level.
❷ Use 100% renewable energy for electricity consumed at major bases in fiscal 2030.
❸ Replace all company-owned vehicles with electrified vehicles in fiscal 2030 (Tokio Marine & Nichido, Tokio Marine & Nichido Life, Nisshin Fire).
❹ Aim for net zero GHG emissions by fiscal 2050 (including insurance customers, investee companies and financing recipients).

■Structure for Promoting Environmental Management

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

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

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

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

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

■Raising Employees' Energy Conservation Awareness

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

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

■ Promoting the Use of Natural Energy

Tokio Marine Group is promoting the use of natural energy in Japan and overseas. In fiscal 2022, Tokio Marine Holdings, Tokio Marine & Nichido and Tokio Marine & Nichido Life fully switched to renewable energy for electricity used within their head office building. From 2002 to 2022, Tokio Marine & Nichido purchased green power of approximately 1 million kWh annually through wind power and biomass power generation. In fiscal 2022, Tokio Marine & Nichido also started using green power generated by hydropower and purchasing non-fossil certificates. In addition, the Tradable Green Power Certificates purchased by the company are being allotted to the reduction of emissions at target sites based on the system regarding emissions trading and the obligation to reduce total emissions of GHG pursuant to the Ordinance on Environmental Preservation to Secure the Health and Safety of Citizens of the Tokyo Metropolitan Area (Environmental Preservation Ordinance).

U.S.-based Philadelphia Insurance Companies purchased green power to account for 100% of its electricity use over the year in its business activities and has achieved net zero emissions* since fiscal 2013. U.K.-based Tokio Marine Kiln has also fully switched to renewable energy for electricity consumed within its head office building.

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

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

[Tokio Marine Holdings and Major Subsidiaries]

<CO_2 Emission Reduction Targets>

- Long-term target (fiscal 2030): -60% (compared with fiscal 2015 level)
- Reduction target in fiscal 2025: -1% compared with previous year

<CO_2 Emissions (Fiscal 2025 Results)>

Fiscal 2025 CO_2 emissions by Tokio Marine Holdings and its major subsidiaries (Scope 1 (direct emissions) + Scope 2 (indirect emissions) + Scope 3 (other indirect emissions)) were 72,483 tons (Japan: 46,554 tons, overseas: 25,929 tons) versus a start-of-year target of 56,796 tons (a 1% reduction year on year), or a 26.3% increase in emissions compared with the previous fiscal year. (The scope of Group companies covered in the calculation of CO_2 emissions has been expanded to align with the scope of consolidation under IFRS. The numbers above reflects 8,731 tons of CO_2 reduced from the retirement of carbon credits, etc.)

17 Sustainability Performance Data (CO_2 emissions from energy sources and CO_2 reduction and fixation (Tokio Marine Holdings and major subsidiaries)) ≫

[Tokio Marine & Nichido]

<CO_2 Emission Reduction Targets>

- Long-term target (fiscal 2050): -60% (compared with fiscal 2006 level)
- Reduction target in fiscal 2025: -1% compared with previous year

<CO_2 Emissions (Fiscal 2025 Results)>

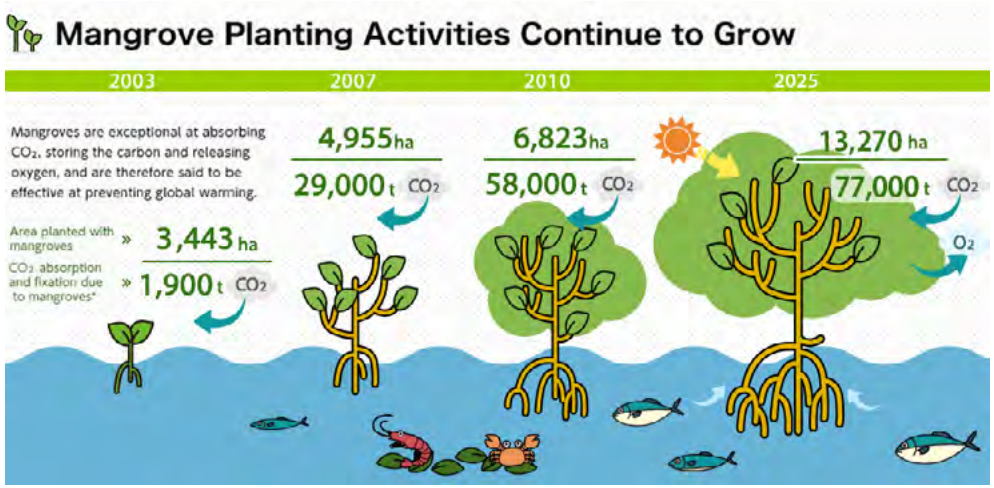
Fiscal 2025 CO_2 emissions by Tokio Marine & Nichido (Scope 1 (direct emissions) + Scope 2 (indirect emissions) + Scope 3 (other indirect emissions)) were 17,287 tons versus a start-of-year target of 19,231 tons (a 1% reduction year on year). The percentage of reduction was 11.0% compared with the previous fiscal year, thereby achieving the target. The main cause of this decrease was a reduction in power consumption owing to energy-saving initiatives.

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

■Contributing to Taking Climate Action through Mangrove Planting and Other Activities

In addition to working to reduce GHG emissions from its own business activities, Tokio Marine Group has engaged in the Mangrove Planting Project, mainly in Southeast Asia, since 1999 as a climate action initiative that utilizes nature.

Mangrove forests are important natural capital. Not only do they possess the ability to absorb and fix large amounts of CO_2, but they also help mitigate damage from high tide, tsunamis and other disasters, conserve biodiversity and maintain and improve the livelihoods of local communities. By the end of fiscal 2025, the mangroves planted through this project had absorbed and fixed approximately 77,000 tons of CO_2, creating environmental value as an initiative that contributes to the Group's climate action initiative and the conservation and restoration of natural capital.



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

Note: The coverage of calculations for Scope 3 (other indirect emissions) was expanded in fiscal 2015.

7.2.2 Reduction of Environmental Footprint in Business Activities

■Environment-Friendly Buildings and Facilities

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

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

[Efforts by Tokio Marine & Nichido]

Jointly with Tokio Marine & Nichido, Tokio Marine Holdings has unveiled the design of our new head office building, which will be rebuilt as the redevelopment project of the current Tokio Marine & Nichido main building and annex building.

These buildings will be reborn as a 100-meter-high "head office building made of trees," the world's largest wooden hybrid structure at the time of its completion, which uses an unprecedented amount of domestic fire retardant wood. Wood is an excellent eco-friendly construction material that absorbs and stores CO_2 during the process of growth. By utilizing a large quantity of domestic timber and through other CO_2 reduction measures, we can reduce the amount of CO_2 emitted during the construction of the building by approximately 30% compared to when constructing regular buildings. In addition, we will contribute to saving energy and realizing a decarbonized society* by introducing highly energy-efficient facilities and a district heating and cooling system and using 100% renewable energy for our electricity consumption. Since many trees planted after the Second World War are said to have grown enough for use, generating a substantial amount of demand is essential in restoring the country's forests and forestry industry. By using a large quantity of domestic timber in our new head office building, we aim to contribute to the revitalization of Japan's forestry, the creation of local employment and consequently, the establishment of regional circular economies.

* : On February 27, 2022, our new head office building plan acquired provisional certification of "Platinum," the highest rating in the LEED® (Leadership in Energy and Environmental Design) v4 for Building Design and Construction: New Construction, an international green building rating system.

[Efforts Overseas]

At Group companies overseas, as in Japan, we are taking measures to conserve energy as appropriate for each building or facility we own.

U.S.-based TMNAS (TMNA Services) works in collaboration with its relevant operating companies in the country to continuously promote ESG initiatives related to facilities. Specifically, these initiatives include introducing energy-efficient lighting and air conditioning control systems; creating an office environment that makes better use of natural light; and selecting sustainable products for carpets, building materials, interior furnishings and finishes. In upgrading furniture, the company also considers employees' ergonomic comfort, including the introduction of height-adjustable desks and task chairs.

To enhance safety, it incorporated a speaker system used for emergency and evacuation announcements and a video monitoring system. In terms of accessibility, initiatives include introducing button-controlled height-adjustable desks for all employees, replacing swinging doors with sliding doors and removing curbstones from the parking lot to eliminate height differences between the road and sidewalk. These initiatives have also resulted in traceable reductions in waste as well as in the use of water, gas, electricity and paper.

■Initiatives to Reduce Paper Use

Tokio Marine Group's volume of paper consumed in fiscal 2024 was 5,100 tons (Japan: 4,702 tons, overseas: 397 tons), which marked an increase of 18.4% on a year-on-year basis. (Paper use increased as the scope of Group companies covered in the calculation of CO_2 emissions has been expanded to align with the scope of consolidation under IFRS.) In fiscal 2026, we will continue to take action under a target of reducing paper volume in Japan by 1% from the previous fiscal year.

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

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

Examples of Initiatives toward High-Quality Solicitation ≫

■Promoting Waste Recycling

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

■ Effective Use of Water

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

■"Green Innovation for Everyone" — Passing on a Green Earth to Next and Future Generations

Tokio Marine & Nichido has been undertaking "Green Innovation for Everyone," an initiative to drastically enhance the convenience and comfort levels of customers through digitalization. The initiative is also aimed at solving societal challenges by greatly reducing the use of paper resources.

To eliminate the use of paper in contract procedures and claims payment processes, the company offers paperless options to all customers, which include digital procedures and web-based insurance contracts, clauses and renewal notices as well as online My Page registration, while working to fully digitalize documents related to policies and claims payments.

As for agents who handle contract conclusions with customers, Tokio Marine & Nichido also communicates the meaning of the initiative through seminars by external lecturers and helps them increase operational efficiency and set up a system to fully concentrate on sales activities. The company seeks to contribute to the creation of a safe, secure and sustainable society by improving customer experience (CX) and agents' digital transformation (DX).

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■First Auto Insurance Eco Mark Certification Acquired for Financial Products and Continuous Certification

Ever since acquiring the first auto insurance Eco Mark*1 certification for financial products from the Japan Environment Association (JEA) in December 2010, Tokio Marine & Nichido continues to receive certification annually for its efforts to promote various initiatives in the environment-related field. These include promotion of the Green Gift Project, dissemination of information on eco-safe driving and accident reduction via the company website, increased use of recycled parts in auto repairs and premium discount services for hybrid, electric and compressed natural gas vehicles.

In 2011, Tokio Marine & Nichido won the Silver Prize at the Eco Mark Award 2011*2 sponsored by JEA, becoming the first company in the financial industry to receive an Eco Mark award. In granting the award, JEA highly recognized the company's efforts to promote the widespread use and increase the visibility of Eco Mark-certified auto insurance products (creation of Eco Mark awareness posters and extensive use of the Eco Mark label on auto insurance leaflets and renewal notices) and to offer eco-friendly auto insurance that allows policyholders to participate in activities to reduce environmental impact through the Green Gift Project. Becoming carbon neutral in its domestic business activities in fiscal 2009 and 2010 was another point that was recognized by JEA.

Tokio Marine & Nichido will continue to offer Eco Mark-certified auto insurance products with low environmental impact throughout the lifecycle and are recognized as beneficial for environmental preservation.

*1: The Eco Mark environmental label is granted to products that are certified as having less impact on the environment throughout their lifecycles and being effective in preserving the environment.
*2: The first award scheme was established in 2010 in relation to the Eco Mark. Awards are presented to companies and organizations proactively engaged in activities to achieve the objective of the Eco Mark project: "Creation of a sustainable society through the wise choice of environment-friendly products by consumers and environmental improvement efforts by companies."

ちきゅうにやさしい
エコマーク認定自動車保険
トータルアシスト自動車保険
認定番号：10147001
この自動車保険はWeb約款選択等により
地球環境保護活動に貢献しています。

ECO・MARK・AWARD 2011

[Initiatives by ID&E Group]

■Establishing a Next-Generation Zero-Carbon Branch Office Fully Powered by Renewable Energy

Building Design Partnership Limited (BDP) collaborated with Lidl Ireland to develop a 100% net zero energy retail store in Maynooth, Ireland, over the period from 2021 to 2025. The store commenced operations in November 2025.

As a sustainability consultant, BDP worked closely with the client to analyse operational data from existing stores and develop strategies to reduce energy demand while enabling the remaining demand to be met entirely through on-site renewable energy. This approach built on detailed analysis of actual store performance.

BDP also developed a whole life cycle carbon assessment model for the building, enabling the evaluation and reduction of embodied carbon across design and material selection stages. Through optimisation of materials and building systems, the project achieved embodied carbon levels below the RIBA 2030 target for this building type.

In addition, the project incorporated measures spanning both design and operation, including improvements in refrigeration systems and the introduction of on-site energy storage. These measures were implemented to support the operation of a low-carbon retail environment.

As a result, the store is recognised as Ireland's first 100% net zero energy supermarket, operating with net zero operational carbon through the use of on-site renewable energy. The project demonstrates an integrated approach to decarbonisation in the retail sector, combining energy demand reduction, renewable energy generation, and lifecycle carbon management.

Looking ahead, the model developed through this project is expected to be applied to other retail locations, contributing to further decarbonisation in the retail sector and the advancement of sustainable store operations.

■Initiative to Decarbonize Urban Transportation through Research and Development of AI-Based Traffic Signal Control Technology

Nippon Koei Co., Ltd., in collaboration with NIPPON KOEI BANGLADESH LTD. and North South University, has been conducting research and development on an AI-based dynamic traffic signal control system targeting major intersections in Dhaka, Bangladesh, from April 2025 to March 2028.

To address issues such as severe traffic congestion and traffic signal malfunctions, which lead to prolonged vehicle idling and frequent stop-and-go driving, the project involves collecting and analyzing local traffic data to develop and validate an AI-driven signal control model that dynamically optimizes traffic flow.

Through this initiative, the project aims to reduce fuel consumption and CO_2 emissions and curb air pollution by improving traffic flow. In addition, through collaboration with local research institutions, efforts are underway to develop urban traffic models tailored to regional characteristics.

Looking ahead, the project seeks to achieve social implementation in Dhaka and apply the system to the relevant authorities' plans to introduce AI-based traffic signal control. It is also expected to contribute to the wider adoption of low-carbon transportation infrastructure through expansion to other cities in emerging countries and Official Development Assistance (ODA) projects.

8 Protect the Natural Environment

8.1 Preservation of Natural Capital and Biodiversity

Tokio Marine Group has identified the preservation of natural capital and biodiversity as one of its eight material issues (materiality) and has been working to address nature-related challenges across all its business activities.

◉ Tokio Marine Group's Vision for Preserving Natural Capital and Biodiversity

In order to protect the global environment, it is essential to achieve nature positive, which means halting and reversing the loss of natural capital and biodiversity, in addition to taking climate action. We will contribute to the creation of a society in harmony with nature through the development and provision of products and services that will lead to the resolution of nature-related issues.

Preserving natural capital and biodiversity translates into a variety of benefits, namely, lower emissions of greenhouse gases through carbon sequestration, mitigation of disaster risks from tsunamis and floods and revitalization of regional economies, and contributes to the creation of a sustainable future. Tokio Marine Group recognizes the importance of achieving the goals of the Convention on Biological Diversity, the Kunming-Montreal Global Biodiversity Framework, the Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington Convention) and aims to contribute to achieving nature positive (halting and reversing loss of biodiversity).

In addition, Tokio Marine Group is working to achieve a nature-positive status by helping customers and local governments address nature-related risks through insurance underwriting, investment and financing and solutions and by promoting the practical implementation of ecosystem conservation and restoration, green infrastructure, watershed management and other initiatives. The Group also contributes to the preservation of natural capital and biodiversity, the prevention of deforestation and the preservation and restoration of forests by reducing paper usage through insurance products subject to our customer-participating, environment-conscious Green Gift Project as well as by conducting mangrove planting overseas and environmental protection programs (including the protection and restoration of eelgrass beds) in Japan. We undertake such efforts as a member of the United Nations Environment Programme Finance Initiative (UNEP FI), the Principles for Financial Action for the 21st Century Initiative of the Ministry of the Environment (MOE), the Promotion Partners program under the Keidanren Initiative for Biodiversity Conservation and the 30 by 30 Alliance for Biodiversity also of the MOE, and based on the vision outlined below. This vision draws on the Millennium Ecosystem Assessment, the Economics of Ecosystems and Biodiversity (TEEB) and the Guidelines for Private Sector Engagement in Biodiversity issued by the MOE.

Initiatives for preserving natural capital and biodiversity as well as preserving and restoring forests are closely associated with the human rights issues concerning indigenous peoples and local community members. Tokio Marine Group desires to help resolve these issues as well through its business activities.

8.2 Protecting the Global Environment through Products and Services

Through insurance underwriting, investment and financing and solutions, we contribute to not only the alleviation of and adaptation to climate change and the protection of biodiversity and wetlands, but also to the conservation and restoration of natural capital and biodiversity. Through the Green Gift project, which involves mangrove planting and environmental protection activities in Japan and worldwide, we also work together with customers to engage in activities to protect the global environment.

◉ Nature-related Financial Disclosures Based on Recommendations of the TNFD

Tokio Marine Group has published the Climate & Nature Report 2026, which provides disclosures aligned with the framework recommended by the Taskforce on Nature-related Financial Disclosures (TNFD). The report focuses on the Group's initiatives to help achieve a nature-positive status through insurance underwriting, investment and financing, and the provision of solutions. For details, please refer to the following report.

Climate & Nature Report 2026

◉ Creating Value through the "Green Gift" Project

Through eco-friendly products, Tokio Marine & Nichido acts together with its agents to engage in global environmental protection initiatives and welcomes participation from customers as well.

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

With the support of its customers, in 2009 Tokio Marine & Nichido initiated the Green Gift Project based on the concept of undertaking eco activities. Under this project, when a customer chooses web-based insurance contracts (clauses) on its website rather than a paper-based contract in brochure form, the company donates funds corresponding to a portion of the value of the reduction in paper used to NPOs and NGOs involved in environmental protection activities. Such funds are then used to support mangrove planting overseas and environmental protection activities in Japan, including activities to protect the sea and forests, namely the protection and restoration of eelgrass beds as well as afforestation efforts in Aki City, Kochi Prefecture, and projects to rejuvenate the forest on the coast damaged in the Great East Japan Earthquake.

Customers' selection of the web policy option leads to the conservation of paper resources. Additionally, it allows the company to reduce its environmental footprint related to the manufacture and transportation of paper as well as the mailing of policies to customers and the disposal of policies after expiry. In fiscal 2025, the number of contracts taking advantage of the web policy option was approximately 15.5 million, representing a reduction in paper usage of approximately 3,256 tons.

■ Disclosing Information on the "Green Gift" Project

To help customers better understand the activities of the Green Gift Project, Tokio Marine & Nichido established a Green Gift page on its website that reports on each of the initiatives. With regard to mangrove planting activities, the page reports on topics such as planting activities in various countries where mangrove planting is undertaken, updates on the growth of planted saplings and the volume of CO_2 absorbed through planting.

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

"Green Gift" Project (in Japanese)

◉ Green Gift Project (Activities to Protect Forests): Mangrove Planting

■ TMNF: Mangrove Planting Initiative to Date

Since 1999, Tokio Marine & Nichido (TMNF) has been conducting its Mangrove Planting Project primarily in Southeast Asia. During the 27-year period to fiscal 2025, TMNF planted a total of 13,270 hectares of new forest in nine countries: Indonesia, Thailand, the Philippines, Vietnam, Myanmar, Fiji, India, Bangladesh and Malaysia. (TMNF has consigned the work to evaluate the status of mangrove growth and CO_2 absorption and fixation in planted areas to the Central Research Institute of Electric Power Industry (CRIEPI) and have been receiving reports from the institute.)

The activity was rolled out in 1999 as a commemorative project to celebrate the 120th anniversary of TMNF, with the original idea coming from employees who voiced their desire to launch a long-lasting initiative in the environmental field. The project is conducted in partnership with the NGOs Action for Mangrove Reforestation (ACTMANG), Organization for Industrial, Spiritual and Cultural Advancement-International (OISCA) and the International Society for Mangrove Ecosystems (ISME) and through collaboration with local governments and communities. Under this initiative, TMNF formulates a five-year plan using the afforested area as a key performance indicator and monitors progress on a semi-annual basis. In the current five-year plan from fiscal 2024 to fiscal 2028, the company has set the target of planting a total of 970 hectares of new forest, with 299 hectares planted in fiscal 2025 (progress rate of 69%). TMNF remains committed to systematically promoting mangrove tree planting to protect the abundance of nature.

The mangrove planting initiative has earned extensive acclaim and TMNF was presented with the Minister of the Environment Award for Global Warming Prevention Activities (International Contribution Category) in 2013. In 2019, which marked the 20th anniversary of this project, TMNF announced the Mangrove-based Value Co-creation 100-Year Declaration under which it will create value in partnership with various stakeholders, including NGOs, government agencies in tree-planting regions, local community residents, employees, agents and customers. At the same time, the company has also registered this initiative as a project of the United Nations Communities of Ocean Action to support the implementation of SDG 14 and has been promoting it accordingly.

■ Mangrove Planting Volunteer Events

Since 1999, TMNF has promoted its Mangrove Planting Project in Southeast Asia and other countries and regions. About once a year, TMNF and Tokio Marine Group employees and agents as well as their families participate in a mangrove planting volunteer event to plant mangrove seeds and saplings with local residents and visit villages and elementary schools in respective regions to promote international exchange. We have conducted 22 mangrove planting volunteer events to date, in which a total of approximately 630 members have participated.

◉ Mangrove Planting by Overseas Group Companies

In addition to Tokio Marine & Nichido, Tokio Marine Group's overseas companies such as The Tokio Marine & Nichido Fire Insurance Company (China) Limited (TMNCH), Tokio Marine Insurans (Malaysia) Berhad (TMIM) and PT Asuransi Tokio Marine Indonesia (TMI) engage in mangrove planting activities in their respective countries.

■ TMNCH: Supporting Mangrove Planting Activities in China

On May 22, 2026, which was the International Day for Biological Diversity, TMNCH once again carried out mangrove planting activities at the Fudan University Lingang Mangrove Experimental Research Base. Thirty-nine TMNCH employee volunteers participated, bringing the cumulative number of participants over the past two years to 65. In 2026, some 130 mangrove seedlings were planted. Together with the roughly 70 seedlings planted in 2025, this brings the cumulative total planted at the experimental base to approximately 200.

Intended to serve as a "gift to the future of Shanghai," this initiative contributes to the preservation and restoration of wetland ecosystems along Shanghai's coastline while also helping to strengthen local community resilience. Going forward, the company will continue promoting mangrove planting to restore and enhance the ecological functions of coastal wetlands, thereby contributing to climate change mitigation, biodiversity conservation and the realization of a sustainable society.

■ TMIM: Mangrove Planting Activities in Malaysia

Tokio Marine Insurans (Malaysia) Berhad (TMIM) has concluded a memorandum of cooperation with the Forestry Department of Sabah, Malaysia, and started supporting activities to preserve mangroves in 2023. Sabah is a state in Malaysia and is home to about 60% of the mangroves in the entire country. The preservation and restoration of mangroves play an important role not only in protecting biodiversity, but also in mitigating climate change and supporting disaster prevention and reduction in coastal areas. In 2025, some 20 people, including TMIM employees, took part in the planting activities and worked with local stakeholders to plant mangroves. This initiative, which has continued since 2023, contributes to preserving the local ecosystem while also raising environmental awareness among its employees and strengthening ties with the local community.

■ TMI: Mangrove Restoration Initiative in Indonesia

PT Asuransi Tokio Marine Indonesia (TMI) conducted a mangrove restoration initiative in October 2025 to help conserve coastal ecosystems and contribute to local communities. The ceremonial and educational activities were held in North Jakarta, with 69 participants, including employees, taking part in educational sessions and workshops on mangrove ecosystems. The initiative was followed by the planting of 1,000 mangrove trees on Harapan Island.

The newly planted mangroves are expected to absorb up to approximately 330 tons of CO_2 over the next 20 years. In addition to climate change mitigation, the initiative is expected to contribute to the restoration of coastal ecosystems, the conservation of biodiversity and the sustainable livelihoods of local communities. TMI will also monitor the planted area over the next three years to assess the health and progress of the mangroves and support their long-term conservation.

◉ Benefits of Tokio Marine Group's Mangrove Planting Initiative

To the present, mangrove planting has generated diverse benefits such as mitigating and preventing global warming, preserving biodiversity and contributing to the development of local economies, communities and human resources. However, expressing the specific economic value created by this project proved difficult. To determine this value, Tokio Marine & Nichido commissioned Mitsubishi Research Institute, Inc. to undertake a survey and make assessments based on internationally recognized methods. The results of provisional calculations show that the total economic value created by the Mangrove Planting Project from 1999 when the company started the planting to 2023 totaled 202.3 billion yen.

This project also impacts some 1.57 million people living where the mangroves are planted or nearby and has generated benefits in terms of improving the lives of residents in these communities and preventing and mitigating disasters. By ascertaining the numerical value of the outcomes of the mangrove-planting activities, we were able to reaffirm our awareness of the positive social impact of this initiative. Going forward, we will utilize the results of this value assessment to improve our Mangrove Planting Project and continue to undertake these activities together with our stakeholders as we aim to further create value.

▸Societal value created by mangrove planting

Item	Benefit
CO_2 absorption	Approximately 1.6 million tons
Persons living in and around the mangrove planting sites	Approximately 1,570,000 persons
Persons who depend on mangrove fisheries as a primary source of income and/or employment	Approximately 150,000 persons
Persons who are employed in primary production activities other than those related to mangrove fisheries	Approximately 300,000 persons
Persons who are engaged in incidental occupations such as fishing gear production, shipbuilding and maintenance of piers, etc.	Approximately 600,000 persons
Persons who are protected by mangroves from storms, tidal surges, erosion, saltwater intrusion, water pollution, etc.	Approximately 2,380,000 persons

▸Economic value created by mangrove planting

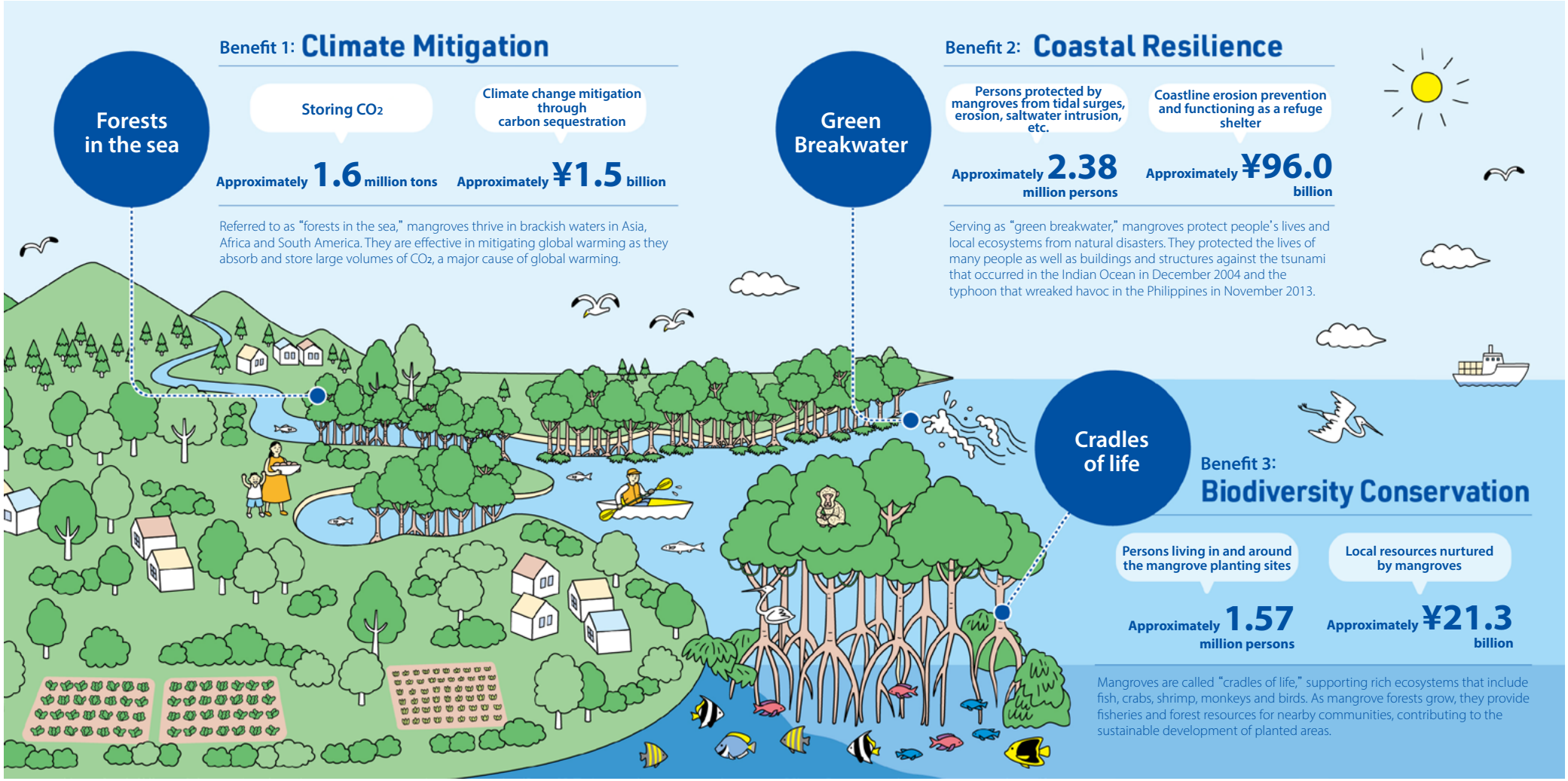
Ecosystem service	2023 (cumulative total)	Estimate for 2042 (cumulative total)
Local resources nurtured by mangroves	Approximately ¥21.3 billion	Approximately ¥67.2 billion
Improvements in fishing industry productivity	Approximately ¥40.8 billion	Approximately ¥115.8 billion
Coastline stabilization and erosion prevention	Approximately ¥65.3 billion	Approximately ¥230.7 billion
Functioning as a refuge shelter from extreme weather (damage mitigation)	Approximately ¥30.7 billion	Approximately ¥96.2 billion
Water conditioning	Approximately ¥42.3 billion	Approximately ¥126.2 billion
Carbon sequestration (climate change mitigation)	Approximately ¥1.5 billion	Approximately ¥2.3 billion
Total	**Approximately ¥202.3 billion**	**Approximately ¥638.7 billion**

■ Tokio Marine Group's Mangrove Planting

Mangrove planting is Tokio Marine Group's flagship initiative, creating multifaceted value, including climate change mitigation, natural capital and biodiversity conservation as well as enhanced disaster prevention and reduction and coastal resilience. Since the initiative began in 1999, the total area planted has expanded to 13,270 hectares across nine countries as of the end of fiscal 2025. In addition to absorbing CO_2, these efforts generate a wide range of societal and economic value, such as biodiversity conservation and benefits for local communities.*

Tokio Marine Group considers mangroves as "insurance for the future of the Earth" because they protect the planet and people's lives and bring benefits. We are committed to being involved in the Mangrove Planting Project for 100 years jointly with NGOs and local government agencies and residents.

*: Estimated economic value generated between 1999, when Tokio Marine & Nichido began mangrove planting, and 2023, as calculated by Mitsubishi Research Institute, Inc.



◉Green Gift Project (Activities to Protect Forests): Restoration Projects of the Coastal Forests of Tohoku Region

Tokio Marine & Nichido supports the activities of the NPOs OISCA and Watari Greenbelt Project to restore coastal forests damaged in the Great East Japan Earthquake in Natori City and Watari-cho, respectively, in Miyagi Prefecture.

In Natori City, OISCA has been leading the Restoration Project of the Coastal Forests of in Tohoku Region. In the project, Tokio Marine & Nichido has been participating in activities to restore coastal pine tree forests in the city and to facilitate regional revitalization through the recovery of agricultural land and the creation of job opportunities in disaster areas. Under its policy of never forgetting the disaster and continuing to do whatever it can, even in small ways, the company launched an employee volunteer program in fiscal 2016. The company has organized seven events to date, and a total of approximately 110 people have participated, including Group employees, agents and their families.

The NPO Watari Greenbelt Project has been engaging in an initiative to restore tide-control forests along the coastal areas and promote the recovery and new community development of Watari-cho, Watari-gun, Miyagi Prefecture. Since fiscal 2013, Tokio Marine & Nichido has been soliciting and sending employee volunteers to events to assist the initiative. During each event, they visit the coastal areas devastated by the tsunami, remove weeds in tree-planting areas and assist in the cultivation of saplings that will be planted along the coast. The company has to date conducted 27 such events, with the participation of approximately 460 employees, including Group employees, agents and their families.

◉Green Gift Project (Activities to Protect Forests): Collaborative Afforestation Efforts in Kochi Prefecture: Tokio Marine & Nichido's Forest for the Future

In May 2009, Tokio Marine & Nichido concluded a five-year partnership agreement with Kochi Prefecture, Aki City and the Eastern Kochi Forestry Association to promote afforestation in Aki City under the prefecture's Collaborative Afforestation Project with Environmentally Advanced Corporations (the five-year agreement was renewed in May 2024).

The forest covered under the agreement has been named "Tokio Marine & Nichido's Forest for the Future." Every year, we conduct a volunteer event for Tokio Marine & Nichido and Tokio Marine Group employees and agents including their families to experience tree thinning and interact with local residents. By March 2025, we have held 16 such events, in which a total of some 680 members participated. Participants felt that it was a project that taught them the importance of maintaining and protecting forests and the effort that goes into doing so, and that they wanted to expand the initiative with every opportunity as their own responsibility.

In March 2025, Higashiyama Forest Park within Tokio Marine & Nichido's Forest for the Future was certified by the Ministry of the Environment (MOE) as a site in harmony with nature*. Every year, employees conduct a volunteer event to experience tree thinning and learn about the environment. Local residents also hold forest bathing events to fully appreciate the ecosystem services of the forest park. Ioki Cave, a fern colony designated as a national natural monument, is located on the west side of Higashiyama Forest Park, where water is replenished from the soil into the cave. Trees on the certified site are thus helping to maintain the temperature and humidity at a stable, appropriate level for the ferns. These are the reasons why this forest park has been certified as a site in harmony with nature.

*: A certification system introduced as one initiative toward achieving nature positive, under which the government certifies areas where biodiversity is conserved through private-sector and other initiatives.

◉Green Gift Project (Activities to Protect the Sea): Protecting and Restoring Eelgrass Beds

Since October 2022, Tokio Marine & Nichido has been supporting activities to protect and restore eelgrass beds.

Eelgrass is expected to have a positive effect by absorbing and fixating CO_2 from the atmosphere, as it absorbs CO_2 through photosynthesis and sinks to the sea floor when it dies, becoming part of the sediment and retaining carbon for a long time in deep waters. Eelgrass beds also serve as sites for fish to lay eggs and for young fish to grow and are expected to have additional effects, such as the purification of water and the protection of biodiversity.

Currently, we are supporting organizations protecting eelgrass beds in Tokyo Bay (Yokohama), Osaka Bay (Hannan and Suma) and Hakata Bay (Fukuoka) and conducting volunteer activities twice a year at each location. To date, 780 Tokio Marine & Nichido and Tokio Marine Group employees, agents and their families have participated in these activities.

◉Promoting Paperless of Insurance Policies

Since February 2013, Tokio Marine Millea SAST Insurance has been implementing, as part of its shift toward paperless operations, an initiative under which customers can view their policies on its website rather than on paper, which has helped reduce paper consumption.

In addition, since April 2013, a portion of the proceeds saved through this move has been used to support and participate in the tree-planting activity in Meguri's Forest in Shonan International Village, Kanagawa Prefecture, where the company's head office is located. This project involves dense planting and mixed planting of a variety of locally indigenous seedlings, which are the most stable seedlings and capable of survival, to let nature take its course in restoring the forest to its original form. By doing so, the project aims to "create a forest that protects life" and thus supports the community, economy and an enriched society.

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

8.3 Participation in Corporate Citizenship Activities for Protection of Global Environment

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

◉Corporate Citizenship Activities for Environmental Protection in Collaboration with Local Governments in Japan

Tokio Marine Group engages in corporate citizenship activities for environmental protection through Green Lessons: The Mangrove Story and Marunouchi Citizens Environmental Forum.

13.2 Globally Expanding Initiatives for the Future Generation > ■ Japan・Green Lessons ≫

◉ Corporate Citizenship Activities for Environmental Protection by Overseas Group Companies

In Tokio Marine Group, U.S.-based Philadelphia Insurance Companies (PHLY) and Safety National promote environmental activities in different locations.

■ PHLY: TEAMPHLY Initiatives

Through products and services, environmental footprint reduction in the office, and community involvement, Philadelphia Insurance Companies (PHLY) continues to make a positive impact on the environment.

PHLY offers several environmental underwriting products that protect businesses seeking to improve sustainability practices by promoting first-to-market support of ESG metrics and design for insureds.

Additionally, PHLY's Commercial Surety bonds support wind and solar energy. As part of its risk management services, PHLY offers the PHLYTRAC Vehicle Telematics Program. The program helps customers select more efficient routes to reduce vehicles' engine idling and has successfully improved the driving range per gallon of gasoline by 3.76%. This and other similar products and services show PHLY's commitment to climate action.

The company also continues its purchase of renewable energy certificates to offset CO_2 emitted through the use of power in offices throughout the United States. In 2025, PHLY's renewable energy certificate purchase supported the development of solar energy and wind projects equivalent to the electricity used to power over 360 average homes in the U.S. for one year.

In addition to these business practices, PHLY's home office supported local organizations like Riverfront North, Wissahickon Valley Watershed Association and Tookany/Tacony-Frankford Watershed, all of whose missions aim to sustain local waterways. In the field, regions hosted lake and beach clean-ups with organizations like the Alliance for Great Lakes.

TEAMPHLY

■ PHLY: Tree Planting Together with Customers: PHLY 80K Trees Initiative

PHLY believes that the protection and improvement of the environment is an important responsibility for all. Throughout the United States, record wildfires, storms and other natural disasters have destroyed millions of trees in forests in recent years.

To help combat this, in 2015, PHLY embarked on a partnership with the Arbor Day Foundation to implement the "80K Trees" tree-planting initiative. Throughout our ten-year partnership, PHLY and the Arbor Day Foundation have aided in the recovery of devastated forests and their surrounding communities by distributing and planting over 738,000 trees nationwide.

In 2025, PHLY funded the planting of 81,000 trees in four states across the country, including Florida, Oregon, Pennsylvania, and Texas. These plantings contribute to the restoration of 168 acres, improving living habitats and biodiversity. Over the next 40 years, the 2025 activities are expected to sequester nearly 66,000 metric tons of CO_2 emissions (equivalent to over 14,000 fewer cars on the road for a year). They will help to avoid more than 5.7 million gallons of rainwater runoff while reducing soil erosion and filtering stormwater, also removing over 177 tons of air pollutants (enough oxygen for 324,000 people for one day).

In addition to our national partnership with the Arbor Day Foundation, we also worked with local non-profit environmental partners to complete community projects. In Philadelphia, we worked closely with the Fairmount Park Conservancy (FPC), whose mission is to bring parks to life. FPC works alongside the City of Philadelphia and its communities to steward parks and nurture the shared environment, cultural resources, and public health. In 2025, 10 employees worked closely with FPC to plant, water, and cage 48 five-gallon trees.

■PHLY: Participation in Earth Day Events

PHLY conducted various activities to promote Earth Day as part of its employee-driven environmental awareness program. In 2025, all employees were encouraged to celebrate Earth Day through volunteer activities and by attending an educational webinar presented by the Arbor Day Foundation. This presentation focused on teaching employees how to be a "Partner of the Environment". More than 70 employees joined this virtual offering.

Volunteer opportunities included creating dog toys from old T-shirts, which were donated to local animal shelters across the country. Nationwide plawking events (picking up litter while walking) were held as part of an annual Earth Day Clean-up and were coordinated regionally. At the home office, employees supported landscaping, care and maintenance at Riverbend Environmental Center, just miles down the road. Over 300 employees nationwide supported these events.

Earth Day celebration activities included:

- Environmental volunteer activities (virtual and in-person)
- Donations to environmental NPOs
- Hosting an Earth Day Webinar & Environmental Trivia Session

■ PHLY: PHLY250 Sakura Initiative: Celebrating Community and Culture through Cherry Blossoms

In 2025, PHLY, with the Japan America Society of Greater Philadelphia (JASGP), announced the PHLY250Sakura Cherry Blossom Tree Planting Initiative, a pledge by both organizations to plant 250 cherry blossom trees in Philadelphia by 2026 to commemorate America's semiquincentennial (250th) anniversary. The project, which began in 2024 by the two organizations, was funded by a $135,000 grant from PHLY to the Japan America Society.

The environmental, social, and cultural significance of this program sustained the legacy of a gift from 100 years prior. In 1926, the Government of Japan gifted 1,600 flowering trees, including cherry blossom trees, to the City of Philadelphia in honor of the sesquicentennial (150th) anniversary of American independence.

The PHLY250Sakura Cherry Blossom Tree Planting Initiative press conference took place at Fairmount Park Horticulture and Shofuso Japanese Cultural Centers, including remarks from key stakeholders, painting one eye of the daruma doll, and a celebratory breaking of a sake barrel, concluding with a ceremonial tree planting.

The new trees, many of which were planted by PHLY employees, will blossom for decades, honoring the relationship between the United States and Japan.

■ SNCC: Building Sustainable Habits through Employee Engagement

Safety National (SNCC) continued to strengthen employee-led sustainability efforts that encourage practical, everyday action and build awareness around environmental responsibility.

In 2026, Safety National's employee-led Environmental Committee expanded its recycling program to include additional collection opportunities for pens, pencils, batteries, plastic bags, eyeglasses, and candy wrappers. These expanded recycling streams help divert commonly used office and household items from landfills while encouraging employees to think more intentionally about waste reduction at work and at home.

To increase participation, the committee introduced an incentive component in which each recycled item submitted earns one raffle entry, with a quarterly $50 USD gift card awarded to one employee participant. While simple in design, the program helps recognize individual effort, reinforce sustainable habits, and keep environmental awareness visible throughout the year.

Safety National also continued its annual Plant & Seed Swap, an employee-favorite initiative that promotes biodiversity, home gardening, and sustainable growing practices. The 2026 event saw an overwhelming response, with employees contributing and propagating 252 plants, an increase from the prior year. Employees were invited to share plants from their home gardens or pick up plants grown by members of the Environmental Committee, helping extend sustainability beyond the workplace and into employees' homes and communities.

9 Improve Disaster Resilience

9.1 Responding to Natural Disasters

9.1.1 Basic Stance on Natural Disasters

There is concern for the growing severity and frequency of natural disasters as a result of climate change. Confronting this challenge head-on and contributing to enhanced disaster resilience directly represent our very purpose, which is "to be there for our customers and society in times of need." Tokio Marine Group has a structure that allows us to provide comprehensive protection to customers, from understanding the current situation to taking actions, ensuring financial compensation and supporting recovery and maintenance. This structure combines the Group's knowledge of natural disasters and disaster prevention and mitigation, which it has accumulated mainly in the insurance business over its long history, and the engineering technologies of Integrated Design & Engineering Holdings (ID&E Holdings), which joined the Group in fiscal 2024. By providing such a comprehensive service, we will contribute to the realization of a resilient society that can minimize disaster damage.

9.1.2 Promotion Structure

Tokio Marine Group has defined improving disaster resilience as one of its material issues (materiality). With Tokio Marine & Nichido, Tokio Marine dR and the ID&E Group taking the lead, we are promoting initiatives to improve disaster resilience by underwriting insurance, making investments and financing and providing solutions.

Tokio Marine & Nichido: Working to provide insurance products to cover disaster risks and make investments and financing that will help improve disaster resilience
Tokio Marine dR: Providing advanced and practical consulting services and new solutions against various risks surrounding companies
ID&E Group: Striving to realize a disaster-resilient, sustainable society through on-site services by its expert engineers, the group's network expanding throughout Japan and overseas and fusion of insurance and technologies

9.1.3 Toward Achieving the Targets of the Sendai Framework for Disaster Risk Reduction 2015-2030

The Third United Nations World Conference on Disaster Risk Reduction was held in Sendai in March 2015 and adopted an international framework, the Sendai Framework for Disaster Risk Reduction 2015-2030. The framework specifies seven targets to be achieved mainly by 2030 and four priority actions to be followed by all parties. The targets relate to 1) global disaster mortality; 2) the number of affected people globally; 3) direct disaster economic loss; 4) disaster damage to critical infrastructure; 5) the number of countries with national and local disaster risk reduction strategies; 6) international cooperation; and 7) access to early warning systems and disaster risk information. Four priority actions are 1) understanding disaster risk; 2) strengthening disaster risk governance to manage disaster risk; 3) investing in disaster reduction for resilience; and 4) enhancing disaster preparedness for effective response, and to "Build Back Better" in recovery, rehabilitation and reconstruction.

Tokio Marine Group participated in the conference and, together with The Geneva Association and Tohoku University, conveyed the importance of insurance and industry-academia

collaboration in disaster prevention measures to the world. Toward achieving the framework's targets, the Group has been promoting disaster prevention globally as a member of the United Nations Office for Disaster Risk Reduction (UNDRR) Private Sector Alliance for Disaster Resilient Societies (ARISE).

In March 2026, Tokio Marine Group participated in the UNDRR & ARISE Japan joint symposium 2026, "Strengthening disaster risk reduction by advancing investment in resilience and translating science into practical action." In Part 1, as a panelist in a high-level session, we explained that we have reinforced inter-Group collaboration between the insurance business and the business of a consulting and engineering company. This collaboration now enables us to provide comprehensive disaster prevention and mitigation solutions in addition to conventional financial compensation by means of insurance. The solution covers every step of the risk management cycle, from risk assessment and pre-disaster measures to early recovery and post-disaster measures (including measures to "Build Back Better"). In Part 2, we presented the Xross Innovation BOSAI, our initiative with Sendai City, as an example of the social implementation of disaster prevention carried out by Japan's private sector.

9.1.4 Initiatives to Develop International Standards for Disaster Preparedness

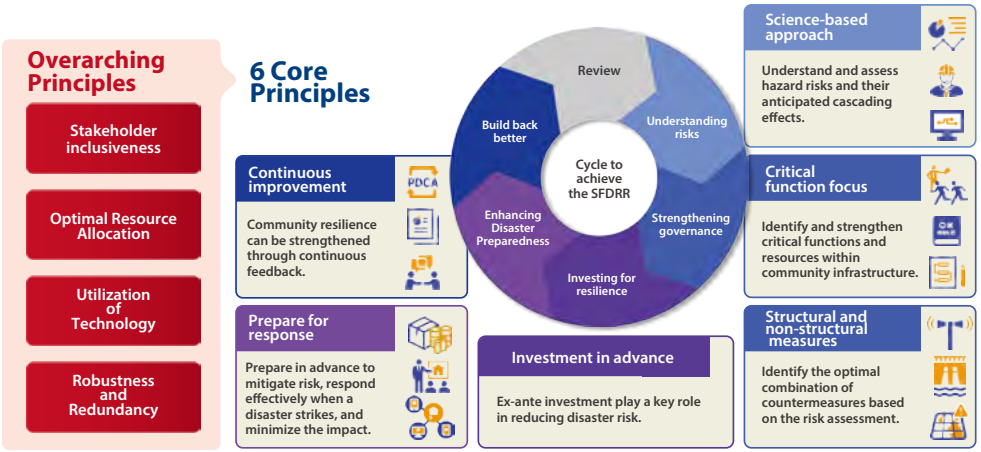
Disaster prevention (Bosai) has been recognized worldwide, as evidenced by the Sendai Framework for Disaster Risk Reduction 2015-2030 adopted at the Third United Nations World Conference on Disaster Risk Reduction in 2015. Accordingly, Japan has been leading an effort to develop an ISO standard certifying disaster preparedness. It is aimed at creating new industrial value for disaster prevention and mitigation; applying disaster prevention products, services and infrastructure in society; and improving disaster preparedness in Japan and throughout the international community. This initiative is being advanced as an international standardization project related to disaster preparedness within ISO, which releases international standards (TC 268: Sustainable cities and communities / SC 1: Smart community infrastructure / WG 6: Disaster risk reduction). The project is headed by Professor Fumihiko Imamura of the International Research Institute of Disaster Science (IRIDeS) at Tohoku University, with Tokio Marine & Nichido's endowed research division named the Earthquake-induced Tsunami Risk Evaluation Field established within IRIDeS taking the leading role as the administrative organization.

In July 2022, the ISO released a technical report, "TR 6030: Smart community infrastructures – Disaster risk reduction – Survey results and gap analysis," with a list of categories that require disaster preparedness standards. The ISO then released "ISO 37179, Smart community infrastructures – Disaster risk reduction – Basic framework for implementation," in November 2024. Based on these, development of ISO standards has been proceeding in other related categories, such as ISO/DIS 37193 (Guidance for risk-informed decision-making), ISO 37174 (Seismometer systems, released in February 2024), ISO 37116 (Disaster risk finance, released in May 2026) and ISO/DIS 23638 (Processed food products for emergency).

Development of a standard involves diverse functions, including ensuring compatibility quality improvement, cost reduction, market expansion and spurring technological innovation. We believe that effective utilization of these functions will expand fields of cooperation among stakeholders and contribute to the improved resilience of society. By organizing and standardizing the fields of cooperation, we can create an environment in which individual stakeholders leverage their strengths according to their roles and engage in more innovative activities in their respective fields of unique specialty.

Tokyo Marine Group supports these efforts in many different ways, for example, by sending employees to be members of discussion committees, cooperating with international organizations and participating in conventions related to disaster prevention and mitigation.

▸10 Principles for Smart Community Infrastructure



9.1.5 Promoting Disaster Prevention and Mitigation through Insurance Products and Solutions

■ Providing the Natural Disaster Hazard Report and Kantan Risk Map

The frequency and intensity of natural disasters such as earthquakes, typhoons and heavy rains have increased in recent years. This has resulted in a rise in customers' need to keep abreast of information about hazards in and around their houses, offices and other surroundings before emergencies occur. To meet these needs, the Natural Disaster Hazard Report and Kantan Risk Map were released in fiscal 2022. The former is only available to employees and agents and enables them to view detailed information, while the latter, available to everyone and viewable using a smartphone or computer, shows important information in a simple and easily comprehensible manner. Users can select a location or enter an address to view information about flood damage and earthquake risks at that location. Updated every year based on data provided by national and municipal governments, these materials can offer the most current information that will be useful in the prevention and mitigation of disasters affecting offices and homes.

The Kantan Risk Map, available to anyone regardless of holding policies of Tokio Marine & Nichido, has been used by many people since its launch, with the number of views exceeding 90,000 during the period from March 2023 to April 2026.

Kantan Risk Map (in Japanese)

■ Natural Disaster Risk Assessment

Tokio Marine dR contributes to the creation of companies and society resilient to disasters by leveraging the experiences and knowledge that Tokio Marine Group has cultivated through the non-life insurance business and by conducting quantitative assessments and analysis of natural disaster risks and planning countermeasures.

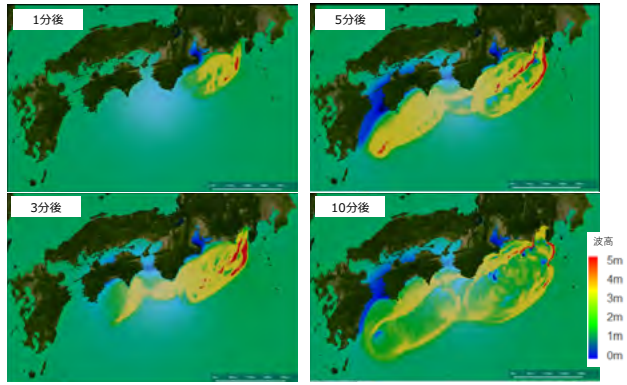
Tokio Marine dR conducts hazard and damage assessments, the calculation of estimated damage amounts and cost-benefit analysis of countermeasures for earthquakes, tsunamis, wind disasters, flood disasters and other natural disasters. For earthquake and tsunami risks, the company performs deterministic and stochastic evaluations on a single site or a portfolio of multiple sites to analyze the degrees of damage to buildings and equipment and estimated damage amounts. As for wind disaster risk, the company quantitatively evaluates damage caused by strong winds and helps formulate effective mitigation measures based on its knowledge in meteorology and wind engineering as well as damage information owned by insurance companies.

With regard to flood risk, the company utilizes the results of field investigations and flood simulations along with flood maps and hazard maps published by national and local governments to analyze damage risks of river flooding, urban flooding and tidal surges. The analysis results are used to visualize risks at each site, identify high-risk sites, prioritize countermeasures and develop disaster prevention measures and business continuity plans (BCP).

Tokio Marine dR also engages in scenario analysis of climate-related physical risks. The company assesses future weather disaster risks under current weather conditions and climate change-affected weather conditions and analyzes the immersion risk of business sites and impacts on procurement of raw materials and water. By doing so, it assists companies in formulating measures to adapt to climate change. For companies operating globally, Tokio Marine dR performs assessments of natural disaster risks of their sites around the world using the same criteria to provide information useful in comparing relative risks among these sites and prioritizing countermeasures.

Tokio Marine Group will leverage Tokio Marine dR's advanced risk assessment skills and consulting functions to

▸Tsunami simulation (notional image)



support companies in increasing the sophistication of their natural disaster risk management, business continuity management and supply chain management. Through these efforts, we will contribute to adaptation to climate change, establishment of disaster-resilient social infrastructure and realization of a sustainable society.

■Providing Solutions by Tokio Marine Resilience

In November 2023, Tokio Marine Group established Tokio Marine Resilience, which specializes in new businesses in the disaster prevention and mitigation field. As one such business, the company has launched the solutions business to offer value to all phases of the disaster prevention and mitigation value chain, namely assessment, preparedness, evacuation (damage mitigation) and reconstruction of livelihoods, and has started providing disaster prevention and mitigation services.

❶ Providing Solutions to Corporate Customers

We provide software as a service (SaaS) services, such as a resilient information distribution service that allows real-time monitoring of meteorological risks and *imatome*, an all-in-one crisis management service designed to automate the initial response to a disaster (as planned in BCP), and an emergency stockpile solution to ease the burden on employees in charge of the management and distribution of supplies.

In developing services, the company also utilizes solutions co-created by the disaster prevention consortium CORE. Tokio Marine Resilience will continue to evolve its disaster prevention and mitigation services.

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

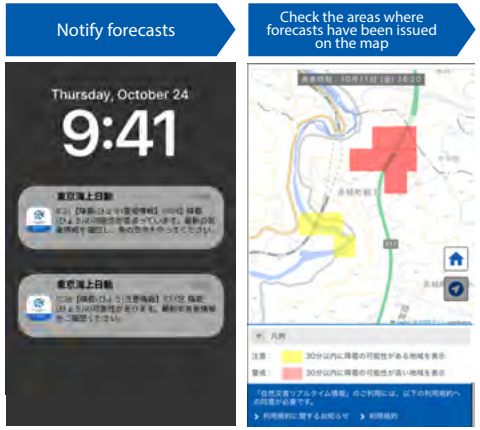
Resilient information distribution service

"Unit 1-Day Rescue" emergency stockpile solution

❷ Providing Solutions to Policyholders (Individual Customers)

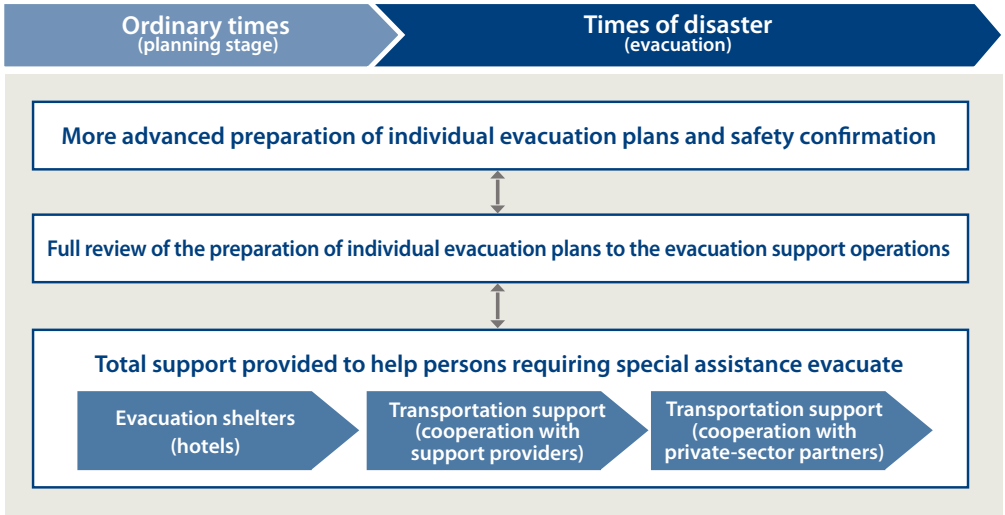
Tokio Marine Resilience operates a website for policyholders of Tokio Marine & Nichido, which sends hail alerts and shows the areas where hail has fallen on the map. The company is thus promoting initiatives to reduce damage by providing disaster information in advance.

Going forward, Tokio Marine Resilience plans to improve the system to issue other types of disaster alerts as well. The company also strives to roll it out to other Group companies and deliver alerts to more customers to minimize damage to customers.



❸ Providing Solutions to Local Governments

Tokio Marine Resilience became a main contractor of the Tokyo metropolitan government's Tokyo Data Platform Case Study Project (fiscal 2024). The purpose of the project was to help address issues related to the entire evacuation process for persons requiring special assistance by using disaster-related data collected by public and private sectors. Specifically, the company fully reviewed the evacuation support operations during a disaster, including the preparation of individual evacuation plans, and clarified the method of cooperation in the event of a



disaster with private businesses that have concluded disaster cooperation agreements with municipalities.

Tokio Marine Resilience intends to help create a safe and secure society by encouraging local governments to prepare individual evacuation plans.

■ Tokio Marine & Nichido: Initiatives Related to Resilience, a Priority Societal Challenge

Through the cross-industrial disaster prevention consortium CORE, Tokio Marine Group has been promoting cooperation and collaboration among companies in different industries and engaging in the research, demonstration and implementation of various solutions. As mentioned above, we established Tokio Marine Resilience, which specializes in new businesses in the disaster prevention and mitigation field, in November 2023. While promoting data utilization within the Group, the company will work with Tokio Marine dR, a Group company providing risk consulting services, to develop and provide solutions for achieving our purpose of protecting customers and local communities in times of need.

Positioning "resilience" as its fifth priority societal challenge, Tokio Marine & Nichido established the Resilience Division within the Marketing Strategy Department in July 2024 and has been promoting initiatives mainly on the themes of "disaster prevention and mitigation," "supply chain management" and "infrastructure and facility maintenance." Tokio Marine Holdings will collaborate with other Group companies, including ID&E Holdings, which joined Tokio Marine Group in February 2025, and leverage our risk response expertise accumulated through the insurance business, nationwide sales base and network with local communities. By going a step beyond helping customers during an emergency through insurance, we will also support customers' business activities with solutions designed to reduce emergencies and prevent their recurrence in order to contribute to the resolution of issues.

RESILIENCE

■ Enhancing Disaster Resilience through the Renewal of a Disaster Preparedness Learning Facility

From 2023 to 2025, Nippon Koei Urban Space, an ID&E Group company, carried out renovation and construction management work for SONA AREA TOKYO, a disaster preparedness learning facility, under the Showa Kinen National Government Park Office of the Kanto Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism.

In response to increasingly severe and frequent natural disasters, the renovation aimed to enhance practical disaster preparedness skills and foster the next generation of disaster preparedness leaders. The experience zone was renewed to guide visitors through a continuous storyline covering actions from the immediate aftermath of a disaster through to evacuation. Exhibits on the fundamentals of disaster preparedness and steps individuals can take were also redesigned to encourage proactive learning and action. Recycled and reusable materials were used for exhibition panels and other components to reduce environmental impact. By raising awareness and encouraging preparedness-related action, the facility helps strengthen disaster resilience.

Going forward, the knowledge gained through this project is expected to support the further enhancement of disaster preparedness education and the development of other public facilities, contributing to sustainable social infrastructure that integrates disaster resilience with environmental considerations.

Photo: Ooki Jingu

Photo: Ooki Jingu

Photo: Ooki Jingu

Photo: Ooki Jingu

■ Supporting the Formulation of Business Continuity Plans

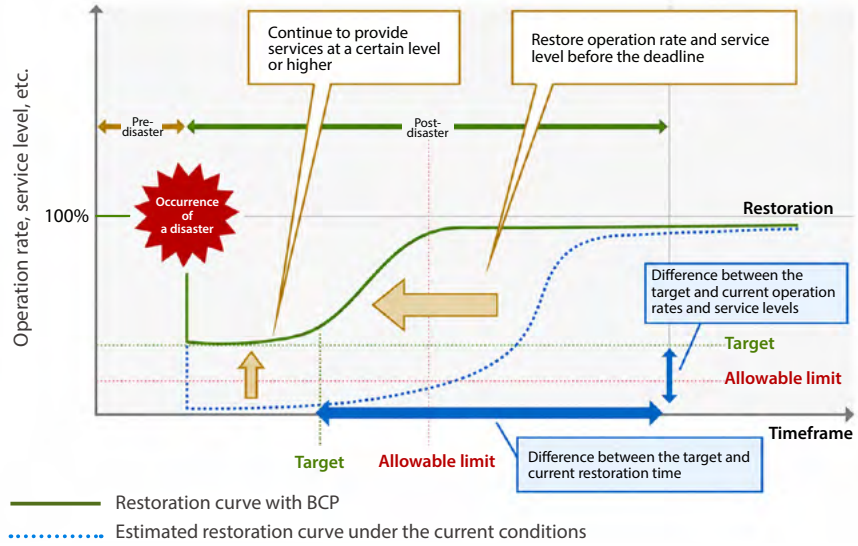
In recent years, risks that threaten the continuity of corporate activities, such as earthquakes, typhoons, floods and other natural disasters as well as infectious diseases, accidents, infrastructure and system failures and disruptions in supply chains, have become more complex and broader in scope. Business disruptions not only affect the creditworthiness and competitive strengths of companies but also have impacts on a broad range of stakeholders, including customers, business partners, employees and local communities, as supplies of products and services become suspended.

Tokio Marine dR supports the formulation of business continuity plans (BCP) to enable companies and organizations to maintain a certain level of services or restore priority operations within a predetermined period of time in an emergency. Specifically, the company provides total support for companies to establish a business continuity structure by formulating basic policies on business continuity; defining priority businesses, critical operations and target restoration time; identifying issues and problems through business impact analysis (BIA) and anticipated damage; examining advance preparations in ordinary times and countermeasures in a disaster; creating and revising practical manuals; and providing education and training to directors, officers and employees.

In addition to the formulation of plans, Tokio Marine dR provides support for the establishment and operation of a business continuity management (BCM) structure and for training in order to increase the effectiveness of a BCP. With its practical solutions tailored to customers' situations and challenges, the company helps them set up an internal system of continuous improvement and increase their responsiveness during a disaster or accident.

Through these efforts, Tokio Marine dR will help increase the resilience of corporate customers, stabilize supply chains and reduce social impact in the event of a disaster or accident, and by doing so, support the creation of a sustainable social foundation.

▸Notional diagram of BCM and BCP



■ Loss Prevention Services

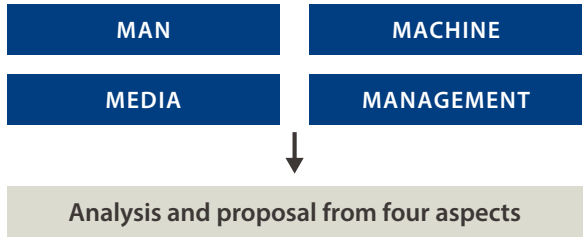
Going a step beyond post-accident compensation, Tokio Marine & Nichido is promoting a loss prevention initiative to prevent accidents and reduce damage. As risks surrounding corporate activities have become more diverse and complex, the company supports customers' sustained business operations by preventing industrial and other accidents, preparing for natural disasters and improving logistics quality.

In this initiative, the company utilizes its knowledge on ergonomics and know-how accumulated through accident settlements to make improvement proposals matched to customers' individual sites. The results of on-site, industrial accident and crime prevention surveys are used to check the working environment, work procedures and safety measures within facilities to ultimately reduce the risks of human errors, industrial accidents, thefts and other incidents.

Tokio Marine & Nichido also utilizes new technologies, such as eye-tracking technology that visualizes workers' line of vision to capture the tacit knowledge of experienced workers and operations requiring caution, virtual reality (VR) technology for hazard prediction training and augmented reality (AR) technology to suggest accident prevention measures. With these

What is loss prevention based on ergonomics?

Tokio Marine & Nichido utilizes its unique know-how in ergonomics to prevent human errors through improvement of working environments and work methods and proposes various accident prevention and reduction measures.



technologies, the company helps to facilitate an understanding and safety awareness among workers.

In addition, Tokio Marine & Nichido is working to visualize risks through accident data analysis and natural disaster hazard information reports. By making it easier to understand accident tendencies in general and disaster risks at each site, the company supports discussions of effective accident and disaster prevention measures. In the logistics field, efforts are geared toward preventing accidents involving cargo and improving logistics quality by measuring impacts on cargo, vibrations, temperatures and humidity during transportation, conducting vibration analysis and improving packing.

Furthermore, the company's knowledge on hazard prediction, measures against heatstroke and prevention of industrial accidents is shared via seminars, individual study sessions and workshops. The company also undertakes logistics surveys overseas, mainly in emerging countries, to examine the actual road and port conditions and support logistics risk management of customers operating globally.

Through this loss prevention initiative, the company supports customers in accident prevention and damage reduction while helping them ensure the safety of employees, enhance business continuity, prepare for natural disasters and improve their logistics quality. By providing solutions beyond the framework of insurance, Tokio Marine & Nichido seeks to realize a safe, secure and sustainable society.

■ Making Fire Insurance and Fire Alarms Widely Available

Making Fire Insurance and Fire Alarms Widely Available South Africa-based Hollard Insurance offers a set that includes fire insurance and a fire alarm in collaboration with insuretech Lumkani, contributing to the prevention of fires and the payment of compensation in the event of a fire. Offering the set at a price that is affordable to low-income people helps make insurance and fire alarms widely available and increases society's disaster resilience. Sales agents are employed directly from low income communities, which creates employment opportunities. By continuing to provide fire insurance and fire alarms to more people, Hollard Insurance will protect people's lives and valuable property from fires.

■ Using Technology to Prevent Accidents

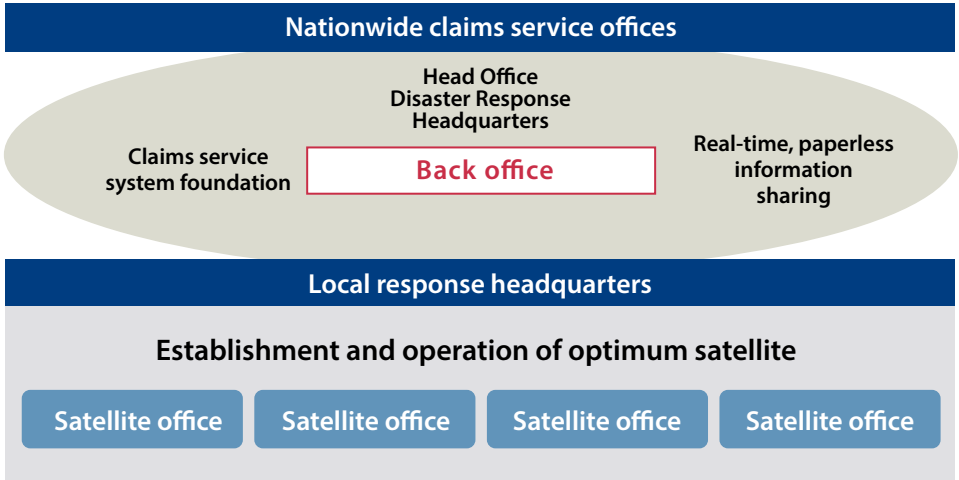
The U.S.-based Philadelphia Insurance Companies (PHLY) uses technology to broadly offer a suite of accident prevention services to customers. PHLYSENSE is a service to prevent water leaks, frozen pipes and other accidents by distributing and utilizing temperature/humidity sensors. The service enables users to quickly notice a water leak or a temperature change, and PHLY is thus contributing to the prevention and reduction of accidents.

In addition to this technology, PHLY has also rolled out Ting, which is an electrical monitoring device that will detect (and pay for resolution of) arcing, brownouts, power outages, etc.

■ System for Responding Quickly to Natural Disasters

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

Japan has been struck by natural disasters such as typhoons and floods in recent years, which have caused serious damage across the country. If a large-scale disaster occurs, Tokio Marine & Nichido promptly establishes backup offices (insurance claims centers), local disaster



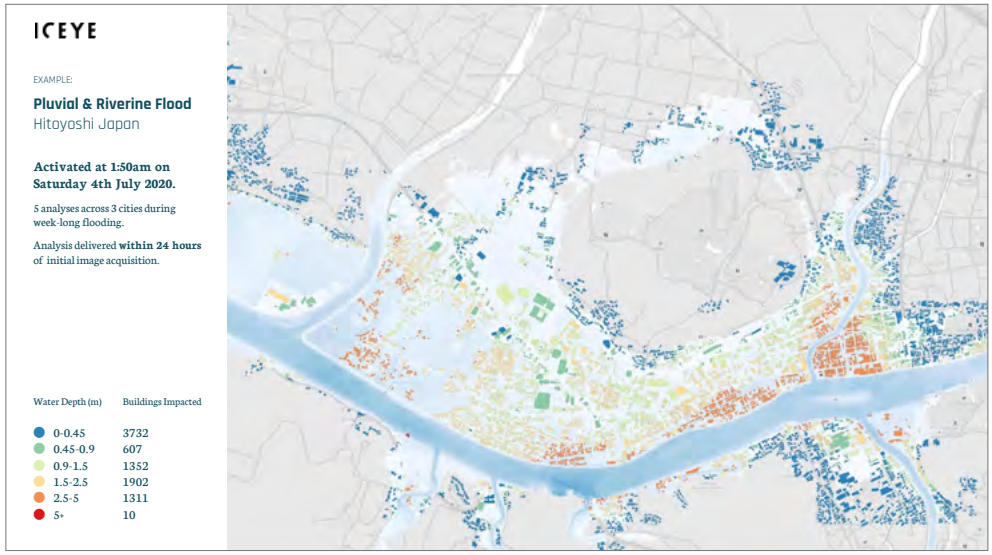
Providing caring claims services for individual customers

response offices and satellite offices (temporary offices to conduct damage assessment and other operations in disaster-stricken areas) and makes an initial response. The company's system network enables claims service offices across Japan to share information in real time, which in turn allows for providing support smoothly in remote regions. Tokio Marine & Nichido also promotes company-wide efforts to quickly pay insurance claims using digital technologies and AI.

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

■Development of Claims Payments Using Satellite Imaging and AI

Tokio Marine & Nichido has been working with ABeam Consulting Ltd. to increase the sophistication of insurance claims payments using satellite imagery since 2018. To advance this initiative further, the company has been cooperating with ICEYE, a satellite operator possessing one of the world's largest constellations* of small synthetic aperture radar (SAR) satellites.



AI analysis of satellite imagery to quickly assess damage in detail

In the event of a flood disaster, this initiative will enable more detailed calculation of damage and height of flooding using AI to analyze data, including images on social media in addition to acquired satellite images. By identifying damage sustained by each customer quickly and accurately, the company is striving to reduce the time before customers receive their insurance claims.

This initiative was highly evaluated and granted the Claims Initiative of the Year – Japan at the Insurance Asia Awards 2021 hosted by the Charlton Media Group.

Tokio Marine & Nichido and ICEYE concluded a capital and business alliance agreement in February 2022. This alliance is aimed at advancing various initiatives, including the digital transformation of insurance claims services related to natural disasters and the joint development of new insurance products and services, by leveraging ICEYE's high-precision, high-frequency earth observation technologies and its development team dedicated to the insurance field to solve diverse societal challenges.

* A system to operate multiple satellites in a coordinated manner

■ Closing the Protection Gap against Natural Disasters by Underwriting Insurance

Due mainly to climate change, a protection gap, a portion of economic losses caused by natural disasters but not covered by insurance, has become one of the most critical challenges in the insurance industry. Tokio Marine Group believes that we can help close this gap and increase society's resilience by improving preparedness for such economic losses through a diverse approach involving insurance and solutions. Accordingly, we have been participating in an international framework of public-private cooperation and underwriting reinsurance under disaster risk insurance schemes.

■Tokio Marine Group's Initiatives to Close the Protection Gap against Natural Disasters

With the severity of natural disasters increasing in recent years, a protection gap, which is an uninsured portion of economic losses caused by natural disasters, has been growing larger, particularly in emerging countries, and has become a global societal challenge. In addition to providing conventional insurance, Tokio Marine Group takes a unique comprehensive approach that combines various solutions to resolve this challenge. Specifically, we are promoting initiatives for disaster risk insurance schemes through public-private partnership with national governments and international organizations and initiatives leveraging the Group's total strengths.

❶ Initiatives for Disaster Risk Insurance Schemes through Public-Private Partnership

Tokio Marine Group has been supporting the establishment of disaster risk insurance schemes and underwriting reinsurance for these schemes. Disaster risk insurance schemes are designed to improve financial preparedness against natural disaster risks and assist post-disaster early recovery and reconstruction. As one means, we use parametric insurance, which can swiftly pay out insurance based on pre-defined parameters. Even though its strength lies in quick payment, underwriting the insurance requires advanced data analysis and risk assessment to underpin appropriate product designs. Tokio Marine Group utilizes its unique, excellent risk assessment capabilities cultivated to date to support these insurance schemes by underwriting reinsurance.

Tokio Marine Group is also a core member of the Insurance Development Forum, an international platform for improving resilience in regions and countries vulnerable to natural disasters. Through the platform, we have been supporting the establishment of disaster risk insurance schemes while cooperating with international organizations, national governments and stakeholders mainly in the insurance industry.

❷ Initiatives Leveraging the Group's Total Strengths

Through its Group companies in and outside Japan, Tokio Marine Group has underwritten insurance and reinsurance in various regions and countries. Currently, the initiative has become more advanced and grown into a group-wide effort.

For example, with regard to the said disaster risk insurance schemes, U.S.-based Tokio Marine HCC has underwritten reinsurance based on advanced risk assessment in more regions and countries by utilizing its outstanding underwriting knowledge and global network.

In collaboration with the ID&E Group, we have been working to provide hazard maps and other disaster prevention solutions in Malaysia under a subsidized project of Japan's Ministry of Economy, Trade and Industry. Tokio Marine Group's unique initiatives combine such solutions and insurance to provide integrated support from disaster prevention to post-disaster financial preparedness.

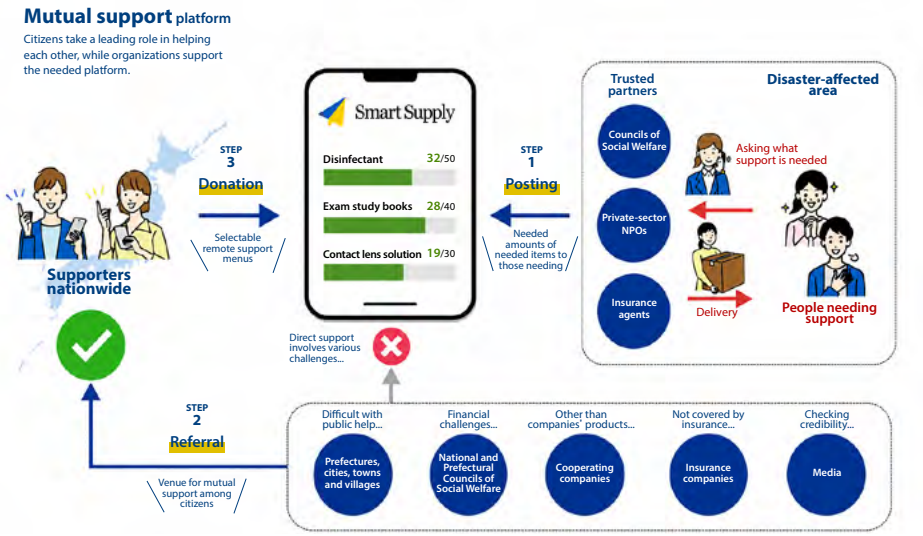
In the future as well, we will leverage the total strengths of Group companies in and outside Japan to help close the protection gap.

■Improving Disaster Resilience in Communities by Cooperating with Local Governments and Councils of Social Welfare

To support customers and local communities in times of need beyond the framework of insurance, Tokio Marine & Nichido has been engaging in an initiative together with Smart Supply Vision (SSV) to deliver relief supplies to disaster-affected areas.

Identifying diverse needs in disaster-affected areas and providing support accordingly from across Japan requires cooperation with local parties, rather than working alone or only with agents. As such, Tokio Marine & Nichido has been building relationships with these parties as part of an effort to set up a system to deliver needed supplies quickly and smoothly in a disaster.

The company concluded a cooperation agreement with local governments, including Hyogo Prefecture, and Councils of Social Welfare in fiscal 2025 and is working to achieve cooperation in other regions as well. Meanwhile, SSV concluded an agreement with the Japan Voluntary Organizations Active in Disaster (JVOAD), a national network of organizations supporting disaster volunteers, in May 2026, to cooperate more broadly with intermediary volunteer support organizations across Japan. Tokio Marine & Nichido and SSV have also been promoting collaboration and cooperation with the Japan National Council of Social Welfare. By cooperating with these organizations, the company is increasing the effectiveness of disaster relief activities that utilize Smart Supply while creating a framework in which local parties feel comfortable participating. Tokio Marine & Nichido will continue to work together with its agents and local stakeholders to establish Smart Supply as a standard for mutual support and supply assistance in Japan's private sector, while also enhancing disaster resilience in local communities.



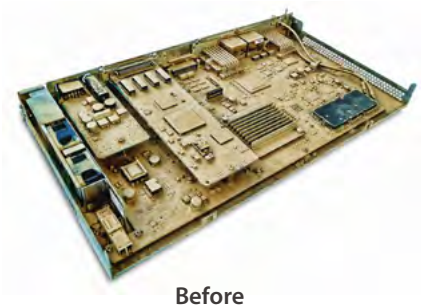
■Early Disaster Recovery Support Service through Tie-Up with BELFOR Group

Tokio Marine & Nichido has established a partnership with the BELFOR Group, one of the world's largest disaster recovery support corporate groups, and provides its corporate customers in particular with the Early Disaster Recovery Support Service for machinery, facilities, buildings and other property damaged in an accident or disaster. The BELFOR Group has provided many early recovery services for its customers' factories, stores and other facilities damaged by typhoons, floods and other wide-area disasters as well as everyday fire accidents across Japan. The BELFOR Group's special technologies contribute to waste reduction by repairing, not replacing, damaged machines and equipment.

Reference: Special technologies representative of BELFOR

1. Precision cleaning

Equipment is disassembled to clean electronic boards using alkali detergents and deionized water uniquely developed by BELFOR and reassembled after complete drying of components in a vacuum chamber.



Before

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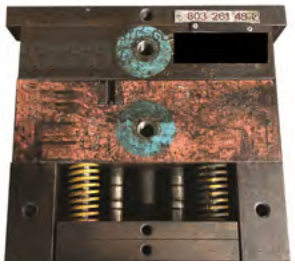
After

2. Ultrasonic cleaning

Corroded metallic components are placed into an ultrasonic washing tank with a uniquely developed rust-removing chemical and corrosion is removed quickly.



Before

→

After

■Personal Disaster Preparation Package "MyBee" (Emergency Supplies)

In recent years, with the increasing severity of natural disasters, countries and municipalities are encouraging households to prepare emergency supplies as a precaution against disasters. Meanwhile, about 45% of households in Japan have not prepared such supplies*, with one of the main reasons being difficulty identifying the required items.

Necessary preparations for oneself and for each household are difficult to grasp unless one has actually experienced a disaster and can concretely imagine life under such stress. However, it is important to be prepared before a disaster occurs. Considering such issues, Tokio Marine & Nichido has launched a new service, the Personal Disaster Preparation Package "MyBee," which provides disaster preparedness supplies tailored to customers' living environments and needs.

This service is designed to offer packages of disaster preparedness supplies tailored to each customer based on their family structure, preferences for home evacuation, and other considerations. In addition to standard supplies, it includes disaster mitigation items to reduce damage during disasters, providing preparation not only for post-disaster situations but also for mitigating damage when disasters occur.

* Cabinet Office Disaster Management White Paper: "Trends in the selection rate for self-help efforts in preparation for major earthquakes"

■Providing Information on Public Assistance Programs

Tokio Marine & Nichido supports customers' and local communities' disaster prevention and mitigation as well as post-disaster restoration of lives by providing information needed to prepare for disasters.

A natural disaster, such as an earthquake, tsunami or typhoon, can cause significant financial and mental burdens on disaster survivors who may lose their homes or livelihoods. For them to restore their lives after a disaster, it is important not only to prepare themselves by means of insurance but also to have an appropriate understanding of the public assistance programs provided by national and local governments and go through required procedures.

Tokio Marine & Nichido provides easily comprehensible information about public assistance programs that may be available to people whose homes and livelihoods are affected by a disaster. Specifically, it includes an overview, eligibility, support details and contact points of various programs for securing a place to live and rebuilding their livelihoods, such as a program for emergency housing repairs, financial aid for disaster survivors for rebuilding their livelihoods, disaster restoration housing loans and a loan exemption system for disaster survivors. The

information also includes a procedural flow for obtaining a disaster victim certificate, which is needed to receive public assistance, thereby helping survivors check required procedures after a disaster.

In addition, Tokio Marine & Nichido offers an Assistance Programs Quick Guide Service, which allows individuals to check assistance programs available for themselves or their families by simply answering a maximum of five questions. With this service, the company aims to help disaster survivors understand programs matched to their situations and receive needed assistance.

Through these efforts, Tokio Marine & Nichido both supports post-disaster early livelihood restoration and provides opportunities for individual customers to prepare better for a disaster by becoming aware of public assistance programs and required procedures even during ordinary times. In the future, the company will contribute to the creation of a safe, secure and sustainable society by not only offering insurance products and services but also providing information conducive to disaster prevention and mitigation.

■Promoting a Disaster Prevention and Mitigation Project in Local Communities by Planning and Operating Xross Innovation BOSAI under Consignment from Sendai City

Under consignment from Sendai City, Miyagi Prefecture, Tokio Marine & Nichido has planned and is operating Xross Innovation BOSAI, a disaster risk reduction platform to promote cooperation and co-creation among industry (I, companies), government (G, local governments), academia (A, universities), financial industry (F, financial institutions) and people (P, local community members). The entirely new open innovation project aims to reduce damage from earthquakes and associated fires, which are anticipated to occur along the Nagamachi-Rifu Line fault zone, and implements the Sendai Framework, new UN guidelines for disaster risk reduction, in local communities.

The company has built a system of I-G-A-F-P collaboration on this platform and seeks to create disaster-resilient local communities by combining the knowledge of Tohoku University and other academic institutions and assets and customer contact points of many companies operating within the prefecture.

Tokio Marine & Nichido has also established subcommittees on the themes of "creating a local economic base resilient to disasters" and "integrating disaster risk reduction into daily lives" as part of its effort to increase the number of participating companies, instilling disaster prevention actions and promoting social implementation of concrete measures.

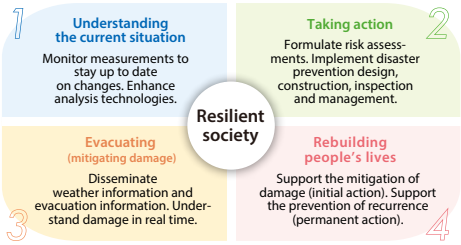
▸Innovation ecosystem through I-G-A-F-P collaboration

■ Disaster Prevention Consortium (CORE) Aimed at Building a Disaster-Resilient Society

CORE was established by 14 companies in November 2021, with Tokio Marine & Nichido as the initiator. (As of May 31, 2026, it has been joined by 141 companies.) It is aimed at establishing specific measures such as the creation and market deployment of new services for accelerating and promoting new initiatives related to the prevention and mitigation of disasters in line with the Fundamental Plan for National Resilience.

The Consortium includes a plenary session and committees. The plenary session meets twice a year to address the domain of co-creation, enabling government officials and experts to share information about market trends and other topics. The committees focus on competition-related domains, collecting the strengths of multiple corporations to promote research and the development of solutions. Currently, the Consortium has four committees and has already started field tests and similar activities. Examples include the development of AI analysis technology to identify signs that a disaster will occur and the status of disasters using camera imagery and the development of technology to save labor and streamline damage surveys using sensors and satellites. These co-creation solutions are a unique feature of the Consortium that fosters cross-industrial cooperation.

▸4 elements of disaster prevention



Current agenda of subcommittees	1	2	3	4
Use of remote sensing to identify infrastructure maintenance and management risks	○			
Real-time hazards	○			
Risk assessment encompassing all hazards; application of risk assessment to community development and disaster-preparedness measures	○	○		
Discussion of BCP from a community-based perspective to supply pharmaceutical products in the event of a disaster	○	○		
Information services to maintain logistics functions and business continuity in the event of a water disaster	○	○	○	
Prediction of disasters that would necessitate evacuation			○	
Use of digital technologies to survey damage and accelerate recovery and reconstruction				○
Research into new disaster-preparedness information systems and using these systems to consider disaster-preparedness businesses				○
Use of timelines to prevent damage to key facilities such as hospitals and to enable them to continue functioning in the event of a flood	○	○	○	○
Comprehensive resilience support service for buildings and building use	○	○	○	○

9.2 Research on Climate Change and Natural Disaster Risks

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

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

We also believe that it is important to disseminate the ideas of insurance mechanisms and risk management practices not only in developed countries but also in developing countries and regions that are particularly vulnerable to the impacts of climate change and natural disasters, in accordance with the Sendai Framework for Disaster Risk Reduction 2015–2030.

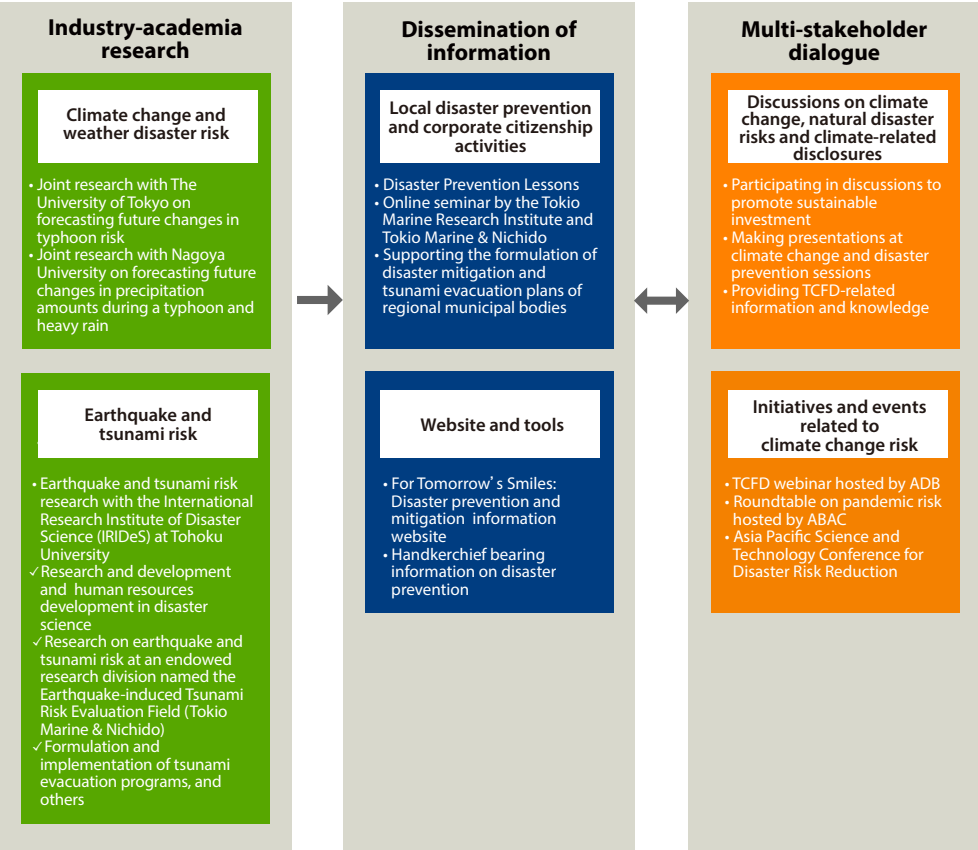
To this end, we are working to resolve disaster issues and mitigate disaster damage globally by using the outcomes of our industry-academia research to the benefit of society and by taking part in international initiatives, such as the United Nations Office for Disaster Risk Reduction (UNDRR) Private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

9.2.1 Initiatives to Counter Climate Change and Natural Disaster Risks

The 21st session of the Conference of the Parties to the UNFCCC (COP21) held in December 2015 adopted the Paris Agreement as a new international framework of measures against climate change for 2020 and beyond. As the world's common long-term goal, the Paris Agreement aims to keep a global temperature rise below 2°C compared with pre-industrial levels while pursuing efforts to limit the increase even further to 1.5°C. The conference also referred to the Sendai Framework for Disaster Risk Reduction 2015–2030, which was adopted at the Third United Nations World Conference on Disaster Risk Reduction held in Sendai in March 2015. There is growing concern about the increasing risk of natural disasters due to climate change. Tokio Marine Group, which aims to address disaster-related issues and mitigate disaster damage, also recognizes the goals of the Paris Agreement and seeks to contribute to their achievement.

The IPCC Sixth Assessment Report released in March 2023 stated in an assertive tone that "It is unequivocal that human influence has warmed the atmosphere, ocean and land." Climate change is considered to possibly bring about major changes in the frequency and scale of weather disasters in the future. In that case, analyses only from historical data cannot assess risk appropriately and may significantly impact the calculation of insurance premiums and the ability to pay insurance claims in the event of a serious disaster.

In response, Tokio Marine Group conducts research on climate change and natural disaster risks and on earthquake and tsunami risks through industry-academia collaboration. Additionally, we proactively participate in initiatives and events related to climate change to disseminate the outcomes and details of our industry-academia research activities to the world and engage in multi-stakeholder dialogue to share information about the latest research projects and discuss how to promote disaster prevention.



9.2.2 Research on Climate Change and Natural Disaster Risks

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

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

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

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

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

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

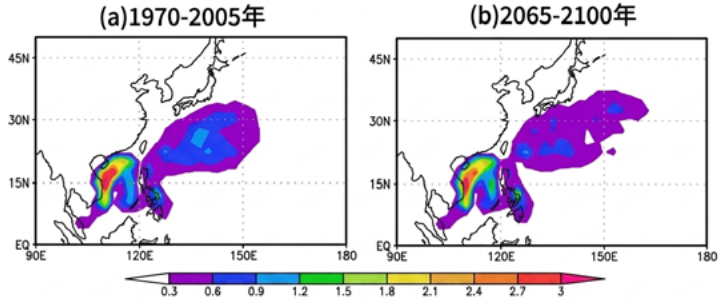
• Joint Research with The University of Tokyo: Forecasting Future Changes in Typhoon Risk Using Climate Model Data

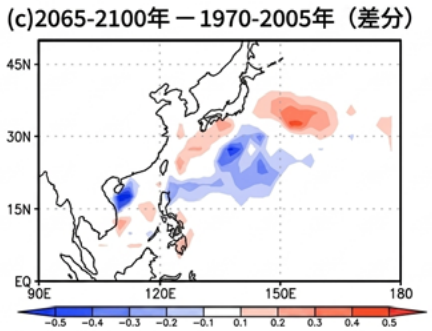
With the aim of forecasting and evaluating future changes in typhoon risk, the Tokio Marine Research Institute has been continually undertaking joint research with The University of Tokyo since 2007.

The Atmosphere and Ocean Research Institute at The University of Tokyo, our partner in this joint research, is conducting front-line research into climate change and other climate systems using an integrated analysis of observation data and results of simulations based on climate

models. Professor Masahiro Watanabe, our co-researcher, and other researchers have contributed as lead authors to the creation of the IPCC assessment reports, which are a compilation of the latest findings on climate change, and The University of Tokyo has received acclaim from around the world for the widely used research results.

In joint research with The University of Tokyo, we have developed an original stochastic typhoon model and investigated the relationship between global warming and changes in typhoons by simulating typhoons under future climate conditions using the latest set of global warming data. The research to date has revealed that global warming will cause typhoons to take more eastward tracks and become stronger and will increase the number of typhoons reaching their maximum strength near Japan. These findings generally align with the content of the IPCC assessment reports. In fiscal 2021, we updated the dataset we use for simulation to the Coupled Model Intercomparison Project Phase 6 (CMIP6), the latest dataset that has contributed to the creation of the IPCC Sixth Assessment Report released in August 2021. Using the dataset, we have been forecasting future changes in typhoons under respective global warming scenarios.





These are the results of simulations using the stochastic typhoon model to determine where typhoons will reach their maximum strength. Charts (a) and (b) show data on past typhoons and simulation results under future climate conditions, while Chart (c) shows the difference between the two, revealing that more typhoons will reach their maximum strength over the sea near Japan due to global warming.

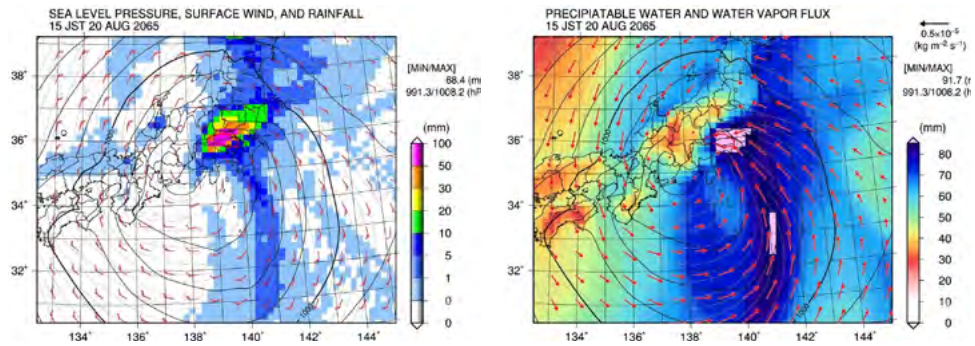
• Dispatching a Researcher to Yokohama National University's Typhoon Science and Technology Research Center

The Tokio Marine Research Institute has been dispatching a researcher to the Typhoon Science and Technology Research Center of Yokohama National University as a visiting researcher. The Center, which is Japan's first research institute specializing in typhoons, was established in October 2021. It seeks to contribute to the establishment of a safe, secure, vibrant and sustainable society by reducing typhoon disaster risk and to the realization of a decarbonized society using the power of typhoons as a new renewable energy source. Typhoons are a threat, but from a different perspective, they are simply a mass of energy. By developing technologies to harness this massive amount of energy and use it as a new renewable energy resource, we would contribute to the realization of a decarbonized society. The Center is accordingly promoting research to realize power generation using energy from typhoons.

Leveraging its standing as a private sector research institute that is both a member of academia and a business enterprise, the Tokio Marine Research Institute will aim to make a contribution in terms of research activities and the social implementation of research outcomes together with the Center's researchers and other companies.

• Joint Research with Nagoya University: Analysis of Strength and Frequency of Torrential Rain in the Future due to Global Warming

With the aim of forecasting how typhoons and torrential downpours, which could be serious disasters, are changing along with global warming, the Tokio Marine Research Institute is performing joint research with the Institute for Space-Earth Environmental Research at Nagoya



These charts represent an extracted example based on the d4PDF showing the maximum level of flow volume of the Arakawa River in a 2°C rise scenario. The chart on the left indicates hourly rainfall, surface wind speed and atmospheric pressure, while the chart on the right shows precipitable water and water vapor flux. In this example case, a typhoon causes considerable rainfall along the Arakawa River valley.

University. Our co-researcher, Professor Kazuhisa Tsuboki from the university, is a leading expert in this area. He has developed a high spatial resolution model capable of performing detailed simulations of such aspects as clouds and precipitation, and is advancing research into the mechanisms of torrential rain, typhoons and other phenomena.

Since its launch in 2010, joint research has been conducted to pursue a more accurate forecasting method. We first simulated how past typhoons will change under future climate conditions to forecast changes in typhoon-induced rainfall. We have then utilized the results of simulations conducted by the Japan Meteorological Agency's Meteorological Research Institute (MRI) to forecast future changes in rainfall, including non-typhoon precipitation. More recently, we have made stochastic future forecasts through the early adoption of the Database for Policy Decision-Making for Future Climate Change ("d4PDF") and investigated the possibility of consecutive prediction of extreme rainfall using 150-year continuous experimental data. We are currently promoting research on forecasting future changes in the impact of extreme rainfall phenomena in Japan.

• Research Presentations at Academic Societies and Other Gatherings

The Tokio Marine Research Institute proactively publicizes the results of its research through presentations at academic and other conferences. We have continually announced the results of joint research with The University of Tokyo, Nagoya University and Kyoto University, respectively, at the Meteorological Society of Japan since fiscal 2008 and the results of joint research with Nagoya University and Kyoto University, respectively, at the Japan Society of Hydrology and Water Resources since fiscal 2013. We have written academic papers on some joint research findings and submitted them to academic journals. To date, the following four peer-reviewed papers have been included in the collections of academic papers of the Japan Society of Civil Engineers.

- Forecasts of future changes in extreme flow volume of the Red River in Vietnam using the d4PDF (included in September 2020)
- Forecasts of future changes in extreme flow volume of the Chao Phraya River in Thailand based on the d4PDF to which multiple bias corrections have been applied (included in September 2022)
- Parameter regionalization based on land-use types for a distributed rainfall-runoff model (included in December 2024)
- Parameter regionalization based on land-use types and soil types for a distributed rainfall-runoff model (included in November 2025)(in Japanese)

Note: Joint research with Kyoto University ended in fiscal 2025.

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

After the Great East Japan Earthquake hit in 2011, diverse disasters, including major earthquakes and wind and flood disasters, have continued to inflict serious damage around the world. Against this background, Tokio Marine Group brings together the data and expertise gained through its non-life insurance and risk consulting businesses to advance initiatives leading to the safety and security of society.

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

In July 2011, a few months after the Great East Japan Earthquake, Tokio Marine Group concluded an industry-academia collaborative agreement with Tohoku University and began research and development and human resource development initiatives in disaster science. The initiatives drew upon Tohoku University's knowledge and data concerning tsunami risk assessment and other areas of disaster science, and Tokio Marine & Nichido's knowledge accumulated through its insurance business. An endowed research division named the Earthquake-induced Tsunami Risk Evaluation Field (Tokio Marine & Nichido) established within the International Research Institute of Disaster Science (IRIDeS) is the base for this collaborative effort, where members, including Professor Fumihiko Imamura, Specially Appointed Professor Keiichi Iwase, Academic Fellow and Professor Shinichi Takeda, Specially Appointed Professor Akira Chigama, Associate Professor Anawat Suppasri, Assistant Professor Noriko Uchida and Project Instructor Mari Yasuda are engaging in research in an interdisciplinary manner on the assessment of earthquake and tsunami risk and activities to promote disaster prevention and mitigation in local communities.

Fiscal 2026 members of the Endowed Research Division, IRIDeS, Tohoku University

In particular, we have identified actual damage caused by the Great East Japan Earthquake, assessed tsunamis following major past earthquakes, conducted research on tsunami risk assessment methods that take into consideration vulnerabilities and disaster preparedness in society and published the findings both in Japan and overseas in an effective manner. The simulation of the tsunami caused by the 2011 Great East Japan Earthquake, which hit areas near Kesennuma City, Miyagi Prefecture, has enabled us to estimate the distribution of debris and other objects washed ashore and the volume of tsunami deposits, thereby contributing to the provision of data that is valuable in formulating measures for preventing combined damage as well as post-disaster response plans.

We have also provided disaster prevention education, held awareness-raising seminars and developed disaster prevention educational tools to disseminate the knowledge thus obtained widely throughout society. The outcomes of these efforts have been highly recognized in and outside Japan. Recently, Associate Professor Suppasri received the outstanding alumni award from the Faculty of Engineering of Chulalongkorn University in Thailand.

Through industry-academia collaboration with Tohoku University as well as collaboration with various industry, government, academia and private-sector stakeholders, Tokio Marine Group will continue to promote efforts to support the recovery of disaster-affected areas, increase resilience in local communities and deliver solutions for a safe and secure future both in Japan and overseas.

Assistant Professor Uchida explaining the impact of tsunamis on ecosystems at a Science and Technology Research Partnership for Sustainable Development (SATREPS) meeting (Indonesia, 2024)

Hosting a workshop at the National Conference on Disaster Risk Reduction (2025, Niigata). From left (facing audience): Academic Fellow and Professor Takeda and Project Instructor Yasuda

As recent examples of disaster response, with regard to the far-field tsunami caused by the Kamchatka earthquake in July 2025 as well as tsunami warnings following an earthquake off the eastern coast of Aomori Prefecture in December 2025 and an earthquake off the Sanriku coast in April 2026, an IRIDeS team conducted emergency response, numerical analysis of the tsunamis, early briefings and trace and damage surveys.

For the Kamchatka earthquake, in particular, the team disseminated information and exchanged opinions not just in Japan but also overseas, providing information to overseas media (BBC) and participating in international conferences. The team will also exchange opinions with fisheries about the damage to their aqua farming facilities and contribute to enhancing future measures' damage reduction capability by using a drifting simulation model under development.

Interview held locally

Ceremony for concluding a joint research agreement with a leading real estate developer, held in Bangkok, Thailand

• Assessment of Resilience Using Biodiversity as an Index

Natural ecosystems greatly affect the resilience of human society as they can mitigate and act as a buffer against the impacts of natural disasters; provide a daily living environment; and serve as a foundation for forming a distinctive local landscape and culture.

Assistant Professor Noriko Uchida, who joined the team at IRIDeS, Tohoku University, in 2020, has been working to establish a method to perform a quick and detailed investigation of biodiversity using a new technology called “environmental DNA.” She has been measuring the environmental DNA of insects, crustaceans and fish in diverse ecosystems mainly on the shores of the Sendai Coast and Tohoku Region. The data and information obtained from the research help to identify the status of recovery from the Great East Japan Earthquake, other disasters and human-induced impacts and are also expected to contribute to the co-existence of human society and ecosystems, for example, through the framework developed by the Taskforce on Nature-related Financial Disclosures (TNFD) to disclose information on how systems in human

society centered on economic activities impact ecosystems.

She has also initiated joint research with the Institute of Hazard, Risk and Resilience (IHRR) at Durham University in the United Kingdom and Amrita University in India and has been working to systematize the cascading impacts of a disaster on biodiversity, water, energy and foodstuffs.

• Research Presentations at Academic and Other Conferences

We present and disseminate the results of the above research at academic conferences and symposiums both in and outside Japan. In fiscal 2025, we conducted 10 presentations at academic and other conferences in Japan and overseas and proactively disseminated information at the 10th National Convention on Disaster Risk Reduction held in Niigata Prefecture in September 2025 and the Sendai Symposium for Disaster Risk Reduction and the Future held in Sendai in March 2026. Additionally, we made available the content of the panel discussion, "Connections make better 'build back better'," held during the World BOSAI Forum 2025 in the Research Report on Tsunami Engineering published annually by Tohoku University. The discussion reflected on changes in collaborative partners and relationships before and after the Great East Japan Earthquake, based on the recognition that establishing "soft" infrastructure, such as connections among people, was crucial immediately after the disaster and throughout the recovery process. The year 2024 marked 20 years since the severe tsunami in the Indian Ocean, which inflicted considerable human damage, and we intend to lead activities concerning future disaster prevention and reconstruction to be planned in advance while discussing and verifying how the experience and lessons gained from major earthquakes, including the Great East Japan Earthquake, have been utilized.

[Major presentation (example)]

Sendai Symposium for Disaster Risk Reduction and the Future 2026 (PDF/5.2MB) (in Japanese)

• Contributing to Disaster Response in Japan and Overseas

We also conduct damage and other surveys and risk assessments when a serious disaster strikes in or outside Japan. On the topic of liquefaction caused by the 2024 Noto Peninsula Earthquake, we will conduct joint research with University College London (UCL), a leading university in the United Kingdom, with a grant from the British Council. The plan is to build a forecast model for future liquefaction, while utilizing machine learning. We also performed a tsunami analysis immediately after the Kamchatka earthquake and earthquakes in the Tohoku region, and the results were reported on Japanese and overseas media. We have helped clarify a mechanism for future tsunamis, establish a tsunami alert system and improve the accuracy of tsunami hazard assessment not just in Japan but also in the Pacific Ocean.

• Summary of Activities to Date

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

Period	Research topic
[Phase 1] April 2012–	**〈Research into earthquake and tsunami risk assessment〉** • Analysis of the wave height distribution and arrival time of tsunamis caused by major past earthquakes, including the Great East Japan Earthquake • Research and development of more reliable damage simulations that take into consideration vulnerabilities and disaster readiness capabilities in society both in Japan and overseas and tsunami risk assessment methods that factor in the probability of occurrence • Research into tsunami evacuation (e.g., providing basic information for disaster mitigation planning of coastal areas and cooperating in formulation of tsunami evacuation plans of regional municipal bodies)
[Phase 2] April 2015–	• Research on effects of coastal forests in mitigating tsunami damage • Research on raising the sophistication of tsunami numerical simulation models (encompassing simulations of tsunami-induced flooding, movement of floating objects and movement of soil) • Development of a mobile application (to assess the depth of immersion and immersed surface areas of the 2011 tsunami and subsequent damage to fishing boats)
[Phase 3] April 2018–	• Research on damage to farming rafts and eelgrass beds caused by the 2011 earthquake and tsunami • Research on assessment of global tsunami hazards and risk • Research on human damage in past tsunamis
[Phase 4] April 2021–	• Research on comprehensive disaster prevention of local communities through ecosystems in coastal areas • Research on quantification of cascading disasters • Analysis of fatalities of the Great East Japan Earthquake in Miyagi Prefecture with a focus on where the victims were found • Research on examination of the sustainability of diverse disaster prevention education techniques, including on-demand educational materials
[Phase 5] April 2024–	• Research on estimating combined tsunami damage based on evaluation of tsunamis (wave height distribution and arrival time) caused by earthquakes that have occurred in Japan and overseas; research on comprehensive risk assessment techniques that factor into forecasts of cascading disasters and their probabilities of occurrence based on advanced tsunami models • Research on quantitative evaluation of effects in terms of biodiversity and disaster mitigation of tidal wave control forests and mangroves on coastal ecosystems • Development of "Digital Our Timeline" education tool to increase children's disaster preparedness and desire to help their communities; verification of radiation disaster prevention education to facilitate an understanding of radiation and improve related risk communication capabilities • Activities for formulating standards aimed at turning Japan's knowledge and technologies into international standards

9.2.3 Disseminating Relevant Information and Engaging in Communication

Through employee volunteer activities, Tokio Marine Group disseminates disaster prevention information via the media and holds disaster prevention seminars for children and adults with support from research institutes that are our joint research partners.

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

■ Providing School Disaster Mitigation Awareness Lessons through Tohoku University

Utilizing the lessons learned from the Great East Japan Earthquake, Tokio Marine & Nichido's endowed research division (Earthquake-induced Tsunami Risk Evaluation Field) established within IRIDeS, Tohoku University, has continued to provide school disaster prevention education lessons for elementary school and junior high school students since fiscal 2014 to build a society resilient to disasters. The lessons have been provided to more than 32,528 children at 484 schools by fiscal 2025. We plan to hold the lessons at 50 schools in fiscal 2026. The initiative also represents one of the major corporate citizenship activities undertaken by Tohoku University (Photos 1 to 4).

Photo 1: Students using "D_Awatara (Digital Our Timeline)"

Photo 2: School lesson of the YUI (Ties) Project

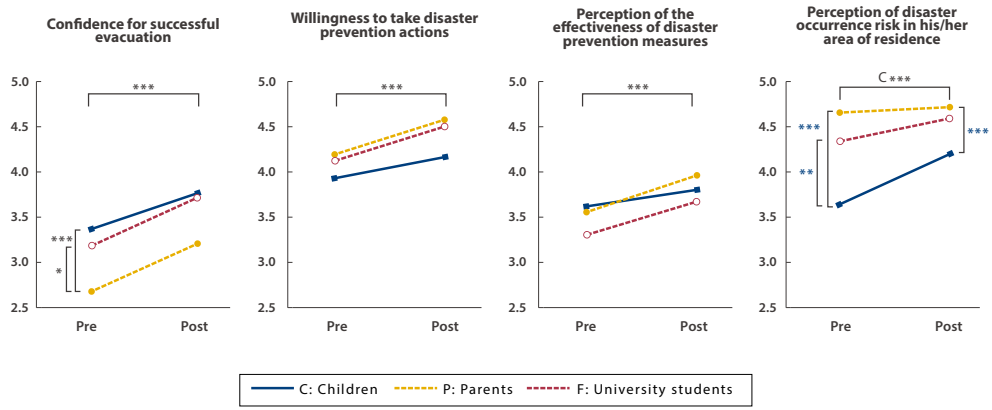
Photo 3: Disaster prevention and mitigation workshop

Photo 4: Disaster prevention and mitigation workshop

Leveraging the knowledge cultivated through disaster science research of IRIDeS, we have developed "D_Awatara (Digital Our Timeline)," an educational tool for children to learn about disaster prevention together, and have introduced it in group activities for practical use. Through our school lessons, we also provide disaster prevention counseling to teachers, thereby supporting schools' efforts to promote disaster prevention education.

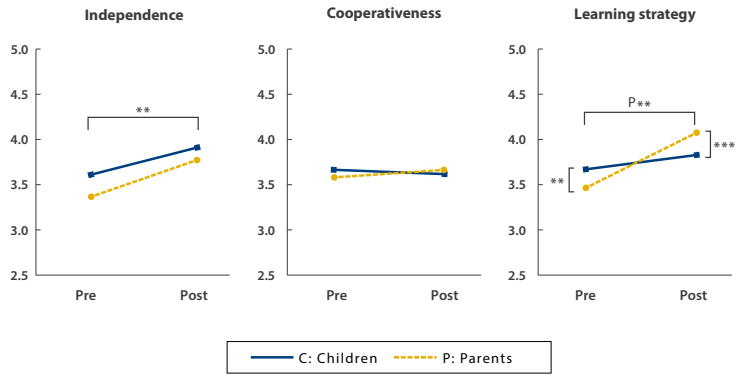
An awareness survey conducted before and after a disaster prevention and mitigation workshop for children and their parents showed that disaster awareness grew not only among children but also among their parents and university students who served as facilitators (Charts 1 and 2).

▸Chart 1: Changes in disaster awareness in children, parents and university students



Note 1: Indications of significant differences in the main effect of timing and simple main effect of timing are: *p < .05, **p < .01 and *** p < .001
Note 2: Indications of significant differences in multiple comparisons of the main effects of participating groups are: *p < .017, **p < .003 and *** p < .0003
Note 3: Indications of significant differences in multiple comparisons when simple main effects show a significant difference are: *p < .017, **p < .003 and *** p < .0003

▸Chart 2: Changes in children's independent learning attitude and parents' scores for their children's independent learning attitude



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

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

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

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

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

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

■ Website

• Creating a Society with High Disaster Consciousness – For Tomorrow's Smiles: Disaster Readiness and Mitigation Information Website

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

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

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

■ Resilience Certification

Tokio Marine & Nichido received certification as an organization contributing to the building of national resilience ("Resilience Certification") in the first evaluation conducted in fiscal 2016 and has continued to have it renewed ever since.

レジリエンス認証
事業継続および社会貢献
認証・登録番号 J0000001

In addition to receiving the Resilience Certification for business continuity in the first evaluation conducted in fiscal 2016, Tokio Marine & Nichido obtained the Resilience Certification for social contribution in the first evaluation conducted in fiscal 2020.

10 Support Healthy and Fulfilling Lives

10.1 Contributing to the Creation of a Safe and Secure Society

10.1.1 Basic Approach to the Creation of a Safe and Secure Society

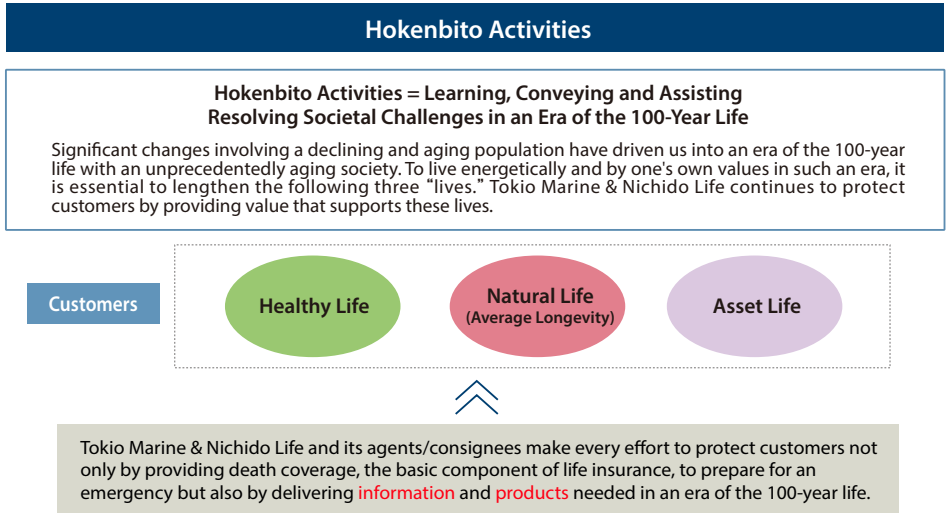
Tokio Marine Group provides products and services that anticipate changes in the social environment or customer needs by utilizing solutions offered by respective Group companies, including insurance, thereby contributing to the creation of a safe and secure society. Tokio Marine & Nichido Life supports customers' healthy and fulfilling lives by working to solve societal challenges in an era of the 100-year life. In addition, the entire Tokio Marine Group engages in a variety of activities as a member of society and respective local communities in order to promote social and economic inclusion of all people. These include activities to raise awareness of cancer and other diseases, spread knowledge about nursing care and support the recovery of disaster-affected areas.

10.1.1 Building a Society Based on Health and Longevity

■ Tokio Marine & Nichido Life's Initiatives for Building a Society Based on Health and Longevity

• Initiative of *Hokenbito* (True Insurance Professionals) Activities: Solving Societal Challenges in an Era of the 100-Year Life

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



■ Tokio Marine & Nichido Life's Products to Support a Society based on Health and Longevity

• Launch of *Anshin Dream Whole-Life Insurance* (Single-Premium Whole Life Insurance with Variable Accumulation Interest Rate (Selectable Coverage Type))

As Japan enters a super-aged society, it is becoming increasingly important to prepare sufficient living funds to address longevity risks and to ensure a smooth inheritance process. To meet these needs, Tokio Marine & Nichido Life launched *Anshin Dream Whole-Life*, a yen-denominated, single-premium whole life insurance product, in September 2025. The product has been well received as it enables customers to use a lump sum to build assets and prepare for inheritance without foreign exchange risk.

Customers can choose from two options according to their life stage and objectives. Type I is a plan focused on high-payout death benefits and Type II is a plan more focused on savings. Enrollment is available up to age 90 without a health declaration or similar medical disclosure, making the product accessible even to customers with health concerns.

Alongside the product launch, the company introduced End-of-Life Planning and Inheritance Assist, a free telephone consultation service that connects users with knowledgeable consultants for support ranging from general concerns about end-of-life planning and

inheritance to specific procedures. The service is available to policyholders of this insurance, insurees, beneficiaries and their families.

• Resumption of Sales of Individual Annuity Insurance

To meet customers' needs to systematically prepare funds for the future—particularly among working-age generations—and to take advantage of the tax deduction for individual annuity insurance premiums, Tokio Marine & Nichido Life resumed sales of individual annuity insurance in January 2026 after suspending new sales in October 2016, thereby expanding its lineup of asset-building products. Enrollment is available up to age 74 without a health declaration or similar medical disclosure, making the product accessible even to customers with health concerns.

• Launch of *Smart Group Welfare Fixed-Term Insurance* (Comprehensive Group Welfare Fixed-Term Insurance with a Rider for Electronic Contracts)

To help small and medium-sized enterprises and other organizations enhance employee benefits as they strive to address management challenges such as recruiting and retaining human resources, Tokio Marine & Nichido Life launched *Smart Group Welfare Fixed-Term Insurance* in September 2024. The product has been well received as it includes a rider for electronic contracts to the conventional comprehensive group welfare fixed-term insurance, thus simplifying procedures for companies and employees through the use of digital technology while offering affordable premiums. In addition, the product also offers a health checkup discount rider and early treatment support rider, which offer premium discounts based on a company's status of providing employees with health checkups. These riders are designed to support employee health by offering not only benefit payments to employees who undergo secondary examinations, but also featuring Smart Health Checkup Management, a service that tracks health checkup participation and encourages employees to take secondary examinations.

■ Enhancement of Accompanying Services to Insurance Products

Tokio Marine Group uses ancillary insurance product services to help customers get healthier and support appropriate care for diseases and injuries.

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

Medical Assist is a free health and healthcare consultation service available to policyholders and insurees of Tokio Marine & Nichido and Tokio Marine & Nichido Life and their families. The service is provided via telephone 24/7 and gives advice on matters such as everyday physical problems and the handling of emergencies such as sudden illness or injury. It also provides information about hospitals, clinics and other medical facilities that are open on holidays or late at night. Furthermore, specialists from more than 30 areas of medical care are available for consultation by appointment and the service also arranges the transfer and transport of patients to other hospitals on behalf of the patient.

Nurses with a wealth of clinical experience talk with callers first and, if necessary, cooperate with emergency medical specialists playing leading roles at emergency medical institutions, departmental specialists on the level of university professors or associate professors, pharmacists, national registered dietitians and other specialists. Using the example of a consultation regarding a child stung by a bee, first the caller is asked about the symptoms the child is showing. Then, the caller is advised regarding the necessity of seeking emergency medical care, while receiving instructions on the first aid best suited to the symptoms.

Medical Assist (in Japanese)

• "Medical Note for Tokio Marine Group" Online Service

Medical Note for Tokio Marine Group is an online service that allows customers to easily, directly and individually consult with and ask healthcare professionals, mainly medical specialists, from their personal computers and smartphones. Customers can seek medical advice online, choose a specific hospital to make a doctor's appointment for a second opinion and choose a doctor or a hospital to make an appointment. In addition, in February 2022, we began to provide a service that allows customers to select a hospital from among those that provide specialized medical services and make a reservation for more detailed cancer tests when the result of preliminary cancer screening by the local government or other medical institutions comes back as "Suspected" or "Needing detailed test." It is available free of charge for insurees of Tokio Marine & Nichido Life (excluding those of group insurance).

• "Calomama Plus" to Support Customers' Health Promotion

This is a health advice app developed by Link & Communication Inc. and features an AI dietitian that supports users regarding food, exercise, sleep and other matters. The app supports customers' management of their health and the prevention of serious diseases. The app utilizes an original algorithm based on nutrition management data of over 100,000 people and provides the most appropriate advice in real time from more than 200 million patterns. A fee-based service used for employee health management by more than 6,000 companies, the app is available free of charge to insurees of applicable insurance products of Tokio Marine & Nichido Life. The app enables customers to choose a program according to their individual objectives and work to promote their health or prevent disease aggravation readily and comfortably.

• Services for Receiving Tests for Detecting Cancer Risk at Preferential Prices

These tests provided by Craif Inc. use urine to assess cancer risk. They have been available since February 2022 to detect ovarian cancer and will be extended to other cancers in a phased manner. Policyholders of applicable insurance products of Tokio Marine & Nichido Life, insurees and their families may use this service at affiliated medical institutions at a preferential price.

• End-of-Life Planning and Inheritance Assist

This free service allows users to consult specialized consultants by telephone about a wide range of concerns related to end-of-life planning and inheritance. Depending on the nature of the inquiry, the consultants introduce users to suitable specialists or companies. Experienced consultants provide guidance so that even those who are unsure where to begin can feel reassured. The service is available free of charge for policyholders of applicable insurance products of Tokio Marine & Nichido Life, insurees and their families.

• Anshin Healthcare (Service for Helping Customers Get Healthier)

The service consists of different menus to promote customers' health, prevent and detect lifestyle-related diseases at an early stage and prevent disease aggravation using a dedicated web app (Anshin Healthcare). The following four services support the extension of the healthy life spans (Medical Note for Tokio Marine Group and Calomama Plus, which are both mentioned above, and other services are available on the app).

❶ Health self-check

Jointly developed by Value HR Co., Ltd. and Tokio Marine Group companies, this service uses an algorithm to predict the risk of diabetes, hypertension, ischemic heart diseases and cerebrovascular diseases by entering the results of health checkups.

❷ Checkup plan

This is the first service in Japan that proposes a recommended cancer screening plan (e.g., types of tests, frequency of screening) based on a simple online questionnaire on lifestyle habits, which was developed by Whitehealthcare Inc.

❸ Online checkup result consultation

This service, which is provided via Tokio Marine & Nichido Medical Service, allows users to seek advice online from public health nurses and other specialists about their questions and concerns regarding the results of their checkups.

❹ Anshin Preventive Medicine Channel

The service enables users to view recommended videos from among a wealth of video content supervised by Dr. Yuma Mori from MEDU Inc. on risks and the prevention of lifestyle-related diseases based on the results of checkups.

■ Launch of *Mirairo Cancer Insurance* That Uses Digital Disability Certificates

Tokio Marine & Nichido offers *Mirairo Cancer Insurance*, which is intended for people with the Mirairo ID* digital disability certificate and their families. This product was developed jointly with Mirairo Inc., which operates a business providing services related to universal design, and Zenchikyosai Inc., a company specializing in insurance for people with disabilities.

The insurance features a simple health notification process and allows families and other people to conduct the enrollment procedures and health conditions notification process by proxy, making it easier for people with disabilities to enroll.

By offering products like this, Tokio Marine & Nichido strives to solve societal challenges and contribute to improving the quality of life of people with disabilities and others. In this way, the company aims to build a symbiotic society where anyone can live safely, comfortably and with a sense of security and achieve self-realization in a diverse way.

*: A digital disability certificate released by Mirairo with the goal of creating a new future where people with disabilities will find it easy to go out and business operators will be able to respond to them smoothly. More companies have introduced the certificate, with 4,000 companies and counting. (As of May 2025)

■ Launch of a Platform Service to Support Health and Productivity Management by Tokio Marine Healthcare

Healthcare is one of the societal challenges that Tokio Marine Group considers critical. Within this field, Tokio Marine Healthcare contributes to genuine health and productivity management and the extension of healthy life expectancy by providing new healthcare services focused on pre-disease intervention and prevention.

As its first healthcare rollout, the company developed the HelDi platform service to support health and productivity management of companies for their employees. Provided to companies and organizations, the service helps create an environment that encourages an awareness change and health action among employees, allowing them to increase their health literacy and improve lifestyle habits in each of the physical*1 mental*2 and female*3 fields. HelDi also assists with companies' PDCA cycle related to health and productivity management by providing a benefit verification report service.

In fiscal 2025, the company began providing the HelDi service to Tokio Marine & Nichido, a major Group company. Tokio Marine Healthcare plans to release the new service early to

customers across Japan after verifying the service's usability for a nationwide rollout.

*1: Physical: Create lifestyle habits matched to oneself
*2: Mental: Know about the characteristics of one's own mind and keep it healthy
*3: Female: Deal with premenstrual syndrome (PMS) and menopausal symptoms, and promote women's health

■ Launch of a Service for Joint Purchase of Pharmaceutical Products for Veterinary Hospitals by Tokio Marine Well Design

In the field of healthcare for pets, various issues have emerged, as evidenced by a staffing shortage in veterinary hospitals and surging medical costs resulting from a rise in procurement costs for pharmaceutical products. In seeking to realize a society where people and their pets can lead healthy lives with a sense of security, Tokio Marine Well Design will launch a service for the joint purchase of pharmaceutical products, which will help increase the operational efficiency of veterinary hospitals and reduce pharmaceutical procurement costs.

The joint pharmaceuticals purchase service will serve to reduce the pharmaceutical procurement costs of veterinary hospitals, as well as the work involved in order placement. Under the service, Tokio Marine Well Design will conclude a membership agreement with multiple veterinary hospitals to jointly purchase pharmaceutical and other products while conducting price negotiations with pharmaceutical wholesalers. By doing so, the company intends to reduce the amount of work required of veterinary hospitals when individually negotiating on price and aims to take advantage of scale in purchasing pharmaceuticals. Veterinary hospitals can also benefit from the increased efficiency of their order placement and purchasing work and reduced ordering costs by introducing a pharmaceutical order placement and receipt system, which the company plans to launch in September 2025, to centrally manage the related work.

Going forward, Tokio Marine Well Design will use data accumulated in the pharmaceutical order placement and receipt system for several purposes, including standardizing the names of pharmaceutical products, in an effort to ensure more efficient pharmaceutical distribution in animal healthcare. The company will continue to promote the service by utilizing the diverse customer contact points of Tokio Marine Group, and at the same time, seeks to realize a society where pets can receive appropriate medical care when needed and with a sense of security through the provision of services and solutions designed to support the healthcare of pets.

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

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

■ Launch of Care La Care, a Service to Support Employees in Balancing Work and Caregiving

As the population ages, the number of working caregivers—people who keep working while caring for family members—is expected to rise. Balancing work and caregiving has become a serious societal challenge affecting not only the physical and mental well-being of individual employees. It also hinders companies from retaining human resources while making it difficult for employees to play active roles and for companies to achieve sustainable growth. To help resolve this challenge, Tokio Marine & Nichido and NTT Data jointly developed and commercialized Care La Care, a service supporting employees in balancing work and caregiving.

Care La Care helps companies establish systems that support employees in balancing work and caregiving while reducing the burden of caregiving on employees. This service thus facilitates creating workplaces where people can continue working with peace of mind while assuming caregiving responsibilities. For companies, the service provides surveys to identify employees' caregiving circumstances and potential challenges and supports the development of human resources policies and mechanisms that connect employees with appropriate assistance. It also offers individual employees expert advice and services designed to ease their caregiving burden.

By leveraging its extensive relationships with corporate customers, Tokio Marine & Nichido aims to help drive the widespread adoption of this solution and continue to deliver value to society that extends beyond the traditional scope of insurance. Through Care La Care, the company aims to contribute to realizing a society in which everyone can continue working with peace of mind by helping companies prevent employees from leaving work due to caregiving responsibilities and thus retain employees, create workplaces where employees can play active roles and promote human capital management.

10.1.3 Support for Small and Medium-Sized Enterprises

Regional small and medium-sized enterprises (SMEs), which form the foundation of the Japanese economy, are facing numerous business challenges. Tokio Marine Group supports the growth of SMEs by anticipating changes in the risks surrounding them and developing and providing insurance products and services that help SMEs continue their businesses, take on new challenges and achieve growth.

■ BUDDY+ Website to Provide Solutions Exclusively to SMEs

Tokio Marine & Nichido has opened BUDDY+, a website that provides SMEs with online services, including the provision of information about and solutions to the diverse business challenges SMEs face. Highly specialized content, such as providing support for M&As for business succession and securing human resources as well as a subsidy and grant-in-aid diagnosis system, is available regardless of whether users are policyholders or not.

中小企業の挑戦を支え続ける

BUDDY+

10.1.4 Responding to Poverty Issues

As issues such as poverty, widening inequality and discrimination become more serious, it is urgent to resolve these issues through financial inclusion initiatives. Based on the SDG goal of leaving no one behind, Tokio Marine Group, in cooperation with its stakeholders, strives to understand the characteristics of countries and regions, their circumstances and the needs of people in difficult circumstances. The Group also seeks to innovate and expand the fields of financial and insurance products and services available to them, based on the market survey results and voices of customers, local communities and future generations. Through the development and provision of financial inclusion-related products and services (including distribution channels and methods), we work to improve access to basic insurance products and financial services for people in difficult circumstances so that they can enjoy the benefits of these products and services. We support them and their families by providing financial and insurance education, while working to establish a system to prevent them from misusing available financial and insurance products and services (including incurring excessive debts) and contribute to improving their standard of living. We also strive to promote understanding of sustainability issues, including financial inclusion, among management (through the Sustainability Committee, etc.), educate and raise awareness of employees (through sustainability training, etc.) and develop mechanisms for handling complaints (through human rights due diligence initiatives, etc.).

■ Development of Weather Insurance and Microinsurance Jointly with IFFCO-TOKIO

In 2001, Tokio Marine Group established IFFCO-TOKIO General Insurance Co., Ltd. (IFFCO-TOKIO), a non-life insurance company, as a joint venture with Indian Farmers Fertiliser Cooperative Limited (IFFCO), which has a nationwide network of 36,000 member cooperatives, and began offering auto, fire and other insurance in India.

From the start, the business tackled the issue of resolving uncertainty faced by farmers in India through the mechanism of insurance and looked into the development of microinsurance (i.e., insurance available at low cost) and weather insurance. These products have become essential in stabilizing the lives of people in farming communities, with premiums written amounting to 8.5 billion rupees (approximately 14.5 billion yen) in fiscal 2025.

Since 2001, the company, in collaboration with IFFCO, has been providing *Sankat Haran Bima Yojna*, low-cost accident insurance automatically included with fertilizer purchases, for which IFFCO bears the cost of 0.5 rupees (about 1 yen) per bag of fertilizer, in India's rural communities. In addition, it has been offering affordable insurance products tailored to rural communities, including *Pashu Dhan Bima Yojana*, which provides coverage for indigenous cattle raised in rural

IFFCO-TOKIO headquarters

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

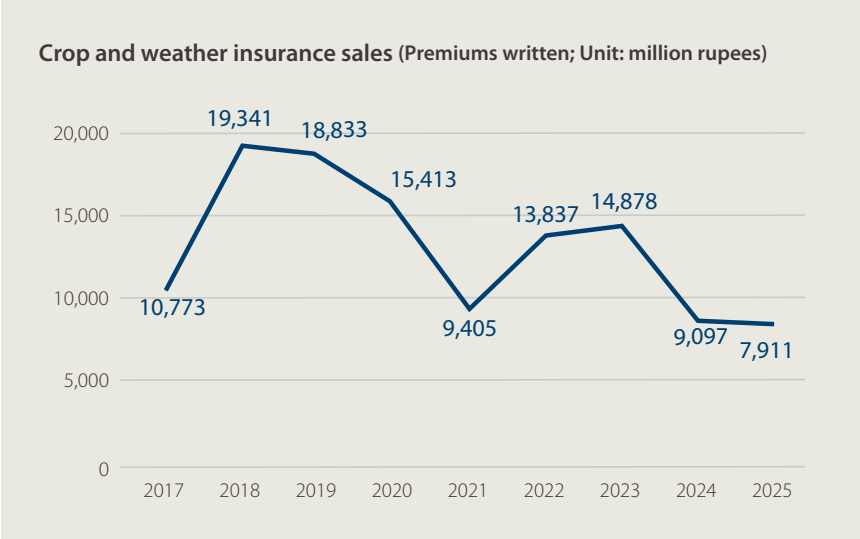
areas, and *Jan Suraksha Bima*, a low-cost accident insurance designed for low-income families.

To gain communities' understanding of the mechanism of weather insurance products that takes into account the impact on grain harvest yields in farming communities due to unseasonable climate in the wet monsoon season (June to September) and the dry *rabi* season (October to April), IFFCO-TOKIO has been conducting briefings for farmers in every state in India on an ongoing basis together with banks, NGOs and other partners. Currently, the company sells weather insurance, mainly its own as well as other government-sponsored products such as *Pradhan Mantri Fasal Bima Yojana* (RMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS), to many farming households.

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

Crop & Weather Insurance details

FY2025: GWP INR 7,911 million, Claims Paid INR 8,363 million



■ Initiative to Support Low Incomes in the United States

The Tokio Marine North America Services (TMNAS) Finance Team has implemented an initiative to support low-income households via a reduced tax burden with Philadelphia Insurance Companies (PHLY) and their long-time business partner Affordable Equity Partners (AEP).

The housing complexes developed by AEP and its partners are financed through the sale of the tax credits to PHLY, and when completed are rented to low-income members of the communities. PHLY benefits via the reduced tax burden made possible by the tax credits purchased from AEP. So far, PHLY has invested over US$278 million, which has gone toward 2,500 units across six states in the United States. The relationship is a "win-win-win" for PHLY, TMNAS and AEP and the 2,500 families living in the beautiful new facilities.

■ Initiatives to Support Low-Income Communities in Botswana, Africa

South Africa-based Hollard Group views insurance as a mechanism that supports people's lives and embraces the purpose of enabling more people to build and protect a better future. The Group provides people who have difficulty accessing adequate coverage with affordable insurance premiums and convenient enrollment channels in their everyday life. It also promotes financial inclusion, the state in which everyone can access the financial services they need. Through these efforts, the Group is working to expand access to insurance and address local societal challenges.

One example is funeral insurance in Botswana. In many parts of Africa, families and entire communities observe mourning rituals over several days, and funerals can entail substantial costs. For low-income families in particular, these expenses can place a heavy strain on household finances. To reduce the financial burden on bereaved families, Hollard Botswana partners with a major local mobile phone operator to offer affordable funeral insurance that can be purchased using only a mobile phone, even by people facing financial hardship who do not have a bank account. Coverage is available from approximately ¥100 per month. By extending coverage options to people who never had access to financial services, the initiative has enrolled approximately 16,000 people in funeral insurance during the two years since its launch, representing a 2% penetration rate among low- to middle-income families. It also contributes to promoting financial inclusion by encouraging broader participation in society through first-hand experience with financial services.

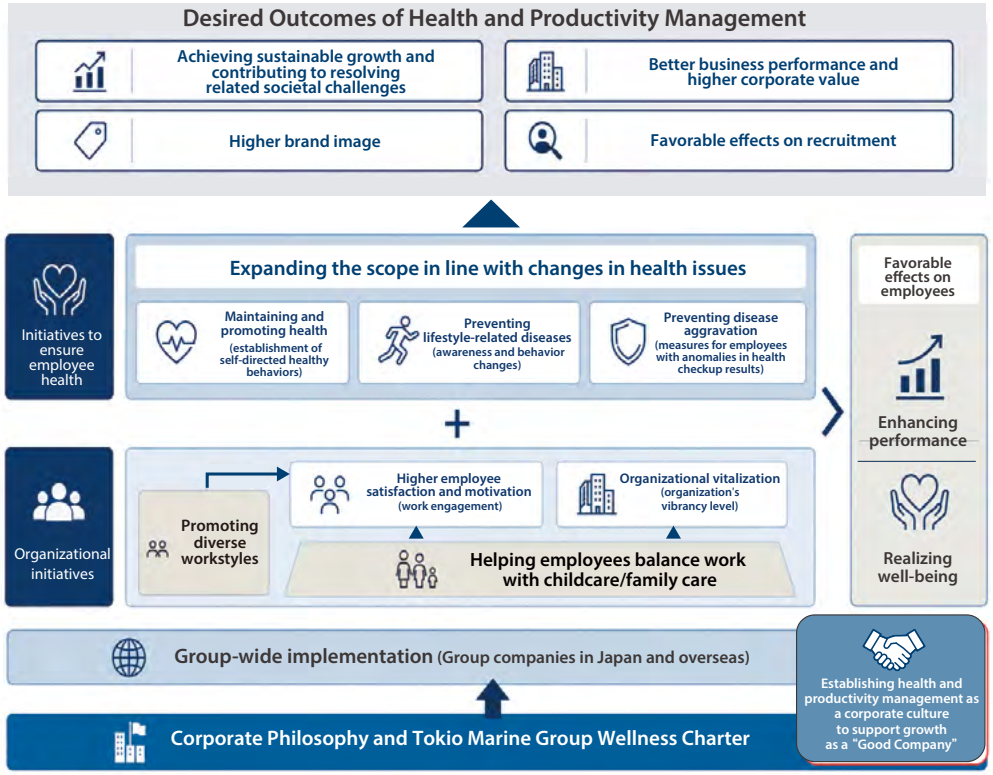
10.2 Promoting Health and Productivity Management

10.2.1 Our Stance on Promoting Health and Productivity Management

Maintaining and enhancing the physical and mental health of our employees is our top priority, as they are the driving force for solving societal challenges through our business based on our purpose and consequently enhancing our corporate value. In seeking to provide an environment that enables employees to work with enthusiasm and vigor, Tokio Marine Group encourages its employees to maintain and improve their health both physically and mentally.

◉ Desired Outcomes of Health and Productivity Management

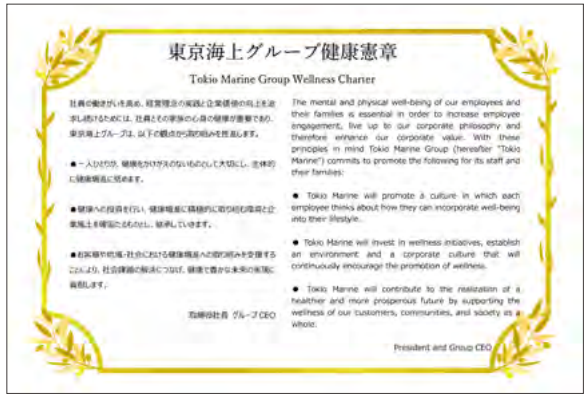
In all its business activities, Tokio Marine Group regards its employees, who play critical roles in carrying them out, as one of its most valuable assets. We seek to ensure the physical and mental health of employees, which will lead to the enhancement of performance and realization of well-being, support the health promotion efforts of customers, local communities and society as a whole and help resolve related societal challenges. By doing this, we ultimately aim to achieve the sustainable growth of the Group.



◉ Tokio Marine Group Wellness Charter

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

Training sessions are held periodically for employees responsible for health and productivity management initiatives at Tokio Marine Group companies in Japan. In addition to rolling out and improving our health and productivity management initiatives, we feature articles on health and productivity management in our Group newsletters. Both domestically and globally, the entire Group is thus committed to communicating the philosophy of the Tokio Marine Group Wellness Charter.


東京海上グループ健康憲章

Tokio Marine Group Wellness Charter

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

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

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

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

President and Group CEO

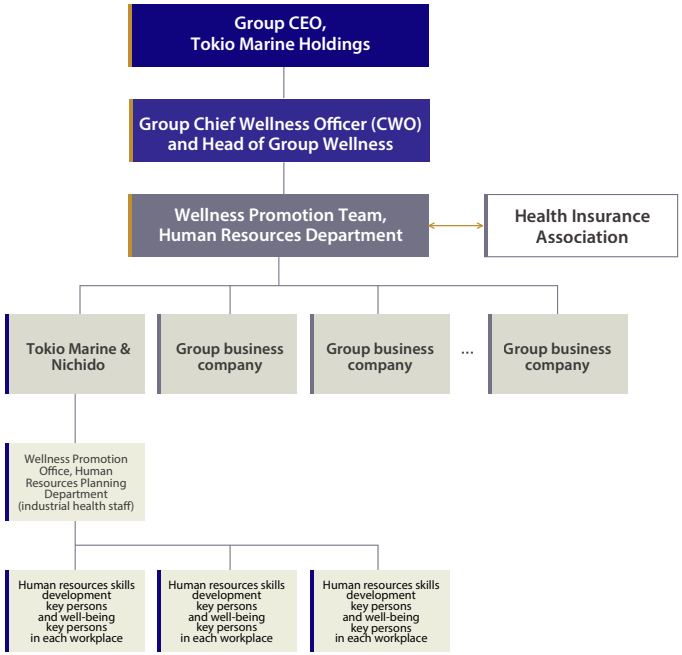
<Declaration of Health and Productivity Management>

Tokio Marine & Nichido, a major Tokio Marine Group company, is promoting an array of initiatives under its Declaration of Health and Productivity Management, which states that employees represent the most important driving force in becoming and continuing to grow as a "Good Company" chosen by customers, and that Tokio Marine & Nichido proactively seeks to maintain and promote the physical and mental health of employees and their families. The company provides the expertise cultivated through these initiatives to its business partners working on health and productivity management. In this way, it also promotes these initiatives throughout society.

◉Promotion Structure

Overseen by the Group CEO, our initiatives to promote health and productivity management and occupational safety and health management are led by the Group Chief Wellness Officer (CWO) and Head of Group Wellness who is also the Group Chief Human Resources Officer (CHRO), and the Wellness Promotion Team established within Tokio Marine Holdings. We are also engaged in collaborative health promotion initiatives jointly with the Health Insurance Association.

Additionally, with the aim of extending our efforts to ensure that all employees working across Japan can be healthy, Tokio Marine & Nichido has established a system enabling the industrial health staff members (including industrial physicians and public health nurses) stationed at 46 locations nationwide to collaborate with key persons appointed in each workplace for human resources skills development and for well-being. Using Tokio Marine & Nichido's initiatives as a benchmark, we are implementing a similar system in other Group companies in a phased manner. Public health nurses and other professionals leading the creation and implementation of health and productivity management plans are registered with the Japan Society for Occupational Health's Institution for Certified Occupational Health Nurses and continuously receive training to increase their expertise (as of September 2025: one senior specialist, four specialists and 12 registrants).



Tokio Marine Group's Basic Approach to Occupational Safety and Health

One of the material issues Tokio Marine Group has identified is to "support healthy and fulfilling lives." Accordingly, while thoroughly complying with laws related to occupational safety and health, we respect international standards and norms regarding occupational safety and health as a company that has signed the UN Global Compact.

Based on this concept, Tokio Marine Holdings and Tokio Marine & Nichido established the Occupational Health and Safety Management System Regulations and have been working to provide and continue to improve a safe and healthy working environment. In promoting initiatives based on the regulations, we comply with, support and respect international codes of conduct, such as the International Bill of Human Rights, the Guiding Principles on Business and Human Rights, and the ILO Conventions on Occupational Safety and Health, in addition to laws and regulations and guidance related to occupational safety and health established by respective national governments. Based on the Tokio Marine Group Sustainability Charter and the Tokio Marine Group Wellness Charter, which were established in 2004 and 2019, respectively, the regulations apply to the business activities of Tokio Marine Holdings and Tokio Marine & Nichido* where occupational safety and health management is necessary. Our employees work together with our business partners and local communities to promote the resolution of challenges related to occupational safety and health.

Tokio Marine Holdings and Tokio Marine & Nichido formulate and prioritize action plans, set indicators and targets, measure and evaluate the effectiveness of implemented measures and work to continuously improve so that they can resolve the issues that have been identified. We have a system that enables our initiatives to reflect employees' opinions. For example, we have established a health committee to listen to and discuss the feedback we receive from employees.

Tokio Marine Group established the Responsible Procurement Guidelines in March 2023. We communicate these guidelines to our business partners and ask them to promote occupational health and safety and health management. We will also contribute to solving the issues faced by customers and local communities through the provision of our products and services.

Through these efforts, Tokio Marine Group works with its employees, business partners in its value chain, customers and local communities while at the same time helping them stay physically and mentally safe and healthy to achieve a healthy society.

*: The Occupational Health and Safety Management System Regulations apply to about 40% of Tokio Marine Group employees.

<Indicators and Targets of Priority Measures for Occupational Health and Safety>

Tokio Marine Holdings and Tokio Marine & Nichido formulate annual plans and measures and evaluate the effectiveness of implemented priority measures to ensure that they continue to improve in the area of occupational health and safety issues. In 2026, we have implemented initiatives to achieve the indicators and targets below.

1. Prevention of overwork and implementation of proper follow-up measures
2. At least 98% of all employees undergo stress checks
3. All employees have regular health checkups

Tokio Marine Holdings Occupational Health and Safety Management System Regulations (Excerpt)

1. Purpose
Continuously and effectively operate a management system that complies with the spirit and letter of the Industrial Safety and Health Act.

2. Scope of Application
The regulations apply to all organizations connected to the business activities of Tokio Marine Holdings, where the management of occupational health and safety is necessary.

3. Realization of Our Occupational Safety and Health Policy
(1) Tokio Marine Group Wellness Charter

> The mental and physical well-being of our employees and their families is essential in order to increase employee engagement, live up to our corporate philosophy and therefore enhance our corporate value. With these principles in mind Tokio Marine Group commits to promoting the following for its staff and their families:
>
> • Tokio Marine will promote a culture in which each employee thinks about how they can incorporate well-being into their lifestyle.
> • Tokio Marine will invest in wellness initiatives and establish an environment and a corporate culture that will continuously encourage the promotion of wellness.
> • Tokio Marine will contribute to the realization of a healthier and more prosperous future by supporting the wellness of our customers, communities, and society as a whole.
>
> President and Group CEO

(2) Occupational Health and Safety Policy
(i) By promoting health and safety activities, we seek to prevent industrial accidents, maintain and increase employees' wellness and establish a comfortable working environment while increasing health and safety in workplaces.
(ii) We comply with laws related to occupational health and safety and their health and safety regulations. In accordance with the Guidelines on Occupational Health and Safety Management Systems formulated by Japan's Ministry of Health, Labour and Welfare, we build systems for company-wide management of occupational health and safety and properly implement measures accordingly.
(iii) Health and safety activities are supervised by the head of each company's Human Resources Department. In cooperation with industrial health staff, health and safety activities are to be led by a human resources skills development key person in each department, while such activities are to be led by managers of each office and group.
(iv) Health and safety activities conducted by companies should be in cooperation with their employees.

4. Procedures for Setting Health and Safety Goals and for the Creation, Implementation, Evaluation and Improvement of Health and Safety Plans
Below are the steps for enabling the actions of health committees to reflect employees' opinions, including setting health and safety goals and the creation, implementation and improvement of health and safety plans.
1. When setting health and safety goals and creating, evaluating and improving safety and health plans, health committees should listen to and consider employees' opinions.
2. When confirming employees' opinions, the status of achievement of the previous fiscal year's health and safety goals, the grounds for the creation of health and safety plans and other information should be provided to employees.
3. Employees' opinions should be respected, and health and safety goals and health and safety plans should be reviewed whenever necessary.
4. The status of the implementation of health and safety plans is discussed by health committees every month, and the details of these discussions are communicated to employees.

10.2.2 Strategy for Promoting Health and Productivity Management

◉ Health and Productivity Management Strategy

Tokio Marine & Nichido believes that it should pursue health from two different aspects — individual and organizational — through its health and productivity management initiative. While discussing with management the analysis results of various health-related data, including the results of health checkups, stress checks and employee questionnaires, Tokio Marine & Nichido defines key performance indicators (KPIs) for its entire health and productivity management initiatives (e.g., improvement of presenteeism), intermediary KPIs (e.g., rate of anomalies in health checkups) and indicators, which are linked to the intermediary KPIs, for awareness and behavior changes (e.g., improvement in lifestyle habits and rates of employees receiving health checkups and other examinations) as well as respective targets. Please refer to the Health and Productivity Management Strategy Map on the next page for the interrelationship among the respective evaluation indicators.

The company monitors the trends of KPIs for individual measures, verifies the effectiveness of each measure and works to improve while implementing the PDCA cycle. The company also implements a PDCA cycle for its entire health and productivity management and implements occupational safety and health management by continuously analyzing the correlation between the KPIs for the entire health and productivity management and the results of stress checks, reviewing the conditions by employee attribute (gender, age, department, position, geographical area, etc.) and checking if there are health issues for which new measures should

be considered.

Toward the realization of the desired outcomes of health and productivity management, which represent a framework for evaluating its initiatives to enhance its corporate value on a sustainable basis, the company also verifies the impact on external evaluations on a continuous basis.

◉ Policy for Promoting Health and Productivity Management

Based on the Declaration of Health and Productivity Management, Tokio Marine & Nichido has defined two goals for its health and productivity management: 1) maximizing the capabilities of each employee with diverse backgrounds (enhancing performance by maintaining and promoting physical and mental health) and 2) realizing well-being.

As key goal indicators (KGIs), Tokio Marine & Nichido has set presenteeism and absenteeism indicators for 1) above and a well-being indicator for 2). In order to achieve these KGIs, the company has been planning and implementing health measures in three categories: "measures to promote health," "measures to prevent lifestyle-related diseases" and "measures to realize a better working life." To gauge the effectiveness of investment in health measures, the company has also set multiple intermediary KPIs between the KGIs and the health measures. These KPIs are divided into three groups, namely, indicators for the implementation status of health investment measures, indicators for employees' awareness and behavior changes and indicators for targets related to employees' conditions.

Tokio Marine & Nichido believes that health investment related to maintaining and promoting the mental and physical health of employees will prompt awareness and behavior changes in individual employees and that establishing self-directed health actions among them will allow them to achieve and maintain better health conditions. The company also believes that good health forms a foundation for employees to engage in their work with vitality and will result in improvement in presenteeism and absenteeism, which in turn will lead to better work performance.

◉ Fostering an Appropriate Organizational Culture

Tokio Marine & Nichido is promoting measures to enhance work engagement and encouraging diverse work styles to foster an organizational culture where employees can remain highly engaged in their work. For example, the company believes that achieving better individual and organizational engagement requires a two-pronged effort. One is to let employees recognize that their aspirations (expressed as "My Aspiration") are helping customers and local communities through work, and the other is to create an organization where support from supervisors and colleagues is readily available. The company uses the organization's vibrancy level as an ultimate indicator to quantitatively measure the fostering of an appropriate organizational culture and has already been monitoring its change over time.

Fostering an appropriate organizational culture is expected to further increase the effectiveness of health measures and help improve presenteeism and absenteeism, which are performance indicators, as well as the well-being indicator.

◉ Health and Productivity Management Key Goal Indicators (KGIs)

As described earlier, Tokio Marine & Nichido has adopted three indicators as its health and productivity management KGIs and defined targets for presenteeism and well-being. Besides these KGIs, the company has been measuring, on an annual basis, the organization's vibrancy level, which is an indicator to gauge the fostering of an appropriate organizational culture, as well as work engagement, which is used to evaluate employees' enthusiasm and vigor to work.

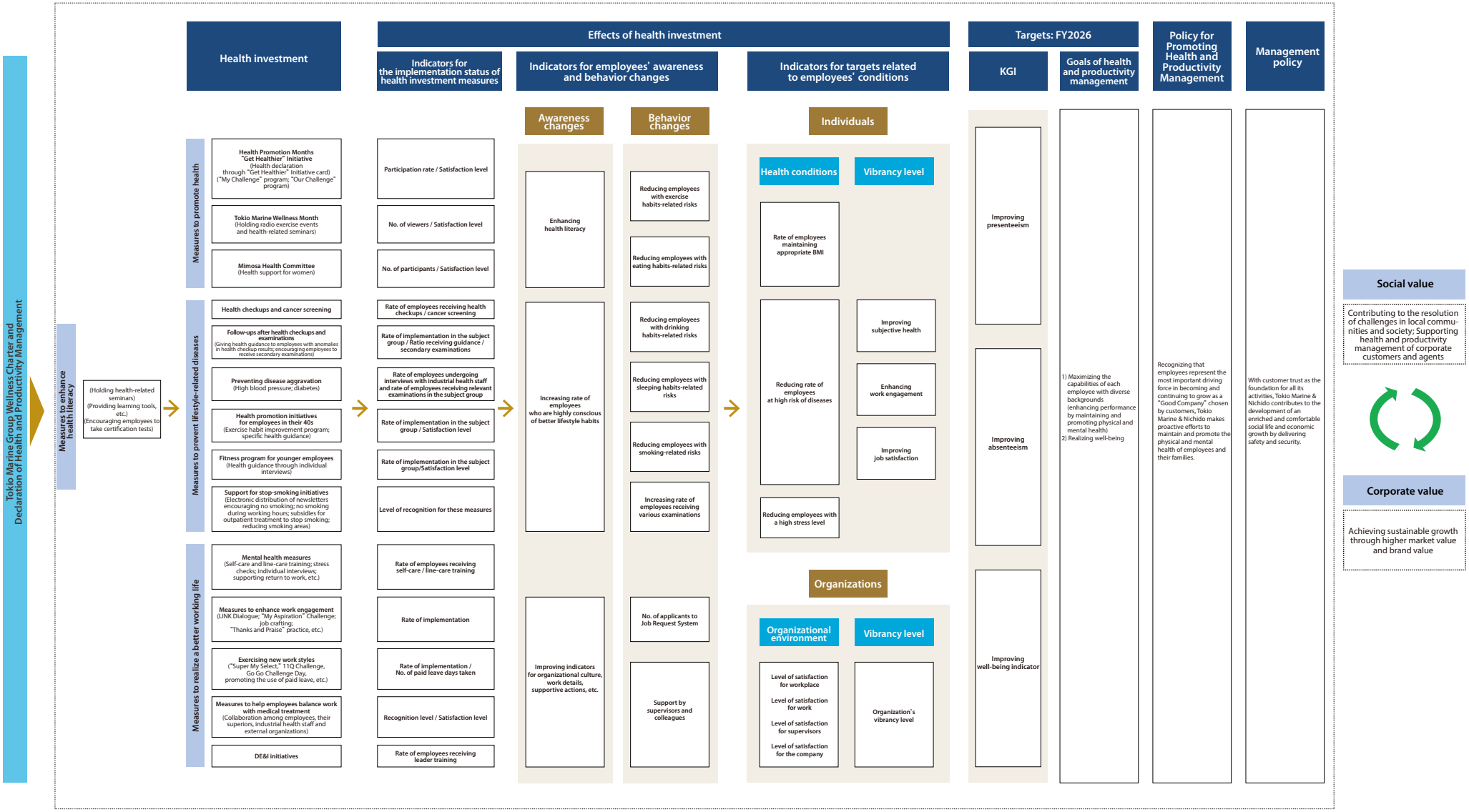
With regard to absenteeism, it is necessary to implement measures to reduce absenteeism related to non-occupational illness or injury. Equally important is the creation of systems and a corporate environment that enables employees to take time off when necessary. These elements are vital in the development of workplaces that enable employees to thrive and have long careers. For this reason, Tokio Marine & Nichido will focus on the analysis of related factors without setting specific targets for the time being.

Presenteeism, absenteeism, well-being and the organization's vibrancy are measured using the respondent data from stress checks targeting all employees.

Health and productivity management KGIs		Targets for 2026
Health and productivity management KGIs	Improvement in presenteeism*1	65.3
	Improvement in absenteeism	-
	Enhancement of well-being*2	13.5
Other indicators	Enhancement of work engagement*3	2.69
	Enhancement of the organization's vibrancy level*4	3.03

*1: Absolute presenteeism identified by the WHO Health and Work Performance Questionnaire (WHO-HPQ) (maximum: 100)
*2: Measured using WHO-Five Well-Being Index (WHO-5) (maximum: 25.0)
*3: Measured by work engagement scale in a simple survey of new work stress (maximum: 4.0)
*4: Measured by organization unity scale in a simple survey of new work stress (maximum: 4.0)

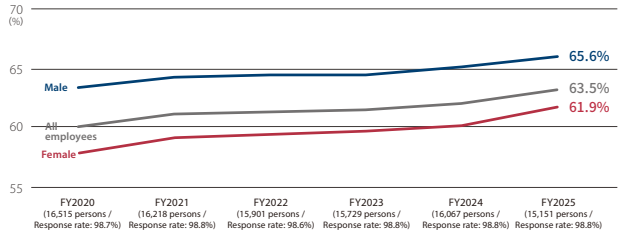
Health and Productivity Management Strategy Map (Relationship between Evaluation Indicators)



[Presenteeism]

Company-wide presenteeism has been improving year by year (Figure 1). Tokio Marine & Nichido will continue to work to involve more employees in the "Get Healthier" Initiative and activities designed to support women's health. The company also verifies the effectiveness of other health measures expected to facilitate improvement in presenteeism as an effort to implement more effective health measures.

Figure 1: Change in presenteeism

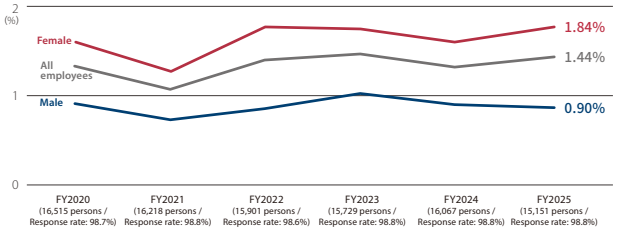


Figures in parentheses indicate the number of employees included in the analysis.

[Absenteeism]

Absenteeism (percentage of employees who are absent one or more days in a year) was on the rise overall until fiscal 2022 due to the COVID-19 pandemic, but began decreasing afterwards (Figure 2). Tokio Marine & Nichido will continue to focus on providing health support to women, as their absenteeism is higher than that of men.

Figure 2: Change in absenteeism



Figures in parentheses indicate the number of employees included in the analysis.

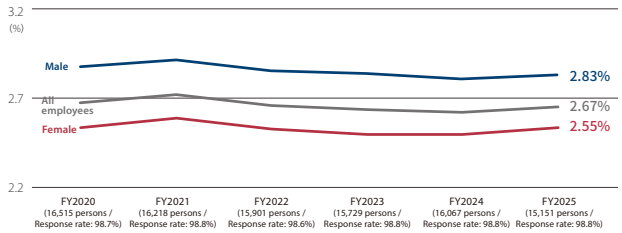
[Well-Being]

In fiscal 2024, Tokio Marine & Nichido started measuring employee well-being scores as a health and productivity management KGI. Based on the World Health Organization-Five Well-Being Index (WHO-5), the company assesses employee well-being through a questionnaire survey in which each of the five questions is scored from 0 to 5 (six-point scale with the highest total score of 25). The average score across all employees was in the mid-13 points in both fiscal 2024 and fiscal 2025. As answering "Have maintained a high level of well-being for more than half of the period" to each question totals 15 points, an average in the mid-13 points represents close to the highest score, thus suggesting that a certain level of well-being was maintained among employees. The company will continue to monitor changes over time and make improvement efforts.

[Work Engagement]

Tokio Marine & Nichido's work engagement remains at a favorable level. In fiscal 2024, work engagement somewhat increased for both men and women over the previous fiscal year (Figure 3). Nonetheless, the company will stay focused on creating workplaces where female employees can thrive, as the work engagement of female employees is lower than that of their male counterparts.

Figure 3: Change in work engagement

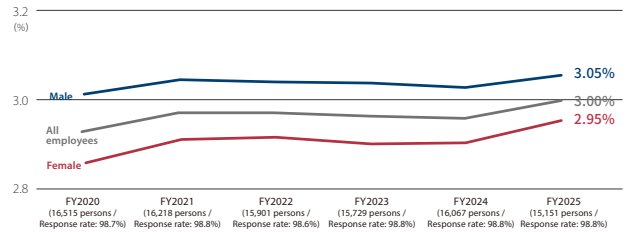


Figures in parentheses indicate the number of employees included in the analysis.

[The Organization's Vibrancy Level]

The organization's vibrancy, which remained at the same level from fiscal 2020 to fiscal 2023 for both male and female employees, improved in fiscal 2024 for both groups (Figure 4). The company will continue to make efforts to create a workplace environment that cultivates a sense of unity and where employees are highly engaged in their jobs.

Figure 4: Change in the organization's vibrancy



Figures in parentheses indicate the number of employees included in the analysis.

◉ Relationships between Health and Productivity Management KGIs and Health-Related Measures

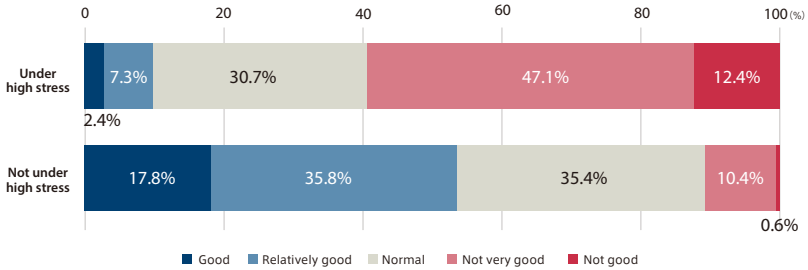
In fiscal 2024, Tokio Marine & Nichido examined the relationships between the three health and productivity management KGIs (presenteeism, absenteeism and well-being indicators) and intermediary KPIs and confirmed that each is statistically related to physical and mental health risks. Presenteeism, in particular, showed a link to subjective health perception. Multivariate analysis conducted during fiscal 2025 also revealed that subjective health perception has a strong connection with high stress levels and sleeping habits, two of its subordinate indicators (Figure 5,6). As such, it is expected that promoting mental health measures and health measures designed to improve sleeping habits will result in improved presenteeism.

Tokio Marine & Nichido has been undertaking four types of measures, namely, measures to promote health based on a population approach to improving lifestyle habits; measures to prevent lifestyle-related diseases, including preventing disease aggravation and encouraging employees to receive various checkups; measures to realize a better working life, including mental health measures; and measures to enhance health literacy, which serve as the foundation for all health actions. The company's health literacy is improving every year (Figure 7).

The company will periodically verify the relationships between these measures and the health and productivity management KGIs through data analysis and promote more effective initiatives.

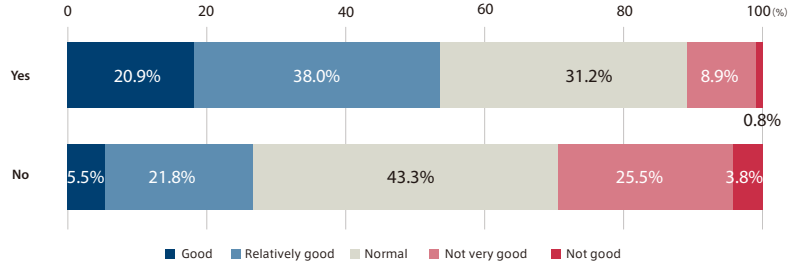
Population analyzed: Of the employees on payroll in fiscal 2024, those who completed the stress check after their health examination (8,872 employees)

▸Figure 5: Relationship between a stress level (being or not being under high stress as determined in stress checks) and subjective health perception



▸Figure 6: Relationship between sleeping habits and subjective health perception

Subjective health perception calculated for each answer to the question, "Are you getting sufficient rest through sleep?" in a lifestyle habits survey conducted during health checkups



▸Figure 7: Change in health literacy (CCHL) over time

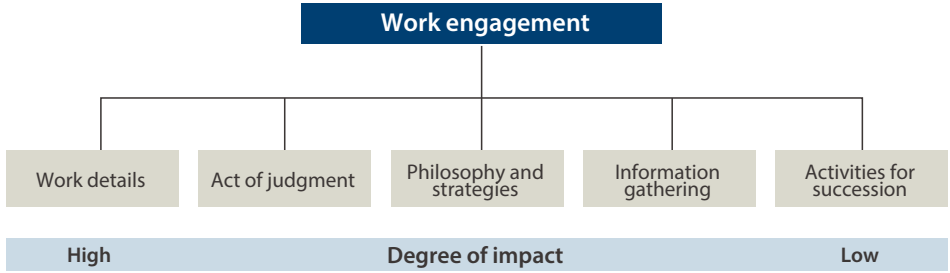
Indicator	FY2023	FY2024	FY2025
Health literacy (CCHL)	3.72	3.78	3.78

Note: Measurement by communicative and critical health literacy (CCHL) scale (on a maximum scale of 5 points).

◉ Exploratory Effort to Further Develop Health and Productivity Management Strategy

According to the results of a relationship analysis conducted in fiscal 2024, well-being scores, which were newly adopted in fiscal 2025 as a health and productivity management KGI, are deeply related to work engagement. In fiscal 2025, an analysis was conducted on the relationships between work engagement and items in an engagement survey in order to explore factors that can help enhance work engagement. Among the levels of satisfaction for work, supervisors, workplace and the company, which make up the overall satisfaction level in an engagement survey, the findings revealed that the level of satisfaction for work is linked most

▸Figure 8: Analysis of the relationship between work engagement and engagement survey results



Note: Using the organizational data from the attribute list and the engagement score, we linked a total of 191 organizations. Among them, organizational analysis was conducted for 183 organizations in which both the Stress Check and Engagement Survey had more than 10 respondents.

strongly with work engagement, while the satisfaction level for work details, an engagement survey field, has a strong impact on work engagement (Figure 8). Tokio Marine & Nichido has been promoting the company-wide use of the Job Request System, which enables employees to choose their own careers, as well as the LINK Dialogue to think about the "link" between individual employees' commitment (My Aspiration), Tokio Marine Group's purpose and the organization's vision. Through these initiatives, the company intends to facilitate the creation of a motivational work environment for employees.

◉ Other Related Indexes

17 Sustainability Performance Data (Health Management and Occupational Health and Safety) ⋙

10.2.3 Health and Productivity Management Initiatives and External Evaluation

◉ Initiatives to Ensure Employee Health

For its initiatives to ensure employee health, Tokio Marine & Nichido has defined the following priority measures based on "Data Health" plans created in collaboration with the Health Insurance Association as well as the results of analyses of health checkups and various other health-related data.

• Measures to Enhance Health Literacy

We regard health literacy as indispensable in our actions to maintain and promote health. We work to increase the health literacy of employees so that they are mindful of their own health and that of the people around them, willingly learn about health actions and voluntarily engage in health promotion efforts.

• Measures to Promote Health

We believe the ongoing efforts of employees are essential to maintain and promote their health. By providing measures and tools to support their efforts and encouraging individual and organizational efforts, we strive to enhance the health of all employees, which will lead to their lifelong well-being.

• Measures to Prevent Lifestyle-Related Diseases

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

• Measures to Realize a Better Working Life

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

• Legal Compliance and Discussion with Employee Representatives

The Industrial Safety and Health Act, Health Promotion Act and other relevant laws and regulations form the foundation of all our initiatives in this area. We comply with every aspect of these laws and regulations, from conducting regular health checkups and stress checks to protecting personal information. In our labor agreements, we promise to implement the health and safety measures necessary for keeping employees healthy and preventing hazards while the labor union agrees to cooperate with these measures. We regularly identify and

assess occupational health and safety risks. Significant risks identified through this process are prioritized for countermeasures and incorporated into the PDCA cycle of our health-related initiatives. In the event of an occupational accident, we conduct interviews and investigations with the employees involved to determine the cause and take measures to prevent recurrence.

Each Group company has established an industrial safety and health management framework in accordance with the Industrial Safety and Health Act to fulfill its obligation to ensure safety is appropriately considered. Specifically, Group companies appoint an industrial physician and a health officer and establish a health committee at each domestic business site with more than 50 employees. The committees, each composed of an industrial physician, a health officer, people in charge of health management and selected employee representatives, meet monthly to deliberate measures for maintaining and promoting physical and mental health, improving the workplace environment and preventing health disorders, including disorders resulting from overwork.

◉ Examples of Major Health Measures

■ "Get Healthier" Initiative

[Goals]

Reduce the rate of employees with lifestyle habits-related risks ⇒ Increase subjective health perception ⇒ Improve presenteeism

Reduce the rate of employees with lifestyle habits-related risks ⇒ Increase the rate of employees with appropriate BMI ⇒ Reduce the rate of employees with lifestyle-related disease risks ⇒ Improve absenteeism

[Details]

In fiscal 2025, 5,178 persons, or 27.6% of the eligible group, participated in the "Get Healthier" Initiative. In a post-action questionnaire, 96.0% of respondents said they were satisfied or very satisfied with the initiative, indicating that participants' satisfaction was very high.

[Future efforts]

To increase participation further, we will introduce ideas such as diverse courses adapted to the changes in workstyles and lifestyles, Group-wide events utilizing digital technologies and an encouragement award presented via an in-house competition, so that employees can voluntarily, not passively, participate in the "Get Healthier" Initiative while having fun. These efforts will lead to the prevention of lifestyle-related diseases and the improvement of performance indicators.

■ Joint Initiative with Group Companies in Japan and Overseas: Tokio Marine Wellness Month

[Goals]

Enhance health literacy and increase the rate of employees who are highly conscious of better lifestyle habits ⇒ Reduce employees with exercise habits-related risks ⇒ Improve presenteeism

[Details]

In fiscal 2024, we started designating every June as Tokio Marine Wellness Month for Group companies in Japan and overseas to make and share efforts toward the common goal of maintaining and promoting health, to raise health awareness and to promote the cultivation of a sense of unity within Tokio Marine Group.

[Results]

In fiscal 2024, more than 30 Group companies in Japan and 27 Group companies overseas participated in the initiative, each making efforts related to the realization of well-being.

[Future efforts]

Each Group company in Japan and overseas will continue to make efforts to maintain and promote health in a more integrated manner.

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

[Goals]

Increase the rate of employees getting medical treatment on a continuous basis while reducing the rate of employees not getting medical treatment ⇒ Reduce the rate of high-risk employees ⇒ Improve presenteeism and absenteeism

[Details]

We set a predetermined threshold for blood pressure and blood sugar levels, and an industrial physician interviews all high-risk employees. High-risk employees are divided into different categories based on criteria such as whether they are receiving treatment. We then decide the intervention methods that are most necessary for the employees in each category. We encourage appropriate medical treatments and changes in behavior by recommending medical consultations, collaborating with primary-care doctors and providing health guidance via public health nurses. We follow through until their data improves.

[Benefits]

In fiscal 2024, 69.6% of employees with high blood pressure and 65.4% of employees with high blood sugar levels were diagnosed as not having high-risk symptoms in the following fiscal year.

[Future efforts]

With the average age of our workforce rising, measures to aid high-risk employees are becoming increasingly important. Looking ahead, we will continue to implement two-pronged measures to provide support for the health of our workforce. One is to arrange an intervention to aid high-

risk employees and another is to prevent an inflow of more employees into the high-risk group so that employees can promote their health to thrive over long careers.

■ Fitness Program for Younger Employees

[Goals]

Reduce the rate of employees with exercise habits- and eating habits-related risks ⇒ Increase subjective health perception ⇒ Improve presenteeism

Increase the rate of employees maintaining appropriate BMI ⇒ Reduce the rate of high-risk employees ⇒Reduce absenteeism

[Details]

Since establishing a healthy lifestyle while young prevents lifestyle-related diseases in the future, we provide employees who turn 30 with individual health guidance and offer support so that they can become capable of promoting health and maintaining a desirable weight on their own. Additionally, 38-year-old employees receive health guidance for the amelioration of obesity and metabolic syndrome.

[Results]

In fiscal 2025, 115 employees aged 30 and 17 employees aged 38 participated in the program. Of the 78 respondents to a post-action questionnaire on behavior change, 37 said their exercise habits improved, while 40 said their eating habits improved.

[Future efforts]

An analysis of presenteeism factors indicates that risks related to obesity and eating habits can aggravate presenteeism. The fitness program for younger employees is thus expected to indirectly improve presenteeism.

■ Support for Promoting Health of Employees in Their 40s: Yoga Challenge 40+ (Forty Plus)

[Goals]

Reduce the rate of employees with exercise habits-related risks ⇒ Increase subjective health perception ⇒ Improve presenteeism

Increase the rate of employees maintaining appropriate BMI ⇒ Reduce the rate of high-risk employees ⇒ Improve absenteeism

[Details]

A scoring report provided by the Health Insurance Association has pointed out that the rate of employees with exercise habits-related risks is high among employees in their 40s. To provide an opportunity to make exercise a habit and help it become a regular practice, an online yoga lesson was held on weekday nights and Saturday mornings for 16 weeks.

[Results]

Of all the participants, 134 responded to a post-action questionnaire. Of these, 128 (95.5%) said they were satisfied or very satisfied with the Yoga Challenge 40+ program, while 82 (61.2%) responded that they gained an exercise habit by participating in the program.

[Future efforts]

To encourage participation of more employees, we continue to offer the program while adding Zumba®, Pilates and other exercises to the lesson lineup.

■ Health Support for Women

[Applicable priority measures]

Measures to promote health; Measures to enhance health literacy; Measures to realize a better working life

[Details]

In fiscal 2025, we invited an outside lecturer and held a webinar, "How Is Everyone Coping? Addressing the Health Concerns of Working Women," for all employees as a seminar to support women's health.

We also strive to increase women's health literacy by offering e-learning programs and providing information through Mimosa Health Committee e-mail notifications. To provide information, we are devising ideas to increase employees' interest and encourage them to take ownership of issues. For example, we facilitate an understanding of menstrual pain, premenstrual syndrome and menopausal disorders, propose more comfortable workplaces based on the results of a survey of female employees and encourage uterine and breast cancer screening for specific target generations. By sending related information to all employees without limiting it to women, we intend to communicate and facilitate an understanding of our health support measures for female employees in the hope that these initiatives are an opportunity for employees to think about the health of the women around them, including their family members and colleagues. Based on the results of a questionnaire for female employees, we also changed the name "menstrual leave" to "Mimosa leave" in fiscal 2025 and have been communicating about the system to make it more easily available. The "Get Healthier" Initiative, a part of the Health Promotion Months project, includes the Women's Health Course that focuses on health issues unique to women to promote efforts to maintain the balance of physical and mental health and provide opportunities to improve the everyday habits of female employees. While implementing these measures, we have been examining women's presenteeism and work engagement for years. In addition, Tokio Marine & Nichido has set up a Mothers' Room within its head office where many female employees work. It is a space used by female employees for lactation or resting when they are not feeling well because of a

hormonal imbalance. It has been well received as a comfortable space, and it also fulfills a need for women who return to work early after childbirth.

[Results]

According to an employee survey conducted in fiscal 2025, 47.3% of all employees, or 64.6% of female employees, participated in or utilized the measures for supporting women's health in the previous fiscal year. Of all the participants, 67.8% evaluated the initiative positively.

■ Mental Healthcare

[Applicable priority measures]

Measures to realize a better working life

[Details]

Each Tokio Marine Group company actively promotes mental health measures as we recognize the importance of pursuing the maintenance and improvement of employees' mental health in terms of corporate management. Tokio Marine & Nichido has established the Basic Policy on Mental Health Measures. Under this policy, supervisors at respective workplaces and industrial health staff collaborate to proactively implement various measures. These include initiatives to maintain sound mental health (primary prevention), measures to encourage early detection and treatment (secondary prevention) as well as measures to care for employees with mental health issues (tertiary prevention). Since 2012, the company has also been making initiatives to improve work engagement, which is considered a zeroth prevention measure for mental illnesses.

Specific initiatives for primary prevention include using stress checks to promote self-care and analyze issues at an organizational level in order to maintain a good workplace environment. We also provide self-care training for all employees and promote mindfulness. In addition, for employees working in the claims service departments, we have also launched a mental health care program to enable them to always maintain good mental health conditions as professionals when facing customers who have encountered an accident or disaster. For secondary prevention, in addition to setting up a mental health counseling desk, for new employees, in particular, we promote care initiatives not only in the workplace but have also established a system to check their health condition periodically and provide early support using a multi-faceted approach involving public health nurses, human resources personnel and other relevant parties.

Our tertiary prevention efforts include initiatives that encourage adapting to the workplace and work duties in order to seamlessly support employees returning to work. An analysis detected a correlation between poor mental health and absenteeism. As such, we will continue to consider changes in workstyles and the diversity of our employees by implementing a PDCA cycle to help employees thrive.

◉ Benefits of Major Initiatives

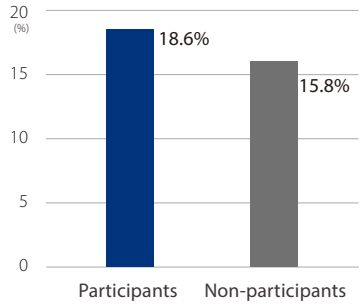
Regarding the "Get Healthier" Initiative, we have been working to increase the rate of participation and achieve better effects in improving lifestyle habits. Among the participants who responded that they have exercise habits-related risks in an interview conducted during a pre-participation health checkup, those who joined courses designed to overcome a lack of exercise showed a significantly higher improvement rate*1 compared with those who did not participate in such courses (Figure 9). Of the 25 courses offered under the "Get Healthier" initiative, five courses fall within this inactivity elimination category, which boasts the highest participation rate within the initiative.

*1: Improvement rate refers to the percentage of employees who were determined to have exercise habits-related risks in a health checkup conducted prior to participating in the initiative and who have become free of these risks after participating in the initiative

*2: Employees with exercise habits-related risks are those who answered "Yes" to zero or one of the three questions regarding exercise habits in an interview conducted during a health checkup

To verify the benefits of our women's health measures, we examined the correlation between the implementation status of women's health measures and our ultimate health-related target indicators. The results revealed that the more measures female employees work on, the more they influence work engagement (Figure 10). Further enhancing, communicating about and promoting the understanding of the measures supporting women's health is thus expected to lead to improvement in work engagement.

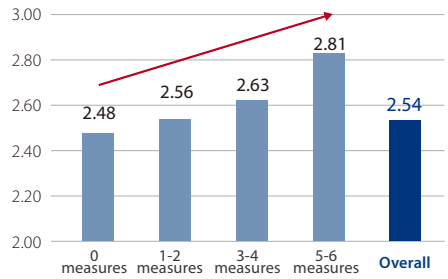
▸Figure 9: Improvement rate among persons with exercise habits-related risks*2 after participating in the courses in the inactivity elimination category



[Target group]

- Persons who received a health checkup by September 30, 2023, and again in fiscal 2024, and were employees for a full year during fiscal 2023
- Participants are defined as those who have earned one or more points in the inactivity elimination category, and others are defined as non-participants.

▸Figure 10: Relationship between the number of women's health measures (maximum of six measures) undertaken by women and work engagement



[Target group]

Female employees who underwent stress checks in fiscal 2025

The more employees participate in and utilize the measures supporting women's health, the more work engagement increases.

Productivity Improvement Effects of Women's Health Support Initiatives

Women's health issues vary across life stages and can significantly affect work performance. Recognizing this, Tokio Marine Group has positioned women's health as one of its key focus areas and has been promoting related initiatives. In addition to improving the workplace environment, it is essential to support employees in practicing self-care that suits their individual health conditions and life stages. To this end, the Group has been enhancing health literacy across the organization through e-learning programs and internal communications addressing women's health topics.

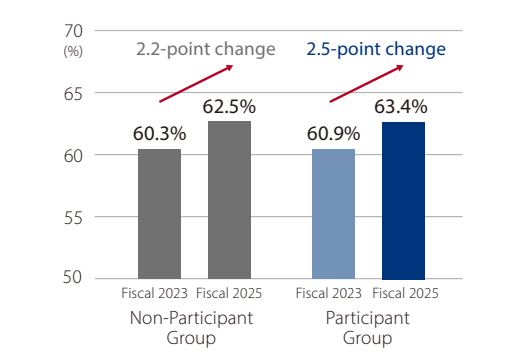
In fiscal 2024, we conducted a quantitative analysis to assess the impact of our initiatives on female employees' productivity, focusing on the "E-learning Program for Improving Health Literacy." The analysis targeted employees who met all four specific conditions*, comparing those who completed the e-learning program (4,229 participants) with those who did not (2,364 non-participants). Changes in absolute presenteeism before and after the program (fiscal 2023 and fiscal 2025) were compared between the two groups.

As a result, the average presenteeism score among participants improved from 60.9% in fiscal 2023 to 63.4% in fiscal 2025, representing a 2.5-point increase. In contrast, the non-participant group improved from 60.3% to 62.5%, showing a 2.2-point increase. The differential between the two groups corresponds to an estimated annual productivity gain equivalent to approximately JPY 69.6 million. Building on these findings, we will continue to enhance participation rates and enrich the e-learning content, aiming to further improve female employees' work performance and well-being.

*: Conditions for analysis:
- Female employees who participated in both the Stress Check and the Engagement Survey
- Belonging to organizations with more than 10 respondents in both surveys
- Employees with consistent organizational affiliation between FY2023 and FY2025
- Employees with available presenteeism data for both fiscal years

▸ Comparison of changes in absolute presenteeism by participation in the "e-learning program for improving health literacy"

Participants showed a 0.3-point greater improvement in absolute presenteeism compared with non-participants.



■ Creating a Comfortable Workplace Environment

[Applicable priority measures]

Measures to realize a better working life

[Details]

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

To establish better workplace environments, we pursue increased job satisfaction through many different measures. More specifically, we enable employees to choose when and where to work and provide the LINK Dialogue for strengthening the connections between individual employees' commitment (My Aspiration), Tokio Marine Group's purpose and the organization's vision.

17 Sustainability Performance Data (Percentage of employees who received health checks) ≫
17 Sustainability Performance Data (Industrial accidents, etc.) ≫

■ Example Verification Results for External Evaluation

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

10.2.4 Initiatives to Spread Health and Productivity Management throughout Society (Supporting Customers' Health and Productivity Management) ≫

Health issues change constantly in line with changes in society and the workplace environment within a company. As more attention is paid to human capital management, we will recommit ourselves to more proactively investing in health as a company that prioritizes the health of employees and their families. In recent years, in response to the promotion of diversity, equity

and inclusion, we have been providing finely tuned support to health-related issues specific to women by leveraging our workplace-based industrial health system.

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

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

As a result of these initiatives, Tokio Marine Holdings was selected as a "Health & Productivity Stock" co-sponsored by METI and the Tokyo Stock Exchange for eight consecutive years from 2016 to 2023 for its outstanding health and productivity management.

At the same time, 24 companies from Tokio Marine Group were recognized under METI's 2026 Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category). Among them, Tokio Marine Holdings, Tokio Marine & Nichido, Tokio Marine & Nichido Life, Tokio Marine & Nichido Systems, Tokio Marine dR, Tokio Marine & Nichido Outsourcing Management, Integrated Design & Engineering Holdings, Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, Nippon Koei Business Partners, Koei Research & Consulting and Nippon Civic Consulting Engineers were in the top 500 group and certified as "White 500" companies.

In the small to medium-sized enterprise category, the program recognized 17 Tokio Marine Group companies. Among them, Nisshin Fire Insurance Service was in the top 500 group and certified as a "Bright 500" company while Tokio Marine & Nichido Partners Tohoku, Tokio Marine & Nichido Partners East, Tokio Marine & Nichido Partners TOKIO and Nisshin Fire Information System were included in the 501–1,500 group and certified as "Next Bright 1,000" companies.

2023 健康経営銘柄 Health and Productivity

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

SPORTS YELL COMPANY 2026

In addition, Tokio Marine & Nichido has received Silver certification as a Sports Yell Company in recognition of its proactive efforts to promote and support exercise and sports activities that enhance employee health. A growing number of Group companies are also obtaining this certification.

Initiatives to ensure the physical and mental health of employees and their families, enhance health literacy and voluntarily and continuously maintain health are becoming increasingly important as they form the foundation of employee productivity and enable Tokio Marine Group to resolve issues for customers and local communities.

We will continuously work to enhance the health of employees, improve the level of occupational health and safety and further expand and develop health and productivity management.

■ Global Recognition for Workplace Health Management

As chief member of the Foreign-Invested Financial Institutions Committee of the Shanghai Financial Association (SFA), The Tokio Marine & Nichido Fire Insurance Company (China) Limited (TMNCH) has continuously advocated to the Shanghai Municipal Government for the introduction of health and productivity management. In 2025, its proposal to introduce health and productivity management standards for financial institutions was adopted. In recognition of this achievement, the company became the only Japanese-affiliated company to be certified and honored at the national level as an Advanced Enterprise in Workplace Health and Productivity Management by the National Major Chronic Disease Prevention and Innovation Pilot Task Force, an organization under the Chinese government.

In 2025, the company further strengthened its internal health and productivity management efforts. It achieved a 100% employee health checkup rate and conducted year-round health promotion activities, including an employee sports day. As a result of these efforts, its well-being score in the culture survey improved significantly.

■ Creating Connection through Wellness and Mindful Breaks

Safety National continued to offer initiatives that promote employee well-being, connection and a balanced approach to health.

Safety National employees came together for the 2026 St. Louis Biz Dash 5K (3.1 miles) Run/Walk, an event focused on wellness, camaraderie and community impact. The initiative was a collaboration between the employee-led Wellness Committee and Community & Philanthropy Committee, creating an inclusive opportunity for St. Louis-based employees and visiting remote employees to connect outside the office while supporting a meaningful local cause.

Safety National set a goal of 75 employee participants and exceeded that goal with 84 registered participants, representing a 95% increase in participation over the prior year. The strong turnout reflected employee enthusiasm for wellness-focused activities and demonstrated Safety National's Core Values of Teamwork, Balance and Relationships through movement, encouragement and community connection.

Safety National also recognized Mental Health Awareness Month through a Wellness Committee Rock Painting Event. Employees were invited to step away from their day, connect with co-workers and enjoy a creative outlet by painting rocks in themed categories such as animal, floral, nostalgia, miscellaneous and outdoor. Participants were encouraged to wear green in support of Mental Health Awareness Month and had the opportunity to enter their creations into a Rock Painting Contest.

The activity reinforced an important message: caring for mental health can begin with a brief pause, a creative outlet or a moment of connection. It also reminded employees that Safety National's Employee Assistance Program is available year-round to support employees and their families with confidential resources, counseling options and well-being support.

10.2.4 Initiatives to Spread Health and Productivity Management throughout Society

Tokio Marine Group is committed to promoting health and productivity management within the Group. While leveraging the expertise cultivated in the process of carrying out our own initiatives, we also support companies working to improve health and productivity management and contribute to the widespread embrace of health and productivity management in society. We support business partners through our initiatives spanning the entire value chain. Initiatives include organizing health and productivity management seminars, engaging in awareness-raising activities in cooperation with local governments, chambers of commerce and other organizations, formulating the Responsible Procurement Guidelines and stating that we will support the health and productivity management of our business partners in our Declaration of Partnership Building. We also pay consideration to the safety, health and living conditions of the workers of our business partners and seek to secure vibrant work environments and promote the health of these workers. As a new initiative, we are engaging in a project to support the introduction of health and productivity management under commission from Nagoya City. The project is designed to help small to medium-sized enterprises (SMEs) obtain certification as a Health & Productivity Management Outstanding Organization.

◉ Supporting Customers' Health and Productivity Management

As Japan's working-age population shrinks, managing employee health and creating a good working environment have become important management issues to ensure sustainable corporate growth. Tokio Marine Group has been promoting health and productivity management with the Group CEO at the top, while recognizing that employee health is a core theme for management. As a result, we were selected as a "Health & Productivity Stock" for the eighth consecutive year since 2016 and were certified as a Health & Productivity Management Outstanding Organization (White 500) for nine consecutive years from 2017 to 2026. We support the promotion of corporate health and productivity management by leveraging the know-how we have gained over the course of these initiatives, raising awareness to promote the idea of health and productivity management, assisting local companies in obtaining relevant certifications and providing various services.

<Initiatives of Tokio Marine & Nichido>

Tokio Marine & Nichido works to raise awareness of health and productivity management and supports the relevant initiatives of local companies by issuing booklets that present health and productivity management initiatives of companies, hosting related seminars and cooperating with local governments, chambers of commerce and other organizations.

Tokio Marine & Nichido supports companies seeking to obtain certification as a Health & Productivity Management Outstanding Organization and assisted approximately 1,700 corporate customers in fiscal 2025 by holding seminars as a main host, conducting online interviews and providing a service to check if application forms are adequately filled in. The company also provides solutions to help companies resolve human resources and labor issues from three aspects that have been emphasized in recent years: providing support for balancing work with nursing care; responding to women's health; and promoting the use of childcare leave by male employees.

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

TMS has doctors, nurses and licensed psychologists in-house and carries out business in the medical and health fields. As a comprehensive healthcare consulting company, TMS offers a broad range of services, including accepting consignment of the work of industrial physicians, a mental health support service and a 24/7 telephone medical and health consultation service, as well as support for promoting health in the workplace. Recently, the company has added a service that undertakes administrative work for health checkups to its lineup and has been offering its services in more areas to support the health and productivity management of our corporate customers across Japan.

<Initiatives of Tokio Marine dR (TdR)>

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

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

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

◉ Support for Mental Health Management

Tokio Marine & Nichido Medical Service offers the Employee Assistance Program (EAP) to support mental health-related measures for company employees. Aside from conducting stress tests as required under the Industrial Safety and Health Act, EAP has a menu of services provided by a team of experts including psychiatrists, clinical psychotherapists and personnel and labor consultants. These services range from follow-ups for employees showing high stress levels based on the results of employee stress checks and support for improvement activities for individual workplace environments to providing supportive care during a leave of absence or when returning to work and formulating measures to prevent recurrence.

EAP is now being used by more than 700,000 company employees. Through the program, the company will continue to help workers remain mentally healthy and enhance work engagement.

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

11 Value People and Promote Diversity and Inclusion

11.1 Respect for Human Rights

11.1.1 Formulating and Disseminating Human Rights-Related Policies

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 believe that respecting the human rights of all individuals in every business activity is essential to supporting this philosophy. Accordingly, we have established the Tokio Marine Group Basic Policy on Human Rights, which sets out our approach to promoting respect for human rights across all business activities. Based on this policy, the Tokio Marine Group Responsible Procurement Guidelines encourage understanding and cooperation from business partners, including agents and suppliers, in initiatives that promote respect for human rights. Furthermore, the Tokio Marine Group Policy to Address Environmental and Social Risks specifies measures to ensure that our insurance underwriting, investment and financing activities and provision of solutions take into account the human rights of our customers and the local communities.

[Human rights-related policies]

- Tokio Marine Group Basic Policy on Human Rights
- Tokio Marine Group Responsible Procurement Guidelines
- Tokio Marine Group Policy to Address Environmental and Social Risks

At each Tokio Marine Group company, all employees and other co-workers are working to build a vibrant corporate culture without discrimination or harassment. We administer various human rights awareness and training programs for all employees of the Group in Japan and overseas to deepen our common understanding of human rights due diligence required of companies in accordance with the UN Guiding Principles on Business and Human Rights as well as the Group's human rights-related policies.

[Tool for disseminating our Basic Policy on Human Rights]

- Tokio Marine Group Basic Policies on the Environment and Human Rights – Summary Version

11.1.2 Promotion Structure

Within Tokio Marine Group, actions to address sustainability issues, including human rights, are discussed by the Sustainability Committee and the Management Meeting at an executive level. Decisions are made before plans and progress are reported to the Board of Directors. The process is operated leveraging a governance structure led by related executive bodies under the guidance and supervision of the Board of Directors.

■ Sustainability Committee

To address sustainability issues, including human rights, the Sustainability Committee, which is composed of the Group CEO, the Group Chief Human Resources Officer (CHRO), the Group Chief Diversity, Equity & Inclusion Officer (CDIO), the Group Chief Sustainability Officer (CSUO) and other members, discusses topics such as the formulation of strategies and targets as well as the coordination and promotion of initiatives. The Sustainability Committee met four times in fiscal 2025, discussed efforts to respect human rights and decided on the direction of initiatives. For a detailed explanation of its promotional and supervisory structure, see Organizational Structure for Promoting Sustainability of this report.

[Reported and discussed items at the FY2025 Sustainability Committee]

April 2025	Fiscal 2024 review, fiscal 2025 plans and progress
August 2025	Revision of the human rights risk map
November 2025	Meeting with experts on business and human rights, and assessment of impacts on insurance agents
February 2026	Revision of the Basic Policy on Human Rights

■ Human Rights Subcommittee

To examine human rights issues, we have established the Human Rights Subcommittee, subordinate to the Sustainability Committee. The subcommittee consists of permanent members from the Human Resources Department, the Legal & Compliance Department and the Corporate Planning Department of Tokio Marine Holdings. Advised by human rights specialists, the subcommittee discusses initiatives to respect human rights and how to apply them throughout the Group.

The Human Rights Subcommittee met about once a week in fiscal 2025. It planned and implemented actions for respecting human rights unique to Tokio Marine Group, such as the revision of the human rights risk map, familiarization and enhancement of a hotline to receive grievances and the assessment of impacts on the human rights of insurance agents.

■ Compensation for Directors, Audit & Supervisory Board Members and Executive Officers

At Tokio Marine Group, non-financial indicators regarding the main issues of the sustainability strategy, including the promotion and penetration of DE&I initiatives, have been incorporated into the performance-linked compensation for directors and executive officers since fiscal 2022. The Sustainability Committee reviews the progress of initiatives to reach goals, which is presented as an indicator, before the Compensation Committee deliberates on compensation and makes final decisions.

11.1.3 Human Rights Due Diligence

Tokio Marine Group has established a human rights due diligence (HRDD) framework based on the Tokio Marine Group Basic Policy on Human Rights, with reference to the Universal Declaration of Human Rights, OECD Guidelines for Multinational Enterprises, ILO Core Labor Standards, the UN Guiding Principles on Business and Human Rights, ISO 26000, SA8000 and other relevant international standards.

For Tokio Marine Group, HRDD is positioned as a preventive and voluntary process to avoid or mitigate any negative impact of corporate activities on human rights. Based on the process outlined below, Tokio Marine Group conducted a human rights risk assessment in fiscal 2017, and again in 2022, with the assistance of outside experts.

With the engineering consulting and engineering company Integrated Design & Engineering Holdings Co., Ltd. (ID&E Holdings) joining the Group in February 2025 and reflecting the expansion and diversification of our business domains, the Group has revised its human rights risk map to ensure more effective management of human rights issues across the Group.

Based on the results, we will continue to prioritize and strengthen our responses to human rights issues of higher severity. The human rights risk map will be continuously reviewed in the future, taking into account changes in the business environment*1 and other factors.

▸Human rights due diligence framework

*1: In mergers and acquisitions (M&A), Tokio Marine Group places importance on factors relating to the environment, society and governance (ESG). Specifically, the Group's guidelines for the implementation of M&A projects clearly state that the ESG policy of the target company is an important factor in evaluations. Details of the policy on the environment, society (including human rights) and governance and the implementation structure are important criteria in evaluations.

■ STEP 1: Identifying Human Rights Issues

To identify the human rights issues that must be prioritized, a preliminary screening was conducted across Group companies, taking into account human rights risks by country, region and line of business, as well as factors such as revenue size and the number of employees. This process allowed us to extract the Group companies considered to be at high risk. As a result, the scope of this human rights risk map now extends beyond non-life insurance, life insurance and engineering consulting to include the Group's directly operated businesses, such as nursing care and manufacturing, as well as customers, projects in which we are involved and the value chain*2.

The guidelines and methodologies used in preparing the human rights risk map are outlined below. Since the results incorporate an analysis that utilized external data, the map also includes potential or latent human rights issues that have yet to emerge.

▸Assessment and identification method

Organization of human rights issues	Human rights issues relevant to Tokio Marine Group's business were organized with reference to international human rights standards (e.g., Universal Declaration of Human Rights and ILO Core Labor Standards) and sustainability-related regulations (e.g., CSRD*3 and CSDDD*4).
Severity assessment	The identified human rights issues were assessed for severity by external experts based on three factors: scale (e.g., impact on life), scope (e.g., number of people affected) and difficulty of remediation (e.g., likelihood of effective remedy).
Likelihood assessment	The likelihood of occurrence was assessed with reference to country- and industry-specific human rights risks of our business, the number of employees, revenue size, as well as supplier locations and transaction volumes. Country-specific risks were based on indicators published by international organizations, and industry-specific risks were referenced from data published by international NGOs.
Prioritization of issues	Severity was plotted on the vertical axis and likelihood on the horizontal axis to map human rights issues that are particularly significant for Tokio Marine Group.

*2: The assessment covered 47 major Group companies, representing over 90% of Group revenue.
*3: Adopted by the EU in 2022, the Corporate Sustainability Reporting Directive (CSRD) mandates information disclosure related to corporate sustainability.
*4: Adopted by the EU, the Corporate Sustainability Due Diligence Directive (CSDDD) establishes due diligence obligations for human rights and environmental issues.

■STEP 2: Prioritizing Human Rights Issues Based on Severity and Likelihood of Occurrence

Salient human rights issues were identified across each business segment's operations, customers, projects in which we are involved and the value chain. We then assessed these issues for severity and likelihood and developed a human rights risk map. In line with the UN Guiding Principles on Business and Human Rights, we designated issues with higher severity as priority human rights issues and intend to consider ways to strengthen current initiatives.

Tokio Marine Group

■ = Non-life insurance, life insurance, nursing care
■ = Engineering consulting, manufacturing

Severity: High / Low
Likelihood: Low / High

1. Adverse impacts[*1] on employees of the Group and business partners, as well as on the environment and local communities, because of projects in which we are involved[*2] are exposed to high-risk situations[*3] ■■	2. Violation of indigenous peoples' rights, such as forced relocation, resulting from projects ■■	
3. Child labor and forced labor among our Group and business partner employees ■	4. Labor issues[*4] in projects in which we are involved and among business partners[*5] ■■	
5. Infringement of customers' rights to privacy, health and safety ■	6. Harassment, excessive working hours and occupational health and safety issues among Group and business partner employees ■■	
7. Access to remedy ■■	8. Instability in employment, inadequate wages, discrimination or restrictions on freedom of association for Group and business partner employees ■■	9. Treatment of foreign workers ■■
10. Access to insurance and financial services ■	11. Instability in employment, discrimination or restrictions on freedom of association for business partner employees ■■	12. Promotion of bias or discrimination in advertising of products and services ■
13. Violation of privacy rights of Group and business partner employees ■■		14. Inappropriate use of technology, including AI ■

Note: If a human rights issue is common across multiple business domains, it is plotted at the position corresponding to the maximum severity and likelihood.

*1 Environmental impacts (e.g., access to water, sanitation), human rights violations by project security personnel, impacts on children's education, etc.
*2 For non-life insurance and life insurance, projects refer to those for which insurance or investments are provided; for engineering consulting, projects refer to those commissioned by public agencies.
*3 Specific situations with a high potential for human rights violations (e.g., conflict, political instability, widespread corruption).
*4 Labor issues include forced labor, child labor, harassment, occupational health and safety, working hours, wages and treatment of foreign workers.
*5 For non-life insurance, life insurance and nursing care, business partners include agents, contractors and suppliers; for engineering consulting and manufacturing, business partners include subcontractors, etc.

Non-life insurance, life insurance, nursing care

Severity: High / Low
Likelihood: Low / High

1. Adverse impacts of projects undertaken by insurance customers and investment and financing recipients on surrounding environments and local communities	2. Labor issues, forced relocation and violations of indigenous peoples' rights in projects undertaken by insurance customers and investment and financing recipients	
3. Violation of customers' rights to privacy, health and safety	4. Harassment, occupational health and safety issues and excessive working hours among Group and business partner employees	
5. Access to remedy	6. Instability in employment, inadequate wages, discrimination, suppression of freedom of expression and civic activities and restrictions on freedom of association for Group and business partner employees	7. Treatment of foreign workers in nursing care businesses and among business partners
8. Violation of privacy rights of Group and business partner employees	11. Exposure of projects undertaken by insurance customers and investment and financing recipients to high-risk situations	9. Promotion of bias or discrimination in advertising of products and services
10. Access to insurance and financial services		12. Inappropriate use of technology, including AI

Engineering consulting and manufacturing

Severity: High / Low
Likelihood: Low / High

1. Adverse impacts on employees of the Group and business partners, as well as on the environment and local communities, because of projects in which we are involved are exposed to high-risk situations	2. Violation of indigenous peoples' rights, forced relocation etc., resulting from projects in which we are involved	
3. Child labor and forced labor among Group and business partner employees	4. Harassment, occupational health and safety issues and excessive working hours among Group and business partner employees	
5. Access to remedy	6. Instability in employment, inadequate wages, discrimination or restrictions on freedom of association for Group and business partner employees	7. Treatment of foreign workers in manufacturing businesses and among business partners
8. Violation of privacy rights of Group and business partner employees	9. Suppression of indigenous peoples' rights, freedom of expression and civic activities resulting from projects in which we are involved	

■STEP 3: Addressing Identified Human Rights Issues

For the prioritized human rights risks identified in STEP 2, we are implementing measures to mitigate these risks as outlined below. We will continue to strengthen our efforts, taking into account feedback from internal and external stakeholders.

Non-life insurance, life insurance and nursing care

(Map # in STEP 2) Human rights issue	Rightsholders	Areas of business	Mitigation measures
1.Impacts on the environment and local communities because projects undertaken by insurance customers and investment and financing recipients are exposed to high-risk situations	Employees of insurance customers and investment and financing recipients; local communities	Non-life insurance, life insurance	• Identifying and restricting high human rights risk sectors under the Tokio Marine Group Policy to Address Environmental and Social Risks • Providing training tools on environmental and societal challenges to internal underwriters to ensure careful consideration when underwriting in high-risk sectors and regions
2. Labor issues, forced relocation and violations of indigenous peoples' rights in projects undertaken by insurance customers and investment and financing recipients			
3. Customers' rights to privacy, health and safety	Customers, employees of insurance customers and investment and financing recipients	Non-life insurance, life insurance, nursing care	• Ensuring strict management of personal data in line with the Group's Privacy Policy; supporting health, safety and security under the health and productivity management principles and Occupational Health and Safety Policy
4. Harassment, occupational health and safety and working hours among Group and business partner employees	Group and business partner employees	Non-life insurance, life insurance, nursing care	• Conducting human rights awareness training for the Group employees and agents • Formulating Harassment Prevention Regulations to prevent harassment and stipulate disciplinary action for violations by all employees, including executives • Monitoring overtime hours, conducting stress checks and promoting employees' diverse work styles and health improvement
7. Treatment of foreign workers in nursing care businesses and among business partners	Group and business partner employees	Non-life insurance, life insurance, nursing care	• Conducting human rights impact assessments for Group and business partner employees
9. Promotion of bias or discrimination in advertising of products and services	Customers, local communities	Non-life insurance, life insurance, nursing care	• Reviewing advertising and solicitation materials to confirm they do not include problematic expressions from a human rights perspective
12. Inappropriate use of technology, including AI	Group and business partner employees, projects undertaken by insurance customers and investment and financing recipients	Non-life insurance, life insurance	• Promoting the responsible use of AI and other technologies in line with the Tokio Marine Group Basic Policy on AI Governance to prevent misuse such as promotion of discrimination or dissemination of false or biased information

Note: The mitigation measures are implemented by the Group companies covered in the assessment of this human rights risk map.

Engineering consulting and manufacturing

(Map # in STEP 2) Human rights issue	Rightsholders	Areas of business	Mitigation measures
1.Impacts on employees of the Group and business partners, as well as on the environment and local communities, because projects in which ID&E Group is involved are exposed to high-risk situations	Local communities	Engineering consulting	• Developing Guidelines on Human Rights for Business Partner Employees and Local Communities to address risks where projects in which the ID&E Group is involved may harm the human rights of business partner employees and human rights and the environment of local communities
2. Violation of indigenous peoples' rights, such as forced relocation, resulting from projects in which the ID&E Group is involved	Local communities	Engineering consulting	• Developing Guidelines on Human Rights for Business Partner Employees and Local Communities to address risks where projects in which the ID&E Group is involved may force relocation of local communities
3. Child labor and forced labor among Group and business partner employees	Group and business partner employees	Engineering consulting, manufacturing	• Conducting human rights training for senior management employees • Developing Guidelines on Human Rights for Business Partner Employees and Local Communities to address risks where projects in which the ID&E Group is involved may impose child labor or forced labor
4. Harassment, occupational health and safety and working hours among Group and business partner employees	Group and business partner employees	Engineering consulting, manufacturing	• Monitoring harassment and excessive work risks of Group employees under each company's risk management plan • Establishing and familiarizing consultation desks and hotlines • Developing Guidelines on Human Rights for Business Partner Employees and Local Communities to address risks where projects in which the ID&E Group is involved may harm the human rights of business partner employees
7. Treatment of foreign workers in manufacturing businesses and among business partners	Group and business partner employees	Manufacturing	• Monitoring risks of nationality- or attribute-based discrimination for Group employees under each company's risk management plan • Developing Guidelines on Human Rights for Business Partner Employees and Local Communities to address risks where business partners may impose inappropriate treatment on foreign workers • Conducting a questionnaire survey in the supply chain • Establishing and disseminating point of contact for consultation and whistleblowing

■STEP 3: Addressing Identified Human Rights Issues

Tokio Marine Group is promoting the following initiatives in each relevant area to address the prioritized human rights issues identified.

● Initiatives in Insurance Underwriting, Investment and Financing

Tokio Marine Group recognizes that its insurance underwriting, investment and financing activities, and provision of solutions may cause or contribute to adverse impacts on human rights, either directly or indirectly. In response, we have formulated the Tokio Marine Group Policy to Address Environmental and Social Risks to consider negative impacts on the environment and society in our decision-making process for insurance underwriting, investments and financing and provision of solutions and when we actually deliver these products and services.

To increase the effectiveness of the policy, we provide a tool to conduct training on environmental and social risks for employees engaging in insurance underwriting, investments and financing and provision of solutions. The training is designed to promote understanding of the focused areas specified in the policy as well as environmental and social risks in areas frequently causing negative impacts on human rights. These areas include infrastructure development, such as large dams, agriculture, fishery and mining.

With regard to investments and financing, as a signatory to the Principles for Responsible Investment (PRI) supported by the United Nations Environment Programme Finance Initiative (UNEP FI), we promote investments and financing that give consideration to environmental, social and governance (ESG) factors while also engaging in impact investments conducive to resolving sustainability-related, environmental and societal challenges.

Climate & Nature Report 2026 > 6. Tokio Marine Group's Value Provision > ◆Investment and Financing

●Initiatives in Engineering Consulting and Manufacturing Businesses

The ID&E Group, which is involved in engineering consulting and manufacturing businesses, engages in projects that support the lives, livelihoods and dignity of people in various circumstances across approximately 160 countries and regions, by helping develop optimum infrastructure to meet the needs of the age. Based on its Group Action Guidelines and Basic Policy on Human Rights, the ID&E Group recognizes human rights issues accompanying its business activities as significant risks and is actively addressing them.

As part of such efforts, the group is working to identify supply chain human rights risks at its manufacturing sites and has conducted an investigation on sites possibly facing relatively high risks. The investigation involved interviews with the relevant parties to capture the trend in human rights risks in the supply chain. Based on the results of the interviews, the ID&E Group conducted a questionnaire survey on its suppliers to identify risks and check the status of responses. In the future, the group will promote dialogue with its suppliers based on the results to mitigate risks more effectively.

For projects in which the ID&E Group is involved, it has established the Guidelines on Human Rights for Business Partner Employees and Local Communities. As a consultant engaging in the projects from the upstream stage, the ID&E Group supports the development of environmental and social management plans and assists with the monitoring based on these plans. The ID&E Group has also formulated a Human Rights Handbook for Operators, which provides guidance on how a person working on the project site should consider human rights at each stage of a project, and is promoting its on-site use. The group has also established and communicated hotlines to handle consultations and reports from external parties.

For projects that carry the risk of forced relocation of local residents, the ID&E Group provides guidance on whether involuntary relocation is required, the adequacy of compensation and the need for livelihood restoration, and supports relocations based on consensus with local communities. Furthermore, the group continuously oversees the restoration of their livelihoods by providing technical assistance to monitor that residents' living standards do not deteriorate after relocations.

Regarding work environment-related issues in its own operations, such as child labor, forced labor, occupational health and safety and harassment, the ID&E Group raises awareness through human rights workshops for its employees and seminars inviting external experts. The group also ensures respect for the human rights of its employees by performing monitoring based on each group company's risk management plan and establishing and disseminating information about hotlines for consultation and whistleblowing.

Additionally, the ID&E Group has established a monitoring system to track risks regarding the treatment of foreign workers and prevent discrimination and unfair practices. Through these initiatives, the ID&E Group strives to prevent and remediate human rights violations within its own operations and those of its business partners, aiming to realize sustainable and responsible business activities.

●Customer Privacy Policy, Health and Safety

In compliance with the Act on the Protection of Personal Information, the Act on the Use of Numbers to Identify Specific Individuals in Administrative Procedures, and other applicable laws, regulations and guidelines, Tokio Marine Group recognizes that appropriately handling customers' personal information, individual numbers and specified personal information is a fundamental social responsibility. As such, we have appointed a Chief Privacy Officer responsible for the protection of personal information throughout the Group and are implementing comprehensive measures to safeguard customer information and specified personal information.

Furthermore, across all business activities, we promote health and productivity management as well as occupational health and safety management, ensuring the delivery of products and services of the highest quality to our customers.

●Thoroughly Ensuring Prevention of Discriminatory Practices in the Provision of Products and Services

Tokio Marine & Nichido has in place a document inspection system to check for any expression (including illustrations, photos and videos) or wording undesirable from the perspective of human rights in its advertisements and insurance soliciting documents for customers as well as in its daily business operations. The system also performs a check to make sure the company does not obtain unnecessary personal information. Moreover, the company has established an appropriate reporting and response system by prescribing rules for handling cases of discrimination that are discovered or encountered and making these known internally.

Column Providing Solutions for Customers to Respect Human Rights

Tokio Marine Group supports customers in mitigating human rights risks in their value chains through solutions in addition to insurance underwriting and investment and financing. This section highlights some of our key initiatives and solutions to support respect for human rights.

❶ Supporting Efforts of Companies and Local Governments to Mitigate Human Rights Risks

Companies are increasingly expected to identify and address risks such as forced labor, child labor and other human rights issues throughout their supply chains. Inadequate responses to such issues can also adversely affect corporate value. Tokio Marine Group leverages the know-how of Tokio Marine dR, Nippon Koei, Tokio Marine & Nichido and other Group companies to assist customers in identifying and mitigating human rights risks in their value chains. Specifically, we support efforts of companies and local governments to respect human rights by helping them formulate basic policies on human rights, conducting human rights risk assessments and providing advice and training on HRDD.

Tokio Marine dR: Support for efforts regarding business and human rights (in Japanese)

Nippon Koei: HRDD support for companies and local governments (in Japanese)

TOKYO GAS
東京海上日動
NIPPON KOEI
Kuramoto International Law Office

Introduction

Purpose of the Framework

- Even though projects to generate carbon credits ("the Projects") play an important role as a measure to curb global warming, the execution of the Projects could entail human rights infringements.
- Various international documents and principles concerning the generation of carbon credits require that the human rights of indigenous peoples and local community members be assessed and safeguarded appropriately.
- For companies involved in the Projects ("the Companies"), we have developed this framework to show the basic procedures to follow in respecting and safeguarding the human rights of indigenous peoples, local community members, workers and other rightsholders.

Main Part

Responsibilities of Companies Involved in the Projects

1. Responsibilities of the Companies to respect the human rights of rightsholders and the purpose of such responsibilities
2. International documents and principles concerning human rights, on which the Companies should base their activities
3. Actions to be undertaken by the Companies under their responsibilities to respect human rights, and main potential causes of human rights infringements
4. Need for the Companies to clearly show their commitment to respecting human rights, and requirements to be imposed on them
5. Need for the Companies to exercise human rights due diligence, and requirements to be imposed on them
6. Establishment of grievance processing mechanisms needed for the Companies to ensure early remedy of the relevant parties
7. Users of the grievance processing mechanisms established by the Companies, and requirements that should be satisfied to ensure their effectiveness

❷ Providing Support Related to Human Rights Risks in Creating Carbon Credits

In recent years, the use of carbon credits has been increasing as a means of achieving carbon neutrality. However, some carbon credit projects in developing countries may raise human rights concerns, such as unfair treatment of local workers or forced relocation of indigenous peoples. Companies involved in carbon credit projects are expected to take measures to prevent, mitigate and remediate adverse human rights impacts associated with such projects.

Tokio Marine & Nichido and Nippon Koei have collaborated with Tokyo Gas Co., Ltd. to develop Japan's first "Framework for Respecting Human Rights by Business Enterprises Involved in Carbon Credit Generation Projects," designed to support companies in implementing effective measures to respect human rights at project sites. Based on this framework, Tokio Marine & Nichido and Nippon Koei have jointly developed and launched a human rights risk support service for companies engaging in carbon credit projects.

Leveraging Nippon Koei's expertise gained through its involvement in Official Development Assistance (ODA) and other projects, the service includes preliminary investigations into social conditions, legal frameworks and past cases of human rights violations in the countries and regions where projects are located, and supports the identification and assessment of potential human rights risks. The service is also provided in cooperation with experts, including Kuramoto International Law Office, which has extensive knowledge of sustainability and human rights issues.

❸ Supporting Corporate ESG Management through Directors and Officers Liability Insurance

Companies are increasingly expected to appropriately manage ESG-related risks, including human rights and environmental issues in their supply chains, while pursuing sustainable business management. When human rights or environmental issues arise, companies may incur considerable costs and need to devote significant management resources to fact-finding investigations and measures to prevent recurrence.

To address these challenges, Tokio Marine & Nichido offers a rider to its directors and officers liability insurance that covers certain expenses incurred by a company in investigating the causes of human rights or environmental issues and taking measures to prevent recurrence. The rider covers expenses associated with investigations, the establishment and activities of third-party committees, and measures to prevent recurrence.

For example, such expenses may arise when child labor in a company's supply chain is reported in the media, potentially requiring the company to suspend or terminate transactions with business partners and establish a third-party committee to investigate the matter. Another example may involve a company facing online criticism alleging that its TV commercials contain sexist content, prompting the company to conduct an internal investigation and develop measures to prevent recurrence.

Through the provision of these solutions, Tokio Marine Group will continue to support customers and local governments in preventing, mitigating and remediating human rights risks.

●Commitment to Respecting Human Rights of Our Employees

Tokio Marine Group regards respect for human rights as a fundamental standard in our corporate activities and strives to facilitate an understanding and instill the idea of respect for human rights not just within the Group but also among agents and business partners, including contractors. We aim to establish a corporate culture where every employee treats others with respect and can fully demonstrate their potential.

Tokio Marine Holdings respects the labor rights and human rights of employees and complies with relevant laws and regulations in each country and region. At the same time, we respect the internationally accepted rights of workers. Through constructive dialogue with employee representatives, we are working to identify and resolve issues related to conditions of employment and workplace environments.

Initiatives to respect human rights

- Realizing workplace environments free of harassment and discrimination
- Preventing excessive working hours
- Securing a safe and healthy work environment
- Paying an appropriate level of wages
- Promoting the use of annual paid leave
- Eliminating a wage gap between men and women; promoting DE&I

<Workplace Environment Free of Harassment and Discrimination>

To prevent harassment, we have established Harassment Prevention Policies. These regulations require all employees, including executives, to take proactive measures to prevent harassment, and make it clear that disciplinary action will be taken in accordance with the work regulations if violations occur. We also provide multiple reporting channels, including the Tokio Marine Holdings Global Hotline for all Group companies, internal consultation desks at each company and external hotlines, thereby establishing a structure to report and seek consultation on human rights issues, including discrimination and harassment, with a sense of security.

<Working Hours and Conditions of Employment>

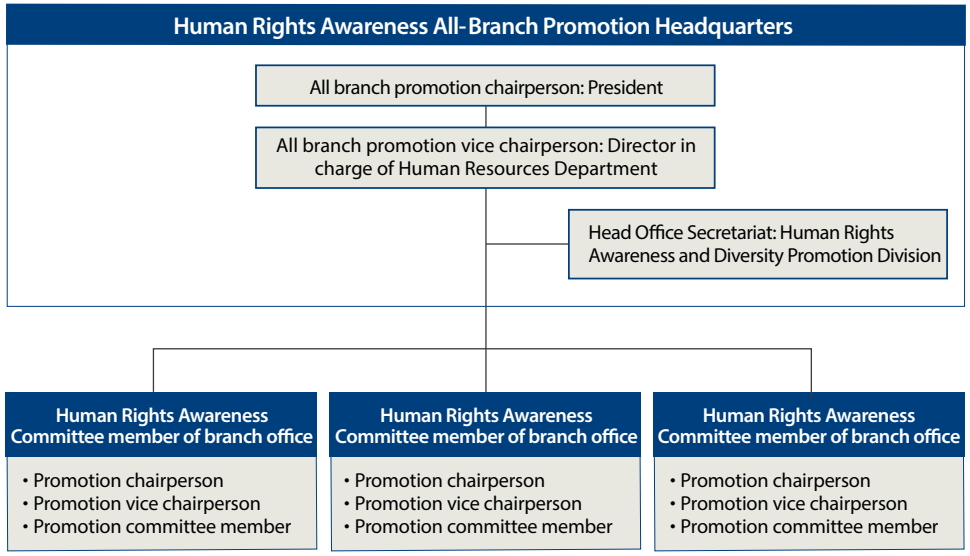
We exercise appropriate management of working hours, including the upper limits imposed by the local laws and regulations and under the labor-management agreement. We appropriately monitor such indicators as overtime and the use of paid leave as an effort to remediate long working hours.

As for the conditions of employment, we ensure payment of an adequate level of wages in accordance with the relevant laws and regulations and identify any issues through periodic dialogue with employee representatives for improvement. In terminating the employment of workers, we observe local laws and regulations to hold necessary discussions and take appropriate procedures, including notification. With regard to the gender pay gap, we perform periodic analysis and promote measures to remedy it. Moreover, we help employees maintain and promote their health and realize sustainable work styles by enhancing our own welfare programs beyond publicly mandated programs and encouraging the use of annual paid leave.

Under its promotion structure, which mainly comprises the Human Rights Awareness All-Branch Promotion Headquarters and the Human Rights Awareness Committee members of each branch office, Tokio Marine & Nichido holds executive and other seminars along with the annual human rights awareness training held in the workplace. The company also provides various training tools to agents to support their human rights awareness training.

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

▸Human Rights Awareness Promotion Structure (Tokio Marine & Nichido)



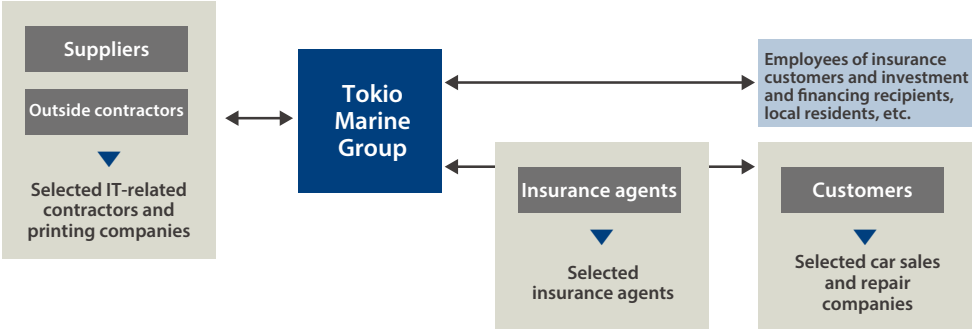
● Fostering a Culture to Respect Human Rights by Soliciting and Awarding Human Rights-Related Slogans

During Human Rights Week, which takes place from December 4 to 10 every year, each Group company solicits human rights-related slogans from employees and their families. The aim is to facilitate an understanding of the importance of respecting human rights and raise human rights awareness in the workplace, at home and within local communities. We select excellent slogans and disseminate them through our in-house intranet and other media as an effort to instill and spread the awareness of respecting human rights.

● Respect for Human Rights in the Value Chain (Initiative for Human Rights Impact Assessment)

In 2022, Tokio Marine Group held a human rights workshop with the cooperation of external human rights experts to identify latent human rights risks in our value chain. Consequently, based on the significance of human rights risks and Group's leverage, we selected high-priority stakeholders for whom we should perform human rights impact assessment. They include foreign trainees working under Japan's Technical Intern Training Program and engaging in car repair and maintenance and employees of IT-related contractors, printing companies and insurance agents. Since 2023, we have been conducting human rights impact assessments in a phased manner.

‣ Selecting high-priority stakeholders in the value chain



❶ 2023: Foreign Trainees Working for Car Dealers and Car Repair and Maintenance Companies

Auto insurance is a major insurance product in the non-life insurance business, and car sales and repair companies are important stakeholders for Tokio Marine Group. With the cooperation of external human rights experts, we held a dialogue with foreign trainees and other people working for car sales and repair companies and exchanged opinions about issues and the direction of our improvement efforts from the perspective of respect for human rights.

The results of the dialogue showed no significant human rights risks, and we were able to deepen our understanding of the human rights issues surrounding foreign trainees. For example, we gained an understanding of commission fees in the recruitment process and issues in communicating conditions of employment and confirmed that certain matters require continued attention.

Based on these findings, Tokio Marine Group has communicated to car sales and repair companies the key considerations with regard to respecting the human rights of foreign workers as an effort to further enhance our own initiatives to respect human rights.

❷ 2023-2024: IT-Related Contractors and Printing Companies

IT-related contractors and printing companies are important stakeholders for insurance companies, whose operations involve the establishment of IT systems and printing of materials. For these business partners, we conducted a survey via interviews and questionnaires with people engaging in actual operations in cooperation with external human rights experts.

The results showed no significant human rights risks in IT-related contractors and printing companies. Nonetheless, we confirmed that there are ways to further enhance respect for employees' human rights. These include setting up an employee human rights hotline for IT-related contractors, while addressing the risk of long working hours, including changing our method of order placement, and further enhancing occupational health and safety at printing companies.

Based on these findings, Tokio Marine Group is pushing ahead with efforts to disseminate the information on our human rights-related hotlines once again, address excessive working hours and enhance occupational health and safety.

❸ 2024-: Insurance Agents

Insurance agents who deliver insurance products to customers are our important business partners underpinning the Group's businesses and also stakeholders at the core of our value chain. With the cooperation of external human rights experts, we have held interviews with management and employees of insurance agents of different structures and sizes and visited

their workplaces for reviews.

Even though the results revealed no significant human rights risks, we have found that the practice of respecting human rights can be further promoted at insurance agents by informing their employees about a human rights-related hotline and creating a manual to deal with abusive behaviors by customers. Currently, the Group is examining and promoting efforts to improve these points.

●Basic Policy on AI Governance: Preventing Human Rights Violations Associated with AI Use

As the use of AI rapidly expands, concerns are growing regarding potential human rights violations, such as false or discriminatory outputs. We have established the Tokio Marine Group Basic Policy on AI Governance, which outlines the basic approach and necessary framework for AI utilization to further promote usage while accelerating our responses to address new risks and solve societal challenges. By appropriately managing risks associated with AI—including the violation of human rights—we encourage proactive use of AI by Group employees, maximize the benefits of AI and return value to society, thereby aiming to achieve discontinuous growth for the Group.

The core principles of this policy, Values and Basic Principles regarding AI Utilization by Tokio Marine Group, are as follows:

(1) Tokio Marine Group recognizes the importance of transparency and accountability in the utilization of AI, will clarify the purpose of introducing AI to stakeholders, and, through ongoing conversations, will continue to examine and improve the effects of introducing AI.

(2) Tokio Marine Group will ensure that humans intervene appropriately when introducing and utilizing AI, and that ultimately the decisions made by humans are respected.

(3) In order to eliminate bias in the use of AI, Tokio Marine Group will take care not to use data, algorithms or other technologies that are or may be biased against groups on the basis of their beliefs, gender or race.

(4) Tokio Marine Group shall prevent the following: utilization of AI that may lead to the violation of rights and interests, including fundamental human rights, human dignity and individual autonomy; the distribution of false or biased information and decision-making based on such information; and the leakage, falsification or unauthorized use of confidential or personal information.

(5) Tokio Marine Group shall establish and operate systems and processes that allow for AI to be used or provided continuously and without interruption.

■ STEP 4: Information Disclosure (Response to the Modern Slavery Act 2015 of the United Kingdom and Modern Slavery Act 2018 of Australia)

Tokio Marine & Nichido, Tokio Marine Kiln and other Tokio Marine Group companies published a modern slavery statement in compliance with the UK's Modern Slavery Act 2015. Meanwhile, Tokio Marine & Nichido and other companies submitted a modern slavery statement to the Australian government in compliance with its Modern Slavery Act 2018.

●Actions Taken by Tokio Marine & Nichido

Tokio Marine & Nichido has been publishing its statement every year since 2016 under the Modern Slavery Act 2015 of the United Kingdom. Starting from 2020, the company also annually reports (registers) its modern slavery statement to and with the Australian government under the country's Modern Slavery Act 2018. Tokio Marine & Nichido will continue to report its modern slavery statement without fail, and together with its employees and business partners, will implement initiatives to prevent slave labor and human trafficking.

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

Modern Slavery

Modern Slavery refers to enslavement and servitude, all forms of forced labor and human trafficking, etc. According to the 2022 report of the International Labour Organization (ILO), there were approximately 28 million victims of forced labor worldwide and annual illicit profits were estimated to reach some US$236 billion, which shows that even in present times slave labor and human trafficking are serious social problems.

Modern Slavery Act 2015 of the United Kingdom

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

Modern Slavery Act 2018 of Australia

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

11.1.4 Mechanisms for Complaint Handling and Remediation

■Human Rights Violations Involving Tokio Marine Group's Directors, Officers and Employees

Tokio Marine Group has established internal and external hotlines (whistle-blowing hotlines) where directors, officers and employees of Group companies can report and consult on matters that may involve human rights concerns. The Group provides its directors, officers and employees with multiple contact points and reporting channel options including internal and external hotlines, as well as a corporate auditor hotline. We prohibit any disadvantageous treatment or retaliation against relevant directors, officers, employees and those who cooperate in investigations because of such reports or inquiries. In addition, we strictly manage the confidentiality of reports and inquiries by ensuring anonymity and sharing information only to the extent necessary for effective investigations and corrective measures.

Tokio Marine Holdings monitors the handling of the reports and provides support for the appropriate installation and operation of the whistle-blowing system, thereby establishing a mechanism that allows directors, officers and employees of each Group company to report concerns without fear of retaliation.

■ Hotlines for Stakeholders in Our Value Chain

Tokio Marine Group has set up the Global Stakeholders Hotline, a point of contact for its external stakeholders to handle cases in which negative impacts on human rights are of concern in the value chain (including the supply chain). The hotline's entry form is now available in eight languages, namely Japanese, English, Chinese, Spanish, Portuguese, Thai, Indonesian and Vietnamese.

For inquiries regarding the Group, we follow the predetermined operational flow and make an appropriate response depending on the details. Whenever a negative impact on human rights is confirmed, we work to prevent, mitigate, correct and remedy such an impact by engaging in sincere dialogue with the stakeholders involved. We do not tolerate any disadvantageous treatment or retaliation against relevant stakeholders and those who cooperate in investigations because of such reports or inquiries. In addition, we strictly manage the confidentiality of reports and inquiries by ensuring anonymity and sharing information only to the extent necessary for effective investigations and corrective measures.

For the scope, operational processes and other details of the Global Stakeholders Hotline, refer to the "Tokio Marine Group's Mechanisms for Complaint Handling and Remediation" website.

Tokio Marine Group's external stakeholders are able to provide information on human rights violations by accessing the Global Stakeholders Hotline and entering the company code, "TokioMarine." To learn about the details of this system and how to access it, use the link below to find the hotline on the respect for human rights page on Tokio Marine Holdings' sustainability website.

Tokio Marine Group's Mechanisms for Complaint Handling and Remediation

▸Operational flow

11.1.5 Stakeholder Engagement

In promoting initiatives to respect human rights, Tokio Marine Group places emphasis on conducting human rights impact assessments of stakeholders who are or may potentially be affected by our business activities, as well as engaging in dialogue with experts specializing in human rights.

Regarding human rights impact assessment of stakeholders, based on the significance of human rights risks, Tokio Marine Group's leverage and other factors, we have been working to understand the actual circumstances as well as stakeholders' expectations and concerns to prevent, mitigate, correct and remedy human rights risks. (Please refer to Respect for Human Rights in the Value Chain for more details.) To monitor changes in the business environment and continually reassess our approach to emerging human rights issues, we engage in dialogue with human rights experts to receive advice and suggestions on the Group's initiatives to respect human rights and accordingly revise and reinforce these initiatives.

The following provides an overview of our dialogue with experts on business and human rights held in fiscal 2025 and highlights key suggestions thus obtained along with our response.

Report Dialogue with Experts on Business and Human Rights (October 2025)

1. Overview

Tokio Marine Group has been promoting initiatives to respect human rights in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs). In fiscal 2025, the Group's business domains and human rights risks became more diverse following the addition of the ID&E Group, which engages in the engineering consulting and engineering businesses. We therefore held dialogue with external experts who each have specialized knowledge on the themes for which we have identified challenges.

Discussion themes

- Revising the human rights risk map and responding to high-risk areas
- Extending Human Rights Initiatives to Overseas Group Companies
- Increasing the effectiveness of the mechanisms for complaint (grievance) handling

External experts (in random order)

- Akihiro Ueda (Expert specializing in business and human rights and stakeholder engagement)
  —From the perspective of improving the effectiveness of complaint-handling mechanisms and stakeholder engagement
- Miyuki Zeniya (Representative, evergreenp)
  —From the perspective of human rights risk management and the promotion of global initiatives, based on practical experience in the financial industry
- Miwa Yamada (Senior Research Fellow, Inter-disciplinary Studies Center, Institute of Developing Economies, Japan External Trade Organization (JETRO))
  —From the perspective of enhancing HRDD in line with international principles such as UNGPs and global trends

Participants from Tokio Marine Group

- Tokio Marine Holdings: Managing Executive Officer and Chief of Group Sustainability; Department heads in charge of sustainability, personnel affairs and legal affairs
- Integrated Design & Engineering Holdings: Director in charge of promotion of sustainability

Akihiro Ueda

Miyuki Zeniya

Miwa Yamada

2. Main Suggestions from Experts and Our Response

2-1 Revising the Human Rights Risk Map and Responding to High-Risk Areas

During the discussion about the human rights risk map, an expert advised that because Tokio Marine Group operates businesses with frequent interactions with customers, such as insurance and nursing care, we need to give consideration to harassment and other human rights issues. With regard to the ID&E Group's businesses closely linked to local communities, an expert suggested that even when the Group is indirectly involved in a project as a consultant, it is important to take action aligned with the Group's leverage and the degree of involvement when undertaking a project. Based on these suggestions, the Group is working to identify businesses that affect customers and local communities and actual conditions in high-risk areas while reexamining our response to human rights risks.

2-2 Extending Human Rights Initiatives to Overseas Group Companies

As for extending the initiatives to overseas Group companies, we gained valuable insights into the importance of continuous dialogue and knowledge sharing between the head office and overseas bases, as perceptions of human rights and related legal frameworks vary across regions.

The Group is identifying the actual conditions of human rights risks in overseas Group companies and sharing examples of initiatives and challenges across companies to strengthen human rights efforts throughout the Group.

2-3 Increasing the Effectiveness of Mechanisms for Complaint (Grievance) Handling

As for the mechanisms for complaint handling, we received advice on two points. One is that, in addition to "remedy," the aspect of "remediation" is also important for early discovery of a problem and prevention of its recurrence. The other is about the need to design mechanisms that users can trust and to ensure transparency. The Group is working to increase the effectiveness of its complaint handling mechanisms by strengthening intra-Group collaboration and establishing and refining our response structure.

3. Future Steps

Based on the suggestions we received through the dialogue, we will promote efforts to better understand conditions in high-risk areas, strengthen collaboration with overseas Group companies, improve the complaint handling mechanisms and enhance dialogue with stakeholders in fiscal 2026 to further increase the effectiveness of our initiatives to respect human rights and further embed these initiatives throughout the Group.

11.2 Human Capital Management and Promoting DE&I

Tokio Marine Group seeks to enhance corporate value in a sustainable manner by creating an environment where employees with diverse values and experiences can play active roles through the promotion of human capital management and diversity, equity and inclusion (DE&I).

To provide more systematic disclosure of our human capital management and DE&I initiatives and their progress, Tokio Marine Holdings has been publishing the Human Capital Report since fiscal 2024. The report provides detailed descriptions of our human capital strategies, human resources development, promotion of DE&I and employee engagement, along with related metrics, targets and progress. Please refer to the report for more details.

Publication of Human Capital Report

The insurance business is often described as a "people's business," as it is built on the trust that our employees and other people create. We believe that maximizing the potential of our people is essential to fulfilling Tokio Marine Group's purpose of protecting customers and society in times of need. With this belief, we have continued to invest in and develop our people since the Group's establishment. This commitment remains unchanged, and we continue to regard people as a key driver of our growth.

As human capital management has gained increasing attention, there has also been growing demand for greater disclosure of human capital-related information. We expect such information to become increasingly important to our stakeholders.

Against this backdrop, we published the Human Capital Report 2026 to communicate our approach to and commitment to human capital management in a comprehensive manner and help stakeholders gain a deeper understanding of Tokio Marine Group.

While we have previously disclosed information on human capital through various channels, we believe that publishing a dedicated Human Capital Report will provide stakeholders with a clearer understanding of the Group's approach to people and the specific initiatives we are undertaking.

For the Group employee basic data and the data on human resources development, utilization of diverse human resources and reform of working styles, please refer to the Sustainability Performance Data section.

Basic Data

- Number of employees (Tokio Marine Holdings and major subsidiaries)
- Number of new hires (Tokio Marine & Nichido)
- Labor union participation rate (Tokio Marine Holdings and domestic major subsidiaries)
- Ratio of female employees' wages to male employees' wages (Tokio Marine & Nichido)
- Employee attitude survey (Tokio Marine & Nichido)

Development of Human Resources

- Employee training (All employees of Tokio Marine & Nichido)
- Job request system (job posting system) (Domestic major subsidiaries)

Utilizing Diverse Human Resources

- Number of directors and managers (Tokio Marine Holdings and major subsidiaries)
- Number of female directors
- Number of employees using the system for continued employment of older employees (Tokio Marine Holdings and domestic major subsidiaries)
- Rate of employment of persons with disabilities

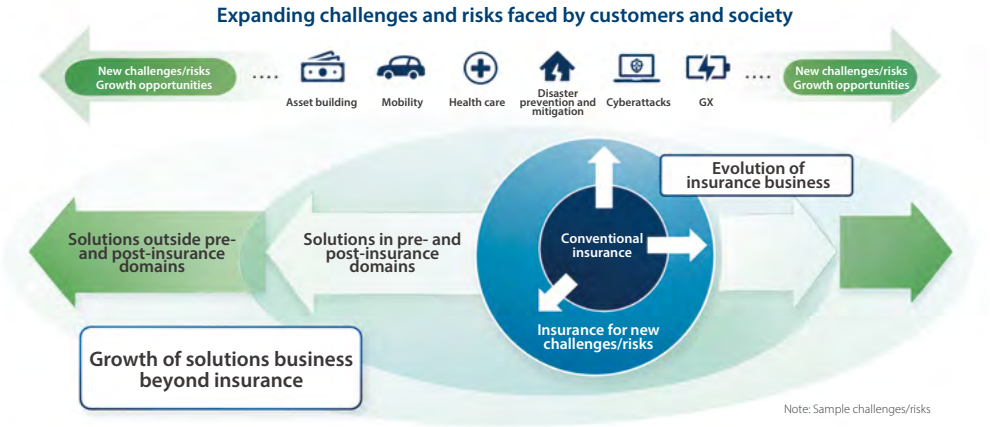
Reform of Working Styles

- Retiree rehiring system (Tokio Marine Holdings and domestic major subsidiaries)
- Maternity leave system (Tokio Marine Holdings and domestic major subsidiaries)
- Childcare leave system (Tokio Marine Holdings and domestic major subsidiaries)
- Short working hours system (Tokio Marine Holdings and domestic major subsidiaries)
- Resumption of work support system (Tokio Marine Holdings and domestic major subsidiaries)
- Return to work rate after taking childcare leave (Tokio Marine Holdings and major subsidiaries)
- Employee retention rate one year after taking childcare leave (Tokio Marine Holdings and major subsidiaries)
- Spouse childbirth leave (Tokio Marine Holdings and domestic major subsidiaries)
- Nursing care leave system (Tokio Marine Holdings and domestic major subsidiaries)
- Nursing care temporary retirement system (Tokio Marine Holdings and domestic major subsidiaries)
- Annual average actual working hours (Tokio Marine & Nichido)
- Monthly average overtime hours (Tokio Marine & Nichido)
- Number of annual paid leave days taken (Tokio Marine & Nichido)

12 Provide Innovative Solutions

12.1 Basic Approach to the Solutions Business

Tokio Marine Group provides optimal insurance products to resolve the expanding challenges and risks faced by customers and society. We also offer solutions that contribute to the pre- and post-insurance domains, including accident prevention, early detection of incidents, rapid recovery after incidents and recurrence prevention. Through the co-creation of our insurance business and innovative solutions business, we will continue resolving the challenges faced by our customers and society.



12.2 Response to a Mobility Society

Tokio Marine Group assists in handling accidents and safe driving utilizing telematics and Internet of Things (IoT) technology. For individual customers, we offer insurance products and services that facilitate traffic safety, including *Drive Agent Personal* and *One Day Auto Insurance*.

■ Sale of *Drive Agent Personal* (DAP)

For the first time as a major insurance company in Japan, Tokio Marine & Nichido started providing DAP, an advanced service for individual customers utilizing its original driving recorder, as a rider for auto insurance in April 2017. Since the service was launched, the number of contracted vehicles* has continued to grow steadily, reaching approximately 1.05 million across individual and corporate customers as of March 2025. The company has also continued to expand its device lineup. In April 2021, a driving recorder equipped with two built-in cameras, which can film not just front views but also in-vehicle and rear views, was added. The device is designed for customers seeking a broad range of functions, including parking surveillance and multilingual display. In January 2026, Tokio Marine & Nichido introduced a new automatic accident notification device for customers who primarily want functionality providing greater peace of mind in the event of an accident. The company lends its driving recorder to each policyholder and provides a set of leading-edge services as shown below.

*: Number of cars insured and equipped with the driving recorder that Tokio Marine & Nichido lends to the insured

❶ Receiving insurance claims reports quickly and reliably

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

In April 2026, Tokio Marine & Nichido entered into a capital and business alliance with Premier Aid, which is responsible for DAP's emergency response services. Premier Aid operates a network that connects instantly to approximately 730 fire department bases, enabling rapid emergency requests when an incident occurs. Combining this capability with Tokio Marine

& Nichido's patented video transmission technology, DAP ensures a high-quality service that instantly confirms accident circumstances by video, promptly requests emergency assistance and continues to support customers by phone until emergency vehicles arrive.

Going forward, the two companies will continue to work as strategic business partners to provide even greater added value to customers and contribute to the realization of a safe and secure mobility society.

Note: When a certain, more minor impact is detected, the customer can manually make a voice call to Premier Aid Inc., our partner company, by pressing a button on the recorder.

❷ Early resolution support services following an accident

Various functions reduce the burden on customers to explain accident circumstances and other details, while supporting a quick response after an accident.

•Automatic transmission of accident footage and location information

When a strong impact is detected, accident footage is automatically transmitted to Tokio Marine & Nichido. At the same time, information on the location where the impact was detected is also transmitted, reducing the burden on customers to provide the address of the accident and other details.

•Accident circumstance reconstruction system

AI reconstructs the accident circumstances and automatically shares the information with claims service staff. This facilitates understanding of how the accident happened and supports early resolution.

❸ Supporting safe driving

<Accident prevention support service>

When the drive recorder detects sudden operations during daily driving, it alerts the driver in real time. It has been confirmed that this service is highly effective in not only providing a sense of security when an accident occurs but also preventing an accident from occurring in the first place, as evidenced by the lower probability of an accident compared with customers who have not signed the rider as well as the reduction in the frequency of dangerous driving such as sudden braking.

Tokio Marine & Nichido delivers an even greater sense of security with the addition of a feature to send an SOS signal when the driver suddenly falls ill or is harassed by a reckless driver. When such trouble occurs, the driver will receive appropriate advice from a partner security company.

▸Effects of DAP

Accident reduction *1	Reduction in sudden operations *2
Reduced approx. 13%	Reduced approx. 20%

*1: According to a survey conducted by Tokio Marine & Nichido in January 2023, comparing a drop in the number of accidents per newly signed insurance policy with the DAP service for a driving recorder-equipped car versus the previous policy in the same period

*2: According to research conducted by Tokio Marine & Nichido in December 2022, measuring a decline in the number of sudden operations (sudden braking, acceleration and steering, etc.) during the first six months after enrollment in the DAP service

<Safe driving diagnosis service>

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

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

In December 2022, Tokio Marine & Nichido introduced a dedicated smartphone app that enables drivers of insured cars to enjoy safe driving. The app features Coupon Challenge, a service allowing users to receive electronic coupons redeemable at convenience stores and other retailers in accordance with their safe driving score.

An eco-driving support service was launched in December 2023. It analyzes the driving data obtained via DAP and diagnoses vehicles in terms of eco-driving (an environmentally conscious driving technique that limits CO_2 emissions, such as refraining from sudden starts and maintaining a safe distance between cars to avoid unnecessary acceleration and deceleration).

If the diagnosis is good, the driver can receive electronic coupons via a dedicated smartphone app. In August 2024, the service was registered as a CO_2 reduction project under Japan's J-Credit Scheme.

■ Trial Operation of Type 2 D-Call Net

To mitigate the damage caused by traffic accidents, we are also working to build a system to request an emergency medical helicopter or a doctor-staffed ambulance by using the data obtained from driving recorders when an accident occurs. Full-scale operation is scheduled to begin after pilot operations are completed in fiscal 2026 or later.

■ Drive Agent for Corporate Policyholders

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

■ Usage Examples of DAP Data

After the Noto Peninsula Earthquake in January 2024, we used data obtained via DAP to identify cracked roads in the affected area as part of efforts to support the restoration of the area. The data was provided to the Ministry of Land, Infrastructure, Transport and Tourism's Road Bureau. We released this data on our website (the post-disaster recovery portal) as road information and a map of the areas with cracks in the ground. This was used to understand the traffic conditions in the affected areas. Based on the analysis of past DAP data, we have also established a system to certify a total loss without involving an adjuster for accidents above a certain impact level.

Starting from 2026, DAP traffic safety lessons using the DAP data have been provided at all branches and offices as an effort to solve the "critical age of seven" problem, which describes how children just starting to attend elementary school are prone to traffic accidents.

■ One Day Auto Insurance

Tokio Marine & Nichido provides *One Day Auto Insurance* (driver insurance available in units of days), which can be purchased anytime via smartphone and at convenience stores. This auto insurance product allows infrequent drivers using cars owned by their parents or friends to purchase insurance at the reasonable cost of 800 yen a day (24 hours) for just the number of days needed.

The product was launched in January 2012 by Tokio Marine & Nichido as the first of its kind in the non-life insurance industry in Japan, and the cumulative number of subscriptions exceeded 15 million (as of March 2026). In July 2024, it became possible to apply for enrollment in the insurance via the Group's official LINE account to increase customer convenience and accessibility.

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

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

■ "Safe Drive With" for an Accident-Free Society

Tokio Marine Direct Insurance is undertaking the "Safe Drive With" project using customers' traffic safety data to conduct analyses and research to realize an accident-free society.

For example, Moshikamo Map is a web service for parents and children to detect and visualize road hazards on the map. It has obtained information about more than 8,000 hazards on school-commuting roads from about 90 municipalities all over Japan and uses its map to visualize over 59,100 hazards, including those reported by users and the National Police Agency's open data* (as of May 2026).

In collaboration with Eisai Co., Ltd., the company is also analyzing the relationship between brain health and driving behavior by gathering data together with customers to reduce traffic accidents.

*: National traffic accident data based on the National Police Agency's open data, including traffic accident statistics (January 1–December 31, 2020)

■ Using Technology to Prevent Accidents

Philadelphia Insurance Companies (PHLY) in the United States has been promoting its PHLYTRAC telematics program for policyholders with commercial auto coverage since 2016. Using a GPS tracking solution that installs in seconds, PHLYTRAC provides organizations with real-time updates on driver behavior and fleet conditions. Organizations in the United States have significantly reduced driver risks like speeding, hard braking, hard acceleration and more, all while reducing claims frequency by more than 20%.

Currently there are more than 70,000 vehicles in the program, which represents over 20% of PHLY's insured vehicles, translating to 3.2 billion miles protected. In light of recent technological innovations, policyholders can also choose an AI dashboard camera solution as an add-on to the program.

■ "Logistics Consortium baton" to Resolve Societal Challenges in Logistics

In November 2024, Tokio Marine Group launched the "Logistics Consortium baton" to help resolve logistics-related societal challenges, including the logistics crisis caused by supply-demand gaps and low loading rates, as well as driver workstyle reform and safety assurance. The consortium promotes co-creation across companies and industries. As its first initiative, it set out to realize cross-company relay transportation and conducted feasibility operations among participating companies from January to February 2026. Prior to implementation, the consortium analyzed a total of 13,000 trips per week of operational data comprehensively obtained from participating companies and identified highly complementary route combinations. It has also begun formulating risk-sharing guidelines to clarify responsibility in the event of an accident and organizing operational differences among participating companies.

Going forward, based on the results of on-site verification, we will examine details necessary for practical implementation, while also promoting various initiatives such as developing matching systems and applications as well as creating more driver-friendly work environments and ensuring better driver health. Tokio Marine Group will leverage the risk management knowledge and broad network it has cultivated through its insurance business to help improve productivity and drive transformation across the logistics industry.

12.3 Responding to Technology Innovation

In the face of growing corporate social responsibility and cyber risks to companies, Tokio Marine Group sells insurance products that offer comprehensive coverage for each risk and has launched a portal site, "Tokio Cyber Port," to disseminate information on cyber security. Using AI and other cutting-edge technologies, the Group also offers better insurance services to customers.

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

In recent years, it has become increasingly difficult to completely block cyberattacks, as work style reforms and the widespread use of telecommuting have increased online business operations. Cyberattacks targeting companies have also become highly advanced and sophisticated. Consequently, increasing companies' cyber security awareness and reinforcing their related structures have become an urgent task.

Against this backdrop, Tokio Marine & Nichido launched "Tokio Cyber Port," an online information site that compiles the latest information on cyber security measures, in January 2020. It provides a broad range of the latest information and services related to cyber security, including the latest news on cyberattacks and cyber security, columns by experts, free security services and a telephone consultation service for security incidents. The aim is to familiarize companies with cyber security and encourage them to utilize "Tokio Cyber Port" for a range of their cyber security measures.

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

Tokio Cyber Port (in Japanese)

■Secure and Comfortable Incident Settlement Process Utilizing an Optimal Mix of Human Ability and Digitalization

Based on the concept of providing an optimal mix of human ability and digitalization," Tokio Marine & Nichido has pushed forward with the digitalization of its customer responses and operational processes while using AI, satellite imagery and other new technologies in the handling of accidents. The company provides a reassuring experience to proceed with the process up to the resolution of the accident using an AI-based accident reproduction system, smartphone-based insurance claim procedures and other means to mitigate customers' anxiety and stress about the accident handling process and by combining real and digital methods tailored to the customer's wishes.

The process won the METI Minister's Prize at the fourth Nihon Service Award, Japan's first award for commending innovative, excellent services hosted by the Japan Productivity Center's Service Productivity & Innovation for Growth.

For customers wishing to apply for insurance claims online, the use of various digital tools allows them to proceed through the procedures using their smartphone and other devices. For those who feel uneasy about such online procedures, our personnel in charge of claims services and agents provide human support so they can proceed with a sense of reassurance. While valuing the roles that people should play, we seek to realize a higher-quality claims settlement service through an optimal mix of people's abilities and digitalization.

DX special website (in Japanese)

日本サービス大賞
NIHON SERVICE AWARD
第4回 日本サービス大賞
経済産業大臣賞

■Initiatives to Ensure Swift and Appropriate Claims Payments by Utilizing AI

Tokio Marine Group is working to solve the societal challenge of false insurance claims by utilizing AI and digital technology. Combating false claims has become an important issue in the entire non-life insurance industry from the perspectives of operating a sound and stable non-life insurance system, maintaining trust in the insurance business and ensuring fairness. Methods of making false claims have become increasingly complex and sophisticated in recent years, and a broad understanding of these methods and a high level of expertise are required to implement countermeasures. P.T. Asuransi Tokio Marine Indonesia (TMI) and Tokio Marine & Nichido are striving to increase the level of sophistication of their countermeasures by incorporating AI and digital technology, along with enhancing the expertise of responsible personnel working in the departments tasked with insurance claims payments.

Solution Adopted by TMI

In emerging countries in Asia and elsewhere, a rise in false insurance claims has become a social issue, posing a challenge for insurance companies. In response, in March 2020 TMI adopted an AI-driven fraud detection system by Shift Technology of France in its claims handling process for auto insurance.

The system gives a score (possibility of fraud) along with its rationale for each claim, allowing TMI's fraud response team to concentrate on more suspicious cases. Through the solution, TMI has detected and handled many more false claims that had been difficult to find in the conventional manual process (about 50 times more compared to before it was adopted). This significant result has consequently led to more swift insurance claims payments to customers and appropriate levels of premiums (for maintaining social trust and ensuring fairness).
The solution has also generated many side benefits, such as deterring fraud by externally announcing the use of the system and incorporating lessons learned from the identified false claims into insurance underwriting rules.

TMI collaborates with Shift's data scientists on a daily basis to improve the accuracy of fraud detection, utilize external data and handle emerging fraud trends in the market and perform fraud detection in cargo insurance and other insurance products. Through these and other initiatives, TMI remains committed to providing better insurance services to customers in Indonesia and solving societal challenges in the country.

Image 1 + Image 2 →

Example of fraud detection in accident images: An analysis by AI indicated that images 1 and 2 were derived from the same image and that the front part in each image has been deliberately doctored to disguise it as being repaired.

Solution Adopted by Tokio Marine & Nichido

Tokio Marine & Nichido adopted an AI-driven fraud detection system in its claims handling process for fire insurance (developed by France-based Shift Technology) in August 2022.

More specifically, these systems extract certain elements from policy details and loss reports and other relevant information, which could lead to fraud, and give a score for each case to quickly identify cases that require closer scrutiny. Previously, responsible personnel in the relevant departments had checked every case for the possibility of false claims. The adopted solution, on the other hand, allows effective responses to each case by prioritizing cases based on the risk of false claims. It will lead to a further improvement in the quality of claims services as suspicious cases are handled more carefully while an even more considerate response is made to legitimate ones.

Tokio Marine & Nichido will continue to fuse AI and digital technology with people's ability and endeavor to provide swift and comfortable claims services to customers.

■ Using a Digital Platform to Provide a Repair Shop Matching Service

With the aim of achieving a transparent system for paying insurance claims rooted in its customer-centric operations, Tokio Marine & Nichido launched a repair shop matching service (Repair-Net) on July 1, 2024.

The service provides a digital platform that enables customers to check information online about repair shop facilities, services, reviews and other details and then choose a repair shop themselves from its network of excellent repair shops.

Through this service, Tokio Marine & Nichido seeks to address customers' requests for help in choosing a repair shop they can trust with the repair of their vehicles. The company will also work to further improve customer convenience so that it can respond to future needs that extend beyond vehicle repair by enhancing the repair shop search function, developing a feature for posting photos of vehicles undergoing repair and adding customer evaluation and feedback to the platform.

Solutions Adopted by Tokio Marine dR

■ Comprehensive AI Governance Consulting Service to Support the Use of AI by Companies

The accelerated progress in AI technology has ushered in a new, "AI First" era, where many companies use AI to increase operational efficiencies and add value. However, companies face two major challenges in using AI. The first is "uncertainty in utilization strategy," namely, what types of AI to incorporate into their strategies and operations, how to do so and how to create value. The second is "increased risk," represented by incidents caused by expanded use of AI technology, such as problems due to low accuracy, copyright infringement and information leakage. To maximize the benefits of AI use, it is essential to address these two challenges in tandem: proactively promoting AI utilization while simultaneously establishing a safe and secure governance framework.

Responding to such corporate needs, Tokio Marine dR provides a comprehensive AI governance consulting service. The service offers comprehensive support for the utilization of AI and the establishment of AI governance by companies, from formulating AI strategies and developing infrastructure to visualizing AI risks and implementing specific countermeasures.

As offensive AI support, Tokio Marine dR provides support for AI implementation and AI utilization strategy development. The company identifies potential AI use cases based on management and departmental challenges, assesses their feasibility and business impact and then formulates an implementation plan. The AI development support (generative AI infrastructure establishment/custom AI development) facilitates everything from the design and implementation of general-purpose generative AI infrastructure to the development of business-specific AI.

As AI agents become more widespread, it is increasingly important to appropriately manage the accuracy, permissible use and other aspects of data connected to AI. Tokio Marine dR's data management framework development support helps companies establish appropriate data management frameworks for AI utilization.

As defensive AI support, Tokio Marine dR provides support for establishing AI governance to help develop rules, systems and processes for using AI safely. Its AI governance assessment service visualizes risks based on the current state of AI utilization and presents necessary

measures and an execution roadmap. Tokio Marine dR also provides training content for companies' employees to support improved AI literacy across the organization and the adoption of safe AI use.

Tokio Marine dR will continue to provide total support so that companies can use AI technology with a sense of security to spur innovation and sustain growth.

Comprehensive AI Governance Consulting Service (in Japanese)

■ Making Driver Roll Calls and Training More Reliable and Efficient: Cloud-Based Operations Management DX

Distribution and public transportation services, which underpin our daily lives, are at a major turning point. For example, the transportation industry is facing a chronic shortage of both drivers and operations managers and is under pressure to promote a work style reform. The required safety level, on the other hand, is increasing every year, necessitating greater and stricter management.

A driver roll call is particularly important in operations management. As a general rule, the law requires operations managers to perform a roll call face-to-face with drivers to give work instructions and check vehicles and drivers' health conditions both at the start and end of the shift. It also necessitates keeping a large volume of logs and ensuring their appropriate storage. This important routine thus involves cumbersome procedures.

Tokio Marine dR provides the cloud-based driver roll call support system "Tenko+" to facilitate the sustainable growth of logistics and public transportation. The system centrally implements and records legally mandated driver roll call items, spanning from identity verification and alcohol checks to driver's license confirmation and communication of safety instructions, helping prevent omissions and reduce operational burden. It also enables legally mandated guidance and supervision to be managed within the system, simultaneously supporting compliance in training records and more efficient administration.

By reducing traffic accidents and creating efficient and reliable working environments for operations managers, Tokio Marine dR will contribute not only to safe and secure transportation but also to sustainable working styles for the people who support logistics and public transportation.

■ Start Reducing CO_2 Emissions, Improving Fuel Efficiency and Minimizing Traffic Accidents with Accelerator Trainer!

Tokio Marine dR has started providing Accelerator Training, which is an environmental and safe-driving support program focused on accelerator operation when starting a vehicle. Specifically, it aims to reduce CO_2 emissions, curb gasoline consumption and minimize traffic accidents by encouraging drivers to make a habit of the simple driving behavior of taking five seconds to press the accelerator until the vehicle reaches 20 km/h from a standstill. Its key feature is that anyone can practice it. By focusing the point of awareness on "starting the engine" when driving, it promotes sustained behavioral change.

In this program, a dedicated on-board device is used to score accelerator operation by collecting and analyzing driving data such as speed, accelerator position and fuel consumption. This enables drivers to build the habit of paying attention to efficient acceleration while experiencing the benefits firsthand. In actual implementation cases, accelerator operation and fuel efficiency improved over a short period of time. Program participants commented that "I became more conscious of keeping a safe distance from the car in front of me and feel more comfortable while driving" and that "my family praised me for driving more safely than before."

Accelerator Training is an initiative that can be practiced in daily operations and requires no special knowledge or skills. Through this program, Tokio Marine dR will contribute to both corporate and regional decarbonization and improved safe-driving awareness among drivers.

12.4 Promoting Open Innovation

■ Co-Creation through Investments in Startups

In an era when risks are becoming increasingly diverse and complex, insurance companies themselves must continue to evolve in order to continue responding to the challenges faced by customers and society. Tokio Marine Group is proactively pursuing co-creation with startups in Japan and overseas, as well as strengthening co-creation through investment, as a means of accelerating that transformation.

This effort has two main aims. One is to transform the very nature of insurance. The other is to develop new solutions that protect customers from risk. Rather than responding after accidents or disasters occur, we aim to implement technologies and services that predict and prevent risks themselves and help avoid damage before it happens.

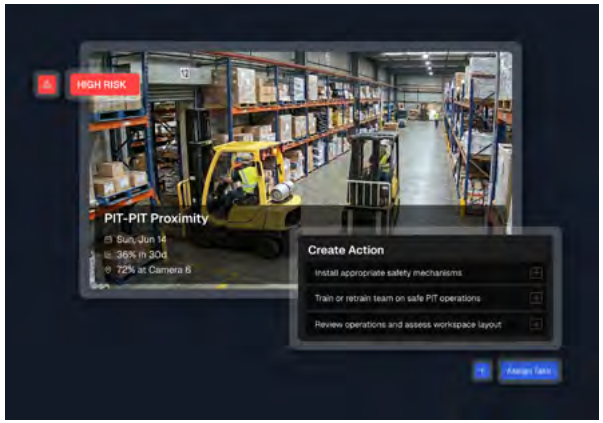
■ Open Innovation Unconstrained by Business Field or Region

Tokio Marine Group promotes investments in startups through multiple channels, including Tokio Marine Future Fund, a venture capital investment fund based in Silicon Valley in the United States that began full-scale operations in 2022. Investment areas extend beyond Insurtech and Fintech to a wide range of fields, including healthcare, mobility and logistics, disaster prevention and mitigation, decarbonization and sustainability, AI, solutions to societal challenges and well-being. By identifying promising startups at an early stage and combining our expertise and network as a leading company, we seek to contribute to the very growth of the startups we have invested in. To date, based on publicly available information, we have invested in more than 70 startups.

[Collaboration with Voxel, an AI Workplace Safety Startup]

Voxel provides a site intelligence platform that uses AI to analyze footage from existing security cameras at factories and logistics sites. It detects signs that could lead to accidents around the clock, such as lifting heavy objects with improper posture, failure to wear protective equipment and collision risks between forklifts and other vehicles and workers.

Building on its initial investment in December 2021, Tokio Marine Group has steadily deepened its business collaboration with the company. Safety National, a Tokio Marine Group company and a major U.S.-based specialty insurer that provides a diverse range of risk solutions to large corporations and public-sector organizations, introduced Voxel to a leading retailer. A proof of concept (PoC) conducted at the retailer's warehouse demonstrated reductions in workplace accidents—including slips and falls, lower-back injuries and vehicle-related incidents—as well as associated costs. Based on these results, the solution is now being rolled out to other Safety National customers. While supporting Voxel's business growth, this initiative also helps customers reduce accidents and improve safety.



13 Provide Opportunities for Future Generations

13.1 Tokio Marine Group's Initiatives for Future Generations

Based on the strong belief that "it is our duty to pass on a bright future to the next generation," Tokio Marine Group has clearly positioned "future generations" as a stakeholder.

In fiscal 2022, we established a cross-functional global task force to discuss initiatives for contributing to future generations, and the task force identified three key themes and five priority initiatives to focus on. We will accelerate our efforts in and outside Japan to support children and young people in taking up challenges for their future. We are committed to passing on a sustainable environment to future generations.

Areas of focus	Outline of key initiatives
Restoration of natural capital and response to climate change	**Preservation of biodiversity and disclosure of information on natural capital** (planting of mangrove trees and other reforestation efforts, restoration of eelgrass beds)
	Investment in natural capital (ESG investment and financing) (impact investment targeting natural capital, promotion of general business investment and financial products)
Nurturing the leaders of tomorrow	**Educational support for children and students and industry-academia collaboration** (conducting educational classes and fostering talent through collaboration with educational institutions)
	Support for participation in business activities (providing opportunities for high school students to work as interns and young employees to participate in management)
Supporting the transition to a circular economy	**Support for waste reduction and recycling through insurance**

◉ "Dear Blooming Future," Tokio Marine Group's Internal Event

Tokio Marine Group has designated November as "Future Generations Month" and holds an internal art-themed event called "Dear Blooming Future." Each year, employees consider what they can do for future generations and express their thoughts through works of art based on a selected theme. The submitted works are compiled into an art book and shared with employees and their families.

Through this event, we aim to foster a culture of contributing to future generations and further expand initiatives for future generations across the Group.

13.2 Globally Expanding Initiatives for the Future Generation

Tokio Marine Group is promoting projects around the world to support the challenges of every person of the future generation.

Tokio Marine Group's Global Uptake of Initiatives for Future Generations

■ Japan

- **Green Lessons**

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

As of March 31, 2026, the Group visited around 900 elementary and special needs schools throughout Japan and provided Green Lessons to some 62,000 children.

Mamomaru's Laboratory for the Future (Tokio Marine & Nichido's educational program for children who will lead the future) (in Japanese)

• Disaster Prevention Lessons

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

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

As of March 31, 2026, Disaster Prevention Lessons have been held about 2,000 times at elementary schools and special needs schools across Japan, with some 128,000 children attending. We will continue to promote the creation of a safe, secure and resilient society and future by engaging in awareness and educational activities for disaster readiness through our Disaster Prevention Lessons.

• "Group Work on Managing Risks and Opportunities": Career Development Program for Junior High and High School Students

Tokio Marine Group has been contributing to the promotion of career education mainly for junior high and high school students by providing its own career education program, "Group Work on Managing Risks and Opportunities," which was developed jointly with universities, NPOs and educators.

In the program consisting of card games and teamwork activities, students become owners of a bakery and think about ways to sustainably earn profits. The lesson simulates responses to various risks associated with owning a business, enabling the students to discover and solve issues for themselves and collaboratively. A cumulative total of 5,700 students have received this career education to date.

• Nursing Care Lessons

An increase in the number of nuclear family households and other factors means that there are fewer opportunities for children to interact with elderly people. Consequently, children's understanding of the elderly is insufficient. Tokio Marine Nichido Better Life Service conducts Nursing Care Lessons (experience-based classes) for children who will lead the future and provides an opportunity for them to turn their attention to and gain a better understanding of elderly people. Roughly 1,000 children from 12 elementary schools have participated in the lessons since the company launched this initiative in 2023.

• Junior Internship Program for High School Students

Since fiscal 2022, Tokio Marine & Nichido has been offering a Junior Internship Program for high school students. Through the program, they learn about the insurance business and the work involved, as well as the roles that an insurance company should play in solving societal challenges. At the same time, the program encourages them to understand the value of work and promotes their interest in business. The goal of the program is to learn the skills and communication capabilities needed in the workforce in the future. The company has provided the program at 18 schools across Japan.

Participants have commented that they became more interested in the SDGs-related efforts of companies as they gained firsthand knowledge, while others have mentioned that their view has expanded as they learned about societal challenges from various angles and the roles that an insurance company should play. Some have also commented that insurance is the foundation of society, that they have learned a variety of things they never knew, including the roles of insurance, and that exploring and thinking about many things through different tasks was a really good experience. They regarded the program as a valuable opportunity to gain insight and inspiration that could not otherwise be gained in the classroom. Tokio Marine & Nichido intends to expand the program across Japan as a way to contribute to future generations.

• Kids' Program: Exciting Work Experience, an Adventure in the Adult World!

Tokio Marine & Nichido has been providing a work experience program for elementary school students since December 2024, which was developed jointly with KODOMOLOGY CO., LTD. The program offers a fun, memorable learning opportunity for employees' children to gain a deeper understanding of where their parents work and what they do through an office tour, a program to create an original insurance product from the children's perspectives and a program that simulates the claims settlement service operations, which involve the payment of insurance claims. So far, more than 70 children have participated in the Kids' Program. It also provides an opportunity for employees to reaffirm the value and purpose of their work through the positive reactions of their children.

• Lessons to Prepare for Emergencies for Junior High School Students

Since 2025, Tokio Marine Holdings has been working with ARROWS Inc. to develop and provide schools with educational materials that help students think about how to act in an emergency and how to prepare in their daily lives.

Based on the premise that natural disasters can occur anytime and anywhere in Japan, the program aims to cultivate an understanding among junior high school students of the importance of protecting their own lives and helping each other during a disaster, thereby improving their future preparedness for such events. We provide materials that combine lesson slides, videos, worksheets and other tools, and more than 1,400 junior high school students across Japan were given this learning opportunity in 2025.

• STEM Experience Program for Female Junior and Senior High School Students

To show students that female employees with science and math backgrounds are actively thriving in a wide range of fields, since fiscal 2025, Tokio Marine Holdings has been participating in Girls Meet STEM in collaboration with the Shintaro Yamada D&I Foundation. It is a science, technology, engineering and mathematics (STEM) experience program specifically designed for female junior and senior high school students. The program aims to deepen students' understanding of STEM-related learning and careers by providing opportunities such as office and laboratory tours, hands-on experiences with the latest technologies, workshop participation and roundtable discussions with female employees and researchers.

In fiscal 2025, 47 female junior and senior high school students participated in the program, visiting the front line of investment management and observing the planning and development process for a healthcare app. Afterwards, they participated in a panel discussion featuring female employees with science backgrounds and roundtable sessions where students could speak directly with employees. Participants commented that the program helped them "have an idea of what it is like to join the workforce" and "realize how the subjects they are studying now can be useful in future work." In this way, the program provided a valuable opportunity to help develop next-generation human resources and support diverse career formation. We will continue contributing to initiatives that expand the possibilities of future generations.

• DAP Traffic Safety Class for Early Elementary School Students

Tokio Marine & Nichido is working to realize a safe and secure society free from accidents. First and second graders, in particular, are at a higher risk of getting into traffic accidents while walking. This is because as their range of activities expands after entering school, their shorter height makes them more likely to be hidden in vehicle blind spots. Data from Japan's National Police Agency also shows that first and second graders account for a large number of casualties in traffic accidents while walking, which is recognized as a societal challenge referred to as the "critical age of seven" problem.

To help address this issue, in April 2026 the company began rolling out the DAP Traffic Safety Class, which uses data on dangerous vehicle behavior and impact detected by its original *Drive Agent Personal* (DAP), a drive recorder with communication functions. Using "dangerous location maps" created by Tokio Marine dR from DAP data, the class is a traffic safety initiative promoted across the entire Tokio Marine Group. In the class, students learn traffic rules through lectures and quizzes, and then use the dangerous location maps to learn, in a participatory way, where, how and why certain locations are dangerous, as well as what actions to take to prevent accidents. The program aims to help children develop the ability to anticipate risks on their school routes and take safe actions on their own.

• Developing Next-Generation Talent and Facilitating an Understanding of Societal Challenges through Nippon Koei's Outreach Classes

Nippon Koei continues to provide educational support through outreach classes as part of its commitment to developing the next generation of talent. Engineers visit schools as guest lecturers, explaining topics such as disaster prevention, infrastructure development and environmental conservation in an easily comprehensible way. The classes also offer hands-on programs using models and experiments to deepen students' understanding of societal challenges.

Since 2011, the company has delivered classes on topics such as "the role of dams" and "the ecosystem pyramid" for elementary schools in Sendai, Miyagi Prefecture, providing learning opportunities to more than 100 children every year. This initiative has been well received by educators and has contributed to the promotion of disaster prevention and environmental education in local communities.

For universities, the company also offers outreach classes at Gakushuin University and Shinshu University. At Gakushuin University, lectures are provided on urban planning and urban development in developing countries, with the lectures drawing on experience from overseas project sites. They provide students with an opportunity to understand the role of development consultants and the realities of resolving societal challenges. At the Faculty of Science of Shinshu University, the company provides a series of annual outreach classes (colloquium) on topics such as sediment disasters and disaster prevention technologies, offering specialist lectures for students majoring in earth science. The class, which has continued for roughly 10 years, consists of five sessions taught weekly by its employees from different departments. It is now a required class for the faculty, thereby contributing to the systematic acquisition of knowledge related to disaster prevention technologies.

Through these efforts, Nippon Koei provides people across a broad age range, from basic education to specialized higher education, with opportunities to deepen their understanding of societal challenges and gain insights that may inform future educational paths and career choices. The company will continue promoting the development of next-generation talent conducive to resolving societal challenges by sharing knowledge grounded in practical experience.

■ Brazil

• Brazilian Seed

Brazil-based Tokio Marine Seguradora S.A. (TMSR) runs the Brazilian Seed program to provide educational opportunities to young people experiencing social and economic difficulties and help them find employment. Since 2021, the program has supported more than 320 young people, and numerous people who completed the program have found jobs.

The commitment to the Brazilian Seed program started in 2021 by providing livelihood assistance and about four months of education and job search support to 15- to 18-year-old orphanage residents to prepare them to join the labor market. The Tech Program added the following year is designed to provide education and scholarships to help young people find jobs in the IT industry. The LED Program focuses on vocational training in the field of business administration and aims to help young people find jobs in a wide range of fields. Additionally, the Lotus Program was started to provide training to work in call centers, a job more suitable for young mothers with small children. In this way, the Brazilian Seed program continues to evolve.

■ South Africa

• StreetWise Finance

In 2011, South Africa-based Hollard Insurance Group developed StreetWise Finance, a financial and insurance literacy education program designed to teach basic financial management skills. Employee volunteers serve as lecturers to run the program with a focus on "how to plan a budget," "methods to manage savings, bank transactions and loan options," "benefits of insurance" and "post-retirement life plan." The program has been conducted free of charge in rural communities in South Africa, with the participation of roughly 200,000 persons to date (as of June 30, 2026).

In recent years, Hollard has strengthened its engagement with young people by collaborating with universities to hold events that use humor and storytelling to make financial knowledge more accessible to students. These initiatives have achieved high levels of satisfaction and understanding. The company is also expanding its reach by offering financial education programs and workshops for small and micro-sized enterprises in regional areas, as well as for their employees.

Through these initiatives, Hollard is contributing to financial inclusion in South Africa and helping improve financial literacy among future generations.

■ China

• Disaster Prevention Lessons

As of June 2026, Tokio Marine and Nichido Fire Insurance Company (China) Limited's Disaster Prevention Lessons, an overseas version of Tokio Marine Group's offerings, have been held in 12 Chinese provinces since 2016 (out of 32 provinces and other municipalities). They have been attended by a total of 2,725 people including preschool, elementary and junior high school students and the elderly, with 195 employees participating in providing Disaster Prevention Lessons.

By bringing Disaster Prevention Lessons to schools and housing complexes, the company aims to foster disaster awareness among individuals and help them acquire the ability to take appropriate evacuation actions in the event of a disaster, thereby minimizing the loss of property and lives. Employee volunteers serve as bridges of knowledge, and each session represents another step toward our founding commitment to preparing for disasters and providing peace of mind.

• Supporting Vocational Education for Students in Rural and Mountainous Areas

In July 2025, Tokio Marine and Nichido Fire Insurance Company (China) (TMNCH) proactively participated in the Nujiang Youth Skills Training and Employment Project in Yunnan Province, welcoming 16 students and teachers from mountainous areas of the province.

Through programs that included an introduction to its history, employees sharing their career experiences, a lesson on insurance knowledge and Japan-China cultural exchange, TMNCH provided vocational education support with the aim of broadening students' perspectives and inspiring their dreams and hopes for future careers. Ten employees and six employees' children participated in the activity as volunteers.

■ Vietnam

• Safety Training for Children

Tokio Marine Insurance Vietnam Company Limited has been conducting volunteer-led disaster preparedness classes since 2023 with the aim of raising disaster awareness in local communities and supporting the development of future generations. Focusing on drowning prevention and earthquake preparedness, the company delivered classes at two secondary schools in Hanoi in 2025, bringing the total number of student participants to approximately 3,000 between 2023 and 2025.

Following the training sessions, students took part in a contest entitled "Shaking Ground – Steady Mind," in which they expressed what they had learned about disaster preparedness through videos and artwork. By creating projects focused on earthquake response and safety measures, students were encouraged to think proactively about disaster preparedness, helping to strengthen awareness and reinforce learning outcomes.

■ Indonesia

• Disaster Prevention Lessons

From 2022 to 2025, PT Asuransi Tokio Marine Indonesia (TMI) supported efforts to educate the younger generation on disaster mitigation and preparedness. In fiscal 2025 alone, TMI employees served as instructors and delivered sessions to approximately 200 students in Grades 4 to 6 at Jakarta Japanese School, with teachers also participating. The lessons covered a range of topics, including earthquake and tsunami preparedness, as well as flood and landslide risks. These sessions combined science-based explanations with practical guidance, delivered through quizzes, discussions, and group activities, while drawing on Indonesia-specific examples and local disaster risks.

Over the same period (2022 to 2025), TMI conducted several disaster prevention lessons in collaboration with local schools and Japanese schools, with approximately 1,000 students participating in these programs in total.

■ UK

• Social Mobility Programme

UK-based Tokio Marine HCC International (TMHCCI) further expanded its Social Mobility Programme in 2025, building on initiatives introduced in 2024 to support emerging talent and address barriers to social mobility. The program supports young people through mentoring, career insight sessions and work experience opportunities delivered by TMHCCI employees. To date, 14 paid work experience placements have been successfully completed.

In 2025, the program received external recognition, winning the Social Mobility Award at the Insurance Post Diversity & Inclusion Awards. TMHCCI also launched a Schools Outreach Programme, delivering insurance industry insight and career awareness sessions to approximately 350 young people. In addition, the company introduced its Apprentice Programme, with a recruitment strategy focused on attracting candidates from lower socio-economic backgrounds, further strengthening TMHCCI's commitment to improving access, representation, and social mobility within the insurance industry. Demonstrating the connection between the two initiatives, one member of the 2024 Social Mobility Programme cohort was successfully recruited to join the 2026 Apprenticeship Programme.

Looking ahead to 2026, TMHCCI plans to further expand the programme through additional work experience placements, larger apprenticeship cohorts across more office locations and increased outreach activity with schools.

• Reverse Mentoring

With the support of School for CEOs, Tokio Marine Kiln (TMK) has been rolling out a Reverse Mentoring Program since 2023. To date, seven executives, seven senior leaders, and 14 mentors, primarily early-career employees, have participated in the program. Many of the mentors are members of Employee Network Groups and bring diverse perspectives and experiences to the discussions.

During the Reverse Mentoring Program, the traditional roles of senior leaders and younger employees are reversed, with younger employees acting as mentors to senior leaders. Through open dialogue across generations and organizational levels, the program helps senior leaders deepen their understanding of diverse perspectives and the experiences of employees in less senior roles. It also strengthens their confidence in discussing inclusion and diversity topics and their ability to lead inclusively. For mentors, the program provides opportunities to expand their networks, build confidence in speaking up, gain visibility among senior leaders, and broaden their career opportunities. In some cases, mentors have gone on to take on more senior or expanded roles.

• Co-Creating Wellbeing and Learning Spaces through Student-Participatory Design (Merchants Academy)

Building Design Partnership Limited (BDP) collaborated with Merchants Academy in Bristol, UK, to co-design proposals for a wellbeing garden for sixth-form students (aged 16–18) between 2023 and 2025. This project sought to transform a previously concrete-paved outdoor area into a nature-integrated, green environment that could enhance student wellbeing and improve the quality of the learning environment.

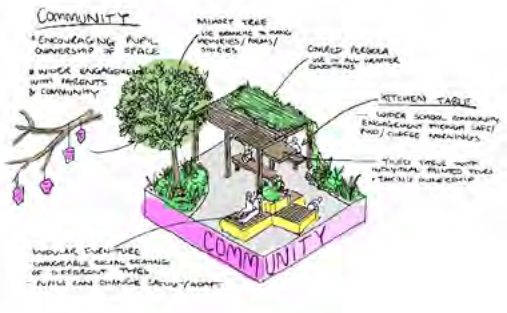
A participatory design approach was adopted, actively involving students in the planning and design process to ensure the space reflected their needs. Through this process, the project not only fostered a sense of ownership and attachment to the space, but also introduced students to career opportunities in the built environment, including expanding access for young people

from areas with limited social mobility.

The resulting design proposals were developed around key themes such as community, outdoor learning, and connection with nature, incorporating a range of spatial elements that encourage interaction, learning, and sensory experiences. These include outdoor classrooms, growing spaces (e.g., kitchen gardens and raised planting beds), shared social areas (such as communal tables and flexible seating), and nature-based features that support biodiversity and sensory engagement (e.g., wildflower planting and sensory pathways).

The co-designed proposals demonstrate how nature-based and participatory design approaches can support students' physical and mental wellbeing, as well as enhancing motivation for learning. It also provides a framework for supporting interaction and a sense of belonging within the school community through shared and flexible use of space.

Following completion of the co-design process, the proposals were provided to the client to inform future project development and funding processes. The project offers a valuable example of how participatory design can inform the creation of educational environments that respond directly to the needs of their users.



■ United States

• Junior Advisory Council

Reliance Matrix has proudly partnered with Rider University over the past two years through its Junior Advisory Council, reinforcing our commitment to developing future talent and gaining fresh, external perspectives. Across two cohorts, approximately 30 students have participated in this collaborative initiative. For their 2025 semester, four student teams explored critical challenges and opportunities tied to generational dynamics in the workplace, offering both internal and external viewpoints. Their work focused on digital transformation in the current and future workplace, the role of emotional intelligence in driving collaboration and retention, evolving strategies to enhance client experience and communication, and the need to modernize onboarding and training in response to generational shifts.

Key insights underscored the importance of advancing digital capabilities, strengthening emotional intelligence, and fostering greater cross-generational understanding. Reliance Matrix is actively leveraging these learnings through our Talent Development programs, sales trainee initiatives, and exploration of a new Employee Resource Group to further support an inclusive and forward-looking workforce.

• Inspiring Student Leadership through Community Partnership

Safety National partnered with FOCUS St. Louis' Youth Leadership Program to invest in young people and help prepare them for future success.

Safety National hosted the Youth Leadership Belonging Summit at its St. Louis headquarters, creating a meaningful opportunity for high school students to explore leadership, belonging, professional development, and future career paths. The initiative reflected Safety National's vision to be First with Community while bringing Tokio Marine Group's vision "To Be a Good Company" to life through action.

Through the summit, students were introduced to Safety National, its people, and the insurance industry in a direct and personal way. Employees from multiple departments shared career journeys, participated in a panel discussion, and helped students better understand the wide range of opportunities available within insurance. For many participants, the event offered early exposure to an industry they may not have previously considered, helping make future career possibilities feel more tangible and accessible.

The program also emphasized belonging and inclusive leadership, encouraging students to consider how inclusive environments help people build confidence, contribute ideas, and reach their potential. By opening its doors and sharing employee experiences, Safety National supported future generations while strengthening its role as a community partner, mentor, and employer committed to growth, inclusion, and opportunity.

- **PHLY Supporting Future Generations in Partnership with Shoes that Fit**

The PHLY Foundation is committed to supporting and celebrating students throughout their educational journey. Connecting non-profit partners to support unique opportunities for student development and growth is a win-win-win!

Last May, PHLY's Black and African American Employee Resource Group (BAAERG) helped to wrap up the school year in a special way for student athletes at Philadelphia public school Olney High.

Throughout the year, the student athletes actively advocated for an investment in their athletic fields, which had fallen into disrepair after years of neglect. Their persistence paid off, and after several months of coordination with the School District board and City Council, the students succeeded in securing over USD7 million to rebuild their grandstands, field house, security cameras, and more.

PHLY loves a determined spirit and was pleased to partner with the Philadelphia Union and Shoes that Fit to provide a day of career exploration, encouragement, and brand-new sneakers! PHLY BAAERG and Union speakers shared insights into careers in insurance and sports management, offering a glimpse into fields students may not have thought to explore. Students were especially excited to meet some of the Union's players, who assisted with the sneaker distribution and stayed for photos and autographs.

In addition to this event, held at Philadelphia Union's Subaru Park stadium, other regional sneaker distribution events were held in Brooklyn, New York, and Sacramento, California, engaging PHLY employees nationwide.

- **Thinking about Risk and the Future at the New Jersey Japanese School**

Tokio Marine America (TMA)'s CEO and employees conducted a special class for 16 junior high school students at the New Jersey Japanese School in fiscal 2025. Using a bakery-management simulation, students identified business strengths and challenges, assessed risks, and made decisions to improve business performance. Through this exercise, they learned entrepreneurial thinking and the importance of building trust with customers.

This initiative was adapted from a career education program developed and delivered by Tokio Marine & Nichido in Japan and introduced in the United States. By sharing effective practices across borders, TMA helps bring to life its value of being "an Active Member of Society" while contributing to local communities.

Students and teachers provided positive feedback, noting that the program made the concept of risk more tangible and deepened their understanding of the relationship between risk and opportunity. TMA plans to continue expanding initiatives that support the development of future generations.

■ Egypt

- **Family Day Event**

Tokio Marine Egypt General Takaful S.A.E. conducts family day events annually. The program includes welcoming children with sweets, a company tour, an awareness session, and snack time.

In 2025, the event involved around 40 children across multiple sessions, along with their parents. The activities also included Radio Taiso exercises for children, which were well received by both children and families.

The purpose is to make children proud of their parents through engaging activities and an awareness session about insurance and Tokio Marine Group, while also fostering a sense of pride among employees by sharing these moments with their families.

14 Open Governance with Integrity

14.1 Improving Quality from the Customer's Perspective

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

14.1.1 Basic Approach to Quality Improvement

Tokio Marine Group has earned high regard from its customers by providing products and services that are ahead of the times in accordance with the Group's Corporate Philosophy: "Through the provision of the highest quality products and services, Tokio Marine Group aims to deliver safety and security to all its customers." In the medium to long term, changes in living and business environments resulting from frequent natural disasters, demographic shifts and technological innovation in the world will generate many new opportunities and risks. In response to the diversifying needs of both individual and corporate customers in connection with such new opportunities and risks, Tokio Marine Group will combine the capabilities of all Group companies and will do its best to provide new products and services that anticipate the changing times and extend beyond the framework of conventional insurance products and services in areas such as the financial, medical and consulting fields. Supervised by the president, the improvements necessary for enhancing the quality of products and services are identified and managed by the responsible departments of each company of Tokio Marine Group.

1. Response to Customer Feedback

Tokio Marine Group considers customer feedback to be an important indicator for the evaluation of service quality and strives to improve the quality of its services. We also continuously monitor the social impact and risks of our current products and services to improve their development and provision.

2. High-Quality Insurance Solicitation

Tokio Marine Group works to explain and provide products and services based on a correct understanding of the risks surrounding customers, their intentions and circumstances and the needs of each individual customer. We also strive to ensure that customers correctly understand important matters about the products and services we provide (including risks and details that may be detrimental to customers) and to provide easy-to-understand and appropriate explanations in accordance with the form of our selling and marketing. In addition, we not only comply with laws and regulations but also strive to carry out appropriate sales and solicitation activities related to products and services, which are conducive to reducing the negative impact on the environment and society and realizing a sustainable future.

3. Payment of Insurance Claims

Tokio Marine Group continuously promotes the enhancement of quality from a customer standpoint by repeating the plan-do-check-act (PDCA) cycle of implementation, verification and improvement.

4. Instilling Customer-Oriented Business Conduct Policies

To provide safety and security based on the customer's perspective, Tokio Marine Group strives to improve its internal structure and provide regular training to individuals engaging in sales. In addition, we endeavor to build partnerships of trust through smooth communication with agents and improve the quality of operations together.

Basic Policies for Protection of Customers' Interests

Tokio Marine Group has established basic policies for the protection of customers' interests and developed a system to thoroughly promote being customer-oriented and to pursue various aspects including customer protection. In addition, in accordance with the Tokio Marine Group Policy for Management of Conflicts of Interest and through compliance with these policies by directors, officers and employees, Tokio Marine Group will work to manage transactions involving conflicts of interest to ensure that clients' interests are not unduly harmed.

The Tokio Marine Group Policy for Management of Conflicts of Interest

Customer-Oriented Business Conduct Policies

To more thoroughly carry out customer-oriented insurance business while remaining close to customers and accurately identifying their diversifying needs, Tokio Marine & Nichido, Tokio Marine & Nichido Life and some other Group companies have formulated and announced their respective policies on customer-oriented business conduct and have been working with agents to promote specific initiatives under these policies. We will review our policies on a periodic basis to constantly realize better business conduct, thereby earning the lasting trust of customers.

Tokio Marine & Nichido Customer-Oriented Business Conduct Policies

Business Conduct Policy 1: Declaration of customer-oriented behavior
Defining the common sense of customers and society as a starting point for all thoughts and behaviors, Tokio Marine & Nichido will act on the basis of how to offer the inherent value of insurance.

Aware of and responsible for assuming part of the social infrastructure functions, Tokio Marine & Nichido will not only comply with related laws and regulations but also consider what it should do from the perspective of customers and review all operational processes, products and services. In this way, the company will work with agents to become a truly trusted, customer-oriented company.

Note: Social infrastructure functions and the inherent value of insurance
Non-life insurance has a social infrastructure function to always support and protect customers and society in times of need through measures such as providing compensation in case of an incident. Always supporting and protecting customers and society in their times of need requires accurately grasping the risks and issues surrounding customers and offering optimal insurance and services. Tokio Marine & Nichido considers this to be the inherent value of insurance.

Business Conduct Policy 2: Business conduct utilizing customer feedback
Under its corporate philosophy of placing customer trust at the base of all its business activities, Tokio Marine & Nichido has formulated a customer feedback response policy to encourage employees and agents to gather customer feedback widely, take it seriously and use it proactively in corporate activities. The company will pursue customer-oriented business conduct according to the policy.

Business Conduct Policy 3: Development and revision of products and services
Tokio Marine & Nichido will deliver maximum satisfaction to customers by swiftly developing easy-to-understand products and services matching customers' risks and needs and by meticulously providing relevant information. The company will also pay sufficient attention to risk management to ensure the stable provision of its products and services.

Business Conduct Policy 4: Proposal of products and services
Tokio Marine & Nichido will work to propose appropriate products and services based on a correct understanding of risks facing customers and their needs and purposes while providing necessary information not only when concluding an insurance contract but also on an ongoing basis.

Business Conduct Policy 5: Payment of insurance claims (claims service)
To help customers in times of need, Tokio Marine & Nichido will remain by their side while correctly understanding their situations and positions and working to make swift and appropriate claims payments. In addition, the company will build readiness for the legitimate payment of insurance claims and ensure reliable quality in claims services.

Business Conduct Policy 6: Systems for motivating customer-oriented behavior
Various systems of Tokio Marine & Nichido, including commendation and performance appraisal, will be evaluated in terms of a customer-oriented mindset, namely, how to offer value inherent in insurance to customers and society. In this way, the company will build systems for encouraging customer-oriented behavior.

Business Conduct Policy 7: Management of transactions involving conflicts of interest
Tokio Marine & Nichido will promote customer-oriented business conduct and work to manage transactions involving conflicts of interest to ensure that clients' interests are not unduly harmed.

Tokio Marine & Nichido Life Customer-Oriented Business Conduct Policies

Business Conduct Policy 1: Pursuit of customers' best interest
At the time of our founding, we felt "Something is wrong when people have to adapt themselves to life insurance." Based on this notion, Tokio Marine & Nichido Life will consistently engage in the customer-oriented life insurance business and pursue customers' best interests.

More specifically, as described in Business Conduct Policies 2 to 4 below, we will practice business conduct in pursuit of customers' best interests in every touchpoint, from the development of products and services matching customer needs to making proposals and appropriately explaining products, providing follow-up services after the conclusion of a contract and paying insurance claims and benefits.

In addition, Tokio Marine & Nichido Life has defined the customer feedback response policy to monitor the implementation status of our efforts and ensure improvement. Tokio Marine & Nichido Life takes feedback from customers seriously and will strive for continued improvement of its operational quality.

Business Conduct Policy 2: Development and provision of products and asset management
Tokio Marine & Nichido Life works to develop life insurance products and services matched to customer needs while also paying attention to social and economic trends and changes in the business environment. The company also has in place an internal structure to stably provide protection over the long term.

In order to ensure future payments of insurance claims and benefits, Tokio Marine & Nichido Life will also conduct asset management while paying due consideration to the distinctive characteristics of insurance contracts and by applying appropriate risk control.

Business Conduct Policy 3: Insurance solicitation
Through its agents and direct sales employees ("Life Partners"), Tokio Marine & Nichido Life will deliver security by providing custom-tailored solutions that meet the diverse needs of each customer and protect customers and their families.

Tokio Marine & Nichido Life will also implement initiatives to provide detailed information on products and explain them in a thorough manner to customers after adequately identifying customers' needs and intentions and to have them confirm, based on a correct understanding of the products, that our solutions match their needs and purposes.

Business Conduct Policy 4: Follow-up services and payment of insurance claims and benefits
Tokio Marine & Nichido Life provides value not only at the time of contract. We believe that it is essential to exercise customer-oriented business conduct at every customer contact point, including follow-up services after the conclusion of a contract.

Additionally, recognizing that paying insurance claims and benefits is one of the most basic and important responsibilities of an insurance company, Tokio Marine & Nichido Life will make sure to explain policy and other details to all customers in an easily comprehensible manner and make swift and accurate payments, always working from a customer standpoint. The company will also set up a system to provide follow-up services to all customers, including elderly customers and customers with disabilities, to ensure that they will make claims to which they are entitled without omissions.

Business Conduct Policy 5: Systems and corporate culture to exercise customer-oriented business conduct
Tokio Marine & Nichido Life will foster a corporate culture in which employees, agents and direct sales employees ("Life Partners") exercise judgment and act in a customer-oriented manner in every touchpoint. We will establish systems of education and evaluation for achieving this goal.

Business Conduct Policy 6: Management of transactions involving conflicts of interest
In accordance with the Tokio Marine Group Policy for Management of Conflicts of Interest and through compliance with these policies by directors, officers and employees, Tokio Marine & Nichido Life will work to manage transactions involving conflicts of interest to ensure that clients' interests are not unduly harmed.

14.1.2 Response to Customer Feedback

Each Tokio Marine Group company strives to improve the quality of its services by treating customer feedback as an important indicator for the evaluation of service quality.

■ Customer Feedback Response Policy

Critical opinions and demands as well as compliments from customers are valuable assets for us to provide higher-quality services to customers. Based on the Group's basic policy related to customer feedback, each company of Tokio Marine Group has formulated a response policy to utilize customer opinions for improving products and services.

- Tokio Marine & Nichido's policy on handling customer feedback (in Japanese)
- Tokio Marine & Nichido Life's policy on handling customer feedback (in Japanese)

■ Structure to Make Improvements Based on Customer Feedback

Customer surveys and feedback received directly from customers by employees and agents lead to quality improvements in terms of products, services and other aspects. For example, Tokio Marine & Nichido, Tokio Marine & Nichido Life and Nisshin Fire enter such feedback into a central management system that is set up on their respective intranets for later analysis. This feedback is then utilized for the said improvements.

Additionally, Tokio Marine & Nichido conducts regular meetings with external advisors and consumer monitors in order to receive advice from the perspective of the consumer. These activities have translated into various improvements, including easier-to-understand notices and documents.

<Initiatives in Compliance with ISO 10002>

As a means of standardizing the response to customer feedback company-wide, Tokio Marine & Nichido and Tokio Marine & Nichido Life have established operational systems in conformity with ISO 10002, the international standard for the management of the complaints handling process.

Moreover, these two companies were the first in the domestic financial industry to verify compliance with the ISO 10002 standard in June 2007 and subsequently made an external announcement in July. Under these operational systems, we will continuously strive to enhance the quality of operations in terms of products, services and other relevant aspects based on customer feedback. Nisshin Fire also made a self-declaration of compliance with the ISO 10002 standard in July 2008.

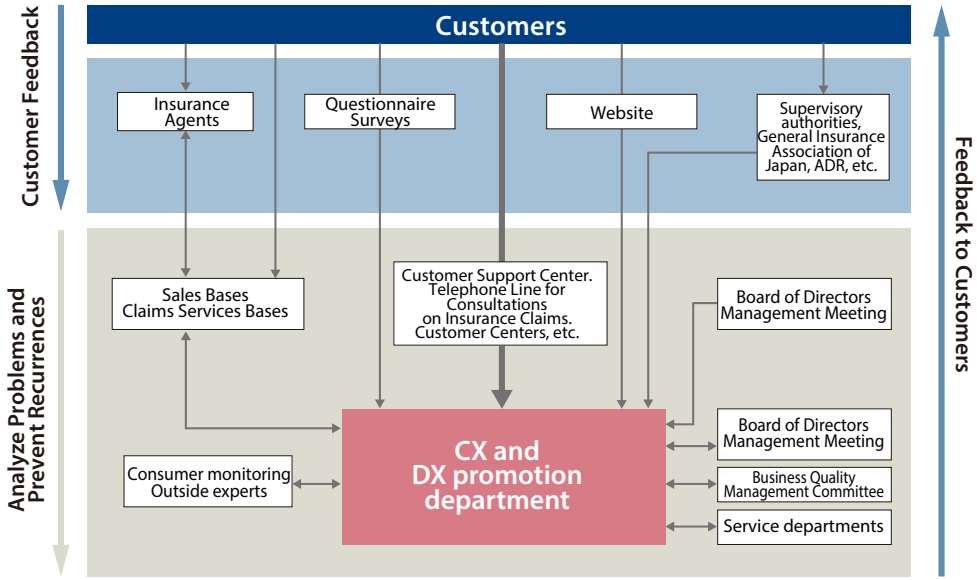
■ Listening to Customer Feedback

Each Tokio Marine Group company actively listens to customer feedback through various means such as customer surveys, telephone calls from customers, company websites and information gathering via agents and sales personnel. From the perspective of enhancing the transparency of initiatives regarding customer feedback, the number of feedback comments received, details of these comments and examples of products and services developed or improved based on such feedback are made public via company websites in greater detail.

<Structure for Listening to Customer Feedback>

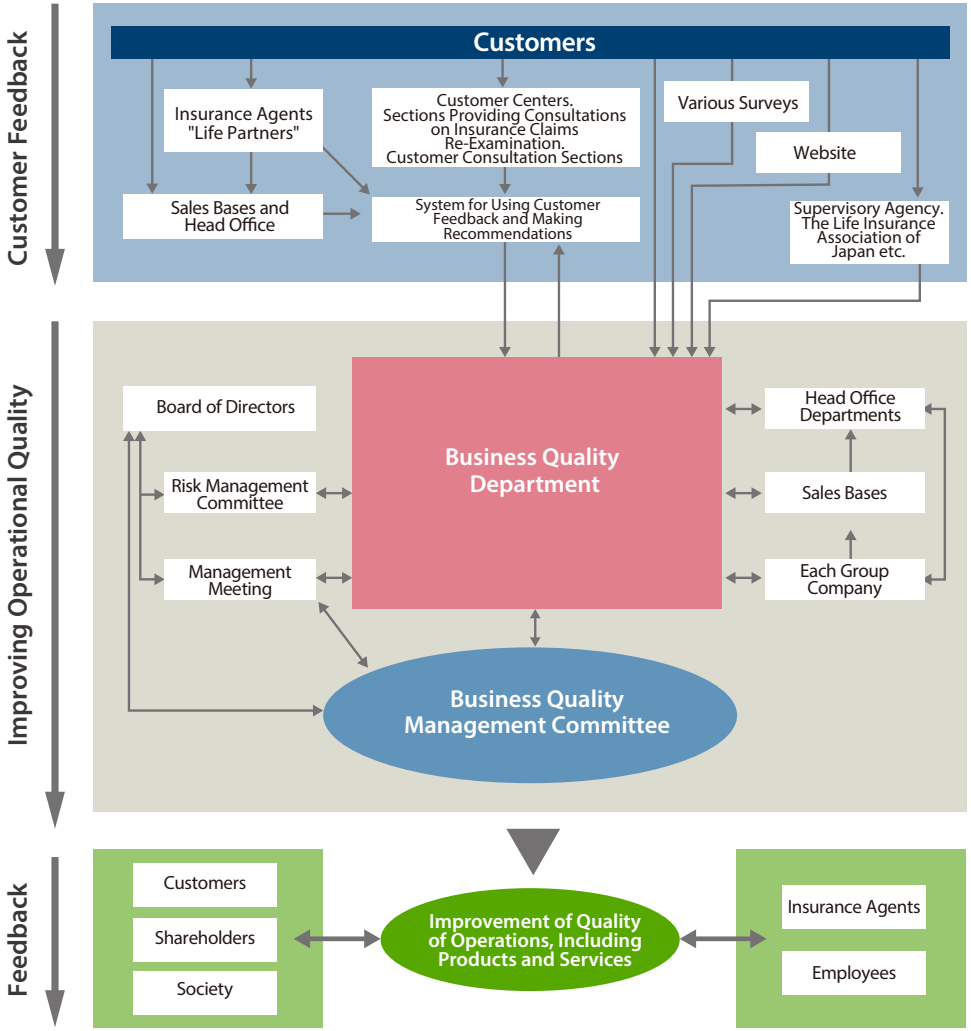
Tokio Marine & Nichido

Tokio Marine & Nichido is conducting customer surveys after the completion of contract procedures to calculate the Net Promoter Score (NPS) and level of customer satisfaction and solicit opinions from customers in a free-text field. Tokio Marine & Nichido also asks for cooperation in surveys after paying insurance claims to customers in order to obtain a wide range of opinions regarding responses to accidents. The company constantly makes efforts to improve quality based on this customer feedback.



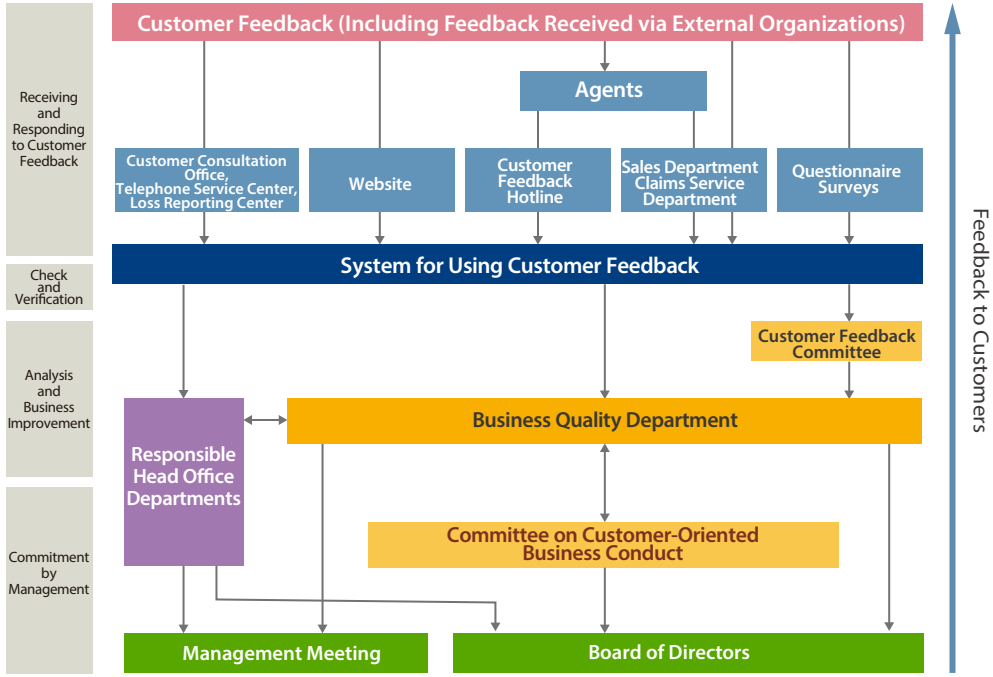
Tokio Marine & Nichido Life

Tokio Marine & Nichido Life encloses a questionnaire survey with its insurance policies, contract details or notices regarding the payment of insurance claims and benefits to extensively obtain customer feedback.



Nisshin Fire

Nisshin Fire strives to identify customer needs through various surveys, for example, on staff response during the contracting process and accident response services and works together with its agents to enhance the quality of its services to bring even greater satisfaction to customers.



<Fiscal 2025 Number of Customer Feedback Comments>

[Tokio Marine & Nichido]

	Customer feedback categories	Customer feedback categories	Apr.- Jun. 2025	Jul.- Sep. 2025	Oct.- Dec. 2025	Jan.- Mar. 2026	Fiscal 2025
			Number of comments	Number of comments	Number of comments	Number of comments	Total as of Mar. 2026
Dissatisfied	**Products and services**						
	Policy and pamphlet related	Policy and pamphlet details difficult to understand	224	237	214	233	906
	Products and services related	Requests for improving products and services, others	1,345	1,502	1,595	2,144	6,586
	Subtotal: Products and services		**1,569**	**1,729**	**1,809**	**2,377**	**7,494**
	Enrollment: Contract procedures						
	Contract renewal procedures	Delays in sending renewal information, others	1,203	1,034	1,272	1,223	4,733
	Explanation of contract details	Insufficient explanation of contract details, others	252	218	250	283	1,003
	Subtotal		**1,455**	**1,252**	**1,523**	**1,505**	**5,736**
	Enrollment: Contract management						
	Policy deficiencies	Errors in listed policy details	110	129	117	109	465
	Non-arrival of policy	Delay in sending of policy	24	32	48	22	126
	Modification procedures	Delay in sending of policy	1,082	992	995	998	4,067
	Account transfers	Unable to make account transfers, others	135	154	179	167	635
	Subtotal		**1,351**	**1,307**	**1,339**	**1,296**	**5,293**
	Enrollment: Response and etiquette						
	Response and etiquette	Telephone response and visitation etiquette	486	450	460	487	1,883
	Enrollment: Others						
	Matters concerning enrollment not corresponding to the above		11	8	11	12	42
	Subtotal : Enrollment total		**3,303**	**3,017**	**3,333**	**3,301**	**12,954**

	Customer feedback categories	Customer feedback categories	Apr.- Jun. 2025	Jul.- Sep. 2025	Oct.- Dec. 2025	Jan.- Mar. 2026	Fiscal 2025
			Number of comments	Number of comments	Number of comments	Number of comments	Total as of Mar. 2026
Dissatisfied	**Insurance claims payments: Insurance claims payment**						
	Contacting and responses	Delay in being contacted by staff, insufficient explanation of procedures	1,676	1,729	1,795	1,494	6,694
	Payment amount	Insufficient explanation about insurance claims payments	582	515	648	620	2,365
	Advisability of payment	Advisability of payment	1,508	1,611	1,469	1,442	6,030
	Subtotal		**3,766**	**3,855**	**3,912**	**3,565**	**15,089**
	Insurance claims payment: Response and etiquette						
	Response and etiquette	Telephone response and visitation etiquette	484	591	600	655	2,330
	Insurance claims payments: Others						
	Matters concerning payment not corresponding to the above		13	11	11	6	41
	Subtotal: Total for insurance claims payments		**4,263**	**4,457**	**4,523**	**4,217**	**17,460**
	Matters concerning personal information		**103**	**67**	**87**	**56**	**313**
	Others		**25**	**38**	**27**	**15**	**105**
	Dissatisfied Total		**9,263**	**9,318**	**9,779**	**9,966**	**38,326**
Requests			**1,029**	**904**	**936**	**1,044**	**3,913**
Compliments			**1,704**	**1,635**	**1,836**	**1,743**	**6,918**
Total			**11,996**	**11,857**	**12,551**	**12,753**	**49,157**

[Tokio Marine & Nichido Life] (Number of Comments of Dissatisfaction Only)

(April 2025–March 2026)

Item	Principal Details of Feedback	Number of comments	Percent of Total (%)
New contract related	Dissatisfied with explanations and with presentations on insurance policy at time of enrollment, others	2,198	11.5
Receipt related	Dissatisfied with insurance premium payment methods and modification procedures, others	1,931	10.1
Protection related	Dissatisfied with contract details modifications, policyholder loans, cancellation procedures, others	4,726	24.7
Insurance claims and benefits related	Dissatisfied with payment procedures for insurance claims, benefits, maturity proceeds, others	4,399	23.0
Others	Dissatisfied with after-service, etiquette and telephone response, others	5,898	30.8
Total		19,152	

[Nisshin Fire] (Number of Comments of Dissatisfaction Only)

Item	FY2024	FY2025
1. Contracting and soliciting activities		
❶ Product details (coverage, others)	17	27
❷ Contracting procedures (incomplete, delays, others)	120	173
❸ Soliciting activities (not thoroughly confirming with customers their needs and purposes, others)	83	87
❹ Insufficient or erroneous explanation about policy details, conditions and others	191	207
❺ Enrollment (conditions, restrictions, others)	30	24
❻ Error in insurance premium calculation	56	52
❼ Staff interaction with customers	13	20
❽ Contents of forms and other documents (application forms, invoices, leaflets, others)	19	31
❾ Other	180	198
Subtotal	**709**	**819**
2.Management and protection of contracts, collection of premiums		
❶ Insurance policies not reaching customers or errors in policies	11	19
❷ Availability of payment in installments or account transfer	66	86
❸ Procedures for changing policies	230	259
❹ Procedures for canceling policies	205	219
❺ Processing of maturity repayment (processing delay, amount repaid, others)	3	2
❻ Staff interaction with customers	12	16
❼ Other	45	73
Subtotal	**572**	**674**
3.Insurance claims		
❶ Amount of insurance claims paid	136	147
❷ Delay in response and method of response	547	647
❸ Advisability of payment	41	45
❹ Staff interaction with customers	282	300
❺ Other	1	9
Subtotal	**1,007**	**1,148**
4. Other (including complaints on the handling of personal information)	**65**	**106**
Total	**2,353**	**2,747**

■ Customer Satisfaction Targets

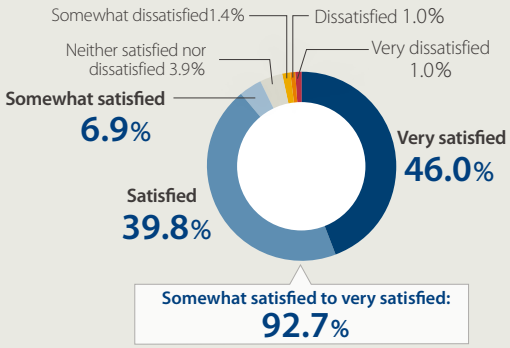
Every year, Tokio Marine & Nichido discloses customer satisfaction indicators on the page of its Japanese website that reports the status of the company's initiatives based on its customer-oriented business conduct policies. The company also implements many different programs in an effort to enhance customer satisfaction.*

The level of customer satisfaction is confirmed by conducting customer questionnaire surveys when soliciting insurance and paying insurance claims and benefits to identify the level of satisfaction of customers as a whole regarding contract procedures and the payment of insurance claims and benefits. In addition, we will conduct surveys using new approaches, such as the Net Promoter Score (NPS), to increase the sophistication of customer experience analyses. In this way, we take these valuable evaluations and opinions from customers seriously and work to improve our initiatives, aiming to develop initiatives that increase customer satisfaction further.

*: Numerical targets: Improvements YoY

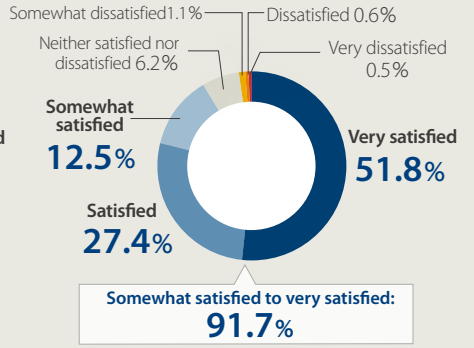
<Tokio Marine & Nichido: Level of Satisfaction (Fiscal 2025)>

Level of Satisfaction regarding Overall Claims Services



Overall Level of Satisfaction regarding Contract Procedures

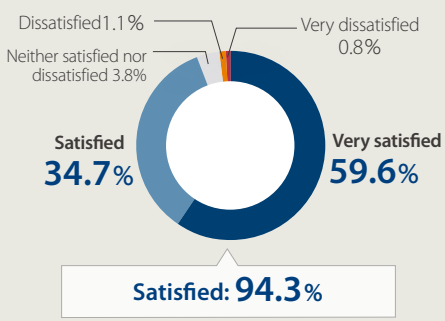
(Auto Insurance / Fire Insurance / Super Insurance)



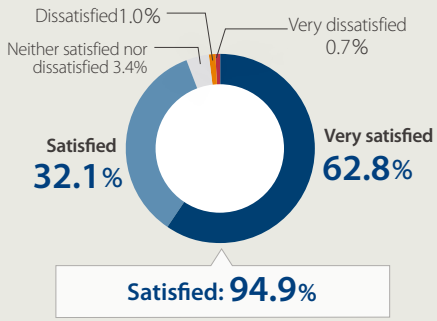
<Nisshin Fire: Level of Customer Satisfaction (Fiscal 2025)>

Overall Level of Satisfaction regarding Accident Response Services

(Auto Insurance)



(Fire Insurance / Specialty Insurance)

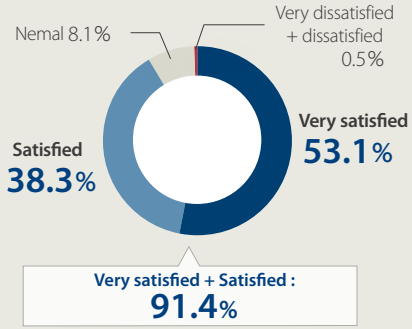


<Tokio Marine & Nichido Life: Level of Customer Satisfaction (Fiscal 2025)>

Overall Level of Satisfaction at the Time of Enrollment

(Overall Level of Satisfaction regarding Contract Procedures, Product Details, etc.)

Note: Analysis of 19,079 responses to our questionnaire survey for new customers upon enrollment, returned from customers from April 2025 to March 2026.



Status of customer feedback: Respective Group company websites

- Tokio Marine & Nichido: Number of customer comments received and customer survey results (in Japanese)
- Tokio Marine & Nichido Life: Status of customer feedback (in Japanese)
- Nisshin Fire: Response to customer complaints (in Japanese)

■ Main Examples of Items That Have Been Developed and Improved Based on Customer Feedback (Fiscal 2025)

Tokio Marine & Nichido

[Customer Feedback]

I would like you to add heatstroke to the coverage of your *Karada no Hoken* medical insurance and *Super Insurance*.

[Response]

Recognizing that providing protection against heatstroke to all customers is necessary in response to the recent spike in heatstroke patients and rising needs for corresponding insurance coverage, we added heatstroke to the fixed-amount accident coverage of our *Karada no Hoken* medical insurance and *Super Insurance* in October 2025.

Tokio Marine & Nichido Life

[Customer Feedback]

I would like you to release a product that does not require completing a health questionnaire if people are willing to pay a certain amount of money despite having health issues. When filing insurance claims, I want to check the progress from when I submit required documents until I receive payment on Tokio Marine & Nichido: My Page.

[Response]

In September 2025, we released *Anshin Dream Whole-Life Insurance*, a single-premium whole life insurance with variable accumulation interest rate (selectable coverage type), which does not require the completion of a health questionnaire. Customers can now check the progress of insurance and benefit claims on Tokio Marine & Nichido: My Page.

Nisshin Fire

[Customer Feedback]

I want to cancel a policy by contacting a call center, rather than through an agent or sales branch.

[Response]

Previously, when customers wishing to cancel their policies contacted us at a call center, our agents or sales branches got back to them later and explained the required procedures. We changed the protocol and started a service in September 2024 for auto insurance and in May 2025 for fire insurance to directly accept policy cancellations at a call center if customers wish to do so (with certain exceptions).

Canceling policies at a call center

Canceling policies at a call center

<Customer Feedback>		<Improvement>
I want to cancel a policy by contacting a call center, rather than through an agent or sales branch.	▶	Previously, when customers wishing to cancel their policies contacted us at a call center, our agents or sales branches got back to them later and explained the required procedures. We changed the protocol and started a service in September 2024 for auto insurance and in May 2025 for fire insurance to directly accept policy cancellations at a call center if customers wish to do so (with certain exceptions).

[Status of Customer Feedback: Respective Group Company Websites]

- Tokio Marine & Nichido: Improvement examples based on customer feedback (in Japanese)
- Tokio Marine & Nichido Life: Major and specific development and improvement examples based on customer feedback (in Japanese)
- Nisshin Fire: Examples of improvements that have been carried out based on customer feedback (in Japanese)

■ Raising the Quality of Call Centers

Tokio Marine Group's call center departments have formulated the Contact Center Standard for Tokio Marine (CCST) and have been evaluating and verifying the status of their operations based on the standard for the purpose of raising the quality of customer responses throughout the Group's call centers. We also conduct a periodic customer satisfaction survey and undertake improvement activities to satisfy customer needs. At the same time, we have been implementing a number of common measures, such as the participation of all call centers in a telephone response contest held outside the Group, and other efforts for mutually refining customer response skills.

In addition, we utilize digital technology and enhance our website infrastructure to support customers when making inquiries or going through various procedures, while further upgrading response skills and striving to ensure quality responses tailored to individual customers and the stable operation of call centers.

As a result of these initiatives, Tokio Marine & Nichido received three stars, the highest rating, in HDI-Japan's quality benchmark for both contact for inquiries and online support in fiscal 2025. We will continue to enhance our support environment for customer inquiries and procedures using digital technologies such as generative AI and further strengthen the responsiveness of our call centers to provide high-quality customer service matched to each individual customer.

14.1.3 Initiatives toward High-Quality Insurance Solicitation

■ Supporting Safety and Security via Smartphones

Tokio Marine & Nichido offers Tokio Marine & Nichido: My Page, an Internet service for individual customers. It allows users, with the use of a smartphone or similar device, to check their contract details, find the agent's contact person, change addresses and other personal information and report an accident at any time and any place.

Moreover, the My Page App for smartphones can provide information on the location of car accidents with the use of GPS to improve response. Customers can also receive disaster-prevention and seasonal information, such as heavy rain, via push notifications.

In fiscal 2025, the cumulative number of subscribers exceeded 7.3 million, and the app has become a platform used by many customers. The company is working to enhance the functionality of Tokio Marine & Nichido: My Page and further increase customer convenience by incorporating a function to issue a certificate of insurance, a document certifying that the person has subscribed to the insurance, in fiscal 2025. Additionally, the company's website has an interactive guide that utilizes generative AI to more smoothly direct customers to various procedure pages. Going forward, the company will seek to strengthen the digital interface with customers through its website and Tokio Marine & Nichido: My Page and offer services to always support and protect customers in their times of need.

Additionally, Tokio Marine Direct Insurance allows customers to complete overall procedures, from requesting an estimate to final application for auto insurance, via smartphone. A dedicated web page is set up for each customer to report accidents and verify accident response status in addition to making changes to contract details and renewal procedures.

In E. design Insurance's auto insurance named &e (pronounced "Andy"), information about the customer's driving behaviors, such as sudden acceleration and sudden braking, is converted into a score through the app based on data detected by the customer's smartphone and is delivered to the customer as a Trip Report. Should an accident occur, the customer can report the accident to the company with one tap on the smartphone, and the app automatically detects the impact, records information surrounding the accident and reproduces the accident on the device of the personnel in charge. It also makes it possible to check the speed of the customer's car before and after impact, as well as the time and location of the accident, thus helping to reduce the customer's anxiety and burden.

Tokio Marine Group will work further to support the safety and security of customers by utilizing smartphones.

- Tokio Marine & Nichido: My Page (in Japanese)
- Tokio Marine Direct Insurance: Annual Report (in Japanese)

■ Examples of Initiatives toward High-Quality Solicitation

In April 2012, Tokio Marine & Nichido rolled out an initiative that utilizes tablet devices to enhance comfort and convenience for customers.

For *Super Insurance*, auto insurance, fire insurance, accident insurance and life insurance, the main products for individual customers, the company introduced the paperless *Raku Raku Tetsuzuki* (Quick and Easy Online Procedures), which allows customers to request a premium estimate, view product descriptions and apply for insurance on a tablet and other devices. These procedures enable the company to provide easy-to-understand product descriptions with videos and electronic pamphlets. The company has also introduced "Your Enrollment at a Glance," a list that enables customers to check their family's insurance enrollment status on their tablet and other devices. In January 2020, Tokio Marine & Nichido launched the Smart *Raku Raku Tetsuzuki* service, enabling customers to enroll in insurance products using their smartphones, personal computers or tablets. The company also rolled out the Remote *Raku Raku Tetsuzuki* in December 2020. This is a seamless, paperless and comfortable service to complete everything online, from proposing and explaining insurance products via a web conferencing app to the applying for a product on smartphones or other devices. As of March 2026, the *Raku Raku Tetsuzuki* series covers more than 50% of products geared toward individual customers.

The initiative received a 2014 Ministry of Economy, Trade and Industry (METI) Minister's Award in recognition of its contribution to the informatization of the economic society. It also won the top IT Overall Award at the 31st Information Technology Award 2013 sponsored by the Japan Institute of Information Technology.

In the future as well, Tokio Marine & Nichido will strive to further enhance comfort and convenience for customers through a diverse range of initiatives.

Screen images of *Raku Raku Tetsuzuki* contract procedures

■ Introducing a Function to Propose Insurance Products Using AI

For the first time in the insurance industry, we have developed a function in which AI designs recommended insurance plans that combine life and non-life insurance products based on customers' attribute information, including age, gender and family composition as well as the life and non-life insurance products they have enrolled in. For this function, we have obtained a business model patent on December 20, 2023. The best mix of agents' expertise in consultation and technology offers high value to customers.

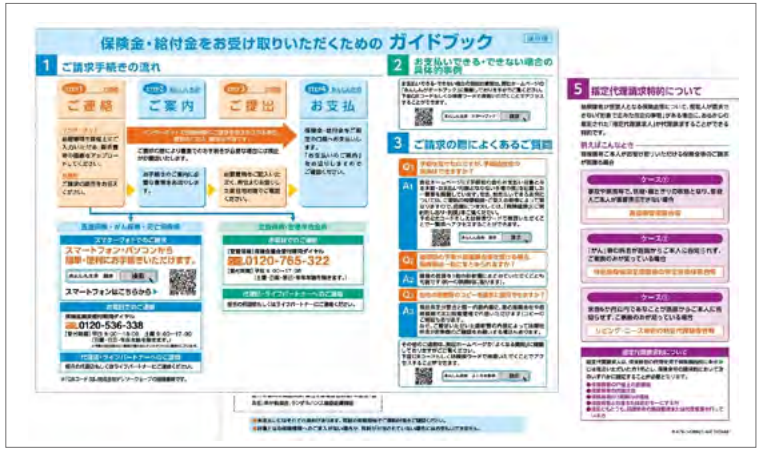
Note: This function was developed jointly with PKSHA Technology Inc., which possesses strength in AI technology.

14.1.4 Initiatives for Paying Insurance Claims

Tokio Marine Group continuously promotes the enhancement of quality from a customer standpoint by repeating the plan-do-check-act (PDCA) cycle of implementation, verification and improvement.

■ Providing Information That Enables Customers to Make Claims without Any Omissions

To ensure that customers request insurance claims payments and insurance benefits without any omissions, Tokio Marine & Nichido Life provides information to customers regarding insurance claims payments and insurance benefits when they enter into an insurance contract, during the contract validity period and when requesting insurance claims payments and insurance benefits.



Guidebook on receiving insurance claims payments and insurance benefits

Additionally, customers are directed to contact Tokio Marine & Nichido Life through its website and other means if they have any uncertainties about receiving insurance claims payments and insurance benefits. The company has made online insurance claims procedures available for a wider range of purposes, enabling customers to submit insurance claims easily via their smartphones or PCs. Furthermore, an AI-automated voice response service has been introduced to enhance services outside open call center hours in pursuit of greater customer convenience in requesting insurance claims payments and insurance benefits.

■Providing Anshin Quality Claims Services to Customers

At Tokio Marine & Nichido, we believe that our value as an insurance company is tested when an accident occurs. To prepare ourselves for such an emergency, we define Anshin Quality Standards as specific quality standards that are indispensable for the products and services provided to customers and, together with agents, have been making full, concerted efforts toward the realization of Anshin Quality.

Also in terms of claims services, we seek feedback broadly from customers and constantly endeavor to improve quality based on such feedback while repeating the cycle of implementation, verification and improvement. As one example, we have implemented the following operational improvements based on the evaluation results and opinions we gather through a customer survey, which is conducted after insurance claims are paid to policyholders of our auto insurance, who have been involved in an accident.

- Information regarding details of coverage and a list of available coverages (insurance claims) are sent to customers upon receipt of the notification of an accident, and personnel in charge provide information on the number of claims payable in an easy-to-understand manner.
- When insurance claims are paid, the personnel in charge will explain in an easy-to-understand manner while also sending a statement of claims payable that not only verifies the amount but also provides a detailed breakdown.
- When insurance claims cannot be paid, we inform customers of the reason both verbally and in written form in an easy-to-understand manner. Additionally, customers' complaints and consultations regarding the payment of insurance claims are accepted via an exclusive toll-free telephone line. We have also established the Re-examination Request System* to ensure fairness in the payment of insurance claims.

*: **Re-examination Request System**
We have introduced the Re-examination Request System to ensure the fair payment of insurance claims. It is a system for customers (including policyholders and insured persons) to request re-examination when they disagree with the decision not to pay insurance claims made by claims service bases in accordance with policy details.

The Claims Service Re-examination Committee, which is a closed-door committee composed of external specialists (doctors, lawyers and legal experts), examines the appropriateness of our decision not to pay insurance claims from a legal or medical point of view and reports its results in written form to the customer who requested the re-examination.

However, this system does not apply to cases outside the activity scope of the committee, which aims to make a decision from a legal or medical viewpoint, and cases that will be discussed as part of conflict resolution procedures. For details, please contact the responsible claims service base.

Tokio Marine & Nichido: Re-examination Request System (in Japanese)
Tokio Marine & Nichido: Re-examination Results by the Claims Service Re-Examination Committee (in Japanese)

To provide high-quality claims services in case of an emergency and deliver safety and security to customers by leveraging our high level of expertise, we are making various related efforts in addition to enhancing of the resolution capabilities of employees. In the following sections, we divide the process of claims services into five steps (receiving loss reports, initial response, loss adjustment, reporting progress and payment of insurance claims) and describe our initiatives in each.

[Receiving Loss Reports]
Receiving a loss report from a customer is our first customer contact point in claims services. We work to eliminate anxieties held by a customer who just had an accident by asking whether or not he/she was injured and what exactly happened and simultaneously giving considerate and appropriate advice.

[Initial Response]
After receiving a loss report, we confirm how the customer wishes to proceed with the accident response and provide a detailed description of the process from the beginning to the final resolution. It is only after we consult with the customer that we will contact the parties and others concerned. We try to relieve the customer's anxiety by reporting back to him/her the results of contacting these parties.

[Loss Adjustment]
This step involves checking the status of a car or building damaged by the accident. At the same time, we scrutinize details of necessary repairs and estimated repair costs to confirm an adequate loss amount and explain it to the customer in an easy-to-understand manner.

[Reporting Progress]
To eliminate the customer's anxiety and provide a greater sense of security, we ensure that we report progress in an appropriate manner based on the customer's intentions through the means of communication desired by the customer.

[Payment of Insurance Claims]
We calculate payable insurance claims and explain the details of these claims to the customer in an easy-to-understand manner. We then work to swiftly go through the payment procedures after confirming with the customer if he/she wants to file a claim.

We also utilize a system to check for other applicable policies and inform the possible payment of other insurance claims, if any, to the customer. For auto insurance, in particular, we have in place a system that does not allow us to close the case until all payable insurance claims are paid. By means of this system, we ensure that we make the appropriate payment of claims to customers.

Moreover, we constantly strive to improve the quality of our customer response by nurturing employees through various types of training. Our ongoing initiatives are geared toward ensuring all responsible personnel always make a considerate and honest response to customers.

■ Resolution Capabilities of Team Experts

We consider it our mission to provide high-quality claims services when a customer is involved in an accident. Smooth claim settlement in an auto accident requires a team approach consisting of highly specialized and experienced staff members.

▸Claims Service System in Japan (As of April 2026)

	Tokio Marine & Nichido	Nisshin Fire
Number of service bases	194	80
Claims service staff and adjusters	Approx. 10,600	Approx. 900
Lawyers	Approx. 550	Approx. 220
Consultant physicians	Approx. 100	Approx. 10
Tax accountants/Accountants	Approx. 60	Approx. 5
Number of automobile accident settlements (Annual)	Approx. 3.15 million	Approx. 210,000

At Tokio Marine & Nichido, our experienced claims service staff team up with our nationwide network of highly specialized experts including adjusters, lawyers and consulting physicians as well as accountants and tax accountants to provide the resolution capabilities of Team Experts. This allows us to protect our customers in the event of an accident.

In addition to our reliable and extensive network of 194 service bases nationwide, we satisfy 92.7% of our customers who have filed claims under their insurance with our sophisticated negotiating power accumulated through our industry dominance with around 3.15 million accident settlements per year.

14.1.5 Initiatives to Instill Customer-Oriented Business Conduct Policies

[Working Together with Agents to Improve Quality]

To provide safety and security that truly is based on customers' points of view, Tokio Marine Group endeavors to build partnerships based on trust and together improve operational quality through smooth communication with agents.

■ The Role of Agents in Tokio Marine Group

In auto, life and other insurance, the role of agents in Tokio Marine Group is to protect customers from risks by providing various kinds of insurance products and services as intermediaries between customers and each insurance company in the Group. Agents are carrying out a broad range of consulting activities such as introducing optimal insurance tailored to the needs of each customer and quickly providing support to deliver security to customers in the event of disasters or accidents.

For agents to meet customers' expectations and trust and be indispensable persons truly relied upon by customers, each Tokio Marine Group company has promoted initiatives directed toward its agents such as various kinds of training, establishment of administrative procedures and IT systems and business administration management support.

■ Working Together with Agents on Initiatives to Improve the Quality of Operations

At Tokio Marine & Nichido, we define Anshin ("Reassuring") Quality Standards as specific quality standards that are indispensable for the products and services provided to customers and work together with agents to improve quality. Our agent commission system is designed not only to secure and enhance our operational quality to unfailingly protect customers but also to further expand the area of providing value by offering products and services matched to diversifying customer needs.

As qualifications for excellent agents and salespersons (insurance solicitors), we use an internal system to certify "Top-Quality Agents" and an external qualification program to certify "General Insurance Total Planners." The Top-Quality Agent certification is given to Tokio Marine & Nichido's agents, who demonstrate a superior level of performance overall in terms of the ability to propose insurance products and services to customers and respond to an accident and other emergencies and business soundness, stability and growth potential as an insurance agent, based on the standards specified by the company. The General Insurance Total Planner qualification is the most prestigious solicitor qualification given by The General Insurance Association of Japan to insurance solicitation professionals who have acquired consultation-related knowledge and operational skills on top of basic knowledge of laws, tax affairs and other matters related to non-life insurance.

Going forward, we will promote reforms toward a new business model utilizing tablet devices and smartphones to realize an even more comfortable experience for customers. We will work hand in hand with our agents to deliver quality to all customers and gain higher recognition from customers.

Among its agents, Nisshin Fire has also been promoting the "Nisshin Model," which focuses on two major contact points with customers, namely when selling insurance and when responding to an accident, to ensure that all its agents across Japan provide customers with the same high level of services. Additionally, Nisshin Fire's agent commission system emphasizes the quality of contract procedures and responses to accidents, and the company evaluates the level of achievement of operations to determine agents' commissions.

[Education and Training Systems for Agents]

In order to meet customer expectations and earn their trust so that customers are able to consult us about insurance with peace of mind, we support the development of professional human resources through a qualifications system and training programs.

■ Original Learning Program

In order to foster salespersons capable of providing meticulous and excellent services to customers, Tokio Marine & Nichido offers a learning program that covers a broad range of operational knowledge on product details, claims services, compliance and other business-related topics. A course on Tokio Marine's original products, in particular, is provided as a mandatory course, which salespersons must take before they engage in product sales.

Salespersons can take each course through various means, including our online agent system.

Tokio Marine & Nichido Life provides the Tokio Marine & Nichido Life Training College training program for promoting the consulting sales capabilities of insurance salespersons. In this program, for roughly four months agent salespersons and the company's responsible employees take part together in group training and web-based training while also carrying out practical activities on the front lines of business. With regard to these practical activities, the company provides the latest programs for supporting the sales activities of participants, such as the adoption of Antore Hiroba, a website where participants can exchange information with each other. Also, the company gives salespersons opportunities to continue helping each other to improve their skills after the completion of their training, including follow-up training at branch offices.

■ Agent Trainee System (Insurance Planner System)

Tokio Marine & Nichido operates an Insurance Planner System with a view to supporting the development and nurturing of salespersons who have excellent consulting capabilities to provide optimum insurance products and services from the customers' viewpoint in response to changes in the surrounding environment and diversifying customer needs.

Under this system, corporate agents' employees dispatched to the company complete training held by the head office and by each sales office and branch to systematically learn various topics by means of tabletop exercises designed to acquire knowledge, combined with many practical programs. Topics revolve around the implementation of compliance and include specialized knowledge on insurance products and associated administrative procedures, solicitation processes utilizing digital technologies and skills to make proposals based on customers' situations and latent needs. They also engage in hands-on practice of identifying risks facing customers and making consulting proposals. In this way, we instill a firm base of knowledge, skills and mindset and nurture human resources who can provide optimal insurance products and services.

14.2 Corporate Governance

14.2.1 Fundamental Corporate Governance Policy

To earn the trust of all people and society and achieve sustainable growth, Tokio Marine Group must raise the quality of initiatives for "business strategies," "governance" and "social responsibility" and build a structure for resilient, highly sound and transparent management as a global insurance group.

Accordingly, as initiatives serving as the basis of such a management structure, Tokio Marine Group is making efforts for compliance, anti-corruption, information security, privacy, respect for human rights, sustainability in the value chain and sustainable investment.

■ Basic Approach to Corporate Governance

Tokio Marine Holdings is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, society, employees and other stakeholders as set forth in the Tokio Marine Group Corporate Philosophy. For this purpose, the Company recognizes the importance of establishing a sound and transparent corporate governance system and exercising appropriate control over its Group companies as a holding company based on the Tokio Marine Holdings, Inc. Basic Policy for Internal Control. The framework of the Company's corporate governance system is defined in the Tokio Marine Holdings Fundamental Corporate Governance Policy.

Tokio Marine Holdings Fundamental Corporate Governance Policy

14.2.2 Corporate Governance System

■ Corporate Governance System

The Company's corporate governance system is designed as a structure whereby the Nomination Committee and Compensation Committee are discretionarily established in addition to the fundamental structure of a company with an Audit & Supervisory Committee.

The Company believes that the above structure is optimal at this point for the following reasons. The Company determines significant business execution by resolution of the Board of Directors as an insurance holding company and makes high-quality decisions reflecting the insight of Outside Directors; its Audit & Supervisory Committee conducts systematic audits by utilizing the Internal Audit Section; and the transparency of the decision-making process of nomination of and compensation for Directors, Audit & Supervisory Committee Members and Executive Officers is ensured as those matters are deliberated at the Nomination Committee and

Compensation Committee.

The Company complies with all principles of Japan's Corporate Governance Code (including those for companies listed on the Prime Market). The Company will continue to make efforts to enhance its corporate governance.

- Tokio Marine Holdings' Corporate Governance System
- Tokio Marine Holdings' Framework Supporting the Corporate Governance System
- Tokio Marine Holdings Corporate Governance Report

<Officer compensation to promote ESG initiatives>

For Tokio Marine Group, our initiatives for sustainability and ESG are part of our business aims themselves. It is our belief that we can realize sustainable growth for the Company as a result of solving societal challenges through our business. To further advance our ESG initiatives, the Compensation Committee has continuously discussed whether to reflect the outcomes of ESG initiatives in our existing performance-linked compensation while ensuring governance in terms of compensation for Directors, Audit & Supervisory Committee Members and Executive Officers, based on the thinking that the degree to which initiatives are accomplished ought to serve as incentives.

As a result, we have revised our existing system of performance-linked compensation, which has previously provided appropriate incentives based on individual performance against the predetermined targets, to reflect ESG-related factors in the system. Specifically, in fiscal 2022 we added "employee engagement indicators" and "sustainability strategy indicators" to KPIs used to determine the portion of compensation linked to corporate business results. In fiscal 2023, we increased the ratio of non-financial indicators to further promote employee engagement and sustainability.

In the future, we seek to continuously upgrade our performance-linked compensation system and realize equally high levels of incentives and accountability based on new developments in internal discussions about our sustainability strategy and the maturity of the methods used to evaluate non-financial indicators in the market or trends in creating new ones.

■ Strengthening Governance through Integrated Group Management

Through the function-based chief officer system and global committees, etc., the Company utilizes its global expertise and knowledge to solve Group management issues.

Key Management Matters	Key Global Committees	Key Persons
ERM	ERM Committee	CFO (Financial)
M&A	International Executive Committee	Head of International Business
Underwriting	Global Retention Strategy Committee	CRSO (Retention Strategy)
Reserving	International P&C Reserving Actuary Committee	Chief International Actuary
Investment	Investment Officers' Roundtable	CIO (Investment)
Risk management	International Risk Committee	CRO (Risk)
IT / Security / Digital	Global IT Committee Digital Roundtable	CITO (Information Technology) CISO (Information Security) CDO (Digital)
Sustainability	Sustainability Committee	CSUO (Sustainability)
Diversity	Diversity Council	CDIO (Diversity & Inclusion)
Internal Audit	International Internal Audit Committee	International Head of Internal Audit

14.2.3 Internal Control

■ Internal Control System

The Company has formulated "Basic Policies for Internal Controls". In accordance with these policies, the Company has established an internal control system for the entire Tokio Marine Group that encompasses structures for management control, compliance, risk management, and internal auditing of Group companies.

In addition, the Company monitors the status and practical application of its internal control system. The results of this monitoring are confirmed by the Audit & Supervisory Committee and the Board of Directors. Moreover, the Company continually strengthens and improves its internal control system in light of the results of this monitoring. Under this framework, the Audit & Supervisory Committee conducts organizational audits by utilizing the Internal Audit Section and the internal control system in order to ensure the effectiveness of its audits.

- Tokio Marine Holdings' Basic Policy for Internal Control
- Tokio Marine Group's Internal Control System

14.3 Compliance

Tokio Marine Group defines compliance as "observing applicable laws, rules and regulations and internal regulations and conducting fair and equitable business activities within social norms" and thoroughly implements compliance in this manner.

The Company has formulated the Tokio Marine Group Basic Policies for Compliance and the Tokio Marine Group Compliance Code of Conduct. The Company has maintained the compliance system for the entire Group in accordance with the Policies and the Code. Also, the Company has built a structure to ensure group-wide compliance by periodically monitoring the status of compliance within the Group; receiving reports from Group companies on important compliance matters; discussing these matters among the Board of Directors, Management Meeting and the Audit & Supervisory Committee; and providing guidance and support about the activities of Group companies when necessary.

Group companies voluntarily undertake thorough compliance in accordance with the Tokio Marine Group Basic Policies for Compliance, etc. In addition, Group companies have created compliance structures suited to the content of their respective businesses while reporting to the Company on the status of thorough compliance and important issues concerning compliance.

Tokio Marine Holdings' Compliance
Tokio Marine Group Compliance Code of Conduct

14.3.1 Compliance System

Tokio Marine Group has in place a structure under which the Audit & Supervisory Committee, a committee of the Board of Directors, deliberates on the monitoring results for the implementation and operation status of compliance (encompassing prevention of bribery and corruption) so that the Board of Directors can provide required supervision.

When an important compliance-related case occurs in a Group company, we make an appropriate response under the supervision of the Group Chief Legal and Compliance Officer (CLCO) of Tokio Marine Holdings and report it to the Board of Directors.

As a department in charge of the prevention of bribery and other forms of corruption, the Legal and Compliance Department of Tokio Marine Holdings has stipulated the Group's relevant response policy. The management and supervision of the policy are the responsibility of the CLCO.

Compliance System for Tokio Marine Group

14.3.2 Compliance System-Related Initiatives (Compliance Manual, Compliance Training and Evaluation and Improvement Activities)

Based on the Tokio Marine Group Compliance Standards formulated by the Company, the Company and Group companies have prepared their own compliance manuals and have made these manuals well known to directors, officers and employees. These compliance manuals explicitly stipulate each company's approach to compliance (including the Tokio Marine Group Compliance Code of Conduct), a structure to promote compliance and a response to be made when finding a problem or receiving a customer complaint.

At Tokio Marine Group, each company provides risk-based periodic training to all employees (including part-time and dispatched employees) to nurture compliance awareness and impart knowledge on compliance needed in their respective operations. The training covers laws, regulations and internal rules concerning anti-corruption (including the prohibition of bribery) and ethical standards, with which directors, officers and employees must comply. Each year, we also conduct a risk assessment and risk-based internal audit on all operations as well as the Group's ethical standards, anti-corruption policies and other compliance-related matters.

In addition, the Group monitors the effectiveness of measures to ensure compliance through self-assessments by each Group company and internal audits by the Company and Group companies.

14.3.3 Hotline System (Internal Whistle Blower System)

There may be cases where it is not appropriate to report a compliance violation or possible compliance violation (including cases related to corruption, human rights of workers and labor issues, as well as those concerning relevant laws and regulations, such as the Antimonopoly Act, other than the Insurance Business Act) through a usual reporting channel set up within the organization. To prepare for such cases, we operate internal and external hotlines (whistle-blower contact points) to receive reports and inquiries from directors, officers and employees of Group companies around the clock, 365 days a year. For Group companies outside Japan, we accept reports and inquiries in 18 major languages. In operating these hotlines, we clearly specify in our regulations that we will never allow persons making reports or inquiries and those cooperating in investigations to be exposed to negative consequences because of their actions and thoroughly observe these regulations. We keep details of reports and inquiries strictly confidential and also accept anonymous reports and inquiries. Each Group company communicates the existence of these hotlines through various means.

In fiscal 2025, the Group received 680 reports and inquiries (175% compared to the previous fiscal year)*. These figures are reported to the Board of Directors every six months. We conduct appropriate investigations and responses concerning these reports and inquiries, and when a compliance or other violation is confirmed, implement corrective measures and measures to prevent recurrence. The reports and inquiries made through the hotlines have led to the prevention, early detection and correction of misconduct.

*: Of the reports and inquiries received in fiscal 2025, the number of cases related to harassment and other human rights infringements (including those found non-infringement as a result of investigations) was 179.

14.3.4 Anti-Corruption Initiatives

Tokio Marine Group formulated the Tokio Marine Group Sustainability Charter in 2004. It states, "While striving to maintain high ethical standards at all times, we will pursue strict compliance in all aspects of our business activities." With this in mind, we are committed to promoting fair operating practices (including anti-corruption) in accordance with international standards. Pledging agreement with the intent and purpose of the United Nations Global Compact (UNGC) in 2015, we are working on activities based on The Ten Principles of the UNGC relating to human rights, labor, the environment and anti-corruption. Our anti-corruption activities are designed to help us become a "Good Company" and are indispensable in the creation of a sustainable future.

As specific efforts to prevent bribery, we state in the Tokio Marine Group Compliance Code of Conduct that we shall not give any improper entertainment, gifts, benefits or other advantages to a public official or to a person who holds a status equivalent thereto. At the same time, under the Tokio Marine Group Policies for Prevention of Bribery, Group companies in and outside Japan have been working to establish an appropriate management system and regulations to prevent bribery, including rules for making donations to or sponsoring charity projects.

Under these regulations, each Group company has introduced processes for creating and maintaining accurate accounting records, giving prior approval and making after-action reports in order to prevent company expenses from being used for bribery.

14.3.5 Response to Anti-Social Forces

Tokio Marine Group has formulated the Tokio Marine Group Basic Policies Concerning Responses to Anti-social Forces so that Group companies can resist anti-social forces and make concerted and uniform responses. Initiatives are being promoted based on the basic stance stipulated in these policies and the Basic Principles to Prevent Damage from Anti-Social Forces.

Tokio Marine Group Basic Policies Concerning Responses to Anti-social Forces (Excerpt)

<Basic Stance>

Article 4: To ensure it consistently undertakes fair management and widely contributes to the development of society as a good corporate citizen, Tokio Marine Group shall sever all relationships with anti-social forces and forcefully repudiate any illicit demands made by them as a basic matter in the application of its Corporate Philosophy. In association with lawyers, police and other professionals, it will respond to anti-social forces in an uncompromising and organized manner.

<Basic Principles to Prevent Damage from Anti-Social Forces>

❶ Take action as a unified organization

With regard to illicit demands from anti-social forces, we will take action as a unified organization without leaving it to the person or the department in charge. In addition, we will ensure the safety of officers and employees who are tasked with handling illicit demands from anti-social forces.

❷ Contact relevant external institutions that specialize in such matters

In preparation for illicit demands from anti-social forces, we will always endeavor to build relationships of close cooperation with external specialized institutions, including police, anti-violence promotion centers and lawyers, and coordinate with such institutions as necessary in case illicit demands are made.

❸ Sever all known relationships, including transactions

We will not have any relationship with anti-social forces, including business relationships (including transactions through business partners). We will also repudiate any illicit demands from anti-social forces.

❹ Take legal action at either the civil or criminal level for any contingency

We will take both civil and criminal action against illicit demands from anti-social forces.

❺ Prohibit backroom deals and funding

We will never make backroom deals to cover up a case even if the misconduct of a Tokio Marine Group company has resulted in an illicit demand from anti-social forces. We will never provide funds to anti-social forces in any form, such as giving rebates, inflating profits or dispatching employees.

14.3.6 Prevention of Money Laundering

Tokio Marine Group has formulated the Tokio Marine Group Policy for Anti-Money Laundering and Counter-Terrorist Financing and has been making group-wide efforts to prevent money laundering, terrorist financing and financing of the proliferation of weapons of mass destruction (collectively, "Money Laundering, etc.").

Tokio Marine Group Policy for Anti-Money Laundering and Counter-Terrorist Financing (Excerpt)

<Basic Concept>

Article 4: Tokio Marine Group, as a corporate group operating globally, shall, in order to fulfill its responsibilities in the international community, endeavor to prevent its business operations from being exploited for the purpose of Money Laundering, etc.

<Development of Internal Control Framework for the Prevention of Money Laundering, etc.>

Article 5: Based on this Policy, Tokio Marine Holdings and Tokio Marine Group Companies shall develop an internal control framework for the prevention of Money Laundering, etc. that is consistent across the entire Tokio Marine Group.

2. The organizational scheme for ensuring the proper implementation of this Policy is as follows.
   (1) Tokio Marine Holdings has designated its Legal and Compliance Department as the department responsible for overall control of the activities for preventing Money Laundering, etc. across the entire Tokio Marine Group and also designated the executive officer responsible for that department as the person with overall responsibility for such activities.

   (2) Each Designated Company shall set up a department controlling its own activities for preventing Money Laundering, etc. and appoint an officer with overall responsibility for such activities.

3. Based on this Policy, Tokio Marine Holdings and the Designated Companies shall each establish management systems that are necessary for them to perform their respective roles in the prevention of Money Laundering, etc., including the establishment of policies, rules, etc., and the creation, evaluation and improvement of organizational structures, etc.

14.3.7 Initiatives Concerning Appropriate Tax Reporting

Tokio Marine Group has formulated the Basic Policies for Accounting and the Group's Basic Policy for Internal Control over Financial Reporting and established a structure for ascertaining the Company's consolidated financial condition and the financial condition of Group companies and for appropriately undertaking approval and reporting procedures directed at shareholders and supervisory agencies as well as for tax reporting.

With regard to tax compliance, considering that proper tax payment is a corporate social responsibility and that the strengthening of the international taxation framework is progressing rapidly, Tokio Marine Group files highly transparent and appropriate tax returns for the entire Group in accordance with the following Global Tax Policy.

Tokio Marine Group Global Tax Policy

■ Income Taxes by Country and Region (Fiscal 2024)

(Billion yen; persons)

Country & region	Ordinary income	Income before tax	Amount of tax incurred	Amount of tax paid	Number of employees	Major subsidiaries	Major business
Japan	4,501.8	949.0	233.9	51.4	36,633	Tokio Marine & Nichido Fire Insurance Co., Ltd.	Domestic non-life insurance
						Nisshin Fire & Marine Insurance Co., Ltd.	Domestic non-life insurance
						Tokio Marine Direct Insurance Co., Ltd.	Domestic non-life insurance
						Tokio Marine & Nichido Life Insurance Co., Ltd.	Domestic non-life insurance
						Integrated Design & Engineering Holdings Co., Ltd.	Solutions and other businesses
U.S.A.	3,060.5	421.3	130.6	109.0	10,858	Tokio Marine North America, Inc.	International insurance
						Philadelphia Consolidated Holding Corp.	International insurance
						Delphi Financial Group, Inc.	International insurance
						HCC Insurance Holdings, Inc.	International insurance
						Privilege Underwriters, Inc.	International insurance
U.K.	372.5	141.6	19.1	28.2	1,644	Tokio Marine Kiln Group Limited	International insurance
Brazil	379.5	52.1	15.2	15.0	2,424	Tokio Marine Seguradora S.A.	International insurance
Thailand	138.3	13.7	1.8	3.1	2,678	Tokio Marine Safety Insurance (Thailand) Public Company Limited	International insurance
Other countries and regions	611.0	10.7	15.6	14.2	6,037	Tokio Marine Asia Pte. Ltd.	International insurance
						Tokio Marine Life Insurance Singapore Ltd.	International insurance
						Tokio Marine Insurans (Malaysia) Berhad	International insurance
Consolidation adjustment, etc.	(623.8)	(138.3)	-	-	-		
Total	**8,440.1**	**1,450.2**	**416.4**	**221.1**	**60,274**		

Note: Information by country/region follows the method of data aggregation used in an official report by country.

■ Efforts for Maintaining a Robust Tax Management Framework

In order to maintain a robust tax management framework throughout the Group, we periodically hold group meetings, either in person or remotely, with persons responsible for tax affairs in Group companies to explain points to be noted regarding standards of international taxation and share information on revisions to the taxation systems of major countries.

14.4 Enterprise Risk Management (ERM)

14.4.1 ERM Framework

Tokio Marine Group is committed to Enterprise Risk Management (ERM) as a pillar of management to promote the Mid-Term Plan. Specifically, we are constantly aware of the relationship between "risk," "capital" and "profit," and by achieving "sufficient capital" and "high profitability" in relation to risk, we will strive for the sustainable expansion of corporate value.

14.4.2 Tokio Marine Group's ERM Structure

The risks surrounding Tokio Marine Group are becoming more diversified and complex due to our global business and changes in the business environment. In addition, in today's uncertain and rapidly changing political, economic and social climate, we must proactively anticipate the emergence of new risks and their warning signs and take appropriate action. From this point of view, we are not limited to conventional risk management for the purpose of risk mitigation and avoidance, but are comprehensively assessing risk in qualitative and quantitative ways.

In addition, we are undertaking ongoing efforts to further reinforce our ERM structure. These include increasing the sophistication of risk assessment, such as cyber and other risks that are difficult to quantify, and strengthening natural disaster risk management, including revisions to our reinsurance scheme.

14.4.3 Qualitative Risk Management

In qualitative risk management, all risks, including risks that emerge due to changes in the environment, are identified and reported to management, while risks to the Group are discussed at the management level as needed. Risks identified in this manner are evaluated not only in terms of the economic loss or frequency of occurrence but also comprehensively, in terms of business continuity and reputation. Risks that have a large impact on the financial soundness and business continuity of the Group or of individual Group companies are identified as "material risks." For identified material risks, we assess the sufficiency of capital through the quantitative risk management process described below, draw up control measures before the risks emerge and countermeasures to be taken if the risks do emerge*, and conduct plan-do-check-act (PDCA) management.

*: Pre-emergence risk control measures include monitoring and centralized risk management based on the market environment and regulatory trends, while post-emergence risk response measures include manuals (including business continuity plans) and mock drills.

▸Emerging risks in Fiscal 2026

Emerging risks/Scenarios	Examples of responses
❶ Inadequate response to decarbonization and a nature-compatible society (climate change and nature-related transition risk) ○Risk of a decline in the value of invested companies that lag behind in transitioning to decarbonization and a nature-compatible society, which could impact the value of the Group's assets ○Risk that the Group's efforts toward decarbonization and a nature-compatible society are perceived as inadequate by society, potentially damaging our reputation	・At some Group companies that have expertise in transactions with the electricity and energy sectors, apply more stringent insurance underwriting and financing criteria for companies mainly engaging in business involving coal ・Establish new companies, including Tokio Marine SmartGX and Tokio Marine GX, to provide insurance products and risk consulting services related to new decarbonization technologies; and provide natural capital-related solutions, such as nature-related risk consulting services by Integrated Design & Engineering Holdings
❷ Global warming, loss of natural capital and biodiversity (climate change and nature-related physical risks) ○Risk that the progression of global warming and the loss of natural capital and biodiversity will lead to more severe natural disasters, resulting in increased insurance payouts both in the short term and long term	・Conduct value chain analysis of the automobile sector, an important sector for the Group in our portfolios, from the perspectives of natural capital and biodiversity ・Through the analysis, identify risks and opportunities for the Group regarding natural capital and biodiversity and disclose the results in the Climate & Nature Report
❸ Business partner risk ○As responsibility and expectations for the entire value chain of corporate activities increase, incidents or accidents occurring with business partners, contractors or collaborators could have a significant impact on our business continuity and reputation	・Establish the Guidelines for Responsible Procurement and communicated these basic principles within the Group, encouraging business partners to cooperate with our initiatives ・Organize perspectives related to economic security in the selection of external contractors and business partners, and promote efforts across companies
❹ Management risk associated with an expansion or transition of the business portfolio ○Failure to enforce optimum business management of Group companies in accordance with their line of business, scale and regional characteristics could result in the occurrence of major irregularities, which may negatively impact their business results and for which Tokio Marine Holdings may be held accountable for mismanagement	・Organize a management support team to establish an internal control structure and mitigating risks through proof of concept (PoC) feasibility testing as new initiatives in the solutions business ・Organize a post-merger integration (PMI) team to identify the actual conditions of the companies to be acquired to implement internal controls and establish, within Tokio Marine Holdings, an appropriate business management structure as an M&A project within the solutions business
❺ Delayed response to global focus on human rights ○ Risk that Tokio Marine Group's efforts regarding respect for human rights are perceived as inadequate by society, damaging our reputation	・Develop a human rights risk map that identifies risks of our major business stakeholders regarding human rights issues; and update the map based on various factors, including the results of analysis from a third-party perspective ・Hold dialogue on business and human rights with experts to receive advice for issues related to practical work from external experts

Material risks for fiscal 2026 and main anticipated scenarios

Material risks/Scenarios	Examples of responses
❶ Economic and financial crisis ○The value of the Group's assets may fall due to a global economic crisis on the magnitude of the 2008 global financial crisis, or turmoil in financial and capital markets caused by geopolitical risks or major disasters. ○The value of the Group's assets may fall as Japanese government bonds (JGBs) plummet in value due to a decline in the government's creditworthiness or the emergence of hyperinflation.	**<Response to economic impact>** ・Investigate the impact on the market due to geopolitical risks ・Control exposure through credit risk aggregation and management ・Conduct stress tests to confirm capital adequacy and funding liquidity ・Establish action plans for financial crises
❷ Major earthquakes ○A major earthquake beneath Tokyo or along the Nankai Trough or a massive earthquake in the U.S. may lead to significant human and material losses, causing widespread disruptions to social and economic activities, including those of the Group, resulting in large insurance payouts.	**<Response to economic impact>** ・Appropriately assess risks, including risk aggregation, and develop products that meet customer needs, while generating stable profits through risk-appropriate underwriting, risk diversification and arranging reinsurance ・With respect to ❷, ❸ and ❺ shown on the left, conduct stress tests to confirm capital adequacy and funding liquidity for ❷ and ❺ and funding liquidity for ❸
❸ Major wind and flooding disasters and secondary perils (including climate-related physical risks) ○Major typhoons or torrential rains as well as frequent secondary perils, including hail, forest fires and flooding, may cause extensive physical damage, leading to significant disruptions in social and economic activities, including those of the Group, resulting in large insurance payouts.	**<Response to the impact on business continuity and reputation>** ・Establish crisis management systems and business continuity plans and verify their effectiveness through emergency drills
❹ Volcanic eruptions ○The eruption of Mount Fuji or similar volcanic activities could result in widespread physical damage due to volcanic ash and other effects, leading to significant disruptions in social and economic activities, including those of the Group, resulting in large insurance payouts.	
❺ Pandemics ○The widespread outbreak of a new highly fatal infectious disease could result in significant insurance payouts.	
❻ Inflation ○Due to soaring raw material costs and rapid increases in global prices, insurance payout per policy would rise, resulting in diminished underwriting profits from the inability to revise products in line with risks or secure reinsurance.	**<Response to the impact on business continuity and reputation>** ・Analyze the impact of inflation on insurance products and undertake product revisions and underwriting commensurate with risk, while securing reinsurance under reasonable terms

Material risks/Scenarios	Examples of responses
❼ Cyber risk ○A cyberattack targeting many Group customers or their supply chains may lead to significant insurance payouts. ○A cyberattack targeting the Group's or outside contractors' systems may result in disruptions to business operations, which in turn may lead to a decline in profits, or information leakage that may damage our reputation.	**<Response to economic impact>** ・Appropriately assess risks, including risk aggregation, and develop products that meet customer needs, while generating stable profits through risk-appropriate underwriting, risk diversification and arranging reinsurance **<Response to the impact on business continuity and reputation>** ・Establish crisis management systems and business continuity plans and verify their effectiveness through emergency drills ・Implement measures concerning management of outside contractors, develop cybersecurity measures
❽ Violation of laws and regulations and conduct risk ○Non-compliance with regulations related to the Insurance Business Act, competition law (Antimonopoly Act, Unfair Competition Prevention Act, etc.), personal data protection, anti-money laundering and the reinforcement of economic sanctions related to the U.S.-China tensions and the Ukraine conflict might result in the imposition of administrative actions, fines or penalties and harm the Group's reputation. ○Deviation between industry and corporate practices and societal norms and a lack of awareness or knowledge of important laws and regulations, along with the lack of fostering and instilling a sound corporate culture, could lead to disadvantages to customers and the perception that the initiatives of Tokio Marine Group are inadequate by society, which in turn could damage our reputation.	**<Response to the impact on business continuity and reputation>** ・Monitor the status of legal compliance at Group companies and help them establish an appropriate system ・Monitor domestic and international social environments, trends in government agencies and changes in regulatory requirements and take necessary measures accordingly ・Revise questions in our employee awareness and behavior surveys, and compile and share best practices to enhance the efforts of the Group
❾ Leakage and unauthorized acquisition of important information ○Unauthorized acquisition of important information of other companies by Group employees or improperly taking important information held by the Group, including personal information, outside their respective companies may cause serious information leakage, resulting in loss of customer trust and damage to the Group's reputation. ○Inappropriate use of AI by employees of the Group or its outside contractors may cause serious information leakage, resulting in loss of customer trust and damage to the Group's reputation.	**<Response to the impact on business continuity and reputation>** ・With respect to information security and protection of information, monitor the implementation status of each Group company and provide necessary support to the Group ・Take measures, such as providing information security training, to enhance employees' security awareness and knowledge ・Establish common group-wide rules and AI governance foundation for the use of AI and data to strengthen the frameworks of Tokio Marine Holdings and its Group companies

Material risks/Scenarios	Examples of responses
⑩ AI/data governance deficiency ○The inability to properly manage issues such as vulnerabilities, the output of misinformation or ethical concerns while advancing the use of AI and data might lead to litigation or reputational damage or hinder productive business activities.	**<Response to the impact on business continuity and reputation>** ・Establish common group-wide rules and AI governance foundation for the use of AI and data to strengthen the frameworks of Tokio Marine Holdings and its Group companies
⑪ Geopolitical risk ○ Escalation of tensions between nations into military conflicts could lead to extensive human and material damages, leading to significant disruptions in social and economic activities, including those of the Group. ○International disorders could negatively impact the business environment, leading to significant disruptions in social and economic activities, including those of the Group.	**<Response to the impact on business continuity and reputation>** ・Establish crisis management systems and business continuity plans, and verify their effectiveness through emergency drills (Response to economic impact is detailed in ❶ shown above) ・Collect information and utilize the knowledge of external experts to appropriately identify the situation and make forecasts
⑫ Risks associated with business model transformation ○A delay in business model transformation due to an inability to keep pace with digital transformation and advancement in AI may erode the Group's competitive advantage and lead to significant reductions in premium income and profits. ○Flaws in implementing business model transformation, which is being promoted to respond to structural changes in the insurance industry, may lead to failure to gain sufficient understanding and support of customers and agents, resulting in the occurrence of reputational risk and damage to our corporate value.	**<Response to economic impact>** ・Select priority fields in utilizing digital technologies and AI and secure competitive advantage by making intensive investment in these fields **<Response to the impact on business continuity and reputation>** ・Explain our new business model in detail to cultivate better understanding
⑬ Disruptions in the Group's business ○ Innovative new entrants and a structural shift in the mobility industry may cause disruptions in the Group's business domains, which in turn may erode the Group's competitive advantage and lead to significant reductions in premium income and profits.	**<Response to economic impact>** ・Formulate medium- to long-term business strategies in anticipation of a structural shift in the mobility industry ・Promote digital insurance sales to accumulate know-how and build a sales model ・Implement initiatives to ensure the growth of the solution business beyond insurance
⑭ System failure ○System failure of a Group company or outside contractor and the resulting long downtime may result in significant impacts on our business continuity, occurrence of reputational risk and damage to our corporate value.	**<Response to the impact on business continuity and reputation>** ・Provide support to Group companies in implementing a required management structure based on the standards that provide specific operational guidelines needed to ensure IT governance; and identify high-risk development projects and provide support according to the degree of risk

14.5 Responding to Disasters

■Basic Policy for Responding to Disasters (Tokio Marine & Nichido)

In the event of a natural disaster such as an earthquake or a typhoon, Tokio Marine & Nichido has a crucial social responsibility to ensure that it can continue its important business operations as a non-life insurer such as receiving loss reports, paying claims, maturity refunds and other payables and concluding policies in both the disaster-stricken area and elsewhere.

Therefore, Tokio Marine & Nichido has prescribed the following two points as its Basic Policies of the Business Continuity Plan for Disasters and formulated a business continuity plan (BCP).

Business Continuity Plan for Disasters, excerpt (PDF/204.4KB) (in Japanese)

<Basic Policies of the Business Continuity Plan for Disasters>

Tokio Marine & Nichido's basic policies regarding its response in times of disaster are as follows.

❶ Principles of employees' conduct

Tokio Marine & Nichido has specified the principles of employees' conduct (action priorities) in times of disaster, as shown below, which also take into account fulfilling corporate and individual social responsibilities.

(1) Assure the safety of human life

Assure the safety of the lives of people, including employees, their families, visiting customers and agents.

(2) Cooperate in securing the safety of local communities

Provide maximum cooperation in securing the safety of local communities.

(3) Continue important operations (business continuity)

Make efforts to ensure the continuation of important operations.

❷ Basic policy for business continuity

The following three business operations shall be regarded as important during a disaster. Management resources (personnel, funds, etc.) shall be accordingly transferred as needed and top priority shall be given to the continuation of these important business operations.

- Receipt of loss reports
- Payment of claims, maturity refunds and other payables
- Conclusion of insurance contracts

■ Building a Structure for Paying Insurance Claims in the Event of a Disaster Striking the Tokyo Metropolitan Area

At Tokio Marine & Nichido, should the head office facilities in particular become unusable because of a natural disaster striking the metropolitan area, such as a major earthquake or large-scale flooding due to a typhoon, claims cases shall be handled in the Kansai region. Additionally, backup offices shall be established at multiple bases throughout Japan, including in the Kansai region, and claims payment service responses, excluding on-site assessments after receiving claims, shall be made by all branches throughout Japan.

If the metropolitan area is struck by a disaster, a Claims Service Headquarters would be set up within the Head Office Disaster Response Headquarters. At the same time, satellite offices led by the Claims Service Department in charge of Tokyo, Chiba, Saitama and Kanagawa prefectures shall be set up and will accept support personnel from throughout Japan and handle customer responses, mainly on-site claims assessments, in disaster-stricken areas.

The infrastructure needed to provide claims services swiftly to the metropolitan area in the event of a natural disaster has been built in advance in the locations where the above-mentioned backup offices and satellite offices would be established. In this way, a structure for claims payment services during times of emergency is being established. Non-earthquake regular claims cases in the disaster-stricken metropolitan area shall be allocated to and handled by claims service bases throughout Japan, as prescribed in advance.

14.6 Information Security

We have appointed the Director (Managing Executive Officer) in charge of the Legal and Compliance Department as the Group's Chief Information Security Officer (CISO) and designated the Legal and Compliance Department as the controlling department supervising information security for the entire Group. Each Group company has also established sections in charge of information security. In this manner, the Group is working to build an effective management structure for information security (including privacy). Additionally, the Board of Directors supervises the implementation of information security.

14.6.1 Policies and Regulations Related to Information Security Management

Tokio Marine Holdings recognizes the importance of personal information and confidential information ("information assets"). To ensure the appropriateness and trustworthiness of Tokio Marine Group's operations, we have formulated the Tokio Marine Group Policies for Information Security Management and use appropriate methods to conduct information security management at each Group company in accordance with their line of business, scale, location and other factors.

Based on the Tokio Marine Group Policies for Information Security Management, each Group company has established departments to oversee information security management and formulated policies and regulations. To protect information assets from various information leakage risks, including leaks, losses and unauthorized use, we ensure the confidentiality of information assets and manage them so that they can be used when necessary. Furthermore, the Company regularly monitors the information security management of Group companies, setting up structures and providing information when necessary.

Tokio Marine Group Privacy Policy (Excerpt)

Tokio Marine Group (the "Group") is committed to the continuous enhancement of corporate value, with customer trust at the foundation of all its activities. Guided by this corporate philosophy, we, the Group, shall take all possible measures to protect customers' personal information, individual numbers and specific personal information (individual numbers and specific personal information are hereinafter collectively referred to as "Specific Personal Information, etc.") by ensuring each of our officers and employees comply with the following group-wide privacy policy under the supervision of the manager in charge of group-wide protection of personal information based on the recognition of our social responsibility to properly manage customers' personal information and Specific Personal Information, etc., in compliance with the Act on the Protection of Personal Information, Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure and other relevant laws, rules, regulations and guidelines.

1. We shall acquire personal information and Specific Personal Information, etc., of our customers in a manner that is both legal and fair. Unless prescribed by laws, rules or regulations, we shall notify or publicize the purposes for using personal information and Specific Personal Information, etc., of our customers and shall use such information within these limits. We shall set the purposes for using and use Specific Personal Information, etc., within the limits prescribed by applicable laws, rules and regulations (for three areas of social security, taxes and disaster control measures).

2. Unless prescribed by laws, rules or regulations, we shall not provide personal information of our customers to third parties without prior consent of each such customer. We do not provide Specific Personal Information, etc., to third parties except in cases provided by law. There shall be no joint use of Specific Personal Information, etc., with Group companies and business partners. In addition, unless otherwise prescribed by law, rule or regulation, when providing personal data to a third party, we shall record matters concerning such provision, and when collecting personal data from a third party, we shall confirm and record matters concerning such collection.

3. We shall strive to prevent the divulgence, destruction, impairment and unauthorized access of personal information and Specific Personal Information, etc., of our customers, implement appropriate safety control measures, keep the information accurate and updated, and delete the information without delay if it becomes no longer necessary. We shall promptly take corrective measures if any unauthorized access or the like occurs. When we contract out the management of personal information and Specific Personal Information, etc., of our customers to an outside service provider, we shall supervise the service provider appropriately, as needed.

4. Whenever we receive requests from our customers to view, suspend the use of, delete, update or otherwise process their personal data and Specific Personal Information, etc., that we hold, we shall respond promptly in accordance with laws, rules and regulations. We also welcome comments, questions and other inquiries regarding the management of personal information and Specific Personal Information, etc., of our customers.

5. We shall provide thorough supervision, instructions and education to our employees in charge so that the personal information and Specific Personal Information, etc., of our customers are managed appropriately.

6. We shall continue to revise and aim to improve our internal systems and procedures to protect the personal information of our customers.

Tokio Marine Group Privacy Policy

Note: "Personal information" and "personal data" provided in this Privacy Policy exclude Specific Personal Information, etc.

14.6.2 Initiatives for Information Security

■ Information Security Management System

Based on the Tokio Marine Group Policies for Information Security Management, Tokio Marine Group thoroughly adheres to information security management rules to prevent information leakages. In particular, each Group company is adopting physical and technological safety control measures that include locking away customers' personal information and confidential documents when not in use, placing restrictions on taking documents and other items outside the company, using encryption and setting passwords for electronic information. Tokio Marine & Nichido has also installed thin-client* terminals for its in-house intranet. Thin-client terminals are not equipped with hard disks and information is centrally managed and deployed from a server, which thereby further strengthens information security.

*: A method whereby the PC environment (client OS and applications) for each user is consolidated into and operated by the server

■ Acquisition of External Certification

At Tokio Marine Group, Tokio Marine & Nichido Systems, which manages and operates the information systems of major Group companies, including Tokio Marine & Nichido and Tokio Marine & Nichido Life, has acquired external certification for information security including Information Security Management System (ISMS) certification. These achievements recognize the initiatives taken within the Group to protect personal information. The Group intends to make continuous improvements and to further strengthen its information security management structure.

- Company name: Tokio Marine & Nichido Systems Co., Ltd.
- Applicable standards: ISO/IEC 27001:2022, JIS Q 27001:2023
- Scope of application: Information system operation and related information technology (IT) services management within Tokio Marine Group, undertaken by the IT Infrastructure Services Headquarters
- Certification registration number: IS 508253
- Date of initial certification registration: August 24, 2006

■ Response to Information Leakage and Other Incidents

Tokio Marine Group swiftly responds to incidents, including information leakage and cybersecurity incidents, in accordance with its information security management manual and other procedures.

<Tokio Marine & Nichido: Number of inquiries on personal information received from customers>

Fiscal 2023: 249 Fiscal 2024: 318 Fiscal 2025: 313

Fiscal 2025 inquiries related to:	Number received
Information leakage or loss	174
Information security management structure	38
Handling of information leakage	13
Other	88
Total	**313**

<Corrective action>

Tokio Marine Group employees can use internal and external hotlines to report a violation or possible violation of compliance (including matters concerning leakage of personal information). Tokio Marine Group conducts a strict and fair investigation when there is a case that may violate relevant laws and regulations, its Code of Conduct or other internal rules. If the case is found to be in violation of the said laws, regulations, code or rules, a person who has committed the act may be subject to dismissal or other disciplinary penalties based on the criteria and requirements as specified in the employment contract and work regulations.

■ Information Security Audit

Each year, we conduct risk assessments and risk-based internal audits on all operations, including those related to Tokio Marine Group's information security, which encompass cybersecurity.

■ Training Programs and Assessments on Information Security

Tokio Marine Group periodically provides training programs for its employees and agents and conducts assessments to raise awareness of information security and promote appropriate management. Tokio Marine & Nichido, which handles customer information, provides annual e-learning training on information security to all employees and dispatched office staff and checks their training attendance.

14.7 Cybersecurity

Recognizing cybersecurity as one of the important management issues, Group companies in Japan and overseas are centrally maintaining a management system, with the Group Chief Information Security Officer (CISO) as the supervisor under the leadership of management and in accordance with the Group's relevant basic policy. We receive reports and hold discussions multiple times a year at meetings of the Board of Directors with participation from outside directors with IT expertise, through which we supervise the status of response and effectiveness of respective management systems.

Specifically, we are promoting countermeasures by adopting global standard frameworks and standard architectures such as ISO 27001 and NIST SP800. Tokio Marine Group's basic ideas and compliance standards are determined from the perspective of people, processes and technologies, and we perform constant monitoring, log analyses, periodic vulnerability-scanning, penetration tests and risk assessments in accordance with the officially certified processes*1. Furthermore, in order to prevent, detect and respond to cyberattacks that are becoming more sophisticated year by year, we use the PDCA cycle to formulate and execute improvement plans in response to issues identified in these processes, while taking into account the amount of risk at each Group company, intelligence gained from inside and outside the Group and the application of new technologies. The recent advancements in frontier AI and other technologies have been increasing the risks of highly sophisticated cyberattacks leveraging unknown vulnerabilities. We are preparing ourselves to counter these risks, from both the short-term and long-term perspectives.

Under the Tokio Marine Group CSIRT*2, the entire Group has also been divided into three regions, North America, Europe and Japan/Asia, and we are consolidating our organization and standardizing our technologies and processes at a high level. Each region carries out regular countermeasures such as employee training, including security monitoring on a daily basis, cyber drills (conducted multiple times a year mainly for relevant parties), targeted e-mail drills (conducted multiple times a year for all employees), etc. Also, in the event of a cyber incident, we strive to establish an efficient and effective system by making efforts in a collaborative manner to promptly identify the scope of the impact, make an initial response to prevent the spread of damage, work toward recovery and take recurrence prevention measures.

A group-wide committee made up of security experts gathers knowledge from around the world and promotes advanced security measures to support our customers and society in times of need.

Tokio Marine Holdings Cybersecurity

*1: The cybersecurity program promoted by Tokio Marine Holdings has acquired SOC 2 Type 1 certification. Also, Tokio Marine & Nichido Systems, a core systems company of Tokio Marine Group, has acquired ISO 27001 certification.
*2: Computer Security Incident Response Team

14.8 Initiatives for Responsible AI Utilization

To realize our corporate purpose, Tokio Marine Group utilizes AI to enhance the detection and evaluation of new risks, as well as to advance efforts to mitigate these risks, in our insurance and solutions businesses. AI could bring many advantages and disadvantages to customers and society. Under this recognition, in order to both maximize the benefits enabled by the use of AI and ensure appropriate risk management, we have formulated the Tokio Marine Group Basic Policy on AI Governance (hereinafter, "Basic Policy on AI Governance"; formulated in April 2025 and revised in April 2026), the Group's common policy, and established an AI governance structure and have been promoting initiatives for responsible AI utilization.

By leveraging AI, we are creating value in a variety of ways, including enhancing customer service, resolving societal challenges and improving employee productivity. For example, U.S.-based Reliance Standard Life Insurance Company (RSL) uses AI in claims management of its disability insurance to analyze the likelihood of employees on leave returning to work. This enables earlier return-to-work support and has reduced the rate of extended leave by approximately 50%. These efforts help customers return to work and enhance their well-being. Also, our AI Search Pro, an internal search tool using generative AI, has reduced the work of responding to agents' inquiries by about 12%, thereby easing employees' workloads. Moreover, we expect that the use of an AI voice bot and other technologies will reduce the call center work by 30 to 50% by the end of fiscal 2028 to enhance the quality of customer response and help employees improve productivity.

By enhancing customer service, resolving societal challenges and improving operational efficiency, these applications of AI also contribute to the sustainable growth and increased corporate value of Tokio Marine Group. To enhance these benefits in a sustainable manner, it is essential to appropriately manage risks associated with the utilization of AI and promote its use while giving consideration to reliability, fairness and transparency. To support these efforts, we are working to continuously increase the level of sophistication of our AI governance structure.

14.8.1 Basic Approach to AI Utilization

Tokio Marine Group formulated the Basic Policy on AI Governance and shares the following values and basic principles throughout the Group in utilizing AI.

- **Ensuring transparency and accountability:** Tokio Marine Group recognizes the importance of transparency and accountability in the use of AI. We clearly communicate the purpose of introducing AI to our stakeholders and continuously assess and improve its effectiveness through dialogue.
- **Respecting the ultimate decisions by humans:** Tokio Marine Group will ensure that humans intervene appropriately when introducing and utilizing AI, and that ultimately the decisions made by humans are respected.
- **Giving consideration to fairness:** In order to eliminate bias in the use of AI, Tokio Marine Group will take care not to use data, algorithms or other technologies that are or may be biased against groups on the basis of their beliefs, gender or race.
- **Respecting human rights as well as individual rights and interests:** Tokio Marine Group shall prevent the following: utilization of AI that may lead to the violation of rights and interests, including fundamental human rights, human dignity and individual autonomy; the distribution of false or biased information and decision-making based on such information; and the leakage, falsification or unauthorized use of confidential or personal information.
- **Ensuring the safety and continuity of AI systems:** Tokio Marine Group shall establish and operate systems and processes that allow for AI to be used or provided continuously and without interruption.

This Basic Policy on AI Governance has been resolved by the Board of Directors of Tokio Marine Holdings.

Tokio Marine Group has formulated the Responsible Procurement Guidelines and, in addition to promoting initiatives in accordance with these guidelines within the organization, stipulated a requirement to explain and hand out the Guidelines to outside contractors when concluding or renewing a contract. Through the Guidelines, we request the business partners within our value chain, including AI-related operators, to give consideration to such matters as legal compliance, respect for human rights, protection of the global environment, climate change actions, improving disaster resilience, reduction of environmental impact (promoting resource conservation, energy savings, decarbonization, low-carbon initiatives, etc.), effective use of resources (3Rs, circular economy, etc.), preservation of natural capital and biodiversity and information security. In this way, the Group ensures responsible procurement as well as procurement practices.

14.8.2 AI Governance Structure

Tokio Marine Group has formulated the AI Governance Implementation Standards based on the provisions of the Basic Policy on AI Governance. Individual Group companies have formulated and are operating the AI Governance Implementation Guidelines and other manuals in accordance with their line of business as well as laws, regulations and guidelines of the countries and regions where they operate.

As a promotion structure, the Group AI/Data Task Force is responsible for formulating AI implementation strategies and utilization policies as well as selecting and managing investment projects. Through these activities, the Group seeks to balance implementation driven by the needs of each workplace with optimization across the Group as a whole. Our AI-HUB and International AI Hub also provide cross-sectional support to Group companies in and outside Japan in terms of AI development and data analysis, training, governance and research and development.

Departments utilizing AI, the AI governance management department, and AI governance related departments, such as legal, risk management, and IT, work together to make decisions related to the utilization of AI and policies for introducing AI. We conduct AI-related risk management through the check functions of the departments managing AI governance.

We evaluate the implementation and operation status of this AI governance structure and conduct improvement activities. The evaluation results and improvement plans are reported to the Board of Directors.

14.8.3 AI Risk Management

Tokio Marine Group identifies AI systems and services to be placed under management and conducts their centralized management. We also identify, assess and respond to risks in each of the planning, development, operation, modification and suspension stages of AI systems and services.

In utilizing AI, we make appropriate consideration of risks, including those concerning the impacts on human rights and individual rights and interests, biases or unfair judgment, decision-making based on false or biased information, leakage or tampering of confidential or personal information, and issues related to intellectual property rights, safety and reliability.

Regarding generative AI, risks we recognize include those related to the reliability and accuracy of outputs, privacy and security, fairness and biases, laws and regulations and intellectual property. In response, we enforce the use of AI in an approved environment, access control, log management, measures to counter prompt injections and human checks of outputs.

Based on the principles laid down in the EU AI Act and other international laws, regulations and guidelines, we define several types of AI as "AI subject to severe management" and "AI requiring special attention" in our AI Governance Implementation Standards and AI Governance Implementation Procedures and conduct additional risk assessment and management. Such AI includes AI that could cause impacts on people's lives or bodies or lead to human rights infringements; AI offering biometric identification and other sensitive functionality; AI expected to cause significant impacts on human rights and fundamental rights; and certain AI systems related to insurance underwriting or premium setting, insurance claims processing and personnel decisions. Tokio Marine Group requires each Group company to comply with the laws and regulations applicable in its respective jurisdiction and does not engage in any use of AI prohibited under the EU AI Act or other applicable laws and regulations.

After the introduction of AI systems, we perform continuous monitoring and periodic risk assessments and make revisions as necessary upon AI model updates or depending on changes in the external environment.

Moreover, when providing services using AI, we disclose appropriate information to users, notifying them that we are using AI and that the content is AI-generated.

14.8.4 Efforts for Enhancing AI Literacy

To ensure the appropriate utilization of AI, Tokio Marine Group provides education on such topics as what to be aware of when developing or using AI systems and services. Through our AI-HUB and International AI Hub, we provide training, governance-related support and implementation support to Group companies in and outside Japan. At the same time, we communicate to employees and agents various risks, including those related to generative AI's reliability, accuracy, privacy, security, fairness, biases and compliance and provide an environment for continuous learning.

14.8.5 Continuous Improvements

Tokio Marine Group carries out evaluation and improvement activities for its AI governance structure based on the PDCA cycle. We are striving for continuous enhancement by evaluating the implementation and operation status of the AI governance structure, developing improvement plans and performing internal audits.

Additionally, when we become aware of the occurrence or potential occurrence of an AI-related incident or a related report or an inquiry from within or outside the Group, we have a system in which relevant departments work together to perform fact-checking and examine response measures, and when necessary, provide an explanation to users and take corrective action.

We constantly collect and obtain knowledge on AI regulations, standards and technological trends both in Japan and overseas through participation in industrial associations, including the AI Governance Association (AIGA) and Financial Data Utilization Association (FDUA), and leverage the obtained knowledge in continuously improving our AI governance structure. We are using the AI Governance Navigator provided by AIGA, which is based on major standards and guidelines in Japan and overseas such as ISO/IEC 42001, to organize and assess the status of our AI governance initiatives.

14.9 Sustainability in the Value Chain

Tokio Marine Group is executing sustainability initiatives that are integrated into the value chain. As for sustainability in the value chain, we are engaging in three initiatives. These are value chain management in which we fulfill our social responsibilities together with business partners; promotion of environmental, social and governance (ESG) initiatives among customers, projects and companies, to whom and for which we provide products and services; and sustainable investments that give due consideration to ESG issues in investment activities.

14.9.1 Value Chain Management

In the value chain, Tokio Marine Group carries out activities aimed at fulfilling its social responsibility and achieving sustainable development together with its business partners and at raising customer protection and convenience and assuring the soundness and appropriateness of its business.

■ Fulfilling Social Responsibilities Together with Business Partners

In March 2023, Tokio Marine Group formulated the Responsible Procurement Guidelines, which serve as our code of conduct in promoting responsible procurement and purchasing practices throughout the value chain together with business partners. The guidelines also cover such areas as ensuring fair and equitable transactions, respecting human rights and labor, protecting the global environment, implementing information security, setting up an appropriate management system and disclosing information. Each Group company posts information related to the Responsible Procurement Guidelines on its corporate website and communicates the Guidelines to employees and key business partners. The partners are requested to observe international norms on fair and honest transactions, labor and respect for human rights, comply with relevant laws and regulations, help realize a circular economy and become carbon neutral and nature positive.

Responsible Procurement Guidelines

14.9.2 Policies for Outsourcing Management

Tokio Marine Group has established the Tokio Marine Group Policies for Outsourcing Management in order to protect customers, enhance convenience and ensure the soundness and appropriateness of its operations in the event of outsourcing a portion or all of its operations. Based on these policies, Tokio Marine & Nichido selects its consignees according to the Standard for Selecting Outsourcing Contractors and the Information Security Management System Standard. At the same time, each year the company conducts investigations of the actual status of outsourcing contractors based on the Regulations Related to Outsourcing Contractor Management, which stipulate the management system for outsourcing contractors, and makes improvements when inadequacies are discovered.

In the future as well, Tokio Marine Group will promote initiatives integrated into the value chain together with its business partners.

14.9.3 Study and Research on Promotion of ESG Initiatives through the Provision of Products and Services

Environmental, social and governance (ESG) factors facing society are increasingly affecting traditional risks. Tokio Marine Group believes that one of its crucial responsibilities is to provide high-quality and reliable products and services while working with customers and business partners to understand and respond to ESG risks that have a significant impact on society. To fulfill this responsibility, Tokio Marine Group will promote ESG initiatives through the provision of products and services across its sphere of influence based on the United Nations Environmental Programme Finance Initiative – Principles for Sustainable Insurance (UNEP FI-PSI).

9.2 Research on Climate Change and Natural Disaster Risks ≫

United Nations Environmental Programme Finance Initiative – Principles for Sustainable Insurance (UNEP FI-PSI)

https://www.unepfi.org/

https://www.unepfi.org/psi/

14.9.4 Efforts to Promote ESG Initiatives through the Provision of Products and Services

Tokio Marine Group strives to gain an understanding of ESG risks that have a significant impact on society and utilizes the knowledge accumulated through its participation in various studies and international initiatives to develop insurance products and services while working with customers and business partners to respond to these risks.

2 Relationship between Tokio Marine Group's 8 Material Issues and 17 SDG Goals ≫

■ System for Managing Sustainable Consumption

Tokio Marine Group has developed microinsurance and weather insurance for low-income earners in developing countries with vulnerability to climate change, natural disasters, illnesses and accidents. Also, Tokio Marine Group supplies products and services that support the building and introduction of renewable energy facilities and also operates the Green Gift Project. Under this project, when customers choose web-based insurance contracts on our website, Tokio Marine & Nichido donates funds corresponding to a portion of the value of the reduction in paper for supporting environmental protection activities in Japan and overseas. The organizational structures for undertaking these initiatives are as follows.

Initiatives	Company
Microinsurance and weather insurance (India)	IFFCO-TOKIO General Insurance Co. Ltd.
Products and services that support the building and introduction of renewable energy facilities	Tokio Marine & Nichido (Sales Development Department, Sales Department)
Green Gift Project	Tokio Marine & Nichido (Sales Planning Department, Sustainability Department)

■ Supporting Companies' ESG Management

ESG has recently been recognized as an important issue in business management. ESG-related topics have increased in Japan's Corporate Governance Code and more stringent regulations related to ESG information disclosure are placed on companies listed on the Prime Market of the Tokyo Stock Exchange. Moreover, there have been cases where companies were forced to change their business strategies because of the emergence of climate action, greenwashing and other environmental issues as well as human rights issues in various regions.

In response, in January 2023, Tokio Marine & Nichido initiated the sale of a rider to directors and officers for liability insurance to cover expenses for investigating causes of human rights and environmental issues and preventing recurrence. In January 2025, the company revised the product to add coverage for compensation for companies' liability against shareholders and other parties resulting from inappropriate disclosure of sustainability information.

Tokio Marine & Nichido will continue to expand its service to support further reinforcement of ESG-focused business management (ESG management) of companies and help solve societal challenges through sustainable finance (techniques and activities to financially guide the promotion of the solution of environmental and societal challenges).

■ ESG Integration into Insurance Underwriting Risk Management

As a responsible insurance company for customers and society, Tokio Marine & Nichido revised its Insurance Product Development and Revision Procedure in July 2017 to include CSV (resolving societal challenges through core business) as one of the goals of product development and revision. The company also added environmental and social risks to the Procedure as checkpoints to be used when developing and/or revising an insurance product. In this way, the company has integrated environmental and social impact and risk assessment factors into its product development and revision process.

Additionally, in April 2018, Tokio Marine & Nichido revised its Insurance Underwriting Risk Management Manual to clearly include environmental and social impact and risk assessment factors as the checkpoints for insurance product development and revision. The company annually provides sustainability training to all employees, which is an e-learning program that also covers topics related to the Policy to Address Environmental and Social Risks, and is working to facilitate employees' understanding by distributing the Handbook on the Policy to Address Environmental and Social Risks.

14.9.5 Study and Research on Sustainable Investments and Financing

Tokio Marine Group believes that one of its basic roles is to give consideration to the environment, including climate change, as well as to society and governance in its investment and financing operations and to contribute to the creation of a sustainable society.

The sustainable growth of society is essential in securing long-term, stable income through investments. In an effort to solve various environmental, social and governance (ESG) issues, Tokio Marine Group has joined study and research activities such as the UNEP FI Principles for Sustainable Insurance (UNEP FI-PSI), UN Principles for Responsible Investment (PRI), Principles for Financial Action for the 21st Century and the Japan Sustainable Investment Forum to leverage the findings of these activities to execute sustainable investments and financing throughout the Group.

Tokio Marine & Nichido and Tokio Marine Asset Management, two companies accounting for a significant portion of the Group's entire investment activities, have become signatories to the UN-supported PRI and have been promoting sustainable investment.

United Nations Environment Programme Finance Initiatives – Principles for Sustainable Insurance (UNEP FI-PSI)

https://www.unepfi.org/

https://www.unepfi.org/psi/

UN Principles for Responsible Investment (PRI)

https://www.unpri.org/

Principles for Financial Action for the 21st Century

https://www.pfa21.jp/

Japan Sustainable Investment Forum

https://japansif.com/english

14.9.6 Policies and Operational System for Sustainable Investments and Financing

With Tokio Marine & Nichido and Tokio Marine Asset Management taking the lead, Tokio Marine Group promotes initiatives such as ESG integration that takes into account both financial and non-financial information in making investment and financing decisions, constructive "purposeful dialogue" on ESG issues with investment and financing recipients and the exercise of voting rights.

■ Investment Policies

The investment policies of Tokio Marine & Nichido and Tokio Marine Asset Management are as follows.

[Tokio Marine & Nichido]

Besides focusing on safety, profitability and liquidity in preparation for the payment of insurance claims, Tokio Marine & Nichido also undertakes asset management that contributes to society and public welfare. For this reason, with a main focus on Asset Liability Management (ALM), Tokio Marine & Nichido aims at securing long-term, stable income and carrying out efficient liquidity management under appropriate risk control giving due consideration to the characteristics of insurance products.

In addition to the above and as a responsible investor, the company engages in ESG investment and financing, which consider environmental, social and governance factors, based on the Tokio Marine Group ESG Investment and Financing Policy.

Tokio Marine Group ESG Investment and Financing Policy

●Procedures to Conduct ESG Investment and Financing by Asset Class

Tokio Marine & Nichido engages in ESG investment and financing by using various methods based on the characteristics of each asset class to contribute to the creation of a safe, secure and sustainable future.

<Main ESG investment and financing methods>

• ESG integration

In our investment and financing analysis and decision-making processes, we consider non-financial information on an ongoing basis, including ESG factors, in addition to financial information. Specifically, we focus on environmental factors such as climate change, natural capital and biodiversity; social factors such as human rights violations; and governance factors such as diversity in the Board of Directors while also considering the characteristics and conditions of the investment and financing recipients. By doing so, we aim to enhance our risk-adjusted returns.

‣Specific examples of ESG factors

E (Environment)	S (Social)	G (Governance)
Climate change, natural capital, biodiversity, etc.	Infringements of human rights, etc.	Diversity in the Board of Directors, etc.

• Engagement and stewardship

We aim to accurately understand the ESG issues of our investment and financing recipients through dialogues with them as well as the analysis of their disclosed information. In addition, we advance our constructive, purposeful engagement further by requesting disclosure of information related to their ESG issues and the improvements in their way of tackling these issues if necessary. Additionally, we consider ESG issues when exercising voting rights to promote the improvement of corporate value and sustainable growth of the investment and financing recipients.

• Negative screening

In accordance with Tokio Marine Group's "Tokio Marine: Our Climate Strategy" and "Policy to Address Environmental and Social Risks," we strive to appropriately identify and manage risks related to climate change and risks that negatively impact the environment and society and take precautionary measures when conducting transactions with sectors where such risks are likely to occur such as coal-fired power generation and inhumane weapons manufacturing sectors.

<Adoption of ESG investment and financing methods in major assets>

‣In-house investment

	Government bonds, etc.	Equities	Corporate bonds	Financing
ESG integration	✓	✓	✓	✓
Engagement and stewardship	–	✓	✓	✓
Negative screening	–	✓	✓	✓

As for investment management using external asset managers (alternative assets, etc.), the company also integrates ESG factors into its investment decision process by checking the ESG investment policies of candidate external asset managers during selection.

<Specific procedures for each asset>

▶ ESG integration and engagement and stewardship

Government bonds, etc.	We make an investment decision using assessment results based on financial conditions and economic outlook and taking into account ESG information provided by international and other institutions.
Equities	For new investments, we take into consideration the assessment results by external ESG rating agencies in our company analysis and make an investment decision. With investee companies, we hold dialogue on ESG issues as needed and conduct engagement through the exercise of voting rights.
Corporate bonds and financing	We take into consideration the assessment results by external ESG rating agencies in our company analysis and make an investment decision. For investment and financing recipients whose ESG-related efforts are insufficient, we hold dialogue as needed and encourage them to tackle ESG issues.

In addition to the above, we undertake sustainability-themed investment and financing as well as impact investment in an effort to generate sustainability outcomes through various initiatives.

Climate & Nature Report 2026 > 6. Tokio Marine Group's Value Provision > ◆ Investment and Financing

<Implementation of ESG investment and financing>

Tokio Marine & Nichido carries out in-house investment (basically active investment) and investment management using external asset managers. Of the total balance of assets under management, the percentage of ESG-conscious investment assets was approximately 80% as of March 31, 2026.

As for real estate, the company also makes environmentally conscious efforts, including renovating the buildings and facilities it owns depending on their condition.

7.2.2 Reduction of Environmental Footprint in Business Activities ≫

[Tokio Marine Asset Management]

One of Tokio Marine Asset Management's management principles is to contribute to the development of enriched and comfortable social lives and the economic growth of society through asset management. Toward this goal, Tokio Marine Asset Management, in conformance with its fiduciary responsibility, executes responsible investments that not only focus on the financial elements of investee companies but also appropriately consider non-financial

elements such as environmental, social and governance (ESG) issues. In addition, Tokio Marine Asset Management actively engages investees to promote their growth over the medium to long term with the aim of increasing medium- to long-term returns for customers.

Tokio Marine Asset Management adopts an ESG integration approach, which comprehensively ascertains and systematically evaluates financial and non-financial elements, in its investment decision process. This process is commonly applied to all asset classes based on the recognition that ESG integration enables even higher-precision investee analysis and investment decisions.

Tokio Marine Asset Management regards ESG as a fundamental element to ensure medium- to long-term returns for customers and has placed its focus on governance in all asset classes while also appropriately considering environmental, social and other aspects.

Initiatives for responsible investment (in Japanese)

■ Organization Structure

The organizational structures of Tokio Marine & Nichido and Tokio Marine Asset Management are as follows.

[Tokio Marine & Nichido]

At Tokio Marine & Nichido, ESG investment and financing planning is carried out in the Financial Planning Department and sustainable investment and financing initiatives are implemented in collaboration with departments that execute transactions. Moreover, through assessments by external ESG rating agencies in Japan and overseas, Tokio Marine & Nichido is identifying any issues in its efforts and processes related to ESG investments and financing for continuous improvement.

[Tokio Marine Asset Management]

At Tokio Marine Asset Management, the Sustainable Asset Management Group takes the lead, in collaboration with other internal departments, in executing relevant initiatives in asset management operations in accordance with the policies and basic plan for promoting sustainability formulated by the company. The Sustainable Asset Management Group has in place a collaborative system to provide support to analysts, who will lead engagement activities, in terms of surveys and dialogue regarding ESG and other sustainability matters, thereby ensuring effective engagement.

■ Principles for Responsible Institutional Investors (Japan's Stewardship Code)

The Council of Experts established within the Financial Services Agency announced in February 2014 the "Principles for Responsible Institutional Investors (Japan's Stewardship Code) – To promote sustainable growth of companies through investment and dialogue." The third revision of the Code was finalized and released in June 2025.

Under the Code, "Stewardship Responsibility" means bearing responsibility for expanding medium- and long-term investment returns for "customers and beneficiaries" (including end beneficiaries) through constructive "purposeful dialogue" by institutional investors based on a deep understanding of investee companies and their business environments as well as consideration for sustainability (medium- to long-term sustainability, including ESG factors) consistent with investment management strategies to raise the corporate value of these companies and promote their sustainable growth.

In May 2014, Tokio Marine & Nichido agreed with the intent of the Principles for Responsible Institutional Investors (Japan's Stewardship Code) and also announced it would adopt the Code. Since then, the company has been reviewing its Policy on Japan's Stewardship Code and other related policies in a timely manner based on the revisions made to the Code.

Tokio Marine & Nichido: Policy on Japan's Stewardship Code and Other Related Policy

In May 2014, Tokio Marine Asset Management (TMAM) announced its adoption of the Principles for Responsible Institutional Investors (Japan's Stewardship Code). Since then, the company has been reviewing its TMAM Stewardship Statement in a timely manner based on revisions to the Code.

Tokio Marine Asset Management: Stewardship Statement

In Tokio Marine Group, based on the intent of the Principles for Responsible Institutional Investors (Japan's Stewardship Code), Tokio Marine & Nichido and Tokio Marine Asset Management have formulated a clear policy on the exercise of voting rights and publication of the results of such exercise and have been publicizing the details of their stewardship activities, including the results of the exercise of voting rights.

<Tokio Marine & Nichido>

Summary of Stewardship Activities (PDF/320KB)

<Tokio Marine Asset Management>

Implementation Status and Self-Assessment of Stewardship Activities (in Japanese)

Individual Disclosures of Exercise of Voting Rights of Japanese Equities (in Japanese)

15 Corporate Citizenship Activities

15.1 Tokio Marine Group Social Contribution Strategy

In order to accomplish our purpose of protecting customers and society in times of need, Tokio Marine Group has been cooperating and working with our stakeholders and promoting corporate citizenship activities with the participation of all employees around the world. We promote corporate citizenship activities by setting policies and targets for the Group's relevant activities and by repeating a plan-do-check-act (PDCA) cycle.

The Board of Directors of Tokio Marine Holdings deliberates on and determines the policies and targets for its social contribution strategies. Tokio Marine Group's Compliance Code of Conduct also applies to all corporate citizenship activities, donations and collaborations.

Motivated employees work with sincerity and empathy, continue to find new ways to address societal challenges and spread those mindsets and actions to the entire organization and Group. This in turn fosters a corporate culture of resolving societal challenges as a natural course of action and creates a positive cycle between solving societal challenges and facilitating corporate growth (enhancing corporate value) that will contribute to achieving the SDGs.

15.2 Corporate Citizenship Activities with the Participation of All 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 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 domestic and overseas Group employees (total number of participants in corporate citizenship activities in relation to the number of employees) was 96%. Tokio Marine Group's annual target is for each employee to take part in one or more corporate citizenship activities every year.

▸Overview of Support Systems/Programs and Fiscal 2025 Results (Tokio Marine & Nichido)

Matching gift system	A system in which the company makes a donation matching the amount voluntarily donated by employees (6 cases totaling approximately 465,000 yen)
Volunteer leave / leave of absence system	**A system to support employees for their volunteer time** • Volunteer leave A system in which employees are permitted to take leave limited to 10 days per year to participate in volunteer activities that include relief initiatives in a disaster and support for social welfare institutions or groups relating to persons with disabilities, the elderly and children's welfare facilities, etc. • Volunteer leave of absence A system in which employees are permitted to take leave for a period of over six months and up to two years, in principle, to participate in a volunteer program recognized by the company, particularly actions with a high degree of social contribution in a social welfare institute, etc.
Share Happiness Club	**A donation program operated by employee volunteers** In fiscal 2025, a total of 2,110,000 yen donated by 1,212 employees was distributed to the following organizations: • Hokuriku Mirai Foundation • NPO MUSIC SHARING • Japan Deafblind Association • WaterAid Japan • Medecins Sans Frontieres Japan Association • Public Interest Incorporated Foundation USNOVA • Nippon Volunteer Network Active in Disaster • JEANJapan Environmental Action Network • The Nature Conservation Society of Japan
Sustainability Month	**Months for strengthening initiatives for proactively carrying out local community and corporate citizenship activities (social activities) across the entire Company (October-November)** • Activities to protect and restore eelgrass beds • Volunteering to restore the coastal forests • Voluntary forest thinning activity, a part of Kochi Prefecture's collaborative afforestation project • Seminar to introduce best practices for resolving societal challenges through core business

◉ Medical and Nursing Care

■ Expanding Nursing Care Support to All Generations in the Era of Widespread Long-term Care Needs

Tokio Marine Nichido Better Life Service operates welfare services for the elderly to support a sustainable society and mainly runs nursing care businesses (home nursing care business and facility nursing care business), which support the elderly in need of nursing care. In addition, as a solution business leveraging its abundant experience and expertise in nursing care accumulated to date, the company provides various services, such as supporting working caregivers (helping to balance work and nursing care); solving care service providers' business challenges; holding seminars on nursing and preventive care and prevention of dementia for individuals; and providing lessons at school for children who will be leaders in the future. The company is working to solve many different societal challenges through these services and supports all generations in pursuit of a sustainable society.

Tokio Marine Nichido Better Life Service's solution business (in Japanese)

[Support for working caregivers]

The rapidly aging society has given rise to a number of societal challenges. Among them are people quitting their jobs to care for elderly parents and the issue of presenteeism, which is almost synonymous with low labor productivity. Japan's Ministry of Economy, Trade and Industry regards these as urgent challenges that are expected to cause an economic loss of some 9 trillion yen in 2030, thus encouraging each company to make efforts to help employees balance work and nursing care. Also, as part of human capital management, companies are encouraged to promote initiatives for health and productivity management and DE&I and improve employee engagement. Further, revisions to the Child Care and Family Care Leave Act made by the Ministry of Health, Labour and Welfare have made certain corporate efforts mandatory. Nursing care specialists of Tokio Marine Nichido Better Life Service provide total support for corporate efforts to help employees balance work and caregiving and assist the sustainable management and operation of many companies.

Consultation with an industrial care manager on balancing work and caregiving

More specifically, the company offers comprehensive support services, including helping people understand actual caregiving situations, seminars on balancing work and caregiving (for employees and managers), video content, the creation of a handbook for balancing work and caregiving, online consultation services, individual consultation services with industrial care managers and operational support for a nursing care community.

Support for balancing work with caregiving (in Japanese)

[Helping care service providers resolve business challenges]

To realize a sustainable society, it is essential that care service providers sustainably offer services to support the elderly in need of care and their families. Tokio Marine Nichido Better Life Service provides a lineup of seminars for care service providers as well as the 7 Habits® Care seminar to help solve their different business challenges.

Specifically, in cooperation with local municipalities and communities, the company supports problem-solving efforts for establishing effective BCP (formulation, training), measures to address harassment by customers and measures to comply with care service operational standards, in addition to tackling issues such as risk management, dementia care, self-support care, dietary independence and the prevention of accidental aspiration, recruitment, human resource training, complaint handling, interpersonal skill improvement and presentation skill improvement.

Solving care service providers' problems (in Japanese)

BCP training for care service providers in the Noto Peninsula

■ AED & Basic Life-Saving Workshop to Build a Society That Can Practice Life-Saving Skills

Tokio Marine & Nichido provides a workshop to practice using automated external defibrillators (AEDs) and to perform cardiopulmonary resuscitation (CPR). Approximately 260 employees throughout Tokio Marine Group attended the workshop in fiscal 2025.

■Movement to Protect Customers from Cancer

[Background of the Initiative]

As part of initiatives to fulfill its social mission as an insurance company providing cancer insurance, Tokio Marine & Nichido Life has been supporting the Pink Ribbon Movement since March 2005.

Extending these activities, we have decided to steadily offer comprehensive solutions for customers' concerns. As a first step, upon the release of an insurance product to support cancer treatment in September 2007, we rolled out a company-wide, ongoing and perpetual initiative called the Movement to Protect Customers from Cancer.

[Basic Policy]

In Japan, cancer is considered a national disease and is a source of much grief. This has fueled Tokio Marine & Nichido Life's desire to protect its customers from cancer and to help ease the suffering of cancer patients and their families experiencing the ordeal. The social mission of insurance companies now extends beyond paying insurance claims to working to prevent cancer and providing mental health support. Accordingly, Tokio Marine & Nichido Life has launched the "Movement to Protect Customers from Cancer." The movement consists of the following three steps: (1) Getting to know cancer; (2) Talking about cancer; and (3) Helping with cancer countermeasures.

[Collaboration with National and Local Governments]

It is becoming more important to increase the cancer screening rate to detect the disease at an early stage. However, the screening rate is lower than 50%, which the national and local governments consider the target. Based on the belief that joint action with as many people as possible is indispensable for improving the situation, Tokio Marine Group has signed agreements with 44 prefectural bodies and 18 cities (as of March 31, 2025) and has been actively promoting collaboration with them to call more attention to cancer and raise examination rates.

In October 2009, Tokio Marine & Nichido Life and Tokio Marine & Nichido became promoting partners for Corporate Actions for Cancer Checkups (project name at the time of 2009), a national project commissioned by the Ministry of Health, Labour and Welfare to raise the cancer examination rate through joint initiatives by the government and companies. By taking part in this public-private partnership, we intend to contribute to the improvement of the cancer examination rate in Japan.

[Nationwide Regional Activities]

Tokio Marine & Nichido Life encourages cancer education activities in its daily sales operations with the aim of disseminating cancer knowledge and increasing cancer examination rates. The company also promotes periodic cancer-related study sessions, exchange meetings and seminars for agents/consignees at branch offices across the country. In addition, the company has introduced the Movement to Protect Customers from Cancer and holds an annual national insurers conference of employees and agent/consignee representatives who are committed to engaging in Hokenbito (True Insurance Professionals) Activities. The entire conference is streamed online to promote the unwavering conviction that everything Hokenbito does is to protect customers and act as a venue to brainstorm actionable items. The 19th conference held in fiscal 2025 focused on the theme of cerebrovascular disease for the first time. The company worked to facilitate a deeper understanding of the symptoms of the disease and the importance of being prepared for it through a presentation by a cerebrovascular disease survivor and a panel discussion featuring survivors, doctors, and Tokio Marine & Nichido Life employees.

[Agreement with Shizuoka Cancer Center]

In August 2007, Tokio Marine & Nichido Life and Tokio Marine & Nichido Medical Service (TMS) concluded a comprehensive agreement on joint research into the best ways to provide consultation, support and information regarding the treatment of cancer with the Shizuoka Cancer Center. This joint research program has focused on such areas as jointly developing tools to communicate in plain language the importance of preventive medicine and medical checkups.

Shizuoka Cancer Center

[Promoting the Pink Ribbon Movement]

Tokio Marine & Nichido Life has been promoting the Pink Ribbon Campaign in support of J.POSH, an NPO engaged in pink ribbon movements for breast cancer awareness in Japan, to convey the importance of early detection of breast cancer. Tokio Marine Group employees, led by Tokio Marine & Nichido Life employees, have held street campaigns nationwide and handed out awareness goods* since 2005.

*: The certified NPO J.POSH collaborates with medical institutions nationwide on the Japan Mammography Sunday (J.M.S) initiative to create an environment enabling women who are busy on weekdays to have mammograms on the third Sunday in October. Tokio Marine & Nichido Life also supports this initiative and hands out goods with a two-dimensional barcode that leads to a website with information on available medical institutions.

[Providing Encouragement to Cancer Patients by Making Terry Cloth Caps]

Since 2009, Tokio Marine & Nichido Life has joined initiatives undertaken by Iwate Hospice Association, a citizens' group in Morioka City, Iwate Prefecture, to support cancer patients and their families and help them gain the courage to fight against the disease. The company has been making terry cloth caps for patients undergoing anticancer drug treatment. Every year, participants from Tokio Marine & Nichido Life and other Tokio Marine Group companies and their families stitch the caps together and donate caps as Christmas presents to cancer hospitals nationwide through the Iwate Hospice Association.

[Education Support for Orphans]

Tokio Marine & Nichido Life established a fund in 2016 to financially support children who have lost one or both parents due to illnesses such as cancer, and it established the Tokio Marine & Nichido Life Scholarship Program, a corporate citizenship activity supporting future generations with the cooperation of the Japan Philanthropic Association. The program offers 300,000 yen per year in grant-type scholarships that do not require repayment from university students and others until they graduate or leave school.

[Donation to Organizations Helping Children and Elderly People Undergoing Treatment for an Illness]

Donations from Tokio Marine & Nichido Life's employees and agents are used to support the activities of organizations helping children undergoing medical treatment and elderly people. Employees of the company also provide support to the activities of these organizations through participation and other means. Donations have been made to the following organizations since fiscal 2016.

- NPO CliniClowns Association
- NPO The Support Network for NANBYO Children of Japan
- NPO Dementia Friendship Club

■ Supporting and Collaborating with the Center for iPS Cell Research and Application (CiRA), Kyoto University

In January 2015, Tokio Marine & Nichido donated a total of 100 million yen to Kyoto University's iPS Cell Research Fund, covering a five-year period. In addition, the company called for donations to the fund from employees of Tokio Marine Group companies and other individuals and made an additional donation exceeding 1.3 million yen in 2025.

Tokio Marine & Nichido is also collaborating with a project called the iPS Cell Stock for Regenerative Medicine (transferred from CiRA to the CiRA Foundation (CiRA F), also at Kyoto University, in April 2020) to stockpile induced pluripotent stem (iPS) cells for medical use. The project involves collecting blood from donors having a special type of human leukocyte antigens (HLAs), which is thought to cause less immune rejection. In August 2016, in addition to Kyoto University Hospital, blood collection also started at the medical corporate foundation Kaijo Building Clinic, a tie-up medical institution of Tokio Marine Group.

In fiscal 2025, significant progress was made toward the practical application of iPS cell-based medicine. In particular, important achievements were reported in the field of cancer immunotherapy, including the establishment of a technology to generate helper T cells—the command center of the immune system—from human iPS cells, as well as the discovery of

methods to enhance the therapeutic efficacy of iPS cell-derived CAR-T cells against solid tumors. Furthermore, the foundation for the clinical application of iPS cell technology was strengthened, led by significant progress made in drug discovery and pathophysiological analysis, including advances in RNA-based drug development, the sophistication of AI-driven gene-editing technologies and the elucidation of neurological disorders and inflammatory mechanisms.

CiRA is working on research every day to enable the development and clinical application of next-generation iPS cell technology. Through our donations to the research fund, Tokio Marine & Nichido hopes to ease the suffering of people with intractable diseases and injuries and contribute to the establishment of a research environment that can stably obtain a pool of excellent researchers and research supporters and to the further advancement of research in this area. At the same time, we will continue to provide support to health, medical and other related fields to deliver safety and security in the form of risk management, including insurance, and through collaboration among Group companies.

■N Program to Support Young Physicians in Clinical Study Programs in the United States

In collaboration with the Mount Sinai Health System in New York, Tokio Marine Holdings and Tokio Marine & Nichido Medical Service continue to offer the N Program. Since 1991, the program has helped talented young Japanese doctors attend a teaching hospital in the New York area for clinical training.

In general, people who wish to have clinical training in the United States are hired by a teaching hospital through its national recruitment system. In contrast, the N Program separately conducts preliminary selection in Japan. It is a very advantageous program for motivated young Japanese doctors. The N Program has made remarkable progress thanks to the cooperation of doctors at U.S. hospitals and the efforts of residents who participated as trainee physicians. To date, the total number of trainees in this program has grown to over 220.

N Program (in Japanese)

◉ Disaster Relief

Tokio Marine Group engages in recovery support for disaster-affected areas, including employee volunteer activities.

■Initiatives to Support Recovery of Areas Affected by the Great East Japan Earthquake

Tokio Marine Group has engaged in approximately 30 activities to support areas affected by the Great East Japan Earthquake. Starting in May 2011 immediately following the disaster, Group company employees, agents and their families across the country provided support to disaster areas in Iwate Prefecture and Miyagi Prefecture. Their activities included removing disaster debris, cleaning up houses damaged by the tsunami, removing mud from houses and street drainage gutters, assisting with agricultural and fishery-related work, sorting books for donation to libraries in disaster areas and cleaning damaged and mud-covered photographs and documents.

Tokio Marine & Nichido also engages in volunteer activities in support of two NPOs engaging in activities to restore tsunami-devastated coastal forests in Natori City and Watari-cho, respectively, along the coast of Miyagi Prefecture. For details, please refer to Green Gift Project (Activities to Protect Forests): Restoration Projects of the Coastal Forests of Tohoku Region (in Japanese).

Also, employees of Tokio Marine & Nichido and Group companies made paper lanterns from milk cartons for the Prayer Lanterns Lighting, a memorial event for the Great East Japan Earthquake held in Morioka City, Iwate Prefecture. More than 2,500 lanterns were sent to the Morioka Recovery Support Network, the secretariat of the event. On the day of the event, 50 people, including employees of the Morioka Branch, volunteered to set up and light lantern candles.

◉ Developing Youth and Promoting Sports

■ Nurturing Future Generations, Encouraging International Exchange and Promoting Sports in Local Communities through Foundations

Tokio Marine & Nichido promotes corporate citizenship activities through three foundations with such aims as helping young people grow, encouraging international cultural exchange and promoting sports in the local community.

Tokio Marine Kagami Memorial Foundation was established in 1939 and initiated an academic research grant program in 1940 and a scholarship program in 1941. The foundation provides scholarships to students at Japanese universities and graduate school exchange students from ASEAN nations and assists in academic studies by researchers.

Tokio Marine & Nichido Educational Development Fund, established in 1984, offers assistance to elementary school and junior high school children orphaned through traffic accidents and for educational research by educators.

The Tokio Marine Sports Foundation was established in 1937 with the aim of promoting sports and educational activities among the public to help bring bright and enriched lives to the people of Japan. The two facilities owned by the foundation, Nasu Sports Park and Toda Boathouse (a water sports facility), are used by a wide range of groups from young children to senior citizens. The foundation is also involved in local support exchange events planned by members of Tokio Marine & Nichido's sports teams and charity concerts given by the company's orchestra.

▸ Overview and Activities of Each Foundation

Foundation Name	Summary	Activities in Fiscal 2025
Tokio Marine Kagami Memorial Foundation	• Provides scholarships to students at Japanese universities and graduate school exchange students from ASEAN nations • Provides academic research aid and earthquake research aid to young social science researchers	Scholarships awarded: 154 (134 scholarship students at Japanese universities and 20 scholarship students from ASEAN nations) Research assistance: 15 projects (Academic research aid: 5 projects; Earthquake research aid: 10 projects)
Tokio Marine & Nichido Educational Development Fund	Provides assistance for educators and to children orphaned through traffic accidents	Financial assistance for education and research: 105 Scholarships for children orphaned through traffic accidents: 105
The Tokio Marine Sports Foundation	Promotes sports activities in local communities	Number of persons using Nasu Sports Park: 38,955 Number of persons using Toda Boathouse: 5,226

- Tokio Marine Kagami Memorial Foundation / scholarship program to exchange students from ASEAN nations (in Japanese)
- Tokio Marine & Nichido Educational Development Fund (in Japanese)
- The Tokio Marine Sports Foundation / Youth exchange project through sports activities (in Japanese)

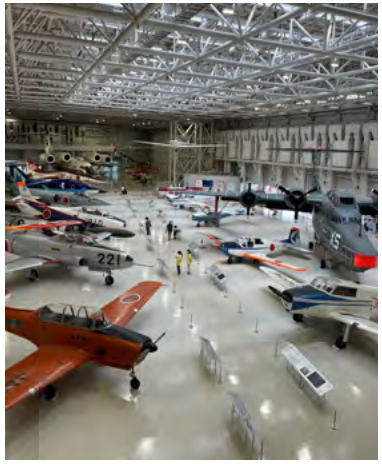
■ Holding Aerospace Classes with the Local Community to Nurture People Interested in Aerospace

Tokio Marine & Nichido aims to contribute to the advancement of local economies and society by actively participating in regional revitalization efforts.

Going forward, further growth is expected in the Tokai region, where the aerospace industry is concentrated. Tokio Marine & Nichido has been running aerospace classes for elementary and junior high school students that provide education and include experiments related to aerospace. The idea behind the initiative is a desire to increase the opportunity for children to become interested in aerospace since it is the younger generation who will bear responsibility for the future of the aerospace industry.

The project makes use of know-how accumulated in risk management relating to the aerospace industry and of Tokio Marine & Nichido's own industry-government-academia network built on ties with Aichi Prefecture and Nagoya University, and has been made possible owing to its community-based work that includes contributing to human resources development.

In February 2026, an aerospace class was held at the Gifu-Kakamigahara Air and Space Museum, which allowed a total of 35 elementary school students to learn about space and satellites and have a simulated experience of the training and missions of astronauts. The most recent class focused on H3 rockets. Attendees ranging from children to their parents enjoyed learning about the aerospace industry. By providing a venue to generate more aerospace-related human resources in the Tokai region, we will contribute to the advancement of Japan's aerospace industry.



■Ashinaga Charity & Walk

Tokio Marine & Nichido participated in a charity walk event, Ashinaga Charity & Walk, hosted by Meiji Yasuda Life Insurance Company. From Tokio Marine Group, a total of 282 employees took part. A monetary donation of 366,771 yen was collected and used to support orphans as described below.

❶ Donated to Ashinaga to be used for the following purposes to support orphans:

- Operation of the Rainbow House, support facilities for orphaned children established in five locations throughout Japan
- Scholarship loans for orphans who want to attend high school, university, junior college or other educational institutions

❷ Allocated as financial assistance to orphans living in prefectures affected by the Great East Japan Earthquake through donations to orphan support funds

■Serving as a Special Sponsor of the JOC Junior Olympic Cup Swimming Tournament

Tokio Marine & Nichido started providing support to the Japan Swimming Federation as one of the initiatives undertaken to commemorate its 110th anniversary in 1989, and has been doing so as one pillar of corporate citizenship activities based on its desire to contribute to the sound development of Japan's youth by promoting swimming. Specific efforts include serving as a special sponsor of the National JOC Junior Olympic Cup Swimming Tournament held twice a year (spring and summer) and providing support for the costs of attending competitions and training camps for Junior Olympic athletes.

Go! Go! Junior Swimmers! (in Japanese)

Sports support site "Sports Activation" (in Japanese)

■Participating in Room to Read's Educational Support Program in Developing Countries

Tokio Marine & Nichido has participated in the educational support effort in developing countries led by the international NGO Room to Read since fiscal 2010.

In the 16 years leading up to fiscal 2025, the company donated every year, providing educational support for about 3,100 girls to help them achieve independence in the future, opening 17 reading rooms to provide study environments and supporting the introduction of literacy education programs to about 21,800 girls in India, Bangladesh and Vietnam. For girls not attending school for economic reasons or because they are tied to household duties as a result of their parents' lack of understanding, the program offers financial aid for tuition fees and endeavors to convey the importance of education to their families through home visits. These efforts have allowed girls to continue their education, with many achieving excellent performance in their schoolwork to make their dreams a reality.

International NGO Room to Read

■Reliance Matrix Foundation

Reliance Matrix supports youth development through its philanthropic arm, the Reliance Matrix Foundation, by advancing education and community partnerships in the greater Philadelphia area. Through funding and collaboration with schools and nonprofit organizations, the company provides students with opportunities to gain new experiences, build skills, and explore future career pathways.

As part of these efforts, Reliance Matrix partnered with the KB Foundation to host a career day at its Philadelphia Home Office. During the event, middle school students participated in hands-on workshops led by Reliance Matrix employees, covering topics such as risk management, financial planning, and entrepreneurship. Through this program, students gained early exposure to the insurance industry and potential career paths. Feedback from students, guardians, and educators was highly positive, highlighting the value of connecting classroom learning with real-world experience.

Social and Economic Inclusion of All People

◉ Corporate Citizenship Activities for the Elderly and Dementia

Tokio Marine Group undertakes corporate citizenship activities for the elderly and persons suffering from dementia as part of volunteer activities supporting the safety and security of the local community and families.

■ Contributing to the Creation of Communities That Understand Dementia: Courses to Foster Support for Dementia Care

Tokio Marine Group provides support for the Million-Supporter Caravan for Dementia, which is promoted by the Ministry of Health, Labour and Welfare and the nationwide Caravan Mate Liaison Council, and conducts courses to foster support for dementia care as a volunteer activity to support the safety and security of local communities and families. With the ultimate goal of creating neighborhoods where people with dementia and their families can live with peace of mind, the program is designed so that employees who take the course have the correct knowledge about dementia to share with friends and families, as well as to support and give compassionate consideration to people with dementia and their families in work and private life.

During the one-and-a-half-hour program conducted in each work department, mainly in Tokyo, attendees watch a DVD, listen to a lecture given by an employee (called a "caravan mate") who has received special training on this subject and participate in a role-playing session. As of March 2025, a total of around 6,100 Group company employees have participated in this educational program and become supporters of dementia care. It gives us a good opportunity to deepen our understanding of the aging population and dementia and think about how we deal with our customers and their families accordingly.

Million-Supporter Caravan for Dementia (in Japanese)

■ Walk to End Alzheimer's in the U.S.

Tokio Marine America (TMA) has been actively supporting the fight against Alzheimer's disease through participation in the Walk to End Alzheimer's, the world's largest fundraising event for Alzheimer's care, support, and research.

Launched in 2020, the initiative has grown into a cross-company effort involving seven Tokio Marine Group companies across more than 20 locations nationwide. Through employee-led participation and fundraising activities, TMA has raised more than $236,000 to date, supporting local care, education, and resources for families affected by dementia.

This initiative not only contributes to addressing the challenges of an aging society, but also enhances employee engagement and strengthens collaboration across the Group. Through advancing research and expanding access to care, it also contributes to building more resilient communities.

◉ Supporting the Deaf and Blind and Sports for People with Disabilities

Tokio Marine & Nichido works with the Japan Deafblind Association to assist people with hearing and vision impairments and provides support to people with disabilities participating in sports in collaboration with the Japanese Para-Sports Association and Special Olympics Nippon Foundation.

■ Collaboration with the Japan Deafblind Association

The Japan Deafblind Association is engaged in activities to support people with hearing and vision impairments across the country. Their activities include dispatching sign language interpreters and helpers, training interpreters and publishing a biannual magazine for the hearing and visually impaired.

Tokio Marine & Nichido has been a supporting member of the association since 2008. At the association's annual national conference, which is held to promote the interaction of people with these impairments and improve the skills of sign language interpreters and helpers, employees working in offices and branches in different areas serve as volunteer staff to cooperate in the running of the event. In fiscal 2025, 35 employees in Tochigi Prefecture supported the operation of the 30th National Deafblind Convention.

Japan Deafblind Association (in Japanese)

■ Contributing to the Realization of a Symbiotic Society Where Anyone Can Flourish: Learn About, Watch and Experience Sports with People with Disabilities

Tokio Marine & Nichido started sponsoring the Japanese Para-Sports Association (JPSA) in May 2016 and the Japan Inclusive Football Federation (JIFF) in October 2016 based on its belief that participating in and supporting para-sports leads to an understanding of the characteristics of various disabilities and DE&I (the idea of accepting the diversity of humans and leveraging their diversity in society).

In addition, employees from around Japan conduct volunteer activities and cheer on athletes at the Japan Para Championships, which is a series of sports events for people with disabilities held regionally.

■ Working with the Special Olympics to Realize a Society Where Diverse People Can Thrive

In support of the Special Olympics Nippon Foundation's vision of creating a society where people with and without disabilities understand and respect each other's differences and live and grow together, Tokio Marine & Nichido became a partner company of the foundation in fiscal 2005 and has been supporting its activities by providing event volunteers.

Special Olympics Nippon Foundation (in Japanese)

◉Support for Foundations and Donations

In seeking a sustainable society, Tokio Marine Group provides support to NPOs and operates financial assistance programs.

■ Tie-Up with the Sawayaka Welfare Foundation

The Sawayaka Welfare Foundation forms a network with a number of volunteer organizations across the country and works to build a system of mutual assistance in each local community with the ultimate goal of "building a new society in which all people can develop a close rapport with each other" in order to fulfill their desire to lead a fulfilling life. Tokio Marine & Nichido empathizes with this organizational philosophy and partners with the foundation.

National volunteer network information of the Sawayaka Welfare Foundation (in Japanese)

■Providing Work Opportunities Broadly to People Seeking Work

To provide opportunities broadly to people seeking work as its purpose, Tokio Marine & Nichido Career Service strives to establish an inclusive society. Going beyond personnel services such as temporary employment agency and referral services, the company subsidized and collaborated with NPOs and other organizations supporting job seekers, aiming to help people who, due to different reasons, have difficulty finding work.

The company launched the Tokio Marine & Nichido Career Service Fund to Support People's Willingness through the Public Resources Foundation in 2021. For three years, from April 2021 to the end of March 2024, the fund subsidized NPOs and other organizations supporting people who have difficulty engaging in general employment for reasons such as a disability, being a single mother or being socially withdrawn. While encouraging employment support activities, the fund has also collaborated and discussed with NPOs and other subsidy recipients on the possibilities of working together in such activities by exchanging information and opinions with them.

In the three years of its activities, the fund subsidized and cooperated with a total of 26 employment support NPOs and other organizations across Japan and, through the recipient organizations' activities, provided employment support in many different forms to 6,686 people who had difficulty working, with 274 of these people successfully finding jobs. Since then, the company continues to hold discussions with these NPOs about providing subsidies and cooperation aimed at promoting the self-reliance of young people who have grown up under social care in children's or self-reliance support homes, such as helping them find jobs and addressing challenges such as high job turnover.

Going forward, the company will maintain its ongoing efforts to help many different individuals achieve self-fulfillment through work and contribute to the realization of an inclusive society.

Tokio Marine & Nichido Career Service's new initiative for the creation of new workstyles (in Japanese)

▸ Track record of the Tokio Marine & Nichido Career Service Fund to Support People's Willingness over three years

Recipients of job assistance offered by subsidized organizations	Total number of subsidized organizations	Number of people who received employment support	Number of people who found employment
① People with disabilities	9	2,986	66
② Low-income households / single mothers, etc.	2	453	25
③ Young people who are socially withdrawn or in need	11	409	94
④ Former orphanage residents	3	2,398	59
⑤ LGBTQ individuals	1	440	30
Total	26	6,686	274

16 Quantification of Social Value

16.1 Significance of Quantifying Social Value and Our Aspirations

■ Significance of Quantifying Social Value

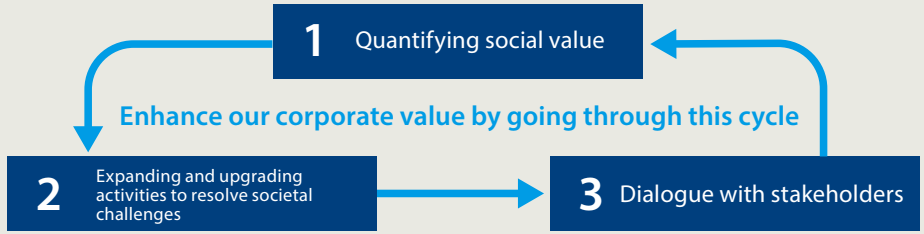
Tokio Marine Group has been taking on the challenge of quantitatively visualizing the social value we provide to society and customers through our business activities. We believe that conducting business with those value in mind will lead to further growth in the quality and quantity of solving societal challenges through our business, motivating employees, thereby increasing our economic value and, by extension, our corporate value.

■ What We Hope to Achieve through Quantifying Social Value

Quantification of social value involves many challenges, as it may be difficult to select appropriate data, or we simply have no data because data collection cannot keep up with the pace of new service releases. It is not easy, but through this effort, we hope to operate our business while being mindful of the social value we provide to society and customers, as well as the Group's economic value, which is enhanced as a result of our contributions to society and customers. We also aim to work with various stakeholders to expand and increase both social and economic value.

▸What We Aspire to Achieve by Taking up the Quantification Challenge

Customers, society and agents	• Gain further empathy by informing them about the social value (benefits for customers and society) we provide and turn them into our partners to jointly promote the resolution of societal challenges
Employees	• Let them understand that their day-to-day work creates social value, which is consequently linked to our economic value, and increase their motivation and vitality • Implement the PDCA cycle to verify social value and upgrade the level of each service
Shareholders	• Enhance dialogue by showing the social value we create through our businesses and how it is also linked to our economic value, and create a world where we can work together to enhance our corporate value



16.2 Initiatives to Date on Quantifying Social Value and Key Points of the Update

We started quantifying social value in fiscal 2024 with an emphasis on our initiatives in the field of disaster resilience, which are directly tied to our core insurance business, and disclosed the results of quantification in this field in our Sustainability Report for fiscal 2025. In fiscal 2026, we updated and expanded the scope of our quantification effort in the disaster resilience field based on feedback from stakeholders. We also worked to quantify our initiatives in the mobility field, another core business in which many employees are involved.

16.3 Promoting Business Operations Utilizing Quantification of Social Value

■ From "Measuring Social Value" to "Utilizing Social Value in Business Operations"

Our quantification effort, which originally started as a way to measure social value, has now evolved to utilize social value in business operations. For example, we are working to utilize the visualized social value to 1) let individual employees recognize the significance of their day-to-day work and increase their motivation and sense of pride; 2) incorporate it into the PDCA cycle of business operations to increase the quality and quantity of our activities to resolve societal challenges; 3) hold dialogue with stakeholders and disseminate information to increase empathy and support for our initiatives. Through these endeavors, we seek to enhance our economic value and, ultimately, our corporate value.

▸Example Uses of Social Value Quantification in Promoting Business Operations

① Increasing employee engagement by utilizing quantification of social value

Increasing employees' motivation and sense of pride by quantitatively visualizing the impacts generated by their day-to-day business activities on society

Example case: Loss prevention based on an ergonomic approach*1

- Quantified the damage prevention effect generated by our loss prevention services that use an ergonomic approach

Number of cases in which the services were provided in fiscal 2025	% recognizing reduction in accidents*4	Average accident reduction rate*4
Approx. 550	Approx. 91%	Approx. 30%

- Shared the results of the measurement of the damage prevention effect with employees engaging in these services

Employee voice

I've come to recognize that my work helps society, which has increased my engagement and motivation, as well as that of others concerned.

Yujiro Tsuda Commercial Claims Department Tokio Marine & Nichido

② Measuring social value periodically to promote efforts to increase the quality and quantity of business activities

Using the results of social value quantification in the PDCA cycle of business operations and increasing the quality and quantity of our activities to resolve societal challenges by upgrading our related initiatives

Example case: PHLYSENSE temperature/humidity sensor*2

- Quantified the damage prevention effect of the PHLYSENSE temperature/humidity sensor for water pipe accidents

Number of units provided as of the end of fiscal 2025	Damage prevention effect in fiscal 2025
Approx. 43,000	Approx. 46 million U.S. dollars

- Analyzed the damage prevention effect of each sensor-installed site and identified the best location to install a sensor to ensure a high level of damage prevention effect. The analysis results are utilized when proposing the use of the sensor to customers

Employee voice

By continuing to iterate on our save data, we're able to assist policyholders with strategic placement of the sensors to increase the likelihood of preventing or mitigating a loss.

Tom Smart Risk Management Services Philadelphia Insurance Companies

③ Holding dialogue with stakeholders and disseminating information by utilizing quantification of social value

Using the quantified social value in dialogue with stakeholders and for disseminating information to increase empathy and support for our initiatives

Example case: Lumkani fire alarm*3

- Quantified the fire damage prevention impact of the Lumkani fire alarm

Number of units provided as of the end of fiscal 2025	Damage prevention effect in fiscal 2025
Approx. 130,000	Approx. 240 million yen

- Utilizing the quantified damage prevention impact in dialogue with business partners to promote understanding and empathy for the social significance of our initiatives

Employee voice

By quantifying and demonstrating the impact of our initiatives on society, we were able to gain understanding and empathy for our initiatives. This has led to new contracts with business partners and increased funding for the project to provide the fire alarm.

Obakeng Moloisane Hollard Life Solutions - Partnerships Hollard Insurance Group

*1: Tokio Marine & Nichido in Japan leverages its knowledge of ergonomics and safety engineering to assist customers in preventing and reducing accidents. The company analyzes the root causes of an accident from the perspectives of the 4Ms (man, media, machine and management) and offers specific improvement proposals for preventing recurrence and increasing work quality.
*2: The U.S.-based Philadelphia Insurance Companies (PHLY) offers a service to prevent water leaks, frozen pipes and other accidents by distributing and utilizing the temperature/humidity sensor PHLYSENSE. It helps users quickly notice a water leak or a temperature change and contributes to the prevention and reduction of accidents.
*3: South Africa-based Hollard Insurance works with the disaster-prevention company Lumkani to offer a set of fire insurance and a fire alarm mainly in low-income communities. This initiative allows people to quickly notice a fire outbreak and helps to extinguish a fire quickly and prevent its spread in dense housing areas.
*4: The results of a questionnaire survey conducted on customers, mainly large companies, to whom we provided the loss prevention services in fiscal 2024, showing the average of the effects of preventing damage to people, buildings/properties and cargo

16.4 Social Value Provided by Tokio Marine Group : Disaster Resilience

In addition to providing financial compensation by way of insurance payment upon the occurrence of an accident or disaster, Tokio Marine Group is providing solutions to prevent and mitigate damage before it occurs, ensure early recovery after its occurrence and prepare for the next accident or disaster. Through these efforts, we seek to support customers and society in times of need across all phases — from before damage occurs to upon and after its occurrence — and realize a society where everyone can live with a sense of security.

For cases marked with Case in the following pages, we present "Output" (direct effects) of "Activity" (business activities) and the resulting "Outcome/Impact" (changes in customers and society). Tokio Marine Group regards this "Outcome/Impact" as social value generated by our businesses and is quantifying it. At the same time, we are making phased efforts to utilize the quantified social value in business operations.

	Activity Major business activities	Output Direct effects
	Providing insurance products and services as well as solutions across all damage phases, from before to upon and after their occurrence	Direct results of business activities, such as the number of cases in which insurance products/services have been provided/used
Pre-damage (Before damage occurs)	• Disaster risk assessment services • Loss prevention services* Case 1 • Improvement of infrastructure and essential utilities Case 2 • Disseminating weather and disaster information • Support for BCP and business continuity • Support for purchase of disaster preparation supplies • Disaster prevention education for children, etc.	• Number of cases in which each service has been provided • Number of persons using or benefiting from infrastructure • Number of persons receiving information • Number of cases in which support for BCP formulation has been provided • Number of purchases of disaster preparation supplies • Number of disaster prevention lessons provided, etc.
Upon damage (When damage occurs)	• Payment of insurance claims Case 3 • Providing relief supplies to disaster-affected areas • Providing information on public assistance programs, etc.	• Number and amount of insurance claims paid • Number of cases in which relief supplies have been provided to disaster-affected areas • Number of cases in which information on public assistance programs has been provided, etc.
Post-damage (After damage occurs)	• Recovery services for equipment and buildings Case 4 • Recovery and increasing resilience of infrastructure and essential utilities Case 5 and 6 • Loss prevention services*, etc. *: Proposing measures to prevent and reduce accidents and prevent recurrence	• Number of cases in which early recovery support has been provided • Number of persons using or benefiting from infrastructure • Number of cases in which each service has been provided, etc.

Outcome/Impact
Changes in customers and society

Social value generated by Tokio Marine Group

Support customers and society in times of need across all damage phases, from before to upon and after its occurrence

Prevent and mitigate damage

Deliver a sense of security when an accident or disaster occurs

Ensure early recovery and "Build Back Better"

Toward a society without damage, or with limited negative impacts, and capable of recovering quickly and becoming more resilient when damage does occur, allowing everyone to live safely with a sense of security

16.4.1 Providing Loss Prevention Services

Case 1 **Developing and providing accident prevention technologies through industry-academia collaboration and scientific verification**

Tokio Marine & Nichido works with universities and research institutions to develop and implement accident prevention technologies based on data and scientific verification. Through these efforts, the company helps prevent and mitigate damage caused by natural disasters and provides customers with greater peace of mind.

Developing and providing technologies based on scientific verification | Activity ▶ Output ▶ Outcome/Impact

Activity

- Tokio Marine & Nichido works with universities, research institutions and start-up companies to identify actual damage and perform scientific analysis of risk factors to develop and implement viable risk mitigation measures. The company verifies the effectiveness of these measures in experiments and simulations and makes loss prevention proposals to customers for preventing and reducing damage.
- The company contributes to the prevention of damage to customers caused by natural disasters.

Project example: Wind damage mitigation through the installation of windbreak nets based on data and scientific verification

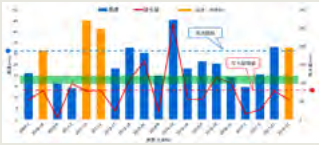
① From occurrence of damage to determining the cause

- A typhoon caused damage to the stock of finished vehicles of an automaker.
- An on-site survey revealed that the damage was caused by gravel stones scattered by strong winds.

Gravel stones of 1 to 7 mm in size scattered

② Formulating a hypothesis

- Estimated the level of wind speed reduction effect needed to mitigate the risk of gravel scattering based on weather data and historical loss records. Defined provisional specifications of windbreak nets as a countermeasure.

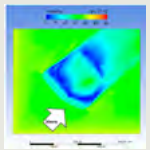


③ Verification by wind-tunnel experiments*1

- Wind-tunnel tests were conducted on windbreak nets built to the preliminary specifications. After their wind speed reduction effect was confirmed, the final specifications were determined.

④ CFD simulations*2

- CFD simulations were conducted to verify whether the final specifications would achieve the required reduction in wind speed during a typhoon of comparable intensity.



Blue area expanded = Sufficient level of wind speed reduction confirmed

Conducted in cooperation with the Wind and Fluid Engineering Research Center, Niigata Institute of Technology

⑤ Installing windbreak nets

- After verifying the wind speed reduction effect and adequacy of installation specifications, the customer installed the windbreak nets at its finished vehicle yard.

Before: Only low boundary nets

After: 8-meter-high windbreak nets completed

Outcome/Impact

Damage prevention effect of this loss prevention measure at the automaker:
Damage mitigation effect during a typhoon in September 2025, which occurred after installing the windbreak nets*3

Amount of physical damage in areas without windbreak nets	▶	Amount of physical damage in the area with windbreak nets
Approx. 270 million yen		0 yen

*1: A method to experimentally investigate winds acting on buildings and structures and the flow of air around them by using a wind tunnel experiment facility that artificially produces streams of air
*2: A computational fluid dynamics (CFD) simulation is a method to numerically replicate and estimate the flows of wind and water using computers. By modelling the actual buildings and structures, it can assess the flow of air around them and the effectiveness of countermeasures.
*3: Estimated by Tokio Marine & Nichido based on the past damage records

16.4.2 Improvement of Infrastructure and Essential Utilities

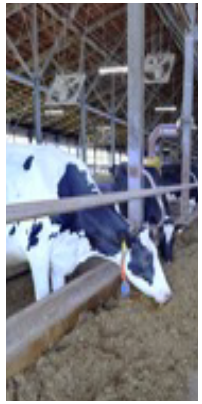
Case 2 **Preparing for the power failure risk by installing a stand-alone power supply system (Akan Microgrid)**

Nippon Koei Energy Solutions supports the establishment of stand-alone power systems capable of supplying the needed electricity within a localized area even during a power failure caused by a disaster, thereby underpinning the continuity of local businesses and helping to safeguard people's livelihoods.

Participating in a microgrid project Activity ▶ Output ▶ Outcome/Impact

Activity

- The Akan Microgrid is a stand-alone power network that generates electricity using solar power and biogas from cow manure, capable of both supplying and selling electricity during ordinary times and serving as a power source during a power failure.
- A major earthquake that hit Hokkaido in 2018 caused a blackout and inflicted considerable damage on local dairy farmers. In response to the growing need to secure a stable power supply during a power failure, five parties launched the operation of a localized microgrid in Akan-cho in Kushiro City under a consortium agreement. The five parties are Akan Microgrid Co., Ltd., JA Akan, Tensho Akan Co., Ltd., Kushiro City of Hokkaido and Hokkaido Electric Power Network, Inc.
- As the EPC contractor*1, Ecolomy Co., Ltd. constructed and installed facilities, while Nippon Koei Energy Solutions installed EMS*2 equipment.



Roles of the Akan Microgrid

Disconnect itself from the main power grid during a power failure and use its own power sources to locally support the operation of important facilities and people's livelihoods. Also helps to reduce GHG emissions during ordinary times.

During a power failure

Business continuity of dairy farmers in the localized area
Support the business continuity of dairy farmers by maintaining the operation of equipment for milking, feeding and cooling

Supporting livelihoods of local residents
Support the livelihoods of local residents during a power failure and provide safety and security

In ordinary times

Reduction of GHG emissions
Reduce GHG emissions by replacing power derived from fossil fuels with biogas- and solar-generated power and by reducing methane discharge as a result of using biogas from cattle manure

Outcome/Impact

Damage prevention effect resulting from continued business of dairy farmers during a power failure		Providing safety and security to local residents	Reduction effect of GHG emissions
Dairy farms receiving power during a disaster	Damage prevention effect resulting from continued business of dairy farmers	Residents receiving power supply in a disaster	Reduction effect of GHG emissions
14	Approx. 20 million yen/year*3	Approx. 100 persons*4	Approx. 13 million yen/year*5

*1: Engineering, procurement and construction (EPC) contractor: a one-stop contractor that handles everything from design to procurement and construction and is responsible for leading a project
*2: Nippon Koei Energy Solutions, a company in the ID&E Group, was in charge of introducing equipment for an energy management system (EMS), which is a system to efficiently and stably supply generated electricity or stored power depending on the situation.
*3: Damage prevention effect that combines A) the effect of preventing damage from business suspension caused by being unable to perform milking or store raw milk due to a power failure and B) the effect of preventing damage of mastitis in cows caused by being unable to perform milking due to a power failure. Formula for calculating A: Number of dairy cows × Production of raw milk (kg/day/cow) × Unit price of raw milk (yen) × Days without power, where days without power is the duration of the power failure recorded during the 2018 Hokkaido Eastern Iburi Earthquake. Of the dairy farms operating within the area, B covers those dairy farms that do not have their own power-generating capacity and will be forced to shut down during a power failure. Formula for calculating B: Number of dairy cows kept by these farms × Probability of death of cows from mastitis during a power failure × Damage amount per cow (cost of keeping dairy cows × Period of keeping dairy cows). These calculations were based on interviews with North Cattle Co., Ltd. and the records of the said 2018 earthquake.
*4: Based on the number of persons that can be accommodated by the evacuation shelter specified by Kushiro City
*5: Formula for calculating the effect of GHG emissions reduction: (Reduction in CO_2 emissions by way of renewable energy + Reduction in methane discharge by using biogas from cow manure, converted into CO_2 emissions) × Maximum price (carbon price) of Japan's emissions trading system.

16.4.3 Payment of Insurance Claims

Case 3 **Insurance claims processing in the event of large-scale disasters**

Even in a large-scale disaster, Tokio Marine & Nichido mobilizes company-wide efforts to deliver fair and prompt claims payments, providing customers with peace of mind in times of need and contributing to their swift recovery.

Response during large-scale disasters Activity ▶ Output ▶ Outcome/Impact

Activity

- In the event of a large-scale disaster, many insurance claims are made within a short period of time, requiring considerable time to confirm the extent of damage. As a result, the claims payment process tends to become prolonged.
- When a large-scale disaster occurs, Tokio Marine & Nichido makes company-wide efforts to swiftly establish backup offices, local disaster response offices and satellite offices nationwide to ensure readiness for initial customer response. Furthermore, by utilizing digital and AI technologies, the company makes swift and appropriate insurance payments.

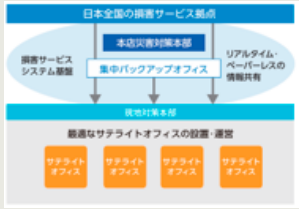
Accident response process during a disaster

Efforts aimed at swift and appropriate insurance payments

Disaster occurrence

Providing customer-focused claims services

Make company-wide efforts to promptly establish disaster response offices and satellite offices to reinforce initial response



Damage survey

Checking damage more quickly in the immediate aftermath

Use satellites and drones to reduce the personnel and time required for damage survey

Insurance payment

Ensuring a swifter and more appropriate payment process

Automate the process by leveraging digital and AI technologies

Making swift and appropriate insurance payments even in a large-scale disaster

Output

Number of insurance claims paid in fiscal 2025	Amount of insurance claims paid in fiscal 2025
Approx. 16,000 claims*1	Approx. 25 billion yen*1

▶

Outcome/Impact

Providing security	Initial funds for early recovery
Overall satisfaction level for insurance payments by Tokio Marine & Nichido Approx. 92%*2	

▶

Tokio Marine & Nichido uses an overall satisfaction level as an indicator that comprehensively measures the value provided to customers through its efforts, which includes an evaluation of attentive customer response (providing security) and an evaluation of amounts paid (initial funds for early recovery).

*1: The number and amount of insurance claims paid by Tokio Marine & Nichido for a total of six major disasters, including the torrential rain in Kyushu, Typhoon Faxai and an earthquake off the eastern coast of Aomori Prefecture, on a direct underwriting basis, not including reinsurance
*2: Aggregation of the results of the latest customer survey on auto and fire insurance policyholders about insurance payments after disasters (April 2025–March 2026)

16.4.4 Providing Early Recovery Services for Equipment and Buildings

Case 4 **Achieving rapid recovery utilizing specialized recovery technologies**

To contribute to the swift recovery of customers after a disaster, Tokio Marine & Nichido collaborates with Belfor Japan to provide disaster recovery services in Japan.

Support for early recovery Activity ▶ Output ▶ Outcome/Impact

Activity

- Tokio Marine & Nichido collaborates with Belfor Japan to provide restoration services to customers affected by fires, floods and other disasters through emergency stabilization measures and contamination removal technologies.
- Tokio Marine & Nichido contributes to the early recovery of affected buildings and equipment by utilizing specialized techniques to remove contamination caused by soot, extinguishing agents and fire-resistant chemicals from fires, as well as contamination from sewage and sludge caused by water-related disasters such as tsunamis and floods.
- By completely removing contaminants stuck to equipment by utilizing decontamination services, customers can minimize the extent to which replacement with new equipment is needed and significantly reduce the time required to resume business operations.

Time to resume operations

When replaced with new equipment

When restored by Belfor

Time to resume operations becomes significantly shorter
(About 15–40% shorter than replacement with new equipment)

Contamination removal by ultrasonic cleaning

Before

After

Output
Number of corporate customers utilizing restoration services (2022–2025)
Approx. 410

▶

Outcome/Impact
Customers who experienced the early recovery effect
Approx. 63% *1

*1: The percentage of customers among service users from fiscal 2022 to fiscal 2025 who benefited from the early recovery effect. The early recovery effect might vary depending on the nature of accidents or disasters that occur in the future.

16.4.5 Recovery and Increasing Resilience of Infrastructure and Essential Utilities

Case 5 **Road disaster recovery project (Japan National Route 107 in the Oishi district)**

Nippon Koei supports "Build Back Better" recovery from disasters by providing consulting services on idea generation, investigation, planning, design and maintenance for projects to recover and reconstruct infrastructure damaged by natural disasters.

Participating in a disaster recovery project | Activity ▶ Output ▶ Outcome/Impact

Activity

- In May 2021, a major landslide occurred on National Route 107 in the Oishi district in Nishiwaga-machi, Iwate Prefecture. A temporary bridge was constructed in November 2022 to swiftly restore the flow of traffic. In November 2025, the Oishi Tunnel was constructed on the mountainside to completely skirt around the damaged area, and Route 107 was fully recovered and reopened.
- The opening of the Oishi Tunnel has multiple effects. One is to avoid the terrain prone to large-scale landslides. Others are a shorter driving time and the reduced risk of accidents caused by snowstorms and road surface freezing. As a result, the part of Route 107 in the Oishi district was rebuilt as safer, more convenient and disaster-resilient transportation infrastructure. Nippon Koei received an order from Iwate Prefecture and was in charge of the design part of the project in cooperation with other companies.

A path toward recovery from the major landslide in May 2021 on Route 107 in the Oishi district, Nishiwaga-machi, Iwate Prefecture

1. May 1, 2021 — **Landslide disaster, route closed**
2. November 30, 2022 — **Temporary bridge opened, route closure lifted**
3. November 30, 2025 — **Route 107 incorporating the Oishi Tunnel opened**

Source: Leaflet commemorating the reopening of National Route 107 in the Oishi district after the landslide disaster, Kitakami Civil Engineering Center, Southern Iwate Regional Promotion Bureau, Iwate Prefecture, 2025

"Build Back Better" achieved with the recovery of Route 107

Shorter driving time
Shorter driving time resulting from improved road alignment and design speed

Reduced risk of accidents due to landslides
Reducing the accident risk by avoiding terrain prone to landslides

Reduced risk of accidents due to snow and freezing
Reducing the risk of accidents due to snowstorms and road surface freezing by driving through a tunnel

Output

Number of users per year
834,755*1

Outcome/Impact Increased travel convenience and disaster risk reduction effect with recovery and reopening of Route 107

Economic effect generated by utilizing extra time from reduced driving time in production and other activities	Driving cost reduction resulting from lower costs associated with fuel, tire wear and maintenance	% of people feeling less anxious about landslides and other disasters	% of people recognizing the improved driving performance in winter
Approx. 70 million yen/year*2	Approx. 5.6 million yen/year*3	93%*4	98%*4

*1: Calculated by multiplying the traffic volume by vehicle type (vehicles/day) by the average number of passengers (persons/vehicle). Traffic volume data used the cross-sectional traffic volume data for December 17, 2022, taken from a report on traffic volume measurements jointly published by the Kitakami Civil Engineering Center, Southern Iwate Regional Promotion Bureau, Iwate Prefecture and the Iwate Civil Engineering Promotion Association. Average number of passengers (persons/vehicle) used the data in the Summary of the Results of the Motor Vehicle Origin-Destination (OD) Survey under the FY2021 National Road and Street Traffic Situation Survey, issued by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in 2023 (https://www.mlit.go.jp/report/press/content/001714560.pdf (in Japanese)).
*2: Monetary value representing the economic value generated by allocating the time that the road users have saved through the recovery of the route to work and other production activities. The value of (Traffic volume × Driving time × Value of time of road users) was compared before and after the project completion, and the difference was used as the economic effect generated by utilizing the extra time from the reduced travel time in production and other activities. Time of value referred to the road users' per-unit time of value and other data in the 2025 Cost-Benefit Analysis Manual of MLIT.
*3: Monetary value of the driving costs saved by road users through the recovery of the route. The value of (Traffic volume × Driving time × Driving costs) was compared before and after the project completion, and the difference was used as the driving costs reduction effect. The driving costs referred to the data in the 2025 Cost-Benefit Analysis Manual of MLIT.
*4: Based on the results of a questionnaire survey on Route 107 users, which was conducted in March 2026 (130 responses)

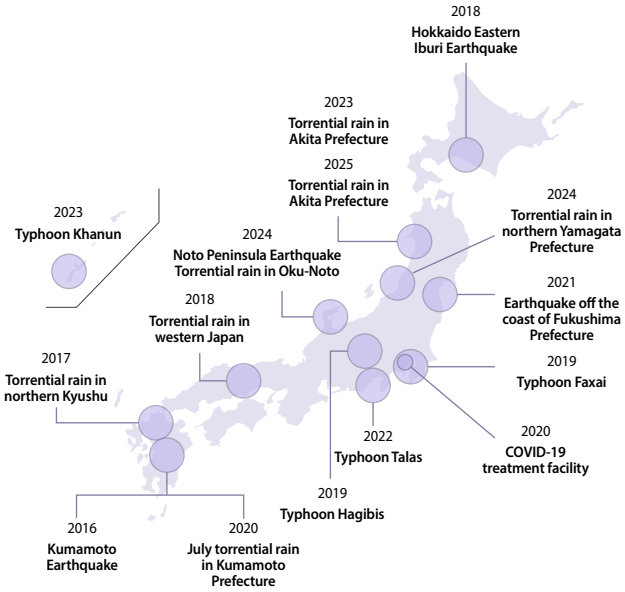
Case 6 Maintaining the health of disaster survivors and improving their living conditions by providing distributed water infrastructure when water supply is disrupted (WOTA)

Tokio Marine & Nichido contributes to the increased resilience of society through impact investment in WOTA Corp., a company seeking to realize an environment capable of providing safe water during a disaster or in areas lacking water infrastructure by leveraging its technologies to recycle and recirculate water on the spot.

Providing distributed infrastructure Activity ▶ Output ▶ Outcome/Impact

Activity

- WOTA is a start-up company engaging in the development of technologies to recycle and recirculate used water on the spot under the corporate tenet, "Water Freedom for Everyone, Everywhere." WOTA seeks to realize sustainable water infrastructure with its small-scale distributed water recirculation system that complements the existing large-scale water and sewage infrastructure.
- Its main products include WOTA BOX, a portable water recycling system that enables the use of water, even for showering, during a water outage. Another is WOSH, a water recirculation hand-washing stand that provides a sanitary spot to wash hands even without access to running water and contributes to ensuring water use and a hygienic environment during a disaster.
- Through impact investment in WOTA, Tokio Marine & Nichido pushes forward the social implementation and widespread use of these water recirculation technologies and helps to maintain people's living conditions during a disaster, achieve early recovery of disaster-affected areas and increase resilience in society.



Project example:
Maintaining the health of disaster survivors and improving their living conditions following the 2024 Noto Peninsula Earthquake

- On January 4, 2026, immediately after an earthquake hit the Noto Peninsula on January 1, local governments across Japan and private-sector partners such as The Nippon Foundation, Hokuryo Co., Ltd., SoftBank Corp., Hatch PLANNING Co., Ltd. and Swing Corporation started providing WOTA BOX and WOSH to disaster-affected areas.
- Through these WOTA BOX and WOSH products, WOTA has enabled disaster survivors to take a bath and wash their hands at evacuation sites during a prolonged water outage, helping them maintain their health and better living conditions during the disaster.

Output

Local governments that provided WOTA products for disaster relief	Evacuation sites that installed WOTA products for disaster relief
23	205

Evacuation sites that faced a prolonged water outage	▶	Outcome/Impact: Number of sites that faced a prolonged water outage and installed WOTA products	Outcome/Impact: % of sites that faced a prolonged water outage and installed WOTA products	▶	Provided water for disaster survivors and helped them maintain their health and better living conditions
80		71	89%		

16.5 Social Value Provided by Tokio Marine Group : Mobility

In the mobility field, Tokio Marine Group protects customers and society in times of need and underpins their safety and security through its nationwide service network, not only by paying insurance claims but also by preventing accidents, minimizing damage upon their occurrence and supporting the restoration of the livelihoods of affected persons. Over the years, we have created diverse values, such as promoting safe driving practices by improving our products and utilizing data, and providing swift relief through our claims services and smooth accident settlements.

For cases marked with Case in the following pages, we present "Output" (direct effects) of "Activity" (business activities) and the resulting "Outcome/Impact" (changes in customers and society). Tokio Marine Group regards this "Outcome/Impact" as social value generated by our businesses and is quantifying it. At the same time, we are making phased efforts to utilize the quantified social value in business operations.

	Activity Major business activities	Output Direct effects	Outcome/Impact Changes in customers and society
	Providing insurance products and services, as well as solutions, across all damage phases, from before to upon and after their occurrence	Direct results of business activities, such as the number of cases in which insurance products/services have been provided/used	Social value generated by Tokio Marine Group
Pre-accident (Before an accident occurs)	• Providing a service to support safe driving Case 1 • Providing a vehicle management service Case 2 • Visualizing traffic accident risk and support for countermeasures • Providing a service for learning traffic safety Case 3 • Traffic safety education for children • Support for health management of drivers • Support for safe operations of next-generation mobility, etc.	• Number of cases in which each service has been provided • Number of persons using or benefiting from infrastructure • Number of cases in which traffic safety training and education have been provided, etc.	**Support customers and society in times of need across all accident phases, from before to upon and after its occurrence** **Prevent accidents and mitigate damage**
Upon an accident (When an accident occurs)	• Payment of insurance claims Case 4 • Support for life-saving activities • Providing information on public assistance programs, etc.	• Number and amount of insurance claims paid • Number of cases in which support for life-saving activities has been provided • Number of cases in which information on public assistance programs has been provided, etc.	**Deliver a sense of security when an accident occurs** **Ensure early recovery and early life-saving**
Post-accident (After an accident occurs)	• Referral of repair shops Case 5 • Support for rebuilding livelihoods and improving living conditions, etc.	• Number of repair shop referrals made • Number of cases in which each service has been provided, etc.	Toward a society without accidents or with limited damage when it does occur, and capable of promptly performing rescue and life-saving activities and quickly achieving recovery in an emergency, allowing everyone to live safely with a sense of security

16.5.1 Providing a Service to Support Safe Driving

Case 1 **Preventing auto accidents by providing a telematics service**

Tokio Marine & Nichido provides *Drive Agent Personal* (DAP), a telematics service that issues warnings in real time, encourages behavior improvement by utilizing vehicle data and AI and helps customers prevent accidents.

Supporting safe driving by providing a driving recorder Activity ▶ Output ▶ Outcome/Impact

Activity
- DAP is a telematics service utilizing a driving recorder with communication functionality, which Tokio Marine & Nichido lends to its policyholders.
- As a service to protect customers' lives, it notifies customers of dangerous driving practices while driving and helps them prevent accidents. It also serves to reduce customers' accidents by encouraging behavior improvement through safe driving diagnosis reports created based on their driving data.

Warning for not looking at the road and drowsy driving

- Issues a warning via voice and on display when detecting that the driver is not looking at the road or is falling asleep at the wheel

Warning for not staying centered in a lane and getting too close to the car in front

- Issues an alert via voice and on display when detecting that the driver is not staying centered in a lane, including lane departure, or getting too close to the car in front

Alert for unusual driving pattern

- Analyzes driving pattern for about 15 minutes since the start of driving and issues an alert when detecting an unusual driving pattern

Warning for sudden operations

- Issues an alert to the driver when detecting sudden acceleration, braking or steering while driving

Output

Number of units provided as of the end of fiscal 2025

Approx. 1.05 million

▶

Outcome/Impact

Accident frequency reduction effect

Approx. 13.5%*1

*1: Analysis results of accident frequencies conducted on customers who have enrolled in the DAP service over the six years since the launch of the service, using the accident records accumulated by Tokio Marine & Nichido until March 2023. The analysis was conducted according to the year(s) of service use since the customers' enrollment (e.g., analysis after one year of use, two years of use, three years of use, and so on since enrollment, with six years at the longest).

16.5.2 Providing a Vehicle Management Service

Case 2 **Preventing accidents by providing a service for safe driving and vehicle management (MIMAMO DRIVE)**

Tokio Marine Smart Mobility provides a service for safe driving and vehicle management by leveraging the know-how accumulated by Tokio Marine Group in the analysis of accident causes and helps customers reduce accidents.

Supporting safe driving through a vehicle management system

Activity ▶ Output ▶ Outcome/Impact

Activity

- MIMAMO DRIVE is a vehicle management and real-time fleet monitoring service that automatically collects and visualizes location data, driving logs and driving behavior of company-owned cars and centrally manages drivers' alcohol testing.
- It supports advancement in drivers' safe driving practices by visualizing dangerous driving and providing data-based safe driving guidance and reduces the risk of auto accidents.
- It also increases the efficiency of vehicle management and other operations, such as preparing daily reports, and contributes to the increased productivity of customers.

Data collection

Onboard terminal
Driving data, including location data and acceleration rates

Website for drivers
Results of alcohol testing and activity logs, etc.

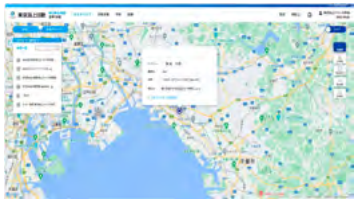
Website for managers
Vehicle and user data, etc.

Central management and analysis using the cloud

MIMAMO DRIVE

Analyze driving and operational data and visualize it in an easily accessible manner on the manager's screen

Utilization of information and feedback



Note: May vary from the actual screen

Use the data for safe driving guidance for managers and to improve drivers' driving practices

Helping customers reduce auto accidents

Output

Main user industries

Construction | Services and maintenance | Wholesale and retail | Real estate and facility management | and more

Outcome/Impact

% of companies experiencing a reduction in accidents*1	% of companies experiencing a reduction in damage amount*1
Approx. 74%	Approx. 83%

*1: Data derived from the actual results based on the conditions specified by Tokio Marine Smart Mobility, such as the period of use of MIMAMO DRIVE and the number of vehicles using the service. The damage amount is calculated using data on insurance claims paid.

16.5.3 Providing a Service for Learning Traffic Safety

Case 3 **Preventing accidents by providing an online traffic safety learning service (WebstadR)**

Tokio Marine dR provides support for increasing awareness of safe driving and preventing accidents through its online traffic safety learning service, WebstadR.

Traffic safety education Activity ▶ Output ▶ Outcome/Impact

Activity

- WebstadR is an online traffic safety learning service provided by Tokio Marine dR.
- It provides courses on laws and regulations that should be observed by drivers and on safe driving, which are specifically designed for each target group, such as transportation companies and companies operating commercial and company-owned cars. The courses are available when convenient to participants. The details of these courses are based on Tokio Marine dR's knowledge cultivated by providing consulting services to some 1,000 organizations each year, including the Tokyo Metropolitan Police Department and the Ministry of Land, Infrastructure, Transport and Tourism, as well as bus and taxi associations.
- The company helps to reduce the risk of traffic accidents and ensure legal compliance at companies, while reinforcing their safety management structure and supporting course participants in reducing accidents.

Drivers' basics

Learning rules and driver etiquette, which form the basis of safe driving

- Awareness for safe driving
- Reconfirming traffic rules and signs
- Driver etiquette and ethics, etc.

Hazard prediction and avoidance

Cultivating an ability to predict hazards and prevent accidents

- Training for hazard prediction
- Examples of near-accidents
- Learning hazardous situations, which tend to be overlooked, etc.

Example accidents and lessons learned

Using actual accidents as examples, learn about their causes and points to be noted in preventing recurrence

- Presenting examples of actual traffic accidents
- Analyzing the causes of accidents
- Points to be noted in preventing recurrence, etc.

Improving safe driving and needed skills

Learning about safe and environmentally conscious driving and needed driving skills

- Practicing eco-driving
- Driving in poor weather
- Safe driving at night and early in the morning, etc.

Laws and systems

Gaining an understanding of laws and systems that should be followed when driving and raising awareness for compliance

- Key points of the Road Traffic Act
- Understanding administrative punishments and penalty points under the act
- Explanations on the latest legal revisions and systems, etc.

Health management and self-check

Learning that physical and mental health will ensure safety

- Relationship between maintaining health and safe driving
- Mechanisms of fatigue and drowsiness and countermeasures
- Stress management, etc.

Output

Cumulative number of ID registrations as of the end of fiscal 2025	Number of courses
Approx. 120,000	Approx. 100

▶

Outcome/Impact

Accident reduction rate among participants
Approx. 15 %*1

*1: Result of a survey to compare the number of accidents before and after the use of the service, conducted on 30 companies selected from the customers who have enrolled in the service during the period from fiscal 2020 to fiscal 2022 (with the rate of participation in e-learning courses of over 75%)

16.5.4 Payment of Insurance Claims

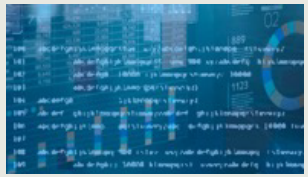
Case 4 **Paying insurance claims in the event of auto accidents**

Tokio Marine & Nichido ensures swift and appropriate insurance claims payments upon the occurrence of auto accidents by fusing technology and people's ability, thereby providing a sense of security to customers in times of need and contributing to their early recovery and restoration.

Response to auto accidents Activity ▶ Output ▶ Outcome/Impact

Activity
- When an auto accident occurs, before making an insurance payment, a certain period of time is required to check the circumstances of the accident, liability percentages and damage amount and determine a fair and appropriate insurance payment.
- Tokio Marine & Nichido ensures swift and appropriate insurance payments through automatic accident reporting via its *Drive Agent Personal* (DAP) service, swift damage survey using videos from a driving recorder, a smooth settlement negotiation service and automation of the insurance claims payment process.

Accident response process	Accident occurrence	Damage survey	Settlement negotiation	Insurance payment
Efforts aimed at swift and appropriate insurance payments	Automatic accident reporting DAP detects a collision and automatically reports the accident to an operator.	Automatic recording and transmission of accident data DAP detects a collision and automatically sends an accident video and accident location information.	Reducing the time required for negotiation by a settlement negotiation service Tokio Marine & Nichido employee or lawyer serves as an agent to perform settlement negotiations.	Ensuring a more swift and appropriate payment process The process is automated by leveraging digital and AI technologies.



Making swift and appropriate insurance payments after an auto accident

Output

Number of insurance claims paid in fiscal 2025	Amount of insurance claims paid in fiscal 2025
Approx. **2.3** million claims	Approx. **743** billion yen

▶

Outcome/Impact

Providing security	Initial funds for early recovery
Overall satisfaction level for insurance payments by Tokio Marine & Nichido Approx. **93**%*1	

▶ **Tokio Marine & Nichido uses an overall satisfaction level as an indicator that comprehensively measures the value provided to customers through its efforts, which includes evaluation of attentive customer response (providing security) and evaluation of amounts paid (initial funds for early recovery).**

*1: Aggregation of the results of the latest customer survey on auto insurance policyholders (April 2025–March 2026)

16.5.5 Referral of Repair Shops

Case 5 **Making referrals to reliable repair shops through a repair shop matching service (Repair-Net)**

Tokio Marine & Nichido provides a digital platform listing its tie-up repair shops in Japan, which allows customers to search for and make a reservation with the one they prefer. The company thereby provides customers with a sense of security when selecting a repair shop. In addition, it contributes to greater satisfaction with repair services and swift recovery from accidents.

Referral of repair shops Activity ▶ Output ▶ Outcome/Impact

Activity
- Repair-Net is a matching service of repair shops that support Tokio Marine & Nichido's operational policy*1.
- By introducing Repair-Net after an accident to customers who have not decided on a repair shop, the company reduces their burden of finding one and making various arrangements for it. Through the service, the company not only provides customers with a sense of security but also contributes to greater satisfaction with repair services and swift recovery from accidents.

Accident occurrence ▶

Introducing Repair-Net

見える　見つかる　あなたの工場
リペアネット

- Repair shops supporting the company's operational policy participate in the Repair-Net.
- Repair-Net is introduced to customers who have not decided on a repair shop.

▶

Customers selecting and making a reservation with a repair shop

- Customers select and make a reservation with a repair shop matched to their needs based on such information as equipment, service details, available dates to accept a vehicle and user reviews.

▶

Highly transparent repair work and repair cost calculation

- Repair shops explain needed repairs and work details to customers in advance.
- They undertake quick and quality repair services.

▶

Delivering a sense of security to customers while contributing to increasing customers' satisfaction level for repair services and ensuring quick recovery

Output

Number of repair shops registered with the service as of the end of fiscal 2025	Number of referrals made to Repair-Net in fiscal 2025
Approx. 720	Approx. 63,000

▶

Outcome/Impact

Providing security	Repair service satisfaction level and early recovery
Rating of repair services as a whole 4.3 on a 5-point scale*2	

▶

Tokio Marine & Nichido uses the evaluation results of repair services as a whole as an indicator that comprehensively measures the value provided to customers through its efforts, which include evaluating the delivery of a sense of security to customers and the evaluation of high-quality and swift repair services.

*1: Tokio Marine & Nichido builds a network of repair shops, which brings a sense of security and satisfaction to customers, by operating a structure to ensure the standard quality of services provided to customers and prevent false insurance claims. In order to increase the transparency of repair work and repair cost calculation to customers, the company confirms that the repair shops are able to explain needed repairs and work details to customers in advance and calculate repair costs based on objective criteria. For repair shops participating in the network, Tokio Marine & Nichido encourages them to enforce quality control based on customers' feedback and requests, and through periodic dialogue and monitoring, assists them in thoroughly observing operational rules and setting up a governance structure.
*2: Results of a questionnaire survey conducted 232 times in fiscal 2025, on customers who used Repair-Net to repair their vehicles.

17 Sustainability Performance Data

We provide principal sustainability performance data for Tokio Marine Group.

◉Reporting Period and Reporting Organizations

- Reporting period: Report on results for fiscal 2025 (April 1, 2025 – March 31, 2026)
- Reporting organizations: Tokio Marine Holdings and major subsidiaries

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/103KB)

◉Corporate Governance

For details, please refer to Corporate Governance Report.

Corporate Governance (Corporate Governance Report)
Dialogue with Shareholders and Investors ≫

◉Internal Control

Internal Control

◉Improving Quality from the Customer's Perspective

14.1 Improving Quality from the Customer's Perspective ≫

◉Results of Tokio Marine Group's Sustainability Initiatives

1 Progress of the 8 Material Issues (Materiality) ≫

◉Environment

■CO_2 Emissions from Energy Sources and CO_2 Reduction (Tokio Marine Holdings and major subsidiaries)

[Reduction targets for CO_2 emissions]

- Long-term target (fiscal 2030) : -60% (compared with fiscal 2015 level)
- Reduction target in fiscal 2025 : -1% compared with the previous year

[CO_2 emissions]

From fiscal 2015, we began calculating Scope 3 "Category 1: Purchased goods and services (Purchased paper)," "Category 3: Fuel- and energy-related activities not included in Scope 1, 2" and "Category 5: Waste generated in operations" as we expanded the scope of calculation for CO_2 emissions. For fiscal 2025, CO_2 emissions (Scope 1+2+3) for Tokio Marine Holdings and major subsidiaries were 69,323 tons (domestic: 47,510 tons, overseas: 21,813 tons, with reductions of 8,731 tons through carbon credits and other measures) versus the initial annual target of 56,796 tons (-1% from the previous fiscal year) and +20.8% compared with the previous fiscal year, thereby achieving the target. To ensure consistency with the consolidated financial statements, the scope of Group companies covered in the calculation of CO_2 emissions for fiscal 2025 has been expanded to align with the scope of consolidation under IFRS. Environmental data based on the previous scope of consolidation (under JGAAP, excluding ID&E Holdings) are also presented to ensure comparability with prior years.

[Data coverage rate]

We calculate 100% (employee base) of Tokio Marine Holdings and major subsidiaries (excluding Scope 3 "Category 5: Waste generated in operations" and "Category 6: Business travel (by air)).

▸Results Based on the Scope of Consolidation under IFRS

		Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
CO_2 emissions※1	Total (market-based) (excluding Scope 3 Category 15)	t-CO_2	69,888 Domestic: 35,708 Overseas: 34,180	57,370 Domestic: 28,847 Overseas: 28,523	78,077☑ Domestic: 48,887☑ Overseas: 29,190☑
Scope1 Direct	Direct (Gas, heavy oil, gasoline, etc.)	t-CO_2	13,685 Domestic: 6,440 Overseas: 7,245	12,517 Domestic: 5,737 Overseas: 6,780	16,618☑ Domestic: 9,392☑ Overseas: 7,226☑
Scope2 Indirect	Indirect (Electricity, chilled/hot water, etc.)	t-CO_2	28,701 Domestic: 11,312 Overseas: 17,389	21,344 Domestic: 9,157 Overseas:12,186	31,248☑ Domestic: 17,565☑ Overseas:13,684☑
Scope3	Total (excluding Category 15)	t-CO_2	27,502 Domestic: 17,955 Overseas: 9,547	23,509 Domestic: 13,952 Overseas: 9,557	30,211☑ Domestic: 21,931☑ Overseas: 8,280☑
	[Category 1] Purchased goods and services (Paper usage)	t-CO_2	9,408 Domestic: 8,555 Overseas: 854	7,885 Domestic: 7,266 Overseas: 618	8,975☑ Domestic: 8,248☑ Overseas: 727☑
	[Category 3] Fuel- and energy-related activities not included in Scopes 1 or 2 (Electricity, steam and chilled/hot water usage)	t-CO_2	8,917 Domestic: 5,336 Overseas: 3,582	4,372 Domestic: 1,831 Overseas: 2,540	9,405☑ Domestic: 5,509☑ Overseas: 3,896☑
	[Category 5] Waste generated in operations (Waste generation)	t-CO_2	860	1,329	836☑
	[Category 6] Business travel (by air)	t-CO_2	8,317 Domestic: 3,243 Overseas: 5,074	9,924 Domestic: 3,572 Overseas: 6,352	10,994☑ Domestic: 7,389☑ Overseas: 3,605☑
	[Category 15] Investment portfolios Listed stocks Bonds	Thousand t-CO_2e	Please refer to the Climate & Nature Report 2026		
Weighted average carbon intensity (WACI)	Investment portfolios Listed stocks Bonds	t-CO_2e/ US$ million			
CO_2 reduction	CO_2 reduction through purchase of green electricity, non-fossil certificates and carbon credits	t-CO_2	22,981	24,954	33,826☑ (8,731)※2
CO_2 emissions per employee (excluding Scope 3 Category 15)		t-CO_2	1.59	1.29	1.16
Number of employees (consolidated fiscal year base)		persons	43,870	44,634	67,526
CO_2 fixation through mangrove planting		t-CO_2	96,000	82,000	77,000

Note: The CO_2 emissions figures above reflect reductions from the purchase of green electricity and non-fossil fuel energy certificates (Scope 2).

▸ Results Based on the Scope of Consolidation under JGAAP (excluding ID&E Holdings)

		Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
CO_2 emissions※1	Total (market-based) (excluding Scope 3 Category 15)	t-CO_2	69,888 Domestic: 35,708 Overseas: 34,180	57,370 Domestic: 28,847 Overseas: 28,523	55,658 Domestic: 28,635 Overseas: 27,023
Scope1 Direct	Direct (Gas, heavy oil, gasoline, etc.)	t-CO_2	13,685 Domestic: 6,440 Overseas: 7,245	12,517 Domestic: 5,737 Overseas: 6,780	12,435 Domestic: 5,212 Overseas: 7,223
Scope2 Indirect	Indirect (Electricity, chilled/hot water, etc.)	t-CO_2	28,701 Domestic: 11,312 Overseas: 17,389	21,344 Domestic: 9,157 Overseas:12,186	21,422 国内 9,630 Overseas: 11,792
Scope3	Total (excluding Category 15)	t-CO_2	27,502 Domestic: 17,955 Overseas: 9,547	23,509 Domestic: 13,952 Overseas: 9,557	21,801 Domestic:13,793 Overseas: 8,007
	【Category 1】 Purchased goods and services (Paper usage)	t-CO_2	9,408 Domestic: 8,555 Overseas: 854	7,885 Domestic: 7,266 Overseas: 618	8,569 Domestic: 7,842 Overseas: 727
	【Category 3】 Fuel- and energy-related activities not included in Scopes 1 or 2 (Electricity, steam and chilled/hot water usage)	t-CO_2	8,917 Domestic: 5,336 Overseas: 3,582	4,372 Domestic: 1,831 Overseas: 2,540	6,367 Domestic: 2,735 Overseas: 3,632
	【Category 5】 Waste generated in operations (Waste generation)	t-CO_2	860	1,329	759
	【Category 6】 Business travel (by air)	t-CO_2	8,317 Domestic: 3,243 Overseas: 5,074	9,924 Domestic: 3,572 Overseas: 6,352	6,105 Domestic: 2,501 Overseas: 3,605
	【Category 15】 Investment portfolios Listed stocks Bonds	Thousand t-CO_2e	Please refer to the Climate & Nature Report 2026		
Weighted average carbon intensity (WACI)	Investment portfolios Listed stocks Bonds	t-CO_2e/ US$ million			
CO_2 reduction	CO_2 reduction through purchase of green electricity, non-fossil certificates and carbon credits	t-CO_2	22,981	24,954	33,722 (8,731)※2
CO_2 emissions per employee (excluding Scope 3 Category 15)		t-CO_2	1.59	1.29	1.18
Number of employees (consolidated fiscal year base)		persons	43,870	44,634	47,171
CO_2 fixation through mangrove planting		t-CO_2	96,000	82,000	77,000

Note1: The CO_2 emissions figures above reflect reductions from the purchase of green electricity and non-fossil fuel energy certificates (Scope 2).

Note2: TFigures in parentheses represent the amount of CO_2 removed, sequestered, or reduced through carbon credits and other measures

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)

"1. Calculation Method of CO_2 emissions originating from energy consumption and CO_2 reduction"

Data collection scope (☑ items)

Note1: Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)

Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2026)"

Note2: Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)

Companies in which the headquarters is located overseas of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2026)"

■Environmental Load Data (Tokio Marine Holdings and major subsidiaries)

	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025	
				JGAAP	IFRS
Electricity usage	1,000kWh (GJ)	118,746 (427,485)	100,940 (363,384)	103,776 (373,594)	135,202 ☑ (486,726)
Renewable energy (electricity) usage	1,000kWh (GJ)	52,871 (190,336)	52,153 (187,750)	57,091 (205,529)	63,405 ☑ (228,258)
Gas usage	1,000m^3 (GJ)	1,080 (42,930)	1,081 (42,959)	1,482 (59,267)	1,649 ☑ (65,978)
Steam and chilled/ hot water usage	GJ	24,968	26,675	27,073	30,601 ☑
Gasoline usage	kℓ (GJ)	4,414 (121,500)	3,950 (109,307)	3,576 (118,321)	5,218 ☑ (173,159)
Heavy oil usage	ℓ (GJ)	25,724 (1,022)	22,227 (882)	9,829 (382)	9,829 ☑ (382)
Business travel (by air)	1,000km	62,803	73934	73,309	126,662 ☑
Paper usage	t	5,141	4,308	4,683	4,904 ☑
Water usage (tap water, etc.)	1,000m^3	522	517	536	571 ☑
Discharge (sewage)	1,000m^3	219	206	174	196☑
Waste (recycled)	t	1,669	1,590	1,960	2,484 ☑
Waste (final disposal)	t	1,387	2,007	1,227	1,406 ☑

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)

"1. Calculation Method of Environmental load data"

Data collection scope (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)

Companies of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2026)""

■CO_2 Emissions from Energy Sources (Tokio Marine & Nichido)

[CO_2 emissions reduction targets]

- Long-term target (fiscal 2050): -60% reduction (compared with fiscal 2006 level)
- Reduction target in fiscal 2025: -1% compared with the previous year

[CO_2 emissions]

For fiscal 2025, CO_2 emissions (Scope 1+2+3) of Tokio Marine & Nichido were 17,287 tons versus the initial-year target of 19,231 tons (-1% from the previous fiscal year) and -11.0% compared with the previous fiscal year due to energy conservation efforts.

[Data coverage rate]

100.0% of Tokio Marine & Nichido overall (employee base)

		Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
CO_2 emissions※1	Total (market-based) (excluding Scope 3 Category 15)	t-CO_2	25,449	19,425	17,287☑
Scope1	Direct (Gas, heavy oil, gasoline, etc.)	t-CO_2	4,608	4,004	3,523☑
Scope2	Indirect (Electricity, chilled/hot water, etc.)	t-CO_2	7,124	5,150	5,297☑
Scope3	Total (excluding Category 15)	t-CO_2	13,717	10,270	8,466☑
	[Category 1] Purchased goods and services (Paper usage)	t-CO_2	7,116	6,157	6,157☑
	[Category 3] Fuel- and energy-related activities not included in Scopes 1 or 2 (Electricity, steam and chilled/hot water usage)	t-CO_2	3,977	1,153	1,011☑
	[Category 5] Waste generated in operations (Waste generation)	t-CO_2	723	1,091	636☑
	[Category 6] Business travel (by air)	t-CO_2	1,900	1,869	663☑
	[Category 15] Investment portfolios Listed stocks Bonds	Thousand t-CO2e	Please refer to the Climate & Nature Report 2026		
Weighted average carbon intensity (WACI)	Investment portfolios Listed stocks Bonds	t-CO2e/ US$ million			
CO_2 reduction	CO_2 reduction through purchase of green electricity, non-fossil certificates and carbon credits	t-CO_2	1.55	1.18	1.09
CO_2 emissions per employee (excluding Scope 3 Category 15)		t-CO_2	16,393	16,402	16,233
Number of employees (consolidated fiscal year base)		persons	43,870	44,634	47,171

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)

"1. Calculation Method of CO_2 Emissions from Energy Sources"

Data collection scope (☑ items)

Tokio Marine & Nichido

■Environmental Load Data (Tokio Marine & Nichido)

	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
Electricity usage	1,000kWh (GJ)	48,336 (174,008)	46,411 (167,080)	44,579 ☑ (160,484)
Gas usage	1,000m^3 (GJ)	574 (22,806)	602 (23,936)	611 ☑ (24,304)
Steam and chilled/ hot water usage	GJ	20,748	21,978	21,345 ☑
Gasoline usage	kℓ (GJ)	1,449 (50,119)	1,164 (40,273)	968 ☑ (33,480)
Heavy oil usage	ℓ (GJ)	23,925 (950)	20,016 (796)	8,994 ☑ (356)
Business travel (by air)	1,000km	13,293	13,195	19,139 ☑
Paper usage	t	3,889	3,364	3,364 ☑
Water usage	1,000m^3	209	204	207 ☑
Discharge (sewage)	1,000m^3	144	139	143 ☑
Waste	t	2,198	2,653	2,069 ☑
Recycling rate	%	57.7	45.2	68.9 ☑

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)

"1. Calculation Method of CO_2 Emissions from Energy Sources"

Data collection scope (☑ items)

Tokio Marine & Nichido

■CO_2 Emissions from Energy Sources (ID&E Holdings)

[CO_2 emissions reduction targets]

- Fiscal 2030 target: -42% for Scope 1 and 2 (compared with fiscal 2023); -25% for Scope 3 (compared with fiscal 2023)

[Data coverage rate]

Calculated based on 72.1% of ID&E Holdings, using the number of employees as the basis for allocation. (Figures disclosed on the ID&E Group website, which have received third-party assurance, are used.)

		Unit	Fiscal 2023*1	Fiscal 2024*1	Fiscal 2025*2
CO_2 emissions*1	Total (market-based)	t-CO_2	106,044	104,782	101,940
Scope1 Direct	Direct (Gas, heavy oil, gasoline, etc.)	t-CO_2	995	914	843
Scope2 Indirect	Indirect (Electricity, chilled/hot water, etc.)	t-CO_2	2,236	2,251	1,718
Scope3	Total	t-CO_2	102,813	101,617	99,380
	[Category 1] Purchased goods and services (Paper usage)	t-CO_2	—	—	74,751
	[Category 2] Capital goods	t-CO_2	—	—	5,301
	[Category 3] Fuel- and energy-related activities not included in Scopes 1 or 2 (Electricity, steam and chilled/hot water usage)	t-CO_2	—	—	768
	[Category 3] Upstream transportation and distribution	t-CO_2	—	—	1,252
	[Category 5] Waste generated in operations (Waste generation)	t-CO_2	—	—	34
	[Category 6] Business travel (by air)	t-CO_2	—	—	5,231
	[Category 7] Employee commuting	t-CO_2	—	—	1,677
	[Category 11] Use of sold products	t-CO_2	—	—	8,461
	[Category 13] Business travel (by air)	t-CO_2	—	—	1,905

*1: For fiscal 2023 and fiscal 2024, emissions data correspond to ID&E Holdings' former fiscal years ended June 2024 and June 2025, respectively.
*2: For fiscal 2025, the calculation period is from April 2025 to March 2026.

■Environmental Accounting: Environmental Conservation Cost (Tokio Marine & Nichido)

Environmental costs	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Investment (million yen)	Expenses (million yen)	Investment (million yen)	Expenses (million yen)	Investment (million yen)	Expenses (million yen)
Business area costs	593	203	324	156	654	321
Upstream/ downstream costs	0	28	0	27	0	27
Management costs	0	50	0	24	0	24
R&D costs	0	140	0	155	0	171
Social contribution activity costs	0	99	0	138	0	142
Environmental remediation costs	0	0	0	0	0	0
Total	593	521	324	500	654	685

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

Environmental performance indicator	Fiscal 2023	Fiscal 2024	Fiscal 2025	
			JGAAP	IFRS
Total energy input (GJ)	633,365	557,975	598,358	755,671
Water resource input (m^3)	740,799	723,367	838,189	893,826
Greenhouse gas emissions (t-CO_2)	42,386	33,951	33,432	47,290
Waste emissions (t)	1,387	2,007	989	1,132

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

■Economic Benefits of Environmental Conservation Initiatives (Tokio Marine Holdings)

Environmental performance indicator	Fiscal 2023 (million yen)	Fiscal 2024 (million yen)	Fiscal 2025 (million yen)
Cost reduction	534	507	561
Revenue	0	0	0
Total	534	507	561

◉ Human Rights and Labor

■ Data Coverage Rate

Tokio Marine Holdings and major subsidiaries (employee base) are calculated as 100%.

Tokio Marine Holdings and domestic major subsidiaries:

56.4% of Tokio Marine Holdings and major subsidiaries (employee base)

Tokio Marine & Nichido:

37.4% of Tokio Marine Holdings and major subsidiaries (employee base)

■ Basic Data

[Number of employees (Tokio Marine Holdings and major subsidiaries)]

	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total number of employees (consolidated fiscal year base)	43,870	51,436	67,526
Tokio Marine Holdings and domestic major subsidiaries	Male: 11,879 Female: 12,777 Overall: 24,656	Male: 11,809 Female: 13,085 Overall: 24,894	Male: 19,602☑ Female: 19,315☑ Overall: 38,917☑
Tokio Marine Holdings and overseas major subsidiaries	Asia: 4,674 North and Central Americas: 13,895 Europe: 735 Overall: 19,304	Asia: 5,443 North and Central Americas: 14,489 Europe: 1,981 Overall: 21,913	Asia: 7,708 North and Central Americas: 14,252 Europe: 2,517 Overall: 24,477

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)
"1. Calculation Method of Basic data on human rights and labor, and use of diverse human resources"

Data collection scope (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)
Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2025)"

[Basic employee data (Tokio Marine & Nichido)]

	Fiscal 2023	Fiscal 2024	Fiscal 2025
Average age	Male: 47.3 Female: 38 Overall: 42.4	Male: 47.3 Female: 38.8 Overall: 42.6	Male: 47.0 Female: 39.2 Overall: 42.6
Average years continuously employed	Male: 2.9 Female: 12.6 Overall: 12.8	Male: 13.1 Female: 12.6 Overall: 12.8	Male: 13.5 Female: 12.9 Overall: 13.2
Average annual salary	Approx. ¥8.60 millio	Approx. ¥9.00 millio	Approx. ¥9.10 millio
Turnover rate *	3.2%	2.8%	2.2%

*: The turnover rate is calculated based on the number of personnel who quit voluntarily (excluding the age-limit retirement).

[Number of new hires (Tokio Marine & Nichido)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
Male: (New graduates) 160 (Mid-career hires) 90 Female: (New graduates) 342 (Mid-career hires) 84 (other) 1 Overall: (New graduates) 502 (Mid-career hires) 175	Male: (New graduates) 230 (Mid-career hires) 130 Female: (New graduates) 431 (Mid-career hires) 89 Overall: (New graduates) 661 (Mid-career hires) 219	Male: (New graduates) 191 (Mid-career hires) 151 Female: (New graduates) 265 (Mid-career hires) 100 Overall: (New graduates) 456 (Mid-career hires) 251

[Ratio of female employees' wages to male employees' wages in fiscal 2025* (Tokio Marine Holdings)]

Non-regular employees	Regular employees	All employees
32.3%	89.0%	75.9%

*: Tokio Marine Holdings does not differentiate wages based on gender. The gender gap in wages is attributable to wage settings based on expertise, career and performance. In our personnel system, there is no classification of employees based on what kind of work they engage in or where they work.

[Ratio of female employees' wages to male employees' wages in fiscal 2025* (Tokio Marine & Nichido)]

Non-regular employees	Regular employees	All employees
67.9%☑	54.4%☑	57.2%☑

*: For regular employees, there are two types of employee categories: "Global," which does not limit the work location, and "Area," which limits the work location. Such limitations have rendered the wage level of "Global" employees proportionally higher. The gender gap in wages is attributable to the fact that more male employees belong to the "Global" category and have comparatively longer years of service. Tokio Marine & Nichido does not differentiate wages based on gender.

[Ratio between the total annual compensation of the Chief Executive Officer and the mean employee compensation* (Tokio Marine Holdings)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
15.3	19.0	18.3

* : Total CEO compensation / Mean employee compensation

◉ Fair Personnel System and Management

[Employee attitude survey (Tokio Marine & Nichido)]

	Fiscal 2023	Fiscal 2024	Fiscal 2025
Respondents	16,039 (Response rate: 92.9%)	16,161 (Response rate: 93.2%)	16,194 (Response rate: 93.3%)
Level of satisfaction	Male: 94.9% Female: 91.7% Overall: 93.1%	Male: 94.4% Female: 92.1% Overall: 93.1%	Male: 93.9% Female: 91.6% Overall: 92.6%

[Labor union participation rate (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
100%	100%	100%

◉ Development of Human Resources

[Employee training (All employees of Tokio Marine & Nichido)]

	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total training hours	271,123 hrs.	298,856 hrs.	302,738 hrs.
Average training hours per employee	18.50 hrs.	20.24 hrs.	20.44 hrs.
Total training cost	¥951,026,584	¥1,261,783,156	¥1,401,312,166
Average training cost per employee	¥64,934	¥85,446	¥94,625

[Job request system (job posting system) (Domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
Applicants: 824 Approval: 260	Applicants: 551 Approval: 115	Applicants: 1,508 Approval: 330

Note : Approved requests take effect in the fiscal year after that of the application.

◉ Utilizing Diverse Human Resources

[Number of directors and managers (Tokio Marine Holdings and major subsidiaries)]

	Fiscal 2023	Fiscal 2024	Fiscal 2025
Directors (including executive officers)	Male: 323 Female: 60 Overall: 383	Male:326 Female: 62 Overall:388	Male: 467☑ Female: 70☑ Overall: 537☑
General managers	Male: 992 Female: 184 Overall: 1,176	Male: 1,654 Female: 761 Overall: 2,415	Male: 2,163☑ Female: 896☑ Overall: 3,089☑
Section managers	Male: 4,292 Female: 2,456 Overall: 6,748	Male: 3,791 Female: 2,085 Overall: 5,876	Male: 4,769☑ Female: 2,358☑ Overall: 7,127☑
Managers (general managers and section managers) total	Male: 5,284 Female: 2,640 Overall: 7,924	Male: 5,445 Female: 2,846 Overall: 8,291	Male: 6,932☑ Female: 3,254☑ Overall: 10,186☑
(Deputy managers) *Only Tokio Marine & Nichido	Male: 1,463 Female: 1,036 Overall: 2,499	Male: 2,070 Female: 1,579 Overall: 3,649	Male: 2,650☑ Female: 2,115☑ Overall: 4,765☑

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)
"1. Calculation Method of Human Rights and Labor (Basic Data) / Utilizing Diverse Human Resources"

Data collection scope (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)
Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2025)"

[Number of female directors (Tokio Marine & Nichido, as of March 31, 2025)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
7(11.7%)	6(10.3%)	8(12.9%)

[Number of employees using the system for continued employment of older employees (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
1,240	1,282	2,102

[Rate of employment of persons with disabilities]

Fiscal 2023	Fiscal 2024	Fiscal 2025
2.45%	2.50%	2.61%

Note: Reporting organizations: Applicable Group companies (Tokio Marine Holdings, Tokio Marine & Nichido, Tokio Marine Business Support, Tokio Marine & Nichido Career Service and Tokio Marine Nichido Better Life Service)

◉ Reform of Working Styles

[Retiree rehiring system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
18	32	52

[Maternity leave system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
643	698	841

[Childcare leave system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
Male: 233 Female: 1,273 Overall: 1,506	Male: 277 Female: 1,315 Overall: 1,592	Male: 408 Female: 1,451 Overall: 1,859

[Short working hours system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
1,526	1,516	1,490

[Resumption of work support system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
1,181	1,320	1,590

[Return to work rate after taking childcare leave (Tokio Marine Holdings and major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
Male: 100% Female: 97.7%	Male: 100% Female: 98.9%	Male: 100% Female: 95.8%

[Employee retention rate after taking childcare leave (Tokio Marine Holdings and major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
Male: 95.0% Female: 95.7%	Male: 89.1% Female: 91.3%	Male: 90.6% Female: 85.8%

[Spouse childbirth leave (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
32	46	175

[Nursing care leave system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
289	379	676

[Nursing care temporary retirement system (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
13	21	41

[Annual average actual working hours (Tokio Marine & Nichido)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
1,993 hrs.	1,984 hrs.	1,993 hrs.

[Monthly average overtime hours (Tokio Marine & Nichido)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
23.5 hrs.	23.6 hrs.	24.3 hrs.

Note: Including legal overtime hours

[Number of annual paid leave days taken (Tokio Marine & Nichido)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
17.4 days	17.4 days	17.6 days

◉ Health Management and Occupational Health and Safety

[Percentage of employees who received health checks and cancer screening (Tokio Marine & Nichido)]

Category	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026 numerical targets
Percentage of employees who received health checks	100%	100%	100%	100%	100%
Percentage of employees who underwent a detailed examination after a regular checkup	85.8%	87.6%	88.5%	89.7%	90.0%
Uterine cancer screening rate	61.7%	62.2%	63.1%	62.3%	65.0%
Breast cancer screening rate	77.0%	76.7%	76.5%	74.9%	80.0%
Prostate cancer screening rate	76.3%	76.6%	76.5%	77.5%	79.0%

[Specific health guidance implementation rate (Tokio Marine & Nichido)]

Category	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025 numerical targets
Specific health guidance implementation rate	67.7%	47.7%	68.1%	63.1%	66.3%

[Awareness on health (Tokio Marine & Nichido)]

Category	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026 numerical targets
Status of health literacy (up to fiscal 2022)*1	4.08	—	—	—	—
Status of health literacy (from fiscal 2023)*2	—	3.72	3.78	3.78	3.75
Subjective sense of health*1	3.48	3.47	3.49	3.48	3.50

*1 : Response to employee questionnaires (on a maximum scale of 5 points)
*2 : Changed from our original employee questionnaires to measurement by the communicative and critical health literacy (CCHL) scale (on a maximum scale of 5 points)

[Participation in health improvement measures (Tokio Marine & Nichido)]

Category	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026 numerical targets
Number of employees who participated in Health Promotion Month/Health Challenge	7,106名	7,542名	6,479名	5,178名	8,000名

[Health status of employees (Tokio Marine & Nichido)]

Category	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026 numerical targets
Findings at a regular health checkup	54.3%	53.8%	55.0%	54.2%	Under 50.0%
Persons maintaining a healthy body weight (BMI)	67.8%	67.7%	67.5%	67.4%	Equal to or over 70.0%
Smoking rate	12.3%	12.0%	12.3%	12.1%	12.2%
Rate of employees who have developed physical exercise habits	20.9%	21.8%	23.6%	24.6%	24.6%
Stress test execution rate	98.6%	98.8%	98.7%	98.8%	98.0%
Rate of employees with a high stress level	10.7%	10.8%	9.8%	9.8%	Under 10.0%

[Independent initiative implementation status (Tokio Marine & Nichido)]

Category	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026 numerical targets
Number of employees participating in anti-obesity initiatives for young employees	192	–	–	–	–
Number of employees participating in fitness program for young employees*5	–	343	143	153	Interview implementation rate: 80%

Note: Initiative changed from fiscal 2023

[Industrial accidents (Tokio Marine Holdings and domestic major subsidiaries)]

Occupational accidents

Fiscal 2023	Fiscal 2024	Fiscal 2025
76	46	103☑

Commuting accidents

Fiscal 2023	Fiscal 2024	Fiscal 2025
69	61	117☑

[[Absentee rate* (Tokio Marine & Nichido)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
1.60%	1.62%	1.81%☑

*: Total days lost due to absenteeism / Total days scheduled to be worked

Data calculation method (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)
"1. Calculation Method of Industrial Accidents"

Data collection scope (☑ items)

Method of Calculation and Scope in Data Collection for Key Sustainability Indicators (PDF/546KB)
Companies in which the headquarters is in Japan of "2. Tokio Marine Holdings and its subsidiaries (as of March 31, 2025)"

◉ Human Rights

[Human rights training participation rate (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
100%	100%	100%

[Human rights training hours (Tokio Marine & Nichido)]

	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total training hours	20,864 hrs.	20,358 hrs.	20,323 hrs.
Training hours per employee	1 hrs.	1 hrs.	1 hrs.
Participation rate	100%	100%	100%

◉ Local Community and Social Contribution Activities

[Employee participation rate in volunteer activities (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
107.7%	89.2%	96.4%

[Number of employees who took volunteer leave (Tokio Marine Holdings and domestic major subsidiaries)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
92	74	99

[Donations (Including monetary and in-kind donations by Tokio Marine Holdings, domestic major subsidiaries and other affiliated companies)]

Fiscal 2023	Fiscal 2024	Fiscal 2025
Approx. ¥1,392 million (includes disaster support of approx. ¥38.8 million)	Approx. ¥1,594 million (includes disaster support of approx. ¥62.3 million)	Approx. ¥1,121 million (includes disaster support of approx. ¥62.3 million)

Note: This includes donations by miscellaneous expenses for social contribution programs, payments in kind, opened facilities and employee dispatching.

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).

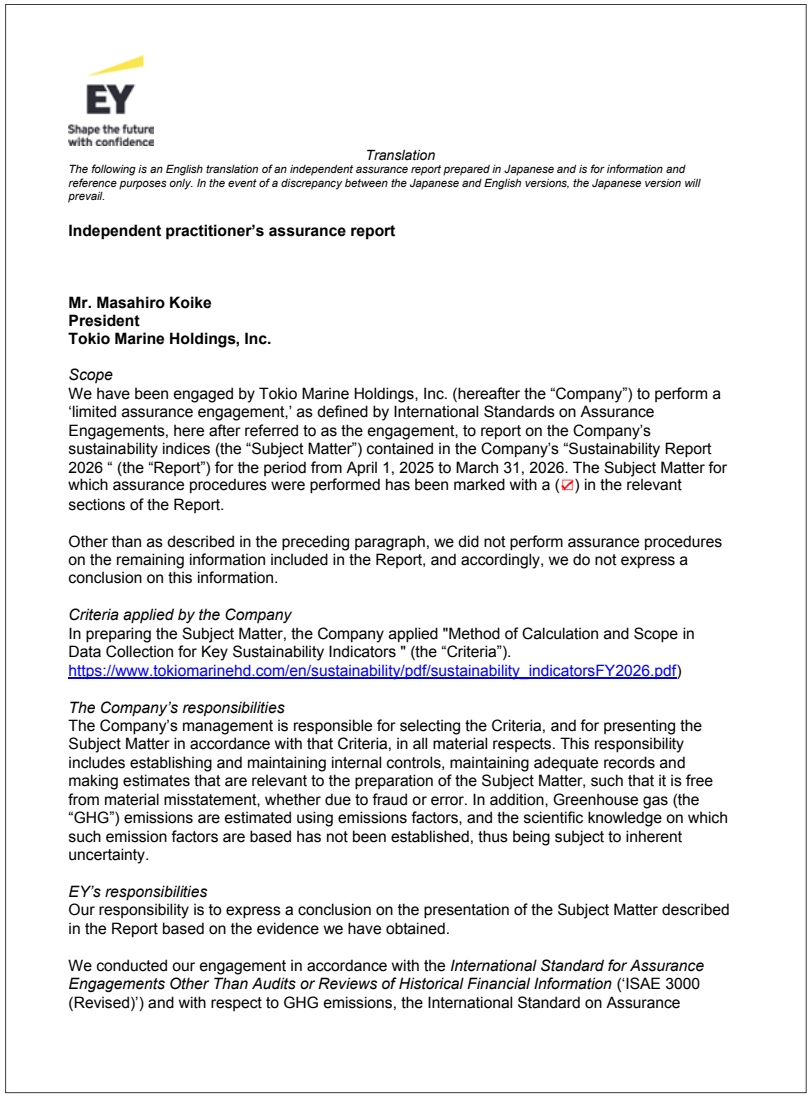
By obtaining the external assurance, we will work to improve the quality of Tokio Marine Group sustainability reporting. Tokio Marine Holdings has consecutively received same third-party assurances from fiscal 2016 to fiscal 2025 as well.

Environment

- ☑ CO_2 Emissions from Energy Sources and CO_2 Reduction (Tokio Marine Holdings and major subsidiaries) ⋙
- ☑ Environmental Load Data (Tokio Marine Holdings and major subsidiaries) ⋙
- ☑ CO_2 Emissions from Energy Sources (Tokio Marine & Nichido) ⋙
- ☑ Environmental Load Data (Tokio Ma rine & Nichido) ⋙

Human Rights and Labor

- ☑ Number of employees (Tokio Marine Holdings and domestic major subsidiaries) ⋙
- ☑ Number of directors and managers (Tokio Marine Holdings and major subsidiaries) ⋙
- ☑ Industrial accidents (Tokio Marine Holdings and domestic major subsidiaries) ⋙
- ☑ Absentee rate (Tokio Marine & Nichido) ⋙
- ☑ Gender Pay Gap (Tokio Marine Holdings) ⋙
- ☑ Gender Pay Gap (Tokio Marine & Nichido) ⋙



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Translation

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

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 sustainability indices (the "Subject Matter") contained in the Company's "Sustainability Report 2026 " (the "Report") for the period from April 1, 2025 to March 31, 2026. 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

GRI Standards Content Index

Sustainability Report 2026 is prepared in accordance with the Core option of the Global Reporting Initiative (GRI) Standards. (See "◉ GRI Content Index" for details.)

◉Specifying Material GRI Indicators (Topics)

Tokio Marine Group analyzes GRI items (topics) related to "Eight Material Issues (Materiality)" according to the table below and identifies them as GRI material items (topics).

Material GRI item (topic)		Materiality and descriptions in the Detailed section							
		Take Climate Action (Detailed Section 7)	Protect the Natural Environment (Detailed Section 8)	Improve Disaster Resilience (Detailed Section 9)	Support Healthy and Fulfilling Lives (Detailed Section 10)	Value People and Promote Diversity and Inclusion (Detailed Section 11)	Provide Innovative Solutions (Detailed Section 12)	Provide Opportunities for Future Generations (Detailed Section 13)	Open Governance with Integrity (Detailed Section 14)
GRI 2: General Disclosures 2021	2. Activities and workers								14.2 Corporate Governance 14.3 Compliance 14.4 Enterprise Risk Management (ERM) 14.9 Sustainability in the Value Chain
	3. Governance					11.1 Respect for H111uman Rights			
	4. Strategy, policies and practices					11 Value People and Promote Diversity and Inclusion			
Economy	201: Economic Performance	7.1 Responding to Climate Change Climate & Nature Report 2026							
	203: Indirect Economic Impacts		8.2 Protecting the Global Environment through Products and Services	9.2 Research on Climate Change and Natural Disaster Risks	10.1.4 esponding to Poverty Issues			13 Provide Opportunities for Future Generations	
	205: Anti-Corruption								
	206: Anti-Competitive Behavior								
	207: Tax								
Environment	301: Materials	7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group Climate & Nature Report 2026							
	302: Energy								
	303: Water and Effluents								
	305: Emissions								
	306: Waste								
	307: Environmental Compliance								
	101: Biodiversity		Climate & Nature Report 2026 > Strategies > 5. Analysis of Nature-Related Challenges						
	308: Supplier Environmental Assessment								14.9.1 Value Chain Management
Society	403: Occupational Health and Safety				10.2 Promoting Health and Productivity Management				
	401: Employment					11.1 Respect for Human Rights 11.2 Promoting Diversity, Equity and Inclusion			
	404: Training and Education								
	405: Diversity and Equal Opportunity								
	412: Human Rights Assessment								
	413: Local Communities		8.2 Protecting the Global Environment through Products and Services				12.2 Response to a Mobility Society	13.2 Globally Expanding Initiatives for the Future Generation	
	419: Socioeconomic Compliance					11.1.4 Mechanisms for Complaint Handling and Remediation 14.3.3 Hotline System (Internal Whistle Blower System) 14.3.4 Anti-Corruption Initiatives			14.3 Compliance 14.6 Information Security 14.7 Cybersecurity 14.9.2 Policies for Outsourcing Management
	414: Supplier Social Assessment								
	418: Customer Privacy								
Material issues that are not included in the items in the GRI Standards	Development of Clean Energy*	Climate & Nature Report 2026 > Strategies > Plan for the Transition to a Decarbonized Society in Harmony with Nature							
	Disasters and Traffic Safety*			9.1 Responding to Natural Disasters			12.2 Response to a Mobility Society		
	Comprehensive Insurance Service Encompassing Treatment, Finance, Longevity and Health*				10.1 Contributing to the Creation of a Safe and Secure Society				
	Promoting ESG Initiatives through the Provision of Products and Services*								14.9.3 and 4 Study and Research/Efforts to Promote ESG Initiatives through the Provision of Products and Services
	Sustainable Investment*								14.9.5 and 6 Study and Research on/Policies and Operational System for Sustainable Investments and Financing

◉ GRI Content Index

Statement of use	Tokio Marine Holdings has reported in accordance with the GRI Standards for the period from April 1, 2025 to March 31, 2026.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No specific sector standard applied

GRI Standard	Disclosures	Location (Reasons for Omission)
General Disclosures		
GRI 2: General Disclosures 2021	**1. The organization and its reporting practices**	
	2-1 Organizational details	About Us (Company Information) > Corporate Information
		Investor Relations > Stock Information > Stock Information
		About Us (Company Information) > At a Glance > List of Group Companies
	2-2 Entities included in the organization's sustainability reporting	About Us (Company Information)
		Detailed Section: Editorial Policy > ◉ Scope of This Report
	2-3 Reporting period, frequency and contact point	Detailed Section: Editorial Policy > Inquiry Information
		Detailed Section: Editorial Policy > ◉ Reporting period
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Detailed Section: Third-Party Assurance
	2. Activities and workers	
	2-6 Activities, value chain and other business relationships	About Us (Company Information) > At a Glance > List of Group Companies
		Investor Relations > Financial Data
		Detailed Section: 3 Stakeholder Engagement
		Detailed Section: 14.9 Sustainability in the Value Chain
		Detailed Section: Editorial Policy > ◉Scope of This Report > • Principal changes during the reporting period
	2-7 Employees	Detailed Section: 17 Sustainability Performance Data > ◉Human Rights and Labor > ■Basic Data > [Number of employees (Tokio Marine Holdings and major subsidiaries)]
	2-8 Workers who are not employees	[The disclosure method for disclosure item 2-8 and for temporary employees in disclosure item 2-7 is under consideration.]
	3. Governance	
	2-9 Governance structure and composition	Main Section: Organizational Structure for Promoting Sustainability
		Detailed Section: 14.2.2 Corporate Governance System
		Detailed Section: 14.2.3 Internal Control
		Corporate Governance > Corporate Governance Report
	2-10 Nomination and selection of the highest governance body	Detailed Section: 14.2.2 Corporate Governance System
		Corporate Governance > Corporate Governance Report
		Shareholders' Meeting
	2-11 Chair of the highest governance body	Corporate Governance > Corporate Governance Report
	2-12 Role of the highest governance body in overseeing the management of impacts	Main Section: CSUO Message
		Main Section: Organizational Structure for Promoting Sustainability
	2-13 Delegation of responsibility for managing impacts	Main Section: CSUO Message
		Main Section: Organizational Structure for Promoting Sustainability
	2-14 Role of the highest governance body in sustainability reporting	Main Section: Organizational Structure for Promoting Sustainability [Important changes in the sustainability reporting method have been approved by the Sustainability Committee.]
	2-15 Conflicts of interest	CHAPTER II Rights of Shareholders and Securing Fairness of the Tokio Marine Holdings Fundamental Corporate Governance Policy
		Corporate Governance > Corporate Governance Report
	2-16 Communication of critical concerns	Main Section: Organizational Structure for Promoting Sustainability
		Detailed Section: 11.1.1 Formulating and Familiarizing Human Rights-Related Policies
	2-17 Collective knowledge of the highest governance body	Corporate Governance > Corporate Governance Report

GRI Standard	Disclosures	Location (Reasons for Omission)
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Detailed Section: 14.2.2 Corporate Governance System > Officer compensation to promote ESG initiatives
	2-19 Remuneration policies	Detailed Section: 14.2.2 Corporate Governance System > Officer compensation to promote ESG initiatives
	2-20 Process to determine remuneration	Detailed Section: 14.2.2 Corporate Governance System > Officer compensation to promote ESG initiatives
	2-21 Annual total compensation ratio	Detailed Section: 17 Sustainability Performance Data > ◉Human Rights and Labor > ■Ratio between the total annual compensation of the Chief Executive Officer and the
	4. Strategy, policies and practices	
	2-22 Statement on sustainable development strategy	Main Section: CSUO Message
	2-23 Policy commitments	Sustainability Charter and Basic Policies
		Tokio Marine Group Compliance Code of Conduct
		Basic Approach to and Policy on Human Rights
		Tokio Marine Group Responsible Procurement Guidelines
		Detailed Section: 14.3.2 Compliance-Related Initiatives (Compliance Manual, Compliance Training and Evaluation and Improvement Activities)
		Detailed Section: 11.1.1 Formulating and Familiarizing Human Rights-Related Policies
		Detailed Section: 14.9 Sustainability in the Value Chain
	2-24 Embedding policy commitments	Main Section: Organizational Structure for Promoting Sustainability
		Main Section: 14.3.2 Compliance System-Related Initiatives (Compliance Manual, Compliance Training and Evaluation and Improvement Activities)
		Main Section: 11.1.1 Formulating and Familiarizing Human Rights-Related Policies
		Detailed Section: 14.9 Sustainability in the Value Chain
	2-25 Processes to remediate negative impacts	Detailed Section: 11.1.4 Mechanisms for Complaint Handling and Remediation
	2-26 Mechanisms for seeking advice and raising concerns	Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
	2-27 Compliance with laws and regulations	Detailed Section: 14.4.3 Qualitative Risk Management
	2-28 Membership associations	Main Section: 4 Participation in Initiatives

GRI Standard	Disclosures	Location (Reasons for Omission)
GRI 2: General Disclosures 2021	**5. Stakeholder engagement**	
	2-29 Approach to stakeholder engagement	Detailed Section: 3 Stakeholder Engagement
	2-30 Collective bargaining agreements	Detailed Section: 17 Sustainability Performance Data > ◉Fair Personnel System and Management > [Labor union participation rate (Tokio Marine Holdings and domestic major subsidiaries)]
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Main Section: Identication and Periodic Review of the 8 Material Issues
		Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
	3-2 List of material topics	Detailed Section: GRI Standards Content Index > ◉ Specifying Material GRI Indicators (Topics)
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 14.2 Corporate Governance
		Detailed Section: 14.3.4 Anti-Corruption Initiatives
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Detailed Section: 17 Sustainability Performance Data > ◉ Local Community and Social Contribution Activities
	201-2 Financial implications and other risks and opportunities due to climate change	Climate & Nature Report 2026 > ❸Recognition of Risks and Opportunities and ❹Climate Change Analysis
Indirect Economic Impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 9.2 Research on Climate Change and Natural Disaster Risks
		Detailed Section: 8.2 Protecting the Global Environment through Products and Services
		Detailed Section: 15 Corporate Citizenship Activities > ◉Medical and Nursing Care

GRI Standard	Disclosures	Location (Reasons for Omission)
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Detailed Section: 13 Provide Opportunities for Future Generations
		Detailed Section: 15 Corporate Citizenship Activities > ◉Developing Youth and Promoting Sports > ■Nurturing Future Generations, Encouraging International Exchange and Promoting Sports in Local Communities through Foundations
		Detailed Section: 15 Corporate Citizenship Activities > ◉ Medical and Nursing Care
	203-2 Significant indirect economic impacts	Detailed Section: 10.1.4 Responding to Poverty Issues
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 14.2.3 Internal Control
		Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
		Detailed Section: 14.3.4 Anti-Corruption Initiatives
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Detailed Section: 14.3.4 Anti-Corruption Initiatives Detailed Section: 14.4.3 Qualitative Risk Management
Anti-competitive Behavior		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 14.2.3 Internal Control
		Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
		Detailed Section: 14.3.4 Anti-Corruption Initiatives
GRI 206: Anticompetitive Behavior 2016	206-1 Legal actions for anticompetitive behavior, anti-trust, and monopoly practices	Detailed Section: 14.4.3 Qualitative Risk Management
Tax		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 14.2.3 Internal Control
		Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
		Detailed Section: 14.3.4 Anti-Corruption Initiatives

GRI Standard	Disclosures	Location (Reasons for Omission)
GRI 207: Tax 2019 Management approach disclosures	207-1 Approach to tax	Detailed Section: 14.3.7 Initiatives Concerning Appropriate Tax Reporting > [Tokio Marine Group Global Tax Policy]
	207-2 Tax governance, control, and risk management	Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
		Detailed Section: 14.3.7 Initiatives Concerning Appropriate Tax Reporting > [Tokio Marine Group Global Tax Policy]
		Securities Report > Independent Auditor's Report and Internal Control Report
	207-3 Stakeholder engagement and management of concerns related to tax	Detailed Section: 14.3.7 Initiatives Concerning Appropriate Tax Reporting > [Tokio Marine Group Global Tax Policy]
GRI 207: Tax 2019 Topic-specific disclosures	207-4 Country-by-country reporting	Detailed Section: 14.3.7 Initiatives Concerning Appropriate Tax Reporting > ■ Income Taxes by Country and Region (Fiscal 2024)
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 7.2.2 Reduction of Environmental Footprint in Business Activities > ■ Initiatives to Reduce Paper Use
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Detailed Section: 17 Sustainability Performance Data > ◉ Environment > CO_2 Emissions from Energy Sources and CO_2 Reduction and Fixation (Tokio Marine Holdings and major subsidiaries; Tokio Marine & Nichido)
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 7.2.2 Reduction of Environmental Footprint in Business Activities > ■ Environment-Friendly Buildings and Facilities
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Detailed Section: 17 Sustainability Performance Data > ◉Environment > Environmental Load Data (Tokio Marine Holdings and major subsidiaries; Tokio Marine & Nichido)
	302-2 Energy consumption outside of the organization	Detailed Section: 17 Sustainability Performance Data > ◉ Environment > CO_2 Emissions from Energy Sources (Tokio Marine Holdings and major subsidiasubsidiaries; Tokio Marine & Nichido and ID&E Holdings)
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 7.2.2 Reduction of Environmental Footprint in Business Activities > ■ Effective Use of Water
GRI 303: Water and Effluents 2018 Management Approach Disclosures	303-1 Interactions with water as a shared resource	Detailed Section: 7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group > ■ Structure for Promoting Environmental Management
	303-2 Management of water discharge-related impacts	Detailed Section: 7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group > ■ Structure for Promoting Environmental Management

GRI Standard	Disclosures	Location (Reasons for Omission)
GRI 306: Waste 2020 Topic-specific disclosures	306-3 Waste generated	Detailed Section: 17 Sustainability Performance Data > ◉Environment > ■ Environmental Load Data (Tokio Marine Holdings and major subsidiaries; Tokio Marine & Nichido)
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues Detailed Section: 8.3 Preservation of Natural Capital and Biodiversity Climate & Nature Report 2026 > Strategies > 5. Nature-related Issue Analysis Climate & Nature Report 2026 > Strategies Climate & Nature Report 2026 > Metrics and Target
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Climate & Nature Report 2026 > Metrics and Target Tokio Marine Group Basic Policy on the Environment
	101-2 Management of biodiversity impacts	Climate & Nature Report 2026 > 5. Nature-related Issue Analysis
	101-3 Access and benefit-sharing	Not applicable, as we do not conduct research and development on the genetic and biochemical composition of resources using genetic resources.
	101-4 Identification of biodiversity impacts	Climate & Nature Report 2026 > Strategies > 5. Nature-related Issue Analysis
	101-5 Locations with biodiversity impacts	Climate & Nature Report 2026 > Strategies > 5. Nature-related Issue Analysis
	101-6 Direct drivers of biodiversity loss	Climate & Nature Report 2026 > Strategies > 5. Nature-related Issue Analysis
	101-7 Changes to the state of biodiversity	Climate & Nature Report 2026 > Strategies > 5. Nature-related Issue Analysis
	101-8 Ecosystem services	Climate & Nature Report 2026 > Strategies > 5. Nature-related Issue Analysis
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues Detailed Section: 7.2.1 Reducing CO_2 Emissions and Becoming Carbon Neutral
GRI 307: Environmental Compliance 2016	305-1 Direct (Scope 1) GHG emissions	Detailed Section: 17 Sustainability Performance Data > ◉ Environment > ■CO_2 Emissions from Energy Sources (Tokio Marine Holdings and major subsidiaries, Tokio Marine & Nichido and ID&E Holdings)
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	

GRI Standard	Disclosures	Location (Reasons for Omission)
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 7.2.2 Reduction of Environmental Footprint in Business Activities > ■Promoting Waste RecyclingGRI
GRI 306: Waste 2020 Management approach disclosure	306-1 Waste generation and significant waste-related impacts 306-2 Management of significant waste-related impacts	Detailed Section: 13.1 Tokio Marine Group's Initiatives for Future Generations Detailed Section: 17 Sustainability Performance Data > ◉ Environment > ■CO_2 Emissions from Energy Sources (Tokio Marine Holdings and major subsidiaries, Tokio Marine & Nichido and ID&E Holdings) Method of Calculation and Scope in Data Collection for Key Sustainability Indicators
GRI 306: Waste 2020 Topic-specific disclosures	306-3 Waste generated	Detailed Section: 17 Sustainability Performance Data > ◉Environment > ■ Environmental Load Data (Tokio Marine Holdings and major subsidiaries; Tokio Marine & Nichido)
Environmental Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group > ■ Structure for Promoting Environmental Management
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Not applicable
Supplier Environmental Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 14.9 Sustainability in the Value Chain
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Detailed Section: 14.9 Sustainability in the Value Chain [Although we make sure our main business partners follow our Responsible Procurement Guidelines and encourage them to contribute to achieving carbon neutrality, a circular economy and nature positivity, the indicators are not disclosed.]
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues Detailed Section: 11.2 Human Capital Management and Promoting DE&I Human Capital Report 2026 > Tokio Marine Group's Human Capital Management

GRI Standard	Disclosures	Location (Reasons for Omission)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Detailed Section: 17 Sustainability Performance Data > ◉Human Rights and Labor > Number of new hires (Tokio Marine & Nichido), Basic employee data (Tokio Marine & Nichido)
	401-3 Parental leave	Detailed Section: 17 Sustainability Performance Data > ◉Reform of Working Styles > All indicators for maternity leave system, childcare leave system, short working hours system, return-to-work-related support system
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues Detailed Section: 10.2 Promoting Health and Productivity Management
GRI 403: Occupational Health and Safety 2018 Management Approach Disclosures	403-1 Occupational health and safety management system	Detailed Section: 10.2.1 Our Stance on Promoting Health and Productivity Management
	403-2 Hazard identification, risk assessment, and incident investigation	Detailed Section: 10.2.2 Strategy for Promoting of Health and Productivity Management
	403-3 Occupational health services	Detailed Section: 10.2.2 Strategy for Promoting of Health and Productivity Management
	403-4 Worker participation, consultation, and communication on occupational health and safety	Detailed Section:10.2.1 Our Stance on Promoting Health and Productivity Management > ◉Promotion Structure
	403-5 Worker training on occupational health and safety	Detailed Section: 10.2.3 Health and Productivity Management Initiatives and External Evaluation
	403-6 Promotion of worker health	Detailed Section: 10.2.3 Health and Productivity Management Initiatives and External Evaluation
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Detailed Section: 10.2.4 Initiatives to Spread Health and Productivity Management throughout Society > ◉ Supporting Customers' Health and Productivity Management
GRI 403: Occupational Health and Safety 2018 Topic-specific Disclosures	403-9 Work-related injuries	Detailed Section: 17 Sustainability Performance Data > ◉Health Management and Occupational Health and Safety > [Industrial accidents (Tokio Marine Holdings and domestic major subsidiaries)]
Training and Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues Human Capital Report 2026 > Tokio Marine Group's Human Capital Management

GRI Standard	Disclosures	Location (Reasons for Omission)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Detailed Section: 17 Sustainability Performance Data > ◉Development of Human Resources > Employee training (Tokio Marine & Nichido)
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital Report 2026 > Key HR Initiatives > ⑦ Enhancement of Digital Capabilities, ⑧ Expansion of People with Expertise for Strengthening Governance Detailed Section: 17 Sustainability Performance Data > ◉Development of Human Resources > [Job request system (job posting system) (Domestic major subsidiaries)]
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues 11.2 Human Capital Management and Promoting DE&I Human Capital Report 2026 > Tokio Marine Group's Human Capital Management
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Detailed Section: 17 Sustainability Performance Data > ◉Utilizing Diverse Human Resources > [Number of directors and managers (Tokio Marine Holdings and domestic major subsidiaries)] Detailed Section: 17 Sustainability Performance Data > ◉Human Rights and Labor > ■ Basic Data
	405-2 Ratio of basic salary and remuneration of women to men	Detailed Section: 17 Sustainability Performance Data > ◉Human Rights and Labor > ■ Ratio of female employees' wages to male employees' wages in fiscal 2025 (Tokio Marine & Nichido)
Human Rights Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues Detailed Section: 11.1 Respect for Human Rights
GRI412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Detailed Section: 11.1.3 Human Rights Due Diligence
	412-2 Employee training on human rights policies or procedures	Detailed Section: 11.1.1 Formulating and Familiarizing Human Rights-Related Policies Detailed Section: 17 Sustainability Performance Data > ◉Human Rights > [Human rights training participation rate (Tokio Marine Holdings and domestic major subsidiaries)] Detailed Section: 17 Sustainability Performance Data > ◉Human Rights > [Human rights training hours (Tokio Marine & Nichido)]

GRI Standard	Disclosures	Location (Reasons for Omission)
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 8.2 Protecting the Global Environment through Products and Services
		Detailed Section: 12.2 Response to a Mobility Society
		Detailed Section: 15 Corporate Citizenship > ◉Medical and Nursing Care
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Detailed Section: 8.2 Protecting the Global Environment through Products and Services > ◉Green Gift Project (Activities to Protect Forests): Mangrove Planting > ■ Benefits of Mangrove Planting for the Environment and Local Life
		Detailed Section: 13.2 Globally Expanding Initiatives for the Future Generation
		Detailed Section: 12.2 Response to a Mobility Society
		Detailed Section: 15 Corporate Citizenship Activities > ◉ Medical and Nursing Care
Supplier Social Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 14.9 Sustainability in the Value Chain
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Detailed Section: 14.9 Sustainability in the Value Chain [Although we make sure our main business partners follow our Responsible Procurement Guidelines and request that they engage in fair and equitable transactions, respect international norms concerning human rights and labor and comply with relevant laws and regulations, the indicators are not disclosed.]
Customer Privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 14.6 Information Security Detailed Section: 14.7 Cybersecurity
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Detailed Section: 14.6.2 Initiatives for Information Security > • Response to Information Leakage and Other Incidents
Socioeconomic Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Detailed Section: 11.1.4 Mechanisms for Complaint Handling and Remediation
		Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
		Detailed Section: 14.3.4 Anti-Corruption Initiatives
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Detailed Section: 14.4.3 Qualitative Risk Management
Promoting ESG Initiatives through the Provision of Products and Services*		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 14.9 Sustainability in the Value Chain Detailed Section: 14.9.3 Study and Research on Promotion of ESG Initiatives through the Provision of Products and Services Detailed Section: 14.9.4 Efforts to Promote ESG Initiatives through the Provision of Products and Services
Development of Clean Energy*		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Climate & Nature Report 2026 > Strategies > Plan for the Transition to a Decarbonized Society in Harmony with Nature
Sustainable Investment*		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 14.9.5 Study and Research on Sustainable Investments and Financing Detailed Section: 14.9.6 Policies and Operational System for Sustainable Investments and Financing
Sustainable Investment*		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 9.1 Responding to Natural Disasters
		Detailed Section: 12.2 Response to a Mobility Society
Comprehensive Insurance Service Encompassing Treatment, Finance, Longevity and Health*		
GRI 3: Material Topics 2021	3-3 Management of material topics	Main Section: Initiatives and Progress on the 8 Material Issues
		Detailed Section: 10.1 Contributing to the Creation of a Safe and Secure Society

*: Material issues identified that have no relevance to the items in the standards.

Recognition about ISO 26000

In Tokio Marine Group, the departments handling each respective function are responsible for implementing initiatives for each sustainability issue. By referring to the core subjects addressed in ISO 26000, specifically organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues and community involvement and development, Tokio Marine Group reviews the materiality of its sustainability issues and makes efforts to improve them. The management systems for each issue are listed within each section of this report.

ISO 26000 Core Issues and Issues		Management Elements		Reference
Human right	Due diligence/ Human rights risk situations/ Avoidance of complicity/ Discrimination and vulnerable groups	Approach regarding impact		Detailed Section: 11.1 Respect for Human Rights
		Managemn methods	Policies/ Commitment	Tokio Marine Group Sustainability/Wellness Charter
			Goals and targets	Detailed Section: 11.1.1 Formulating and Familiarizing Human Rights-Related Policies
			Responsibilities and management resources	Detailed Section: 11.1.2 Promotion Structure
			Complaint handling mechanism	Detailed Section: 11.1.4 Mechanisms for Complaint Handling and Remediation
			Specific steps	Detailed Section: 11.1.3 Human Rights Due Diligence
Labor practices	Employment and employment relationships/ Conditions of work and social protection/Social dialogue/Health and safety at work/Human development and training in the workplace	Approach regarding impact		Detailed Section: 10.2 Promoting Health and Productivity Management Detailed Section: 11.2 Human Capital Management and Promoting DE&I Human Capital Report 2026
		Managemn methods	Policies/ Commitment	Tokio Marine Group Sustainability/Wellness Charter
			Goals and targets	Detailed Section: 1 Progress of the 8 Material Issues (Materiality) Human Capital Report 2026
			Responsibilities and management resources	Detailed Section: 10.2.1 Our Stance on Promoting Health and Productivity Management Detailed Section: 11.2 Human Capital Management and Promoting DE&I
			Complaint handling mechanism	Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
			Specific steps	Detailed Section: 9.2 Promoting Health and Productivity Management Detailed Section: 11.2 Human Capital Management and Promoting DE&I Human Capital Report 2026

ISO 26000 Core Issues and Issues		Management Elements		Reference
The environmen	Prevention of pollution/ Sustainable resource use	Approach regarding impact		Detailed Section: 7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group
		Managemn methods	Policies/ Commitment	Tokio Marine Group Sustainability/Wellness Charter Detailed Section: 6 Sustainability-Related Policies > Tokio Marine Group Basic Policy on the Environment
			Goals and targets	Detailed Section: 1 Progress of the 8 Material Issues (Materiality)
			Responsibilities and management resources	Detailed Section: 7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group > ■Structure for Promoting Environmental Management
			Complaint handling mechanism	Detailed Section: 7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group > ■ Structure for Promoting Environmental Management "Green Assist"
			Specific steps	Detailed Section: 7.2.2 Reduction of Environmental Footprint in Business Activities > ■ Initiatives to Reduce Paper Use, ■ Effective Use of Water, ■ Promoting Waste Recycling
	Climate change mitigation and adaptation	Approach regarding impact		Detailed Section: 7.1 Responding to Climate Change Climate & Nature Report 2026 > Strategies > 3. Recognition of Risks and Opportunities, 4. Climate Change Analysis
		Managemn methods	Policies/ Commitment	Detailed Section: 7.1.1 Our Climate Strategy
			Goals and targets	Climate & Nature Report 2026 > Metrics and Targets Climate & Nature Report 2026 > Strategies > 2. Plan for the Transition to a Decarbonized Society and a Society in Harmony with Nature
			Responsibilities and management resources	Climate & Nature Report 2026 > Governance
			Complaint handling mechanism	Climate & Nature Report 2026 (We respect stakeholder views in insurance products and services, investments and financing and direct operations.)
			Specific steps	Detailed Section: 7.2 Initiatives for Reducing CO_2 Emissions of Tokio Marine Group Climate & Nature Report 2026 > Strategies > 2. Plan for the Transition to a Decarbonized Society in Harmony with Nature Climate & Nature Report 2026 > Strategies > 6. Value Provided by Tokio Marine Group
	Biodiversity and restoration of natural habitats	Approach regarding impact		Detailed Section: 8.1 Preservation of Natural Capital and Biodiversity > ◉ Tokio Marine Group's Vision for Preserving Natural Capital and Biodiversity Climate & Nature Report 2026 > Strategies > 5. Nature-Related Issue Analysis
		Managemn methods	Policies/ Commitment	Tokio Marine Group Basic Policy on the Environment
			Goals and targets	Climate & Nature Report 2026 > Metrics and Targets
			Responsibilities and management resources	Climate & Nature Report 2026 > Governance
			Complaint handling mechanism	Climate & Nature Report 2026 (We respect stakeholder views in insurance products and services, investments and financing and direct operations.)
			Specific steps	Detailed Section: 8.1 Preservation of Natural Capital and Biodiversity Climate & Nature Report 2026 > Strategies > 6. Value Provided by Tokio Marine Group

ISO 26000 Core Issues and Issues		Management Elements		Reference
Fair operating practices	Anti-corruption/ Responsible political involvement/ Fair competition/ Respect for property rights	Approach regarding impact		Detailed Section: 14.3.4 Anti-Corruption Initiatives
		Managemn methods	Policies/ Commitment	Tokio Marine Group Sustainability/Wellness Charter
				Tokio Marine Group Compliance Code of Conduct
			Goals and targets	Detailed Section: 1 Progress of the 8 Material Issues (Materiality)
			Responsibilities and management resources	Detailed Section: 14.3.1 Compliance System
			Complaint handling mechanism	Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
			Specific steps	Detailed Section: 14.3.4 Anti-Corruption Initiatives
	Promoting social responsibility in the value chain	Approach regarding impact		Detailed Section: 14.9 Sustainability in the Value Chain
		Managemn methods	Policies/ Commitment	Tokio Marine Group Sustainability/Wellness Charter / Basic Policy on Human Rights
				Detailed Section: 14.9.1 Value Chain Management > Responsible Procurement Guidelines
			Goals and targets	Detailed Section: 14.9 Sustainability in the Value Chain
			Responsibilities and management resources	Main Section: Organizational Structure for Promoting Sustainability
			Complaint handling mechanism	Detailed Section: 14.3.3 Hotline System (Internal Whistle Blower System)
				Detailed Section: 14.1.2 Response to Customer Feedback
			Specific steps	Detailed Section: 14.1.2 Response to Customer Feedback
				Detailed Section: 14.9 Sustainability in the Value Chain
Consumer issues	Consumer service, support, and complaint and dispute resolution/ Education and awareness	Approach regarding impact		Detailed Section: 14.1 Improving Quality from the Customer's Perspective
		Managemn methods	Policies/ Commitment	Detailed Section: 14.1.1 Basic Approach to Quality Improvement
			Goals and targets	Detailed Section: 14.1.2 Response to Customer Feedback
			Responsibilities and management resources	Detailed Section: 14.1 Improving Quality from the Customer's Perspective
				Detailed Section: 14.1.2 Response to Customer Feedback
				Detailed Section: 14.1.5 Initiatives to Instill Customer-Oriented Business Conduct Policies
			Complaint handling mechanism	Detailed Section: 14.1.2 Response to Customer Feedback
			Specific steps	Detailed Section: 14.1 Improving Quality from the Customer's Perspective

ISO 26000 Core Issues and Issues		Management Elements		Reference
Consumer issues	Consumer data protection and privacy	Approach regarding impact		Detailed Section: 14.6 Information Security Detailed Section: 14.7 Cybersecurity
		Managemn methods	Policies/ Commitment	Detailed Section: 14.6.1 Policies and Regulations Related to Information Security Management > Tokio Marine Group Privacy Policy
			Goals and targets	Detailed Section: 14.6 Information Security
			Responsibilities and management resources	Detailed Section: 14.6 Information Security Detailed Section: 14.7 Cybersecurity
			Complaint handling mechanism	Detailed Section: 14.1.2 Response to Customer Feedback
			Specific steps	Detailed Section: 14.6 Information Security Detailed Section: 14.7 Cybersecurity
	Sustainable consumption	Approach regarding impact		Detailed Section: 14.9.4 Efforts to Promote ESG Initiatives through the Provision of Products and Services > ■ System for Managing Sustainable Consumption
		Managemn methods	Policies/ Commitment	Tokio Marine Group Sustainability/Wellness Charter
			Goals and targets	Detailed Section: 14.9.4 Efforts to Promote ESG Initiatives through the Provision of Products and Services
			Responsibilities and management resources	Detailed Section: 14.9.4 Efforts to Promote ESG Initiatives through the Provision of Products and Services > ■ System for Managing Sustainable Consumption
			Complaint handling mechanism	Detailed Section: 14.1.2 Response to Customer Feedback
			Specific steps	Detailed Section: 10.1.4 Responding to Poverty Issues
Community involvementand development	Community involvement	Approach regarding impact		Detailed Section: 15 Corporate Citizenship Activities
		Managemn methods	Policies/ Commitment	Detailed Section: 15.1 Tokio Marine Group Social Contribution Strategy
			Goals and targets	Detailed Section: 15.2 Corporate Citizenship Activities with the Participation of All Employees
			Responsibilities and management resources	Main Section: Organizational Structure for Promoting Sustainability
			Complaint handling mechanism	Detailed Section: 3 Stakeholder Engagement
			Specific steps	Detailed Section: 4 Participation in Initiatives
				Detailed Section: 15 Corporate Citizenship Activities > ◉Developing Youth and Promoting Sports > ■ Nurturing Future Generations, Encouraging International Exchange and Promoting Sports in Local Communities through Foundations
				Detailed Section: 15 Corpote Citizenship Activities > Social and Economic Inclusion of All People

Editorial Policy

Guidelines Referred to in Preparing this Report

- Global Reporting Initiative (GRI) Sustainability Reporting Standards
- ISO 26000 Guidance on Social Responsibility
- United Nations Global Compact, "Guidelines for Communication on Progress (COPs)"

Scope of This Report

- **Reporting organizations**
  Fundamentally, this report covers Tokio Marine Holdings and its major domestic and overseas Group companies*. Refer to the "Data collection scope" for the calculation of each indicator in the Sustainability Performance Data.

  *: Tokio Marine & Nichido, Nisshin Fire, Tokio Marine & Nichido Life, Tokio Marine Asset Management, etc. Representative companies are listed in the Securities Report.
- **Reporting period**
  This report covers activities conducted primarily during fiscal 2025 (April 2025 - March 2026). However, for the purpose of further clarification, on occasion, reference is made to activities undertaken outside the reporting period.
- **Principal changes during the reporting period**
  None

Month of Publication

- Previous edition: August 2025
- Current edition: August 2026

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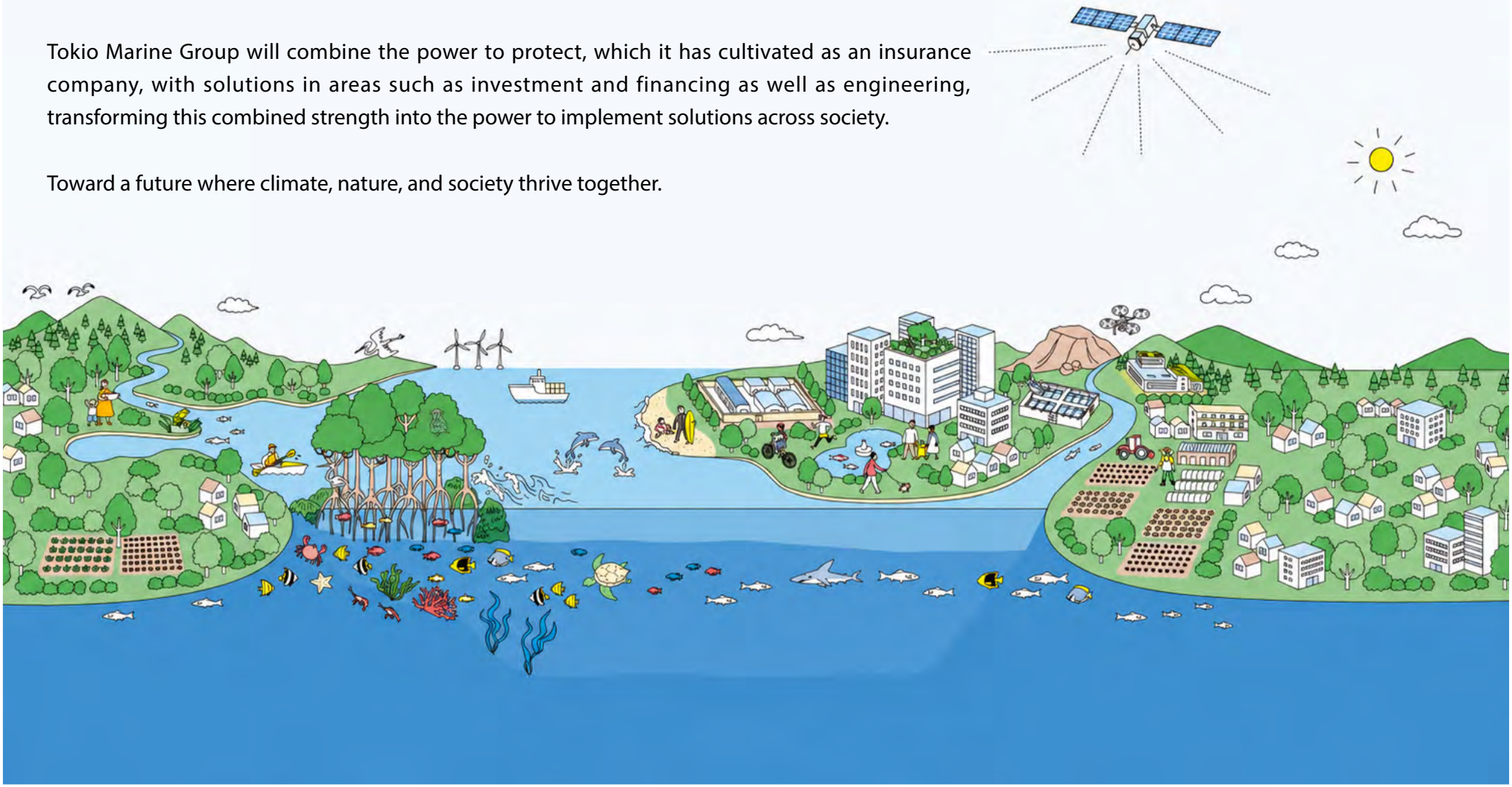
Climate & Nature

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.

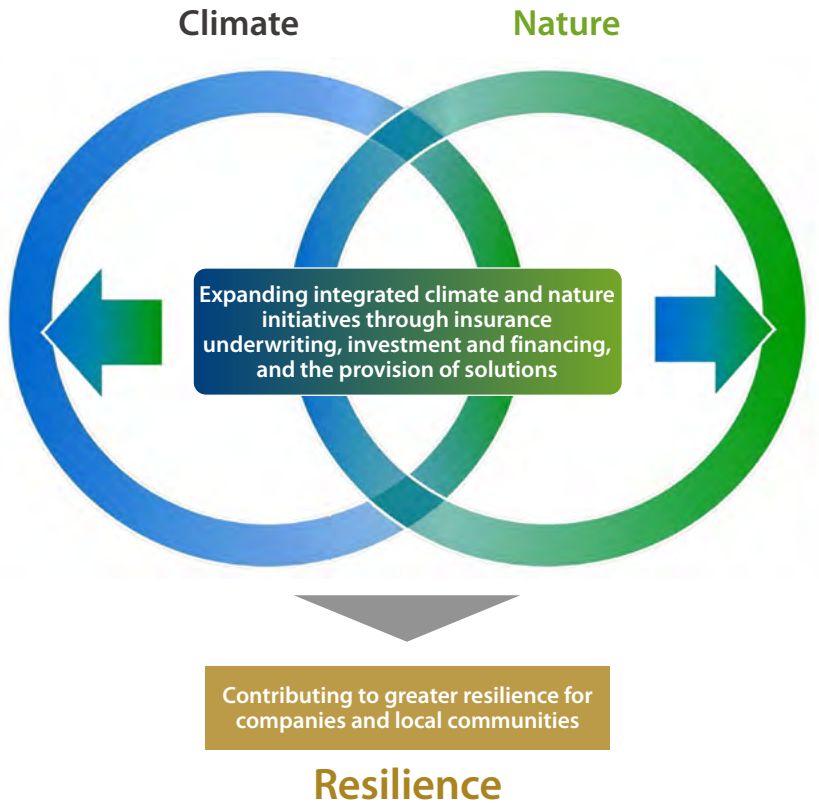
Toward a future where climate, nature, and society thrive together.



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.

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

[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.

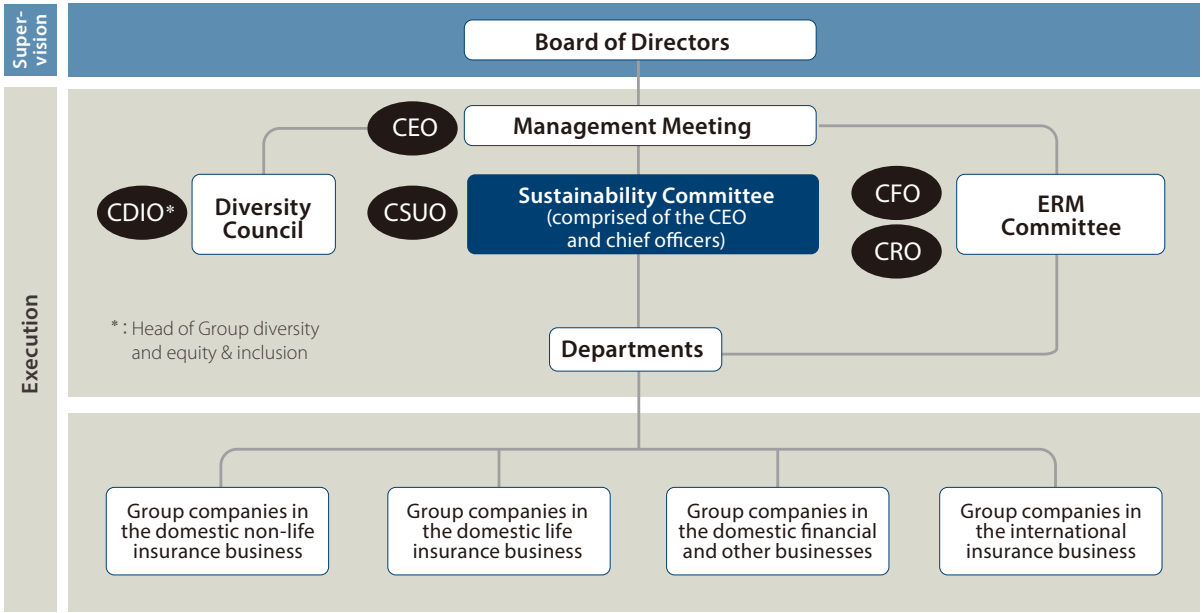
[Sustainability Committee]

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.

[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

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

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

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

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

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

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	Insurance underwriting	●Decarbonization-related insurance premiums: **55.5 billion yen** at the end of fiscal 2025 ●Provide a wide range of insurance and risk solutions that supported the widespread adoption of renewable and clean energy, primarily through Tokio Marine GX (TMGX)	Decarbonization-related insurance underwritten*1 **45 billion yen**	NEW Decarbonization-related insurance underwritten **100 billion yen**	**Achieve a decarbonized society** (encompassing insurance underwriting and investment and financing)
		Investment and financing	●Sustainability-themed investment and financing in green bonds, transition bonds, and blue bonds, and impact investment in renewable energy funds and forestry funds	Continuing to invest in and finance climate change and natural capital initiatives		
		Provision of solutions	●ID&E Holdings and Tokio Marine dR take the lead in providing customers with decarbonization support, consulting services to address climate and nature-related risks to help achieve a nature positive status, construction engineering services, and landscape design services	Providing a broader range of solutions		
	Foundation for increasing effectiveness	Engagement	●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**	
		Policy to address environmental and social risks	●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	
		Promoting social implementation	●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	**Contribute to realizing a society in harmony with nature**
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.

Tokio Marine Group's role

The transition to a decarbonized society requires an environment that enables the introduction and operation of new technologies and infrastructure with a sense of security.

- ✓ As new technologies and infrastructure become used more widely, we must address unprecedented risks.
- ✓ During construction and operation, various risks emerge due to natural disasters, the characteristics of equipment and other factors.
- ✓ By combining specialized risk assessment, accident prevention, and insurance underwriting, Tokio Marine Group helps customers address decarbonization challenges.

We help all our customers take on challenges and contribute to a decarbonized society.

How we assist our customers

Providing value grounded in specialized risk management knowledge

Risk assessment, risk engineering	Accident prevention, gradual reduction in losses	Transferring and diversifying risks through insurance underwriting	Providing services utilizing data and technology

Introduction and expansion of clean energy

We support the introduction and stable operation of clean energy projects through specialized risk assessment, accident prevention, and insurance underwriting services.

Examples

- Offshore wind power
- Onshore wind power
- Solar power
- Geothermal power
- Hydropower, etc.

Social implementation of next-generation energy and decarbonization technologies

We address risks associated with new technologies and support their demonstration and commercialization.

Examples

- Hydrogen
- CCS[*1]
- SAF[*2], etc.

Decarbonizing industry and mobility sectors

We address risks related to the upgrading of equipment and new business models and support the transition to decarbonization.

Examples

- EV infrastructure
- Telematics
- Energy-efficient equipment
- Storage batteries, etc.

Establishing environmental value and green transformation markets

We address risks associated with new transactions and financing and support the establishment and growth of the green transformation market.

Examples

- Carbon credits
- Renewable energy certificates and ETS[*3]
- Transition financing, etc.

Achievement indicators (KPI)

Using insurance premiums to visualize the growth of support for decarbonization projects and technologies

Decarbonization-related insurance premiums

Aim for 100 billion yen by 2030

The increase in decarbonization-related insurance premiums reflects the expansion of the scope and scale of support for renewable energy, decarbonization, and other technologies.

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.**

TOKIO MARINE GX

Tokio Marine & Nichido Insurance Co., Ltd.

*1: Carbon capture and storage (CCS) is the technology for sequestering and capturing CO_2 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 • Decline in revenue due to technological innovation and inability to ascertain changes in customer needs	Medium to long term
	Markets	• Changes in the demand for and supply of products and services		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.

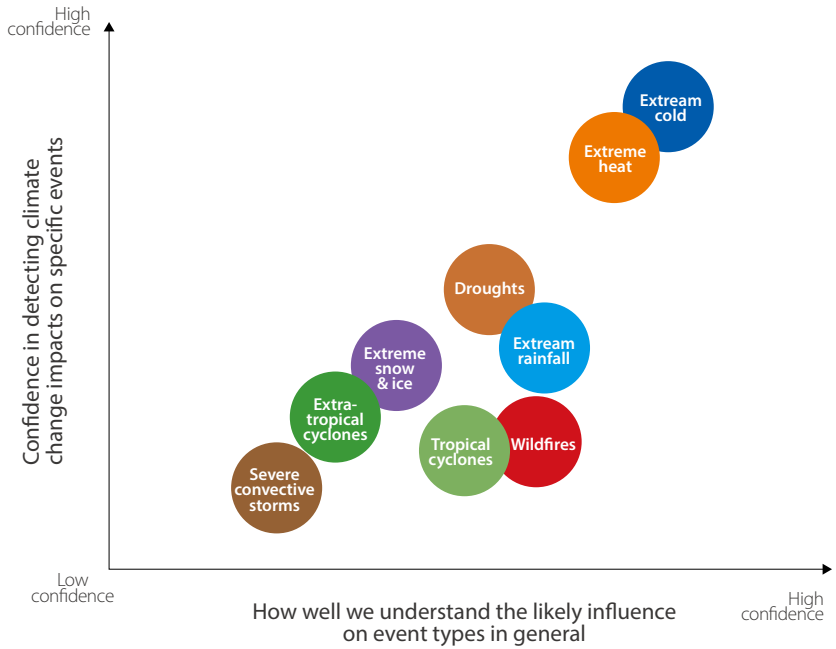


Figure 1: Confidence of impact forecasts of climate change

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.

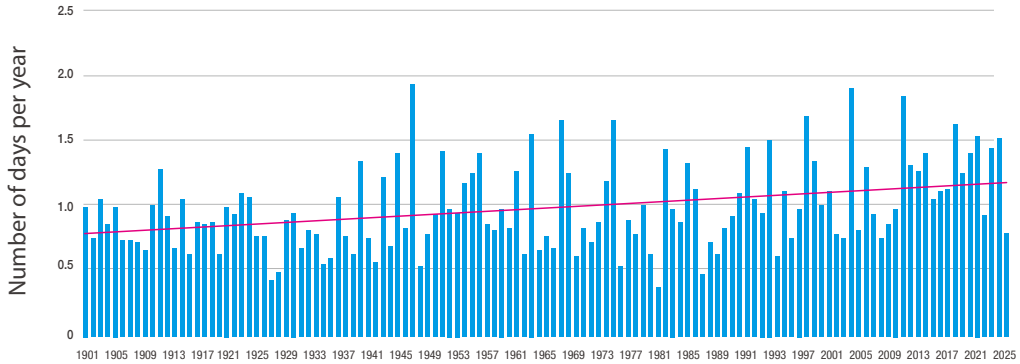


Figure 2: Days per year with daily precipitation of 100 mm or more

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

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

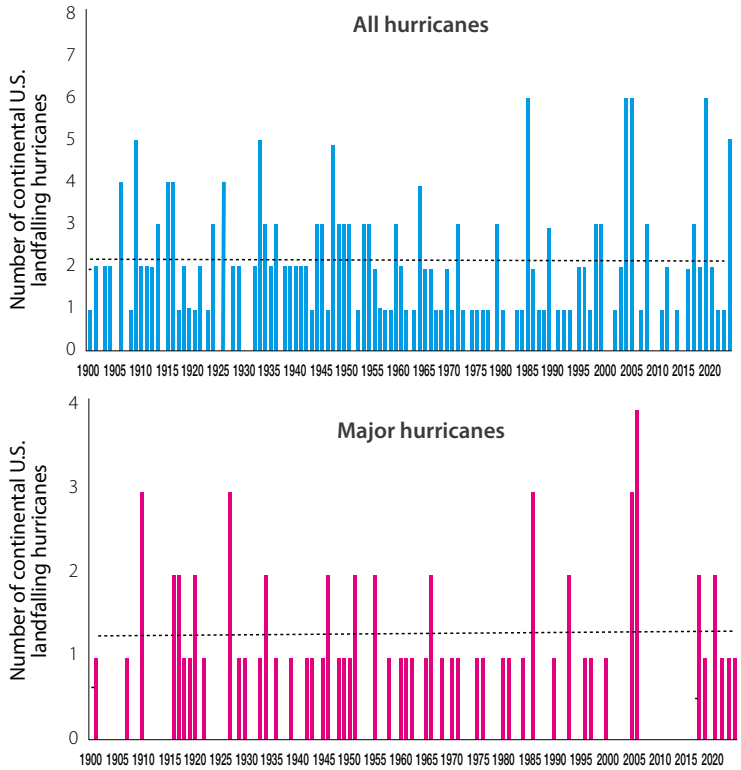
Atmospheric and oceanic large-scale circulations (e.g., El Niño, Atlantic Multidecadal Oscillation and monsoons) are closely related to the formation, development and movement of tropical cyclones. As climate change affects each of these factors, the impact of climate change on tropical cyclones consequently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

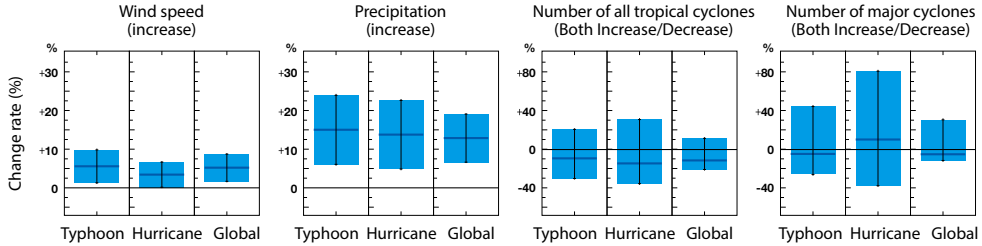
Source: Tokio Marine Holdings based on data from the U.S. National Oceanic and Atmospheric Administration (NOAA)*



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*



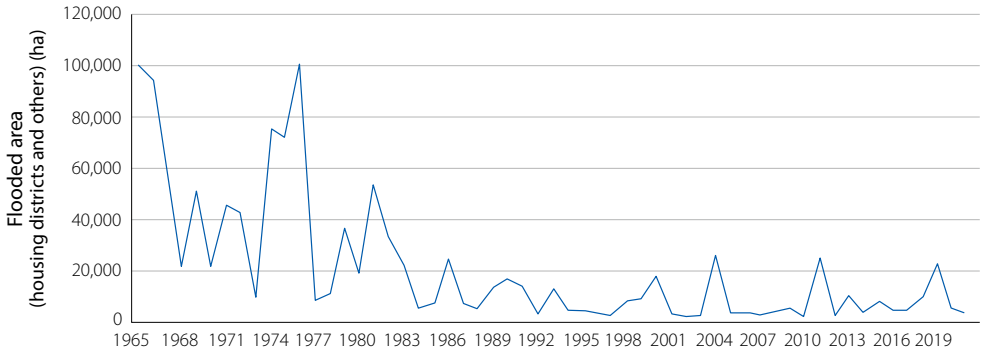
*: Thomas Knutson, Suzana J. Camargo, Johnny C. L. Chan, Kerry Emanuel, Chang-Hoi Ho, James Kossin, Mrutyunjay Mohapatra, Masaki Satoh, Masato Sugi, Kevin Walsh, and Liguang Wu, 2020: Tropical cyclones and climate change assessment part II: Projected response to anthropogenic warming. Bull. Amer. Meteor. 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.

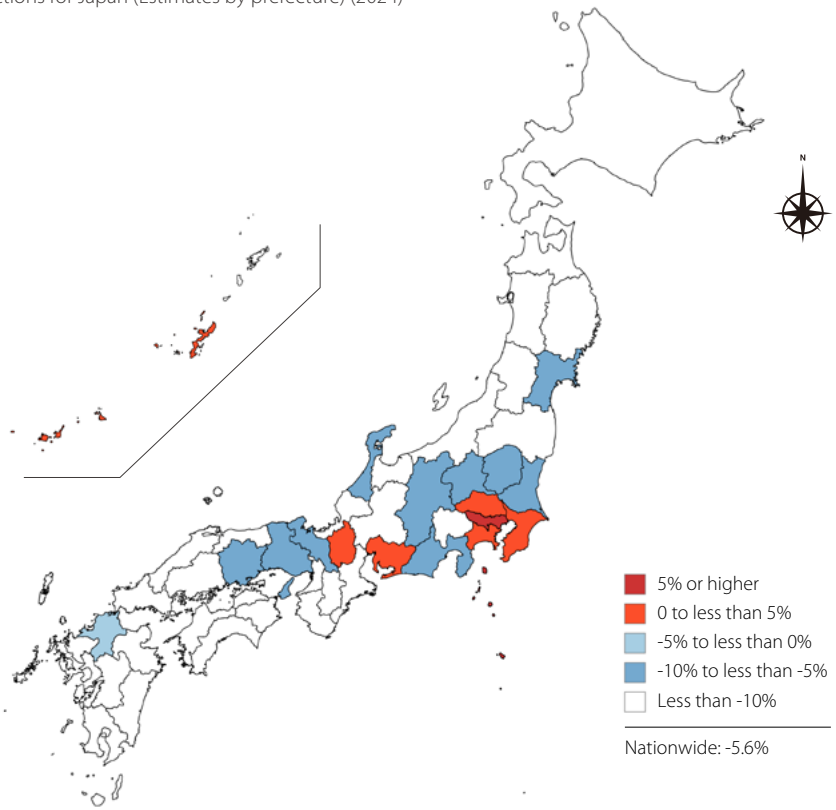
(2)-b Recognition of Changes in Asset Exposure

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)"

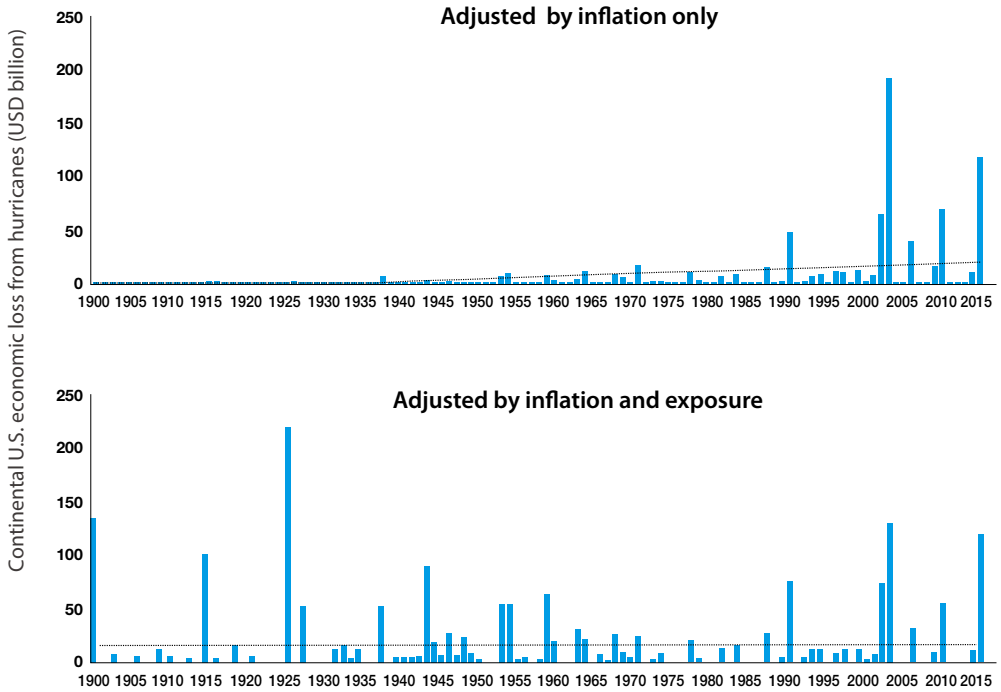


Changes in the exposure geographic distribution are important in considering natural disaster damage both in Japan and overseas. In the United States, insurance loss caused by hurricanes in the past is known to be on an upward trend, but when the impact of a change in inflation, wealth properties and 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 CO_2, 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.

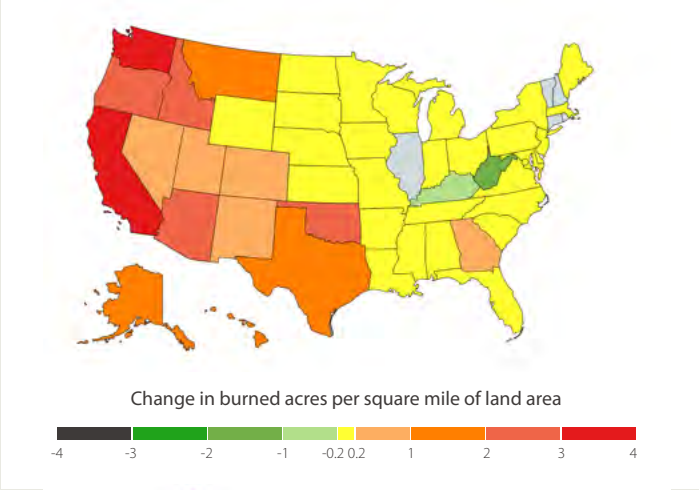


Figure: Changes in Annual Burned Acreage by State Between 1984–2002 and 2003–2021
Source: U.S. Environmental Protection Agency

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:

❶ Orderly: Net Zero 2050 (Assuming a temperature rise suppressed to 1.5° C and net zero CO_2 emission both by 2050)

❷ 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) 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
	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 • Mapped the links to nature-related solutions.

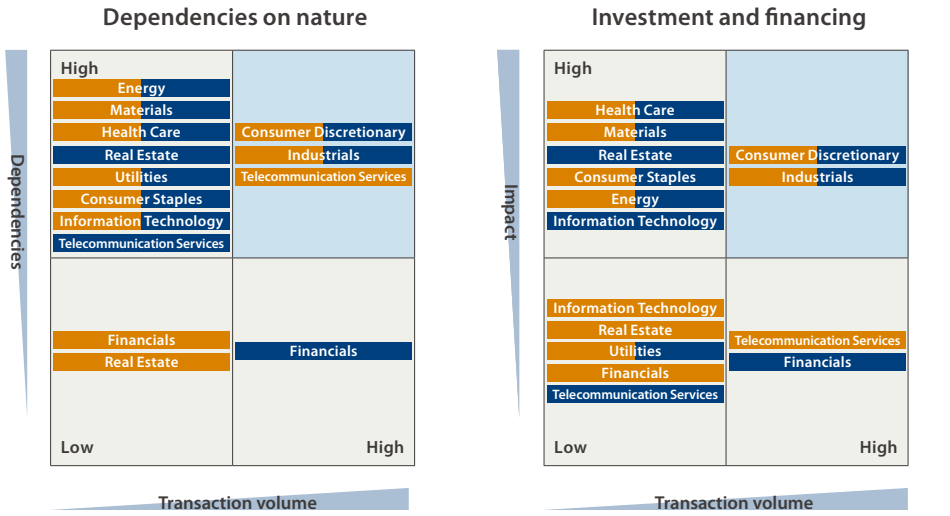
Specifying Material Sectors: Insurance Underwriting and Investment and Financing Portfolios

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



*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	Introduction of invasive 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

Businesses directly connected to nature

Utilizes water resources and land, and they are directly linked to natural capital.

Scope of analysis:

ID&E Group's business locations and the electric power business that ID&E operates as a business operator

Priority operations:

Electric power business, including small hydroelectric power plant operations and storage battery operations

Businesses indirectly connected to nature

Connected to natural capital through customer operations in each phase of the planning, research, design, and construction management stages.

Scope of analysis:

Businesses that are connected to natural capital through consulting services

Priority operations:

Public works, roads, railways, hydroelectric power generation, agriculture, etc.

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.

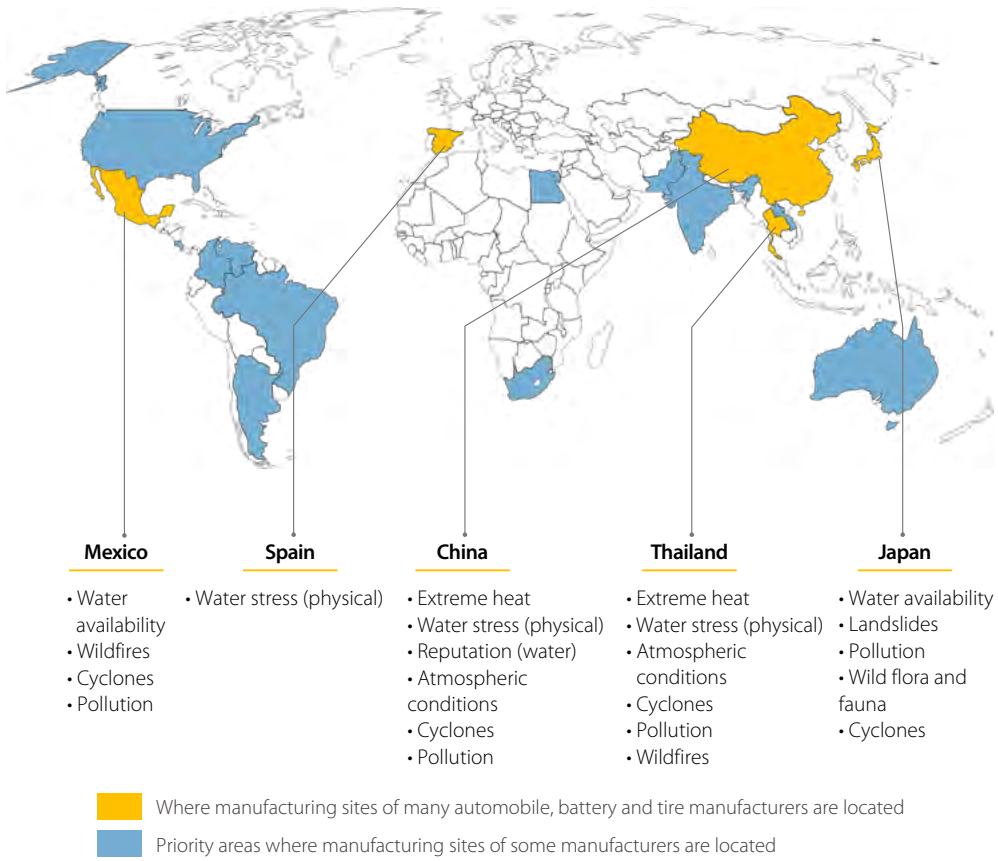
The results revealed that many manufacturing sites are in areas where water stress, tropical cyclone, extreme heat, and other nature-related risks are high. The manufacture of components such as rubber and metal products, as well as automobile manufacturing, was also identified as involving processes 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

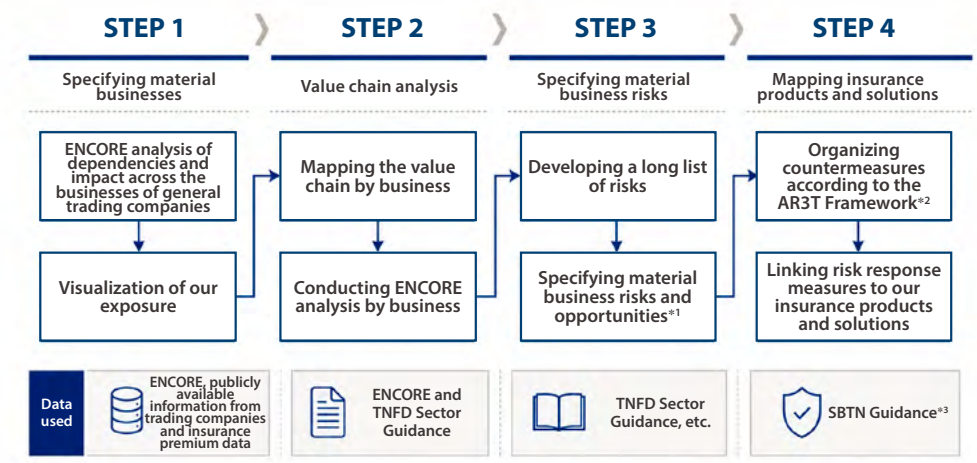


Detailed Analysis of Material Sectors (Trading Companies Subsector)

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.



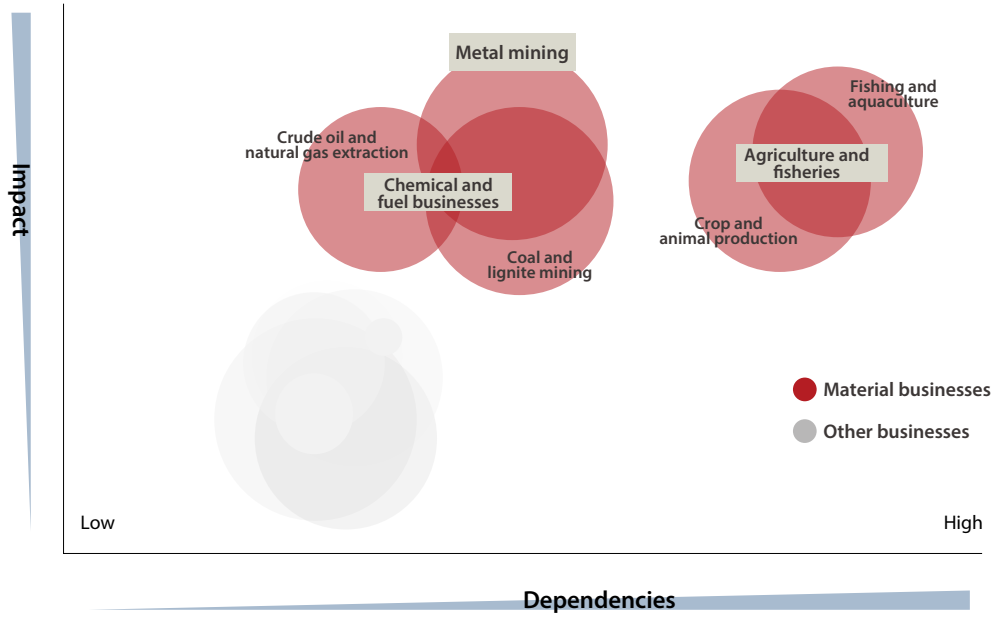
*1: Risks and opportunities are assessed from the perspectives of their financial magnitude, likelihood, and relevance to the Group's insurance products and solutions.
*2: Short for "avoid, reduce, regenerate, restore, and transform," AR3T prioritizes corporate actions to address nature-related risks 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	—
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	—
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.

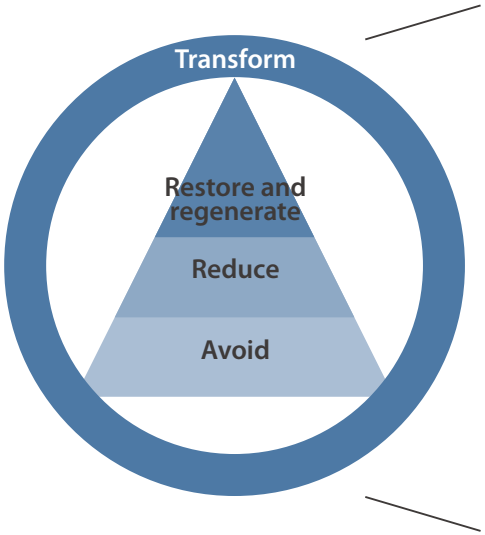
Based on the analysis, we organized the insurance products and solutions it can offer to customers for each phase of the AR3T framework (outlined in the next section).

- **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.
Physical risk (acute)	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)	Risk that concerns over the impacts of pollutants on ecosystems and local communities lead to reputational damage, litigation, or fines	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.

Tokio Marine Group's nature-related solutions

4

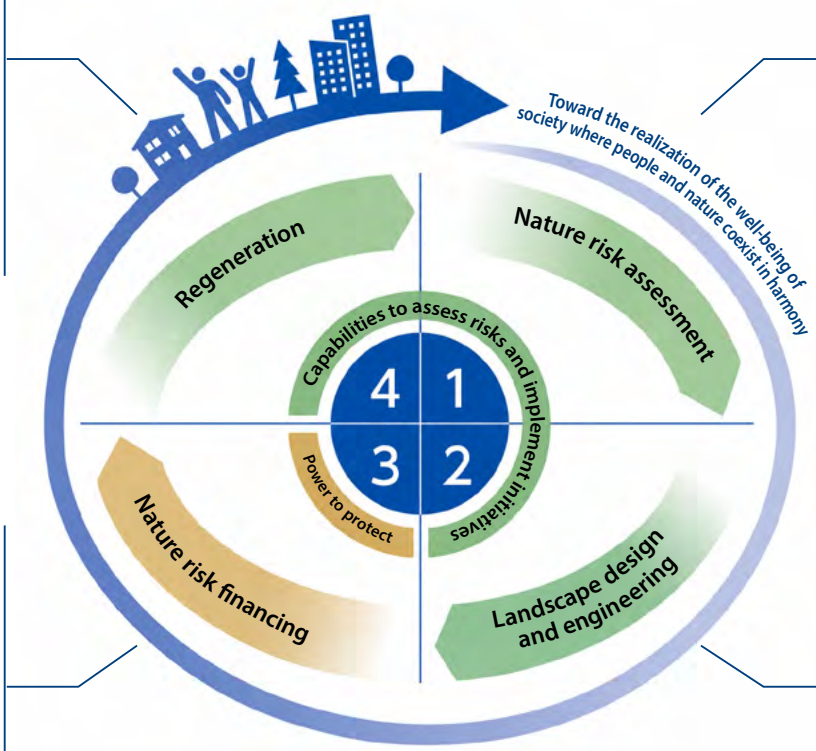
Regeneration

- 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

1

Nature risk assessment

- 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



3

Nature risk financing

- 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

2

Landscape design and engineering

- 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

- 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

- 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

- 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

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

Climate change | Biodiversity | Human rights

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

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.

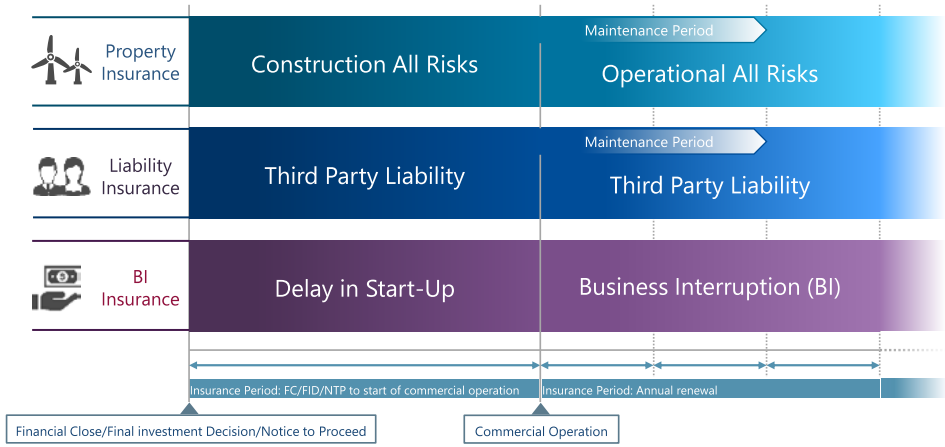
TMGX's top management team, bringing together advanced insurance underwriting and loss-servicing capabilities

[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

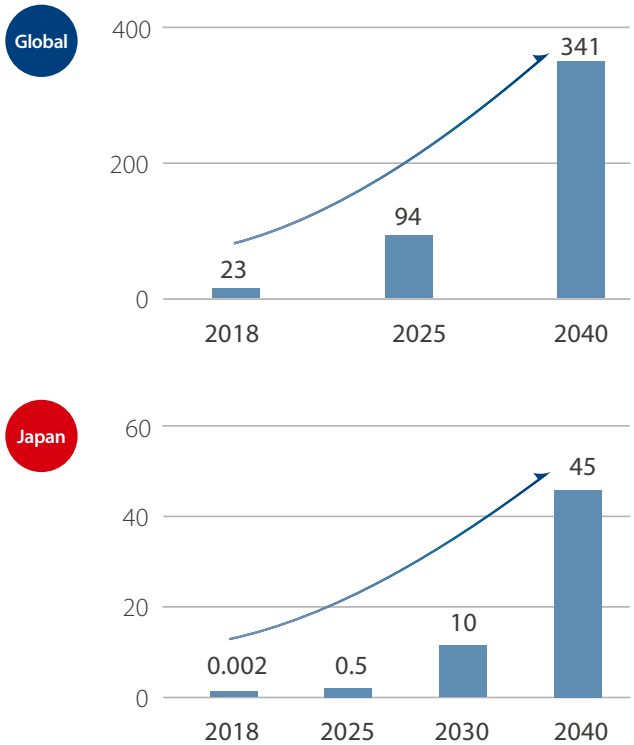


As offshore projects require preparations for typhoons and other natural disaster risks and pose greater challenges than land projects, we have made a range of efforts to counter these challenges. Given that Japan faces many natural disasters, we have built a risk model specific to the country through 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.

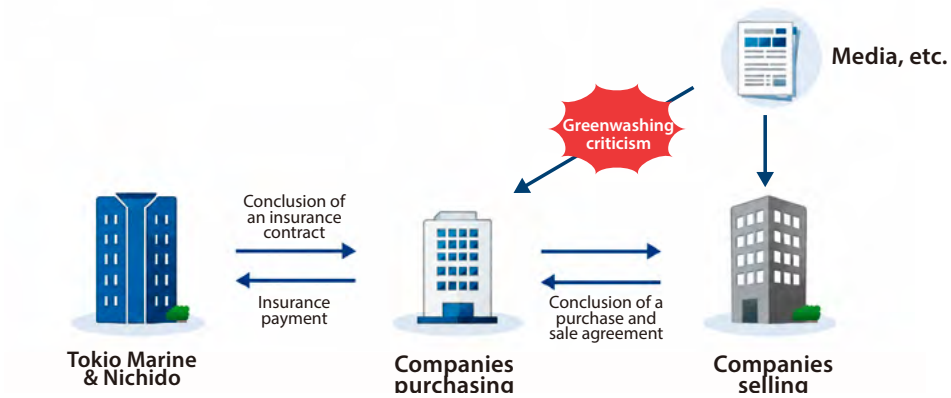
Tokio Marine & Nichido has been conducting engagement with companies that purchase and/or create carbon credits from a risk management perspective and developing the necessary insurance and solutions.

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.

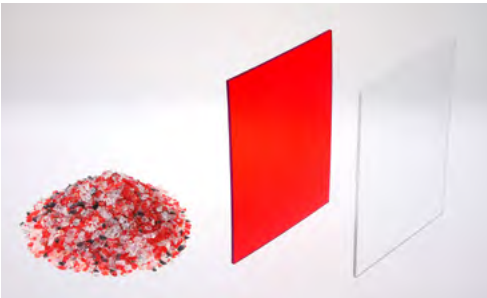
Tokio Marine & Nichido, Tokio Marine Direct Insurance and Nisshin Fire acquire end-of-life vehicles in exchange for the payment of insurance claims. The three companies collect materials from the vehicles' taillights and airbags through a network of auto dismantlers and work with a chemical manufacturer 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 CO_2 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 CO_2 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.

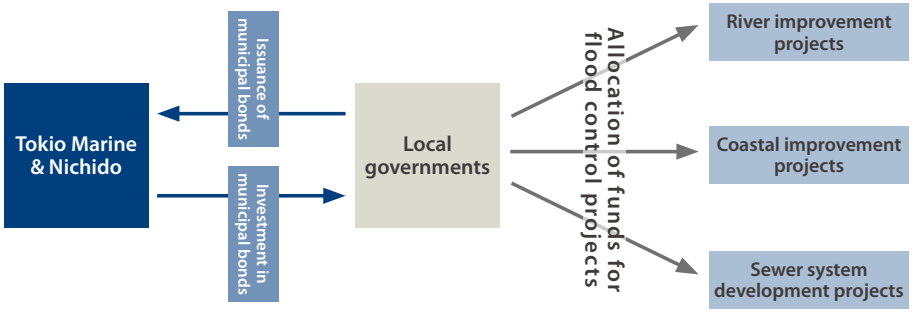
[Investment in Municipal Bonds Earmarked for Flood Control Projects] Climate

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.

Accredited Provider CDP 2026

▸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] Nature

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 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.

ID&E Holdings' integrated approach focused on enhancing resilience

Nature risk assessment

Identifying risks

- Water risk assessments and natural capital and biodiversity risk assessments (including TNFD alignment)
- Due diligence related to the environment, human rights and ecosystems
- Support for creating carbon credits
- Hazard forecasting
- Monitoring and risk surveillance of ground and environmental changes using satellite data and other sources

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Landscape design & engineering

Designing by nature

- Support for the integrated design and construction of green infrastructure, including in urban spaces
- Design support for Eco-DRR (ecosystem-based disaster risk reduction)
- Community-led conservation and restoration of water-source forests, wetlands, and coastal and mangrove forests
- Support for formulating development planning in harmony with the environment, ecosystems and local communities

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Nature Regeneration

Restoring and sustaining value

- Support for restoring ecosystems degraded or destroyed by disasters and environmental change
- Support for recovery from environmental damage and impacts on nature arising from development and business activities
- Integrated regeneration and recovery support encompassing resilience, climate and nature, and well-being

Value ID&E Group delivers

- ✓ More sophisticated decision-making informed by climate- and nature-related risks
- ✓ A resilient society capable of withstanding disasters and environmental change
- ✓ Sustainable growth through coexistence between people and nature

Strengths supporting ID&E Group's integrated approach

Integrated design capabilities spanning river basins, urban areas, farmland, coastal zones and other domains	Integrated framework covering assessment, design and implementation	Integrated technological capabilities in nature and the environment, centered on resilience	Continuous improvement leveraging data and field-based expertise

[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 m^3 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] Climate

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

Coordination flow

◆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 decarbonatization 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] Climate

• 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 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))

Easier to track actions and achievements of companies

A	Decision-useful Inevitable, highly financially material	Transition exposure: Capex	Transition exposure: Revenues	Share of transition-aligned products or deals	
B	Necessary, capturing near-term business risk and opportunity	Near-term capex plan	Active climate policies (e.g. CO_2 pricing)	Scenario-tested revenues, valuations and default probability	
C	Tangible, tracking key company sustainability features such as emissions	GHG emissions	R&D spending and patents	SBTi targets	Climate lobbying score
D	Limited materiality, describes day-to-day business operations	% of clean energy consumption	Clean or recycled inputs procurement	% green buildings	Use of sustainable debt
E	Not directly material, based on commitments or pledges	Short-term GHG goal	Green assets targets	FF phase-out pledge	Internal CO_2 pricing
F	Metrics containing many inferences, indirectly reflecting transition progress	Shadow CO_2-price-based costs and valuations	Voluntary offsets	Climate-tied executive pay	TP released
G	Opaque, hard-to-action Long-term pledges or disconnected from business activities	Long-term GHG goal	Disclosure completeness score	ITR*	Climate group memberships

Indicates commitment/ targets for decarbonization (direction)

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.

Engagement
Cultivating corporate awareness for decarbonization and sharing associated challenges through dialogue

→

Behavior changes in companies (leading metrics)
Progress in the shift from fossil fuel-related businesses to clean energy-related businesses
Increases in capital investment and investment in research and development toward decarbonization

→

Accelerated business transformation
Decarbonization accelerated with progress in strategy and business model transformations

→

Reduction in GHG emissions
Steady decline in corporate GHG emissions

→

Realization of a decarbonized society
Contributing 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

❶ Identify the business portfolio of each customer

Identify the characteristics of the business portfolio of each corporate customer

❷ Monitor behavior changes

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

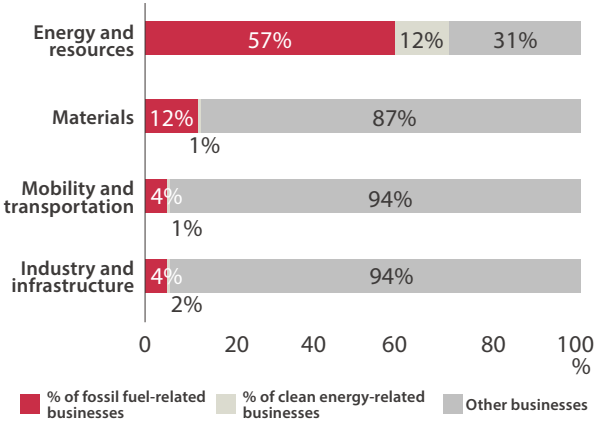
❸ Reflect the monitoring results in engagement

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

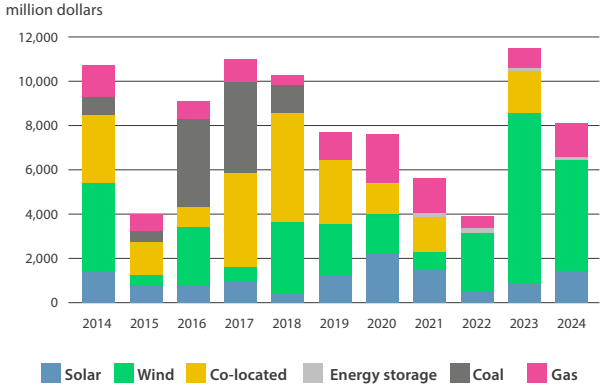


Note: Tokio Marine & Nichido's original analysis, using the Transition Exposure Portfolio Tool of BNEF. The 200 engagement target companies were divided into seven sectors, of which four sectors having fossil fuel-related businesses are shown above. BNEF's definitions are used for fossil fuel-related 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

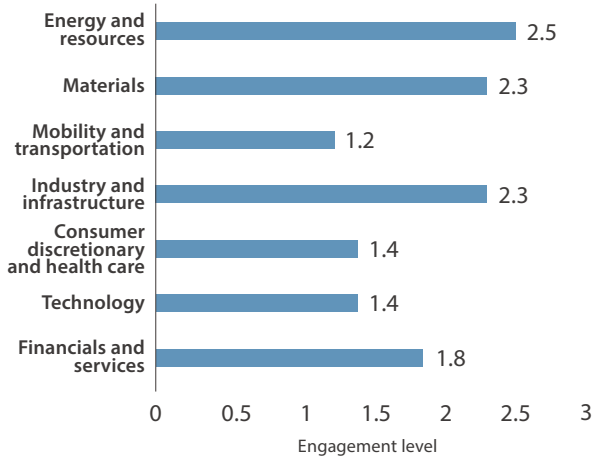


Note: A visual representation created using BNEF's Company Transition CAPEX Tool, showing changes in the total of climate change-related CAPEX by fiscal year. Of the 200 engagement target companies, the data represents companies in the energy and resources sector.

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.

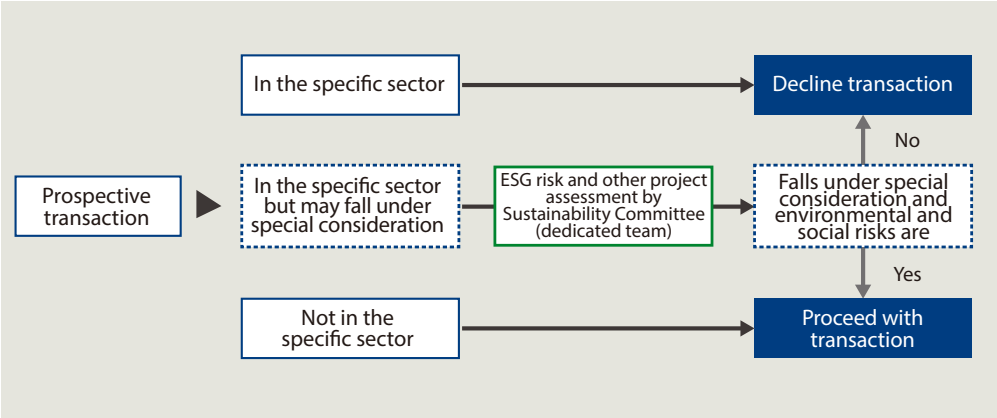
‣Policies concerning specific sectors

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 TNFD Consultation Group of Japan	Tokio Marine Holdings joined the TNFD Forum in January 2022 and became registered as a TNFD Early Adopter in January 2024.
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]

Climate Nature

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 CO_2 absorption but also for biodiversity conservation.

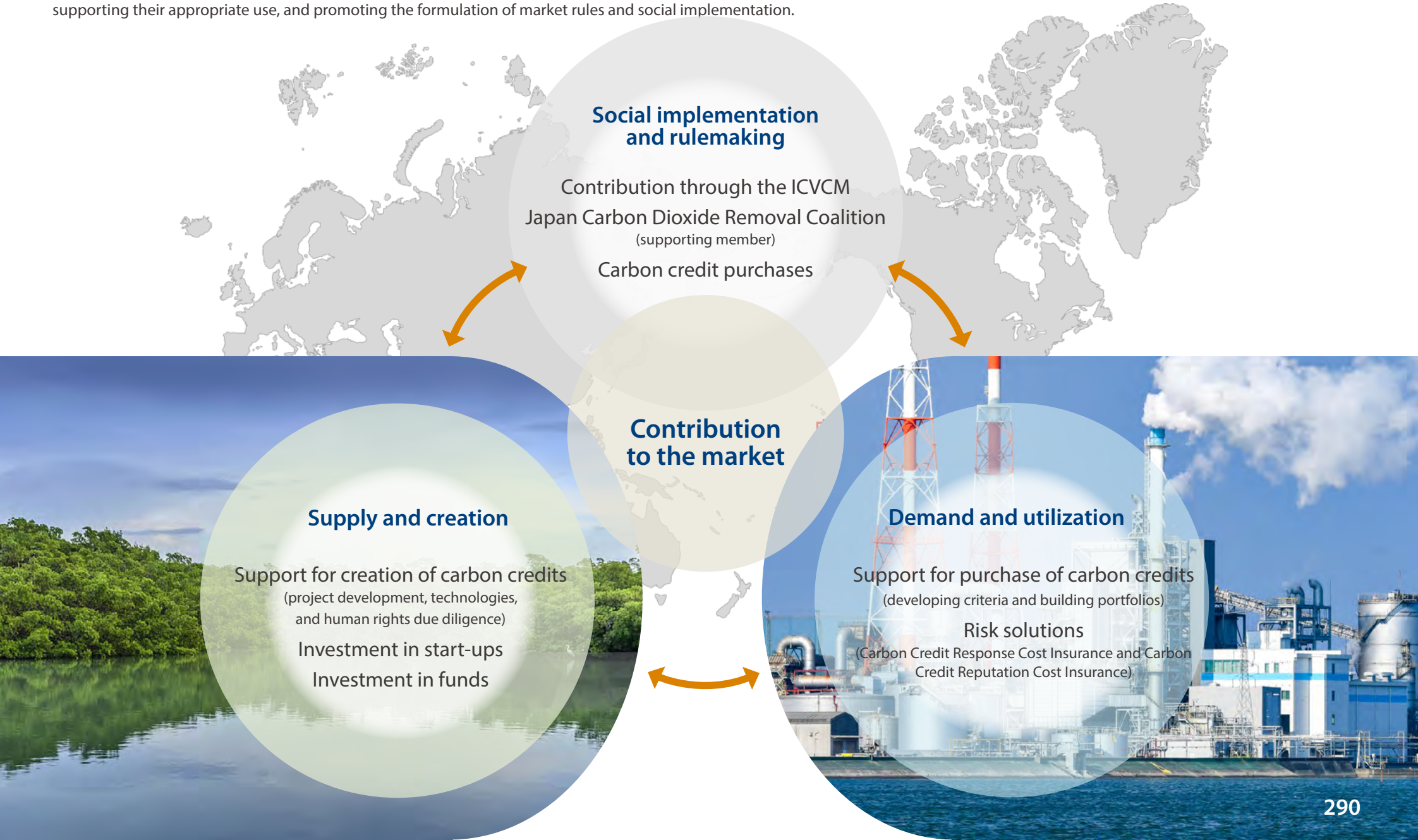
Students from a local elementary school participating in the conservation activities visit the site and snorkel to observe the growth of tape seagrass and the organisms that inhabit healthy seagrass beds. Also, an aquarium has been installed in the classroom so that children can have up-close opportunities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

Successful restoration of seagrass within the barriers

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.

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.

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

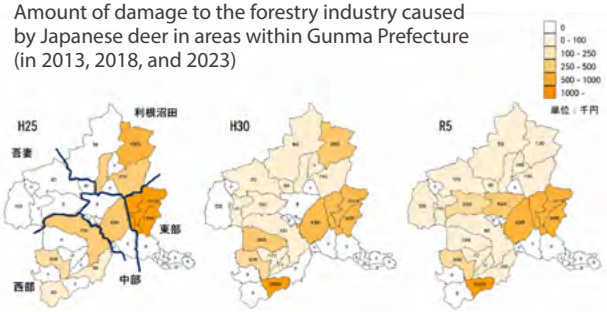
As a nature-positive initiative in Gunma Prefecture, Tokio Marine Group works with local governments, research institutions, and local businesses in seeking to achieve both forest conservation and regional economic revitalization. Specific efforts include taking measures against wildlife damage by addressing 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 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.

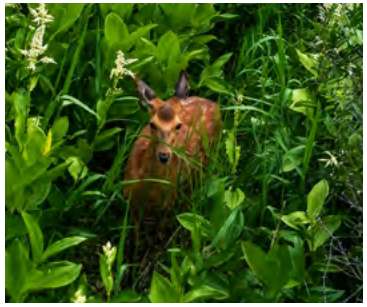
1 Background: Risks Resulting from Degradation of Natural Capital

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

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

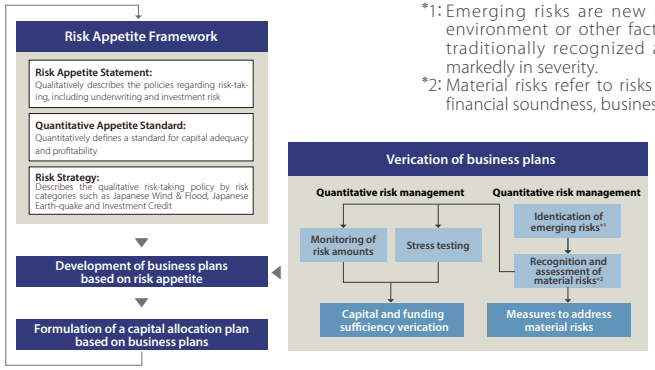
Managing Climate Change and Nature-Related Risk Based on Enterprise Risk Management (ERM)

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



*1: Emerging risks are new risks that arise due to changes in the environment or other factors, encompassing those that were not traditionally recognized as risks and those that have increased markedly in severity.
*2: Material risks refer to risks that could have a substantial impact on financial soundness, business continuity and other critical aspects.

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

Climate change

Timeline	Targets	Metrics	Goals
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 (CO_2) emissions from business activities.

Fiscal 2025 **(JGAAP consolidation scope[*1]; calculated using the previous reporting scope)**

- **Reduction of GHG (CO_2) 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 (CO_2) 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 CO_2, 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, CO_2 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

▸CO_2 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).

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.

The analysis results are disclosed in the Climate & Nature Report 2026.

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	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

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

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
Transition risk (reputation and liability)	**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 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 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

Human Capital Strategy

CHRO Message

Belief in Our People

Satoshi Moriyama
Managing Executive Officer
Group Chief Human Resources Officer (CHRO)

Putting Each Employee's Aspirations and Ambition at the Heart of Human Capital Management

The Tokio Marine Group's purpose is to be there for our customers and society in times of need. Insurance has been central to our Group since its earliest days and is often described as a "People's Business," built on the trust that people create. Since our founding, we have believed in the aspirations and potential of our people. By supporting our employees as they grow and pursue new opportunities, we have built lasting relationships of trust with our customers and society.

As CHRO, I see my mission as bringing out the full potential of our people and harnessing it to fulfill our purpose. I want every employee to value their own aspirations and ambitions, consider how they can contribute to our customers and society through their work, and pursue new challenges with conviction and passion. Creating an environment that empowers them to do so is, I believe, the starting point for human capital management.

Evolving to Achieve Aspiration 2035

As we work toward Aspiration 2035, we are sharpening our competitive edge in insurance while evolving beyond insurance to become a solutions partner that helps customers and society address the challenges they face. Our people are central to this evolution. By bringing together their diverse expertise, experience, and perspectives and sharing knowledge with colleagues around the world, our employees create new value. Over time, these efforts further strengthen the trust we have built with our customers and society.

At the same time, we still have much to do to advance our human capital management. As the Group expands into new areas and the expertise and skills we need become increasingly sophisticated and diverse, we must develop a clearer picture of the talent required across our businesses and continue enhancing the talent portfolio needed to support their growth. Another key priority is to further evolve as a global organization where people with diverse backgrounds share a common purpose and culture, exchange ideas openly, learn from one another, and continually push themselves to grow.

To address these challenges and achieve Aspiration 2035, we need our individual HR initiatives to work together as an integrated system that supports our management strategy. We will therefore bring together initiatives to strengthen the talent and organizational capabilities needed for growth in each business, promote the flow of people and knowledge across the Group, and develop the next generation of leaders who can drive integrated Group management. In this way, we will evolve our approach to talent management to better support the execution of our management strategy.

To make our human capital management truly effective, we need to demonstrate more clearly how investing in our people supports their growth and pursuit of new challenges, expands the value we provide to customers and society, and ultimately enhances corporate value. In fiscal 2026, Tokio Marine & Nichido introduced a special incentive through its employee shareholding association to help employees feel more closely connected to the company's medium- to long-term growth in corporate value and encourage a greater sense of ownership in that growth. Initiatives such as this can help create a virtuous cycle linking the growth and challenges of individual employees with the sustainable growth of the company. As CHRO, I see clearly demonstrating this connection as another important part of my role.

Our Promise to Employees

We aspire to be an organization where every employee can realize their full potential with pride and a sense of purpose, where their work gives customers and society greater peace of mind and contributes to the well-being of all our stakeholders. I will remain true to our longstanding principle of trusting and valuing our people, which has guided our Group since its founding.

Employees themselves, however, must take ownership of their growth. In a rapidly changing world, we expect our people to keep learning, broaden their horizons, and continue taking on new challenges. In return, the company will provide ample opportunities to learn and grow and wholeheartedly support those who have the courage to take the first step. We want to be an organization where those who actively pursue learning and new challenges are given even greater opportunities to grow.

Our employees take responsibility for their own growth, and the company is fully committed to supporting their ambitions. I see it as my responsibility to bring out the full potential of our people through this shared commitment. Through human capital management that puts each and every employee at its heart, the Tokio Marine Group will continue working to create a future in which we are there for our customers and society in times of need.

Tokio Marine Group's Human Capital Management

People as the Starting Point for Creating the Future

Our Group's purpose (raison d'être) is to be there for our customers and society in times of need.

The insurance business, from which our Group originated, is known as a "People's Business," and it stands upon the trust that our people create.

Since our founding in 1879, we have believed in the aspirations and strength of our people and have built relationships of trust with our customers and society by supporting employees' growth and their willingness to take on challenges.

Going forward, we will continue to create a future in which we are there for our customers and society in times of need through human capital management that starts with each employee inspired by our purpose.

Belief in Our People.
Our People Enable Us
to Realize Our Group's Purpose.

Tokio Marine Group - Our People

- Our people are the most valuable asset of our Group and a key driver of our "To Be a Good Company" vision.
- We aim to attract and retain the best talent in every aspect of our business to ensure we deliver safety and security to our customers and their communities.
- Our people bring passion and a challenging spirit to their endeavors and we provide them opportunities for career development and ongoing personal growth.
- Our people embody diversity and we value inclusion as a truly global company.

We work hard to create a business environment where we can achieve our full potential as we continue our endless journey to be a " Good Company"

What Tokio Marine Group Aims to Achieve through Human Capital Management

Integrated Group Human Capital Management that Circulates the Aspirations and Strength of Our People

Our Group believes that when each employee holds their own aspirations and ambitions, believes in their own strength, and continues to take on challenges autonomously, this becomes the driving force for creating new value for customers and society, and the starting point of human capital management.

Rather than confining these aspirations, strengths, and challenges within each individual, we connect them across the boundaries of countries, regions, and businesses, learning from and making use of one another's knowledge and experience. In this way, individual growth is elevated into organizational strength, and organizational strength into value creation for the entire Group. As diverse talent spanning the globe demonstrates their respective expertise and values and addresses the issues facing customers and society as one Group, we are there for our customers and society in times of need around the world.

The results generated through value creation are then reinvested in and returned to our people, supporting the further growth and challenges of each employee. The growth of people enhances organizational capabilities, improved organizational capabilities generate new value, and those results lead to the next investment in people. Continuously generating this virtuous cycle as one Group is the human capital management to which our Group aspires.

Each Employee as the Starting Point

We believe in the aspirations and strength of each employee across the globe and, by building on them, put our purpose into practice and embody it.

Autonomous Challenge

Employees take on challenges autonomously to realize both their own aspirations (My Aspiration) and the company's purpose.

Pursuit of Diversity and Expertise

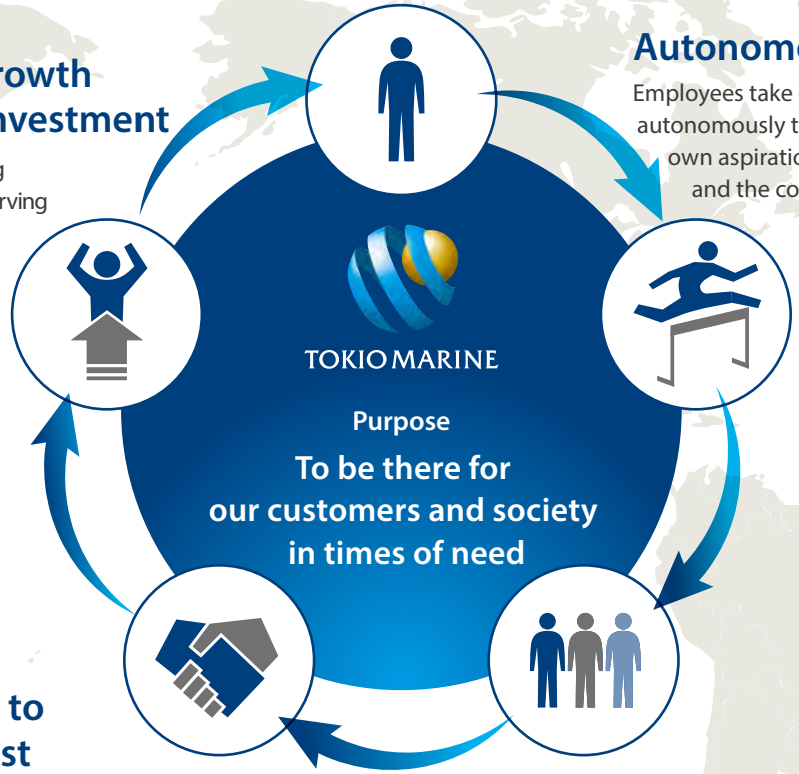
In a culture that embraces curiosity, challenge, and tolerance for failure, we cultivate diversity and expertise and accelerate the creation of new value.

Delivering Value to and Building Trust with Customers and Society

By delivering safety and security and supporting challenges that lead to the future, we contribute to the realization of healthy and fulfilling lives and build trust with our customers and society.

Sustainable Group Growth and Human Capital Investment

We will grow sustainably by promoting integrated Group management and serving as a solution partner beyond the conventional boundaries of insurance, and we will continue to invest in our people, the source of that growth.



Tokio Marine Group's Talent Development Philosophy

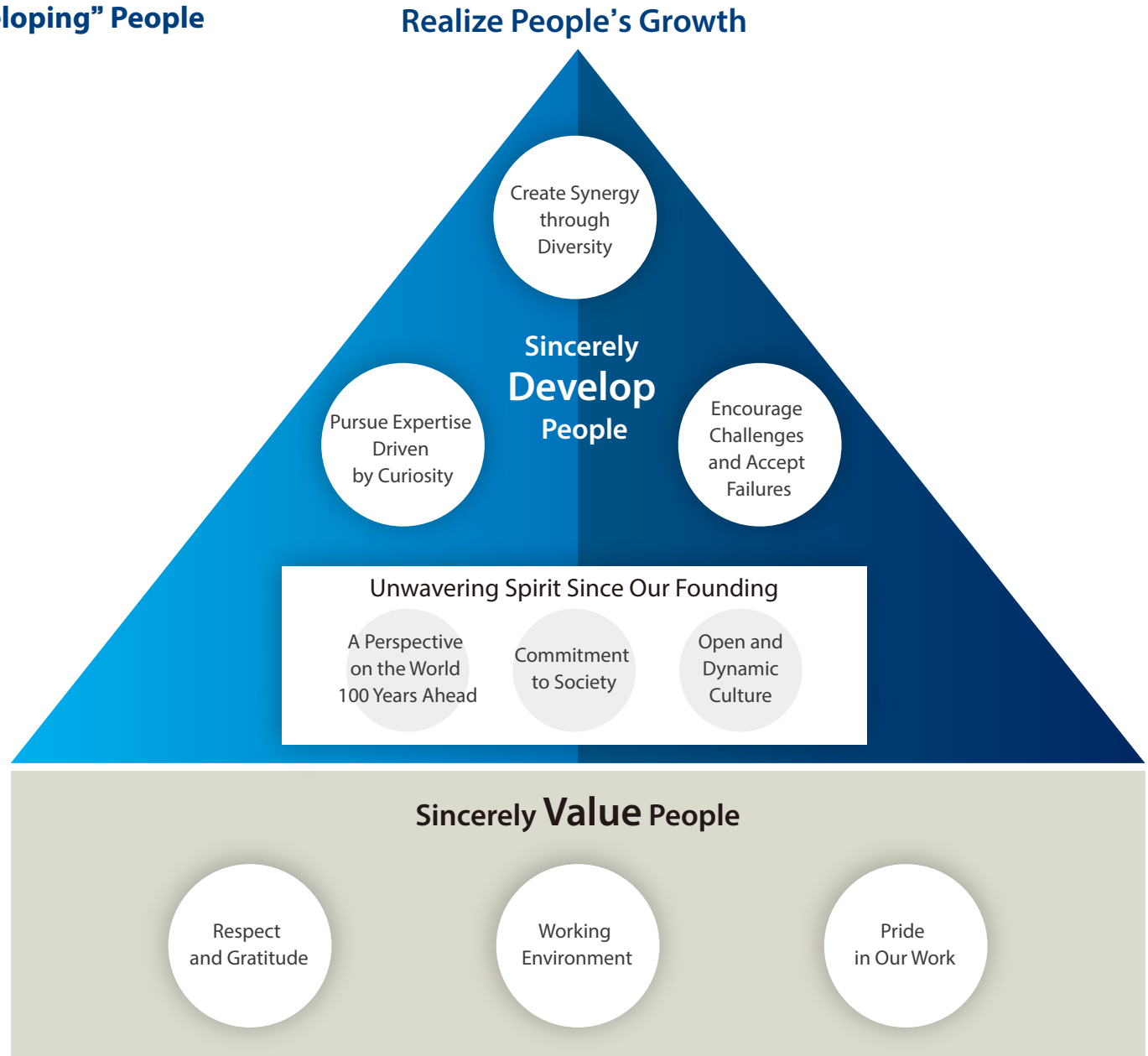
Sincerely "Valuing" People, Sincerely "Developing" People

At the heart of our Group's approach to talent development is an unwavering commitment to sincerely valuing our People. By fostering respect and appreciation for each other's contributions, creating a flexible work environment, and nurturing pride in one's work, we are building workplaces where employees can fully realize their potential.

Building on these values, we are committed to sincerely developing our people: supporting the deepening of expertise driven by curiosity, encouraging challenge, and cultivating a culture that tolerates failure. The chemistry that arises when diverse personalities come together generates new value and drives the growth of our people.

The spirit that has remained unchanged since our founding is instilled in each employee and shared throughout the Group. This is essential to realizing our purpose, "To be there for our customers and society in times of need."

Focusing on development with a foundation of valuing people is a cultural cornerstone of our Group and a belief that we will continue to uphold into the future.



Overview of Our Management and HR Strategies

To realize Aspiration 2035, our Group will further hone the competitive advantage it has cultivated in the insurance business while evolving into an organization that contributes to resolving the issues facing customers and society beyond the boundaries of insurance. Our HR strategy is an important foundation forming the core of this management strategy, and we are deploying initiatives along two axes: the stable and continuous development of the "talent" that supports integrated Group management, and the further advancement of the "corporate culture" that supports integrated Group management.

Management Strategy (Mid-Term Plan)

Group Core Strategies: Our Strengths

- Global Risk Diversification
- Global Integrated Group Management

Group Major Strategies in the Mid-Term Plan (2024-2026)

Three Pillars of Growth

- Drastic expansion of domains where we can deliver our value
- Diversification of distribution model
- Extensive improvement of productivity

Two Pillars of Discipline

- Strengthening and improvement of internal control / governance
- Enhancement of business portfolio and capital management

Group-wide Initiatives and Infrastructure Reinforcement

- Thorough and Accelerated Utilization of Technology
- Strengthening Governance
- Consolidation of Common Functions
- Recruiting, Development, and Utilization of People

HR Strategy

People
to support Integrated Group Management

- Strengthen Group Management Systems
- Build a strategically consistent Talent Portfolio

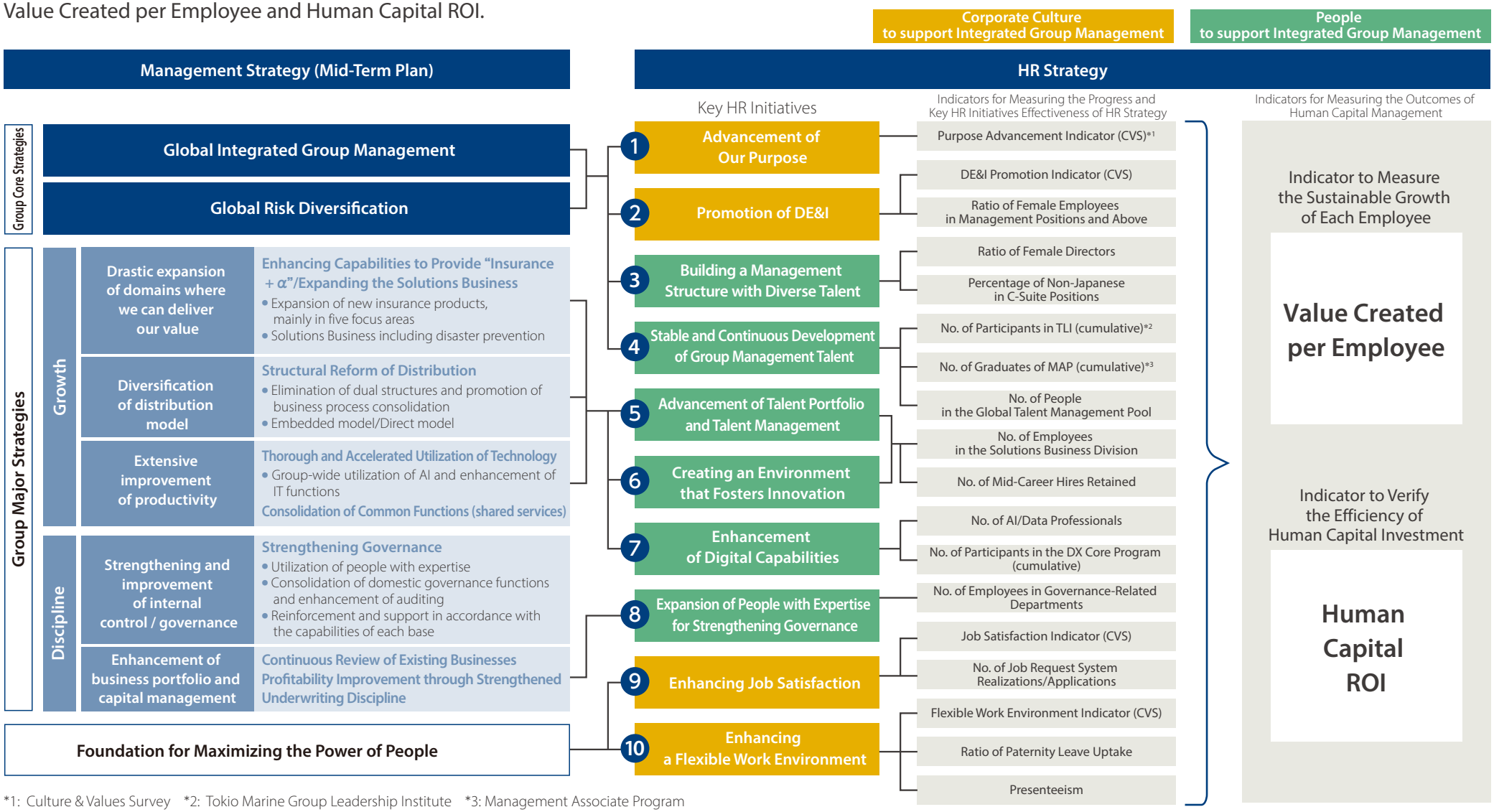
×

Corporate Culture
to support Integrated Group Management

- Foster a Sense of Unity in the Group
- Increase Engagement

HR Strategy Linked to Management Strategy

To enhance the effectiveness of human capital management, it is important that HR initiatives not remain isolated efforts but be positioned as measures to strengthen the talent, organizational capabilities, and corporate culture required to realize our management strategy. Our Group advances its HR strategy from two perspectives—the "talent" that supports integrated Group management and the "corporate culture" that supports integrated Group management—making the progress of each initiative visible while continuously verifying the link between investment in human capital and improvement in corporate value through Value Created per Employee and Human Capital ROI.



*1: Culture & Values Survey *2: Tokio Marine Group Leadership Institute *3: Management Associate Program

Indicators for Measuring the Progress and Effectiveness of Our HR Strategy

In our HR initiatives, we set quantitative targets and metrics to identify the gap between where we are and where we want to be. By applying the PDCA cycle, we are committed to continuous improvement.

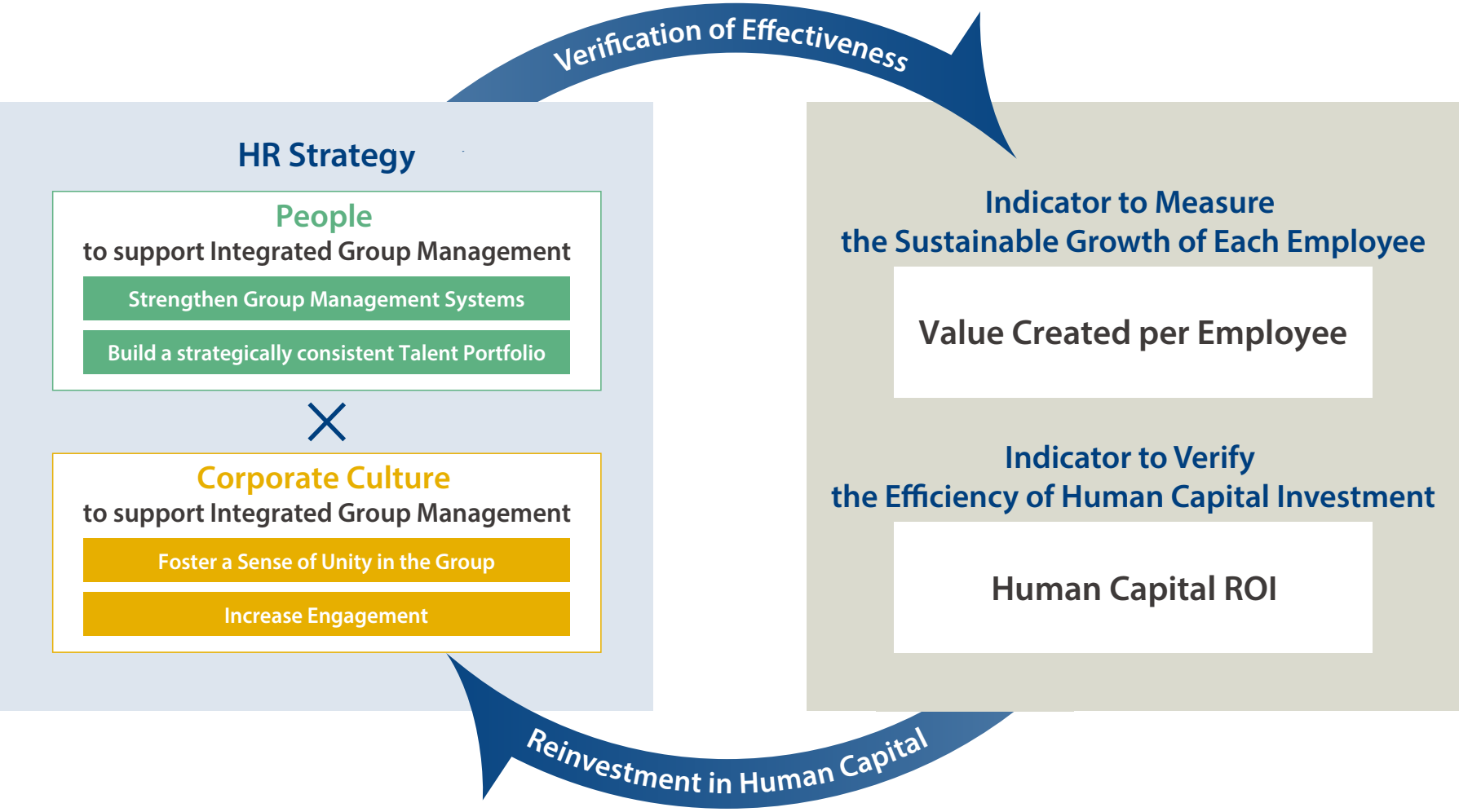
Corporate Culture to support Integrated Group Management | People to support Integrated Group Management

Key HR Initiatives	Indicators of Progress and Status	Scope	FY2023	FY2024	FY2025	Target
1 Advancement of Our Purpose	Purpose Advancement Indicator (CVS)*1	Tokio Marine Group	—	3.98	94%	Maintain and Improve
2 Promotion of DE&I	DE&I Promotion Indicator (CVS)*1	Tokio Marine Group	—	3.76	81%	Maintain and Improve
	Ratio of Female Employees in Management Positions and Above*2	Tokio Marine & Nichido	11.2%	27.8%	↗ 30.3%	30% by FY2025
3 Building a Management Structure with Diverse Talent	Ratio of Female Directors and Audit & Supervisory Board Members*3	Tokio Marine Holdings	20.0%	25.0%	↗ 27.8%	30% by FY2027
	Percentage of Non-Japanese in C-Suite Positions*4	Tokio Marine Holdings	25.9%	31.0%	↗ 31.3%	—
4 Stable and Continuous Development of Group Management Talent	No. of Participants in the Tokio Marine Group Leadership Institute (cumulative)*5	Tokio Marine Group	42	67	↗ 83	Expand
	No. of Graduates of the Management Associate Program (cumulative)	Tokio Marine Holdings	7	11	↗ 28	Expand
	No. of People in the Global Talent Management Pool	Tokio Marine Group	Approx. 300	Approx. 300	→ Approx. 300	—
5 Advancement of Talent Portfolio and Talent Management	No. of Employees in the Solutions Business Division	Tokio Marine Holdings	51	139	↗ 167	—
6 Creating an Environment that Fosters Innovation	No. of Mid-Career Hires Retained*6	Tokio Marine Holdings	116	157	↗ 202	Expand
7 Enhancement of Digital Capabilities	No. of AI/Data Professionals	Tokio Marine Holdings	4	15	↗ 19	—
	No. of Participants in the DX Core Program (cumulative)	Tokio Marine & Nichido	1,508	1,886	↗ 2,180	Expand
8 Expansion of People with Expertise for Strengthening Governance	No. of Employees in Governance-Related Departments	Tokio Marine Holdings	120	136	↗ 152	—
9 Enhancing Job Satisfaction	Job Satisfaction Indicator (CVS)*1	Tokio Marine Group	—	3.73	79%	Maintain and Improve
	No. of Job Request System Realizations/Applications	Tokio Marine & Nichido	56/209	89/327	↗ 236/1,307	700/1,700 by the end of FY2030
10 Enhancing a Flexible Work Environment	Flexible Work Environment Indicator (CVS)*1	Tokio Marine Group	—	3.91	81%	Maintain and Improve
	Ratio of Paternity Leave Uptake	Tokio Marine Holdings and consolidated companies in Japan	90.7%	86.1%	↗ 86.7%	100%
	Presenteeism*7	Tokio Marine & Nichido	62.2%	63.5%	63.9%	65.3% in FY2026

*1: The percentage of favorable responses (4 or 5 on a 5-point scale) for relevant items in the Culture & Values Survey (CVS), which measures engagement status and the level of advancement of our purpose. Following a change to the survey from FY2025, the evaluation method was changed from the previous average score (on a 5-point scale). *2: The ratio of women in management positions and above (including executives) as of the first day of each fiscal year. From FY2024 onward, the ratio includes unit leaders, a position newly established under the HR system revision of April 2024. *3: Following the transition from a company with an Audit & Supervisory Board to a company with an Audit & Supervisory Committee on June 29, 2026, the Ratio of Female Directors will be used as the indicator from FY2026 onward. The ratio of female directors as of the end of June 2026 was 35.3%. *4: Percentage of non-Japanese among CxO and Deputy CxO positions as of the end of each fiscal year. *5: Following a review of the scope from FY2025, figures for previous fiscal years have been recalculated on the same basis. *6: Includes employees hired by Tokio Marine & Nichido who are seconded to Tokio Marine Holdings. *7: An indicator of productivity while at work, taking into account physical and mental health. The higher the figure, the higher the performance (maximum 100).

Indicators for Measuring the Outcomes of Human Capital Management (Value Created per Employee and Human Capital ROI)

Our Group believes that achieving both the growth of each employee and sustainable value creation as a company lies at the very core of human capital management. As indicators for quantitatively monitoring these outcomes and verifying the effectiveness of our HR strategy, we established Value Created per Employee in fiscal 2024 and newly added Human Capital ROI (Return on Investment) in fiscal 2025. While these indicators do not directly prove a causal relationship between human capital investment and improvement in corporate value, we will use them as important reference indicators for continuously confirming the outcomes of human capital management and the efficiency of our investment, and for informing the improvement of initiatives and reinvestment decisions.



Indicators for Measuring the Outcomes of Human Capital Management (Value Created per Employee and Human Capital ROI)

Value Created per Employee*1 is positioned as an indicator for measuring the sustainable improvement of the value generated by each employee, while Human Capital ROI*2 is positioned as an indicator for verifying the efficiency of investment in human capital. We will continue to analyze and verify the pathways connecting human capital management and value creation from both quantitative and qualitative perspectives.

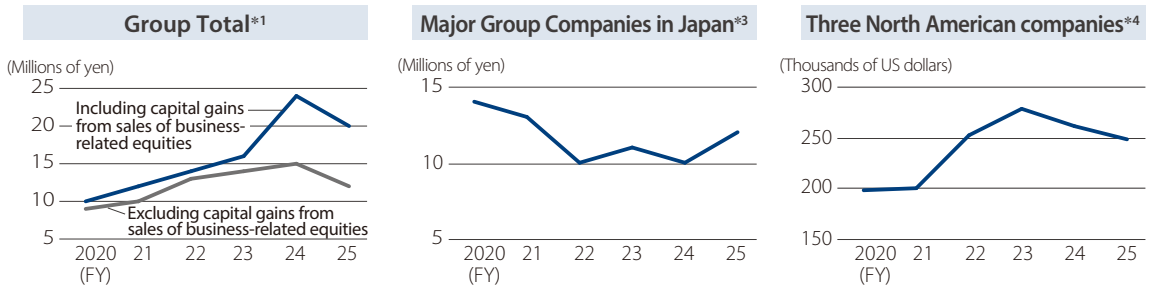
Value Created per Employee*1 = Profit*5 ↗ / Number of Group Employees

Aggregate Value created through our People

Total number of value creators

Human Capital ROI*2 = (Profit*5 ↗ + Employee Compensation and Benefits*6) / Employee Compensation and Benefits*6 − 1

Indicator to Measure the Sustainable Growth of Each Employee



Value Created per Employee is an indicator for measuring the sustainable improvement of the value generated by each employee. Although there are increases and decreases year on year depending on the business and region, we do not evaluate the indicator based on single-year movements but instead monitor medium- to long-term trends.

Indicator to Verify the Efficiency of Human Capital Investment

FY2024: **1.63** ↗ FY2025: **1.64**

Human Capital ROI stood at 1.64 in fiscal 2025, broadly unchanged from the previous fiscal year. A level above 1 indicates that profit exceeding the investment in human capital is being generated. Going forward, we will analyze this indicator over time together with the progress of each HR initiative and related indicators to verify the relationship between human capital investment and value creation.

*1: Value Created per Employee = Adjusted net income*5 ÷ Number of consolidated employees *2: Human Capital ROI = (Business unit profit of the five companies covered*5 + Personnel expenses of the five companies covered*6) ÷ Personnel expenses of the five companies covered*6 − 1. The companies covered are Tokio Marine & Nichido Fire Insurance Co., Ltd., Tokio Marine & Nichido Life Insurance Co., Ltd., Philadelphia Insurance Companies, Delphi Financial Group, and Tokio Marine HCC. *3: Calculated based on the business unit profit and number of employees of two domestic companies (Tokio Marine & Nichido Fire Insurance Co., Ltd. and Tokio Marine & Nichido Life Insurance Co., Ltd.). The effect of foreign exchange is excluded for Tokio Marine & Nichido Fire Insurance Co., Ltd., only. *4: Calculated based on the business unit profit*5 and number of employees of three North American companies (Philadelphia Insurance Companies, Delphi Financial Group, and Tokio Marine HCC). *5: All profit figures are on a normalized basis (profit levels adjusted from the actual results for each fiscal year to exclude one-off factors such as insurance claims related to natural catastrophes and COVID-19). *6: Personnel expenses are calculated by applying the statutory tax rate to the total of salaries, bonuses, and welfare expenses and converting the result to an after-tax basis.
*: In order to appropriately present historical trends, the adjusted net income, business unit profit, and number of employees presented in this section are figures based on Japanese GAAP.

① Advancement of Our Purpose

Corporate Culture to support Integrated Group Management

Significance of the Initiative	By having each employee connect our purpose to their own work and share it across countries, regions, and businesses, we will enhance the value our Group delivers to customers and society.
Our Promise to Employees	We will create an environment in which every employee feels the connection between their daily work and being there for our customers and society in times of need, and can take on challenges starting from their own aspirations and ambitions.

For our Group to remain an organization that is there for our customers and society in times of need all over the world, a shared anchor is essential—one that allows each employee, across countries, regions, and businesses, to return to the meaning of their own role and actions. Our purpose is both the driving force supporting each employee's challenges and the unifying force supporting integrated Group management. At Tokio Marine, the Group CEO personally takes the lead as Group Chief Culture Officer (CCO), building up continuous dialogue and communication from management to the front lines so that our purpose becomes not merely words but something connected to everyday decisions and actions.

Recognition & Understanding

Distribution of Group CCO Messages

Regularly delivering messages through videos, our intranet, and internal newsletters worldwide

Sharing Case Studies from Group Companies

Mainly through internal newsletters and our intranet worldwide

Nextage Online

Empathy

Continued Dialogue between the Group CEO and Middle Management

Conducted in fiscal 2023 with organizational leaders of our Company, with the scope expanded from fiscal 2024

Launch of Dedicated Purpose Website

Established a dedicated website introducing the Group company initiatives and employees' perspectives toward realizing the Purpose

Ongoing "Majikira" Meetings

"Majikira" meetings, where serious topics are discussed in a casual setting, are held worldwide, providing a platform for management and employees to freely express their opinions.

Delivery of Message from CEOs of Group Companies Worldwide

Group company CEOs localize the Group CEO's message to suit the circumstances of their own companies and share it as "Ambassadors of Purpose."

Practice & Embodiment

Tokio Marine Group Awards

The Group CCO recognizes individuals and organizations whose initiatives embody the spirit of our Group.

Evaluation & Verification

Culture & Values Survey (CVS)

The Culture & Values Survey (CVS) is conducted annually across Group companies in Japan and overseas to evaluate and measure the degree to which our purpose and DE&I have taken root.

Going forward, advancing our purpose among companies newly joining the Group is positioned as a priority issue, and we will strengthen the sharing of values across the Group.

Trends in the progress and advancement of Our Purpose

Indicators of Progress and Status	FY2024	FY2025
No. of "Majikira" meetings hosted by the CCO	21	21
I empathize with the vision and purpose of our company*1	4.2	94%
I am realizing the Group's purpose through my daily work*1	3.9	86%

*1: The percentage of favorable responses (4 or 5 on a 5-point scale) for relevant items in the Culture & Values Survey (CVS), which measures engagement status and the level of advancement of our purpose. Following a change to the survey from FY2025, the evaluation method was changed from the previous average score (on a 5-point scale).

② Promotion of DE&I | Overview

Corporate Culture to support Integrated Group Management

Significance of the Initiative	**We will turn diverse knowledge, experience, and values into organizational strength and enhance our ability to create value in response to the increasingly complex issues facing customers and society.**
Our Promise to Employees	**Regardless of differences in background, experience, or attributes, we will expand an environment in which every voice is respected and each person can take on challenges in their own way, drawing on their own strengths and perspectives.**

DE&I is our Group's growth strategy for connecting the knowledge, experience, and values of diverse talent to value creation. As we advance the provision of solutions beyond the boundaries of the insurance business and expand our operations globally, applying different perspectives to organizational decision-making and innovation is a source of competitiveness. By creating an environment in which each person can take on challenges in their own way and turning diversity into organizational strength, we will generate synergies both within and beyond the Group and expand the value we deliver to customers and society.

CDIO Message DE&I That Contributes to the Realization of the Growth Strategy

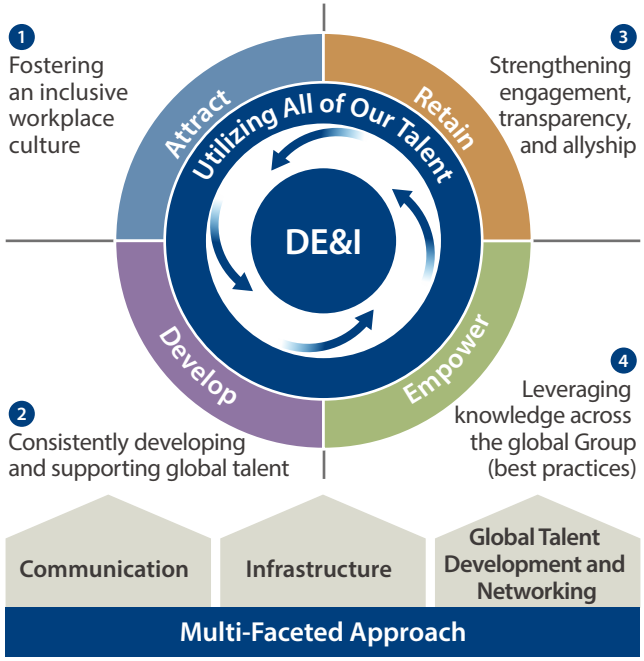
Caryn Angelson
Executive Officer
Group Chief Diversity, Equity & Inclusion Officer (CDIO)

As we enter FY 2026, every global corporation is dealing with the shifting landscape of Diversity, Equity & Inclusion (DE&I). While as an organization we must always evaluate and re-evaluate our position on various corporate strategies and imperatives to make sure we are acting in a way that is relevant, business-focused and importantly, compliant – Tokio Marine continues to be clear that having an inclusive workforce enables our growth strategy and fosters critical innovation that is important both internally and externally.

So, what does this mean for Tokio Marine in FY 2025? Tokio Marine's DE&I efforts have always been about ensuring the maximum utilization of ALL our global talent. We want to make sure that we obtain the best ideas from our employees to propel our organization forward; that includes making sure that there are no biases in our processes, how we evaluate our employees and/or the opportunities that are offered to each person. Diversity of thought is absolutely critical to our risk management strategy. Our DE&I efforts must continue to ensure that all voices are heard, and all of our employee talents are utilized.

DE&I Policy

To accelerate the promotion of DE&I as the foremost priority in our growth strategy, we have set "Utilizing All of Our Talent" as a key focus area. Our DE&I initiatives aim to (1) foster an inclusive corporate culture; (2) develop and support global talent; (3) strengthen engagement, transparency and allyship; and (4) leverage global Group-wide insights and best practices by focusing on communication, our infrastructure and global talent development.



② Promotion of DE&I | Utilizing All of Our Talent

Corporate Culture to support Integrated Group Management

Diversity Council

The Diversity Council is a global body chaired by the Group CEO that shares awareness of DE&I issues and initiative policies across the entire Group and links them to effective implementation. In fiscal 2025, we held a Diversity Council to discuss Group-wide strategy and direction, and confirmed a policy of further promoting effective initiatives tailored to the circumstances and priority issues of each region.

Going forward, we will demonstrate more clearly that DE&I is not merely an HR initiative but rather an effort that contributes to business growth and improved corporate value, and we will advance these initiatives at each company in each country.

Supporting the Success of Employees with Disabilities

Tokio Marine Business Support (TMBS) was established to further promote the employment of people with disabilities across our Group, and was certified as the first special subsidiary in the property and casualty insurance industry. Its operations extend beyond insurance administration, printing work such as business card production, and internal logistics to areas directly linked to the core insurance business, including café operations and the entry of bank account information for insurance claims. In one corner of our Group's internal co-working space is the "TMBS MARINE cafe," where, over a cup of coffee served by staff with disabilities ("Challenge Supporters"), many of our Group's employees reflect on the employment of people with disabilities and on diversity. The café has become a hub for communicating and experiencing DE&I.

The Operations Support Team of the Business Support Department at ID&E Holdings is a 14-member team, centered on nine employees with hearing impairments, that single-handedly manages the collection and delivery of mail. Attentive to the individuality of each member—including hearing ability and language proficiency (Japanese, Japanese Sign Language, and Signed Japanese), work experience, and living environment—the team aims to create a workplace where everyone finds their work rewarding. The team includes a supervisor qualified as a counselor for the working lives of people with disabilities, as well as a certified sign language interpreter. Through regular team meetings, sign language study sessions, and social gatherings, the team works to invigorate communication and build relationships of trust.

A scene at the TMBS MARINE cafe

Administrative Support Team, Business Support Dept., IID&E Holdings Co., Ltd.

Initiatives of ERGs in North America

Our ERGs* across North America continue to create meaningful spaces where team members feel supported, seen, and empowered to grow.

Earlier this year, the PHLY Black and African-American Employee Resource Group (BAAERG) hosted a career growth workshop focused on adaptability, resilience, and patience. The TMNAS Women's and Allies Collective and TokioPACT also hosted a Parent Panel, where team members shared candid experiences of balancing parenthood and career growth.

Reflecting the vision of our Group's Development and Networking pillar, these activities create opportunities for dialogue, connection, and growth so everyone can thrive.

Initiatives of ERGs in Japan

In October 2024, a Pride (LGBTQ+) ERG* was established by volunteers among Group employees in Japan, and holds regular exchanges of information and discussions to promote understanding of LGBTQ+ issues. In fiscal 2025 and fiscal 2026, the ERG has carried out activities to promote inclusion, including exhibiting a booth at Tokyo Pride, one of the largest Pride events in Asia, producing an in-house video on appropriate communication in situations where someone comes out, and planning and holding talk sessions on psychological safety for Group employees in Japan. Going forward, we will continue to promote workplaces where diverse talent can thrive as themselves, through ERG activities in which Group employees participate proactively.

* ERG: Employee Resource Group. An organization formed by employees within a company or group who share something in common, together with "Allies" who support a particular theme.

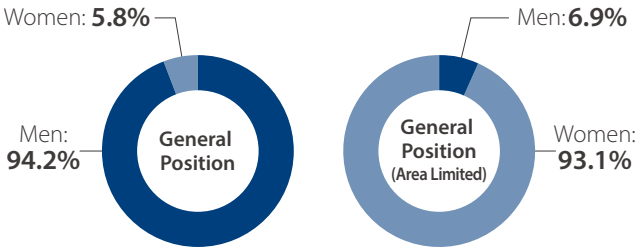
② Promotion of DE&I | Initiatives to Close the Gender Gap at Tokio Marine & Nichido

Major Factors Contributing to the Gender Pay Gap

Analysis of the factors contributing to the gender pay gap revealed significant impacts from differences in "job categories" and "average length of service" between male and female employees.

Work location category*

Wages vary based on whether there are transfers involving relocation ("relocation transfers"). There are more male employees in the "general position" category, where relocation transfers are required, and more female employees in the "general position (area limited)" category, where relocation transfers are generally not required. As a result, male employees tend to have higher wage levels.



Average Length of Service*

When comparing male and female employees, male employees tend to have a longer average length of service, leading to a higher wage level.

*: As of the end of March 2026.

Efforts Toward Closing the Gender Pay Gap

From April 2026, we will implement the following initiatives to create an environment in which all employees can fully demonstrate their potential.

- **Shift to a relocation transfer policy that starts from My Aspiration**
  Abolishing the work location categories of "general position" and "general position (area-limited)" and unifying them into a single "general position," and introducing a system under which all employees in general positions set a "home base" and annually declare their consent or non-consent to relocation transfers
- **Evaluation and treatment based on performance, ability, and responsibility**
  Transforming our systems and their operation, centered on the concept of the "Four Frees," so that employees are appropriately evaluated and treated according to performance, ability, and responsibility, regardless of attributes

The Four Frees (four principles set out by Tokio Marine & Nichido for promoting DE&I)	
Gender-free	Initiatives for LGBTQ+ inclusion and breaking down gender barriers
Age-free	Breaking down barriers related to year of joining and age differences among employees
Border-free	Breaking down barriers related to job categories, nationality, disabilities, and mid-career hiring
Work-style-free	Breaking down barriers to work styles by aligning with each individual's lifestyle

Key Initiatives to Increase the Ratio of Female Managers

Cross-company mentoring

We conduct "cross-mentoring" as a cross-company career development initiative, with the aim of accelerating the closing of the gender gap and driving transformation of corporate culture and revitalization of organizations by having diverse talent learn from and develop one another beyond the boundaries of individual companies.

Mentors (senior executives) and mentees (female managers) who have participated to date report that dialogue with executives and managers from outside the company and from other industries elevated their management perspective and gave them an opportunity to reconsider what it means to be a leader, and that it led to more autonomous career development.

Together with the participating companies, we will continue and further develop this initiative, promoting the closing of the gender gap through ongoing exchange among female managers, the development of next-generation leaders, and the creation of opportunities for dialogue with senior management.

Trend in the Ratio of Female Employees in Management Positions and Above

2023:	2024:	2025:
11.2%	27.8%	30.3%

③ Building a Management Structure with Diverse Talent

People to support Integrated Group Management

Significance of the Initiative	In a global and highly uncertain business environment, we will incorporate diverse experience and perspectives into management and enhance the quality of decision-making.
Our Promise to Employees	We aim to be an organization in which diverse experience and front-line perspectives are respected and reflected in organizational decision-making, so that every employee can take on challenges with a sense of conviction.

For Tokio Marine to achieve new value creation on a global scale, it is important to incorporate diverse perspectives into management decision-making. By reflecting diversity in gender, nationality, expertise, and business experience in our management structure, we can broaden our awareness of risk and capture growth opportunities more accurately. Through a management structure composed of diverse talent, we will improve decision-making in terms of both quality and speed, and enhance the effectiveness of governance and our competitiveness.

Governance Structure Ensuring Diversity

Mika Nabeshima
Director

Megumi Osono
Outside Director

Junko Shimizu
Outside Director

Saima Hasan
Outside Director

Haruka Matsuyama
Outside Director

Nana Otsuki
Outside Director

Ratio of Female Directors*	FY2025: 27.8%	▶	FY2026: 35.3%

*: As of the conclusion of the General Meeting of Shareholders.

Global Top Management Leveraging Expertise

CxO, Chairman, Executive Officers

Christopher Williams
Chairman of International Business

Donald Sherman
Vice President & Executive Officer, Co-CIO

Brad Irick
Managing Executive Officer, Co-Head of International Business

Susan Rivera
Managing Executive Officer, Co-CRSO

John Glomb
Managing Executive Officer

José Adalberto Ferrara
Managing Executive Officer

Caryn Angelson
Executive Officer, CDIO

Stephan Kiratsous
Executive Officer, Deputy CFO

Deputy CxO

Deputy CLCO
Randy Rinicella

Deputy CITO
Robert Pick

Deputy CAO
Dawn Miller

Deputy CRSO
Barry Cook

Percentage of Non-Japanese in C-Suite Positions*	FY2025: 31.3%	▶	FY2026: 29.0%

④ Stable and Continuous Development of Group Management Talent | Talent Management

People to support Integrated Group Management

Significance of the Initiative	To connect the autonomous growth of each business to value creation for the entire Group, we will continuously develop the talent who will lead Group management in the next generation.
Our Promise to Employees	We will extend to diverse talent in Japan and overseas the growth opportunities to learn beyond the boundaries of business, company, and country, and to aspire to lead Group management in the future.

The more autonomously each business grows, the greater the importance of management talent capable of leading value creation as one Group across businesses. Our Group is strengthening the mechanisms for identifying diverse talent in Japan and overseas and connecting them to development, assessment, and appointment with the involvement of senior management. In fiscal 2023, we established the Tokio Marine Group Leadership Institute (TLI), our own talent development institution. Through TLI, we strategically cultivate the skills and mindset that cannot be fully acquired through daily work alone—such as the Tokio Marine identity, our purpose, and a Group management perspective—and will produce, stably and continuously, the talent who will lead integrated Group management in the next generation.

Developing Group Management Talent who can contribute to the development of society and public well-being by harnessing the collective wisdom of the Group

Group Companies in Japan	Tokio Marine Holdings, Inc.	International Group Companies

Global Talent Management Pool Approximately **300** employees

Monitoring of talent management by senior management

We have worked to strengthen senior management commitment through defining talent requirements, formulating career development plans, and holding discussions at Talent Management Meetings. We will continue to clarify the model of management talent unique to our Group, identify and select talent accordingly, and enhance training programs, thereby improving the quality of the talent pool and the effectiveness of development initiatives.

Selection

Talent Identification
We are diversifying talent acquisition methods and creating fast-track development routes in addition to conventional ones. Talent identified in this growth environment, both domestically and internationally, is visualized through a talent map and assessed and selected from multiple perspectives.

Development

Definition of Talent Requirements
Defining skill requirements for key positions and model career paths

Development Plan
Developing career development plans for candidates

Talent Management Meeting
Discussing talent requirements and development plans for candidates at forums attended by senior management

Implementation of Career Development Plan
Tokio Marine Group Leadership Institute (TLI)
- Executive level: TSUNAGU
- General manager level: RASEN

Enhancing Linkages

④ Stable and Continuous Development of Group Management Talent | Tokio Marine Group Leadership Institute

People to support Integrated Group Management

The Tokio Marine Group Leadership Institute (TLI) was established to develop the next generation of leaders who will drive the Group's sustainable growth. At TLI, participants from diverse backgrounds come together under our Group's Purpose, transcending individual companies and markets. Through unique development programs, they cultivate high-level perspectives and problem-solving approaches to address management challenges.

Tokio Marine Group Leadership Institute

To strategically cultivate skills and mindsets that cannot be fully acquired through daily work alone—such as the Tokio Marine identity, our purpose, and a Group management perspective—we provide globally based programs in partnership with world-class business schools. The programs are divided into two layers: "TSUNAGU," primarily for the executive level, and "RASEN," for the general manager level, each designed individually according to expected roles. Future candidates for Group management with diverse cultural backgrounds and values participate from around the world, and the content is practical and experiential, including dialogue with senior management, discussion of actual business cases, and reflection on one's own approach to leadership. In the "TSUNAGU" program held in fiscal 2025, IMD (International Institute for Management Development) served as our partner in delivering a program to elevate the perspective, resolve, and relationship building required of the next generation of Group management leaders.

Executive Level TSUNAGU

General Manager Level RASEN

Note: A TLI promotion movie is available on Tokio Marine Holdings' corporate website. https://www.tokiomarinehd.com/careers/hr/

▸The value TLI provides

No. of Participants in TLI* (cumulative)	FY2024: 67 ▶ FY2025: 83

*: Total number of past TSUNAGU and RASEN participants.

④ Stable and Continuous Development of Group Management Talent | Initiatives in FY2025

People to support Integrated Group Management

In 2025, its third year since establishment, TLI further expanded its activities and implemented three main global programs. Going forward, we will continue to pursue a variety of initiatives to support the further growth of participants.

TSUNAGU

TSUNAGU, the core program for the executive level, focuses on developing corporate management-level leadership from a Group-wide perspective. In fiscal 2025, the program was conducted across multiple locations, including an overseas module and a module in Tokyo. The overseas module featured an immersive crisis management simulation conducted in cooperation with the Swiss Armed Forces. Participants were required to make rapid decisions and demonstrate teamwork and adaptability, learning about leadership and teamwork under highly uncertain and high-pressure conditions. The Tokyo module provided opportunities to learn about Group management, including deepening understanding of our purpose through a visit to areas affected by the Great East Japan Earthquake, as well as strategic discussions on the management issues currently facing the Group with the participation of current members of senior management. Between the two modules, senior management provided mentoring to participants, further strengthening their role in talent development.

RASEN

As part of the second year of the RASEN program, which was launched in fiscal 2024, we held a program aimed at sustainable growth. The program, which kicked off in October 2025, centers on online sessions and emphasizes connecting the insights gained through coaching and peer learning to the daily practice of leadership.

TLI SUMMIT 2025

We held the second TLI Summit for alumni who have previously participated in TLI programs (TSUNAGU and RASEN). Held with the aim of strengthening participants' networks and further accelerating the learning of program participants, the event featured sessions on purpose-driven leadership, discussions on future leadership challenges, and exchanges with leaders from inside and outside the Company, as well as messages from Group senior management and presentations by alumni.

⑤ Advancement of Talent Portfolio and Talent Management

People to support Integrated Group Management

Significance of the Initiative	In response to the expansion of our business domains and the increasing sophistication of the expertise required, we will strengthen the talent base for securing, developing, and utilizing the talent and organizational capabilities needed for business growth.
Our Promise to Employees	Respecting each person's aspirations and preferences, we will create opportunities to broaden career possibilities through reskilling and cross-boundary experience, while making the most of the experience and expertise they have cultivated.

With a view to evolving into a solution partner that goes beyond the boundaries of insurance, our Group has strengthened the deployment and recruitment of the talent and expertise required by each business, starting with the solution business. Going forward, in addition to deploying talent to each business and actively conducting mid-career recruitment, we will connect this to the delivery of new value to customers and society through the advancement of talent portfolios and talent management tailored to the characteristics of each business.

To Date | Deployment to Growth Areas (Results)

Deploy
Deploying internal talent to the solution business and other areas, applying the knowledge and experience cultivated in the insurance business to the delivery of new value

Acquire
Strengthening mid-career recruitment of highly specialized talent in areas such as business development, AI, data, and digital

Leverage together
Developing an environment in which internal talent and mid-career hires can draw on one another's experience and expertise

Going Forward | Toward Talent Portfolios and Talent Management Aligned with Business Strategy

Points of consideration

Scope	Deployment centered on growth areas	→	Clarifying the talent and capabilities required by each business and function
Perspective	Understanding centered on headcount	→	Understanding that also covers the expertise and experience required
Connection	Addressing needs within each area	→	Circulation of talent and knowledge across countries, regions, and businesses

Indicators of progress

No. of Employees in the Solution Business Divisions

FY2024: 139 ▸ FY2025: 167

No. of Mid-Career Hires Retained

FY2024: 157 ▸ FY2025: 202

Future issues

As our business domains expand, understanding the talent and organizational capabilities required by each business in an integrated manner with business strategy is an important issue for consideration going forward. Our Group will continue to address this issue while advancing the talent portfolios and talent management that support the realization of our business strategy.

⑥ Creating an Environment That Fosters Innovation | Key Initiatives

People to support Integrated Group Management

Significance of the Initiative	Starting from the aspirations of each employee and the knowledge gained through engaging with customers and society, we will develop an environment in which new value beyond the boundaries of insurance continues to be created.
Our Promise to Employees	We will create an environment in which each person's everyday insights and ideas are respected and in which they can take on the challenge of creating new value through dialogue with diverse colleagues and through trial and error.

For our Group to evolve into a solution partner that contributes to resolving the issues facing customers and society, an organizational environment that connects insights arising on the front lines and the challenges taken on by each employee to the creation of new value is indispensable. Innovation is not born in a single department; it emerges as diverse talent connect, learn from one another, and repeat cycles of trial and error. By connecting each employee's aspirations to our purpose and supporting proactive challenges, we will create new businesses and services that help resolve social issues.

Tokio Marine Innovation Program

The Tokio Marine Innovation Program (TIP), established in fiscal 2017, is aimed at fostering innovation and addressing social challenges through business activities by soliciting ideas from employees. Employees can apply with just an idea and a brief outline based on their daily observations, and those who win an Excellence Award gain opportunities to realize their ideas through measures such as transfers to the Business Development Department and budget allocations.

In fiscal 2025, the number of applicants to the program reached 325, setting a record high for the second consecutive year. While applications previously came mainly from those in sales divisions, applications from claims divisions, corporate divisions, and Group companies have also increased, and the range of applicants is becoming more diverse.

Through this program, we will continue to enhance the company-wide innovation mindset and support challenges driven by individual initiative.

No. of TIP Applicants FY2024: **306** ▶ FY2025: **325**

FY2025 TIP Grand Prize

A team from the Business Development Office of the ICT Business Division took on the challenge of creating a new solution combining AI and insurance to address the social issue of special fraud. By integrating prevention through an AI agent with insurance coverage, the team built a proposal encompassing everything from preventing damage before it occurs to providing support afterward, and won the fiscal 2025 TIP Grand Prize.

The team, composed mainly of members of a newly established organization, pursued the initiative alongside their regular duties. Receiving extensive feedback from inside and outside the company on customer needs, business viability, and feasibility, they refined their problem definition and their solution. In the run-up to the final round of judging in particular, they raised the quality of their concept while confronting fundamental questions such as whether there was genuine demand and whether their approach was the optimal means of addressing the issue they wanted to solve. What sustained the initiative was not only the team's own commitment but also the continuous support and encouragement of supervisors, colleagues, and others within the company, and a culture that backs those who take on challenges proved to be a powerful force.

This initiative symbolizes the environment at Tokio Marine, where employees take on the challenge of resolving social issues, grow in the process, and create innovation with the support of those around them. We will continue to welcome challenges and promote learning and co-creation, thereby driving the creation of innovation that leads to new value.

A presentation at the final round of judging

⑦ Enhancement of Digital Capabilities | Developing DX Talent Who Collaborate with AI to Drive Transformation

People to support Integrated Group Management

Significance of the Initiative	**We will enhance the talent and organizational capabilities needed to combine AI with human strengths, transform operations and organizations, and create new value.**
Our Promise to Employees	**We will support every employee in mastering AI, proactively rethinking how they work and their own role, demonstrating the value that only people can provide, and taking on new work.**

With the rapid advance of generative AI, the source of competitiveness is shifting from simply introducing AI to combining AI with human strengths, transforming operations and organizations, and creating new value. From senior management to all employees, our Group is developing DX talent who, in line with their respective roles, consider the role that people play in the age of AI and can proactively drive the transformation of operations and organizations.

Target of Development and Role	Desired State	Results through FY2025	Future Policy
DX Leader Management level, heads of DX-related departments and branches, and heads of frontline departments and branches	Grasp the changes brought by AI and digital technology, apply them to management decisions and organizational operation, and lead DX strategy and organizational transformation	• Newly established DX leader training for heads of frontline depatments and branches	• Expand the scope of AI and DX literacy training to the leadership level of each organization • Support the acquisition of the management skills needed for business transformation, talent development, and decision-making in the age of AI
DX Core Digital-related divisions and planning and development staff of service departments	Envision business and operational transformation using AI and digital technology and drive it forward in cooperation with stakeholders	• Newly established business architect training • Number of participants in the development program for DX core talent steadily increased	• Newly establish training to strengthen data implementation capabilities for the age of AI • Link individual development plans with work assignments to accelerate the development of talent who can envision and execute transformation
DX Driver Employees who drive DX within each organization	Devise solutions using AI and digital technology for the operational issues of their own organization and lead the promotion of DX within it by acquiring and applying the necessary skills	• Rolled out initiatives to promote the use of generative AI at each department and branch, led by DX Drivers • The use of generative AI advanced company-wide through the sharing of good practices and outreach within organizations	• Review appointment requirements and the training framework to strengthen DX capabilities at each department and branch • Create use cases originating on the front lines and roll them out company-wide in a form that can be replicated by other organizations
All Employees	Proactively acquire the DX and AI skills they need, apply AI and digital technology to their work, and hone the human capabilities required in the age of AI	• Recommended obtaining the IT Passport qualification in our learning guidelines • Held training sessions and study groups to improve AI literacy in each organization • Number of employees who use generative AI on a daily basis increased	• Roll out AI and DX literacy training for all employees • Promote the incorporation of AI and digital technology into daily work to improve efficiency and add value

No. of Participants in the DX Core Program (cumulative)

FY2024: **1,886** ▸ FY2025: **2,180**

The use of AI in our work is spreading across the Company. Going forward, we will move on from the stage of increasing the number of people who can use AI to the stage of transforming operations and organizations on the premise of AI and connecting this to value creation.

⑦ Enhancement of Digital Capabilities | Rethinking Roles and Ways of Working on the Premise of AI

People to support Integrated Group Management

The insurance business is a "People's Business," and the origin of value creation lies with people. At Tokio Marine, we regard AI as more than simply a means of improving operational efficiency: We aim for every employee to work together with AI, rethink their own role and the nature of their work, and shift toward more creative, higher-value-added work. We will implement the capabilities gained through development as operational transformation in each organization and extend this across the company.

① Understand roles in the age of AI	② Consider it in the context of one's own organization's work	③ Connect it to proactive practice
Understand how the advance of AI affects the business environment, operations, and the capabilities required	Sort out which areas to entrust to AI and which areas people add value in, and relate this to the issues and roles of one's own organization	Give concrete shape to how work should be done on the premise of AI and to themes for its use, and connect these to practice in each organization

Company-Wide Rollout at Tokio Marine & Nichido | Initiatives of the CX and dX Department

1. How to extend it company-wide

- The CX and dX Department rolls out training and workshops tailored to the issues of each organization
- Providing hands-on support for AI-driven operational transformation and role redesign in each organization, and modeling the learning and methods obtained from practical cases for horizontal deployment to other organizations

Case Study | Yokohama Automobile Sales Department: "Workshop on How to Work in the Age of AI"

2. What was done

- Each participant considered which tasks will be replaced by AI and which tasks people should handle
- Groups discussed the future of their market and the roles and ways of working that will be required
- Through discussion, participants gave concrete shape to their own roles and to how they will work going forward

3. What changed

- A shift in perspective from the use of AI itself to the value that participants themselves should deliver
- A shared understanding was formed for redesigning operations and roles based on the division of roles between AI and people
- Clarification of the capabilities to be honed going forward for resolving their organization's issues and creating value

Voices from the Front Lines

Airin Furuta

Planning Group, CX and dX Department

Making AI-based ways of working "One's Own"

In advancing the use of AI, it is important not only to learn how to use the tools but also to consider how the advance of AI will change our markets and our own roles, and how we should change the way we work on the premise of AI.
This workshop was designed so that, through bouncing ideas off generative AI and through group discussion, participants would see future changes as their own concern and think for themselves about the roles and ways of working that will be required.

Daiki Yamashita and Minami Yamada

Yokohama Automobile Sales Department

An opportunity to consider the value that only people provide

In light of the advance of AI, we held a workshop to consider how the insurance business in our market, the roles required of employees, and the way we work will change going forward. Each participant was able to deepen their thinking about what value only people can provide. Participants also became able to describe in their own words what value they should deliver and what capabilities they should acquire, which became a catalyst for grasping change proactively and acting on it.

⑧ Expansion of People with Expertise for Strengthening Governance

People to support Integrated Group Management

Significance of the Initiative	To respond to global business expansion and increasingly sophisticated risks, we will strengthen expertise in areas such as risk management, legal and compliance, internal audit, and cybersecurity, thereby supporting the balance between growth and discipline.
Our Promise to Employees	We will create an environment in which employees can continuously hone advanced expertise, share the practical knowledge of professional talent, and thrive as specialists who support the trust in, and sound growth of, the Group.

For our Group to expand its business globally and continue to grow in an increasingly complex risk environment, strengthening governance functions with highly specialized talent is indispensable. By strengthening specialized areas such as risk management, legal and compliance, internal audit, and cybersecurity, we are building the foundations that support the sound growth of our business. By balancing growth on the offensive with discipline on the defensive, we will make the trust placed in us by customers and society ever more solid.

① Why it is necessary

Expansion of international business and the increasing sophistication of global management

Increasing complexity and sophistication of regulation and compliance

Expansion of new risks accompanying the advance of AI and digital technology; increasing sophistication of cyber risk

② Specialized areas to be strengthened (examples)

No. of People in Governance-Related Departments*

FY2024: **136** ▶ FY2025: **152**

*: Number of employees in the Legal and Compliance Department and the Internal Audit Department.

③ Key initiatives

Legal and Compliance Department / Internal Audit Department

We are expanding the pool of highly specialized talent that supports Group governance. In addition to recruiting specialists, we are building a structure that enables specialized knowledge to be utilized and accumulated across the Group through concurrent appointments at Group companies and personnel exchange.

Through monitoring activities at Group companies in Japan and overseas and, in the field of internal audit, through audits of Group companies and the dispatch of auditors, we are also working on talent development that allows specialists to build practical experience while deepening their expertise. By broadening the pool of specialists, we are strengthening the governance foundations of the entire Group.

IT Planning Department (Global Fusion Center)

The Global Fusion Center (GFC), our global cybersecurity organization, was established to strengthen cybersecurity across the Group and comprises approximately 20 members in Japan and approximately 70 overseas. Members with advanced expertise underpinned by diverse backgrounds collaborate globally and maximize the resulting synergies, responding to threats 24 hours a day, 365 days a year in a borderless and consistent manner across the dimensions of technology, people, and processes. As cyber risk rises further amid the growing severity of ransomware and the misuse of AI, the GFC contributes to the stable continuity of the Group's business through strengthened monitoring and analytical capabilities to detect early signs of threats and through rapid incident.

⑨ Enhancing Job Satisfaction | Turning Employees' Voices into the Power to Change the Organization

Corporate Culture to support Integrated Group Management

Significance of the Initiative	Through the voices of our employees, we will grasp the state of engagement and of our organizations and culture, and connect improvements in job satisfaction and organizational capability to a virtuous cycle of employee growth and business growth.
Our Promise to Employees	We will connect employees' voices to improvements in our organizations and workplaces, creating an environment in which each person can take on challenges by drawing on their own aspirations and strengths and can genuinely feel their growth and job satisfaction.

Enhancing job satisfaction is an important theme of human capital management that heightens each employee's motivation to take on challenges and supports the sustainable growth of our globally expanding Group. Our Group uses employees' voices as the starting point for grasping organizational strengths and issues and connecting them to actions for improvement, thereby building organizations in which employee growth and business growth reinforce each other. From fiscal 2026, Tokio Marine Holdings and Tokio Marine & Nichido have shifted from the conventional engagement survey to an approach centered on the Culture & Values Survey (CVS).

Going forward, we will build the foundations for using the CVS as a common Group indicator while aiming to further enhance job satisfaction and organizational capability across the Group as one.

▸Job satisfaction improvement cycle

① Listen
Grasp employees' voices on a globally common basis through surveys

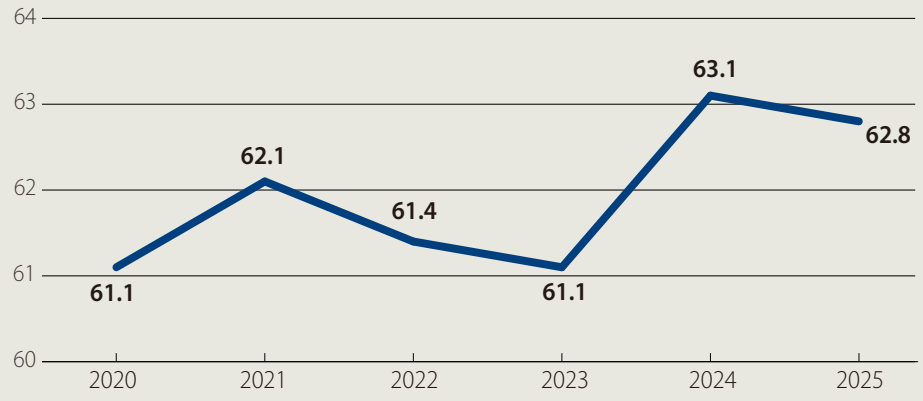
② Understand
Make the strengths and issues of each organization visible

③ Engage in dialogue
Share the results with management and each organization and discuss themes for improvement

④ Change
Run the PDCA cycle from the implementation of improvement measures through to the verification of their effects

To Date | Continuously Monitoring the State of Major Group Companies in Japan*1

▸Engagement survey*2



FY2025 respondents: **16,194** Response rate: **93.3**%

Going Forward | Making the CVS a Globally Common Platform for Dialogue

Priority indicators in the CVS

Engagement	Attachment to the company and one's work, and a voluntary desire to contribute
Risk Culture	The sensitivity and behavior to turn risk into opportunity
Group Belonging	A sense of belonging to the Group and the advancement of our purpose

Making the strengths and issues of each organization visible across the entire Group, leading to more effective organizational and talent initiatives

*1: Figures cover Tokio Marine Holdings and Tokio Marine & Nichido. *2: We use a survey provided by Link and Motivation Inc. The score is not a figure out of 100 but a deviation value calculated by comparison with the company's database. With 50 as the average, a higher figure indicates relatively higher engagement between the company and its employees. The fiscal 2025 figure of 62.8 corresponds to "AA," the second-highest of 11 rating levels.

⑨ Enhancing Job Satisfaction | Key Initiatives

Corporate Culture to support Integrated Group Management

We are creating an environment in which each employee can choose their own career starting from their own aspirations and strengths and can take on new experiences. Through dialogue and feedback, the Job Request System, and personnel exchange in Japan and overseas, we connect each person's growth to the growth of their organization and of the Group.

① Put aspirations into words
My Aspiration, one-on-ones, and feedback

② Choose opportunities for oneself
Job Request System

③ Broaden experience
Personnel exchange within the Group in Japan and overseas

④ Carry learning forward
Reflection and the next challenge

Dialogue and Feedback (Tokio Marine & Nichido)

At Tokio Marine & Nichido, we place great importance on support through dialogue so that each employee can take on challenges toward realizing the career they envision for themselves and continue to grow.

Supervisors and their team members hold dialogues on goal setting, reflection, and careers through "My Aspiration Challenge Interviews" (evaluation interviews) held three times a year and through ongoing one-on-ones. Supervisors listen to employees' aspirations—their "My Aspiration"—and to their thoughts about taking on challenges and growing, and provide support suited to their circumstances, thereby creating an environment in which employees can take on challenges with confidence.

We also encourage a "team approach" in which day-to-day dialogue such as one-on-ones is held with colleagues other than one's supervisor, connecting this to producing results as an organization. In evaluations, we place importance not only on the results of goal achievement but also on perspectives such as the ingenuity and initiative shown in the process and whether the employee has acted with compliance and a customer-first orientation in mind.

In addition, we conduct multi-rater feedback for some employees, so that they gain insight into their own behavior from multiple perspectives—not only from those senior to them but also from those junior to them—leading to growth and behavioral change.

Job Request System (Tokio Marine & Nichido)

The Job Request System supports employees in realizing their My Aspiration and career vision by enabling them to apply for desired positions, thereby fostering proactive career development. It aims to enhance individual motivation and commitment to self-development, while revitalizing the organization as a whole.

In fiscal 2025, there were 1,307 applicants, and transfers made through this system accounted for 11% of regular transfers. In addition to an expansion in the number of positions offered, greater use of the platform launched the previous year to publicize and promote open positions has created an environment in which employees can more easily access career options and information on openings.

With the goal of having transfers under this system account for 30% of transfers by fiscal 2030, we will promote talent mobility that contributes to the growth of both employees and organizations, and work to establish the system more firmly.

Personnel Exchange within the Group

We are engaged in talent development through personnel exchanges with Group companies in Japan and overseas. In Japan, we operate Group-wide Open Training (GOT), a system under which employees of domestic Group companies apply on their own initiative for a one-year training secondment to Tokio Marine & Nichido. Beyond the growth of the individual, the program brings new perspectives and insights to the host company and returns knowledge and experience to the home company, enhancing and revitalizing the organizational capabilities of both while fostering mutual understanding and a sense of unity within the Group.

With international Group companies, we operate programs that accept personnel based on our own needs, as well as programs that accept personnel in response to the needs of those companies and support their acquisition of specialized knowledge. By having talent learn from one another across the Group, whether in Japan or overseas, and share knowledge and experience, we promote the expansion of talent networks and the enhancement of expertise, leading to the development of the talent who will support the sustainable growth of the Group.

The Spread of Autonomous Career Choice through the Job Request System

Applicants: **1,307**

Share of Regular Transfers: FY2025: **3**% ▶ FY2026: **11**%

FY2030 target: **30**%

⑩ Enhancing a Flexible Work Environment | Our Stance on Promoting Health and Productivity Management

Corporate Culture to support Integrated Group Management

Significance of the Initiative	Positioning the physical and mental health of employees and their families as an important investment in human capital, we will create an environment in which each person can sustainably demonstrate their abilities.
Our Promise to Employees	Valuing physical and mental health and each person's life, we will create an environment in which employees can work with peace of mind and continue to demonstrate their abilities in their own way, even as their life stage or workplace changes.

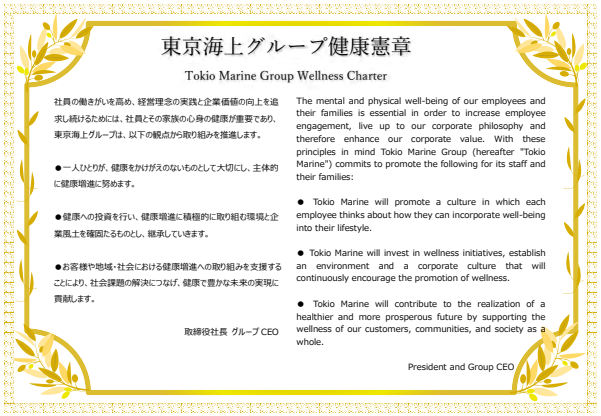
The physical and mental health of our employees and their families is essential if our Group is to create value sustainably. We position health and productivity management as an important investment in human capital. By creating an environment in which employees can work with peace of mind and fully demonstrate their abilities, we raise engagement and productivity and connect this to the value we deliver to customers and local communities. Through building organizations where people can work healthily and energetically, we aim to achieve both employee happiness and improved corporate value.

Health and productivity management vision

We regard our employees, who play a critical role in carrying out our business, as one of our most valuable assets. By enabling employees to work energetically in good physical and mental health, we aim to enhance their satisfaction and sense of fulfillment, contribute to the health of our customers, local communities, and society as a whole and to the resolution of social issues, and ultimately support the Group's sustainable growth.

Tokio Marine Group Wellness Charter

To instill the Tokio Marine Group's vision and thinking behind health and productivity management throughout the Group worldwide, we have formulated the Tokio Marine Group Wellness Charter as a health-related guideline for employees.



東京海上グループ健康憲章

Tokio Marine Group Wellness Charter

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

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

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

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

取締役社長 グループ CEO

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

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

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

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

President and Group CEO

For our strategy for promoting health and productivity management and trends in KGIs and other indicators, please see our Sustainability Report.

Promoting Health and Productivity Management in China —Tokio Marine & Nichido (China) (TMNCH)

Our Group's health and productivity management extends beyond in-house initiatives to activities that spread this way of thinking to society. Tokio Marine & Nichido (China) (TMNCH) supports the health of people working at companies and the creation of vibrant workplaces through the dissemination and development of health and productivity management in China.

As chair of the Foreign-Funded Institutions Committee of the Shanghai Financial Association (SFA), Tokio Marine & Nichido (China) (TMNCH) promotes the dissemination and institutionalization of health and productivity management in China. Since 2023, it has recommended the introduction of health and productivity management to Shanghai's financial industry while sharing Japan's knowledge in this field and its own practical experience, supporting the expansion of such initiatives across the financial industry. In 2024, it arranged for SFA officials to visit and exchange views with the Ministry of Economy, Trade and Industry and Japanese companies, deepening their understanding of the concept of health and productivity management and how the relevant systems are operated. Subsequently, through hosting an international exchange forum and making recommendations to the Shanghai Municipal Government, it has been promoting the formulation of evaluation criteria for health and productivity management for the financial industry and the consideration of an award system. TMNCH also shares practical examples of health and productivity management with Japanese-affiliated companies in China, supporting the dissemination and promotion of such management at their bases in the country. These initiatives contribute not only to improving employee health but also to enhancing corporate value and realizing a sustainable society, and TMNCH is playing a leading role in the dissemination and development of health and productivity management in China.

⑩ Enhancing a Flexible Work Environment | Initiatives by Group Companies

Corporate Culture to support Integrated Group Management

Tokio Marine Wellness Month
(Tokio Marine Group)

With a view to further growth and the realization of our purpose, our Group designates every June as "Tokio Marine Wellness Month" and works as one to maintain and improve the physical and mental health of employees. In fiscal 2025, in addition to seminars shared across domestic Group companies and programs unique to each company, we newly distributed a video of radio calisthenics (Radio Taiso) with English narration as a common initiative extending to overseas regions, with the aim of further strengthening the sense of unity with Group companies in Japan and abroad. As a result, more than 7,000 employees at 28 companies worldwide were connected through radio calisthenics, leading to improved well-being and a stronger sense of Group unity.

Mimosa Health Committee
Tokio Marine & Nichido

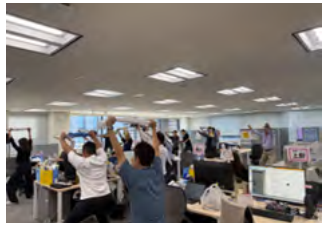
We have named the collective initiatives for women's health the "Mimosa Health Committee" and promote them. Initiatives include e-learning to improve health literacy, lectures by specialists, information dissemination on menstruation and menopause, financial support to encourage breast and cervical cancer screening, and the provision of "Mothers' Rooms" combining nursing and rest spaces. Through these efforts, we are contributing to the promotion of women's participation and advancement as well as addressing management challenges.

Work and Life
(Tokio Marine & Nichido)

Against the backdrop of an increase in dual-income households and diversifying values, Tokio Marine & Nichido is creating an environment in which every employee can continue working with peace of mind at each life stage. Alongside systems that support diverse ways of working, such as flexible working hours and reduced working hours, we are also enhancing initiatives that support employees with child-care or nursing care responsibilities, including assistance with temporary childcare at lower-than-usual cost through employee benefit services. We aim to realize an environment in which employees do not have to give up their careers when they encounter life events, and can continue to work energetically while demonstrating their own abilities and individuality.

Health Promotion Months ("Get healthier" Initiative)
Tokio Marine & Nichido

The Health Challenge, a program of our health promotion month, comprises "My Challenge," undertaken individually, and "Our Challenge," undertaken as an organization. Under "Our Challenge," departments and branches carried out their own health promotion initiatives, and five were selected for the "Good Team Award" by a vote of all employees. Through distinctive health challenges—such as standing Pilates during lunch breaks to stretch the shoulders and refresh, floor curling tournaments, and "lunchations" where participants brought dishes to share on the theme of eating seasonal vegetables—we promoted greater health awareness among employees and fostered a sense of unity within organizations.



Future Outlook | The Evolution of Human Capital Management toward the Realization of Aspiration 2035

Building on the initiatives we have established to date and taking account of our current issues, our Group will further evolve its human capital management, starting from the aspirations and challenges of each employee.

Future Outlook | The Evolution of Human Capital Management toward the Realization of Aspiration 2035

- Systematizing and advancing key initiatives and indicators from both the “talent” and “corporate culture” perspectives
- Establishing a framework that shows the link between human capital investment and improved corporate value (Value Created per Employee and Human Capital ROI)
- Articulating the significance of each initiative and making progress visible through the disclosure of indicators

Issues Recognized and the Direction of Our Evolution

- Realizing optimal talent portfolios and talent management aligned with the strategy of each business
- Strengthening the purpose, talent, and culture that support value creation as one Group
- Advancing the verification and disclosure of the pathways connecting human capital management and value creation
- Strengthening the improvement cycle through dialogue with employees, investors, external experts, and others

Our Promise to Employees

Respecting the aspirations and strengths of each employee, we will broaden opportunities for challenge and growth and continue to support every step they take.

Reference Indicators and Achievements

Category	Metric	Scope	Unit	FY2023	FY2024	FY2025
Basic Information	No. of regular employees (consolidated basis)	Tokio Marine Holdings (consolidated basis)	People	43,870	51,436	67,526
	No. of regular employees (by gender)	Tokio Marine Holdings and its major subsidiaries in Japan*1	People	Men: 11,879 Women: 12,777 Total: 24,656	Men: 11,809 Women: 13,085 Total: 24,894	Men: 19,602 Women: 19,315 Total: 38,917
	No. of regular employees (by region)	Major international subsidiaries under Tokio Marine Holdings*1	People	APAC: 4,674 Americas: 13,895 EMEA: 735 Total: 19,304	APAC: 5,443 Americas: 14,489 EMEA: 1,981 Total: 21,913	APAC: 7,708 Americas: 14,252 EMEA: 2,517 Total: 24,477
	Average age	Tokio Marine & Nichido	Age	Men: 47.3 Women: 38.5 Total: 42.6	Men: 47.3 Women: 38.8 Total: 42.6	Men: 47.0 Women: 39.2 Total: 42.6
	Average length of service	Tokio Marine & Nichido Fire Insurance	Years	Men: 13.1 Women: 12.9 Total: 13.0	Men: 13.1 Women: 12.6 Total: 2.8	Men: 13.5 Women: 12.9 Total: 13.2
	Turnover ratio*2		%	3.2	2.8	2.2
Management Systems	Ratio of Female Directors and Audit & Supervisory Board Members	Tokio Marine Holdings	%	20.0	25.0	27.8
	Average age of Directors		Age	63.2	63.1	63.5
Succession Planning	No. of participants in TLI (cumulative)	Tokio Marine Group	People	42	67	83
Recruiting	No. of new graduate hires in specific areas*3	Tokio Marine & Nichido Fire Insurance	People	16	18	19
	No. of mid-career hires with expertise in DX	Tokio Marine Holdings and Tokio Marine & Nichido	People	16	14	17
	No. of new graduate hires	Tokio Marine & Nichido Fire Insurance	People	Men: 160 Women: 342 Total: 502	Men: 230 Women: 431 Total: 661	Men: 191 Women: 265 Total: 456

*1: FY2025 figures are on an IFRS consolidated accounting basis. *2: Calculated based on voluntary resignations, excluding retirees.
*3: Number of people hired for integrated career-track positions (actuary and financial engineering, asset management, IT strategy, innovation, and global business) in which they acquire advanced expertise in a specific division and advance their careers.

Category	Metric	Scope	Unit	FY2023	FY2024	FY2025
Recruiting	No. of mid-career hires	Tokio Marine & Nichido Fire Insurance	People	Men: 90 Women: 84 Other: 1 Total: 175	Men: 130 Women: 89 Total: 219	Men: 151 Women: 114 Total: 265
Talent Development	No. of participants (projects) in Project Request System	Tokio Marine & Nichido Fire Insurance	People (projects)	398(87)	364(69)	403(101)
	Total training hours		Hours	271,123	298,856	302,738
	Average training hours per employee		Hours	18.50	20.20	20.40
Advancement of Our Purpose	Culture & Values Survey results*1	Tokio Marine Group	Score on a 5-point scale	4.4	4.2	94%
	No. of "Majikira" meetings*2	Tokio Marine Group	Times	26	74	63
Promotion of DE&I	Ratio of Female Directors and Audit & Supervisory Board Members	Tokio Marine Holdings	%	20.0	25.0	27.8
	Ratio of female executives (including executive officers)	Tokio Marine Holdings and its major subsidiaries	%	16.0	15.7	13.0
	Ratio of female managers	Tokio Marine Holdings	%	8.5	6.7	7.0
		Tokio Marine & Nichido Fire Insurance	%	11.2	27.9	30.5
		Nisshin Fire & Marine Insurance	%	15.8	16.8	19.6
		Tokio Marine Direct Insurance (formerly E.design Insurance)	%	20.7	21.4	25.8
		Tokio Marine Millea SAST Insurance	%	25.0	36.6	42.1
		Tokio Marine & Nichido Life Insurance	%	11.0	23.7	25.1
		Tokio Marine Asset Management	%	9.3	10.5	12.3
		Tokio Marine & Nichido Career Service	%	54.3	59.0	62.7
		Tokio Marine & Nichido Facilities	%	5.0	5.7	4.7
		Tokio Marine & Nichido Medical Service	%	—	—	66.7
		Tokio Marine dR	%	—	—	14.6

*1: The percentage of favorable responses (4 or 5 on a 5-point scale) for relevant items in the Culture & Values Survey (CVS), which measures engagement status and the level of advancement of our purpose. Following a change to the survey from FY2025, the evaluation method was changed from the previous average score (on a 5-point scale). *2: Number of times the Group CEO and the President of Tokio Marine & Nichido participated. "Majikira" meetings held in each workplace are not included.

Category	Metric	Scope	Unit	FY2023	FY2024	FY2025
Promotion of DE&I	Ratio of female managers (continued)	Tokio Marine Assistance	%	—	—	29.5
		Tokio Marine Business Support	%	—	—	46.2
		ID&E Holdings	%	—	—	11.1
		Nippon Koei	%	—	6.5	6.4
		Nippon Civic Consulting Engineers	%	—	—	4.3
		Koei Research & Consulting	%	—	56.0	54.2
		Nippon Koei Urban Space	%	—	3.6	3.1
		Nippon Koei Energy Solutions	%	—	0.0	2.6
		Nippon Koei Business Partners	%	—	17.6	15.4
		El Koei	%	—	33.3	50.0
		Tokio Marine Nichido Better Life Service	%	46.0	44.8	45.2
		Tokio Marine & Nichido Systems	%	—	—	12.4
		Tokio Marine & Nichido Anshin Consulting	%	—	—	25.6
		Tokio Marine & Nichido Outsourcing Management	%	—	—	100.0
		Tokio Marine & Nichido ANSHIN 110	%	—	—	43.9
		Tokio Marine & Nichido Adjusting Services	%	—	—	0.4
		Tokio Marine & Nichido Communications	%	—	—	36.1
		Tokio Marine & Nichido Partners TOKIO	%	—	—	13.0
		Tokio Marine & Nichido Partners Tokai-Hokuriku	%	—	—	18.2
		Tokio Marine Anshin Agency	%	—	—	7.0
		Tokio Marine & Nichido Facility Service	%	—	—	4.5
	Ratio of females hired (new graduate hires)	Tokio Marine & Nichido Fire Insurance	%	68.1	65.2	58.1
	Ratio of females hired (mid-career hires)		%	48.0	40.6	43.0

Category	Metric	Scope	Unit	FY2025		
				All employees	Regular employees	Non-regular employees
Promotion of DE&I	Ratio of women's wages to men's wages	Tokio Marine Holdings	%	75.9	89.0	32.3
		Tokio Marine & Nichido	%	57.2	54.4	67.9
		Nisshin Fire	%	65.9	66.9	61.9
		Tokio Marine Direct Insurance (formerly E.design Insurance)	%	75.6	75.5	62.7
		Tokio Marine Millea SAST Insurance	%	73.3	70.5	46.6
		Tokio Marine & Nichido Life Insurance	%	52.8	51.6	50.9
		Tokio Marine Asset Management	%	59.4	59.3	51.9
		Tokio Marine & Nichido Career Service	%	93.6	60.9	95.5
		Tokio Marine & Nichido Facilities	%	67.9	66.2	89.0
		Tokio Marine & Nichido Medical Service	%	65.2	63.4	59.8
		Tokio Marine dR	%	71.3	70.8	67.7
		Tokio Marine Assistance	%	74.6	80.7	53.0
		Tokio Marine Business Support	%	106.6	107.2	103.4
		ID&E Holdings	%	49.3	67.2	33.3
		Nippon Koei	%	75.6	78.0	63.1
		Nippon Civic Consulting Engineers	%	—	—	—
		Koei Research & Consulting	%	—	—	—
		Nippon Koei Urban Space	%	62.5	72.0	55.7
		Nippon Koei Energy Solutions	%	64.5	73.3	52.4
		Nippon Koei Business Partners	%	79.2	77.8	75.4
		El Koei	%	87.9	72.9	90.4
		Tokio Marine Nichido Better Life Service	%	63.7	90.1	101.3
		Tokio Marine & Nichido Systems	%	82.0	82.4	94.1
		Tokio Marine & Nichido Anshin Consulting	%	77.2	75.0	83.8
		Tokio Marine & Nichido Outsourcing Management	%	188.9	—	123.5

Category	Metric	Scope	Unit	All employees	Regular employees	Non-regular employees
Promotion of DE&I	Ratio of women's wages to men's wages (continued)	Tokio Marine & Nichido ANSHIN 110	%	87.5	88.6	77.9
		Tokio Marine & Nichido Adjusting Services	%	62.8	61.9	47.6
		Tokio Marine & Nichido Communications	%	75.1	77.4	106.9
		Tokio Marine & Nichido Partners TOKIO	%	55.6	55.3	42.3
		Tokio Marine & Nichido Partners Tokai-Hokuriku	%	54.0	50.8	54.6
		Tokio Marine Anshin Agency	%	71.4	73.1	70.0
		Tokio Marine & Nichido Facility Service	%	47.6	78.3	68.4

Category	Metric	Scope	Unit	FY2023	FY2024	FY2025
Promotion of DE&I	Ratio of paternity leave uptake "—" indicates non-disclosure.	Tokio Marine Holdings	%	0.0	100.0	0.0
		Tokio Marine Direct Insurance	%	92.0	93.3	101.5
		Nisshin Fire	%	94.7	90.9	103.6
		Tokio Marine & Nichido Life Insurance (formerly E.design Insurance)	%	100.0	66.7	100.0
		Tokio Marine Millea SAST Insurance	%	100.0	100.0	100.0
		Tokio Marine Nichido Life Insurance	%	97.8	105.0	80.4
		Tokio Marine Asset Management	%	83.3	100.0	71.4
		Tokio Marine & Nichido Career Service	%	0.0	42.9	50.0
		Tokio Marine & Nichido Facilities	%	45.5	50.0	100.0
		Tokio Marine & Nichido Medical Service	%	—	—	100.0
		Tokio Marine dR	%	—	—	100.0
		Tokio Marine Assistance	%	—	—	83.3
		Tokio Marine Business Support	%	—	—	100.0
		ID&E Holdings	%	—	—	—
		Nippon Koei	%	—	65.7	85.5
		Nippon Civic Consulting Engineers	%	—	—	—
		Koei Research & Consulting	%	—	200.0	100.0

Category	Metric	Scope	Unit	FY2023	FY2024	FY2025
Promotion of DE&I	Ratio of paternity leave uptake (continued) "—" indicates non-disclosure.	Nippon Koei Urban Space	%	—	72.2	84.6
		Nippon Koei Energy Solutions	%	—	23.0	62.5
		Nippon Koei Business Partners	%	—	77.7	40.0
		El Koei	%	—	—	—
		Tokio Marine Nichido Better Life Service	%	100.0	50.0	75.0
		Tokio Marine & Nichido Systems	%	—	—	52.3
		Tokio Marine & Nichido Anshin Consulting	%	—	—	—
		Tokio Marine & Nichido Outsourcing Management	%	—	—	—
		Tokio Marine & Nichido ANSHIN 110	%	—	—	100.0
		Tokio Marine & Nichido Adjusting Services	%	—	—	60.7
		Tokio Marine & Nichido Communications	%	—	—	75.0
		Tokio Marine & Nichido Partners TOKIO	%	—	—	100.0
		Tokio Marine & Nichido Partners Tokai-Hokuriku	%	—	—	33.3
		Tokio Marine Anshin Agency	%	—	—	75.0
		Tokio Marine & Nichido Facility Service	%	—	—	100.0
	Return-to-work rate of employees taking parental leave	Tokio Marine Holdings and its major subsidiaries	%	Men: 100.0 Women: 97.7	Men: 101.1 Women: 94.5	Men: 100 Women: 95.8
	Return-to-work rate of employees taking parental leave (retention rate one year after returning)		%	Men: 95.0 Women: 95.7	Men: 88.2 Women: 91.0	Men: 90.6 Women: 85.8
	No. of employees utilizing return-to-work support programs	Tokio Marine Holdings and its major subsidiaries	People	1,181	1,320	1,590
	No. of employees using shortened work hour programs		People	1,526	1,516	1,490
	No. of users of continuous employment system for the elderly	Tokio Marine Holdings and its major subsidiaries	People	1,240	1,282	2,102
	No. of users of the reemployment system		People	18	32	53
	Percentage of employees with disabilities*	*	%	2.45	2.50	2.61

*: Scope of calculation: Group-affiliated companies (Tokio Marine Holdings, Tokio Marine Direct Insurance, Tokio Marine Business Support, Tokio Marine & Nichido Career Service, Tokio Marine Nichido Better Life Service—a total of 5 companies).

Category	Metric	Scope	Unit	FY2023	FY2024	FY2025
Job Satisfaction	Engagement Score	Tokio Marine Holdings and Tokio Marine & Nichido Fire Insurance	(Deviation)	61.1	63.1	62.8
Flexible Work Environment	Participation in health promotion initiatives	Tokio Marine & Nichido Fire Insurance	No. of people	7,891	6,479	5,178
	Presenteeism*1		—	62.2	63.5	63.9
	Work engagement*2		—	2.65	2.67	2.66
	Organization's vibrancy level*3		—	2.95	3.00	2.98
	Average number of paid vacation days taken		Days	17.4	17.4	17.6
	Average monthly overtime hours*4		Hours	23.47	23.55	24.33
	Ratio of employees undertaking stress tests		%	98.8	98.7	98.8

*1: Indicator measuring the impact on performance based on WHO-defined mental and physical states (absolute presenteeism in WHO-HPQ). A higher value indicates higher performance (maximum 100).
*2: Measured by the level of work engagement in the new Brief Job Stress Questionnaire (maximum 4.0)
*3: Measured using a scale for sense of unity in the workplace in the new Brief Job Stress Questionnaire (maximum 4.0)
*4: Figures include both statutory and non-statutory overtime hours.

Corporate Governance

List of Directors

Directors

1 Chairman of the Board
Satoru Komiya

2 Representative Director and President & Group CEO
Masahiro Koike

3 Vice President Director (Representative Director)
Kichiichiro Yamamoto

4 Senior Managing Director (Representative Director)
Yoichi Moriwaki

5 Managing Director
Mika Nabeshima

6 Director
Hiroaki Shirota

7 Outside Director
Nobuhiro Endo

8 Outside Director
Shinya Katanozaka

9 Outside Director
Emi Osono

10 Outside Director
Robert Alan Feldman

11 Outside Director
Junko Shimizu

12 Outside Director
Saima Hasan

Directors serving as Audit and Supervisory Committee Members

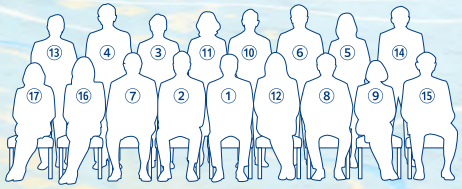
13 Director & Full-time Audit and Supervisory Committee Member
Akira Harashima

14 Director & Full-time Audit and Supervisory Committee Member
Kenji Okada

15 Outside Director & Audit and Supervisory Committee Member
Kosei Shindo

16 Outside Director & Audit and Supervisory Committee Member
Haruka Matsuyama

17 Outside Director & Audit and Supervisory Committee Member
Nana Otsuki



For more details, including biographies, please refer to our website:
https://www.tokiomarinehd.com/en/company/officers/

Message from the Chairman

Under our new governance structure, we will drive the growth strategy forward, strengthen Board oversight, and achieve sustainable growth in corporate value.

Satoru Komiya
Chairman of the Board
Chair of the Board of Directors

Message from the Chairman of the Board

Role and challenges of the Board of Directors

Social challenges are growing in diversity and complexity, while our business is expanding across both geographies and capabilities. Having served as Chair since last year, I believe the demands placed on the Board are greater than ever. Against this backdrop, to achieve sustainable growth and enhance corporate value, the Board must set a clear direction and provide effective oversight, while enabling management to act with autonomy and speed.

My first priority is to ensure rigorous debate on our medium- to long-term strategy. We must optimize the business portfolio and build new sources of value while delivering both profit growth and capital efficiency. The Board must actively draw on the diverse perspectives and experience of outside directors to challenge and refine management's strategy, making it more robust, specific, and actionable.

Strengthening the Board's governance function is equally important. Its role extends beyond responding to specific governance issues. In the ordinary course of business, the Board must continually improve its oversight and assess both the direction of strategy and its execution. The Board has a responsibility to support management while independently and rigorously determining whether the management is being managed in line with sound governance.

The Board must also address several challenges if it is to fulfill these roles at a higher level. We need to devote more time to substantive, long-term themes, including strategy and corporate culture, and discuss them in greater depth. We must also define more clearly what the Board should discuss, oversee, and evaluate, so that the Board and management can each focus on their respective roles and perform at their best. To support corporate value over the long term, the Board must remain alert to these challenges and continually evolve.

A new structure to realize our Vision

To fulfill these responsibilities more effectively, we adopted a Company with an Audit and Supervisory Committee structure in June 2026. The transition was not a response to shortcomings in the previous structure. We had already strengthened governance through a distinctive hybrid model, combining an Audit and Supervisory Board with Nomination, Compensation, and Group Audit Committees. We also established a majority of outside directors and increased the Board's diversity. Most importantly, the Board has developed a strong culture of open, candid, and constructive debate. My focus has been on preserving these strengths while elevating both strategic discussion and governance.

The transition is one answer to that challenge. Changing the structure was never the objective in itself. It reflects our unwavering focus on better Board discussions that advance Our Purpose and sustainably enhance corporate value. I believe this is a necessary step toward achieving growth and governance at a higher level.

To advance our growth strategy, the Board will delegate substantial authority to management, enabling faster decisions and execution driven by management's own initiative. The Board, meanwhile, will use the diverse expertise of outside directors to shape and deepen medium- to long-term strategy and strengthen its execution.

On governance, Directors serving as Audit and Supervisory Committee Members will exercise oversight as members of the Board. The Committee will conduct systematic audits through the internal audit function and assume the principal responsibilities of the former Group Audit Committee, strengthening internal control and governance across the Group.

Continuing to evolve the Board

The Board's role goes beyond supporting and overseeing management's strategy. It must also communicate our company strategy transparently and deepen understanding in the capital markets.

Management will continue its dialogue with investors. At the same time, outside directors can add significant value by explaining to the capital markets the thinking behind the Board's discussions and decisions. Their candid views, grounded in a deep understanding of Tokio Marine and informed by a shareholder perspective, can bridge the market and us and strengthen confidence in management.

The Board has a powerful strength built over many years: a culture in which internal and outside directors speak openly, regardless of position. Different views and concerns are voiced candidly, developed through constructive debate, and translated into better decisions. I believe this openness and mutual trust are the Board's greatest strengths and an important foundation of Tokio Marine's growth. As Chair, I will build on this culture under the new governance structure and ensure that the Board confronts the issues that matter most. By drawing fully on the diverse expertise and experience of our directors, we will support management's bold initiatives while exercising rigorous oversight. In doing so, we will continue to evolve the Board, support sustainable growth, and enhance corporate value.

Dialogue with Outside Directors

The Board's Role in Realizing Aspiration 2035

Aspiration 2035 sets out what the Tokio Marine Group aspires to be 10 years from now.
How did the Board help shape it, and what role will it play in turning that aspiration into reality?
We spoke with Directors Katanozaka and Osono.

Turning Aspiration 2035 into a Guide to Action for Every Employee

Secretariat: In May 2026, the Company announced Aspiration 2035, its vision for what the Group aims to be in 2035. What did the Board discuss as it was being developed?

Osono: Outside directors are often expected to keep management in check - to apply the brakes from a risk and governance perspective. I do not question the importance of that role. But if a company is to grow sustainably, I believe outside directors also need to ask management what it is aiming for and where it is heading, and to encourage it to take on new challenges.

In developing Aspiration 2035, I thought it was highly significant that CEO Koike did not start with numerical targets or business strategy. He started by asking, "What kind of company do we want to be in 2035?"

Katanozaka: I agree. The process itself was very meaningful. Management was not the only group involved; mid-career and younger employees also joined the discussion, starting with the question of what kind of company we want to be. The Board then refined the vision from a range of perspectives, including those of outside directors. First we built a shared understanding of the qualitative aspiration, and only then translated it into numbers and strategy. I think that sequence has become a good way of working for Tokio Marine, carried forward from the current Mid-Term Business Plan.

Aspiration 2035 cannot end with its announcement. The real question is whether each employee can connect their own aspirations to the strategy and concrete actions of their business. The Board kept asking whether that connection would actually work in practice.

Osono: I agree. What struck me most about the discussions among mid-career and younger employees was that they were not centered on questions like, "How much should we grow this business?" They were centered on, "What kind of company do we want to be?" and "How do I want to contribute to making that a reality?" They wanted Tokio Marine not only to compensate financial losses after accidents and disasters, but also to help prevent accidents and create greater security and new value. They talked about wanting to create new products and services, deliver more value to customers, and play an active role globally. I felt that one of the greatest values of Aspiration 2035 was the way that sense of initiative gave the employees involved a stronger sense of fulfillment and a greater desire to take on challenges. I hope that spirit spreads even further throughout the organization.

Katanozaka: Profit, ROE and other numbers are of course important. But what matters is the sequence of value creation - the process itself. It starts with the initiative and actions of each employee. Those actions deliver value to customers and society, and that value ultimately translates into profit and corporate value. If the numbers start to take on a life of their own, we lose sight of why we are pursuing growth in the first place. The Board also discussed how, precisely because the targets are ambitious, we need to put the thinking behind them into words and convey the qualitative message with conviction.

One comment from an outside director that has stayed with me is that Aspiration should not be something management finishes and hands down to employees. It should be something each employee makes their own and continues to shape after it is announced. The Board focused on whether Aspiration, the strategy for getting there, and the quantitative targets were all connected by a clear line of logic - and whether the value creation process could actually work in practice. The role of outside directors is not to dampen management's ambition or willingness to take on challenges in pursuing Aspiration 2035. It is to keep asking whether the vision is being communicated with passion, whether it resonates with employees, and whether it inspires them to take ownership and act. That is how we can help make Aspiration 2035 more achievable.

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

Evolving Our Business Model to Expand the Value We Create

Secretariat: Another major theme of Aspiration 2035 is to combine insurance with solutions and extend the value the Company provides beyond compensation after an accident or disaster - to prevention beforehand and recovery afterward. In other words, through "Insurance + Solutions," the Company aims to evolve its business model and expand the overall value it creates. How did the Board view this direction?

Katanozaka: Our Purpose has always been to be there for customers in times of need. Going forward, through the solutions business, our ambition is to be there for customers not only in times of need, but every day - working with them before accidents or disasters occur and continuing to support them afterward. The Board strongly supports this direction. As risks grow larger and more complex, we see this as a natural evolution of the Purpose Tokio Marine has carried forward since its founding - one that brings that Purpose to life in ways that address the challenges of our time and enables us to contribute more broadly to society.

That idea of being there "every day" actually takes me back to my time as President of ANA. At entrance ceremonies, I often told new employees, "Never forget about safety - even on your days off." For an airline, safety is not something you think about only after an accident. You have to stay alert to risk in everyday life and prevent accidents before they happen. Even when you are walking around town on a day off, you may suddenly notice a potential hazard. The idea is for that awareness to become second nature. I think the same is true of what an insurance company means by being there "every day." Each employee needs to keep an eye on customers' risks and social challenges in daily life and keep asking, "Is there more we can do?" I believe it is the accumulation of that awareness and action, person by person, that forms the foundation of the solutions business.

Osono: The solutions business is something I care deeply about, too. When I served as an Audit & Supervisory Board Member at Tokio Marine & Nichido, I once received a report on a major fire. At the time, we were recognized for paying claims promptly. Of course that matters. But I remember saying that what customers really want, above all, is for accidents not to happen in the first place. That concern was not mine alone; many officers and employees already shared it. Over time, Tokio Marine built on that thinking - launching the CORE disaster prevention consortium in 2021, acquiring ID&E in 2025, and developing other initiatives - and today those efforts have taken shape as the solutions business. It is now clearly positioned in our strategy as a third business alongside domestic and international insurance. As an outside director, I find it very encouraging to see a concern that so many employees have carried for years take concrete form as a business.

Katanozaka: I completely agree. The solutions business did not appear overnight. It grew out of years of dialogue between employees who wanted to prevent accidents and disasters before they happen and experts across a wide range of fields, including disaster prevention and mitigation. Aspiration 2035 is a natural extension of those longstanding efforts.

Osono: And the next step is to translate that direction into what people actually do on the front line. Rather than optimizing separately within product, sales and claims, we need to start with the risks customers face and design insurance and solutions as one integrated offering. Our organization will need to evolve to support that as well.

Katanozaka: There are also limits to how far we can expand the value we provide on our own. Take Build Back Better. It is a compelling idea, but the reality is not simple. In the Noto Peninsula and Atami, recovery and reconstruction after disasters have taken years. Simply restoring communities to where they were is difficult enough; rebuilding them to be stronger than before is harder still. No insurance company can do that alone. We need to bring together a wide range of expertise and tackle the challenge across society. Collaboration with external partners and M&A are important tools. But the point is not the collaboration or the M&A itself - it is the value they allow us to create. The Board therefore needs to judge whether each initiative will genuinely strengthen Tokio Marine's capabilities and expand the overall value we create.

Osono: That connects with what we were just discussing. When I think about how to expand the overall value we create, I do not see it as a question for the solutions business alone. It matters for the business portfolio as a whole. Through overseas M&A, Tokio Marine has built a globally diversified portfolio. But the goal has never been simply to broaden the scope of the business or diversify risk. We have also sought to connect the strengths of individual businesses and create greater value across the Group. One example is taking successful digitalization initiatives developed in Brazil and applying them to auto insurance in Asia. By connecting strengths across businesses and creating synergies in this way, we have enhanced the Group's overall competitiveness beyond the diversification benefits of a global portfolio. I believe that continuing to build those synergies will open up even greater possibilities for value creation.

How AI Is Reshaping Competition and Competitive Advantage

Secretariat: AI is impossible to ignore when considering what the Group will look like 10 years from now. How has the Board been discussing the relationship between AI and the management of the Company?

Osono: Management and the outside directors shared the view that AI is more than a tool for operational efficiency. It could transform customer touchpoints, distribution, products and services, underwriting, claims handling, and even revenue models. But AI itself does not create competitive advantage. Our edge comes from the distinctive expertise and data Tokio Marine has built through underwriting, claims handling and customer relationships. AI is a means of turning that expertise and data into new value.

If we are not careful, however, AI naturally gets pulled toward efficiency. The benefits are easy to see, and efficiency addresses immediate challenges, so it tends to come first. But efficiency alone will not create value that is distinctly Tokio Marine. That is why we, as outside directors, pushed management not to postpone using AI to create customer value and to start turning data into value as early as possible. The earlier we start experimenting, learning and adjusting, the better we become at organizing and using data - and at building the capabilities needed to deliver that value to customers. I believe it is that accumulation of learning that will ultimately create value unique to Tokio Marine.

Katanozaka: Looking ahead, we may reach a world where AI agents choose insurance companies and products on behalf of customers. Then the question is simple: will Tokio Marine be selected automatically based on price alone, or chosen for the distinctive value we offer? Of course we need to bring in the best external technology. But we also need to be clear about how AI will strengthen Tokio Marine's competitive advantages and what data we need to make that happen. We have expertise in underwriting and claims, deep customer relationships, and the ability to deliver solutions grounded in real-world needs. The key is to combine those strengths with AI and turn them into distinctive value that gives customers a reason to choose Tokio Marine beyond price.

Osono: You can see that value in early detection as well. If AI can detect early signs of accidents or fraud and enable us to act before they happen, we can take the idea of being there "every day" a step further. That applies to underwriting and compliance as well: how can we use AI to predict problems and intervene early? The question is not how many tools we deploy. It is how deeply we embed AI in our business model and turn it into customer value and competitive advantage.

Katanozaka: Frankly, one thing I have noticed about Tokio Marine is how deeply the culture of careful deliberation is rooted. That is a real strength. But with AI, the same thoroughness can become a weakness. If we wait until we have assessed everything before acting, we will be too late. I have told management that in AI we should be willing to move at a pace that may even feel a little too fast: try, learn, adjust. Pushing management to move quickly from experimentation to implementation is also part of the role of outside directors.

Osono: I agree. Each business needs to learn by doing and evolve its use of AI as it goes. But keeping those lessons inside individual Group companies would be a waste. We need to share strong initiatives and insights across the Group and apply them more widely. The Global AI-HUB, established in 2025, is central to achieving that speed and sharing learning across the Group. It brings together the challenges and insights of each business so businesses can support one another across technology, talent and data. The goal is not for every company to pursue AI on its own, but to share results and learning and accelerate transformation across the Group. I want to see that translate into business transformation with both speed and scale.

Achieving a High-Level Balance Between Growth and Governance

Secretariat: In June 2026, the Company transitioned to a Company with an Audit and Supervisory Committee. What is the Company seeking to achieve through this change in governance structure?

Katanozaka: Put simply, our aim is to achieve a higher-level balance between growth and governance. The Board has long had open and candid discussions, and effective oversight informed by a diverse range of perspectives has worked well. We are not changing the structure because the previous framework was not working. We are changing it because the environment has changed and because we want to build on the governance framework we have developed and take it further. That is what I mean by achieving a higher-level balance.

Osono: If I had to sum up why now, I would point to three things. First, the Board needs to deepen its discussions on strategy with medium- to long-term changes in the business environment in mind. Second, we need to delegate more authority to management so day-to-day decisions

can be made faster. Third, we need to further strengthen governance in light of recent misconduct. Those three needs became more pressing at the same time, which is why we decided to review the governance structure now. We did not start with a preferred structure. For more than a year, we had frank and in-depth discussions about the pros and cons of three options: retaining the existing structure, becoming a Company with Audit and Supervisory Committee, or becoming a Company with Three Committees. Throughout those discussions, we outside directors consistently said that if more authority is delegated to management, the Board must in turn focus even more sharply on medium- to long-term direction and strategy, and align thoroughly with management on that direction.

From a governance perspective, one issue I cared particularly about was how to carry forward the function of the full-time Audit & Supervisory Board Members. They understood the Company's history and how work actually gets done, yet maintained their independence and spoke very candidly to the CEO when necessary. I had seen that firsthand, so I was genuinely concerned about whether we could preserve that function under the new structure.

Under the new Audit and Supervisory Committee, outside directors make up a majority, and an outside director serves as chair. At the same time, having Audit and Supervisory Committee Members with internal experience and a strong understanding of the business means they can "translate" the realities within the Company - and the context behind why things are the way they are - in a way outside directors can understand. In other words, we can combine an insider's understanding of the business with the objective perspective of outside directors. I supported the transition because I believe this structure can preserve the important functions previously performed by the full-time Audit & Supervisory Board Members while using the strengths of the new model to make governance even more effective.

The Board also has a responsibility to systematically develop future CEO candidates and choose the best person to lead the Company. From that perspective, too, I believe this change in governance structure is significant. We have long used the voluntary Nomination Committee to consider succession from both internal and outside perspectives, with the Board ultimately selecting the CEO by consensus. Under the previous structure, Audit & Supervisory Board Members did not participate directly in Board decisions on nomination and compensation. Audit and Supervisory Committee Members, by contrast, are directors with voting rights and take part directly in those deliberations and decisions. That means the perspectives of oversight and audit can now be reflected more directly in CEO selection and compensation - matters at the very heart of management.

Katanozaka: When choosing a CEO, the skills matrix is also important. The Nomination Committee discusses what knowledge and expertise the CEO should personally have, but we need to work backward from the management challenges the Company is likely to face in the future and think about both what the individual CEO needs to bring and what capabilities the Board as a whole needs to have. Whatever governance structure we adopt, what ultimately matters is making full use of the Board's diversity and collective expertise. The Board's role is to challenge assumptions that management may not see on its own,

bring in the perspectives of society and the capital markets, and put alternative options on the table where appropriate. Sometimes that means raising difficult points to improve the quality of decision-making. To realize a long-term vision such as Aspiration 2035, we need to translate it into concrete strategy and action and keep testing whether they are working. As the environment changes, the assumptions behind the strategy will change as well. The Board therefore needs to keep asking: Are the assumptions and direction still valid? Do we have a genuine range of options? Are we maintaining the profitability and financial soundness we need?

The Board is also more effective when management shares points of disagreement and issues it is still wrestling with before reaching a conclusion.

Osono: We are partners in trying to make the Company better. That is why I think management should share not only good news, but also challenges, concerns and uncertainties - and do so early. Only with that kind of openness can the Board get to the heart of the issues and contribute to better decisions. The Board also needs to use its limited time well, focusing on matters that genuinely warrant strategic discussion rather than spending time on explanations or confirming materials. The way the Board operates has steadily evolved, and I believe that continuing to improve it will further enhance our effectiveness as a monitoring board. Ultimately, all of this comes back to realizing Aspiration 2035. That requires an organization where each employee thinks for themselves, speaks candidly and acts. As a Board, we want to support management while continuing to ask whether the Company is becoming that kind of organization.

Katanozaka: That's right. Governance is not a brake on growth; it is a mechanism for achieving sound growth. The transition to a Company with Audit and Supervisory Committee is one means to that end. What can be entrusted to management should be entrusted to management. The

Board, meanwhile, must keep testing the assumptions and progress management presents on fundamental issues such as medium- to long-term direction, the business portfolio, capital allocation and risk resilience. Aspiration 2035 is something employees, management and the Board must continue to shape in their respective roles, further expanding the value Tokio Marine Group creates. I see that as one of the Board's most important responsibilities going forward.

Secretariat: Thank you both very much for your time today.

Corporate Governance

We transitioned to a Company with an Audit and Supervisory Committee in June 2026 in order to further advance and strengthen the high-level balance between growth strategy and governance.

The Company had previously adopted a hybrid governance structure based on a company with a Board of Corporate Auditors, complemented by voluntary Nomination and Compensation Committees. In addition, we have continuously pursued governance reforms aimed at realizing an optimal corporate governance framework that supports sustainable enhancement of corporate value. These efforts included the establishment of the Group Audit Committee in 2024 to incorporate independent external perspectives and increasing the proportion of Outside Directors on the Board to a majority in 2025. Building on these initiatives, and following approval at the Annual General Meeting of Shareholders held in June 2026, the Company transitioned to a Company with an Audit and Supervisory Committee in order to further advance and strengthen the high-level balance between growth strategy and governance. Through this transition, the Company will primarily achieve the following two objectives.

1. Further advancement of growth strategy

- The Board of Directors will leverage the diversity and expertise of Outside Directors while promoting the further refinement of medium- to long-term value creation strategies led by the Group CEO and the executive management team.
- The Board of Directors will delegate substantial authority to the executive management team led by the Group CEO, thereby accelerating agile business operations driven by management initiative and guided by the medium- to long-term strategies that have been established.

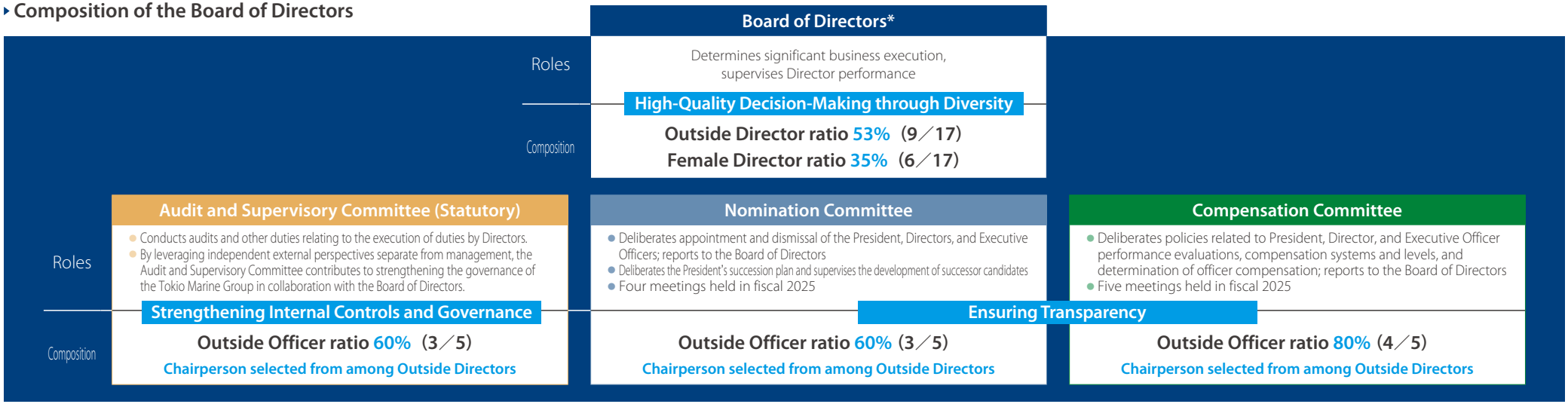
2. Strengthening governance functions

Through the following measures, the Board of Directors will further strengthen its oversight function by reviewing and evaluating both the direction of management's value creation strategy and the execution of business operations.

- By having Audit and Supervisory Committee Members serve as members of the Board of Directors, the Board will perform its governance functions in an integrated manner.
- The Audit and Supervisory Committee conducts systematic audits by leveraging the Internal Audit Department.
- By consolidating within the Audit and Supervisory Committee the principal functions of the former Group Audit Committee, which has leveraged independent external perspectives separate from management, we will further strengthen our internal control and governance functions.

As the business environment surrounding the Company becomes increasingly complex and sophisticated, there is a growing need not only for swift and agile decision-making but also for further advancement of governance, internal controls, and compliance. Through the transition to a Company with an Audit and Supervisory Committee, the Company will enhance management agility through the appropriate delegation of authority to the executive management team while strengthening its audit and oversight functions. In addition, by ensuring that executive Directors continue to participate in Board discussions, the Company will maintain active dialogue and transparent information sharing grounded in the realities of its business operations, while further deepening discussions aimed at enhancing medium- to long-term corporate value. Through these efforts, we will elevate the balance between growth strategy and governance to an even higher level.

▸ Composition of the Board of Directors



*: For the appointment of Director candidates and the determination of Director compensation, among other matters, transparency and objectivity are ensured by continuing to obtain recommendations from the voluntary Nomination Committee and Compensation Committee, with final decisions being made by the Board of Directors, a majority of whose members are Outside Directors.

The Effectiveness of the Board of Directors

Initiatives to Improve the Effectiveness of the Board of Directors

To further enhance the effectiveness of the Board of Directors, the Company conducts an annual evaluation of the Board's effectiveness. Specifically, to reflect the views of all members participating in the Board, a questionnaire is administered to all Board members regarding the operation and performance of the Board's functions, and the results are then reported to the Board of Directors.

Fiscal 2025 Board Effectiveness Evaluation

Period	October 2025 to March 2026
Target	All directors and auditors
Main content	(1) Status of Board of Directors' functions (2) Status of Board of Directors' operations (3) Size, Composition, and Diversity of the Board of Directors (4) Operations of the Nomination Committee, Compensation Committee, and Group Audit Committee

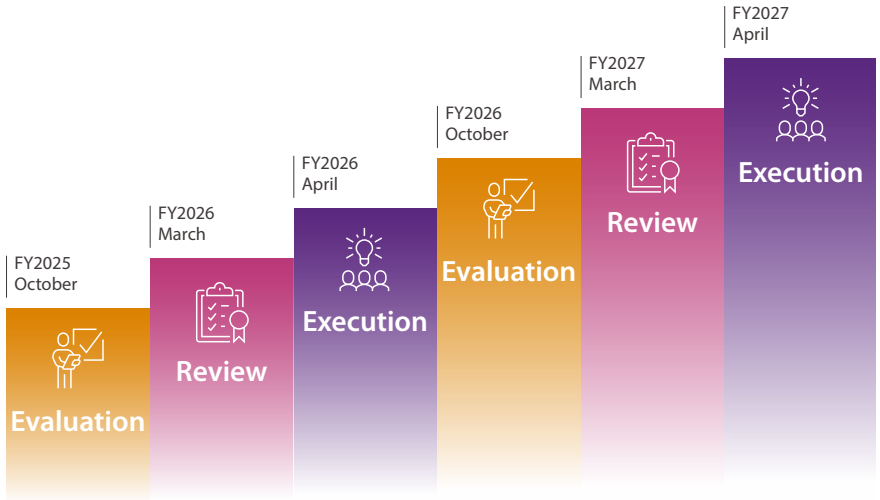
1. Overall evaluation for fiscal 2025
In the Board of Directors, free and open-minded discussions have been held, and the functioning of the Board of Directors is evaluated to be generally satisfactory.

2. Main opinions of Directors and Audit & Supervisory Board members and future policies
(Opinion 1)
More time should be allocated to discussions on key issues that should be deliberated by the Board of Directors.
(Response 1)
Following the transition to a Company with an Audit and Supervisory Committee in June 2026, we will accelerate decision-making through the appropriate delegation of authority to management while further clarifying the respective roles of execution and oversight. As a result, the Board of Directors will place greater focus on key issues that contribute to the Group's medium- to long-term enhancement of corporate value and deepen its strategic discussions. In addition, to ensure that Directors have access to comprehensive and timely information, we will continue to provide an environment in which Directors can review the minutes of Management Committee meetings at any time, offer opportunities to observe such meetings, and share summaries and key points of agenda items.

(Opinion 2)
Outside Directors should be provided with further opportunities to deepen their understanding of the Tokio Marine Group.
(Response 2)
We will continue to provide Outside Directors with information outside of Board meetings. In addition, we will further expand opportunities for them to observe key internal meetings, visit Group company locations, and participate in dialogue sessions with employees of Group companies.

(Opinion 3)
Although the Group Audit Committee was originally established as a response to a series of incidents, it has worked closely with management and has been operated in an effective and highly proactive manner.
(Response 3)
The Audit and Supervisory Committee, which has assumed the principal functions of the former Group Audit Committee, will continue to undertake the following initiatives.
(1) Reviewing the status of measures to prevent the recurrence of misconduct and other incidents at Group companies, assessing whether such measures should be implemented across the Group, and provide instructions for further consideration where necessary (Group-wide implementation of recurrence-prevention measures).
(2) Reviewing incidents that have occurred at other companies and industries, examining similar potential scenarios within the Tokio Marine Group, and evaluating the effectiveness of current responses (learning from others' experiences).
(3) Assessing potential gaps between the Group's practices and generally accepted social norms. (Revisit common sense).

3. Operation policy for fiscal 2026
We will continue to operate the PDCA cycle on an ongoing basis to further enhance the effectiveness of the Board of Directors in fiscal 2026.



It is extremely important for the Board of Directors to fulfill its expected role in enhancing corporate value. In fiscal 2022, Tokio Marine conducted an evaluation of the effectiveness of the Board of Directors using a third-party organization. Going forward, we will continue to conduct annual evaluations of effectiveness while considering the implementation of third-party evaluations as necessary.
In fiscal 2026, reflecting the transition to a Company with an Audit and Supervisory Committee, we will also evaluate and review, through the Board effectiveness evaluation process, whether the Board of Directors is appropriately focusing on key matters related to the Group's medium- to long-term enhancement of corporate value and whether it is effectively strengthening its strategic discussions and oversight functions.

Skill Matrix

Board Skill Matrix

The Company transitioned to a Company with an Audit and Supervisory Committee in June 2026. The Board of Directors determines significant business execution and supervises the execution of duties by Directors. In addition, through the appropriate delegation of authority to management, the Board promotes agile decision-making while focusing its deliberations on important management issues and business strategies that contribute to the enhancement of medium- to long-term corporate value. The Board also plays a key role in encouraging the further refinement of management's medium- to long-term value creation strategies.

To fulfill these responsibilities effectively, it is essential that the Board of Directors as a whole possesses a well-balanced combination of the knowledge, experience, and capabilities required in light of the Group's business activities, global operations, and governance structure. The skill matrix is not intended to require every Director to possess all of the identified skills; rather, it serves as a tool to confirm that the Board collectively possesses the skills necessary to fulfill its responsibilities. We also believe that the skills required of the Board should be reviewed periodically in response to changes in the business environment and evolving management challenges.

To appropriately determine and oversee the Group's significant business execution, deep knowledge and experience in the insurance business, the Company's core business, are of primary importance. In addition, skills relating to finance and economics, accounting and finance, legal and compliance, human resources strategy, and governance and risk management form the foundation for sound management decision-making. Furthermore, as responding to environmental challenges and technological innovation has become a critical issue for society as a whole, the importance of expertise in the environment and technology continues to increase. Moreover, because an understanding of the global business environment and corporate management experience are valuable in formulating business strategies and overseeing management execution, we particularly expect our Outside Directors to contribute knowledge and experience relating to international business and corporate management.

Directors serving as Audit and Supervisory Committee Members participate in the determination and oversight of significant business execution as members of the Board of Directors while also auditing the execution of duties by Directors. Accordingly, we believe that the Audit and Supervisory Committee should, like the Board of Directors, possess a broad range of skills and be composed in a manner that enables members' expertise to complement one another. Among these skills, particular emphasis is placed on accounting and finance expertise. In addition, because the Audit and Supervisory Committee contributes to the establishment of a sound corporate governance framework and evaluates the appropriateness of management strategies and business execution from a management perspective, expertise in governance and risk management as well as insights developed through corporate management experience are also considered important.

Based on these principles, the Company has appointed four individuals with corporate management experience, as well as an academic expert, an economist, an analyst, and an attorney, as Outside Directors. Among them, we expect Saima Hasan, a newly appointed Outside Director, to contribute recommendations to the Board and exercise appropriate oversight by leveraging her expertise in new business creation, technology, and related fields developed through her experience as a social entrepreneur and venture capitalist focused on the technology sector. From a diversity perspective, the Board includes six female Directors, representing approximately 35% of all Board members. In addition, two Directors are non-Japanese nationals. As a result, the Company's Board of Directors possesses, as a whole, the skills and capabilities necessary to fulfill its responsibilities effectively.

Name	Gender	Positions and key responsibilities		Skills and experience									
				Corporate Management	Finance & Economy	Accounting	Legal & Compliance	Environment	Human Resources Strategy	Governance & Risk Management	Technology	Internationality	Insurance Business
Satoru Komiya	Male	Chairman of the Board		○	○				○			○	○
Masahiro Koike	Male	President & Chief Executive Officer	Group CEO (Group Chief Executive Officer) Group CCO (Group Chief Culture Officer)	○	○							○	○
Kichiichiro Yamamoto	Male	Vice President Director	Co-Head of International Business		○	○				○		○	○
Yoichi Moriwaki	Male	Senior Managing Director	Group Chief Business Strategy Officer		○	○		○	○		○		○
Mika Nabeshima	Female	Managing Director	Group Chief Sustainability Officer					○	○			○	○
Hiroaki Shirota	Male	Director	Head of Japan Business	○	○								○
Nobuhiro Endo	Male	Outside Director		○	○					○	○	○	
Shinya Katanozaka	Male	Outside Director		○	○				○	○		○	
Emi Osono	Female	Outside Director		○				○		○		○	
Robert Alan Feldman	Male	Outside Director		○	○	○		○		○	○	○	
Junko Shimizu	Female	Outside Director			○	○		○		○		○	
Saima Hasan	Female	Outside Director		○	○	○					○	○	
Akira Harashima	Male	Director (Full-time Audit and Supervisory Committee Member)		○	○					○		○	○
Kenji Okada	Male	Director (Full-time Audit and Supervisory Committee Member)			○	○	○			○		○	○
Kosei Shindo	Male	Outside Director (Audit and Supervisory Committee Member)		○	○			○	○	○		○	
Haruka Matsuyama	Female	Outside Director (Audit and Supervisory Committee Member)			○	○	○			○			
Nana Otsuki	Female	Outside Director (Audit and Supervisory Committee Member)			○	○		○		○		○	

Leveraging Outside Directors' Expertise

Key recommendations from outside directors and the company's responses

At Board of Directors meetings held in fiscal 2025, objective discussions were conducted, incorporating independent third-party perspectives, on the effectiveness of recurrence prevention measures and the strengthening of Group governance in light of the reporting order issued to Tokio Marine & Nichido Life Insurance. In addition, discussions were held on the aggregation of expertise through the AI Hub, talent development, enhancement of tools and infrastructure, and strengthening collaboration among Group companies in order to accelerate the utilization of AI both domestically and internationally.

Going forward, we will continue to leverage the expertise and insights of our Outside Directors and promote initiatives aimed at enhancing sustainable corporate value by maximizing and mutually leveraging the strengths of each Group company.

Key recommendations and responses

(Recommendation 1)
In September 2025, Tokio Marine & Nichido Life Insurance submitted a report to the Financial Services Agency in response to the reporting order it had received. Many of the recurrence prevention measures described in the report were already being implemented across the Group in response to the series of misconduct incidents at Tokio Marine & Nichido Fire Insurance. We also recognize that Tokio Marine & Nichido Life Insurance has already implemented its own recurrence prevention measures tailored to the specific characteristics of the life insurance business. Nevertheless, while it is important to respect the autonomy of each Group company under the Federated Model, our decentralized and collaborative approach to Group management, it is also necessary to further strengthen the Company's involvement in governance matters to ensure the soundness and effectiveness of governance across the Group as a whole.
(Response 1)
The Company has newly appointed an executive officer with cross-functional responsibility for governance across its domestic businesses. In addition, the principal functions of the Group Audit Committee have been transferred to the Audit and Supervisory Committee, which is chaired by an Outside Director. The Committee reviews the progress of recurrence prevention measures implemented in response to misconduct and other incidents at Group companies, assesses whether such measures should be implemented across the Group, and provides instructions on further actions where necessary. Furthermore, it continuously examines the Group's business processes and other operations to identify any gaps between them and prevailing social norms and expectations, and oversees the implementation of measures based on the results of those reviews.

The effectiveness of initiatives to strengthen internal controls at smaller overseas operations will also be continuously monitored and evaluated.

(Recommendation 2)
Initiatives to support AI adoption across Group companies should be actively promoted. The insurance industry is highly compatible with AI-driven automation and offers significant opportunities for AI utilization. Accordingly, each Group company should exercise ownership and strive to maximize the benefits of AI and data utilization based on its unique business characteristics and operating environment.
(Response 2)
To balance Group-wide coordination with the autonomy of individual Group companies, we have established the Group AI/Data Task Force (TF), led by the Group CAIO and other senior executives, as the Group's AI promotion framework. In addition to formulating AI implementation strategies and utilization policies, the Task Force centrally manages the selection and oversight of investment initiatives, thereby driving AI adoption across the Group. Furthermore, we regard AI and data utilization as a key enabler of business strategy execution and have established the AI Hub to further leverage the Group's collective strengths. The AI Hub provides cross-functional support to Group companies in areas such as training, governance, and R&D, while also advancing AI utilization across the Group through the sharing of expertise and best practices.

Strategic discussions leveraging the expertise and diverse perspectives of outside directors

The Company believes that the expertise and insights of Outside Officers should be fully utilized when formulating management strategies aimed at sustainable growth and the enhancement of medium- to long-term corporate value. Accordingly, in fiscal 2025, the Board of Directors continued to hold "Discussions on Corporate Strategy" focused on management challenges and changes in the business environment selected based on the views of Outside Officers. In fiscal 2026, we will continue and further deepen these initiatives while further enhancing strategic discussions from the perspective of advancing and strengthening the high-level balance between growth strategy and governance. Specifically, we will share management priorities and key issues related to the Group's sustainable growth and medium- to long-term enhancement of corporate value, and engage in discussions from diverse perspectives, including those of Outside Officers, thereby improving the quality of decision-making by the Board of Directors. Furthermore, in addition to assessing the validity of our growth strategies, we will discuss the governance framework that supports their execution. Through these efforts, we will further enhance the effectiveness of the Board's deliberation and oversight functions and support sustainable growth and the enhancement of medium- to long-term corporate value.

"Discussions on Corporate Strategy" themes

Fiscal year	Themes
Fiscal 2025	**(1) Tokio Marine Group Culture** Based on the results of the Culture & Value Survey conducted in fiscal 2024 across 39 overseas Group companies and 14 domestic Group companies covering approximately 43,000 employees, discussions were held on employee engagement, the degree of purpose penetration, risk culture, and related topics. **(2) Aspiration 2035: The Tokio Marine Group's Vision for 2035** Discussions were held on the initial proposals for the Group's qualitative and quantitative vision for 2035, as well as the qualitative aspirations for each business segment and the approach to be taken going forward. **(3) Tokio Marine Group AI and Data Strategy** Discussions were held on the Group's AI and data strategy, including priority domains, governance and implementation frameworks, investment priorities, and measures to strengthen collaboration among domestic and international Group companies.
Fiscal 2024	**(1) International Business Strategy** We discussed priority regions for future focus, strengthening the management framework to support growth, expanding human resources, and initiatives to enhance governance. **(2) Issues of the Company from the perspective of a Top Analyst** We invited a leading analyst in the global financial sector from outside the Company and discussed issues facing the Company. **(3) Discussions on Corporate Strategy Themes in Fiscal 2025** Based on responses to a questionnaire on the Board of Directors completed by Directors and Audit & Supervisory Board Members, we discussed the themes for Corporate Strategy in fiscal 2025.

Audit and Supervisory Committee

Strengthening the Board of Directors' oversight function

Roles of the Audit and Supervisory Committee

As an independent body entrusted by shareholders, the Audit and Supervisory Committee performs audits and other duties relating to the execution of duties by Directors, with the objective of contributing to the Company's sound and fair management and fulfilling its social responsibilities. In addition, by leveraging independent external perspectives separate from management, the Committee contributes to strengthening the corporate governance of the Tokio Marine Group in collaboration with the Board of Directors. Furthermore, by assuming the principal functions of the Group Audit Committee established in April 2024, the Committee will further enhance internal control and governance functions.

Requirements for the appointment of directors serving as Audit and Supervisory Committee members

Candidates must satisfy the requirements for Directors and, taking into account their capabilities as Audit and Supervisory Committee Members, past performance, and experience, be capable of contributing to the Company's sound and sustainable growth and the establishment of a high-quality corporate governance framework that earns social trust through the conduct of high-quality audits and oversight.

In addition, Outside Directors serving as Audit and Supervisory Committee Members shall, in principle, satisfy the Company's independence criteria.

Composition of the Audit and Supervisory Committee

In principle, a majority of the Committee Members shall be Outside Directors, and the Chairperson shall be selected from among the Outside Directors.

Members serve a two-year term and may be reappointed. The tenure of an Outside Director shall, in principle, not exceed 10 years.

Chairman	Haruka Matsuyama	Outside Director
Members	Kosei Shindo	Outside Director
	Nana Otsuki	Outside Director
	Akira Harashima	Internal Director (Full-time)
	Kenji Okada	Internal Director (Full-time)

Note: As of August 31, 2026

Priority audit items for fiscal 2026

In fiscal 2026, in addition to the four priority audit items that had been continuously monitored under the previous Audit & Supervisory Board structure, four new audit items have been established. These consist of one item inherited from the Group Audit Committee (Item 5 below) and three items newly added in light of the fiscal 2026 business strategy (Items 6–8 below).

(Four continuing priority audit items)

1. Status of Group-wide initiatives to strengthen the establishment and operation of internal control systems, including compliance
2. Appropriateness of the establishment and operation of the ERM framework
3. Progress in executing the Group Mid-Term Business Plan
4. Status of initiatives led by the Group Chief Culture Officer

(Four newly established priority audit items)

5. Progress and effectiveness of measures to prevent the recurrence of a major incident in the domestic insurance business
6. Execution of management and oversight functions across each business segment (Domestic Insurance, International Insurance, and Solutions)
7. Progress of the strategic alliance with Berkshire Hathaway
8. Execution of the AI strategy

Activity plan for fiscal 2026

Audit of the execution of duties by Directors*1

The Committee will primarily undertake the following activities throughout the year.

(1) Attendance at important meetings, including meetings of the Board of Directors and the Management Committee
(2) Review of significant approval documents and related materials
(3) Interviews with Directors and relevant departments, as necessary, regarding business operations with particular attention to priority audit items
(4) Providing instructions and receiving reports to ensure the effectiveness of organizational audits*2
(5) Monitoring the establishment and operation of internal control systems
(6) Reviewing the status of business execution and audit activities at Group companies

Audit of the reliability of financial reporting and corporate disclosure

The Committee will primarily undertake the following activities throughout the year.

(1) Receiving reports from the Independent Auditor regarding audit methods and results
(2) Auditing statutory disclosure documents, including the Annual Securities Report
(3) Monitoring the independence of the Independent Auditor and evaluating and confirming the appropriateness of the Independent Auditor's audits

*1: Excluding Directors who serve as Audit and Supervisory Committee Members
*2: An auditing approach that monitors whether internal control systems are appropriately established and operated, obtains necessary information through the Internal Audit Department and internal control systems, and provides instructions to the Internal Audit Department

(For Reference) Key activities and achievements of the Group Audit Committee

Utilization of external perspectives

The Committee reviewed the business processes, corporate culture, and other aspects of the Company and its domestic and international Group companies from an independent external perspective, focusing primarily on the following viewpoints.

Key perspectives for deliberation utilizing external viewpoints

- Revisit Common Sense: Assessing potential gaps between the Group's practices and generally accepted social norms.
- Sharing Lessons Learned: Ensuring that recurrence prevention measures taken at one Group company are deployed across the Group.
- Learning from Others: Reviewing incidents that have occurred at other companies and industries, examining similar potential scenarios within the Group, and evaluating the effectiveness of current responses.

Key activities and achievements

In March 2025, based on the matters deliberated throughout the fiscal year, the Committee compiled and submitted recommendations to the Board of Directors regarding specific actions to be taken by Group companies, including (1) strengthening frameworks for the prevention and detection of misconduct and (2) enhancing internal controls at smaller overseas operations.

The Group Audit Committee held a total of five meetings in fiscal 2025. In addition to reviewing the implementation status of the actions instructed by the Committee, it compiled recommendations in March 2026 for the Company's relevant departments regarding the internal control and management frameworks of Group companies in relation to operational risk, and submitted those recommendations to the Board of Directors.

The Nomination Committee

Succession Management

Roles of the Nomination Committee*1

The role of the Nomination Committee is as follows:

1. The Company shall establish the Nomination Committee as an advisory body to the Board of Directors.
2. The Nomination Committee shall deliberate on the following matters and report to the Board of Directors:
   (1) Appointment and dismissal of the President, Directors, and Executive Officers
   (2) Appointment criteria and dismissal policies for the President, Directors, and Executive Officers
3. The Nomination Committee shall deliberate on the succession plan for the President, and appropriately supervise the operation of the plan so that the development of successor candidates is carried out in a planned way.
4. The Nomination Committee shall identify the skills and qualifications required of Directors and use them as reference criteria when deliberating on the appointment and dismissal matters set forth in Item 1 of Paragraph 2 above.

*1: Corporate Governance Basic Policy, Article 16

Nomination Committee Members

In principle, a majority of the Committee members shall be Outside Directors, and the Chairperson shall be selected from among the Outside Directors.

Chairman	Shinya Katanozaka	Outside Director
Members	Emi Osono	Outside Director
	Kosei Shindo	Outside Director
	Satoru Komiya	Chairman of the Board
	Masahiro Koike	President and CEO

Note: As of August 31, 2026

CEO Succession

As an advisory body to the Board of Directors, the Nomination Committee receives comprehensive reports from the CEO regarding succession plans and specific successor candidates. Committee members, led primarily by Outside Directors, exchange views and deliberate on these matters while taking management challenges into consideration, and provide feedback to the Board of Directors as necessary.

CEO selection criteria

- Having the qualities to lead the business to sustainable growth and medium- to long-term improvements in the corporate value of the Group
- Good understanding of the Company's business conditions
- Broad knowledge needed for corporate management
- Sufficient decision-making ability
- Properly exercising one's competencies as an officer, past achievements and experience, personal character, etc.

Approach to the appointment of Outside Directors and Audit & Supervisory Board Members

Diversity of the Board of Directors has become more important from the perspective of enhancing supervisory functions and in light of the further acceleration of the Company's global expansion. Based on this policy, in appointing new Outside Directors, the Company strives to diversify their skills, experience, and background, including their internationality, experience in corporate management, and deep knowledge of governance. At the same time, the composition of the members of the Board of Directors is designed to achieve an optimal balance.

In addition, the Company has its own criteria for determining independency, and in principle, only persons who meet these criteria are appointed as Outside Directors*2. Based on these standards, all nine Outside Directors are deemed to be independent from Tokio Marine, and all of them have been registered as independent directors as stipulated by the Tokyo Stock Exchange.

The number of meetings differs by fiscal year; six were held in fiscal 2024 and four in fiscal 2025 with four planned in fiscal 2026.

Overview of the Nomination Committee in fiscal 2025

Nomination Committee	Themes
First meeting*3 (May 20, 2025)	● Reviewed the President of Tokio Marine Holdings' achievement of fiscal 2024 objectives and confirmed the annual business execution performance
Second meeting*3 (July 22, 2025)	● Confirmed the President of Tokio Marine Holdings' fiscal 2025 objectives and key initiatives, and confirmed the goals for business execution for the year
Third meeting (September 19, 2025)	● Review of successor candidates for key subsidiaries ● Consideration of candidates for Outside Director positions
Fourth meeting (January 23, 2026)	● Executive officer structure for fiscal 2026 ● Requirements for successor candidates for the President of Tokio Marine Holdings

*2: Among the Outside Directors elected at the Annual General Meeting of Shareholders held on June 29, 2026, for those who formerly belonged to companies in which Tokio Marine & Nichido Fire Insurance holds business-related equities, the Notice of Convocation states that "an agreement has been reached to sell all shares held by Tokio Marine & Nichido Fire Insurance in those companies."
*3: Held jointly with the Compensation Committee

Activities of the Nomination Committee

In fiscal 2025, the Nomination Committee deepened its discussions regarding CEO succession, focusing on the qualities and capabilities required of the next management leader in light of the future business environment and the vision the Group seeks to achieve. The Committee also deliberated on the appointment and dismissal of presidents of key subsidiaries from the perspective of the appropriate deployment and development of management talent across the Group. In addition, taking into account the execution of management strategies and changes in the business environment, the Committee continued discussions on the optimal medium- to long-term management structure aimed at further enhancing the effectiveness of the Board of Directors and the Group's governance framework. Going forward, the Committee will continue to advance governance, including the development and selection of management talent, in order to build a strong management foundation that supports the sustainable enhancement of corporate value.

The Compensation Committee

Officer compensation to improve corporate value

Policy

The policy for determining compensation for officers is as follows:

1. In determining executive compensation, the Company shall ensure transparency, fairness, and objectivity.
2. The Board of Directors shall determine the level of compensation for Directors (excluding those serving as Audit and Supervisory Committee Members) and Executive Officers, taking into consideration factors such as the Company's performance and compensation levels at other companies, based on standard compensation amounts established for each position and reflecting the scope and weight of their responsibilities.
3. Of the various forms of compensation provided to Directors (excluding those serving as Audit and Supervisory Committee Members) and Executive Officers, fixed compensation and performance-linked compensation shall be paid on a monthly basis, while share-based compensation shall be granted upon retirement.
4. The Board of Directors shall determine the details of individual compensation for Directors (excluding those serving as Audit and Supervisory Committee Members) and Executive Officers, as well as other important matters relating to executive compensation. Matters referred to the Compensation Committee shall be determined based on the recommendations of the Committee.
5. Individual compensation for Directors serving as Audit and Supervisory Committee Members shall be determined through consultation among the Directors serving as Audit and Supervisory Committee Members.

Members of the Compensation Committee

In principle, a majority of the Committee members shall be Outside Directors, and the Chairperson shall be selected from among the Outside Directors.

Chairperson	Nobuhiro Endo	Outside Director
Members	Robert Alan Feldman	Outside Director
	Junko Shimizu	Outside Director
	Haruka Matsuyama	Outside Director
	Masahiro Koike	President and CEO

Note: As of August 31, 2026

Roles and deliberations of the Compensation Committee

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

- Evaluation of the performance of Directors and Executive Officers of the Company, as well as the president of its principal business subsidiaries.
- The compensation system for Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and its principal business subsidiaries and the level of compensation for Directors (full-time) and Executive Officers of the Company and its principal business subsidiaries.
- Policy for determination of compensation for Directors, Audit & Supervisory Board Members, and Executive Officers.

The number of meetings was four in fiscal 2024 and five in fiscal 2025, with four planned in fiscal 2026 as well. For fiscal 2025, all committee members attended all Compensation Committee meetings held during their term of office.

Overview of the Compensation Committee in fiscal 2025

Compensation Committee	Themes
First meeting*1 (May 20, 2025)	● Evaluated the President of Tokio Marine Holdings' individual performance based on the achievement of fiscal 2024 objectives and related matters ● Decided on the executive compensation structure and compensation levels to be applied from July 2025 onward ● Deliberation and recommendation on the evaluation of company performance and individual executive performance for fiscal 2024
Second meeting*1 (July 22, 2025)	● Setting the Company's performance KPIs and targets for fiscal 2025
Third meeting (October 17, 2025)	● Review of the responsibility-based adjustment factors under the executive compensation framework
Fourth meeting (December 17, 2025)	● Review of the executive compensation framework in light of the transition to the new governance structure
Fifth Meeting (March 23, 2026)	● Discussion of the Company's performance KPIs in connection with the transition to IFRS

*1: Held jointly with the Nomination Committee

Activities of the Compensation Committee

In fiscal 2025, the Compensation Committee regularly reviewed the operation and effectiveness of the executive compensation system and discussed how the compensation framework should evolve to further enhance corporate value and promote alignment of interests with shareholders. The Committee also considered the role that the compensation system should play and the future direction of its design in light of the Group's medium- to long-term management strategy and changes in the business portfolio. Going forward, we will continue to enhance the executive compensation system from the perspectives of alignment with management strategy and the design of appropriate incentives.

Basic approach to executive*2 compensation structure

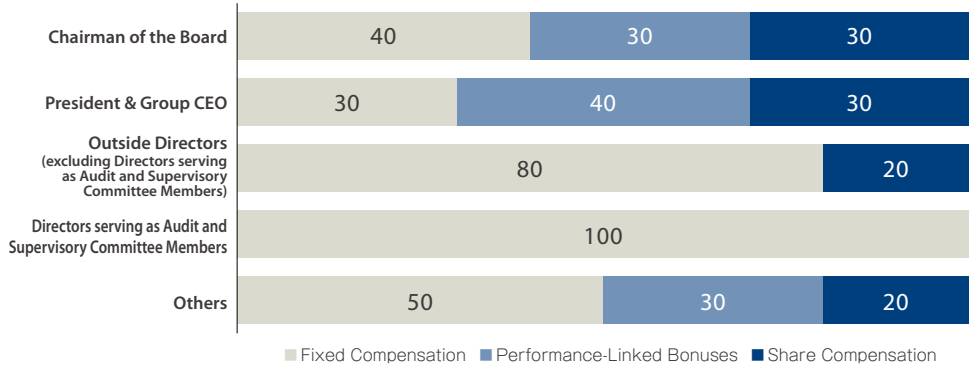
Executive compensation consists of fixed compensation, performance-linked bonuses, and stock-based compensation. Among these, performance-linked bonuses are tied to the achievement of both corporate and individual targets, providing incentives for enhancing corporate value. In addition to financial indicators, corporate targets incorporate non-financial indicators such as employee engagement and progress in sustainability initiatives (see Compensation structure for Directors, Audit & Supervisory Board Members, and Executive Officers for details). These include efforts to enhance value for diverse stakeholders and to strengthen governance.

*2: Directors and Executive Officers

Compensation structure for Directors, Audit & Supervisory Board Members, and Executive Officers

The compensation structure for Executive Officers*1 consists of fixed compensation, performance-linked bonus, and stock-based compensation, while the compensation structure for Audit & Supervisory Board Members consists of fixed compensation only. The composition ratios by position are as follows:

Ratios of Compensation by Responsibility



*1: Directors and Executive Officers

(1) Performance-linked compensation

Performance-linked bonuses have been introduced to provide greater incentives to improve corporate value. Bonuses are linked to achievement levels for each of the Company's and the individual's targets. Evaluation is determined based on the previous fiscal year's performance, and monetary consideration is paid in reflection of this evaluation (bonuses are adjusted within a range of 0% to 200% based on the evaluation).

Individual targets: Set according to the responsibilities of each director (including ESG and medium- to long-term strategic targets*2).

Company targets: Set based on financial indicators and non-financial indicators.

*2: Further globalization and strengthening of management functions, as well as improvement of human resources and organizations, etc.

Targets and Results for Fiscal 2025

Fiscal 2025	Item	Composition ratio	Targets	Results
Financial Indicators	Adjusted net income*3	50%	700 billion yen	711.6 billion yen
	Adjusted ROE*3	30%	13.2%	13.0%
Non-Financial Indicators	Employee engagement indicators	10%	Score according to improvement in employee engagement indicators	200%
	Indicators relating to sustainability	10%	Comprehensive evaluation of efforts in the fields listed as priority issues	100%

Targets for Fiscal 2026

Fiscal 2026	Item		Composition ratio	Targets
Financial Indicators	IFRS Adjusted Net Income	Excluding Capital Gains/Losses	25%	950 billion yen
		Including Capital Gains/Losses*4	25%	899.7 billion yen
	IFRS Adjusted ROE		30%	13.0%
Non-Financial Indicators	Employee engagement indicators		10%	Score according to improvement in employee engagement indicators
	Indicators relating to sustainability		10%	Comprehensive evaluation of efforts in the fields listed as priority issues

*3: Excluding gains on sales of business-related equities
*4: IFRS Adjusted Net Income (excluding capital gains/losses) plus gains and losses on sales, expected credit losses, credit loss expenses, and other related items.

(2) Stock-based compensation

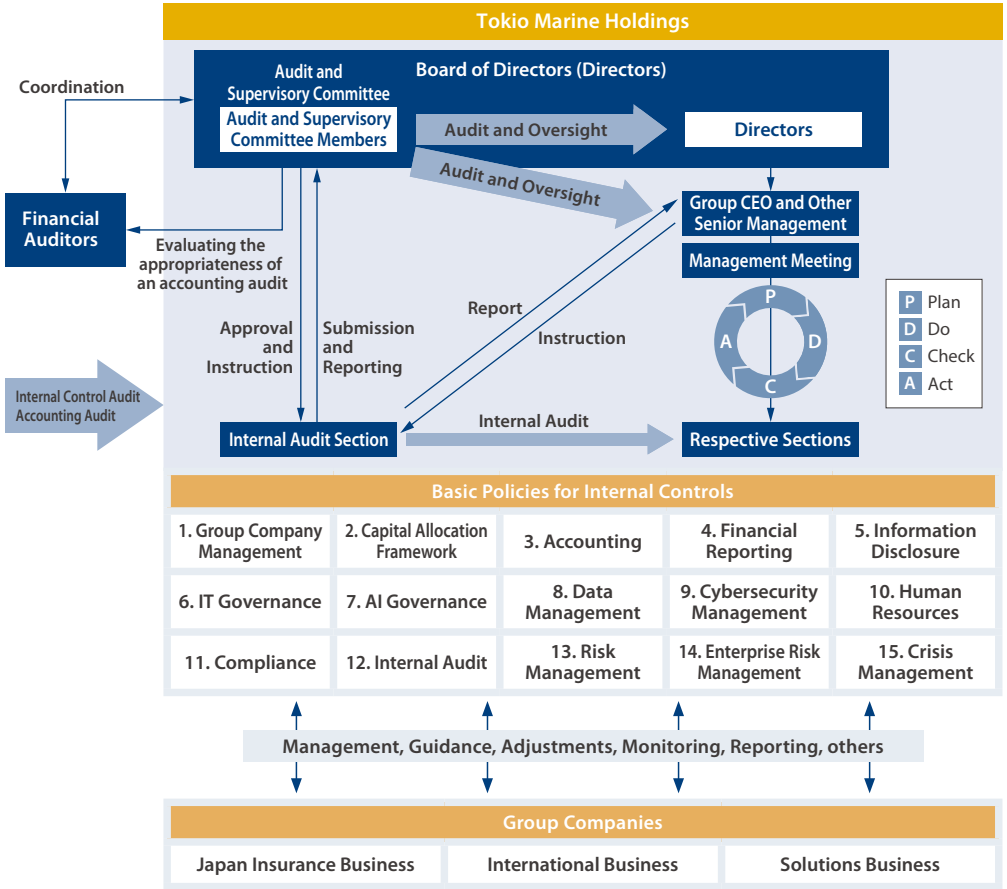
We have introduced a trust-type (stock ownership plan) system for stock-based compensation, with the aim of allowing shareholders and directors to share the risk and returns from stock price fluctuations. This system constitutes more than 20% of directors' compensation.

From 2024, for the same purpose and to raise awareness of the "integrated group management," we introduced a post-delivery type stock-based compensation system using Restricted Stock Units (RSUs) for officers (CEO or equivalent) of subsidiaries in Japan and overseas that meet the criteria. The beneficiaries of this plan do not include the beneficiaries of the stock ownership plan.

Internal Control System

Fundamental Policy

The Company has formulated "Basic Policies for Internal Controls." In accordance with these policies, the Company has established an internal control system for the entire Tokio Marine Group that encompasses structures for management control, compliance, risk management, and internal auditing of Group companies. In addition, the Company monitors the status and practical application of its internal control system. The results of this monitoring are confirmed by the Audit & Supervisory Committee and the Board of Directors. Moreover, the Company continually strengthens and improves its internal control system in light of the results of this monitoring. Under this framework, the Audit and Supervisory Committee conducts organizational audits utilizing the Internal Audit Section and internal control system to ensure the effectiveness of its audits.



Principal Basic Policies on Internal Control

AI Governance

The Tokio Marine Group established the Basic Policy on AI Governance in April 2025 and formulated Implementation Standards based on that policy. In accordance with the Group's Basic Policy and Implementation Standards, each Group company has developed and operates its own AI Governance Guidelines and related rules, taking into account its business activities as well as the laws, regulations, and guidelines applicable in the countries and regions in which it operates. As for the Group's AI governance framework, the Group AI/Data Task Force (TF) is responsible not only for formulating AI implementation strategies and utilization policies but also for selecting and managing investment initiatives, thereby achieving an appropriate balance between field-driven implementation and Group-wide optimization. In addition, the Board of Directors regularly receives reports on the development and operation of the AI governance framework and oversees its effectiveness from both AI strategy execution and risk management perspectives. Going forward, we will continue to enhance our AI governance framework while appropriately managing risks associated with AI utilization and promoting the use of AI with due consideration for reliability, fairness, and transparency.

In addition, the Basic Policy on AI Governance establishes five fundamental principles: ensuring transparency and accountability, respecting human oversight and final decision-making, promoting fairness, respecting human rights and the rights and interests of individuals, and ensuring the safety and continuity of AI systems. These principles provide a shared set of values and fundamental guidelines for the use of AI across the Tokio Marine Group.

Note: For details on AI governance, please refer to the 2026 Sustainability Report.

Cybersecurity Management

Under the leadership of senior management, the Tokio Marine Group is advancing the development and enhancement of its cybersecurity management framework*1, centered on the Group CISO and leveraging the expertise of Outside Directors with specialized knowledge in IT. In addition, the Company recognizes cybersecurity as a key risk within its ERM framework. The Board of Directors receives reports several times each year on the status of cybersecurity initiatives and related challenges, and conducts the necessary discussions and oversight.

Furthermore, under processes based on globally recognized standard frameworks and supported by public certifications*2, the Group promotes ongoing cybersecurity measures such as monitoring, testing, and risk assessments. Under the Group CSIRT*3, the Tokio Marine Group is organized into three regions, North America, Europe, and Japan/Asia, and is advancing a high degree of organizational integration as well as the standardization of technologies and processes across the Group.

In addition, a Group-wide committee composed of cybersecurity specialists consolidates expertise and insights from both Japan and overseas to promote advanced cybersecurity initiatives. While remaining mindful of emerging cyber threats associated with advances in AI, we will continue to enhance our cybersecurity management framework and countermeasures, thereby supporting our customers and local communities when they need us most.

*1: For details of the Company's Basic Policy on Internal Control relating to cybersecurity management, please see our website (https://www.tokiomarinehd.com/en/company/governance/internal/cyber.html).
*2: The cybersecurity program promoted by Tokio Marine has obtained SOC 2 Type 1 certification. Tokio Marine Nichido Systems, the Group's core IT systems company, has obtained ISO/IEC 27001 certification.
*3: Acronym for Computer Security Incident Response Team

Compliance

The Company has established the Tokio Marine Group Basic Compliance Policy and the Tokio Marine Group Code of Conduct for Compliance and has developed a Group-wide compliance framework in accordance with these policies. In addition to regularly monitoring the extent to which these policies are implemented throughout the Group, the Company receives reports from Group companies on important compliance-related matters, deliberates on such matters at the Board of Directors, Management Meeting, Audit and Supervisory Committee, and other relevant bodies, and provides guidance and support to Group companies as necessary. Through these efforts, the Company has established a compliance framework across the Group.

▸ Information Security

Recognizing the importance of personal information, confidential information, and other information assets (collectively, "information assets"), the Company has established the Tokio Marine Group Information Security Policy to ensure the appropriateness and reliability of the Tokio Marine Group's business operations. Based on this policy, Group companies have worked to protect information assets from various information security risks, including information leakage, loss, and unauthorized use, while ensuring the confidentiality of such information assets and managing them so that they are available when needed. Against this backdrop, Tokio Marine & Nichido Fire Insurance, a subsidiary of the Company, received a business improvement order from the Financial Services Agency in March 2025 in connection with an information leakage incident. In response, Tokio Marine & Nichido Fire Insurance formulated recurrence prevention measures, including establishing an appropriate compliance framework to ensure adherence to the Act on the Protection of Personal Information, the Unfair Competition Prevention Act, and other applicable laws and regulations, as well as strengthening customer information management frameworks at the Company and its agencies. The company submitted a business improvement plan to the Financial Services Agency in May 2025. The business improvement plan has been reviewed by external experts, and progress reports are submitted to the Financial Services Agency on a quarterly basis. In addition, regular reviews conducted by external experts have concluded that implementation is progressing steadily.

Internal Audit

The Company recognizes the importance of conducting efficient and effective internal audits, with appropriate frequency and depth based on the nature and magnitude of risks, in order to achieve its management objectives effectively. Accordingly, the Company conducts internal audits while continuously maintaining and enhancing its internal audit function.

Internal Audit contributes to enhancing the organization's ability to create, preserve, and sustain value by providing the Board of Directors and management with independent, risk-based, and objective assurance and advice regarding governance, risk management, control processes, and decision-making and oversight functions, as well as by offering insights that incorporate a forward-looking perspective.

Risk Management

The Company promotes the development and enhancement of the risk management system for the entire Group in accordance with the Tokio Marine Group's Basic Policies for Risk Management.

To ensure financial soundness and the appropriateness of business operations, the Group takes a comprehensive and integrated approach to managing the various risks surrounding its business. The Group implements appropriate risk management measures according to the nature, characteristics, and circumstances of each risk.

Among various risks, the Company recognizes that insurance underwriting risks and investment risks must be managed as sources of earnings. The Company therefore controls these risks considering the balance between risk and return. The Company also identifies administrative risks, system risks, and other associated risks (such as operational risks) that arise from the Group's business activities and strives to prevent the occurrence of or reduce these risks. The Company indicates the Basic Policies for Risk Management and provides risk related instruction, guidance, monitoring, and other services to domestic and overseas Group companies. Group companies establish risk management policies in line with the policies of the Group and execute risk management independently.

Through the above measures, the Company executes proper risk management and ensures stable business operations of the entire Group.

Crisis Management

At the Company, we have established crisis management frameworks and emergency action procedures to minimize economic losses and other impacts in the event of an emergency and to enable a swift return to normal operations. In addition, the Company provides support, instructions, and guidance to Group companies, while Group companies report, communicate, and consult with the Company. Through this two-way framework, Group companies also establish crisis management frameworks and emergency action procedures during normal times and endeavor to respond promptly and appropriately to recovery and business continuity in the event of an emergency. Furthermore, the Company conducts simulation drills that assume emergencies such as natural disasters and cyberattacks, thereby enhancing practical capabilities and responsiveness during emergencies.

Dialogue with Stakeholders

As an insurance group that serves both as an issuer and an investor, the Company regards the Corporate Governance Code and the Stewardship Code as the "two complementary pillars." As we engage in constructive dialogue with shareholders and investors, while as an investor, we engage with investee companies. Through these activities, we contribute to enhancing value throughout the investment chain and support the Group's sustainable growth and medium- to long-term enhancement of corporate value.

Dialogue Based on the Stewardship Code

Overview of Stewardship Activities

The majority of Tokio Marine & Nichido Fire Insurance's holdings of listed domestic equities consist of business-related equities. In line with its policy of reducing listed business-related equities (excluding investments made through capital and business alliances) to zero by the end of fiscal 2029, the company is proceeding with their sale. Even during this process, Tokio Marine & Nichido Fire Insurance fulfills its stewardship responsibilities by engaging in stewardship activities based on a deep understanding of the management challenges faced by investee companies, including constructive dialogue and the exercise of voting rights in accordance with its voting guidelines.

Overview of Voting Rights Exercise

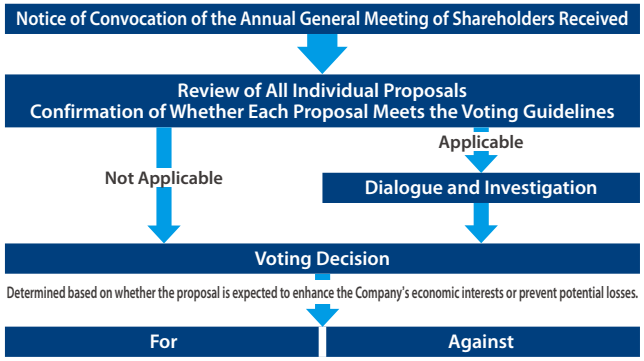
Tokio Marine & Nichido Fire Insurance carefully reviews and engages in dialogue regarding proposals that could materially impair corporate value before determining whether to vote for or against them. The company focuses on the following review items when exercising voting rights.

Key Review Items Considered by Tokio Marine & Nichido Fire Insurance (Applicable from April 2025)

- Appointment and dismissal of Directors (including companies reporting losses over a prolonged period; companies with persistently low ROE, PBR, or operating profit margins; companies lacking an adequate number of independent Outside Directors; companies involved in misconduct; companies with ESG-related concerns including climate change, diversity, and female Director representation; the introduction or renewal of takeover defense measures; and the reappointment of Outside Officers with low attendance rates at Board meetings)
- Appointment and dismissal of Audit & Supervisory Board Members (including companies involved in misconduct and the reappointment of Outside Officers with low attendance rates at Board of Directors or Audit & Supervisory Board meetings)
- Appointment of Independent Auditors (where auditors have been involved in misconduct or audit failures)
- Retirement benefits for officers (including companies reporting losses over a prolonged period; companies with persistently low ROE, PBR, or operating profit margins; companies with persistently low dividend payout ratios and related indicators; and companies involved in misconduct)
- Increases in executive compensation (including companies reporting losses over a prolonged period; companies with persistently low ROE, PBR, or operating profit margins; companies with persistently low dividend payout ratios and related indicators; and companies involved in misconduct)
- Issuance of shares and stock acquisition rights
- Organizational restructuring, including mergers, acquisitions, transfers of business operations, and similar transactions
- Acquisition of treasury shares (including acquisitions from specific shareholders at prices exceeding fair market value)
- Introduction or renewal of takeover defense measures (including companies with persistently low ROE, PBR, or operating profit margins over a prolonged period)
- Appropriation of surplus (including companies with persistently low dividend payout ratios and related indicators over a prolonged period)
- Amendments to the Articles of Incorporation (where no reasonable justification is recognized for imposing enhanced requirements for resolutions to dismiss Directors)
- Shareholder proposals (including cases where a proposal may be detrimental to the common interests of shareholders, among others)

In addition, Tokio Marine & Nichido Fire Insurance exercises voting rights with respect to its investee companies through the process outlined below.

Voting Rights Exercise Process



Voting Results

The results of voting rights exercised by Tokio Marine & Nichido Fire Insurance for the period from July 2024 to June 2025 are shown below.

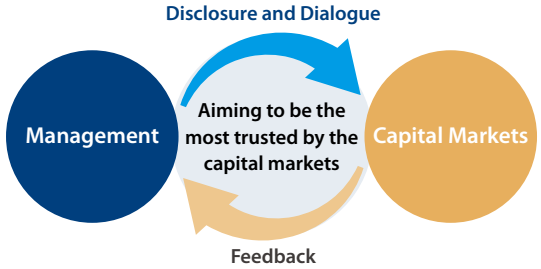
(Unit: Number of proposals)

Proposal Items	Total	For	Against
1. Company Proposals	2,122	2,105	17
(1) Appropriation of Surplus	557	555	2
(2) Election of Directors	760	745	15
(3) Election of Audit & Supervisory Board Members	287	287	0
(4) Partial Amendments to the Articles of Incorporation	137	137	0
(5) Payment of Retirement Benefits	33	33	0
(6) Revision of Executive Compensation	128	128	0
(7) Issuance of Stock Acquisition Rights	6	6	0
(8) Appointment of Independent Auditors	18	18	0
(9) Organizational Restructuring	7	7	0
(10) Other Company Proposals	174	174	0
(of which: Takeover Defense Measures)	15	15	0
2. Shareholder Proposals	214	0	214
Total of 1. and 2.	2,336	2,105	231

Dialogue with Shareholders, Investors, and Employees

Fundamental Policy

The Company will strive to enhance trust by providing information to the capital markets in a timely, fair, and continuous manner while ensuring transparency and accountability in its disclosures, and to promote understanding of its efforts to increase corporate value and accurate assessment of the Company. Furthermore, through constructive dialogue between management and shareholders and investors, the Company will gain an appropriate understanding of how it is viewed and the state of the capital markets and provide that understanding and feedback to management and within the Company to lead to the improvement of management itself and further enhance corporate value.



For further details on dialogue with stakeholders, please refer to our website.

Dialogue with Shareholders, Institutional Investors, and Individual Investors

Through constructive dialogue with investors, the Company strives to promote a deeper understanding of its management strategy, business strengths, and growth potential, and to ensure that its corporate value is appropriately assessed by the capital markets.

As part of these efforts, the Company actively engages with investors around the world through its Investor Relations (IR) activities, which serve as a key channel for dialogue with institutional and individual investors. These activities include IR briefings, earnings conference calls, and its Annual Investor Day, which is held in New York and livestreamed globally. In addition, the Company conducted individual meetings with a cumulative total of 816 institutional investors in Japan and overseas. Furthermore, the Company is working to broaden its individual investor base through initiatives such as investor briefings for individual investors held in Tokyo and Nagoya, featuring presentations by the Group CEO and other senior management members.

The external perspectives and insights obtained through these IR activities are shared throughout the Company and reflected in management and business strategies, thereby contributing to the enhancement of the Group's intrinsic value. Through its Shareholder Relations (SR) activities, which facilitate dialogue with shareholders, the Company conducted individual engagements with a total of 237 institutional investors, business corporations, financial institutions, and other shareholders in Japan and overseas, covering shareholders representing approximately 72% of its issued shares. The opinions, recommendations, and external perspectives obtained through these SR activities are fed back into the Company and utilized to enhance the effectiveness of the Board of Directors, support management decision-making, and further strengthen corporate governance and sustainability management.

▸ (For Reference) Overview of Dialogue Between Management and Shareholders/Investors

IR Activity Period (April 2025 to March 2026)		Number of Events	Number of Participants (Cumulative)
Meetings with Institutional Investors and Analysts	IR Briefings	2	203
	Earnings Conference Calls	2	303
	Annual Investor Day	1	131 Companies
	Domestic and International IR Meetings	–	704 Companies
	Conferences Hosted by Securities Firms	11	112 Companies
Individual Investors	Briefings for Individual Investors	2	425 Participants

SR Activity Period (July 2025 to June 2026)		Cumulative Number of Engagements
Dialogue with Shareholders and Other Stakeholders	Shareholders	237 Companies
	Proxy Advisory Firms	2 Firms*

*: Including dialogue with overseas headquarters that do not have authority to issue proxy voting recommendation reports relating to the Company.

COLUMN

Letter from Our New York Desk

Simon Spitalny

To strengthen our engagement with global investors, we established an IR/SR desk in New York in April 2024. The desk is operated by two members: Arakawa, Head of IR/SR, and myself. Based in the U.S., we actively engage with investors across regions, traveling to Canada, Europe, Asia, and Oceania and maintaining regular dialogue with a broad range of investors.

In FY2025, we met with more than 200 investors, while also disseminating useful information to over 2,000 overseas institutional investors, steadily building relationships. Insights gained from these on-the-ground interactions, including investor perspectives and market developments, are shared in a timely manner with headquarters and are reflected in our strategy and disclosures.

Through these agile and two-way engagements, we are working to build trust with global investors and enhance our corporate value.

Dialogue with Employees

The Company is also making efforts to report the opinions obtained through dialogue with shareholders and investors widely to management and other members of the Company, and to reflect them in improvement of management. Many of our employees have no contact with the capital markets in their daily work, but through the IR activity reporting sessions, they understand the voices of the capital markets, the evaluation of the Company, and the connection between their work and the capital markets. This has a positive impact on their own motivation and growth and, as a result, a virtuous circle of company growth is also created.

In fiscal 2025, the Company shared information on, and engaged in dialogue regarding the Group's strategies and other key topics with approximately 2,500 employees across domestic and international Group companies, including six overseas subsidiaries, on a cumulative basis.

Data Section

Financial Data

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Performance Indicators (consolidated)*1											
Ordinary income (million yen)	4,579,076	5,232,602	5,399,115	5,476,720	5,465,432	5,461,195	5,863,770	6,610,046	7,424,667	8,440,114	**8,872,277**
Net premiums written (million yen)	3,265,578	3,480,478	3,564,747	3,587,400	3,598,396	3,606,548	3,887,821	4,469,989	4,824,986	5,305,182	**5,566,337**
Ordinary profit (million yen)	385,825	387,659	344,939	416,330	363,945	266,735	567,413	494,165	842,576	1,460,007	**1,348,630**
Net income attributable to owners of the parent (million yen)*2	254,540	273,856	284,183	274,579	259,763	161,801	420,484	374,605	695,808	1,055,276	**980,428**
Comprehensive income (million yen)	(14,543)	169,603	500,528	42,871	2,737	465,071	590,780	(124,438)	1,874,295	449,490	**962,135**
Financial Indicators (consolidated)*1											
Net assets (million yen)	3,512,656	3,569,760	3,835,536	3,603,741	3,426,675	3,722,780	4,072,625	3,600,919	5,183,341	5,103,545	**5,457,571**
Total assets (million yen)	21,855,328	22,607,603	22,929,935	22,531,402	25,253,966	25,765,368	27,245,852	27,397,818	30,594,869	31,237,340	**31,961,940**
Capital ratio (%)	15.94	15.67	16.59	15.86	13.35	14.22	14.76	13.08	16.92	16.25	**16.96**
Return on equity: ROE (%)	7.2	7.8	7.7	7.4	7.5	4.6	10.9	9.9	15.9	20.6	**18.7**
Consolidated solvency margin ratio (%)*3	–	–	–	–	–	–	–	–	–	–	**Disclosure at a different time**
Stock-Related Information*1, *4											
Net assets per share (yen)	1,539	1,574	1,748	1,686	1,610	1,761	1,977	1,800	2,623	2,640	**2,885**
Net income per share—Basic (yen)	112	121	127	127	123	77	204	186	351	542	**515**
Dividend per share (yen)	37	47	53	60	63	67	85	100	123	172	**218**
Dividends total (billion yen)*5	83.0	105.3	117.6	128.0	133.0	139.1	173.9	200.2	243.0	333.2	**412.4**
Number of shares outstanding at year-end (thousands)	2,272,572	2,259,072	2,244,072	2,130,000	2,106,000	2,092,500	2,040,000	2,002,500	1,978,000	1,934,000	**1,934,000**
Share price at year-end (yen)	1,267	1,565	1,578	1,787	1,650	1,755	2,376	2,547	4,703	5,736	**7,308**
Price-to-earnings ratio: PER (ratio)	11.27	12.92	12.37	14.00	13.39	22.68	11.62	13.66	13.38	10.58	**14.18**
Price-to-book value ratio: PBR (ratio)	0.82	0.99	0.90	1.06	1.02	0.99	1.20	1.41	1.79	2.17	**2.53**
Key Performance Indicators*6											
Adjusted net income (billion yen)	351.9	406.7	341.4	280.9	286.7	336.1	578.3	444.0	711.6	1,215.0	**1,204.8**
Business unit profits											
Japan P&C (billion yen)	126.0	167.6	144.3	18.9	25.9	127.9	216.7	107.9	99.1	123.1	**171.2**
Japan Life (billion yen)	(188.1)	373.5	98.4	(158.6)	(70.3)	205.2	51.1	36.4	41.1	41.9	**57.1**
International (billion yen)	131.8	169.5	144.1	176.2	179.5	101.1	252.3	218.6	436.9	428.4	**473.9**
Solution and other (billion yen)	7.3	6.6	7.2	6.8	5.3	7.3	6.9	7.0	6.5	6.1	**16.6**
Adjusted net assets (billion yen)	3,599.3	3,812.4	4,086.4	3,763.1	3,240.9	3,692.4	4,224.0	3,799.1	5,381.4	5,333.1	**5,617.2**
Adjusted ROE (%)	9.1	11.0	8.6	7.2	8.2	9.7	14.4	11.1	15.5	22.7	**22.0**
Adjusted BPS (yen)	1,589	1,694	1,877	1,775	1,547	1,775	2,077	1,908	2,727	2,773	**2,990**
Adjusted EPS (yen)	155	179	153	130	136	160	281	221	359	624	**633**
Adjusted PBR (ratio)	0.80	0.92	0.84	1.01	1.07	0.99	1.14	1.33	1.72	2.07	**2.44**

*1: Overseas consolidated subsidiaries applying International Financial Reporting Standards (IFRS) have adopted IFRS 17 "Insurance Contracts" from the beginning of FY2023. This accounting standard has been applied retrospectively, and certain performance indicators (consolidated), financial indicators (consolidated), and stock-related information for FY2022 are presented based on the retrospective application.
*2: The consolidated solvency margin ratio will be disclosed by the end of October 2026, in accordance with the transitional measures applicable in the first year of the new regulatory framework.
*3: A stock split was implemented (a ratio of three shares per share) in October 2022. The "BPS," "EPS," "DPS," "Number of shares outstanding at year-end," and "Share price at year-end" for FY2021 and earlier fiscal years have been recalculated based on after the stock split.
*4: Dividend per share for FY2018, FY2019, and FY2020 does not include one-time dividends of approximately 50.0 billion yen, 25.0 billion yen, and 25.0 billion yen, respectively.

Business Conditions

Overview of Business Results

(1) Financial Conditions and Business Results

The Group has adopted IFRS Accounting Standards (hereinafter referred to as "IFRS") to the consolidated financial statements from the fiscal year ended March 31, 2026. Figures for the previous fiscal year have also been restated in accordance with IFRS for comparative analysis. An overview of the Group's financial condition, results of operation, and cash flows for the fiscal year 2025 is as follows.

During fiscal year 2025, the adverse impact of U.S. trade policies remained limited, and the world economy as a whole recovered moderately. While the United States remained resilient, driven mainly by AI-related capital investment and personal consumption, the Japanese economy saw weak domestic demand against a backdrop of price inflation and other factors, and its pace of recovery remained moderate. In addition, the environment surrounding the Tokio Marine Group is becoming even more complex, amid geopolitical risks with an increasingly uncertain outlook, the intensification of disasters caused by climate change, and rising cyber risks.

Under these circumstances, our consolidated results of operations for the fiscal year 2025 were as follows:

Insurance service result increased by 186.9 billion yen to 1,149.6 billion yen from the previous fiscal year. This consisted of Insurance revenue of 7,693.5 billion yen, Insurance service expenses of 6,114.3 billion yen, and Income or expenses from reinsurance contracts held of (429.5) billion yen. Finance result decreased by 5.5 billion yen to 25.2 billion yen from the previous fiscal year. This consisted of Investment gains and losses of 666.5 billion yen and Insurance finance income or expenses of (641.3) billion yen.

As a result, Income before income taxes for the current consolidated fiscal year increased by 154.3 billion yen to 750.7 billion yen from the previous fiscal year. Net income attributable to owners of the parent increased by 80.8 billion yen to 531.2 billion yen from the previous fiscal year.

Total for all businesses

(Yen in millions)

	FY2024 (April 1, 2024, - March 31, 2025)	**FY2025 (April 1, 2025, - March 31, 2026)**	Amount Change	Rate of change (%)
Insurance revenue	7,396,221	**7,693,560**	297,338	4.0
Insurance service expenses	6,066,020	**6,114,387**	48,366	0.8
Income or expenses from reinsurance contracts held	△367,482	**△429,502**	△62,020	–
Insurance service result	962,718	**1,149,670**	186,951	19.4
Finance result	30,794	**25,240**	△5,553	△18.0
Other income	210,637	**379,540**	168,903	80.2
Net income attributable to owners of the parent	450,423	**531,255**	80,831	17.9

Business Conditions

Results by our reportable segments are as follows:

Japan P&C insurance business

In the Japan P&C insurance business, Insurance revenue increased by 105.5 billion yen to 3,040.6 billion yen from the previous fiscal year. Net income attributable to owners of the parent increased by 103.9 billion yen to 237.5 billion yen from the previous fiscal year.

(Yen in millions)

Category	FY2024 (April 1, 2024, - March 31, 2025)	**FY2025 (April 1, 2025, - March 31, 2026)**	Amount Change	Rate of change (%)
Insurance revenue	2,935,093	**3,040,655**	105,562	3.6
Net income attributable to owners of the parent	133,580	**237,541**	103,960	77.8

(Note) Figures represent amounts before elimination of internal transactions between segments.

Japan Life insurance business

In the Japan Life insurance business, Contractual Service Margin (CSM) balance increased by 31.8 billion yen to 1,149.7 billion yen. Insurance revenue decreased by 1.4 billion yen to 265.4 billion yen from the previous fiscal year. Net loss attributable to owners of the parent was 204.8 billion yen, compared with a net loss in the previous fiscal year, an increase of 123.8 billion yen year on year.

(Yen in millions)

Category	FY2024 (April 1, 2024, - March 31, 2025)	**FY2025 (April 1, 2025, - March 31, 2026)**	Amount Change	Rate of change (%)
CSM Balance	1,117,952	**1,149,767**	31,814	2.9
Insurance revenue	266,877	**265,448**	(1,428)	(0.5)
Net income attributable to owners of the parent	(80,979)	**(204,860)**	(123,880)	—

(Note) Figures represent amounts before elimination of internal transactions between segments.

International insurance business

In the International insurance business, Insurance revenue increased by 199.2 billion yen to 4,448.3 billion yen from the previous fiscal year. Net income attributable to owners of the parent increased by 112.1 billion yen to 502.7 billion yen from the previous fiscal year.

(Yen in millions)

Category	FY2024 (April 1, 2024, - March 31, 2025)	**FY2025 (April 1, 2025, - March 31, 2026)**	Amount Change	Rate of change (%)
Insurance revenue	4,249,062	**4,448,332**	199,270	4.7
Net income attributable to owners of the parent	390,583	**502,750**	112,167	28.7

(Note) Figures represent amounts before elimination of internal transactions between segments.

Solution and other businesses

In the Solution and other businesses, Other income increased by 149.4 billion yen to 327.6 billion yen from the previous fiscal year. Net income attributable to owners of the parent increased by 2.6 billion yen to 14.5 billion yen from the previous fiscal year.

(Yen in millions)

Category	FY2024 (April 1, 2024, - March 31, 2025)	**FY2025 (April 1, 2025, - March 31, 2026)**	Amount Change	Rate of change (%)
Other income	178,191	**327,646**	149,455	83.9
Net income attributable to owners of the parent	11,844	**14,515**	2,671	22.6

(Note) Figures represent amounts before elimination of internal transactions between segments.

(2) Cash Flows

Cash flows for the fiscal year 2025 were as follows:

Net cash provided by operating activities decreased by 623.3 billion yen to 1,390.5 billion yen compared to the previous fiscal year, mainly due to an increase in Income taxes paid. Net cash used in investing activities increased by 222.0 billion yen to 402.7 billion yen, mainly due to an increase in Payments for acquisition of subsidiaries. Net cash used in financing activities decreased by 581.8 billion yen to 642.0 billion yen, mainly due to an increase in Change in cash collateral under securities lending transactions for procurement of funds.

As a result, Cash and cash equivalents at the end of the fiscal year was 2,332.4 billion yen, an increase of 392.5 billion yen from that as of March 31, 2025.

Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Yen in millions)

	Notes No.	As of April 1, 2024 (Transition date)	As of March 31, 2025	As of March 31, 2026
Assets				
Cash and cash equivalents	11	1,327,730	1,939,807	**2,332,406**
Derivative assets	8	122,274	162,253	**328,026**
Investment securities	8,33	22,819,753	20,769,221	**21,062,726**
Loans	8	2,803,743	2,772,889	**2,852,633**
Other financial assets	8,22	880,547	944,981	**1,104,332**
Reinsurance contract assets	7,22	1,126,536	1,682,607	**2,443,534**
Insurance contract assets	7,22	17,780	14,776	**39,956**
Investments accounted for using the equity method	12	130,853	132,714	**145,693**
Investment property	13	53,500	70,209	**68,979**
Property and equipment	14	242,864	300,379	**318,913**
Right-of-use assets	16	125,986	125,652	**119,898**
Intangible assets	15	1,194,800	1,202,218	**1,579,868**
Retirement benefit assets	20	2,072	3,672	**30**
Income taxes receivable		38,599	16,534	**17,269**
Deferred tax assets	18	44,171	39,254	**43,464**
Other assets	22	157,384	193,305	**234,477**
Assets held for sale	17	52,764	126,878	**310,437**
Total assets		**31,141,365**	**30,497,359**	**33,002,651**

	Notes No.	As of April 1, 2024 (Transition date)	As of March 31, 2025	As of March 31, 2026
Liabilities				
Repurchase agreements and other similar secured borrowings	8	711,974	63,514	**61,648**
Derivative liabilities	8	171,589	140,309	**270,398**
Investment contract liabilities	8,19	744,168	869,021	**1,178,840**
Bonds and borrowings	8,19	474,272	549,444	**598,007**
Lease liabilities	8	131,641	133,016	**128,939**
Other financial liabilities	8,22	573,452	704,653	**945,701**
Insurance contract liabilities	7,22	19,073,503	19,357,397	**20,219,118**
Reinsurance contract liabilities	7,22	21,525	14,019	**15,308**
Retirement benefit liabilities	20	238,858	225,172	**217,135**
Income taxes payable		44,185	211,088	**113,570**
Provisions	21	34,091	33,614	**44,079**
Deferred tax liabilities	18	1,125,644	760,971	**800,523**
Other liabilities	22	266,441	322,465	**357,007**
Total liabilities		**23,611,348**	**23,384,690**	**24,950,280**
Equity				
Share capital	23	150,000	150,000	**150,000**
Retained earnings	23	5,834,442	6,370,865	**7,013,113**
Treasury stock	23	(14,167)	(53,643)	**(304,160)**
Other components of equity		1,541,611	617,833	**1,096,601**
Total equity attributable to owners of the parent		**7,511,886**	**7,085,055**	**7,955,554**
Non-controlling interests		**18,131**	**27,613**	**96,816**
Total equity		**7,530,017**	**7,112,669**	**8,052,371**
Total liabilities and equity		**31,141,365**	**30,497,359**	**33,002,651**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Financial Statements

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Yen in millions)

	Notes No.	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Insurance revenue	7	7,396,221	**7,693,560**
Insurance service expenses	7,25	(6,066,020)	**(6,114,387)**
Income or expenses from reinsurance contracts held	7	(367,482)	**(429,502)**
Insurance service result		962,718	**1,149,670**
Interest income	9	806,051	**785,404**
Other investment gains and losses	9	(186,163)	**(59,848)**
Investment expenses	9,25	(56,733)	**(58,998)**
Investment gains and losses		563,154	**666,557**
Insurance finance expenses (net)	9	(598,713)	**(681,184)**
Reinsurance finance income (net)	9	66,352	**39,867**
Insurance finance income or expenses		(532,360)	**(641,316)**
Finance result		30,794	**25,240**
Administrative expenses	25	(546,651)	**(723,908)**
Other finance expenses		(31,284)	**(28,593)**
Other income		210,637	**379,540**
Other expenses	25	(37,422)	**(59,559)**
Gains and losses from investments accounted for using the equity method	12	7,538	**8,310**
Income before income taxes		596,330	**750,700**
Income taxes	18	(164,834)	**(178,506)**
Net income		431,495	**572,193**
Net income attributable to:			
Owners of the parent		450,423	**531,255**
Non-controlling interests		(18,927)	**40,937**
Earnings per share			
Earnings per share - Basic	27	231.41 yen	**279.35 yen**
Earnings per share - Diluted	27	231.23 yen	**279.15 yen**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

(Yen in millions)

	Notes No.	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Net income		431,495	**572,193**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Investments in equity instruments		(325,441)	**446,071**
Remeasurements of defined benefit plans		7,464	**(4,692)**
Share of other comprehensive income of associates accounted for using the equity method		(93)	**88**
Total of items that will not be reclassified to profit or loss		(318,070)	**441,467**
Items that may be reclassified subsequently to profit or loss			
Investments in debt instruments		(320,281)	**(119,507)**
Cash flow hedges		5,877	**5,448**
Foreign currency translation adjustments		(32,107)	**346,799**
Changes in discount rate for insurance contracts		352,300	**333,126**
Changes in discount rate for reinsurance contracts		(6,483)	**(44,520)**
Share of other comprehensive income of associates accounted for using the equity method		790	**845**
Total of items that may be reclassified subsequently to profit or loss		95	**522,192**
Other comprehensive income	26	(317,974)	**963,660**
Comprehensive income		113,521	**1,535,853**
Comprehensive Income attributable to:			
Owners of the parent		126,980	**1,492,628**
Non-controlling interests		(13,459)	**43,224**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Financial Statements

(3) Consolidated Statement of Changes in Equity

FY2024 (April 1, 2024 – March 31, 2025)

(Yen in millions)

	Notes No.	Equity attributable to owners of the parent											Non-controlling interests	Total equity
					Other components of equity									
		Share capital	Retained earnings	Treasury stock	Investments in equity instruments	Remeasurements of defined benefit plans	Investments in debt instruments	Cash flow hedges	Foreign currency translation adjustments	Changes in discount rate for insurance/reinsurance contracts	Total	Total		
Opening balance		150,000	5,834,442	(14,167)	2,302,862	—	(987,782)	—	—	226,531	1,541,611	7,511,886	18,131	7,530,017
Comprehensive income														
Net income			450,423								—	450,423	(18,927)	431,495
Other comprehensive income					(326,036)	7,450	(323,287)	5,877	(33,959)	346,512	(323,442)	(323,442)	5,468	(317,974)
Total comprehensive income		—	450,423	—	(326,036)	7,450	(323,287)	5,877	(33,959)	346,512	(323,442)	126,980	(13,459)	113,521
Transactions with owners, etc.														
Dividends	24		(281,204)								—	(281,204)	(1,324)	(282,529)
Purchase of treasury stock	23			(269,038)							—	(269,038)		(269,038)
Sale of treasury stock	23		28	810							—	839		839
Cancellation of treasury stock	23		(228,752)	228,752							—	—		—
Share-based payment transactions	28		347								—	347		347
Changes in ownership interest in subsidiaries			(4,296)								—	(4,296)	(5,792)	(10,089)
Changes due to business combinations	6										—	—	15,846	15,846
Reclassification to retained earnings			600,335		(592,885)	(7,450)					(600,335)	—		—
Others			(458)								—	(458)	14,213	13,755
Total transactions with owners, etc.		—	85,999	(39,475)	(592,885)	(7,450)	—	—	—	—	(600,335)	(553,811)	22,942	(530,869)
Closing balance		150,000	6,370,865	(53,643)	1,383,941	—	(1,311,070)	5,877	(33,959)	573,044	617,833	7,085,055	27,613	7,112,669

Consolidated Financial Statements

FY2025 (April 1, 2025 – March 31, 2026)

(Yen in millions)

	Notes No.	Equity attributable to owners of the parent											Non-controlling interests	Total equity
					Other components of equity									
		Share capital	Retained earnings	Treasury stock	Investments in equity instruments	Remeasurements of defined benefit plans	Investments in debt instruments	Cash flow hedges	Foreign currency translation adjustments	Changes in discount rate for insurance/reinsurance contracts	Total	Total		
Opening balance		150,000	6,370,865	(53,643)	1,383,941	—	(1,311,070)	5,877	(33,959)	573,044	617,833	7,085,055	27,613	7,112,669
Comprehensive income														
Net income			531,255								—	531,255	40,937	572,193
Other comprehensive income					445,710	(4,582)	(120,694)	5,448	346,930	288,561	961,373	961,373	2,287	963,660
Total comprehensive income		—	531,255	—	445,710	(4,582)	(120,694)	5,448	346,930	288,561	961,373	1,492,628	43,224	1,535,853
Transactions with owners, etc.														
Dividends	24		(375,778)								—	(375,778)	(1,301)	(377,080)
Purchase of treasury stock	23			(251,599)							—	(251,599)		(251,599)
Sale of treasury stock	23		176	1,082							—	1,258		1,258
Share-based payment transactions	28		438								—	438		438
Changes in ownership interest in subsidiaries			(1,044)								—	(1,044)	(14,304)	(15,349)
Changes due to business combinations	6										—	—	20,548	20,548
Reclassification to retained earnings			482,604		(487,187)	4,582					(482,604)	—		—
Others			4,596								—	4,596	21,035	25,631
Total transactions with owners, etc.		—	110,993	(250,517)	(487,187)	4,582	—	—	—	—	(482,604)	(622,129)	25,977	(596,151)
Closing balance		150,000	7,013,113	(304,160)	1,342,464	—	(1,431,764)	11,326	312,970	861,605	1,096,601	7,955,554	96,816	8,052,371

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Financial Statements

(4) Consolidated Statement of Cash Flows

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Cash flows from operating activities		
Income before income taxes	596,330	**750,700**
Depreciation and amortization	157,511	**176,186**
Impairment losses	825	**266**
Interest income	(806,051)	**(785,404)**
Dividend income	(86,107)	**(68,158)**
Interest expenses	31,284	**28,670**
Losses (gains) on fixed assets	(229)	**1,248**
Gains and losses from investments accounted for using the equity method	(7,538)	**(8,310)**
Change in investment securities	1,089,185	**1,037,496**
Change in loans	23,635	**81,342**
Change in derivative assets and liabilities	(47,133)	**(140,542)**
Change in insurance contract liabilities and assets	815,245	**565,002**
Change in reinsurance contract assets and liabilities	(580,169)	**(747,094)**
Change in investment contract liabilities	136,925	**235,226**
Change in defined benefit liabilities and assets	(8,721)	**(15,938)**
Change in provisions	1,420	**5,327**
Others	44,157	**(35,061)**
Subtotal	1,360,569	**1,080,955**
Interest received	771,441	**738,078**
Dividends received	94,601	**66,483**
Interest paid	(28,204)	**(25,186)**
Income taxes paid	(184,486)	**(469,766)**
Net cash provided by (used in) operating activities	2,013,920	**1,390,562**

	Notes No.	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Cash flows from investing activities			
Purchases of property and equipment		(27,293)	**(42,577)**
Proceeds from sales of property and equipment		14,627	**13,774**
Purchases of intangible assets		(106,133)	**(116,155)**
Payments for acquisition of subsidiaries	29	(62,671)	**(257,794)**
Others		788	**13**
Net cash provided by (used in) investing activities		(180,681)	**(402,738)**
Cash flows from financing activities			
Net increase (decrease) in repurchase agreements and other similar secured borrowings	29	(650,252)	**(8,359)**
Proceeds from borrowings	29	81,042	**1,875,330**
Repayments of borrowings	29	(72,951)	**(1,847,864)**
Proceeds from issuance of corporate bonds	29	2,999	**999**
Redemption of corporate bonds	29	(3,000)	**(1,000)**
Payments of lease liabilities	29	(32,236)	**(34,575)**
Purchase of treasury stock		(269,038)	**(251,599)**
Dividends paid		(280,967)	**(375,420)**
Dividends paid to non-controlling interests		(1,324)	**(1,305)**
Proceeds from contributions by non-controlling interests		13,555	**15,541**
Repayments to non-controlling interests		(804)	**(642)**
Payments for acquisition of shares of subsidiaries from non-controlling interests		(10,956)	**(14,458)**
Others		14	**1,260**
Net cash provided by (used in) financing activities		(1,223,919)	**(642,094)**
Effect of exchange rate changes on cash and cash equivalents		2,757	**46,869**
Net increase (decrease) in cash and cash equivalents		612,076	**392,598**
Cash and cash equivalents at beginning of year		1,327,730	**1,939,807**
Cash and cash equivalents at end of year	11	1,939,807	**2,332,406**

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

1. Reporting Entity

Tokio Marine Holdings, Inc. (hereinafter referred to as "the Company") is a company incorporated in Japan. The address of the Company's registered head office is disclosed on its website (https://www.tokiomarinehd.com/). The consolidated financial statements consist of the Company, its subsidiaries, associates, and interests in joint ventures. The Group operates Japan P&C insurance business, Japan Life insurance business, International insurance business, and Solution and other businesses. For more details, please refer to "5. Segment Information."

2. Basis of Preparation of Consolidated Financial Statements

(1) Compliance of the consolidated financial statements with IFRS and information relating to first-time adoption

The Company's consolidated financial statements have been prepared in accordance with IFRS, as stipulated under Article 312 of the "Regulation on Terminology, Forms and Preparation Methods of Consolidated Financial Statements", since the Company meets the requirements of "Specified Companies Complying with Designated International Accounting Standards" set forth in Article 1-2 of the Regulation on Consolidated Financial Statements.

The Company has applied IFRS from the fiscal year ended March 31, 2026, with the transition date to IFRS being April 1, 2024. In transitioning to IFRS, the Company has adopted IFRS 1 "First-time Adoption of International Financial Reporting Standards" (hereinafter referred to as "IFRS 1"). The impacts of transitioning to IFRS on financial position, financial performance, and cash flows are stated in "37. Transition to IFRS."

The Company's accounting policies comply with IFRS effective as of March 31, 2026, except where the Company has not early adopted certain IFRS standards and where it has applied the exemption provisions under IFRS 1.

These consolidated financial statements were approved by Masahiro Koike - Group CEO, President & Representative Director - and Yoshinari Endo - Group CFO, Managing Executive Officer - on June 26, 2026.

(2) Presentation currency and unit

The presentation currency of the consolidated financial statements is Japanese yen, which is the Company's functional currency, and all amounts are rounded down to the nearest million yen.

(3) Newly adopted standards and interpretations

The Company has not adopted any significant new standards or interpretations in the current fiscal year.

(4) Unapplied new standards and interpretations

The major new or revised standards and interpretations that have been issued as of the approval date of these financial statements are as follows, and as of March 31, 2026, the Company has not applied them. The application of the amendments to IFRS 9 and IFRS 7 is not expected to have a material impact on the Company's consolidated financial statements. The impact of applying IFRS 18 on the Company's consolidated financial statements is currently being evaluated.

Standard	Standard Name	Mandatory Effective Date	Applicable Fiscal Year for the Company	Overview of New or Amended Requirements
IFRS 9 IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026	Fiscal Year Ending March 31, 2027	・Clarified classification of financial assets and addition of related disclosure requirements ・Revised disclosure requirements for equity instruments
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	Fiscal Year Ending March 31, 2028	・Revised presentation of the consolidated statement of income and disclosure of management-defined performance measures

3. Significant Accounting Policies

(1) Basis of consolidation

a. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries include structured entities that are controlled by the Company and its consolidated subsidiaries. A structured entity is an entity designed so that voting rights or similar rights are not the dominant factor in deciding who controls the entity. The Group assesses whether it controls a structured entity by considering whether it is exposed, or has rights, to variable returns from its involvement with the structured entity and has the ability to affect those returns through its power over the structured entity, and consolidates the entity when it concludes that control exists. For certain structured entities, where non-controlling interests include an obligation to transfer financial instruments to other parties, such non-controlling interests are classified as financial liabilities measured at amortized cost and are presented within other financial liabilities.

Notes to Consolidated Financial Statements

b. Associates and joint ventures

Associates are entities over which the Group has significant influence over the financial and operating policy decisions of the investee but does not have control or joint control. In principle, where the Group holds between 20% and 50% of the voting rights of the investee, the Group presumes that it has significant influence. When determining whether the investee is an associate, the Group also considers other facts and circumstances that may indicate significant influence over the financial and operating policy decisions.

A joint venture is an arrangement in which the Group, together with other parties, has joint control through a contractual arrangement, and decisions about the relevant activities require the unanimous consent of the parties sharing control, and the Group has rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method.

(2) Business combinations and goodwill

Business combinations are accounted for using the acquisition method, and acquisition-related costs are expensed as incurred.

Identifiable assets and liabilities of the acquiree are measured at their fair values at the acquisition date, except for limited exceptions.

If the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the Group's previously held equity interest in the acquiree exceeds the net fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, the excess is recognized as goodwill. If it is less, the difference is recognized as a gain in profit or loss. The consideration transferred is measured at fair value, based on the value of the assets transferred, the liabilities assumed, and the equity interests issued. Non-controlling interests are measured, on a transaction-by-transaction basis, either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Business combination transactions in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory (business combinations under common control), are accounted for based on their carrying amounts.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete based on the best estimates available. During the measurement period, which does not exceed one year from the acquisition date, the provisional amounts recognized at the acquisition date are retrospectively adjusted when new information is obtained that affects the measurement of amounts recognized at the acquisition date.

After the acquisition date, goodwill is allocated to the cash-generating units expected to benefit from the synergies of the business combination. Each group of cash-generating units is tested for impairment at the same time each year and whenever there is an indication of impairment. Subsequent to initial recognition, goodwill acquired in a business combination is not amortized and is carried at cost less accumulated impairment losses.

(3) Foreign currency translation

a. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the spot exchange rate at the date of the transaction or an approximation thereof. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the closing exchange rate. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the exchange rate at the date when the fair value was determined.

Exchange differences arising on the translation and settlement of foreign currency monetary assets and liabilities are recognized in profit or loss. However, where gains or losses on non-monetary items are recognized in other comprehensive income, the related exchange differences are also recognized in other comprehensive income.

b. Foreign operations

The assets and liabilities of the Group's foreign operations, including goodwill arising on the acquisition of such foreign operations, the identifiable assets and liabilities and related fair value adjustments, are translated into the presentation currency at the closing exchange rate. The income and expenses of foreign operations are translated into Japanese yen at average exchange rates for the period unless exchange rates have fluctuated significantly during that period.

Exchange differences arising from the translation of the financial statements of foreign operations are recognized in other comprehensive income. On the loss of control of a foreign operation or the loss of significant influence over a foreign operation, the cumulative exchange differences related to that foreign operation are reclassified to the gain or loss on disposal.

(4) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be withdrawn on demand and short-term investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to Consolidated Financial Statements

(5) Financial instruments

a. Non-derivative financial assets

The Group initially recognizes financial assets on the trade date on which the Group becomes a party to the contractual provisions of the financial instrument.

(a) Classification and measurement

An overview of the classification and measurement model for financial assets is as follows:

i. Financial assets measured at amortized cost

The Group subsequently measures financial assets at amortized cost if both of the following conditions are met:

・The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.

・The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortized cost are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition. After initial recognition, the carrying amount of financial assets measured at amortized cost is determined using the effective interest method and reduced, where necessary, by the loss allowance.

ii. Equity instruments measured at fair value through other comprehensive income (FVOCI)

For investments in equity instruments held for purposes such as enhancing corporate value through strengthening business relationships, the Group may make an irrevocable election at initial recognition to present subsequent changes in fair value in other comprehensive income. This election is permitted only for investments in equity instruments that are not held for trading.

Equity instruments measured at FVOCI are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition. Subsequent to initial recognition, they are measured at fair value and changes in fair value are recognized in other comprehensive income and included in other components of equity. On derecognition, the cumulative gain or loss previously recognized in other comprehensive income is transferred from other components of equity to retained earnings.

Dividends from equity instruments measured at FVOCI are recognized in profit or loss.

iii. Debt instruments measured at fair value through other comprehensive income (FVOCI)

The Group subsequently measures debt instruments at FVOCI if both of the following conditions are met:

・The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

・The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments measured at FVOCI are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition. Subsequent to initial recognition, they are measured at fair value and changes in fair value, excluding foreign exchange gains and losses and impairment losses (and reversals), are recognized in other comprehensive income. Interest income calculated using the effective interest method is recognized in profit or loss. On derecognition, the cumulative amount previously recognized in other comprehensive income is reclassified to profit or loss.

iv. Debt instruments designated at fair value through profit or loss (FVPL designation)

The Group designates debt instruments as financial assets measured at fair value through profit or loss if the following condition is met:

・The designation eliminates or significantly reduces a measurement or recognition inconsistency (an accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

For insurance contracts with direct participation features, the Group primarily recognizes insurance finance income or expenses in profit or loss for the period. To eliminate or substantially reduce the related accounting mismatch, the Group designates the debt instruments that are underlying items of these insurance contracts as measured at FVPL.

Debt instruments designated at FVPL are initially recognized at fair value and transaction costs are expensed in profit or loss as incurred. Subsequent to initial recognition, they are measured at fair value and changes in fair value are recognized in profit or loss.

v. Financial assets measured at fair value through profit or loss (FVPL)

Financial assets other than those described above are classified as financial assets measured at fair value through profit or loss. They are initially recognized at fair value and transaction costs are expensed in profit or loss as incurred. Subsequent to initial recognition, they are measured at fair value and changes in fair value are recognized in profit or loss.

Notes to Consolidated Financial Statements

(b) Derecognition of financial assets
The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the contractual rights to receive the cash flows from the financial asset and substantially all of the risks and rewards of ownership of the financial asset.

b. Non-derivative financial liabilities
(a) Initial recognition and measurement
The Group initially recognizes debt securities issued at the date of issuance. All other financial liabilities are initially recognized on the trade date on which the Group becomes a party to the contractual provisions of the financial instrument. All financial liabilities are initially measured at fair value net of transaction costs.
At initial recognition, financial liabilities are classified as financial liabilities measured at amortized cost.

(b) Subsequent measurement
Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method. Amortization using the effective interest method is recognized in profit or loss.

(c) Derecognition of financial liabilities
The Group derecognizes a financial liability when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

c. Derivatives and hedge accounting
The Group uses derivatives such as forward exchange contracts and interest rate swaps to hedge foreign currency risk and interest rate risk. These derivatives are initially measured at fair value at the time the contract is entered into and are subsequently remeasured at fair value.
Changes in the fair value of derivatives are recognized in profit or loss unless hedge accounting is applied.

At the inception of a hedging relationship, the Group documents the relationship between the hedging instrument and the hedged item, as well as its risk management objective and strategy for undertaking various hedge transactions, in order to assess whether the hedging relationship meets the qualifying criteria for hedge accounting. The Group also assesses and documents, both at inception and on an ongoing basis, whether the hedging relationships meet all the hedge effectiveness requirements. Ongoing hedge effectiveness assessments are performed at each reporting date or when there is a significant change in circumstances that affects the hedge effectiveness requirements, whichever occurs earlier.
Hedging relationships that meet the qualifying criteria for hedge accounting are accounted for as follows:

(a) Cash flow hedges
The effective portion of gains and losses on the hedging instrument is recognized in other comprehensive income. When the hedged cash flows affect profit or loss, the amount previously recognized in other comprehensive income is reclassified to profit or loss together with the hedged item.
The ineffective portion of gains and losses is recognized in profit or loss.

(b) Net investment hedges in foreign operations
To hedge the foreign currency risk arising from the net investment in foreign operations, the Group uses forward exchange contracts and other derivatives. For hedges of net investments in foreign operations, the effective portion of gains or losses on the hedging instrument is recognized in other comprehensive income and the ineffective portion is recognized in profit or loss. On disposal of a foreign operation, the cumulative amount recognized in other comprehensive income in respect of the effective portion is reclassified to profit or loss.

d. Offsetting of financial assets and financial liabilities
Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statement of financial position only when the Group currently has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Notes to Consolidated Financial Statements

e. Impairment of financial instruments

The Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost, debt instruments measured at FVOCI and loan commitments. Loss allowances for financial assets measured at amortized cost are deducted from the carrying amount of those assets. By contrast, loss allowances for debt instruments measured at fair value through other comprehensive income are recognized in other comprehensive income. For loan commitments, loss allowances are recognized as liabilities.

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. In making this assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort and that indicates significant increases in credit risk since initial recognition.

If the credit risk on a financial instrument has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime expected credit losses. If the credit risk has not increased significantly, the loss allowance is measured at an amount equal to 12-month expected credit losses.

The Group estimates expected credit losses in a manner that reflects the following:

- An unbiased probability-weighted amount that is determined by evaluating a range of possible outcomes.
- The time value of money.
- Reasonable and supportable information about past events, current conditions and forecasts of future economic conditions that is available at the reporting date without undue cost or effort.

Expected credit losses are probability-weighted estimates of credit losses over the expected life of a financial instrument. A credit loss is the present value of the difference between the contractual cash flows that are due to the Group and the cash flows that the Group expects to receive.

Expected credit losses on financial instruments are recognized in profit or loss as impairment losses. If, after an impairment loss is recognized, an event occurs that causes the amount of the impairment loss to decrease, the decrease in the impairment loss is reversed in profit or loss.

(6) Property and equipment (excluding right-of-use assets)

a. Recognition and measurement

Property and equipment are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment losses. Gains or losses arising from the derecognition of property and equipment on disposal are included in profit or loss at the time of derecognition.

b. Subsequent costs

Subsequent costs are capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Group. Repair and maintenance costs are recognized in profit or loss as incurred.

c. Depreciation

Items of property and equipment are depreciated on a systematic basis over their useful lives based on their depreciable amounts (cost less residual values). The Group mainly applies the straight-line method as it reflects the pattern of consumption of the asset's future economic benefits.

Depreciation of items of property and equipment begins when the asset is available for use and ends at the earlier of the date the asset is derecognized (retired or disposed of) and the date the asset is classified as held for sale.

The estimated useful lives of major items of property and equipment are as follows. The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate.

- Buildings 2 to 60 years
- Others 2 to 50 years

(7) Investment property

Investment property is initially recognized at cost, including costs directly attributable to the acquisition and eligible borrowing costs to be capitalized. Subsequent measurement follows the cost model, with investment property carried at cost less accumulated depreciation and accumulated impairment losses. Investment property is depreciated using the straight-line method over its estimated useful life. The estimated useful lives of major investment property are 2 to 51 years. The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate.

(8) Intangible assets

The Group applies the cost model to measure intangible assets and carries them at cost less accumulated amortization and accumulated impairment losses. Intangible assets acquired separately are measured at cost at initial recognition. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Intangible assets with finite useful lives are amortized mainly using the straight-line method over their estimated useful lives. The main estimated useful lives are as follows. The estimated useful lives, residual values and amortization methods are reviewed, and adjusted if appropriate.

- Software 2 to 16 years
- Customer relationships 5 to 25 years
- Other intangible assets 3 to 42 years

Notes to Consolidated Financial Statements

(9) Leases

When the Group is a lessee, it recognizes right-of-use assets and lease liabilities at the commencement date of the lease.

Right-of-use assets are measured at cost, comprising the following:

- the amount of the initial measurement of the lease liability
- lease payments made at or before the commencement date
- initial direct costs, and
- restoration costs

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease (if that rate can be readily determined) or the Group's incremental borrowing rate.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives received;
- variable lease payments that depend on an index or a rate, and amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset and the end of the lease term. The estimated useful life of a right-of-use asset is determined using the same basis as for property and equipment.

Lease liabilities are subsequently remeasured to reflect interest on the lease liability, lease payments made and, where applicable, modifications or reassessments of the lease.

The Group elects not to recognize right-of-use assets and lease liabilities for short-term leases with a lease term of 12 months or less and leases of low-value assets. Lease payments associated with such leases are recognized as an expense on a straight-line basis over the lease term.

Each lease payment is allocated between the repayment of the liability and interest expenses. Interest expenses are recognized in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

When the Group is a lessor, at lease inception it classifies each lease as either a finance lease or an operating lease. In classifying leases, the Group assesses whether the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Leases that transfer such risks and rewards are classified as finance leases; otherwise, they are classified as operating leases. When the Group is an intermediate lessor, it accounts for the head lease and the sublease separately. The classification of the sublease is determined by reference to the right-of-use asset arising from the head lease, rather than the underlying asset. Lease income from operating leases is recognized as income on a straight-line basis over the lease term.

(10) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired.

If any indication of impairment exists, the recoverable amount of the asset is estimated. For goodwill, intangible assets with indefinite useful lives, and intangible assets not yet available for use, the recoverable amount is estimated annually at the same time each year.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In estimating value in use, the estimated future cash flows are discounted using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset.

A cash-generating unit is the smallest group of assets that, through continued use, generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Corporate assets do not generate independent cash inflows. If there is an indication that a corporate asset may be impaired, the recoverable amount is determined for the cash-generating unit to which the corporate asset belongs.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset or a cash-generating unit is less than its carrying amount. An impairment loss recognized for a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to reduce the carrying amounts of the other assets in the unit on a pro rata basis based on the carrying amount of each asset.

An impairment loss recognized in prior periods is reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, and the reversal of the impairment loss is recognized in profit or loss. The reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Impairment losses recognized for goodwill are not reversed.

Notes to Consolidated Financial Statements

(11) Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their sale is highly probable and their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such non-current assets (or disposal groups) are measured at the lower of their carrying amount and fair value less costs to sell, and are not depreciated or amortized after being classified as held for sale.

Any initial or subsequent write-down of a non-current asset (or disposal group) to fair value less costs to sell is recognized as an impairment loss in profit or loss. Subsequently, if the fair value less costs to sell of the non-current asset (or disposal group) increases, a gain is recognized to the extent that it does not exceed the cumulative impairment losses previously recognized.

(12) Insurance Contracts

a. Classification

The Group classifies insurance contracts into:

- insurance contracts issued, including ceded reinsurance contracts, that transfer significant insurance risk; and
- reinsurance contracts held, that transfer significant insurance risk arising from insurance contracts issued.

The existence of significant insurance risk is assessed based on whether there are significant additional payments in any scenarios with commercial substance and whether there is a possibility of a loss on a present value basis for each insurance contract.

In addition, the Group is exposed to financial risk through its insurance contracts.

The Group classifies contracts that meet all of the following criteria at initial recognition as insurance contracts with direct participation features (Variable Fee Approach (VFA)):

- the contractual terms specify that policyholders participate in a share of a clearly identified pool of underlying items;
- the Group expects to pay policyholders amounts equal to a substantial share of the fair value returns on the underlying items; and
- the Group expects that a substantial proportion of any change in the amounts to be paid to policyholders will vary with changes in the fair value of the underlying items.

All other insurance contracts issued and all reinsurance contracts held are classified as insurance contracts without direct participation features. Certain of these contracts are measured under the Premium Allocation Approach (hereinafter referred to as "PAA").

b. Level of aggregation

Insurance contracts are measured at the group of insurance contracts level. A group of insurance contracts is determined based on a portfolio of insurance contracts comprising contracts subject to similar risks and managed together.

A portfolio of insurance contracts is divided into a minimum of the following groups of insurance contracts based on the time of issuance and the profitability of the contracts:

For insurance contracts issued:

- a group of contracts that are onerous at initial recognition;
- a group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently;
- a group of the remaining contracts in the portfolio.

For reinsurance contracts held:

- a group of contracts on which there is a net gain at initial recognition;
- a group of contracts that, at initial recognition, have no significant possibility of subsequently resulting in a net gain;
- a group of the remaining contracts in the portfolio.

c. Initial recognition

The Group recognizes a group of insurance contracts issued at the earliest of:

- the beginning of the coverage period for the group;
- the date when the first payment from a policyholder in the group becomes due; and
- for a group of onerous contracts, the date on which the group becomes onerous.

If there is no contractual due date, the first payment from the policyholder is deemed to be due when it is received.

For a group of reinsurance contracts held that provide proportionate coverage, the Group recognizes the group at the later of:

- the beginning of the coverage period of the group of reinsurance contracts held; or
- the initial recognition of the underlying insurance contracts.

For reinsurance contracts held that do not provide proportionate coverage, the Group recognizes the group at the beginning of the coverage period. However, if an onerous group of underlying contracts is recognized before the beginning of the coverage period and the related reinsurance contract was entered into on or before that date, the Group recognizes the group of reinsurance contracts held at the same time as it recognizes the onerous underlying contracts.

Notes to Consolidated Financial Statements

d. Contract boundary

For measurement purposes, all future cash flows within the contract boundary are included.

Cash flows are within the contract boundary if they arise from the substantive rights and obligations that exist during the reporting periods in which the insurer can compel the policyholder to pay premiums or in which the insurer has a substantive obligation to provide services to the policyholder.

The substantive obligation to provide services ends when:

- the insurer has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or
- both of the following conditions are met:
- the insurer has the practical ability to reassess the risks of the portfolio containing the contracts and can set a price or level of benefits that fully reflects those risks; and
- the pricing of the premiums up to the reassessment date does not take into account risks related to periods after the reassessment date.

e. Measurement - Insurance contracts not measured under PAA

(a) Initial recognition (Insurance contracts issued)

At initial recognition, the Group measures a group of insurance contracts at the sum of:

- the fulfilment cash flows (comprising estimates of future cash flows adjusted for the time value of money and financial risks, and risk adjustments for non-financial risks); and
- the contractual service margin (hereinafter referred to as "CSM").

CSM represents the unearned profit that the Group will recognize over the period during which it provides services under the contracts.

(b) Subsequent measurement (Insurance contracts issued)

At the end of the reporting period, the carrying amount of a group of insurance contracts is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises:

- the fulfilment cash flows related to the services to be provided under the contracts in future periods; and
- the remaining CSM at the end of the reporting period.

The liability for incurred claims comprises fulfilment cash flows related to incurred claims (including claims incurred but not yet reported) and expenses that have not yet been paid.

The fulfilment cash flows of a group of insurance contracts are measured using the current estimates of future cash flows, current discount rates, and current estimates of risk adjustments for non-financial risk at the end of the reporting period.

<u>Insurance contracts without direct participation features</u>

The carrying amount of CSM at the end of the reporting period equals the carrying amount at the beginning of the period, adjusted for the following:

- CSM of new contracts added to the group of insurance contracts during the current fiscal year;
- Interest accreted on CSM during the fiscal year (measured using the discount rate determined at initial recognition);
- Changes in the fulfilment cash flows related to future services, except in the following cases:
  - when an increase in fulfilment cash flows exceeds the carrying amount of CSM and a loss component is recognized (the excess is recognized as a loss in profit or loss);
  - when a decrease in fulfilment cash flows is allocated to the loss component (the decrease is recognized as a reversal of previously recognized losses in profit or loss).
- Effects of currency exchange differences on CSM; and
- Amounts recognized as insurance revenue due to the transfer of insurance contract services during the current fiscal year.

<u>Insurance contracts with direct participation features</u>

An insurance contract with direct participation features is a contract for which the Group's obligation to policyholders equals the difference between:

- the obligation to pay policyholders an amount equal to the fair value of the underlying items; and
- the variable fee to be deducted in exchange for future services provided under the contract.

The carrying amount of CSM equals the variable fee, and consists of:

- the Group's share of the fair value of the underlying items,

less

- fulfilment cash flows that are not contingent on the returns of the underlying items.

When measuring a group of insurance contracts with direct participation features, the Group adjusts in full for changes in the obligation to pay policyholders an amount equal to the fair value of the underlying items through fulfilment cash flows. This change is recognized in insurance finance income or expenses because it does not relate to future services. In contrast, changes in the Group's share of the fair value of the underlying items and the fulfilment cash flows that do not vary based on the returns on underlying items relate to future services and therefore adjust CSM.

Notes to Consolidated Financial Statements

(c) Reinsurance contracts held

The Group applies, in principle, the same accounting policies to measure groups of reinsurance contracts held as those applied to insurance contracts issued. However, certain measurement methods differ from those applied to insurance contracts issued.

In estimating future cash flows, assumptions consistent with those used for the underlying insurance contracts are applied. Unlike insurance contracts issued, adjustments for reinsurers' non-performance risk are incorporated. The impact of non-performance risk of reinsurers is assessed at each reporting date, and the changes are recognized in profit or loss. Additionally, reinsurance contracts held cannot be onerous.

If a reinsurance contract is entered into on or before the recognition of an underlying onerous group of contracts, a loss-recovery component is recognized for the loss component of the underlying group, proportionate to the reinsurance coverage. CSM of the group of reinsurance contracts held is adjusted accordingly. Subsequently, the loss-recovery component is updated to reflect changes in the loss component of the underlying onerous group, to the extent that it does not exceed the expected recovery from the reinsurance contracts held.

The Group adopts a year-to-date method when revising accounting estimates made in previous interim financial statements in subsequent interim periods and in the annual reporting period.

f. Measurement - Insurance contracts measured under PAA

The Group applies PAA, in principle, for the following groups of insurance contracts:

- groups of insurance contracts for which each contract in the group has a coverage period of one year or less;
- groups of insurance contracts for which the Group reasonably expects that the use of PAA would produce measurements of the liabilities for remaining coverage that do not differ materially from those that would result from applying the measurement approach described in e. above.

Insurance contracts issued

At initial recognition, the carrying amount of the liability for remaining coverage for each group of insurance contracts is measured based on the premiums received, net of insurance acquisition cash flows (new business expenses).

At subsequent measurement, the carrying amount of the liability for remaining coverage increases by premiums received and decreases by amounts recognized as insurance revenue for coverage provided (excluding the amortization of insurance acquisition cash flows), investment components, and additional insurance acquisition cash flows allocated after initial recognition. In addition, when insurance contracts in the group contain a significant financing component, the carrying amount of the liability for remaining coverage is adjusted to reflect the time value of money and the effect of financial risk.

If, at any point during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognizes losses in profit or loss to the extent that the current estimates of the fulfilment cash flows for the liability for remaining coverage (including risk adjustment for non-financial risk) exceed the carrying amount of the liability, thereby increasing the liability for remaining coverage.

The Group recognizes a liability for incurred claims for a group of insurance contracts based on the fulfilment cash flows related to incurred claims. These fulfilment cash flows are discounted using the current discount rate if they are not expected to be paid within one year from the date they are incurred.

Reinsurance contracts held

The Group measures a group of reinsurance contracts held by applying, in principle, the same accounting policies as those applied to insurance contracts issued. However, certain adjustments are made to reflect the characteristics of reinsurance contracts held and to align with the measurement requirements for reinsurance contracts held that are not measured under PAA. For example:

- reinsurance contracts held cannot be onerous; and
- a loss-recovery component arises when the underlying group of insurance contracts becomes onerous.

When a loss-recovery component arises for a group of reinsurance contracts held measured under PAA, the carrying amount of the asset for remaining coverage is adjusted instead of adjusting CSM.

g. Derecognition

The Group derecognizes an insurance contract when:

- the contract is extinguished, meaning the contractual obligations expire, are discharged, or are canceled; or
- the contract is modified in a manner that results in a significant change in the measurement of the contract.

h. Presentation

For each portfolio of insurance contracts issued and each portfolio of reinsurance contracts held, the Group presents separately portfolios that are in a net asset position and those that are in a net liability position in the consolidated statement of financial position.

In the consolidated statement of income, the amounts recognized are presented separately as (a) insurance service result (comprised of insurance revenue and insurance service expenses) and (b) insurance finance income or expenses.

Income or expenses from reinsurance contracts held are presented separately from those of insurance contracts issued and, except for insurance finance income or expenses, are presented on a net basis as "Income or expense from reinsurance contract held" within insurance service result.

Notes to Consolidated Financial Statements

(a) Insurance revenue

Insurance revenue is measured by excluding investment components as follows:

Insurance contracts issued not measured under PAA

The Group recognizes insurance revenue in accordance with the coverage and other services provided under the group of insurance contracts. Insurance revenue includes:

- the release of CSM, determined based on the coverage units representing the quantity of service provided in the period;
- changes in risk adjustment for non-financial risk related to services in the current period;
- incurred claims and other insurance service expenses incurred in the period and measured at the amounts expected at the beginning of the period;
- the allocation of insurance acquisition cash flows (new business expenses).

Insurance revenue represents the total changes in the liability for remaining coverage related to services for which the Group expects to receive consideration. The portion of premiums related to insurance acquisition cash flows is allocated in a systematic way over time based on the passage of time and recognized as both insurance revenue and insurance service expenses. The amount of CSM recognized as insurance revenue is determined based on the number of coverage units, which represent the quantity of services provided by contracts in the group. Coverage units are determined by considering the amount of benefits provided and the expected duration of coverage. CSM is allocated evenly to each coverage unit provided in the current period and expected to be provided in future periods based on the unallocated CSM at the end of the period.

Insurance contracts issued measured under PAA

Insurance revenue is allocated to each period based on the expected premium receipt related to coverage provided during the period, generally on the basis of the passage of time. Adjustments are made to reflect the time value of money and the effect of financial risk where necessary.

Loss component

The Group establishes a loss component of the liability for remaining coverage for an onerous group of insurance contracts issued. The loss component determines the amount excluded from insurance revenue among the changes in the liability for remaining coverage related to insurance services provided. The amount is determined by allocating systematically between the loss component and the liabilities for remaining coverage other than the loss component.

Changes in estimates of cash flows related to future services and changes in the Group's share of the fair value of underlying items are allocated to the loss component.

For insurance contracts not measured under PAA, when the loss component is reduced to zero, new CSM arises to the extent that the changes exceed the allocation to the loss component.

(b) Insurance service expenses

Insurance service expenses consist of the following (excluding investment components):

- incurred insurance claims and other expenses;
- amortization of insurance acquisition cash flows;
- profit or losses on the loss component;
- changes in the liabilities for incurred claims.

(c) Income or expenses from reinsurance contracts held

The income or expenses from reinsurance contracts held represent the amounts recovered from reinsurers, net of the allocation of reinsurance premiums paid, and are presented as a single amount.

The Group recognizes the allocation of reinsurance premiums paid as it receives coverage or other services under the group of reinsurance contracts held. For reinsurance contracts held that are not measured under the PAA, the reinsurance service expense for each period represents the total changes in the asset for remaining coverage relating to services received in the period for which the Group expects to pay consideration, excluding investment components.

For reinsurance contracts held that are measured under PAA, the reinsurance service expenses for each period represent the expected amounts of premiums paid for coverage received in the period, excluding investment components.

For groups of reinsurance contracts held that cover underlying onerous groups of contracts, the establishment of and changes to the loss-recovery component are also considered.

(d) Insurance finance income or expenses (reinsurance finance income or expenses are included)

Insurance finance income or expenses consist of changes in the carrying amounts of groups of insurance contracts that arise from the time value of money, financial risk, and the changes in these factors.

Notes to Consolidated Financial Statements

The Group, in principle, disaggregates insurance finance income or expenses between profit or loss and other comprehensive income in order to reduce the mismatch with the profit or loss of investment assets. The amount recognized in profit or loss is determined through a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of insurance contracts. In this systematic allocation, the discount rate determined at initial recognition of the group of insurance contracts is applied (or, for the liability for incurred claims of contracts measured under PAA, the discount rate determined at the date the insured event occurred) in principle, because changes in assumptions that relate to financial risk do not have a substantial effect on the amounts paid to the policyholders except for certain groups of insurance contracts.

For certain annuity products, the allocation is based on the amounts credited to policyholders during the period and the amounts expected to be credited in future periods.

For insurance contracts with direct participation features, the portion equivalent to the profit or loss arising from the underlying items is recognized in the profit or loss in the period.

(13) Employee benefits

a. Defined benefit plans

The present value of defined benefit obligations and the related current service cost and past service cost are calculated for each plan using the projected unit credit method. The discount rate is determined for each plan based on the period to the expected payment dates of the benefits and the market yields, at the reporting date, on high-quality corporate bonds. The net defined benefit liability (asset) is calculated as the present value of the defined benefit obligation less the fair value of plan assets (taking into account, where necessary, the effect of the asset ceiling).

Remeasurements of the net defined benefit liability (asset) are recognized in other comprehensive income and are immediately reclassified to retained earnings in the period in which they arise. Remeasurements comprise actuarial gains and losses, the return on plan assets excluding amounts included in net interest, and any change in the effect of the asset ceiling. Service cost and net interest expense are recognized in profit or loss in the period in which they arise.

b. Defined contribution plans

Some consolidated subsidiaries have defined contribution pension plans. A defined contribution plan is a post-employment benefit plan under which the employer pays fixed contributions into an individual account and will have no legal or constructive obligation to pay further contributions. Accordingly, contributions to defined contribution pension plans are recognized as an expense in the periods during which employees render service.

c. Short-term employee benefits

Short-term employee benefits are not discounted and are recognized as expenses when the related services are rendered. For bonuses and paid leave costs, if the Group has a present legal or constructive obligation to pay such amounts as a result of services provided by employees in the current and prior periods and the obligation can be reliably estimated, the expected future payments under those plans are recognized as liabilities.

(14) Stock-based compensation

a. Executive compensation BIP trust

The Group has adopted an equity-settled executive compensation Board Incentive Plan (hereinafter referred to as "BIP") trust as an incentive scheme for Directors and Executive Officers, and the Company's shares held by the trust are recognized as treasury stock. The fair value of the Company's shares at the grant date is recognized as an expense over the vesting period, with a corresponding increase in equity. As the fair value of the Company's shares at the grant date is considered to approximate the share price at the grant date, the share price at the grant date is used to measure the fair value.

b. Restricted stock units (RSU)

The Company has adopted a restricted stock unit (hereinafter referred to as "RSU") share-based compensation plan for officers of domestic and overseas subsidiaries of the Group (excluding the Company's Directors and Audit & Supervisory Board Members). The plan is accounted for as an equity-settled share-based payment transaction. RSUs are measured at fair value at the grant date and recognized as an expense over the vesting period, with a corresponding increase in equity.

(15) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of that outflow.

Where the effect of the time value of money is material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

The present value is calculated using a pre-tax discount rate that reflects the time value of money and the risks specific to the liability.

Increases in provisions due to the effect of the time value of money are recognized as other finance expenses.

Notes to Consolidated Financial Statements

(16) Equity

a. Common stock

Common stock are classified as equity. Proceeds from the issue of common stock are recognized as an increase in equity, and incremental costs directly attributable to the issue of common stock are deducted from equity.

b. Treasury stock

When treasury stock are acquired, the consideration paid, net of tax effects, including directly attributable transaction costs, is recognized as a deduction from equity. When treasury stock are sold, the difference between the carrying amount and the proceeds is recognized in capital surplus. If capital surplus would have a negative balance, capital surplus is reduced to zero and the negative amount is deducted from retained earnings.

(17) Revenue recognition

The Group recognizes revenue in accordance with the following five-step model under IFRS 15 "Revenue from Contracts with Customers", except for interest and dividend income and other related income accounted for under IFRS 9 "Financial Instruments" (hereinafter referred to as "IFRS 9") and insurance revenue accounted for under IFRS 17 "Insurance Contracts" (hereinafter referred to as "IFRS 17"). Revenue is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to customers, and is recognized mainly over the period during which services are provided, based on the measure of progress towards satisfaction of the related performance obligations. Such revenue mainly arises from "Solution and other businesses" and is presented under "Other income".

Step 1: Identify the contract with a customer.
Step 2: Identify the performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Group recognizes as assets the incremental costs of obtaining contracts with customers and the costs to fulfil contracts that are directly related to the contracts, to the extent that those costs are expected to be recoverable. Incremental costs of obtaining a contract are costs incurred to obtain a contract with a customer that would not have been incurred if the contract had not been obtained. Assets recognized from contract costs are amortized on a straight-line basis over the expected contract period.

(18) Income taxes

Income taxes comprises current tax and deferred tax. Current and deferred tax are recognized in profit or loss, except when they arise from items recognized in other comprehensive income or directly in equity, or from business combinations.

Current tax is measured at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets are also recognized for the carryforward of unused tax losses and unused tax credits. Deferred tax assets are recognized for deductible temporary differences, unused tax losses and unused tax credits only to the extent that it is probable that taxable profit will be available against which they can be utilized, while deferred tax liabilities are generally recognized for taxable temporary differences. Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period when the deferred tax asset is realized or the deferred tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are not recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements when the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for deductible temporary differences only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and that taxable profit will be available against which they can be utilized.

(19) Earnings per share

Basic earnings per share is calculated by dividing net income attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period, adjusted for treasury stock. Diluted earnings per share is calculated by adjusting for the effects of all dilutive potential ordinary shares.

(20) Segment information

An operating segment is a component of the business that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses related to transactions with other operating segments.

Segment information is reported in a manner consistent with internal reports submitted to the chief operating decision maker, who is responsible for allocating resources to operating segments and assessing their performance. The Group identifies the Company's Board of Directors, which makes strategic decisions, as the chief operating decision maker.

Notes to Consolidated Financial Statements

4. Significant Accounting Estimates and Judgements

In preparing the consolidated financial statements, the Group is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these accounting estimates and the underlying assumptions.

Estimates and the underlying assumptions are reviewed on an ongoing basis. The effects of any revisions to accounting estimates are recognized in the period in which the revision is made and in future periods.

Information about judgements made in applying accounting policies that have a significant effect on the consolidated financial statements is as follows:

- Classification of financial instruments (3. Significant Accounting Policies (5) Financial instruments a. Non-derivative financial assets)
- Measurement of insurance contract liabilities (3. Significant Accounting Policies, (12) Insurance Contracts; and 7. Insurance Contracts)

Information about accounting estimates and assumptions that could have a significant effect on the consolidated financial statements is as follows:

- Impairment of goodwill (3. Significant Accounting Policies, (2) Business combinations and goodwill; and 15. Intangible Assets)
- Measurement of insurance contract liabilities (3. Significant Accounting Policies, (12) Insurance Contracts; and 7. Insurance Contracts)
- Impairment of financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income (FVOCI)
  (3. Significant Accounting Policies, (5) Financial instruments e. Impairment of financial instruments; and 8. Financial Instruments, (4) Expected Credit Losses (ECL))
- Fair value measurement of financial instruments
  (3. Significant Accounting Policies, (5) Financial instruments; and 8. Financial Instruments, (3) Fair value measurement)

5. Segment Information

(1) Information on reportable segments

a. Overview of reportable segments

The reportable segments are the components for which discrete financial information is available, and which are regularly reviewed by the Company's Board of Directors to make decisions about resource allocation and assess its performance.

The Company, as a holding company that manages the Group's business, establishes basic policies about the management of Group companies, formulates corporate strategies based on the surrounding business environment, and promotes business activities of the Group. The Company classifies its operations into four reportable segments: "Japan P&C insurance business," "Japan Life insurance business," "International insurance business," and "Solution and other businesses".

"Japan P&C insurance business" primarily comprises underwriting of P&C insurance in Japan, including automobile insurance, fire insurance, and specialty lines, as well as related investment activities. "Japan Life insurance business" primarily comprises underwriting of life insurance in Japan, including whole life insurance, term life insurance, and medical insurance, as well as related investment activities. "International insurance business" primarily comprises underwriting of overseas P&C and life insurance, including specialty lines such as excess workers' compensation insurance and medical stop-loss insurance, as well as related investment activities. In "Solution and other businesses", the main businesses are consulting services, investment advisory, investment trust management services, staffing business, facility management business, and nursing care services.

b. Method of calculation for revenue and expenses (net amount), profit, and other items for each reportable segment

The accounting treatment for the reportable business segments is the same as described in "3. Significant Accounting Policies".

The Group uses Net income attributable to owners of the parent as the basis for decisions on resource allocation and for performance evaluation.

Internal transactions between segments are based on prevailing market prices.

Notes to Consolidated Financial Statements

c. Information on profit or loss for each reportable segment

FY2024 (April 1, 2024 - March 31, 2025)

(Yen in millions)

	Reportable Segments					Adjustments (Note1)	Consolidated total
	Japan P&C insurance business	Japan Life insurance business	International insurance business	Solution and other businesses	Total		
Insurance revenue	2,935,093	266,877	4,249,062	—	7,451,032	(54,810)	7,396,221
Insurance service expenses	(2,568,092)	(161,406)	(3,415,676)	—	(6,145,175)	79,154	(6,066,020)
Income or expenses from reinsurance contracts held	(208,229)	(2,294)	(132,614)	—	(343,138)	(24,343)	(367,482)
Insurance service result	158,771	103,175	700,771	—	962,718	—	962,718
Interest income	77,182	116,131	612,662	120	806,096	(44)	806,051
Other investment gains and losses	(24,104)	(230,233)	72,771	1,212	(180,354)	(5,809)	(186,163)
Investment expenses	(16,337)	(3,917)	(42,123)	—	(62,378)	5,644	(56,733)
Investment gains and losses	36,740	(118,019)	643,310	1,332	563,363	(209)	563,154
Insurance finance expenses (net)	(24,312)	(95,037)	(481,147)	—	(600,498)	1,785	(598,713)
Reinsurance finance income (net)	36	3,892	64,209	—	68,137	(1,785)	66,352
Insurance finance income or expenses	(24,276)	(91,145)	(416,937)	—	(532,360)	—	(532,360)
Finance result	12,463	(209,165)	226,372	1,332	31,003	(209)	30,794
Administrative expenses	(13,318)	(1,159)	(449,516)	(161,314)	(625,309)	78,658	(546,651)
Other finance expenses (Note2)	(4,034)	(378)	(36,866)	(218)	(41,498)	10,214	(31,284)
Other income	21,781	890	91,843	178,191	292,706	(82,069)	210,637
Other expenses	(5,945)	(525)	(30,778)	(173)	(37,422)	—	(37,422)
Gains and losses from investments accounted for using the equity method	424	—	7,114	—	7,538	—	7,538
Income (loss) before income taxes	170,143	(107,163)	508,940	17,816	589,736	6,593	596,330
Income taxes	(36,648)	26,184	(137,882)	(5,289)	(153,636)	(11,198)	(164,834)
Net income (loss)	133,495	(80,979)	371,058	12,527	436,100	(4,605)	431,495
Net income (loss) attributable to non-controlling interests	(85)	—	(19,524)	682	(18,927)	—	(18,927)
Segment profit (loss) (Note3)	133,580	(80,979)	390,583	11,844	455,028	(4,605)	450,423
Other items							
Depreciation and amortization	66,696	9,090	80,728	1,585	158,101	(589)	157,511

(Notes) 1. Adjustments include elimination of intersegment transactions and income or expenses not allocated to each reportable segment.
2. Other finance expenses include interest expenses.
3. Segment profit is Net income attributable to owners of the parent in the consolidated statement of income.

FY2025 (April 1, 2025 - March 31, 2026)

(Yen in millions)

	Reportable Segments					Adjustments (Note1)	Consolidated total
	Japan P&C insurance business	Japan Life insurance business	International insurance business	Solution and other businesses	Total		
Insurance revenue	3,040,655	265,448	4,448,332	—	7,754,436	(60,875)	7,693,560
Insurance service expenses	(2,597,492)	(171,067)	(3,401,688)	—	(6,170,248)	55,861	(6,114,387)
Income or expenses from reinsurance contracts held	(185,701)	14,179	(262,994)	—	(434,517)	5,014	(429,502)
Insurance service result	257,461	108,559	783,649	—	1,149,670	—	1,149,670
Interest income	76,351	87,415	621,728	408	785,903	(498)	785,404
Other investment gains and losses	64,670	(321,227)	203,425	2,047	(51,083)	(8,765)	(59,848)
Investment expenses	(16,422)	(3,827)	(45,955)	—	(66,205)	7,206	(58,998)
Investment gains and losses	124,599	(237,638)	779,198	2,455	668,614	(2,056)	666,557
Insurance finance expenses (net)	(47,406)	(167,640)	(483,714)	—	(698,762)	17,578	(681,184)
Reinsurance finance income (net)	1,256	15,628	40,560	—	57,445	(17,578)	39,867
Insurance finance income or expenses	(46,150)	(152,012)	(443,154)	—	(641,316)	—	(641,316)
Finance result	78,449	(389,651)	336,044	2,455	27,297	(2,056)	25,240
Administrative expenses	(18,167)	(504)	(479,780)	(306,571)	(805,023)	81,115	(723,908)
Other finance expenses (Note2)	(5,006)	(327)	(31,049)	(1,433)	(37,816)	9,222	(28,593)
Other income	19,401	1,229	117,599	327,646	465,876	(86,336)	379,540
Other expenses	(7,500)	(1,443)	(49,220)	(338)	(58,503)	(1,056)	(59,559)
Gains and losses from investments accounted for using the equity method	535	—	9,066	(1,291)	8,310	—	8,310
Income (loss) before income taxes	325,173	(282,137)	686,309	20,466	749,812	887	750,700
Income taxes	(87,577)	77,277	(141,905)	(6,302)	(158,507)	(19,999)	(178,506)
Net income (loss)	237,596	(204,860)	544,403	14,164	591,304	(19,111)	572,193
Net income (loss) attributable to non-controlling interests	54	—	41,652	(350)	41,356	(419)	40,937
Segment profit (loss) (Note3)	237,541	(204,860)	502,750	14,515	549,947	(18,692)	531,255
Other items							
Depreciation and amortization	76,947	10,222	82,121	7,368	176,660	(473)	176,186

(Notes) 1. Adjustments include elimination of intersegment transactions and income or expenses not allocated to each reportable segment.
2. Other finance expenses include interest expenses.
3. Segment profit is Net income attributable to owners of the parent in the consolidated statement of income.

Notes to Consolidated Financial Statements

(2) Breakdown of revenue (net amount) from external customers by product and service

(Yen in millions)

Insurance Revenue	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
P&C Insurance	6,288,622	**6,526,427**
Life Insurance	1,107,599	**1,167,132**
Total	7,396,221	**7,693,560**

(3) Breakdown of revenue (net amount) from external customers by region

(Yen in millions)

Insurance Revenue	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Japan	3,120,272	**3,215,868**
United States	2,721,809	**2,876,105**
Others	1,554,140	**1,601,586**
Total	7,396,221	**7,693,560**

(Note) Classified by country or region based on the location of the insurance underwriting offices.

(4) Breakdown of non-current assets by region

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Japan	478,912	570,362	**598,491**
United States	1,023,827	974,752	**1,322,593**
Others	114,412	153,343	**166,575**
Total	1,617,152	1,698,459	**2,087,660**

(5) Information about major customers

None.

6. Business Combination

FY2024 (April 1, 2024 - March 31, 2025)

The Company acquired outstanding shares of Integrated Design & Engineering Holdings Co., Ltd. (hereinafter referred to as "ID&E"), which operates construction consulting and other businesses both domestically and internationally, and ID&E became a consolidated subsidiary of the Company.

(1) Outline of the business combination

a. Name of the acquiree

Integrated Design & Engineering Holdings Co., Ltd.

b. Business

Management and related or incidental operations of group companies.

c. Primary reasons of the business combination

The primary reason for the acquisition is to provide comprehensive solutions for societal resilience to a wide range of domestic and international customers by combining various management resources and insurance based on the engineering technology possessed by ID&E. Furthermore, by utilizing the customer base, channel network, capital policies, financial foundation, and human resources of the Group to create synergies, the Group aims to address social issues such as "Improve Disaster Resilience" and "Promote Climate Action".

d. Acquisition date

February 13, 2025

e. Legal form of business combination

Share acquisition for cash consideration

f. Percentage of voting equity interests acquired

Voting rights ratio held through the consolidated subsidiary immediately before the acquisition date	0.30%
Voting rights ratio additionally acquired on the acquisition date	85.46%
Voting rights ratio after the acquisition	85.76%

(2) Revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of income for the reporting period

The revenue and profit or loss of the acquiree since the acquisition date are immaterial; therefore, the related disclosure has been omitted.

Notes to Consolidated Financial Statements

(3) Fair value of acquisition consideration

Fair value of equity interests owned through the consolidated subsidiary immediately before the acquisition date	294 million yen
Cash paid for additional acquisition	83,822 million yen
Acquisition consideration	84,116 million yen

(4) Gain on step acquisition
The controlling interest in the acquiree held immediately before the acquisition date was remeasured at fair value on the acquisition date, resulting in a gain on step acquisition of 252 million yen, which was recorded in "Investments in equity instruments" in the consolidated statement of comprehensive income.

(5) Major acquisition-related costs
Advisory fees and others amounting to 741 million yen were recorded in "Administrative expenses" in the consolidated statement of income.

(6) The acquisition-date fair value of assets and liabilities, and goodwill

(Yen in millions)

Total assets	233,019
Other financial assets	97,640
Property and equipment	59,772
Total liabilities	140,585
Bonds and borrowings	68,710
Net assets	92,433
Non-controlling interests	15,846
Fair value of acquisition consideration	84,116
Goodwill	7,528

(Note) Non-controlling interests are measured at the proportionate share of the identifiable net assets of the acquiree on the acquisition date, based on the non-controlling interest ownership percentage after the business combination. The recognized goodwill arose from the future excess earning power expected to be generated from the business development, including synergies with the Group. None of the amount of the goodwill is deductible for tax purposes.

FY2025 (April 1, 2025 - March 31, 2026)

(1) Acquisition of interests of Riser Topco III, LLC and its three subsidiary LLCs
The Company acquired Ignyte Insurance's U.S. collector vehicle insurance agency business by purchasing all the interests of Riser Topco III, LLC and its three subsidiary LLCs from the Carlyle Group through Philadelphia Indemnity Insurance Company, an insurance subsidiary under the Company's wholly owned subsidiary, Philadelphia Insurance Companies (hereinafter referred to as "PHLY").

a. Outline of the business combination

(a) Name of the acquirees
Riser Topco III, LLC and its three subsidiary LLCs

(b) Business
Insurance agency business specialized in personal auto insurance for collector vehicle enthusiasts

(c) Primary reasons of the business combination
The purpose of the acquisition is to further expand into the U.S. collector vehicle insurance market, which we view as having sustained potential for high growth, by leveraging synergies between Ignyte Insurance, which possesses its outstanding marketing capabilities and profitable, high-quality customer base, and PHLY's existing collector car insurance business.

(d) Acquisition date
October 31, 2025

(e) Legal form of business combination
Interests acquisition for cash consideration

(f) Percentage of voting equity interests acquired
100%

b. Revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of income for the reporting period
The revenue and profit or loss of the acquiree since the acquisition date are immaterial; therefore, the related disclosure has been omitted.

c. Fair value of acquisition consideration

Cash (including Accounts payable)	102,829 million yen
Acquisition consideration	102,829 million yen

Notes to Consolidated Financial Statements

d. Major acquisition-related costs
Advisory fees and others amounting to 563 million yen were recorded in "Administrative expenses" in the consolidated statement of income.

e. The acquisition-date fair value of assets and liabilities, and goodwill

(Yen in millions)

Total assets	52,611
Intangible assets	43,929
Other financial assets	3,622
Total liabilities	4,240
Other financial liabilities	3,552
Net assets	48,371
Fair value of acquisition consideration	102,829
Goodwill	54,458

(Note) The recognized goodwill arose from the future excess earning power expected to be generated from the business development, including synergies with the Group. None of the amount of the goodwill is deductible for tax purposes.

(2) Acquisition of shares of Agrihedge, Inc.
The Company acquired 100% of the outstanding shares of Agrihedge, Inc. (hereinafter referred to as "CIH"), which provides price volatility risk solutions for agricultural and livestock products in the U.S.

a. Outline of the business combination
(a) Name of the acquiree
Agrihedge, Inc.

(b) Business
Providing price volatility risk solutions for agricultural and livestock products in the U.S. through insurance agency, derivatives brokerage, consulting and related offerings

(c) Primary reasons of the business combination
By acquiring CIH, the Company will expand its fee-based solutions business and diversify our sources of earnings, aligning with the Group's strategic focus on expanding solution-oriented services and achieving growth while mitigating volatility. Furthermore, by securing capabilities to provide non-insurance risk solutions in the U.S. agricultural sector, the Company will strengthen the capabilities of HCC Insurance Holdings, Inc.'s agricultural offerings and further enhance our competitive advantage.

(d) Acquisition date
January 30, 2026

(e) Legal form of business combination
Share acquisition for cash consideration

(f) Percentage of voting equity interests acquired
100%

b. Revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of income for the reporting period
The revenue and profit or loss of the acquiree since the acquisition date are immaterial; therefore, the related disclosure has been omitted.

c. Fair value of acquisition consideration

Cash (including Accounts payable)	150,004 million yen
Acquisition consideration	150,004 million yen

d. Major acquisition-related costs
Advisory fees and others amounting to 2,060 million yen were recorded in "Administrative expenses" in the consolidated statement of income.

e. The acquisition-date fair value of assets and liabilities, and goodwill

(Yen in millions)

Total assets	109,725
Intangible assets	98,342
Other financial assets	5,574
Total liabilities	31,552
Other liabilities	3,370
Deferred tax liabilities	26,046
Net assets	78,172
Fair value of acquisition consideration	150,004
Goodwill	71,832

(Note) The recognized goodwill arose from the future excess earning power expected to be generated from the business development, including synergies with the Group. None of the amount of the goodwill is deductible for tax purposes.
In addition, the fair value of the above assets and liabilities and the amount of goodwill have been accounted for provisionally because the allocation of the acquisition consideration had not been completed as of March 31, 2026.

Notes to Consolidated Financial Statements

7. Insurance Contracts

(1) Significant judgments related to insurance contracts

The significant judgments made by the Group when applying IFRS 17 and the changes to those judgments are as follows:

a. Estimates of future cash flows

The estimates of the amount, timing, and uncertainty of future cash flows within the contract boundary incorporate all reasonable and supportable information available without undue cost or effort, on an unbiased basis. For certain contracts, the estimation reflects the cost of options and guarantees by using a probability-weighted average, i.e., the expected value.

Future cash flows of the liability for remaining coverage are estimated by insurance products and policy years based on certain assumptions, such as loss ratios, mortality rates, morbidity rates, lapse rates, and maintenance expense ratios.

These assumptions are determined primarily based on historical data, with adjustments made as necessary-for example, excluding extraordinary data, reflecting the impact of product revisions, and incorporating expected future trends and inflations.

In addition, for assumptions for which the use of historical data is not considered appropriate, such as those related to large-scale natural catastrophes, estimates are also made using models such as Nat Cat Risk model and F×D model.

Future cash flows of the liability for incurred claims are estimated by insurance products using statistical methods such as the chain-ladder method and the Bornhuetter-Ferguson method, in addition to investigations of individual reported claims, to estimate outstanding claims (OS), incurred but not reported claims (IBNR), ultimate losses, and other items.

In addition, IBNR related to large losses and large-scale natural catastrophes are also estimated individually.

Accrued loss adjustment are estimated based on past experience and other relevant information.

b. Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the Group fulfils insurance contracts. Although IFRS 17 does not prescribe a specific method for calculating the risk adjustment for non-financial risk, the Group, in principle, applies the cost-of-capital method. The risk adjustment is calculated by multiplying the required capital, which corresponds to the amount of risk at a 99.5% confidence level reflecting the diversification effect within the Group, by a cost of capital rate of 6%. The changes in the risk adjustment for non-financial risk are disaggregated between insurance service result and insurance finance income or expenses, and the Group does not apply the method in paragraph 81 of IFRS 17 to include all of them in the insurance service result.

The risk adjustment amounts calculated under this method correspond to confidence levels of 82.5-87.5%, 80-85%, and 77.5-82.5% for the transition date, the previous fiscal year, and the current fiscal year, respectively.

c. Discount rate

Under IFRS 17, insurance liabilities are measured by discounting estimated future cash flows using the discount rates (yield curves) as of the reporting date.

These discount rates are derived by adding illiquidity premiums - reflecting the liquidity characteristics of insurance liabilities - to the risk-free rates based on government bond yields.

Illiquidity premium is generally measured using a bottom-up approach, while for certain products (such as annuities), a top-down approach referencing the asset portfolio held is also applied.

Super-long-term discount rates which are not observable in the market are derived from yield curves observable in the market in principle.

The yield curves used to discount future cash flows for major currencies are summarized below:

As of April 1, 2024 (Transition date)	1 year	5 years	10 years	20 years	30 years
JPY	0.05%	0.36%	0.76%	1.54%	1.85%
USD (annuities)	6.46%	5.60%	5.60%	5.95%	5.73%
USD (other than annuities)	5.50% ～ 5.59%	4.68% ～ 4.77%	4.67% ～ 4.76%	5.05% ～ 5.14%	4.79% ～ 4.88%
GBP	5.19%	4.36%	4.53%	5.11%	5.13%

As of March 31, 2025	1 year	5 years	10 years	20 years	30 years
JPY	0.65%	1.11%	1.52%	2.27%	2.59%
USD (annuities)	5.22%	5.15%	5.46%	5.99%	5.88%
USD (other than annuities)	4.38% ～ 4.68%	4.31% ～ 4.61%	4.60% ～ 4.90%	5.12% ～ 5.42%	4.95% ～ 5.25%
GBP	4.56%	4.76%	5.22%	5.91%	5.98%

As of March 31, 2026	**1 year**	**5 years**	**10 years**	**20 years**	**30 years**
JPY	**1.17%**	**1.84%**	**2.43%**	**3.41%**	**3.88%**
USD (annuities)	**4.95%**	**5.21%**	**5.64%**	**6.45%**	**6.36%**
USD (other than annuities)	**3.90% ～ 4.17%**	**4.19% ～ 4.46%**	**4.62% ～ 4.89%**	**5.40% ～ 5.67%**	**5.24% ～ 5.51%**
GBP	**4.86%**	**4.93%**	**5.56%**	**6.18%**	**6.25%**

Notes to Consolidated Financial Statements

d. Investment component

Investment component is the amount that an insurance contract requires the entity to repay to the policyholder in all circumstances, regardless of whether an insured event occurs. Depending on its interrelation and other related factors with the insurance component, it is classified either as a distinct investment component, which is separated from insurance liabilities and accounted for under IFRS 9, or a non-distinct investment component, which is not separated and is accounted for under IFRS 17.

All investment components within the Group are classified as non-distinct investment components and mainly consist of the following:

- The savings portion of products with savings elements, such as endowment insurance, investment-linked products, whole life insurance, and saving-type P&C insurance products (e.g., maturity benefits and surrender benefits).
- Experience refunds or no-claim refunds that are determined based on claims experience under the contracts.

Investment components are excluded from insurance revenue and insurance service expenses.

e. Allocation between insurance coverage and investment-return services or investment-related services

For contracts that provide both insurance coverage and investment-return service or investment-related service, the Group determines the quantity of services by assessing the quantity of services of insurance coverage, and investment-return service or investment-related service, and then aggregating these amounts.

With respect to insurance coverage, the quantity of services are assessed using measures such as, for P&C insurance contracts, the sum insured and/or earned premium, and for life insurance contracts, the sum at risk (i.e., the amount of insurance coverage representing the sum insured net of the savings component which is the policyholder's share) and/or annualized premium.

With respect to investment-return service or investment-related service, the service quantity is assessed based on the amount of the savings component.

(2) Insurance revenue, insurance service expenses, and income or expenses from reinsurance contracts held

The following is a breakdown of insurance revenue, insurance service expenses, and income or expenses from reinsurance contracts held. The consolidated adjustments include reinsurance transactions from Japan P&C insurance business to the International insurance business, as well as reinsurance transactions from the International insurance business to Japan P&C insurance business.

a. Insurance revenue

(Yen in millions)

FY2024 (April 1, 2024 - March 31, 2025)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Revenue from insurance contracts not measured under PAA	729,092	261,023	167,300	—	1,157,416
Changes in liabilities for remaining coverage	620,190	216,002	146,675	—	982,867
CSM recognized in profit or loss for services provided	85,641	86,749	34,237	—	206,628
Release of risk adjustment for non-financial risk	10,022	12,543	7,590	—	30,156
Expected incurred claims and other insurance service expenses	506,326	116,065	104,615	—	727,006
Others	18,199	643	232	—	19,075
Recoveries of insurance acquisition cash flows	108,901	45,021	20,625	—	174,548
Revenue from insurance contracts measured under PAA	2,206,001	5,853	4,081,761	(54,810)	6,238,805
Total insurance revenue	2,935,093	266,877	4,249,062	(54,810)	7,396,221

(Yen in millions)

FY2025 (April 1, 2025 - March 31, 2026)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Revenue from insurance contracts not measured under PAA	772,162	259,786	172,222	—	1,204,171
Changes in liabilities for remaining coverage	633,961	207,239	146,639	—	987,841
CSM recognized in profit or loss for services provided	82,413	80,871	31,552	—	194,838
Release of risk adjustment for non-financial risk	11,328	12,015	4,637	—	27,981
Expected incurred claims and other insurance service expenses	520,393	115,839	109,643	—	745,876
Others	19,827	(1,488)	805	—	19,144
Recoveries of insurance acquisition cash flows	138,200	52,547	25,583	—	216,330
Revenue from insurance contracts measured under PAA	2,268,493	5,661	4,276,110	(60,875)	6,489,388
Total insurance revenue	3,040,655	265,448	4,448,332	(60,875)	7,693,560

Notes to Consolidated Financial Statements

b. Insurance service expenses

(Yen in millions)

FY2024 (April 1, 2024 - March 31, 2025)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Incurred claims and other insurance service expenses	(1,908,501)	(114,461)	(2,633,340)	43,250	(4,613,053)
Amortization of insurance acquisition cash flows	(615,599)	(45,021)	(738,745)	—	(1,399,366)
Changes in liabilities for incurred claims related to past services	(41,746)	(1,000)	(17,769)	35,832	(24,683)
Losses and reversal of losses for onerous groups of contracts	(2,244)	(922)	(25,568)	71	(28,664)
Impairment losses and reversals on assets for insurance acquisition cash flows paid before the related group of insurance contracts is recognized	—	—	(252)	—	(252)
Total insurance service expenses	(2,568,092)	(161,406)	(3,415,676)	79,154	(6,066,020)

(Yen in millions)

FY2025 (April 1, 2025 - March 31, 2026)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Incurred claims and other insurance service expenses	(1,922,003)	(112,288)	(2,587,995)	51,988	(4,570,298)
Amortization of insurance acquisition cash flows	(646,136)	(52,547)	(783,057)	—	(1,481,741)
Changes in liabilities for incurred claims related to past services	(29,861)	2,684	(23,398)	3,960	(46,614)
Losses and reversal of losses for onerous groups of contracts	509	(8,915)	(6,902)	(87)	(15,396)
Impairment losses and reversals on assets for insurance acquisition cash flows paid before the related group of insurance contracts is recognized	—	—	(335)	—	(335)
Total insurance service expenses	(2,597,492)	(171,067)	(3,401,688)	55,861	(6,114,387)

c. Income or expenses from reinsurance contracts held

(Yen in millions)

FY2024 (April 1, 2024 - March 31, 2025)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Reinsurance premiums paid and recognized in profit or loss	(299,524)	(10,730)	(668,930)	54,810	(924,375)
Recoveries from reinsurers	91,295	8,436	536,316	(79,154)	556,892
Total income or expenses from reinsurance contracts held	(208,229)	(2,294)	(132,614)	(24,343)	(367,482)

(Yen in millions)

FY2025 (April 1, 2025 - March 31, 2026)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Reinsurance premiums paid and recognized in profit or loss	(275,822)	(3,626)	(693,834)	60,875	(912,407)
Recoveries from reinsurers	90,121	17,805	430,840	(55,861)	482,904
Total income or expenses from reinsurance contracts held	(185,701)	14,179	(262,994)	5,014	(429,502)

(3) Insurance contracts reconciliation tables

The following reconciliation tables present the changes in the net carrying amounts of insurance contracts issued and reinsurance contracts held, together with their relationship to cash flows, income, and expenses.

a. Reconciliation of the liabilities for remaining coverage and the liabilities for incurred claims

The following provides an analysis of changes in the net carrying amounts of insurance contracts issued and reinsurance contracts held, broken down into movements in the liabilities for remaining coverage (excluding loss component), loss component, and the liabilities for incurred claims. The movements in liabilities for remaining coverage and liabilities for incurred claims presented in (a) Consolidated Total are derived from the aggregate of the figures presented in the insurance contract reconciliations for (b) Japan P&C insurance business, (c) Japan Life insurance business, and (d) International insurance business, after eliminating intersegment transactions. Such intersegment transactions include reinsurance transactions from Japan P&C insurance business to the International insurance business, as well as reinsurance transactions from the International insurance business to Japan P&C insurance business.

Notes to Consolidated Financial Statements

(a) Consolidated total

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	(18,348)	786	(1,461)	1,215	28	(17,780)
Insurance contract liabilities	13,119,044	44,638	541,345	5,255,734	112,738	19,073,503
Beginning net balance (denotes assets)	13,100,695	45,425	539,883	5,256,950	112,766	19,055,722
Insurance revenue	(7,396,221)	—	—	—	—	(7,396,221)
Insurance service expenses	1,399,619	25,884	657,426	3,977,174	5,915	6,066,020
Incurred claims and other insurance service expenses	—	(2,779)	657,930	3,933,482	24,419	4,613,053
Amortization of insurance acquisition cash flows	1,399,366	—	—	—	—	1,399,366
Changes in liabilities for incurred claims related to past services	—	—	(503)	43,691	(18,504)	24,683
Losses on onerous groups of contracts and reversals of such losses	—	28,664	—	—	—	28,664
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	252	—	—	—	—	252
Insurance service result	(5,996,602)	25,884	657,426	3,977,174	5,915	(1,330,200)
Insurance finance income or expenses	(115,406)	1,891	(4,547)	202,967	5,719	90,625
Total changes recognized in profit or loss and other comprehensive income	(6,112,008)	27,776	652,879	4,180,142	11,634	(1,239,575)
Investment components and refunds of premiums, excluded from insurance service result	(1,025,943)	—	997,105	28,837	—	—
Cash flows	7,125,022	—	(1,655,863)	(3,946,646)	—	1,522,512
Premiums received	8,668,009	—	—	—	—	8,668,009
Insurance acquisition cash flows paid	(1,542,986)	—	—	—	—	(1,542,986)
Claims and other insurance service expenses paid	—	—	(1,655,863)	(3,946,646)	—	(5,602,510)
Others	31,058	(3,304)	(3,641)	(46)	(0)	24,064
Foreign currency translation adjustments	7,882	(95)	4,968	(36,455)	3,597	(20,102)
Ending net balance (denotes assets)	13,126,706	69,801	535,331	5,482,781	127,999	19,342,621
Insurance contract assets	(99,006)	621	296	83,255	55	(14,776)
Insurance contract liabilities	13,225,712	69,179	535,035	5,399,525	127,943	19,357,397

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	(99,006)	621	296	83,255	55	(14,776)
Insurance contract liabilities	13,225,712	69,179	535,035	5,399,525	127,943	19,357,397
Beginning net balance (denotes assets)	13,126,706	69,801	535,331	5,482,781	127,999	19,342,621
Insurance revenue	(7,693,560)	—	—	—	—	(7,693,560)
Insurance service expenses	1,482,077	7,081	636,889	3,986,098	2,241	6,114,387
Incurred claims and other insurance service expenses	—	(8,315)	642,665	3,910,459	25,488	4,570,298
Amortization of insurance acquisition cash flows	1,481,741	—	—	—	—	1,481,741
Changes in liabilities for incurred claims related to past services	—	—	(5,775)	75,638	(23,247)	46,614
Losses on onerous groups of contracts and reversals of such losses	—	15,396	—	—	—	15,396
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	335	—	—	—	—	335
Insurance service result	(6,211,483)	7,081	636,889	3,986,098	2,241	(1,579,173)
Insurance finance income or expenses	4,321	2,660	(2,571)	196,578	6,099	207,088
Total changes recognized in profit or loss and other comprehensive income	(6,207,161)	9,742	634,318	4,182,676	8,340	(1,372,084)
Investment components and refunds of premiums, excluded from insurance service result	(1,112,497)	—	1,084,923	27,573	—	—
Cash flows	7,172,653	—	(1,739,172)	(3,974,557)	—	1,458,923
Premiums received	8,723,161	—	—	—	—	8,723,161
Insurance acquisition cash flows paid	(1,550,507)	—	—	—	—	(1,550,507)
Claims and other insurance service expenses paid	—	—	(1,739,172)	(3,974,557)	—	(5,713,729)
Others	26,135	(829)	(18,632)	858	(1,420)	6,110
Foreign currency translation adjustments	411,084	4,324	7,925	309,375	10,879	743,590
Ending net balance (denotes assets)	13,416,921	83,038	504,694	6,028,708	145,798	20,179,161
Insurance contract assets	(109,358)	1,498	86	67,730	85	(39,956)
Insurance contract liabilities	13,526,279	81,539	504,607	5,960,977	145,713	20,219,118

Notes to Consolidated Financial Statements

ii. Reinsurance contracts held

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	(15,361)	(1,242)	(12,097)	(1,067,441)	(30,394)	(1,126,536)
Reinsurance contract liabilities	44,123	—	(55)	(21,981)	(560)	21,525
Beginning net balance (denotes assets)	28,762	(1,242)	(12,153)	(1,089,423)	(30,955)	(1,105,011)
Reinsurance premiums paid and recognized in profit or loss	924,375	—	—	—	—	924,375
Amount recovered from reinsurers	(0)	(5,964)	(26,531)	(516,871)	(7,523)	(556,892)
Recoveries of incurred claims and other insurance service expenses	—	—	(26,605)	(516,553)	(10,619)	(553,778)
Changes in recoveries of incurred claims related to past services	—	—	73	(482)	3,095	2,685
Changes in loss-recovery component related to contracts under PAA	—	(1,617)	—	—	—	(1,617)
Recognition of loss-recovery component related to onerous contracts not under PAA	—	(1,499)	—	—	—	(1,499)
Reversal of loss-recovery component related to contracts not under PAA	—	11	—	—	—	11
Changes in fulfillment cash flows of onerous contracts not under PAA	—	(2,859)	—	—	—	(2,859)
Effects of changes in reinsurer default risk	(0)	—	1	164	—	164
Reinsurance service result	924,374	(5,964)	(26,531)	(516,871)	(7,523)	367,482
Reinsurance finance income or expenses	6,015	(130)	(92)	(60,399)	(1,870)	(56,477)
Total changes recognized in profit or loss and other comprehensive income	930,389	(6,094)	(26,623)	(577,271)	(9,394)	311,004
Investment components and refunds of premiums, excluded from reinsurance service result	16,998	—	(11,184)	(5,813)	—	—
Cash flows	(1,522,020)	—	37,496	605,809	—	(878,713)
Reinsurance premiums paid	(1,522,020)	—	—	—	—	(1,522,020)
Recoveries from reinsurers	—	—	37,496	605,809	—	643,306
Others	(962)	21	—	(2,244)	0	(3,185)
Foreign currency translation adjustments	2,303	60	(356)	7,806	(2,496)	7,317
Ending net balance (denotes assets)	(544,528)	(7,255)	(12,821)	(1,061,136)	(42,845)	(1,668,587)
Reinsurance contract assets	(575,344)	(7,253)	(12,790)	(1,044,467)	(42,751)	(1,682,607)
Reinsurance contract liabilities	30,816	(1)	(31)	(16,669)	(94)	14,019

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	(575,344)	(7,253)	(12,790)	(1,044,467)	(42,751)	(1,682,607)
Reinsurance contract liabilities	30,816	(1)	(31)	(16,669)	(94)	14,019
Beginning net balance (denotes assets)	(544,528)	(7,255)	(12,821)	(1,061,136)	(42,845)	(1,668,587)
Reinsurance premiums paid and recognized in profit or loss	912,407	—	—	—	—	912,407
Amount recovered from reinsurers	(2,241)	(2,751)	(23,922)	(459,631)	5,642	(482,904)
Recoveries of incurred claims and other insurance service expenses	—	—	(23,990)	(447,852)	(9,956)	(481,799)
Changes in recoveries of incurred claims related to past services	—	—	68	(11,891)	15,599	3,777
Changes in loss-recovery component related to contracts under PAA	—	1,250	—	—	—	1,250
Recognition of loss-recovery component related to onerous contracts not under PAA	—	(6,313)	—	—	—	(6,313)
Reversal of loss-recovery component related to contracts not under PAA	—	2,332	—	—	—	2,332
Changes in fulfillment cash flows of onerous contracts not under PAA	—	(21)	—	—	—	(21)
Effects of changes in reinsurer default risk	(2,241)	—	(0)	111	—	(2,130)
Reinsurance service result	910,165	(2,751)	(23,922)	(459,631)	5,642	429,502
Reinsurance finance income or expenses	40,928	(179)	140	(15,686)	(2,303)	22,900
Total changes recognized in profit or loss and other comprehensive income	951,094	(2,930)	(23,781)	(475,318)	3,339	452,403
Investment components and refunds of premiums, excluded from reinsurance service result	53,185	—	(50,244)	(2,940)	—	—
Cash flows	(1,757,635)	—	74,450	560,174	—	(1,123,010)
Reinsurance premiums paid	(1,757,635)	—	—	—	—	(1,757,635)
Recoveries from reinsurers	—	—	74,450	560,174	—	634,624
Others	5,485	(13)	0	(10,430)	1,420	(3,538)
Foreign currency translation adjustments	(4,367)	(640)	(1,199)	(74,947)	(4,338)	(85,492)
Ending net balance (denotes assets)	(1,296,766)	(10,839)	(13,596)	(1,064,599)	(42,424)	(2,428,226)
Reinsurance contract assets	(1,328,623)	(10,804)	(13,385)	(1,048,561)	(42,159)	(2,443,534)
Reinsurance contract liabilities	31,857	(35)	(210)	(16,037)	(264)	15,308

Notes to Consolidated Financial Statements

(b) Japan P&C insurance business

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	691	—	(1,632)	—	—	(941)
Insurance contract liabilities	2,795,093	1,308	197,243	1,098,379	3,030	4,095,055
Beginning net balance (denotes assets)	2,795,784	1,308	195,611	1,098,379	3,030	4,094,113
Insurance revenue	(2,935,093)	—	—	—	—	(2,935,093)
Insurance service expenses	615,599	1,968	439,658	1,510,964	(98)	2,568,092
Incurred claims and other insurance service expenses	—	(276)	440,389	1,468,461	(74)	1,908,501
Amortization of insurance acquisition cash flows	615,599	—	—	—	—	615,599
Changes in liabilities for incurred claims related to past services	—	—	(731)	42,502	(23)	41,746
Losses on onerous groups of contracts and reversals of such losses	—	2,244	—	—	—	2,244
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	—	—	—	—	—	—
Insurance service result	(2,319,493)	1,968	439,658	1,510,964	(98)	(367,000)
Insurance finance income or expenses	(35,528)	(10)	(1,131)	(2,134)	30	(38,774)
Total changes recognized in profit or loss and other comprehensive income	(2,355,022)	1,958	438,526	1,508,829	(67)	(405,774)
Investment components and refunds of premiums, excluded from insurance service result	(216,132)	—	187,389	28,743	—	—
Cash flows	2,352,373	—	(628,123)	(1,509,312)	—	214,937
Premiums received	3,047,627	—	—	—	—	3,047,627
Insurance acquisition cash flows paid	(695,253)	—	—	—	—	(695,253)
Claims and other insurance service expenses paid	—	—	(628,123)	(1,509,312)	—	(2,137,436)
Others	828	—	—	—	—	828
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	2,577,831	3,266	193,403	1,126,640	2,962	3,904,104
Insurance contract assets	—	—	—	—	—	—
Insurance contract liabilities	2,577,831	3,266	193,403	1,126,640	2,962	3,904,104

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	—	—	—	—	—	—
Insurance contract liabilities	2,577,831	3,266	193,403	1,126,640	2,962	3,904,104
Beginning net balance (denotes assets)	2,577,831	3,266	193,403	1,126,640	2,962	3,904,104
Insurance revenue	(3,040,655)	—	—	—	—	(3,040,655)
Insurance service expenses	646,136	(944)	417,437	1,535,275	(411)	2,597,492
Incurred claims and other insurance service expenses	—	(435)	420,050	1,502,777	(389)	1,922,003
Amortization of insurance acquisition cash flows	646,136	—	—	—	—	646,136
Changes in liabilities for incurred claims related to past services	—	—	(2,613)	32,497	(22)	29,861
Losses on onerous groups of contracts and reversals of such losses	—	(509)	—	—	—	(509)
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	—	—	—	—	—	—
Insurance service result	(2,394,518)	(944)	417,437	1,535,275	(411)	(443,162)
Insurance finance income or expenses	(31,007)	1	(626)	13,444	215	(17,973)
Total changes recognized in profit or loss and other comprehensive income	(2,425,525)	(943)	416,810	1,548,719	(196)	(461,135)
Investment components and refunds of premiums, excluded from insurance service result	(208,848)	—	181,286	27,561	—	—
Cash flows	2,405,745	—	(607,483)	(1,513,855)	—	284,406
Premiums received	3,105,745	—	—	—	—	3,105,745
Insurance acquisition cash flows paid	(699,999)	—	—	—	—	(699,999)
Claims and other insurance service expenses paid	—	—	(607,483)	(1,513,855)	—	(2,121,339)
Others	972	104	—	—	—	1,076
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	2,350,175	2,427	184,017	1,189,065	2,766	3,728,452
Insurance contract assets	—	—	—	—	—	—
Insurance contract liabilities	2,350,175	2,427	184,017	1,189,065	2,766	3,728,452

Notes to Consolidated Financial Statements

ii. Reinsurance contracts held

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage	Liabilities for incurred claims				Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	43,698	—	—	(168,883)	(326)	(125,511)
Reinsurance contract liabilities	—	—	—	—	—	—
Beginning net balance (denotes assets)	43,698	—	—	(168,883)	(326)	(125,511)
Reinsurance premiums paid and recognized in profit or loss	299,524	—	—	—	—	299,524
Amount recovered from reinsurers	—	—	—	(91,307)	12	(91,295)
Recoveries of incurred claims and other insurance service expenses	—	—	—	(87,601)	12	(87,589)
Changes in recoveries of incurred claims related to past services	—	—	—	(3,705)	0	(3,705)
Changes in loss-recovery component related to contracts under PAA	—	—	—	—	—	—
Recognition of loss-recovery component related to onerous contracts not under PAA	—	—	—	—	—	—
Reversal of loss-recovery component related to contracts not under PAA	—	—	—	—	—	—
Changes in fulfillment cash flows of onerous contracts not under PAA	—	—	—	—	—	—
Effects of changes in reinsurer default risk	—	—	—	—	—	—
Reinsurance service result	299,524	—	—	(91,307)	12	208,229
Reinsurance finance income or expenses	153	—	—	73	0	227
Total changes recognized in profit or loss and other comprehensive income	299,678	—	—	(91,234)	13	208,457
Investment components and refunds of premiums, excluded from reinsurance service result	769	—	—	(769)	—	—
Cash flows	(299,888)	—	—	134,036	—	(165,851)
Reinsurance premiums paid	(299,888)	—	—	—	—	(299,888)
Recoveries from reinsurers	—	—	—	134,036	—	134,036
Others	—	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	44,258	—	—	(126,851)	(313)	(82,905)
Reinsurance contract assets	44,258	—	—	(126,851)	(313)	(82,905)
Reinsurance contract liabilities	—	—	—	—	—	—

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage	Liabilities for incurred claims				Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	44,258	—	—	(126,851)	(313)	(82,905)
Reinsurance contract liabilities	—	—	—	—	—	—
Beginning net balance (denotes assets)	44,258	—	—	(126,851)	(313)	(82,905)
Reinsurance premiums paid and recognized in profit or loss	275,822	—	—	—	—	275,822
Amount recovered from reinsurers	—	—	—	(90,170)	49	(90,121)
Recoveries of incurred claims and other insurance service expenses	—	—	—	(86,014)	49	(85,965)
Changes in recoveries of incurred claims related to past services	—	—	—	(4,155)	0	(4,155)
Changes in loss-recovery component related to contracts under PAA	—	—	—	—	—	—
Recognition of loss-recovery component related to onerous contracts not under PAA	—	—	—	—	—	—
Reversal of loss-recovery component related to contracts not under PAA	—	—	—	—	—	—
Changes in fulfillment cash flows of onerous contracts not under PAA	—	—	—	—	—	—
Effects of changes in reinsurer default risk	—	—	—	—	—	—
Reinsurance service result	275,822	—	—	(90,170)	49	185,701
Reinsurance finance income or expenses	(274)	—	—	(648)	(0)	(923)
Total changes recognized in profit or loss and other comprehensive income	275,548	—	—	(90,819)	48	184,778
Investment components and refunds of premiums, excluded from reinsurance service result	833	—	—	(833)	—	—
Cash flows	(291,565)	—	—	99,426	—	(192,139)
Reinsurance premiums paid	(291,565)	—	—	—	—	(291,565)
Recoveries from reinsurers	—	—	—	99,426	—	99,426
Others	—	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	29,074	—	—	(119,077)	(264)	(90,267)
Reinsurance contract assets	29,074	—	—	(119,077)	(264)	(90,267)
Reinsurance contract liabilities	—	—	—	—	—	—

Notes to Consolidated Financial Statements

(c) Japan Life insurance business

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	(10,799)	—	82	—	—	(10,717)
Insurance contract liabilities	6,248,960	9,373	271,288	2,816	—	6,532,439
Beginning net balance (denotes assets)	6,238,161	9,373	271,370	2,816	—	6,521,721
Insurance revenue	(266,877)	—	—	—	—	(266,877)
Insurance service expenses	45,021	575	109,358	6,451	—	161,406
Incurred claims and other insurance service expenses	—	(347)	108,354	6,454	—	114,461
Amortization of insurance acquisition cash flows	45,021	—	—	—	—	45,021
Changes in liabilities for incurred claims related to past services	—	—	1,003	(2)	—	1,000
Losses on onerous groups of contracts and reversals of such losses	—	922	—	—	—	922
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	—	—	—	—	—	—
Insurance service result	(221,855)	575	109,358	6,451	—	(105,470)
Insurance finance income or expenses	(432,057)	73	(3,376)	0	—	(435,361)
Total changes recognized in profit or loss and other comprehensive income	(653,913)	648	105,981	6,451	—	(540,831)
Investment components and refunds of premiums, excluded from insurance service result	(450,583)	—	450,583	—	—	—
Cash flows	644,164	—	(570,355)	(6,511)	—	67,296
Premiums received	740,342	—	—	—	—	740,342
Insurance acquisition cash flows paid	(96,178)	—	—	—	—	(96,178)
Claims and other insurance service expenses paid	—	—	(570,355)	(6,511)	—	(576,867)
Others	252	—	—	—	—	252
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	5,778,081	10,021	257,579	2,756	—	6,048,439
Insurance contract assets	(9,480)	—	207	—	—	(9,272)
Insurance contract liabilities	5,787,562	10,021	257,371	2,756	—	6,057,712

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	(9,480)	—	207	—	—	(9,272)
Insurance contract liabilities	5,787,562	10,021	257,371	2,756	—	6,057,712
Beginning net balance (denotes assets)	5,778,081	10,021	257,579	2,756	—	6,048,439
Insurance revenue	(265,448)	—	—	—	—	(265,448)
Insurance service expenses	52,547	7,000	105,956	5,562	—	171,067
Incurred claims and other insurance service expenses	—	(1,915)	108,638	5,564	—	112,288
Amortization of insurance acquisition cash flows	52,547	—	—	—	—	52,547
Changes in liabilities for incurred claims related to past services	—	—	(2,682)	(2)	—	(2,684)
Losses on onerous groups of contracts and reversals of such losses	—	8,915	—	—	—	8,915
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	—	—	—	—	—	—
Insurance service result	(212,900)	7,000	105,956	5,562	—	(94,380)
Insurance finance income or expenses	(266,822)	131	(1,919)	0	—	(268,610)
Total changes recognized in profit or loss and other comprehensive income	(479,723)	7,132	104,036	5,562	—	(362,990)
Investment components and refunds of premiums, excluded from insurance service result	(530,126)	—	530,126	—	—	—
Cash flows	718,353	—	(657,154)	(5,629)	—	55,569
Premiums received	809,387	—	—	—	—	809,387
Insurance acquisition cash flows paid	(91,033)	—	—	—	—	(91,033)
Claims and other insurance service expenses paid	—	—	(657,154)	(5,629)	—	(662,783)
Others	937	—	—	—	—	937
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	5,487,523	17,154	234,588	2,689	—	5,741,955
Insurance contract assets	(21,957)	844	—	—	—	(21,113)
Insurance contract liabilities	5,509,480	16,310	234,588	2,689	—	5,763,069

Notes to Consolidated Financial Statements

ii. Reinsurance contracts held

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	(36)	—	(0)	—	—	(36)
Reinsurance contract liabilities	7,975	—	(0)	—	—	7,975
Beginning net balance (denotes assets)	7,939	—	(0)	—	—	7,939
Reinsurance premiums paid and recognized in profit or loss	10,730	—	—	—	—	10,730
Amount recovered from reinsurers	—	—	(8,436)	—	—	(8,436)
Recoveries of incurred claims and other insurance service expenses	—	—	(8,438)	—	—	(8,438)
Changes in recoveries of incurred claims related to past services	—	—	2	—	—	2
Changes in loss-recovery component related to contracts under PAA	—	—	—	—	—	—
Recognition of loss-recovery component related to onerous contracts not under PAA	—	—	—	—	—	—
Reversal of loss-recovery component related to contracts not under PAA	—	—	—	—	—	—
Changes in fulfillment cash flows of onerous contracts not under PAA	—	—	—	—	—	—
Effects of changes in reinsurer default risk	—	—	—	—	—	—
Reinsurance service result	10,730	—	(8,436)	—	—	2,294
Reinsurance finance income or expenses	7,395	—	—	—	—	7,395
Total changes recognized in profit or loss and other comprehensive income	18,125	—	(8,436)	—	—	9,689
Investment components and refunds of premiums, excluded from reinsurance service result	10,804	—	(10,804)	—	—	—
Cash flows	(593,447)	—	19,243	—	—	(574,204)
Reinsurance premiums paid	(593,447)	—	—	—	—	(593,447)
Recoveries from reinsurers	—	—	19,243	—	—	19,243
Others	—	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	(556,577)	—	2	—	—	(556,574)
Reinsurance contract assets	(557,880)	—	0	—	—	(557,880)
Reinsurance contract liabilities	1,302	—	2	—	—	1,305

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	(557,880)	—	0	—	—	(557,880)
Reinsurance contract liabilities	1,302	—	2	—	—	1,305
Beginning net balance (denotes assets)	(556,577)	—	2	—	—	(556,574)
Reinsurance premiums paid and recognized in profit or loss	3,626	—	—	—	—	3,626
Amount recovered from reinsurers	(2,242)	(4,105)	(11,457)	—	—	(17,805)
Recoveries of incurred claims and other insurance service expenses	—	—	(11,455)	—	—	(11,455)
Changes in recoveries of incurred claims related to past services	—	—	(1)	—	—	(1)
Changes in loss-recovery component related to contracts under PAA	—	—	—	—	—	—
Recognition of loss-recovery component related to onerous contracts not under PAA	—	(4,346)	—	—	—	(4,346)
Reversal of loss-recovery component related to contracts not under PAA	—	111	—	—	—	111
Changes in fulfillment cash flows of onerous contracts not under PAA	—	129	—	—	—	129
Effects of changes in reinsurer default risk	(2,242)	—	—	—	—	(2,242)
Reinsurance service result	1,384	(4,105)	(11,457)	—	—	(14,179)
Reinsurance finance income or expenses	43,789	56	(0)	—	—	43,845
Total changes recognized in profit or loss and other comprehensive income	45,173	(4,048)	(11,457)	—	—	29,666
Investment components and refunds of premiums, excluded from reinsurance service result	49,932	—	(49,932)	—	—	—
Cash flows	(822,012)	—	61,388	—	—	(760,623)
Reinsurance premiums paid	(822,012)	—	—	—	—	(822,012)
Recoveries from reinsurers	—	—	61,388	—	—	61,388
Others	—	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	—
Ending net balance (denotes assets)	(1,283,484)	(4,048)	0	—	—	(1,287,532)
Reinsurance contract assets	(1,287,744)	(4,048)	0	—	—	(1,291,792)
Reinsurance contract liabilities	4,259	—	0	—	—	4,259

Notes to Consolidated Financial Statements

(d) International insurance business

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	(8,240)	786	88	1,215	28	(6,121)
Insurance contract liabilities	4,098,803	34,044	72,813	4,311,586	110,910	8,628,158
Beginning net balance (denotes assets)	4,090,563	34,831	72,901	4,312,802	110,938	8,622,037
Insurance revenue	(4,249,062)	—	—	—	—	(4,249,062)
Insurance service expenses	738,998	23,412	108,410	2,538,984	5,870	3,415,676
Incurred claims and other insurance service expenses	—	(2,155)	109,185	2,501,831	24,479	2,633,340
Amortization of insurance acquisition cash flows	738,745	—	—	—	—	738,745
Changes in liabilities for incurred claims related to past services	—	—	(775)	37,152	(18,608)	17,769
Losses on onerous groups of contracts and reversals of such losses	—	25,568	—	—	—	25,568
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	252	—	—	—	—	252
Insurance service result	(3,510,064)	23,412	108,410	2,538,984	5,870	(833,385)
Insurance finance income or expenses	352,180	1,828	(38)	205,085	5,702	564,757
Total changes recognized in profit or loss and other comprehensive income	(3,157,883)	25,241	108,371	2,744,069	11,573	(268,628)
Investment components and refunds of premiums, excluded from insurance service result	(359,227)	—	359,133	94	—	—
Cash flows	4,173,889	—	(457,384)	(2,492,326)	—	1,224,179
Premiums received	4,925,444	—	—	—	—	4,925,444
Insurance acquisition cash flows paid	(751,554)	—	—	—	—	(751,554)
Claims and other insurance service expenses paid	—	—	(457,384)	(2,492,326)	—	(2,949,710)
Others	29,977	(3,304)	(3,641)	(46)	(0)	22,983
Foreign currency translation adjustments	7,900	(95)	4,968	(37,490)	3,599	(21,117)
Ending net balance (denotes assets)	4,785,219	56,672	84,349	4,527,102	126,111	9,579,455
Insurance contract assets	(89,525)	621	89	83,255	55	(5,503)
Insurance contract liabilities	4,874,745	56,050	84,260	4,443,846	126,055	9,584,958

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets	(89,525)	621	89	83,255	55	(5,503)
Insurance contract liabilities	4,874,745	56,050	84,260	4,443,846	126,055	9,584,958
Beginning net balance (denotes assets)	4,785,219	56,672	84,349	4,527,102	126,111	9,579,455
Insurance revenue	(4,448,332)	—	—	—	—	(4,448,332)
Insurance service expenses	783,392	937	113,495	2,501,400	2,461	3,401,688
Incurred claims and other insurance service expenses	—	(5,964)	113,976	2,454,301	25,682	2,587,995
Amortization of insurance acquisition cash flows	783,057	—	—	—	—	783,057
Changes in liabilities for incurred claims related to past services	—	—	(480)	47,099	(23,220)	23,398
Losses on onerous groups of contracts and reversals of such losses	—	6,902	—	—	—	6,902
Impairment losses and reversals on assets for insurance acquisition cash flows before recognition of insurance contract groups	335	—	—	—	—	335
Insurance service result	(3,664,939)	937	113,495	2,501,400	2,461	(1,046,643)
Insurance finance income or expenses	302,151	2,527	(25)	194,080	6,007	504,741
Total changes recognized in profit or loss and other comprehensive income	(3,362,788)	3,465	113,470	2,695,481	8,469	(541,901)
Investment components and refunds of premiums, excluded from insurance service result	(373,522)	—	373,510	12	—	—
Cash flows	4,102,261	—	(474,534)	(2,501,215)	—	1,126,512
Premiums received	4,861,735	—	—	—	—	4,861,735
Insurance acquisition cash flows paid	(759,473)	—	—	—	—	(759,473)
Claims and other insurance service expenses paid	—	—	(474,534)	(2,501,215)	—	(2,975,749)
Others	24,225	(934)	(18,632)	858	(1,420)	4,096
Foreign currency translation adjustments	411,206	4,324	7,925	309,430	10,894	743,781
Ending net balance (denotes assets)	5,586,602	63,528	86,088	5,031,669	144,054	10,911,942
Insurance contract assets	(87,400)	654	86	67,730	85	(18,842)
Insurance contract liabilities	5,674,002	62,873	86,001	4,963,938	143,968	10,930,785

Notes to Consolidated Financial Statements

ii. Reinsurance contracts held

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	(82,836)	(1,329)	(12,097)	(1,055,605)	(31,270)	(1,183,139)
Reinsurance contract liabilities	36,147	—	(55)	(21,981)	(560)	13,549
Beginning net balance (denotes assets)	(46,688)	(1,329)	(12,152)	(1,077,587)	(31,830)	(1,169,589)
Reinsurance premiums paid and recognized in profit or loss	668,930	—	—	—	—	668,930
Amount recovered from reinsurers	(0)	(6,036)	(18,095)	(504,790)	(7,393)	(536,316)
Recoveries of incurred claims and other insurance service expenses	—	—	(18,166)	(472,217)	(10,616)	(501,000)
Changes in recoveries of incurred claims related to past services	—	—	70	(32,737)	3,222	(29,444)
Changes in loss-recovery component related to contracts under PAA	—	(1,688)	—	—	—	(1,688)
Recognition of loss-recovery component related to onerous contracts not under PAA	—	(1,499)	—	—	—	(1,499)
Reversal of loss-recovery component related to contracts not under PAA	—	11	—	—	—	11
Changes in fulfillment cash flows of onerous contracts not under PAA	—	(2,859)	—	—	—	(2,859)
Effects of changes in reinsurer default risk	(0)	—	1	164	—	164
Reinsurance service result	668,929	(6,036)	(18,095)	(504,790)	(7,393)	132,614
Reinsurance finance income or expenses	(1,533)	(130)	(92)	(62,414)	(1,884)	(66,056)
Total changes recognized in profit or loss and other comprehensive income	667,396	(6,166)	(18,187)	(567,205)	(9,278)	66,558
Investment components and refunds of premiums, excluded from reinsurance service result	5,424	—	(380)	(5,043)	—	—
Cash flows	(674,090)	—	18,253	535,235	—	(120,600)
Reinsurance premiums paid	(674,090)	—	—	—	—	(674,090)
Recoveries from reinsurers	—	—	18,253	535,235	—	553,489
Others	(962)	21	—	(2,244)	0	(3,185)
Foreign currency translation adjustments	2,284	60	(356)	8,841	(2,498)	8,332
Ending net balance (denotes assets)	(46,635)	(7,414)	(12,824)	(1,108,003)	(43,607)	(1,218,485)
Reinsurance contract assets	(76,149)	(7,412)	(12,790)	(1,091,334)	(43,513)	(1,231,200)
Reinsurance contract liabilities	29,513	(1)	(33)	(16,669)	(94)	12,714

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Total
				Contracts under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets	(76,149)	(7,412)	(12,790)	(1,091,334)	(43,513)	(1,231,200)
Reinsurance contract liabilities	29,513	(1)	(33)	(16,669)	(94)	12,714
Beginning net balance (denotes assets)	(46,635)	(7,414)	(12,824)	(1,108,003)	(43,607)	(1,218,485)
Reinsurance premiums paid and recognized in profit or loss	693,834	—	—	—	—	693,834
Amount recovered from reinsurers	0	1,441	(12,464)	(425,601)	5,784	(430,840)
Recoveries of incurred claims and other insurance service expenses	—	—	(12,534)	(414,020)	(9,810)	(436,366)
Changes in recoveries of incurred claims related to past services	—	—	70	(11,692)	15,595	3,973
Changes in loss-recovery component related to contracts under PAA	—	1,338	—	—	—	1,338
Recognition of loss-recovery component related to onerous contracts not under PAA	—	(1,967)	—	—	—	(1,967)
Reversal of loss-recovery component related to contracts not under PAA	—	2,221	—	—	—	2,221
Changes in fulfillment cash flows of onerous contracts not under PAA	—	(151)	—	—	—	(151)
Effects of changes in reinsurer default risk	0	—	(0)	111	—	111
Reinsurance service result	693,834	1,441	(12,464)	(425,601)	5,784	262,994
Reinsurance finance income or expenses	(2,585)	(235)	141	(33,283)	(2,426)	(38,390)
Total changes recognized in profit or loss and other comprehensive income	691,248	1,206	(12,323)	(458,885)	3,358	224,603
Investment components and refunds of premiums, excluded from reinsurance service result	2,419	—	(312)	(2,107)	—	—
Cash flows	(697,764)	—	13,061	514,190	—	(170,511)
Reinsurance premiums paid	(697,764)	—	—	—	—	(697,764)
Recoveries from reinsurers	—	—	13,061	514,190	—	527,252
Others	5,485	(13)	0	(10,430)	1,420	(3,538)
Foreign currency translation adjustments	(4,488)	(640)	(1,199)	(75,002)	(4,353)	(85,683)
Ending net balance (denotes assets)	(49,735)	(6,862)	(13,597)	(1,140,238)	(43,181)	(1,253,615)
Reinsurance contract assets	(77,332)	(6,827)	(13,386)	(1,124,201)	(42,916)	(1,264,664)
Reinsurance contract liabilities	27,597	(35)	(211)	(16,037)	(264)	11,048

Notes to Consolidated Financial Statements

b. Reconciliation of Insurance Contracts that are not measured under PAA, categorized by components

The following is an analysis of changes in insurance contracts issued and reinsurance contracts held that are not measured under PAA, categorized by components (estimates of the present value of future cash flows, risk adjustment for non-financial risk, and CSM).

(a) Consolidated total

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	(29,014)	1,612	15,396	15,293	4	98	(12,005)
Insurance contract liabilities	10,898,438	301,285	1,575,476	627,858	891,070	56,547	12,775,199
Beginning net balance (denotes assets)	10,869,423	302,897	1,590,872	643,151	891,075	56,645	12,763,194
Changes that relate to future service	(140,084)	15,854	147,196	(25,462)	(3,362)	176,021	22,966
Changes in estimates that adjust CSM	32,010	(9,362)	(22,648)	(25,462)	(3,362)	6,176	(0)
Changes in estimates of losses and reversal of losses on onerous contracts	2,921	(628)	—	—	—	—	2,292
Effects of contracts initially recognized in the period	(175,016)	25,845	169,845	—	—	169,845	20,673
Changes that relate to current service	(92,793)	(29,916)	(206,628)	(52,340)	(119,819)	(34,469)	(329,339)
CSM recognized in profit or loss for services provided	—	—	(206,628)	(52,340)	(119,819)	(34,469)	(206,628)
Changes in risk adjustment for non-financial risk	—	(29,916)	—	—	—	—	(29,916)
Experience adjustments	(92,793)	—	—	—	—	—	(92,793)
Changes that relate to past service	(418)	(84)	—	—	—	—	(503)
Changes in fulfilment cash flows related to liabilities for incurred claims	(418)	(84)	—	—	—	—	(503)
Insurance finance income or expenses	(98,363)	(37,678)	21,754	8,114	10,563	3,075	(114,288)
Cash flows before initial recognition of insurance contracts derecognized or other changes	(736)	—	—	—	—	—	(736)
Cash flows	345,979	—	—	—	—	—	345,979
Premiums received	2,309,808	—	—	—	—	—	2,309,808
Insurance acquisition cash flows paid	(307,965)	—	—	—	—	—	(307,965)
Claims and other insurance service expenses paid	(1,655,863)	—	—	—	—	—	(1,655,863)
Others	(12,996)	0	0	—	0	—	(12,995)
Foreign currency translation adjustments	7,832	2,830	6,627	2,352	2,902	1,372	17,290
Ending net balance (denotes assets)	10,877,842	253,902	1,559,823	575,816	781,360	202,646	12,691,568
Insurance contract assets	(28,130)	1,585	16,926	14,215	3	2,706	(9,617)
Insurance contract liabilities	10,905,972	252,316	1,542,896	561,600	781,356	199,939	12,701,185

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	(28,130)	1,585	16,926	14,215	3	2,706	(9,617)
Insurance contract liabilities	10,905,972	252,316	1,542,896	561,600	781,356	199,939	12,701,185
Beginning net balance (denotes assets)	10,877,842	253,902	1,559,823	575,816	781,360	202,646	12,691,568
Changes that relate to future service	(20,469)	33,092	7,825	(60,094)	(80,938)	148,857	20,447
Changes in estimates that adjust CSM	136,336	7,876	(144,213)	(60,094)	(80,938)	(3,181)	—
Changes in estimates of losses and reversal of losses on onerous contracts	9,973	567	—	—	—	—	10,541
Effects of contracts initially recognized in the period	(166,779)	24,647	152,038	—	—	152,038	9,906
Changes that relate to current service	(127,642)	(31,009)	(194,838)	(45,642)	(76,690)	(72,505)	(353,490)
CSM recognized in profit or loss for services provided	—	—	(194,838)	(45,642)	(76,690)	(72,505)	(194,838)
Changes in risk adjustment for non-financial risk	—	(31,009)	—	—	—	—	(31,009)
Experience adjustments	(127,642)	—	—	—	—	—	(127,642)
Changes that relate to past service	(5,491)	(284)	—	—	—	—	(5,775)
Changes in fulfilment cash flows related to liabilities for incurred claims	(5,491)	(284)	—	—	—	—	(5,775)
Insurance finance income or expenses	13,088	(40,805)	24,607	8,159	10,880	5,567	(3,109)
Cash flows before initial recognition of insurance contracts derecognized or other changes	(491)	—	—	—	—	—	(491)
Cash flows	154,552	—	—	—	—	—	154,552
Premiums received	2,194,366	—	—	—	—	—	2,194,366
Insurance acquisition cash flows paid	(300,642)	—	—	—	—	—	(300,642)
Claims and other insurance service expenses paid	(1,739,172)	—	—	—	—	—	(1,739,172)
Others	(21,965)	2	(1,016)	(102)	(869)	(44)	(22,979)
Foreign currency translation adjustments	341,502	5,700	23,466	2,532	13,515	7,418	370,668
Ending net balance (denotes assets)	11,210,924	220,598	1,419,867	480,667	647,258	291,941	12,851,390
Insurance contract assets	(375,056)	42,181	311,246	203,851	72,153	35,241	(21,627)
Insurance contract liabilities	11,585,980	178,416	1,108,620	276,816	575,105	256,699	12,873,018

Notes to Consolidated Financial Statements

ii. Reinsurance contracts held

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Reinsurance contract assets	(31,633)	(4,601)	(11,566)	21	(4,400)	(7,188)	(47,802)
Reinsurance contract liabilities	57,626	(13,252)	(36,305)	(18,304)	(18,000)	—	8,067
Beginning net balance (denotes assets)	25,992	(17,854)	(47,872)	(18,283)	(22,400)	(7,188)	(39,734)
Changes that relate to future service	(104,863)	1,735	98,245	65	(2,448)	100,628	(4,882)
Changes in estimates that adjust CSM	(9,319)	4,477	4,842	65	(144)	4,921	—
Changes in estimates of losses and reversal of losses on onerous contracts	(595)	—	(2,787)	—	(2,304)	(482)	(3,382)
Effects of contracts initially recognized in the period	(94,947)	(2,741)	96,189	—	—	96,189	(1,499)
Changes that relate to current service	(4,232)	2,635	7,632	954	2,254	4,423	6,034
CSM recognized in profit or loss for services provided	—	—	7,745	954	2,279	4,512	7,745
Changes in risk adjustment for non-financial risk	—	2,635	—	—	—	—	2,635
Experience adjustments	(4,232)	—	(113)	—	(24)	(88)	(4,346)
Changes that relate to past service	73	—	—	—	—	—	73
Changes in fulfilment cash flows related to liabilities for incurred claims	73	—	—	—	—	—	73
Effects of changes in reinsurer default risk	0	—	—	—	—	—	0
Reinsurance finance income or expenses	5,487	735	(1,249)	(218)	(642)	(388)	4,973
Cash flows	(570,945)	—	—	—	—	—	(570,945)
Reinsurance premiums paid	(608,442)	—	—	—	—	—	(608,442)
Recoveries from reinsurers	37,496	—	—	—	—	—	37,496
Others	—	—	—	—	6	(6)	—
Foreign currency translation adjustments	326	(332)	(9)	0	(158)	149	(14)
Ending net balance (denotes assets)	(648,161)	(13,080)	56,746	(17,482)	(23,389)	97,618	(604,495)
Reinsurance contract assets	(691,917)	(8,648)	94,559	28	(3,552)	98,084	(606,005)
Reinsurance contract liabilities	43,755	(4,432)	(37,813)	(17,510)	(19,836)	(465)	1,510

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Reinsurance contract assets	(691,917)	(8,648)	94,559	28	(3,552)	98,084	(606,005)
Reinsurance contract liabilities	43,755	(4,432)	(37,813)	(17,510)	(19,836)	(465)	1,510
Beginning net balance (denotes assets)	(648,161)	(13,080)	56,746	(17,482)	(23,389)	97,618	(604,495)
Changes that relate to future service	(143,219)	(13,705)	150,589	3,293	5,846	141,450	(6,335)
Changes in estimates that adjust CSM	(9,068)	(10,414)	19,482	3,275	5,901	10,305	—
Changes in estimates of losses and reversal of losses on onerous contracts	—	—	(21)	17	(55)	16	(21)
Effects of contracts initially recognized in the period	(134,151)	(3,290)	131,128	—	—	131,128	(6,313)
Changes that relate to current service	6,522	2,540	(9,632)	706	1,465	(11,805)	(569)
CSM recognized in profit or loss for services provided	—	—	(9,395)	706	1,597	(11,699)	(9,395)
Changes in risk adjustment for non-financial risk	—	2,540	—	—	—	—	2,540
Experience adjustments	6,522	—	(237)	—	(131)	(105)	6,285
Changes that relate to past service	39	29	—	—	—	—	68
Changes in fulfilment cash flows related to liabilities for incurred claims	39	29	—	—	—	—	68
Effects of changes in reinsurer default risk	(2,242)	—	—	—	—	—	(2,242)
Reinsurance finance income or expenses	37,895	3,047	1,754	(208)	(677)	2,640	42,697
Cash flows	(763,527)	—	—	—	—	—	(763,527)
Reinsurance premiums paid	(837,977)	—	—	—	—	—	(837,977)
Recoveries from reinsurers	74,450	—	—	—	—	—	74,450
Others	228	(5)	(182)	(36)	(127)	(18)	41
Foreign currency translation adjustments	(2,348)	(594)	(653)	(0)	(431)	(220)	(3,596)
Ending net balance (denotes assets)	(1,514,812)	(21,767)	198,621	(13,728)	(17,314)	229,665	(1,337,958)
Reinsurance contract assets	(1,516,365)	(22,017)	195,802	(13,721)	(20,160)	229,684	(1,342,580)
Reinsurance contract liabilities	1,552	249	2,819	(6)	2,845	(19)	4,621

Notes to Consolidated Financial Statements

(b) Japan P&C insurance business

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	(941)	—	—	—	—	—	(941)
Insurance contract liabilities	2,314,318	23,874	270,387	—	270,387	—	2,608,580
Beginning net balance (denotes assets)	2,313,377	23,874	270,387	—	270,387	—	2,607,639
Changes that relate to future service	(56,436)	13,995	43,889	—	(15,959)	59,849	1,448
Changes in estimates that adjust CSM	8,228	3,860	(12,088)	—	(15,959)	3,871	—
Changes in estimates of losses and reversal of losses on onerous contracts	52	(5)	—	—	—	—	46
Effects of contracts initially recognized in the period	(64,716)	10,140	55,978	—	—	55,978	1,402
Changes that relate to current service	(84,612)	(9,823)	(85,641)	—	(68,329)	(17,311)	(180,076)
CSM recognized in profit or loss for services provided	—	—	(85,641)	—	(68,329)	(17,311)	(85,641)
Changes in risk adjustment for non-financial risk	—	(9,823)	—	—	—	—	(9,823)
Experience adjustments	(84,612)	—	—	—	—	—	(84,612)
Changes that relate to past service	(659)	(72)	—	—	—	—	(731)
Changes in fulfilment cash flows related to liabilities for incurred claims	(659)	(72)	—	—	—	—	(731)
Insurance finance income or expenses	(37,335)	(465)	201	—	144	57	(37,599)
Cash flows before initial recognition of insurance contracts derecognized or other changes	—	—	—	—	—	—	—
Cash flows	(27,528)	—	—	—	—	—	(27,528)
Premiums received	765,108	—	—	—	—	—	765,108
Insurance acquisition cash flows paid	(164,513)	—	—	—	—	—	(164,513)
Claims and other insurance service expenses paid	(628,123)	—	—	—	—	—	(628,123)
Others	828	—	—	—	—	—	828
Foreign currency translation adjustments	—	—	—	—	—	—	—
Ending net balance (denotes assets)	2,107,633	27,509	228,837	—	186,242	42,594	2,363,979
Insurance contract assets	—	—	—	—	—	—	—
Insurance contract liabilities	2,107,633	27,509	228,837	—	186,242	42,594	2,363,979

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	—	—	—	—	—	—	—
Insurance contract liabilities	2,107,633	27,509	228,837	—	186,242	42,594	2,363,979
Beginning net balance (denotes assets)	2,107,633	27,509	228,837	—	186,242	42,594	2,363,979
Changes that relate to future service	(57,496)	8,324	49,425	—	(25,023)	74,448	253
Changes in estimates that adjust CSM	21,725	(2,948)	(18,777)	—	(25,023)	6,246	—
Changes in estimates of losses and reversal of losses on onerous contracts	(302)	(33)	—	—	—	—	(335)
Effects of contracts initially recognized in the period	(78,920)	11,306	68,202	—	—	68,202	589
Changes that relate to current service	(120,751)	(11,182)	(82,413)	—	(33,311)	(49,101)	(214,346)
CSM recognized in profit or loss for services provided	—	—	(82,413)	—	(33,311)	(49,101)	(82,413)
Changes in risk adjustment for non-financial risk	—	(11,182)	—	—	—	—	(11,182)
Experience adjustments	(120,751)	—	—	—	—	—	(120,751)
Changes that relate to past service	(2,400)	(212)	—	—	—	—	(2,613)
Changes in fulfilment cash flows related to liabilities for incurred claims	(2,400)	(212)	—	—	—	—	(2,613)
Insurance finance income or expenses	(37,815)	(140)	1,091	—	631	459	(36,864)
Cash flows before initial recognition of insurance contracts derecognized or other changes	—	—	—	—	—	—	—
Cash flows	45,672	—	—	—	—	—	45,672
Premiums received	823,104	—	—	—	—	—	823,104
Insurance acquisition cash flows paid	(169,948)	—	—	—	—	—	(169,948)
Claims and other insurance service expenses paid	(607,483)	—	—	—	—	—	(607,483)
Others	2,188	(0)	(1,111)	—	(926)	(185)	1,076
Foreign currency translation adjustments	—	—	—	—	—	—	—
Ending net balance (denotes assets)	1,937,030	24,298	195,828	—	127,611	68,216	2,157,158
Insurance contract assets	—	—	—	—	—	—	—
Insurance contract liabilities	1,937,030	24,298	195,828	—	127,611	68,216	2,157,158

Notes to Consolidated Financial Statements

(c) Japan Life insurance business

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	(27,579)	1,576	15,285	15,285	—	—	(10,717)
Insurance contract liabilities	5,239,005	219,001	1,071,490	588,274	483,216	—	6,529,498
Beginning net balance (denotes assets)	5,211,426	220,578	1,086,775	603,559	483,216	—	6,518,780
Changes that relate to future service	(37,810)	2,319	37,812	(26,308)	(14,430)	78,551	2,320
Changes in estimates that adjust CSM	56,326	(6,128)	(50,197)	(26,308)	(14,430)	(9,459)	—
Changes in estimates of losses and reversal of losses on onerous contracts	2,488	(167)	—	—	—	—	2,320
Effects of contracts initially recognized in the period	(96,625)	8,615	88,010	—	—	88,010	—
Changes that relate to current service	(10,099)	(12,543)	(86,749)	(46,775)	(36,720)	(3,253)	(109,393)
CSM recognized in profit or loss for services provided	—	—	(86,749)	(46,775)	(36,720)	(3,253)	(86,749)
Changes in risk adjustment for non-financial risk	—	(12,543)	—	—	—	—	(12,543)
Experience adjustments	(10,099)	—	—	—	—	—	(10,099)
Changes that relate to past service	937	66	—	—	—	—	1,003
Changes in fulfilment cash flows related to liabilities for incurred claims	937	66	—	—	—	—	1,003
Insurance finance income or expenses	(411,196)	(40,458)	16,293	6,663	8,987	642	(435,361)
Cash flows before initial recognition of insurance contracts derecognized or other changes	—	—	—	—	—	—	—
Cash flows	67,989	—	—	—	—	—	67,989
Premiums received	734,523	—	—	—	—	—	734,523
Insurance acquisition cash flows paid	(96,178)	—	—	—	—	—	(96,178)
Claims and other insurance service expenses paid	(570,355)	—	—	—	—	—	(570,355)
Others	252	—	—	—	—	—	252
Foreign currency translation adjustments	—	—	—	—	—	—	—
Ending net balance (denotes assets)	4,821,498	169,962	1,054,131	537,139	441,052	75,939	6,045,592
Insurance contract assets	(27,718)	1,557	16,888	14,211	—	2,676	(9,272)
Insurance contract liabilities	4,849,217	168,405	1,037,243	522,927	441,052	73,263	6,054,865

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	(27,718)	1,557	16,888	14,211	—	2,676	(9,272)
Insurance contract liabilities	4,849,217	168,405	1,037,243	522,927	441,052	73,263	6,054,865
Beginning net balance (denotes assets)	4,821,498	169,962	1,054,131	537,139	441,052	75,939	6,045,592
Changes that relate to future service	47,778	10,037	(48,900)	(57,842)	(39,064)	48,006	8,915
Changes in estimates that adjust CSM	106,813	4,099	(110,912)	(57,842)	(39,064)	(14,005)	—
Changes in estimates of losses and reversal of losses on onerous contracts	4,323	(201)	—	—	—	—	4,122
Effects of contracts initially recognized in the period	(63,358)	6,139	62,012	—	—	62,012	4,793
Changes that relate to current service	(7,628)	(12,015)	(80,871)	(40,203)	(31,822)	(8,845)	(100,515)
CSM recognized in profit or loss for services provided	—	—	(80,871)	(40,203)	(31,822)	(8,845)	(80,871)
Changes in risk adjustment for non-financial risk	—	(12,015)	—	—	—	—	(12,015)
Experience adjustments	(7,628)	—	—	—	—	—	(7,628)
Changes that relate to past service	(2,672)	(9)	—	—	—	—	(2,682)
Changes in fulfilment cash flows related to liabilities for incurred claims	(2,672)	(9)	—	—	—	—	(2,682)
Insurance finance income or expenses	(240,761)	(44,997)	17,149	6,843	8,342	1,963	(268,610)
Cash flows before initial recognition of insurance contracts derecognized or other changes	—	—	—	—	—	—	—
Cash flows	55,495	—	—	—	—	—	55,495
Premiums received	803,683	—	—	—	—	—	803,683
Insurance acquisition cash flows paid	(91,033)	—	—	—	—	—	(91,033)
Claims and other insurance service expenses paid	(657,154)	—	—	—	—	—	(657,154)
Others	937	—	—	—	—	—	937
Foreign currency translation adjustments	—	—	—	—	—	—	—
Ending net balance (denotes assets)	4,674,647	122,976	941,508	445,936	378,507	117,064	5,739,133
Insurance contract assets	(374,509)	42,153	311,243	203,851	72,149	35,241	(21,113)
Insurance contract liabilities	5,049,157	80,823	630,265	242,084	306,358	81,822	5,760,246

Notes to Consolidated Financial Statements

ii. Reinsurance contracts held

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Reinsurance contract assets	—	(30)	(6)	18	(25)	—	(36)
Reinsurance contract liabilities	57,509	(13,241)	(36,292)	(18,304)	(17,987)	—	7,975
Beginning net balance (denotes assets)	57,509	(13,271)	(36,298)	(18,286)	(18,012)	—	7,939
Changes that relate to future service	(103,028)	4,367	98,138	19	(3,177)	101,297	(523)
Changes in estimates that adjust CSM	(5,950)	5,418	532	19	(3,177)	3,690	—
Changes in estimates of losses and reversal of losses on onerous contracts	(523)	—	—	—	—	—	(523)
Effects of contracts initially recognized in the period	(96,555)	(1,051)	97,606	—	—	97,606	—
Changes that relate to current service	(391)	626	2,579	961	1,518	98	2,815
CSM recognized in profit or loss for services provided	—	—	2,579	961	1,518	98	2,579
Changes in risk adjustment for non-financial risk	—	626	—	—	—	—	626
Experience adjustments	(391)	—	—	—	—	—	(391)
Changes that relate to past service	2	—	—	—	—	—	2
Changes in fulfilment cash flows related to liabilities for incurred claims	2	—	—	—	—	—	2
Effects of changes in reinsurer default risk	—	—	—	—	—	—	—
Reinsurance finance income or expenses	6,905	1,088	(599)	(219)	(373)	(5)	7,395
Cash flows	(574,204)	—	—	—	—	—	(574,204)
Reinsurance premiums paid	(593,447)	—	—	—	—	—	(593,447)
Recoveries from reinsurers	19,243	—	—	—	—	—	19,243
Others	—	—	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	—	—
Ending net balance (denotes assets)	(613,206)	(7,189)	63,820	(17,524)	(20,045)	101,390	(556,574)
Reinsurance contract assets	(656,853)	(2,768)	101,741	(13)	(85)	101,840	(557,880)
Reinsurance contract liabilities	43,647	(4,421)	(37,920)	(17,510)	(19,959)	(449)	1,305

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Reinsurance contract assets	(656,853)	(2,768)	101,741	(13)	(85)	101,840	(557,880)
Reinsurance contract liabilities	43,647	(4,421)	(37,920)	(17,510)	(19,959)	(449)	1,305
Beginning net balance (denotes assets)	(613,206)	(7,189)	63,820	(17,524)	(20,045)	101,390	(556,574)
Changes that relate to future service	(147,009)	(11,076)	153,869	3,228	8,041	142,599	(4,216)
Changes in estimates that adjust CSM	(11,985)	(9,892)	21,878	3,228	8,041	10,608	—
Changes in estimates of losses and reversal of losses on onerous contracts	—	—	129	—	—	129	129
Effects of contracts initially recognized in the period	(135,023)	(1,183)	131,861	—	—	131,861	(4,346)
Changes that relate to current service	3,564	306	(11,590)	714	865	(13,170)	(7,718)
CSM recognized in profit or loss for services provided	—	—	(11,590)	714	865	(13,170)	(11,590)
Changes in risk adjustment for non-financial risk	—	306	—	—	—	—	306
Experience adjustments	3,564	—	—	—	—	—	3,564
Changes that relate to past service	(31)	29	—	—	—	—	(1)
Changes in fulfilment cash flows related to liabilities for incurred claims	(31)	29	—	—	—	—	(1)
Effects of changes in reinsurer default risk	(2,242)	—	—	—	—	—	(2,242)
Reinsurance finance income or expenses	37,902	3,784	2,158	(209)	(434)	2,802	43,845
Cash flows	(760,623)	—	—	—	—	—	(760,623)
Reinsurance premiums paid	(822,012)	—	—	—	—	—	(822,012)
Recoveries from reinsurers	61,388	—	—	—	—	—	61,388
Others	—	—	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	—	—
Ending net balance (denotes assets)	(1,481,645)	(14,145)	208,258	(13,791)	(11,572)	233,622	(1,287,532)
Reinsurance contract assets	(1,482,995)	(14,444)	205,647	(13,716)	(14,297)	233,661	(1,291,792)
Reinsurance contract liabilities	1,350	298	2,611	(75)	2,725	(38)	4,259

Notes to Consolidated Financial Statements

(d) International insurance business

i. Insurance contracts issued

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	(493)	35	111	8	4	98	(346)
Insurance contract liabilities	3,345,113	58,408	233,598	39,584	137,467	56,547	3,637,121
Beginning net balance (denotes assets)	3,344,620	58,444	233,709	39,592	137,471	56,645	3,636,774
Changes that relate to future service	(45,838)	(459)	65,495	845	27,028	37,621	19,197
Changes in estimates that adjust CSM	(32,544)	(7,094)	39,638	845	27,028	11,764	(0)
Changes in estimates of losses and reversal of losses on onerous contracts	380	(455)	—	—	—	—	(74)
Effects of contracts initially recognized in the period	(13,674)	7,089	25,856	—	—	25,856	19,271
Changes that relate to current service	1,918	(7,550)	(34,237)	(5,565)	(14,768)	(13,903)	(39,869)
CSM recognized in profit or loss for services provided	—	—	(34,237)	(5,565)	(14,768)	(13,903)	(34,237)
Changes in risk adjustment for non-financial risk	—	(7,550)	—	—	—	—	(7,550)
Experience adjustments	1,918	—	—	—	—	—	1,918
Changes that relate to past service	(696)	(78)	—	—	—	—	(775)
Changes in fulfilment cash flows related to liabilities for incurred claims	(696)	(78)	—	—	—	—	(775)
Insurance finance income or expenses	350,168	3,244	5,259	1,451	1,432	2,375	358,672
Cash flows before initial recognition of insurance contracts derecognized or other changes	(736)	—	—	—	—	—	(736)
Cash flows	305,519	—	—	—	—	—	305,519
Premiums received	810,177	—	—	—	—	—	810,177
Insurance acquisition cash flows paid	(47,273)	—	—	—	—	—	(47,273)
Claims and other insurance service expenses paid	(457,384)	—	—	—	—	—	(457,384)
Others	(14,077)	0	0	—	0	—	(14,077)
Foreign currency translation adjustments	7,832	2,830	6,627	2,352	2,902	1,372	17,290
Ending net balance (denotes assets)	3,948,710	56,430	276,854	38,676	154,066	84,111	4,281,995
Insurance contract assets	(411)	28	38	4	3	30	(345)
Insurance contract liabilities	3,949,122	56,402	276,816	38,672	154,062	84,080	4,282,340

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Insurance contract assets	(411)	28	38	4	3	30	(345)
Insurance contract liabilities	3,949,122	56,402	276,816	38,672	154,062	84,080	4,282,340
Beginning net balance (denotes assets)	3,948,710	56,430	276,854	38,676	154,066	84,111	4,281,995
Changes that relate to future service	(10,751)	14,730	7,299	(2,251)	(16,850)	26,402	11,278
Changes in estimates that adjust CSM	7,797	6,726	(14,523)	(2,251)	(16,850)	4,578	—
Changes in estimates of losses and reversal of losses on onerous contracts	5,951	803	—	—	—	—	6,754
Effects of contracts initially recognized in the period	(24,500)	7,201	21,823	—	—	21,823	4,523
Changes that relate to current service	736	(7,812)	(31,552)	(5,439)	(11,555)	(14,558)	(38,628)
CSM recognized in profit or loss for services provided	—	—	(31,552)	(5,439)	(11,555)	(14,558)	(31,552)
Changes in risk adjustment for non-financial risk	—	(7,812)	—	—	—	—	(7,812)
Experience adjustments	736	—	—	—	—	—	736
Changes that relate to past service	(418)	(62)	—	—	—	—	(480)
Changes in fulfilment cash flows related to liabilities for incurred claims	(418)	(62)	—	—	—	—	(480)
Insurance finance income or expenses	291,665	4,332	6,367	1,315	1,906	3,144	302,365
Cash flows before initial recognition of insurance contracts derecognized or other changes	(491)	—	—	—	—	—	(491)
Cash flows	53,384	—	—	—	—	—	53,384
Premiums received	567,579	—	—	—	—	—	567,579
Insurance acquisition cash flows paid	(39,659)	—	—	—	—	—	(39,659)
Claims and other insurance service expenses paid	(474,534)	—	—	—	—	—	(474,534)
Others	(25,091)	2	95	(102)	57	140	(24,993)
Foreign currency translation adjustments	341,502	5,700	23,466	2,532	13,515	7,418	370,668
Ending net balance (denotes assets)	4,599,246	73,322	282,530	34,731	141,139	106,659	4,955,099
Insurance contract assets	(546)	28	3	—	3	(0)	(514)
Insurance contract liabilities	4,599,792	73,293	282,526	34,731	141,135	106,659	4,955,613

Notes to Consolidated Financial Statements

ii. Reinsurance contracts held

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Reinsurance contract assets	(31,633)	(4,571)	(11,560)	2	(4,375)	(7,188)	(47,765)
Reinsurance contract liabilities	116	(10)	(13)	—	(13)	—	92
Beginning net balance (denotes assets)	(31,517)	(4,582)	(11,573)	2	(4,388)	(7,188)	(47,673)
Changes that relate to future service	(1,834)	(2,631)	106	46	729	(668)	(4,358)
Changes in estimates that adjust CSM	(3,369)	(941)	4,310	46	3,033	1,230	—
Changes in estimates of losses and reversal of losses on onerous contracts	(72)	—	(2,787)	—	(2,304)	(482)	(2,859)
Effects of contracts initially recognized in the period	1,607	(1,690)	(1,416)	—	—	(1,416)	(1,499)
Changes that relate to current service	(3,841)	2,008	5,052	(7)	736	4,324	3,219
CSM recognized in profit or loss for services provided	—	—	5,166	(7)	760	4,413	5,166
Changes in risk adjustment for non-financial risk	—	2,008	—	—	—	—	2,008
Experience adjustments	(3,841)	—	(113)	—	(24)	(88)	(3,955)
Changes that relate to past service	70	—	—	—	—	—	70
Changes in fulfilment cash flows related to liabilities for incurred claims	70	—	—	—	—	—	70
Effects of changes in reinsurer default risk	0	—	—	—	—	—	0
Reinsurance finance income or expenses	(1,418)	(353)	(650)	0	(268)	(382)	(2,421)
Cash flows	3,258	—	—	—	—	—	3,258
Reinsurance premiums paid	(14,994)	—	—	—	—	—	(14,994)
Recoveries from reinsurers	18,253	—	—	—	—	—	18,253
Others	—	—	—	—	6	(6)	—
Foreign currency translation adjustments	326	(332)	(9)	0	(158)	149	(14)
Ending net balance (denotes assets)	(34,955)	(5,890)	(7,074)	42	(3,344)	(3,772)	(47,920)
Reinsurance contract assets	(35,063)	(5,879)	(7,181)	42	(3,467)	(3,756)	(48,125)
Reinsurance contract liabilities	108	(10)	107	0	122	(15)	204

(Yen in millions)

	FY2025 (April 1, 2025 - March 31, 2026)						
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Subtotal	Contracts measured at transition under MRA	Contracts measured at transition under FVA	Other contracts	
Reinsurance contract assets	(35,063)	(5,879)	(7,181)	42	(3,467)	(3,756)	(48,125)
Reinsurance contract liabilities	108	(10)	107	0	122	(15)	204
Beginning net balance (denotes assets)	(34,955)	(5,890)	(7,074)	42	(3,344)	(3,772)	(47,920)
Changes that relate to future service	3,789	(2,628)	(3,279)	64	(2,195)	(1,149)	(2,118)
Changes in estimates that adjust CSM	2,917	(521)	(2,396)	47	(2,139)	(303)	—
Changes in estimates of losses and reversal of losses on onerous contracts	—	—	(151)	17	(55)	(113)	(151)
Effects of contracts initially recognized in the period	872	(2,107)	(732)	—	—	(732)	(1,967)
Changes that relate to current service	2,958	2,233	1,957	(7)	599	1,365	7,149
CSM recognized in profit or loss for services provided	—	—	2,194	(7)	731	1,471	2,194
Changes in risk adjustment for non-financial risk	—	2,233	—	—	—	—	2,233
Experience adjustments	2,958	—	(237)	—	(131)	(105)	2,720
Changes that relate to past service	70	—	—	—	—	—	70
Changes in fulfilment cash flows related to liabilities for incurred claims	70	—	—	—	—	—	70
Effects of changes in reinsurer default risk	(0)	—	—	—	—	—	(0)
Reinsurance finance income or expenses	(6)	(736)	(404)	1	(243)	(162)	(1,148)
Cash flows	(2,903)	—	—	—	—	—	(2,903)
Reinsurance premiums paid	(15,965)	—	—	—	—	—	(15,965)
Recoveries from reinsurers	13,061	—	—	—	—	—	13,061
Others	228	(5)	(182)	(36)	(127)	(18)	41
Foreign currency translation adjustments	(2,348)	(594)	(653)	(0)	(431)	(220)	(3,596)
Ending net balance (denotes assets)	(33,167)	(7,622)	(9,637)	63	(5,742)	(3,957)	(50,426)
Reinsurance contract assets	(33,370)	(7,573)	(9,845)	(5)	(5,862)	(3,977)	(50,788)
Reinsurance contract liabilities	202	(48)	207	68	119	19	361

Notes to Consolidated Financial Statements

(4) Effects of contracts initially recognized during the period

The following summarizes the impacts on measurement elements arising from the initial recognition of insurance contracts issued and reinsurance contracts held that are not measured under PAA during the period.

a. Insurance contracts issued

(Yen in millions)

FY2024 (April 1, 2024 - March 31, 2025)	Japan P&C insurance business		Japan Life insurance business		International insurance business		Consolidated total	
	Other than onerous contracts	Onerous contracts	Other than onerous contracts	Onerous contracts	Other than onerous contracts	Onerous contracts	Other than onerous contracts	Onerous contracts
Expected incurred claims and other insurance service expenses	386,438	16,658	380,878	—	103,913	563,236	871,230	579,894
Insurance acquisition cash flows	120,451	4,573	88,193	—	19,311	25,385	227,956	29,958
Expected insurance premiums to be received	(572,810)	(20,027)	(565,698)	—	(152,596)	(572,925)	(1,291,104)	(592,953)
Risk adjustment for non-financial risk	9,941	198	8,615	—	3,515	3,574	22,072	3,773
CSM	55,978	—	88,010	—	25,856	—	169,845	—
Losses at initial recognition	—	1,402	—	—	—	19,271	—	20,673

(Yen in millions)

FY2025 (April 1, 2025 - March 31, 2026)	Japan P&C insurance business		Japan Life insurance business		International insurance business		Consolidated total	
	Other than onerous contracts	Onerous contracts	Other than onerous contracts	Onerous contracts	Other than onerous contracts	Onerous contracts	Other than onerous contracts	Onerous contracts
Expected incurred claims and other insurance service expenses	406,837	11,118	283,982	96,319	389,123	41,832	1,079,944	149,270
Insurance acquisition cash flows	128,262	808	75,393	4,013	31,140	9,251	234,795	14,073
Expected insurance premiums to be received	(614,578)	(11,369)	(427,330)	(95,737)	(445,456)	(50,392)	(1,487,364)	(157,499)
Risk adjustment for non-financial risk	11,274	31	5,941	198	3,369	3,832	20,585	4,061
CSM	68,202	—	62,012	—	21,823	—	152,038	—
Losses at initial recognition	—	589	—	4,793	—	4,523	—	9,906

b. Reinsurance contracts held

(Yen in millions)

FY2024 (April 1, 2024 - March 31, 2025)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated total
Expected recoveries of incurred claims and other insurance service expenses	—	(684,115)	(11,363)	(695,478)
Expected reinsurance premiums to be paid	—	587,560	12,970	600,530
Risk adjustment for non-financial risk	—	(1,051)	(1,690)	(2,741)
CSM	—	97,606	(1,416)	96,189
Losses at initial recognition (represents profit)	—	—	(1,499)	(1,499)

(Yen in millions)

FY2025 (April 1, 2025 - March 31, 2026)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated total
Expected recoveries of incurred claims and other insurance service expenses	—	(1,094,670)	(12,796)	(1,107,467)
Expected reinsurance premiums to be paid	—	959,647	13,668	973,315
Risk adjustment for non-financial risk	—	(1,183)	(2,107)	(3,290)
CSM	—	131,861	(732)	131,128
Losses at initial recognition (represents profit)	—	(4,346)	(1,967)	(6,313)

Notes to Consolidated Financial Statements

(5) Timing of recognition of CSM in profit or loss

The timing of the Group's expected recognition of the remaining CSM in profit or loss for insurance contracts issued and reinsurance contracts held that are not measured under PAA is as follows:

As of April 1, 2024 (Transition date)

(Yen in millions)

	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10-20 years	Over 20 years	Total
Insurance contracts issued	171,317	132,420	116,736	102,927	89,432	334,471	376,983	266,583	1,590,872
Japan P&C insurance business	70,177	38,923	30,339	23,446	16,472	44,329	35,332	11,364	270,387
Japan Life insurance business	78,721	73,084	67,735	62,847	58,163	236,012	286,171	224,039	1,086,775
International insurance business	22,418	20,412	18,661	16,633	14,795	54,129	55,479	31,179	233,709
Reinsurance contracts held	(3,090)	(2,708)	(2,611)	(2,482)	(2,352)	(10,014)	(12,764)	(11,846)	(47,872)

As of March 31, 2025

(Yen in millions)

	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10-20 years	Over 20 years	Total
Insurance contracts issued	172,124	133,940	117,673	102,063	89,022	334,529	368,278	242,190	1,559,823
Japan P&C insurance business	63,032	34,296	26,626	19,016	13,171	34,569	28,830	9,294	228,837
Japan Life insurance business	81,267	75,076	69,272	63,797	58,807	236,059	273,715	196,135	1,054,131
International insurance business	27,824	24,566	21,775	19,249	17,043	63,900	65,732	36,761	276,854
Reinsurance contracts held	3,807	3,845	3,621	3,438	3,254	13,681	16,449	8,646	56,746

As of March 31, 2026

(Yen in millions)

	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10-20 years	Over 20 years	Total
Insurance contracts issued	165,838	125,615	108,584	94,465	82,071	305,548	331,105	206,638	1,419,867
Japan P&C insurance business	61,617	31,134	22,860	16,530	10,733	24,882	21,337	6,732	195,828
Japan Life insurance business	75,698	69,720	63,961	58,747	54,192	215,273	241,746	162,168	941,508
International insurance business	28,523	24,760	21,762	19,187	17,144	65,392	68,020	37,738	282,530
Reinsurance contracts held	19,976	18,810	17,278	15,894	14,559	54,623	46,024	11,454	198,621

(6) Assets for insurance acquisition cash flows

a. Reconciliation of assets for insurance acquisition cash flows

The carrying amounts and movements in assets for insurance acquisition cash flows recognized by the Group are as follows:

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Opening balance	1,141	**1,548**
Cash flows recognized as an asset during the year	2,149	**25,497**
Amounts derecognized on initial recognition of groups of insurance contracts	(1,448)	**(1,335)**
Impairment losses recognized during the year	(252)	**(335)**
Foreign currency translation effects	(40)	**2,540**
Closing balance	1,548	**27,915**

b. Expected derecognition of assets for insurance acquisition cash flows

The expected timing of derecognition of assets for insurance acquisition cash flows and their inclusion in the measurement of the related groups of insurance contracts is as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Less than 1 year	813	823	**1,583**
1-2 years	114	388	**1,147**
2-3 years	111	260	**976**
Over 3 years	102	76	**24,208**
Total	1,141	1,548	**27,915**

(7) Underlying items of insurance contracts with direct participation features

The composition of the underlying items for insurance contracts with direct participation features, together with their respective fair values, is as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Cash and cash equivalents	35,128	50,303	**41,715**
Derivative assets/liabilities	(5,204)	(5,540)	**4,208**
Debt instruments	896,708	908,514	**977,711**
Equity instruments	600,332	712,785	**916,619**
Others (Note)	(128,450)	(59,060)	**21,430**
Total	1,398,514	1,607,003	**1,961,684**

(Note) "Others" as of the transition date and as of March 31, 2025 includes repo transactions of (146,700) million yen and (63,157) million yen, respectively.

Notes to Consolidated Financial Statements

(8) Information on claim development related to the liabilities for incurred claims

The following information compares the actual payments of insurance claims with their previously estimated amounts (before discounting). The disclosed figures represent net amounts after reflecting the impact of the related groups of reinsurance contracts held. Due to the application of the transitional provisions of IFRS 17, claim development information is not disclosed for claims with an accident year of fiscal year 2020 or earlier.

(Yen in millions)

	Accident year					
	2021	2022	2023	2024	2025	Total
Estimate of ultimate claim costs						
Loss reserves at the end of the accident year	2,822,307	3,430,529	3,344,230	3,593,171	3,571,800	
1 year later	2,823,042	3,449,624	3,329,606	3,561,962		
2 years later	2,822,273	3,421,620	3,326,053			
3 years later	2,809,418	3,416,463				
4 years later	2,804,284					
Estimate of ultimate claim costs	2,804,284	3,416,463	3,326,053	3,561,962	3,571,800	16,680,562
Cumulative claim payments						
Accident year	1,209,203	1,640,768	1,490,395	1,596,107	1,576,018	
1 year later	1,872,198	2,462,772	2,291,684	2,471,410		
2 years later	2,099,626	2,728,364	2,562,440			
3 years later	2,285,939	2,892,366				
4 years later	2,398,700					
Cumulative claim payments	2,398,700	2,892,366	2,562,440	2,471,410	1,576,018	11,900,935
Expected cash flows (undiscounted)	405,584	524,097	763,613	1,090,552	1,995,781	4,779,627
Impact amount before the fiscal year 2020 (undiscounted)						1,436,351
Effect of discounting						(998,740)
Others (Note)						341,343
Liabilities for incurred claims (Net)						5,558,581

(Note) This includes amounts excluded from the triangle because the uncertainty regarding the amount and timing of claim payments is generally resolved within one year, risk adjustment amounts, and similar items.

(9) Information on transition approach

The Group applies the full retrospective approach, to the extent practicable, in its transition to IFRS 17.

However, the Group applies either the modified retrospective approach or the fair value approach for certain insurance contracts due to the unavailability of reasonable and supportable information required to apply IFRS 17 retrospectively, as described below.

Japan P&C insurance business:
Where the full retrospective approach is impracticable, the Group applies the fair value approach.

Japan Life insurance business:
Where the full retrospective approach is impracticable, the Group, in principle, applies the modified retrospective approach. However, for contracts issued in or prior to fiscal year 2015, the Group applies the fair value approach.

International insurance business:
Where the full retrospective approach is impracticable, the Group selects between the modified retrospective approach and the fair value approach, taking into account data availability and other factors.

For groups of insurance contracts to which the modified retrospective approach is applied, the Group measures CSM or the loss component of the liability for remaining coverage as of the transition date retrospectively to the extent that reasonable and supportable information is available. In case they cannot be measured retrospectively, the Group measures them based on reasonable and supportable assumptions and estimates of cash flows available as of the transition date.

For groups of insurance contracts to which the fair value approach is applied, the Group measures CSM or the loss component of the liability for remaining coverage as of the transition date as the difference between the fair value of the group of insurance contracts and the fulfilment cash flows, based on reasonable and supportable information available as of the transition date. In addition, for all groups of insurance contracts measured using the fair value approach, the cumulative amount of insurance finance income or expenses accumulated in other comprehensive income as of the transition date is set to zero.

Notes to Consolidated Financial Statements

a. Insurance revenue by transition approach

The Group applies the modified retrospective approach (MRA) and the fair value approach (FVA) as of the transition date. The insurance revenue for insurance contracts to which these approaches were applied as of the transition date, and all other insurance contracts (namely, insurance contracts to which IFRS 17 was retrospectively applied as of the transition date and insurance contracts recognized after the transition date) is as follows. The consolidated adjustments include reinsurance transactions from Japan P&C insurance business to the International insurance business, as well as reinsurance transactions from the International insurance business to Japan P&C insurance business.

(Yen in millions)

FY2024 (April 1, 2024 - March 31, 2025)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Insurance revenue	2,935,093	266,877	4,249,062	(54,810)	7,396,221
Insurance contracts measured at transition under MRA	—	140,590	36,938	—	177,528
Insurance contracts measured at transition under FVA	92,241	113,227	46,931	—	252,400
All other insurance contracts	2,842,851	13,059	4,165,192	(54,810)	6,966,292

(Yen in millions)

FY2025 (April 1, 2025 - March 31, 2026)	Japan P&C insurance business	Japan Life insurance business	International insurance business	Consolidated adjustments	Total
Insurance revenue	**3,040,655**	**265,448**	**4,448,332**	**(60,875)**	**7,693,560**
Insurance contracts measured at transition under MRA	**—**	**130,436**	**35,081**	**—**	**165,518**
Insurance contracts measured at transition under FVA	**46,954**	**105,052**	**40,509**	**—**	**192,516**
All other insurance contracts	**2,993,700**	**29,958**	**4,372,742**	**(60,875)**	**7,335,525**

b. Reconciliation of AOCI related to FVOCI financial assets

The Group applies an accounting policy under which insurance finance income or expenses are disaggregated between profit or loss and other comprehensive income. For FVOCI financial assets related to groups of insurance contracts to which this policy is applied, including those measured using the modified retrospective approach or the fair value approach for which the cumulative amount of OCI was reset to zero at the transition date, the reconciliation of the cumulative OCI balance from the beginning to the end of the period is as follows.

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Opening balance	(138,774)	**(393,313)**
Changes during the year	(309,875)	**(195,242)**
Reclassification adjustments (after tax effect adjustment)	55,336	**(22,896)**
Closing balance	(393,313)	**(611,452)**

(10) Risks related to insurance contracts

a. Basic information regarding the nature of risks

The Group recognizes the causes of risks arising from insurance contracts as follows:

P&C insurance risks

Insurance companies underwrite a variety of risks, including catastrophe risks and long-term risks. The Group sets appropriate coverage and premium levels and transfers a portion of its risks to other insurers through reinsurance contracts. However, if economic conditions, the frequency of insured events, or other relevant factors deviate from the assumptions used in premium setting, the Group's operating results and financial position may be affected.

Japan is also highly susceptible to natural disasters such as earthquakes, typhoons, and floods, and in recent years such events have been occurring more frequently worldwide. In particular, large-scale natural disasters occurring either domestically or internationally could have an impact on the Group's operating results and financial position.

Life insurance risks

In life insurance, if benefit payments and operating expenses differ significantly from underlying assumptions due to uncertainties regarding the incidence of insured events, cancellation trends, interest rates, equity price levels, and other factors arising from the long duration of insurance contracts, the Group's operating results and financial position may be affected.

Reinsurance risks

Insurance companies diversify their risks by ceding a portion of their claim payment obligations to domestic and international insurers through reinsurance contracts. Like other P&C and life insurers, the Group utilizes reinsurance to secure underwriting capacity and prepare for catastrophic events and large-scale natural disasters. However, reinsurance premiums may rise significantly because reinsurance premium levels may fluctuate substantially due to changes in the reinsurance market environment. There is also a risk that adequate risk diversification may not be achieved if reinsurance arrangements are insufficient. Furthermore, recoveries from reinsurers are subject to credit risk.

Notes to Consolidated Financial Statements

The Group manages risks above as follows:

P&C insurance risks
The Group sets appropriate policy terms and conditions, premium rates and risk assessment criteria based on statistical and other relevant information, and on reasonable methodologies in developing new products and revising existing products, and in establishing underwriting terms and conditions for individual contracts.

Following the developments or revisions of products, the Group implements appropriate measures such as reviewing products, premium rates and underwriting policies when necessary, taking into account the sales environment, underwriting results and other factors. These activities are subject to periodic review and validation.

Life insurance risks
The Group establishes appropriate premium rates, methodologies for calculating insurance liabilities and retention policies in developing or revising products, and the Group manages underwriting risk through the establishment of appropriate underwriting guidelines, underwriting in accordance with such guidelines, and the implementation of appropriate medical examinations and/or underwriting assessments in underwriting insurance contracts.

In addition, the Group implements appropriate measures such as reviewing products, premium rates and underwriting policies upon necessity, taking into account differences from, or changes in, economic conditions, the incidence rates of insured events and other factors compared with the assumptions assessed at the time of product development or revision.

Reinsurance risks
The Group determines its reinsurance schemes based on quantitative risk assessments using advanced analytical techniques, and arranges reinsurance on a stable and continuous basis with respect to large losses arising from catastrophes such as earthquakes and typhoons.

In addition, the Group sets its retention policy in consideration of its risk profile and cedes risks accordingly. In arranging reinsurance, the Group selects reinsurers with high credibility, based on ratings assigned by major rating agencies.

The Group also establishes counterparty concentration limits and manages its reinsurance programme to avoid undue concentration with any single reinsurer.

The Group implements Risk-based Management, or Enterprise Risk Management (ERM), with the aim of achieving high ROE by continually managing the relationship among risk, capital, and return, and by ensuring both financial soundness relative to risk and profitability.

Specifically, based on its risk appetite framework, the Group appropriately controls risk, capital, and return through an ERM cycle consisting of the formulation and validation of business plans and the determination of capital allocation plans based on those business plans, with the aim of achieving sustainable growth in corporate value.

Qualitative risk management
To comprehensively identify and address the various risks faced in its business operations, the Group implements a PDCA cycle for the identification of emerging risks, determination and assessment of significant risks, and related countermeasures, and reports them to the Board annually.

Quantitative risk management
The Board confirms that the Group maintains sufficient capital to cover the risks it assumes from various perspectives and secures financial soundness to maintain credit ratings and avoid insolvency.

Specifically, the Group measures risk using a 99.5% VaR and assesses capital adequacy through the Economic Solvency Ratio (ESR), calculated as capital divided by the risk amount.

The Group also conducts stress testing to verify capital adequacy and cash liquidity for significant risks such as economic and financial crisis, catastrophic earthquakes, and the outbreak of an infectious disease. These tests include scenarios that could cause significant economic losses and scenarios where multiple severe risks occur simultaneously. In addition, the Group conducts stress testing to verify cash liquidity for catastrophic wind and flood risks.

The Group confirms that no issues have been identified based on these assessments.

Crisis management
Although the Group performs both qualitative and quantitative risk management, it is difficult to fully control all risks, and there are also risks, such as natural disasters, that cannot be prevented.

To minimize economic losses and ensure prompt business recovery, the Group has established crisis management frameworks and action plans for emergency situations.

The Company also provides support, direction and guidance to its Group companies, and the Group companies report to, communicate with and consult with the Company. Through this framework, the Group companies develop and maintain crisis management systems and emergency response procedures in normal times, while striving to respond swiftly and appropriately to recovery and business continuity requirements in the event of an emergency.

In addition, the Group conducts simulation drills based on potential emergency scenarios such as natural disasters and cyberattacks to enhance its response capabilities and adaptability in emergency situations.

b. Concentration of risk

Concentrations of risk arising from insurance contracts are observed mainly in natural disaster risk, life insurance risk and accumulated risk of P&C insurance other than natural disaster.

The Group achieves significant risk-diversification effect to reduce the risk amount through its well-diversified risk portfolio.

Please refer to "5. Segment Information (1) Information on reportable segments" and "7. Insurance Contracts (3) Insurance contracts reconciliation tables" for exposures by segments.

Notes to Consolidated Financial Statements

c. Sensitivity analysis of insurance risk and market risk

The tables below show the impact on income before income taxes, other comprehensive income before taxes, and equity, assuming that a single risk variable changes within a reasonably possible range. While all other risk variables are assumed to remain unchanged, in practice there are correlations among risk variables. Furthermore, the impact of changes in risk variables is non-linear, and actual outcomes may be greater or smaller than those implied by simple interpolation or extrapolation.

As of April 1, 2024 (Transition date)

Insurance Risk Sensitivity

(Yen in millions)

		Liabilities for incurred claims	Loss ratio	Mortality rate		Morbidity rate	Surrender and lapse rate		Expense ratio
				Mortality risk	Longevity risk				
		×105%	+5%	×105%	×95%	×105%	×105%	×95%	×110%
Equity	Before reinsurance	(201,362)	(22,594)	(4,202)	1,347	1,415	(14,258)	15,136	(5,677)
	After reinsurance	(160,868)	(21,445)	(3,177)	1,580	1,259	(14,397)	15,354	(4,682)

Interest Rate Sensitivity

(Yen in millions)

	Net Sensitivity of Insurance Contracts and Financial Instruments					
			Breakdown: Sensitivity of Insurance Contracts		Breakdown: Sensitivity of Financial Instruments	
	+0.5%	-0.5%	+0.5%	-0.5%	+0.5%	-0.5%
Equity	(158,194)	116,700	528,605	(631,904)	(686,799)	748,604

Stock Price Sensitivity

(Yen in millions)

	Net Sensitivity of Insurance Contracts and Financial Instruments					
			Breakdown: Sensitivity of Insurance Contracts		Breakdown: Sensitivity of Financial Instruments	
	+10%	-10%	+10%	-10%	+10%	-10%
Equity	262,207	(267,277)	(47,791)	48,155	309,999	(315,432)

(Note) This shows the sensitivity related to the referenced stock indices and the fair value of listed equity securities held.

As of March 31, 2025

Insurance Risk Sensitivity

(Yen in millions)

		Liabilities for incurred claims	Loss ratio	Mortality rate		Morbidity rate	Surrender and lapse rate		Expense ratio
				Mortality risk	longevity risk				
		×105%	+5%	×105%	×95%	×105%	×105%	×95%	×110%
Income before income taxes	Before reinsurance	(277,419)	(37,297)	(6,399)	(1,971)	(6,388)	(695)	331	(11,671)
	After reinsurance	(225,772)	(36,222)	(5,363)	(2,119)	(5,906)	(718)	138	(10,951)
Other comprehensive income before taxes	Before reinsurance	4,084	1,235	(8,997)	2,221	9,601	(22,893)	24,732	3,353
	After reinsurance	3,817	1,233	(7,430)	3,350	8,040	(21,645)	23,181	3,405
Equity	Before reinsurance	(210,011)	(27,402)	(11,313)	160	2,241	(17,082)	18,146	(6,499)
	After reinsurance	(170,127)	(26,569)	(9,348)	866	1,475	(16,215)	16,909	(5,884)

Interest Rate Sensitivity

(Yen in millions)

	Net Sensitivity of Insurance Contracts and Financial Instruments					
			Breakdown: Sensitivity of Insurance Contracts		Breakdown: Sensitivity of Financial Instruments	
	+0.5%	-0.5%	+0.5%	-0.5%	+0.5%	-0.5%
Income before income taxes	17,841	(20,953)	45,391	(54,533)	(27,550)	33,580
Other comprehensive income before taxes	(226,083)	196,497	473,112	(553,619)	(699,195)	750,116
Equity	(166,743)	143,859	385,084	(450,660)	(551,827)	594,519

Stock Price Sensitivity

(Yen in millions)

	Net Sensitivity of Insurance Contracts and Financial Instruments					
			Breakdown: Sensitivity of Insurance Contracts		Breakdown: Sensitivity of Financial Instruments	
	+10%	-10%	+10%	-10%	+10%	-10%
Income before income taxes	(2,248)	(4,858)	(77,995)	77,681	75,747	(82,539)
Other comprehensive income before taxes	218,294	(218,282)	(3)	15	218,297	(218,297)
Equity	154,653	(160,255)	(61,773)	61,537	216,427	(221,792)

(Note) This shows the sensitivity related to the referenced stock indices and the fair value of listed equity securities held.

Notes to Consolidated Financial Statements

As of March 31, 2026

Insurance Risk Sensitivity

(Yen in millions)

		Liabilities for incurred claims	Loss ratio	Mortality rate		Morbidity rate	Surrender and lapse rate		Expense ratio
				Mortality risk	longevity risk				
		×105%	+5%	×105%	×95%	×105%	×105%	×95%	×110%
Income before income taxes	Before reinsurance	(319,150)	(40,730)	(6,204)	(2,970)	(8,812)	(714)	498	(13,355)
	After reinsurance	(263,194)	(39,757)	(4,991)	(3,029)	(8,246)	(1,402)	1,255	(12,063)
Other comprehensive income before taxes	Before reinsurance	1,160	1,967	3,876	13,784	29,743	(33,909)	34,935	9,639
	After reinsurance	509	1,971	5,460	14,461	27,438	(26,291)	26,658	9,646
Equity	Before reinsurance	(242,376)	(29,510)	(1,948)	7,767	14,946	(25,051)	25,644	(3,315)
	After reinsurance	(200,222)	(28,754)	214	8,212	13,705	(20,072)	20,245	(2,264)

Interest Rate Sensitivity

(Yen in millions)

	Net Sensitivity of Insurance Contracts and Financial Instruments					
			Breakdown: Sensitivity of Insurance Contracts		Breakdown: Sensitivity of Financial Instruments	
	+0.5%	-0.5%	+0.5%	-0.5%	+0.5%	-0.5%
Income before income taxes	38,828	(46,042)	49,003	(59,127)	(10,175)	13,085
Other comprehensive income before taxes	(290,336)	271,302	312,644	(369,455)	(602,980)	640,757
Equity	(199,989)	181,536	274,542	(324,402)	(474,531)	505,938

Stock Price Sensitivity

(Yen in millions)

	Net Sensitivity of Insurance Contracts and Financial Instruments					
			Breakdown: Sensitivity of Insurance Contracts		Breakdown: Sensitivity of Financial Instruments	
	+10%	-10%	+10%	-10%	+10%	-10%
Income before income taxes	24,526	(39,138)	(86,820)	79,470	111,346	(118,608)
Other comprehensive income before taxes	194,013	(194,015)	47	(49)	193,966	(193,966)
Equity	159,430	(170,978)	(66,950)	61,139	226,380	(232,117)

(Note) This shows the sensitivity related to the referenced stock indices and the fair value of listed equity securities held.

d. Credit risk exposure by credit risk rating grades (insurance contracts)

(a) Maximum exposure to credit risk as at the end of the reporting period

The maximum exposure to credit risk arising from contracts within the scope of IFRS 17 as at the end of the reporting period (amounts related to insurance contracts issued before consideration of reinsurance) is as follows. This exposure includes unpaid premiums receivable from policyholders and intermediaries such as agents.

(Yen in millions)

As of April 1, 2024 (Transition date)	As of March 31, 2025	As of March 31, 2026
750,653	751,035	**761,055**

(b) Information regarding the creditworthiness of reinsurance contract assets

The maximum exposure to credit risk of reinsurance contract assets held as at the end of the reporting period, based on their carrying amounts, is as follows. The amounts are classified according to the Group's credit risk rating grades.

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	As of March 31, 2026
AAA	66,480	87,202	**96,115**
AA	556,669	1,092,117	**1,884,645**
A	395,820	400,983	**349,593**
BBB	7,188	1,732	**1,006**
Below BBB	2,920	7,255	**3,590**
Unrated	97,457	93,316	**108,582**
Total of carrying amount	1,126,536	1,682,607	**2,443,534**

e. Liquidity risk (maturity analysis for insurance contracts and amounts payable on demand)

(a) Liquidity management policy

To mitigate the risk (liquidity risk) that the Group may be forced to sell assets at significantly lower prices than normal to secure funds due to liquidity deterioration—such as a decline in premium income resulting from weakened financial conditions, increased surrender benefit payments from large-scale or large-amount cancellations, or capital outflows following a catastrophic disaster—the Group's policy is to hold sufficient cash, government bonds, and other highly liquid securities on the asset side to ensure stable cash flows and maintain appropriate operations. In addition, the Group verifies and monitors overall liquidity through stress testing and continuous monitoring of cash flow conditions.

Notes to Consolidated Financial Statements

(b) Maturity analysis for insurance contracts

The following presents the maturity analysis for insurance contracts issued and reinsurance contracts held, allocating the undiscounted net cash flows from these contracts to the periods in which they are expected to occur.

This maturity analysis excludes the assets and liabilities related to the remaining coverage of insurance contracts issued and reinsurance contracts held to which PAA is applied. In addition, the consolidated adjustments include reinsurance transactions between Japan P&C insurance business and International insurance business.

(Yen in millions)

As of April 1, 2024 (Transition date)	Total undiscounted cash flows	Within 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years
Insurance contract liabilities	23,217,528	2,672,987	1,596,073	1,211,109	1,042,695	956,878	15,737,783
Japan P&C insurance business	3,753,644	1,023,680	622,066	436,174	307,106	235,289	1,129,327
Japan Life insurance business	8,221,713	(110,472)	(76,287)	(45,457)	(20,542)	5,190	8,469,283
International insurance business	11,426,578	1,804,903	1,079,871	841,815	772,556	729,260	6,198,170
Consolidation adjustment	(184,407)	(45,124)	(29,577)	(21,423)	(16,425)	(12,861)	(58,997)
Reinsurance contract liabilities	79,687	(6,207)	(3,183)	(1,828)	(872)	(397)	92,177
Total	23,297,215	2,666,780	1,592,890	1,209,281	1,041,823	956,481	15,829,960

(Yen in millions)

As of March 31, 2025	Total undiscounted cash flows	Within 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years
Insurance contract liabilities	24,093,522	2,714,781	1,664,481	1,318,168	1,166,870	1,057,406	16,171,814
Japan P&C insurance business	3,671,287	1,020,207	604,999	417,620	290,391	227,633	1,110,434
Japan Life insurance business	8,199,758	(25,281)	(31,849)	(6,296)	12,099	22,565	8,228,521
International insurance business	12,435,292	1,769,250	1,124,793	931,650	883,441	821,855	6,904,300
Consolidation adjustment	(212,815)	(49,395)	(33,462)	(24,806)	(19,061)	(14,647)	(71,441)
Reinsurance contract liabilities	81,441	(875)	(2,173)	(1,140)	(641)	(348)	86,620
Total	24,174,963	2,713,906	1,662,308	1,317,028	1,166,229	1,057,058	16,258,434

(Yen in millions)

As of March 31, 2026	**Total undiscounted cash flows**	**Within 1 year**	**Over 1 to 2 years**	**Over 2 to 3 years**	**Over 3 to 4 years**	**Over 4 to 5 years**	**Over 5 years**
Insurance contract liabilities	**25,726,676**	**3,205,460**	**2,022,181**	**1,707,434**	**1,495,501**	**1,241,810**	**16,054,286**
Japan P&C insurance business	**3,710,388**	**1,095,459**	**601,697**	**403,544**	**290,227**	**223,695**	**1,095,763**
Japan Life insurance business	**8,418,277**	**137,269**	**135,937**	**159,431**	**177,131**	**210,928**	**7,597,580**
International insurance business	**13,832,664**	**2,027,271**	**1,321,097**	**1,172,156**	**1,049,232**	**822,683**	**7,440,222**
Consolidation adjustment	**(234,653)**	**(54,539)**	**(36,550)**	**(27,697)**	**(21,089)**	**(15,496)**	**(79,279)**
Reinsurance contract liabilities	**(15,295)**	**(2,388)**	**(11,072)**	**(1,876)**	**(956)**	**(247)**	**1,244**
Total	**25,711,381**	**3,203,072**	**2,011,109**	**1,705,558**	**1,494,545**	**1,241,563**	**16,055,530**

(c) Amounts payable on demand

The amounts payable on demand related to insurance contracts issued, together with their corresponding carrying amounts, are as follows. Amounts payable on demand represent the amounts equivalent to surrender values that would be required if all contracts held as at the end of the reporting period were surrendered.

(Yen in millions)

As of April 1, 2024 (Transition date)		As of March 31, 2025		**As of March 31, 2026**	
Amounts payable on demand	Carrying amounts	Amounts payable on demand	Carrying amounts	**Amounts payable on demand**	**Carrying amounts**
13,037,353	19,055,722	13,668,107	19,342,621	**14,454,031**	**20,179,161**

f. There is no information on the Group's exposure to risk at the end of the reporting period that is not representative of its exposure during the period

Notes to Consolidated Financial Statements

8. Financial Instruments

(1) Investment in financial instruments

a. Breakdown of investments

The breakdown of investments (excluding cash and cash equivalents) are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Investment securities			
Debt instruments			
Government bonds, government-guaranteed bonds and local government bonds	11,390,355	9,813,201	**8,589,329**
Japan	7,765,245	5,975,752	**4,200,328**
US	2,516,289	2,596,521	**2,850,265**
Others	1,108,820	1,240,927	**1,538,736**
Corporate bonds	3,026,649	3,286,254	**3,646,316**
Securitized products	3,102,203	3,544,185	**4,392,409**
Others	692,473	759,439	**925,937**
Total debt instruments	18,211,682	17,403,081	**17,553,993**
Equity instruments			
Japanese equity instruments	4,560,841	3,311,004	**3,422,175**
Others	47,229	55,135	**86,557**
Total equity instruments	4,608,070	3,366,140	**3,508,733**
Total investment securities	22,819,753	20,769,221	**21,062,726**
Loans			
Mortgage loans	2,033,983	1,992,317	**2,065,113**
Others	769,759	780,572	**787,520**
Total loans	2,803,743	2,772,889	**2,852,633**
Derivative			
Derivative assets			
Foreign currency	10,848	30,454	**25,951**
Interest rate	66,881	95,048	**255,211**
Equity	29,145	13,723	**18,440**
Others	15,399	23,027	**28,423**
Total derivative assets	122,274	162,253	**328,026**
Derivative Liabilities			
Foreign currency	66,638	28,497	**81,871**
Interest rate	82,892	91,076	**169,193**
Equity	44	3	**—**
Others	22,013	20,732	**19,333**
Total derivative liabilities	171,589	140,309	**270,398**
Derivative assets and liabilities (net)	(49,314)	21,944	**57,627**

b. Breakdown by classification of financial instruments

The breakdown by classification of financial instruments (excluding cash and cash equivalents) are as follows:

Financial assets:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
At FVPL			
Derivative assets	122,274	162,253	**328,026**
Investment securities (Debt instruments)	1,637,084	1,866,056	**2,436,928**
Investment securities (Equity instruments)	796,995	935,483	**1,242,939**
At FVPL - designated			
Investment securities (Debt instruments) (Note)	674,178	681,216	**723,606**
Loans	8,255	4,937	**3,424**
At FVOCI			
Investment securities (Debt instruments)	15,840,383	14,790,198	**14,315,796**
Investment securities (Equity instruments)	3,811,075	2,430,656	**2,265,794**
At amortized cost			
Investment securities (Debt instruments)	60,036	65,610	**77,662**
Loans	2,795,487	2,767,952	**2,849,209**
Other financial assets	880,547	944,981	**1,104,332**
Total financial assets	26,626,319	24,649,347	**25,347,719**

(Note) The Group mainly recognizes insurance finance income or expenses arising from direct participating insurance contracts in profit or loss. To eliminate or substantially reduce accounting mismatches, the Group designates the debt instruments that are underlying items of these insurance contracts as measured at FVPL.

Financial liabilities:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
At FVPL			
Derivative liabilities	171,589	140,309	**270,398**
At amortized cost			
Repurchase agreements and other similar secured borrowings	711,974	63,514	**61,648**
Investment contract liabilities (Note)	744,168	869,021	**1,178,840**
Bonds and borrowings	474,272	549,444	**598,007**
Other financial liabilities	573,452	704,653	**945,701**
Total financial liabilities	2,675,457	2,326,943	**3,054,597**

(Note) Investment contract liabilities are financial liabilities arising from the investment contracts that have the legal form of insurance contracts but do not transfer significant insurance risk to the issuer. They mainly consist of funding agreements issued to institutional investors and the Federal Home Loan Bank (hereinafter referred to as "FHLB").

Notes to Consolidated Financial Statements

c. Equity instruments designated at FVOCI

The Group mainly designates equity instruments held for enhancing corporate value through strengthening business relationships as measured at FVOCI at initial recognition.

The fair values of the major equity instruments designated at FVOCI are as follows:

As of April 1, 2024 (Transition date)

(Yen in millions)

Stock name	Fair value
TOYOTA MOTOR CORPORATION	968,186
Mitsubishi Corporation	375,947
HONDA MOTOR CO., LTD.	160,939
SUZUKI MOTOR CORPORATION	112,518
Shin-Etsu Chemical Co., Ltd.	90,252
ITOCHU Corporation	76,938
Samsung Fire & Marine Insurance Co., Ltd.	51,229
DAIICHI SANKYO COMPANY. LIMITED	37,503
AEON CO., LTD.	36,171
FUJIFILM Holdings Corporation	36,109

As of March 31, 2025

(Yen in millions)

Stock name	Fair value
TOYOTA MOTOR CORPORATION	445,284
Mitsubishi Corporation	225,489
SUZUKI MOTOR CORPORATION	117,040
ITOCHU Corporation	82,114
Samsung Fire & Marine Insurance Co., Ltd.	54,105
Shin-Etsu Chemical Co., Ltd.	46,291
AEON Co., LTD.	37,731
FUJIFILM Holdings Corporation	30,478
Marubeni Corporation	29,660
Mitsubishi Estate Company, Limited	29,621

As of March 31, 2026

(Yen in millions)

Stock name	**Fair value**
TOYOTA MOTOR CORPORATION	**403,666**
ITOCHU Corporation	**117,472**
The Toa Reinsurance Company, Limited	**84,960**
Marubeni Corporation	**70,028**
Samsung Fire & Marine Insurance Co., Ltd.	**68,699**
AEON Co., LTD.	**56,883**
Mitsubishi Estate Company., Ltd.	**52,629**
Shin-Etsu Chemical Co., Ltd.	**49,402**
Mitsubishi UFJ Financial Group, Inc.	**37,844**
Mitsubishi Electric Corporation	**34,263**

For equity instruments designated at FVOCI, the Group disposed of a portion during the fiscal year for purposes such as reducing business related equities that could potentially impede fair competition, as well as maintaining and enhancing financial soundness and improving capital efficiency. The fair value at derecognition, accumulated gains and losses on disposal, and dividend income are as follows:

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Fair value at derecognition	942,342	**776,974**
Accumulated gains/ (losses) on disposal	807,117	**664,048**
Dividend income from equity instruments held at the end of the reporting period	77,063	**59,572**
Dividend income from equity instruments derecognized during the reporting period	9,043	**8,586**

When equity instruments designated at FVOCI are decognized due to sales or other reasons, the cumulative amount of gains and losses (net of tax effects) recorded in other components of equity is transferred to retained earnings. The amounts transferred in the previous fiscal year and the current fiscal year were 592,885 million yen (gain) and 487,187 million yen (gain), respectively.

Notes to Consolidated Financial Statements

d. Transfers of financial assets that do not qualify for derecognition

The Group enters into securities lending transactions and sale and repurchase agreements (hereinafter referred to as "repos") involving certain bonds held by the Group. Under securities lending transactions, the Group lends bonds and receives cash collateral. However, the Group retains the right to receive interest income arising from the bonds and continues to bear the risk of changes in the fair value of the bonds. Under repos, the Group sells bonds and agrees to repurchase them at a fixed price in the future, and accordingly continues to bear the risk of changes in the fair value of the bonds. As the Group retains substantially all the risks and rewards of ownership of these bonds, the transfers do not qualify for derecognition of financial assets, and therefore the bonds continue to be recognized in the consolidated statement of financial position. In addition, during the term of certain securities lending transactions and repos, the Group is restricted from selling or pledging the related bonds.

The carrying amounts of the transferred financial assets and the associated liabilities are presented below and are included in "Investment securities" and "Repurchase agreements and other similar secured borrowings" in the consolidated statement of financial position, respectively. The bonds are measured at fair value.

(Yen in millions)

	As of April 1, 2024 (Transition date)		As of March 31, 2025		**As of March 31, 2026**	
	Carrying amounts of transferred financial assets	Carrying amounts of associated liabilities	Carrying amounts of transferred financial assets	Carrying amounts of associated liabilities	**Carrying amounts of transferred financial assets**	**Carrying amounts of associated liabilities**
Securities lending transactions and repos	707,084	711,974	65,084	63,514	**57,515**	**61,648**
Total	707,084	711,974	65,084	63,514	**57,515**	**61,648**

e. Offsetting of financial assets and financial liabilities

The following table presents financial assets and financial liabilities that are subject to enforceable master netting arrangements or similar agreements, showing the amounts presented in the consolidated statement of financial position, the related amounts not offset in the consolidated statement of financial position, and the resulting net amounts. The rights of set-off under master netting arrangements and similar agreements are generally enforceable only in the event of default or other specified circumstances, which are not expected to occur in the normal course of business. "Financial instruments" and "Received/pledged financial collateral" become enforceable for set-off only upon the occurrence of such events.

Amounts that have already been offset in the consolidated statement of financial position in accordance with the offsetting criteria for financial assets and financial liabilities are not material.

As of April 1, 2024 (Transition date)

	Net amount presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position		Net amount
		Financial instruments	Received/pledged financial collateral (including cash collateral)	
Financial assets				
Derivative assets	122,274	12,889	38,313	71,071
Financial liabilities				
Derivative liabilities	171,589	12,889	93,134	65,565
Repurchase agreements and other similar secured borrowings	711,974	—	707,084	4,889

As of March 31, 2025

	Net amount presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position		Net amount
		Financial instruments	Received/pledged financial collateral (including cash collateral)	
Financial assets				
Derivative assets	162,253	25,073	31,687	105,493
Financial liabilities				
Derivative liabilities	140,309	25,073	15,514	99,721
Repurchase agreements and other similar secured borrowings	63,514	—	63,514	—

As of March 31, 2026

	Net amount presented in the consolidated statement of financial position	**Amount not offset in the consolidated statement of financial position**		**Net amount**
		Financial instruments	**Received/pledged financial collateral (including cash collateral)**	
Financial assets				
Derivative assets	**328,026**	**75,811**	**100,218**	**151,996**
Financial liabilities				
Derivative liabilities	**270,398**	**75,811**	**67,318**	**127,268**
Repurchase agreements and other similar secured borrowings	**61,648**	—	**57,515**	**4,133**

Notes to Consolidated Financial Statements

(2) Hedge accounting

a. Cash flow hedge

(a) Risk management strategy

Certain Group companies apply hedge accounting to qualifying hedging relationships for interest rate risk based on the risk management policy in (5) Risk management. Interest rate swaps are used to hedge variability in profit or loss arising from changes in interest income on floating-rate financial assets. This fixes a portion of the future interest cash flows from floating-rate assets and reduces volatility in profit or loss arising from changes in interest rates.

Bond futures are used to hedge the risk of changes in bond prices at the time of purchase, primarily the risk of price changes arising from movements in market interest rates. This fixes the purchase price of highly probable forecast purchases of bonds and reduces variability in future cash flows.

(b) Hedge effectiveness assessment policy

At the inception of a hedging relationship and on an ongoing basis, the existence of an economic relationship between the hedged item and the hedging instrument is assessed both qualitatively and quantitatively. The qualitative assessment considers whether the critical terms of the hedged item and the hedging instrument match or are closely aligned. The quantitative assessment considers the extent to which changes in the values of the hedged item and the hedging instrument offset each other as a result of exposure to the same hedged risk.

Hedge ineffectiveness is measured as the difference between the actual change in the fair value of the hedging instrument and the change in the future cash flows attributable to the hedged item that corresponds to the hedged risk and is recognized in profit or loss.

(c) Sources of hedge ineffectiveness

Potential hedge ineffectiveness arises mainly from mismatches between the critical terms of the hedged item and those of the hedging instrument. The Group's hedging relationships are structured so that those critical terms match or are closely aligned. As a result, hedge ineffectiveness is not material.

(d) Breakdown of hedging instruments by maturity

(Yen in millions)

Interest rate risk - nominal amount	As of April 1, 2024 (Transition date)		As of March 31, 2025		**As of March 31, 2026**	
	Within 1 year	Over 1 year	Within 1 year	Over 1 year	**Within 1 year**	**Over 1 year**
Interest rate swaps	—	—	—	—	**—**	**159,880**
Bond futures	11,770	36,525	14,309	40,224	**14,258**	**28,826**

(e) Carrying amount and other information of hedging instruments

As of April 1, 2024(Transition date)

(Yen in millions)

Interest rate risk	Nominal amount	Carrying amount		Line item in the consolidated statement of financial position that including hedging instruments
		Assets	Liabilities	
Bond futures	48,296	875	4,834	Derivative assets and liabilities

As of March 31, 2025

(Yen in millions)

Interest rate risk	Nominal amount	Carrying amount		Line item in the consolidated statement of financial position that including hedging instruments	Changes in the fair value of hedging instruments used as the basis for recognizing the ineffective portion of the hedge
		Assets	Liabilities		
Bond futures	54,534	5,329	840	Derivative assets and liabilities	7,347

As of March 31, 2026

(Yen in millions)

Interest rate risk	**Nominal amount**	**Carrying amount**		**Line item in the consolidated statement of financial position that including hedging instruments**	**Changes in the fair value of hedging instruments used as the basis for recognizing the ineffective portion of the hedge**
		Assets	**Liabilities**		
Interest rate swaps	**159,880**	**489**	**—**	**Derivative assets**	**353**
Bond futures	**43,085**	**11,052**	**—**	**Derivative assets**	**6,233**

(f) Hedged items

There is no applicable information as of the transition date for forecast purchases of bonds. In addition, because no hedge ineffectiveness was recognized in profit or loss in the previous fiscal year or the current fiscal year, information such as changes in the fair value of the hedged item used as the basis for recognizing hedge ineffectiveness is omitted.

As of March 31, 2026

(Yen in millions)

Interest rate risk	**Change in the value of the hedged item used in calculating hedge ineffectiveness**	**Balance in cash flow hedges for continuing hedges**	**Balance in cash flow hedges arising from hedging relationships for which hedge accounting is no longer applied**
Debt instruments	**(370)**	**461**	**—**

Notes to Consolidated Financial Statements

(g) Information on the effectiveness of hedge relationships

As of March 31, 2025

(Yen in millions)

Interest rate risk	Change in the value of the hedging instrument recognized in other comprehensive income	Ineffective portion recognized in profit or loss	Line item in the consolidated statement of income that including recognized hedge ineffectiveness	Reclassification adjustments from cash flow hedges	Line item in the consolidated statement of income that including reclassification adjustments
Bond futures	7,347	—	—	—	—

As of March 31, 2026

(Yen in millions)

Interest rate risk	Change in the value of the hedging instrument recognized in other comprehensive income	Ineffective portion recognized in profit or loss	Line item in the consolidated statement of income that including recognized hedge ineffectiveness	Reclassification adjustments from cash flow hedges	Line item in the consolidated statement of income that including reclassification adjustments
Interest rate swaps	**461**	—	—	—	—
Bond futures	**6,233**	—	—	—	—

b. Net investment hedge

(a) Risk management strategy

Certain Group companies apply hedge accounting to qualifying hedging relationships for foreign exchange risk based on the risk management policy in (5) Risk Management.

Foreign exchange forward contracts are used to hedge variability in other comprehensive income and profit or loss arising from foreign currency fluctuations in net investments in foreign operations. This offsets a portion of the foreign exchange risk associated with those net investments and reduces the impact of changes in foreign exchange rates on equity and profit or loss.

(b) Hedge effectiveness assessment policy

At the inception of a hedging relationship and on an ongoing basis, the existence of an economic relationship between the hedged item and the hedging instrument is assessed both qualitatively and quantitatively. The qualitative assessment considers whether the critical terms of the hedged item and the hedging instrument match or are closely aligned. The quantitative assessment considers whether changes in the values of the hedged item and the hedging instrument offset each other as a result of exposure to the same hedged risk.

Hedge ineffectiveness is measured as the difference between the actual change in the fair value of the hedging instrument and the portion of the change in foreign currency translation adjustments arising from the hedged item, which is the net investment in a foreign operation, that is attributable to the hedged risk, and is recognized in profit or loss.

(c) Sources of hedge ineffectiveness

Material hedge ineffectiveness is not expected to arise since only the spot element of foreign exchange forward contracts is designated as the hedging instrument and the amounts of the hedging instrument and the hedged item match.

(d) Breakdown of hedging instruments by maturity

(Yen in millions)

Foreign exchange risk - Foreign exchange forwards	As of April 1, 2024 (Transition date)		As of March 31, 2025		**As of March 31, 2026**	
	Maturity		Maturity		**Maturity**	
	Within 1 year	Over 1 year	Within 1 year	Over 1 year	**Within 1 year**	**Over 1 year**
Nominal amount (JPY/USD)	1,285,280	—	1,261,265	—	**1,277,449**	—
Average exchange rate (JPY/USD)	146.68 yen		150.44 yen		**153.67 yen**	
Nominal amount (JPY/EUR)	195,307	—	212,765	—	**254,193**	—
Average exchange rate (JPY/EUR)	159.71 yen		159.59 yen		**183.35 yen**	

Notes to Consolidated Financial Statements

(e) Carrying amount and other information of hedging instruments

As of April 1, 2024 (Transition date)

(Yen in millions)

Foreign exchange risk	Nominal amount	Carrying amount		Line item in the consolidated statement of financial position including hedging instruments
		Assets	Liabilities	
Foreign exchange forwards	1,480,588	455	36,176	Derivative assets and liabilities

As of March 31, 2025

(Yen in millions)

Foreign exchange risk	Nominal amount	Carrying amount		Line item in the consolidated statement of financial position including hedging instruments	Changes in the foreign currency translation adjustments of the hedging instruments used as the basis for recognizing the ineffective portion of the hedge.
		Assets	Liabilities		
Foreign exchange forwards	1,474,030	17,930	6,836	Derivative assets and liabilities	17,130

As of March 31, 2026

(Yen in millions)

Foreign exchange risk	**Nominal amount**	**Carrying amount**		**Line item in the consolidated statement of financial position including hedging instruments**	**Changes in the hedged items used to measure hedge ineffectiveness**
		Assets	**Liabilities**		
Foreign exchange forwards	**1,531,642**	**833**	**47,141**	**Derivative assets and liabilities**	**(113,164)**

(f) Hedged items

As of April 1, 2024 (Transition date)

A first-time adopter may elect to deem the cumulative foreign currency translation adjustments for all foreign operations to be zero at the transition date. The Group elected to deem the cumulative foreign currency translation adjustments for all foreign operations to be zero at the transition date. Accordingly, there is no "Balance of foreign currency translation adjustments related to continuing hedges" at the transition date.

As of March 31, 2025

(Yen in millions)

Foreign exchange risk	Changes in the value of the hedged items used to calculate the ineffective portion of the hedge	Balance of foreign currency translation adjustments related to continuing hedges	Balance of foreign currency translation adjustments arising from hedge relationships where hedge accounting is no longer applied
Net investment in foreign operations	(17,130)	14,712	—

As of March 31, 2026

(Yen in millions)

Foreign exchange risk	**Changes in the value of the hedged items used to calculate the ineffective portion of the hedge**	**Balance of foreign currency translation adjustments related to continuing hedges**	**Balance of foreign currency translation adjustments arising from hedge relationships where hedge accounting is no longer applied**
Net investment in foreign operations	**113,164**	**(92,596)**	**—**

(g) Information on the effectiveness of hedge relationships

As of March 31, 2025

(Yen in millions)

Foreign exchange risk	Changes in the value of hedge instruments recognized in other comprehensive income	Ineffective portion recognized in profit or loss	Line item in the consolidated statement of comprehensive income including recognized ineffective portion of hedge	Reclassification adjustments from hedges of net investments in foreign operations	Line item in the consolidated statement of comprehensive income including reclassification adjustment amount
Net investment in foreign operations	17,130	—	—	(1,211)	Other investment gains and losses

As of March 31, 2026

(Yen in millions)

Foreign exchange risk	**Changes in the value of hedge instruments recognized in other comprehensive income**	**Ineffective portion recognized in profit or loss**	**Line item in the consolidated statement of comprehensive income including recognized ineffective portion of hedge**	**Reclassification adjustments from hedges of net investments in foreign operations**	**Line item in the consolidated statement of comprehensive income including reclassification adjustment amount**
Net investment in foreign operations	**(113,164)**	**—**	**—**	**(853)**	**Other investment gains and losses**

Notes to Consolidated Financial Statements

c. Reconciliation of other component of equity

Changes recognized in other components of equity in the consolidated statement of financial position arising from cash flow hedges and hedges of net investments in foreign operations for the current and prior fiscal years are as follows:

(Cash flow hedges)

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Opening balance	—	**5,877**
Changes for the year	7,347	**6,694**
Tax effects	(1,469)	**(1,246)**
Closing balance	5,877	**11,326**

(Hedges of net investments in foreign operations)

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Opening balance	—	**14,712**
Changes for the year	17,130	**(113,164)**
Reclassification for the year	(1,211)	**(853)**
Tax effects	(1,207)	**6,708**
Closing balance	14,712	**(92,596)**

(Notes) "Reclassification for the year" mainly represents reclassification adjustments arising when the hedged item affects profit or loss.

(3) Fair value measurement

a. Fair value hierarchy

The Group classifies the fair values of financial instruments into the following three levels depending on the observability and significance of the inputs used in the fair value calculation. The Group recognizes transfers between levels as of the beginning of the reporting period.

Level 1: Fair value measured by the unadjusted quoted prices of assets or liabilities in active markets among the observable inputs.

Level 2: Fair value measured by the observable inputs other than Level 1 inputs.

Level 3: Fair value measured by the unobservable inputs.

b. Financial instruments measured at fair value on a recurring basis

(a) Breakdown of fair value hierarchy by class of financial instruments measured at fair value on a recurring basis

The breakdown of fair value hierarchy by class of financial instruments measured at fair value on a recurring basis is as follows:

As of April 1, 2024 (Transition date)

(Yen in millions)

	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative assets	13,212	79,402	29,659	122,274
Investment securities (Debt instruments)	6,515,418	10,767,928	868,298	18,151,645
Investment securities (Equity instruments)	4,221,347	132,960	253,762	4,608,070
Loans	—	—	8,255	8,255
Total financial assets	10,749,978	10,980,291	1,159,977	22,890,247
Financial liabilities				
Derivative liabilities	66	170,749	773	171,589
Total financial liabilities	66	170,749	773	171,589

Notes to Consolidated Financial Statements

As of March 31, 2025

(Yen in millions)

	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative assets	15,756	132,152	14,344	162,253
Investment securities (Debt instruments)	5,531,605	10,871,870	933,994	17,337,470
Investment securities (Equity instruments)	2,937,000	161,565	267,574	3,366,140
Loans	—	—	4,937	4,937
Total financial assets	8,484,362	11,165,588	1,220,850	20,870,801
Financial liabilities				
Derivative liabilities	35	139,554	718	140,309
Total financial liabilities	35	139,554	718	140,309

As of March 31, 2026

(Yen in millions)

	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative assets	**11,575**	**296,965**	**19,485**	**328,026**
Investment securities (Debt instruments)	**4,560,240**	**11,708,951**	**1,207,138**	**17,476,330**
Investment securities (Equity instruments)	**2,896,188**	**238,898**	**373,647**	**3,508,733**
Loans	**—**	**—**	**3,424**	**3,424**
Total financial assets	**7,468,004**	**12,244,815**	**1,603,694**	**21,316,514**
Financial liabilities				
Derivative liabilities	**826**	**268,690**	**881**	**270,398**
Total financial liabilities	**826**	**268,690**	**881**	**270,398**

(b) Transfers between Levels

There were no significant transfers between levels during the period.

(c) Valuation techniques and inputs

Description of valuation techniques and inputs used in the measurement of financial instruments classified within Level 2 or Level 3

Investment securities

Financial instruments for which quoted prices in active markets are available are classified within Level 1. These primarily include listed equities and certain debt securities. If quoted prices are available but the market is not active, the instruments are classified within Level 2.

For debt securities and securitized products other than those mentioned above, if quoted prices are not available, prices obtained primarily from third parties such as external information vendors are used as the fair value. The fair value is measured using valuation techniques such as discounted cash flow or matrix pricing. These valuation techniques use inputs such as yield curves, credit spreads, prepayment rates, and quoted prices of comparable instruments. If unobservable inputs are not used in the fair value measurement, or if they are used but are not significant to the measurement, the instruments are classified within Level 2. If unobservable inputs are significant to the fair value measurement, the instruments are classified within Level 3.

The fair value of investment trusts is measured using the net asset values obtained from the asset management companies and primarily classified within Level 2.

The fair value of investments in limited partnerships is measured at the amount corresponding to the ownership interest in the fair value of the underlying net assets of the investees and is primarily classified within Level 3.

The fair value of unlisted equities is measured using appropriate valuation techniques such as the comparable company valuation multiple technique. As significant unobservable inputs, such as price-to-book ratio multiple of comparable companies, are used, the instruments are classified within Level 3.

Loans

The fair value is measured using prices calculated by models such as discounted cash flow. These valuation techniques use inputs such as yield curves and credit spreads, and the fair value is classified within Level 3.

Derivative transactions

With regard to exchange-traded derivative transactions, the fair value is measured using the quoted closing prices on the relevant exchange or other active markets. For over-the-counter derivative transactions, the fair value is measured using valuation techniques such as the Black-Scholes model and discounted cash flow, including prices obtained from third parties such as external information vendors. These valuation techniques use inputs such as swap rates, forward rates, volatilities, and basis swap spreads.

The fair value of derivative transactions which is measured using quoted closing prices on the relevant exchange or other active markets is classified within Level 1. It is classified within Level 2 if unobservable inputs are either not included or not significant in the valuation techniques. It is classified within Level 3 if unobservable inputs are significant in the valuation techniques.

(d) Changes in valuation techniques

There were no significant changes in valuation techniques for financial instruments classified within Level 2 or Level 3 during the period.

Notes to Consolidated Financial Statements

c. Financial instruments classified within Level 3

(a) Valuation techniques and inputs

Information on significant unobservable inputs is as follows:

As of April 1, 2024 (Transition date)

Classification	Valuation technique	Significant unobservable inputs	Input range
Unlisted equities	Comparable company valuation multiple technique	Price-to-book ratio multiple	0.41 - 5.43

As of March 31, 2025

Classification	Valuation technique	Significant unobservable inputs	Input range
Unlisted equities	Comparable company valuation multiple technique	Price-to-book ratio multiple	0.37 - 4.35

As of March 31, 2026

Classification	Valuation technique	Significant unobservable inputs	Input range
Unlisted equities	**Comparable company valuation multiple technique**	**Price-to-book ratio multiple**	**0.46 - 4.21**

(b) Sensitivity analysis

The results of sensitivity analysis for significant unobservable inputs used to measure financial instruments classified within Level 3 are as follows:

Unlisted equities

The fair value of unlisted equities measured using the comparable company valuation multiple technique increases (decreases) due to the rise (fall) in the price-to-book ratio multiple.

(c) Reconciliation table of financial instruments classified within Level 3

The following table summarizes the changes in the balances of Level 3 financial instruments during the period. This table includes gains and losses, as well as the amounts of all assets and liabilities transferred to and from Level 3 during the period.

Transfers are reflected as if they were executed at the beginning of the reporting period in which the events or changes in circumstances that caused the transfers occurred.

FY2024 (April 1, 2024 - March 31, 2025)

(Yen in millions)

	Investment securities		Loans	Derivative assets and liabilities (net) (Note 3)
	(Debt instruments)	(Equity instruments)		
Opening balance classified as Level 3	868,298	253,762	8,255	28,886
Transfers to Level 3	1,321	—	—	—
Transfers from Level 3	(2,475)	(842)	—	(94)
Net gains (losses) recognized in net profit or loss (Note 1)	(9,411)	(649)	40	2,640
Net gains (losses) recognized in other comprehensive income (Note 2)	(7,386)	12,377	(36)	(58)
Purchases	214,688	13,127	54	18,816
Issues	—	—	—	—
Sales	(115,190)	(10,201)	(771)	—
Settlements	(15,850)	—	(2,606)	(36,564)
Closing balance classified as Level 3	933,994	267,574	4,937	13,626
Unrealized gains (losses) on financial assets and liabilities held at the end of the period, of the amount recorded in profit or loss for the period	3,115	(1,257)	83	(3,307)

Notes to Consolidated Financial Statements

FY2025 (April 1, 2025 - March 31, 2026)

(Yen in millions)

	Investment securities (Debt instruments)	Investment securities (Equity instruments)	Loans	Derivative assets and liabilities (net) (Note 3)
Opening balance classified as Level 3	933,994	267,574	4,937	13,626
Transfers to Level 3	2,755	35	—	—
Transfers from Level 3	(11,321)	(100)	—	—
Net gains (losses) recognized in net profit or loss (Note 1)	19,179	(2,725)	32	14,780
Net gains (losses) recognized in other comprehensive income (Note 2)	51,048	91,234	235	1,660
Purchases	323,367	28,569	52	18,815
Issues	—	—	—	(1,024)
Sales	(91,635)	(10,797)	(300)	—
Settlements	(20,249)	(143)	(1,532)	(29,254)
Closing balance classified as Level 3	1,207,138	373,647	3,424	18,604
Unrealized gains (losses) on financial assets and liabilities held at the end of the period, of the amount recorded in profit or loss for the period	34,700	(2,287)	(82)	151

(Notes) 1. The main line item within profit or loss is "Other investment gains and losses".
2. The main line item within other comprehensive income is "Investments in equity instruments".
3. Derivative transactions recorded as assets and liabilities are presented collectively. The net receivables, payables, and gains or losses arising from derivative transactions are presented on a net basis, and items resulting in net liabilities or losses are presented in parentheses.

(d) Valuation process

The Group's policies and procedures for fair value measurement are established by a department which is independent of the trading departments.

In regard to the measured fair value and the classified levels, the Group verifies the appropriateness of the valuation techniques and inputs used for the fair value measurement.

In measuring the fair value, the valuation models are appropriately selected by nature, characteristics and risks of each financial instrument. When using the quoted market prices obtained from third parties, the prices are verified by appropriate methods such as confirming the valuation techniques and inputs, or comparing with the prices of similar financial instruments.

d. Financial instruments measured at amortized cost

(a) Analysis by fair value hierarchy level of financial instruments measured at amortized cost

The carrying amounts, the fair value and the levels within the fair value hierarchy of financial instruments measured at amortized cost are as follows.

Note that the financial instruments for which the carrying amount is a reasonable approximation of fair value are not included.

Notes to Consolidated Financial Statements

As of April 1, 2024 (Transition date)

(Yen in millions)

	Carrying amount	Fair value				Difference between carrying amount and fair value
		Level 1	Level 2	Level 3	Total	
Financial assets						
Investment securities (Debt instruments)	60,036	—	45,701	13,830	59,531	(505)
Loans	2,795,487	—	—	2,785,097	2,785,097	(10,389)
Total financial assets	2,855,524	—	45,701	2,798,927	2,844,629	(10,895)
Financial liabilities						
Bonds and borrowings	474,272	—	335,882	127,895	463,778	(10,494)
Investment contract liabilities	744,168	—	—	724,077	724,077	(20,091)
Total financial liabilities	1,218,441	—	335,882	851,972	1,187,855	(30,586)

As of March 31, 2025

(Yen in millions)

	Carrying amount	Fair value				Difference between carrying amount and fair value
		Level 1	Level 2	Level 3	Total	
Financial assets						
Investment securities (Debt instruments)	65,610	—	52,399	13,093	65,493	(117)
Loans	2,767,952	—	—	2,766,690	2,766,690	(1,262)
Total financial assets	2,833,563	—	52,399	2,779,784	2,832,183	(1,379)
Financial liabilities						
Bonds and borrowings	549,444	—	333,813	204,145	537,958	(11,485)
Investment contract liabilities	869,021	—	—	858,631	858,631	(10,390)
Total financial liabilities	1,418,466	—	333,813	1,062,777	1,396,590	(21,875)

As of March 31, 2026

(Yen in millions)

	Carrying amount	Fair value				Difference between carrying amount and fair value
		Level 1	Level 2	Level 3	Total	
Financial assets						
Investment securities (Debt instruments)	**77,662**	—	**57,459**	**20,722**	**78,181**	**518**
Loans	**2,849,209**	—	—	**2,854,052**	**2,854,052**	**4,843**
Total financial assets	**2,926,871**	—	**57,459**	**2,874,774**	**2,932,234**	**5,362**
Financial liabilities						
Bonds and borrowings	**598,007**	—	**392,821**	**192,212**	**585,034**	**(12,973)**
Investment contract liabilities	**1,178,840**	—	—	**1,139,579**	**1,139,579**	**(39,260)**
Total financial liabilities	**1,776,848**	—	**392,821**	**1,331,792**	**1,724,613**	**(52,234)**

(b) Valuation techniques and inputs

Investment securities

If quoted prices are available but the market is not active, the instruments are classified within Level 2.

For debt instruments other than those mentioned above, if quoted prices are not available, the fair value is measured using valuation techniques such as discounted cash flow, including prices obtained primarily from third parties such as external information vendors. These valuation techniques use inputs such as yield curves and credit spreads. If unobservable inputs are not used in the fair value measurement, or if they are used but are not significant to the measurement, the instruments are classified within Level 2. If unobservable inputs are significant to the fair value measurement, the instruments are classified within Level 3.

Loans

The fair value is measured using prices calculated by models such as discounted cash flow. These valuation techniques use inputs such as yield curves and credit spreads, and the fair value is classified within Level 3.

Bonds and borrowings

For corporate bonds, the fair value is measured using quoted market prices and is primarily classified within Level 2.

For borrowings, the fair value is measured using prices calculated by models such as discounted cash flow. These valuation techniques use inputs such as yield curves and credit spreads, and the fair value is primarily classified within Level 3.

Investment contract liabilities

The fair value is measured using prices calculated by models such as discounted cash flow. These valuation techniques use inputs such as forward rates, and the fair value is classified within Level 3.

(c) Changes in valuation techniques

There were no significant changes in valuation techniques for financial instruments classified within Level 2 or Level 3 during the period.

Notes to Consolidated Financial Statements

(4) Expected Credit Losses (ECL)

a. Recognition and measurement of ECL

The Group measures loss allowances at 12-month expected credit losses (hereinafter referred to as "12-month ECL") where credit risk has not significantly increased since initial recognition, and at lifetime expected credit losses (hereinafter referred to as "lifetime ECL") where credit risk has significantly increased since initial recognition. Certain subsidiaries manage credit risk by grouping exposures with similar credit risk characteristics based on the type of financial instruments and credit ratings, and measure ECL on a collective basis.

In assessing whether credit risk has significantly increased and in measuring ECL on a 12-month or lifetime basis, the Group considers both reasonable and supportable quantitative and qualitative information. ECL is based on probability of default (hereinafter referred to as "PD"), loss given default (hereinafter referred to as "LGD") and exposure at default (hereinafter referred to as "EAD"). These parameters are derived from historical credit loss experience, internal information such as internal credit ratings aligned with external ratings, as well as forward-looking macroeconomic information reasonably calculated based on publicly available data, including historical GDP growth rates. As a general rule, credit risk is considered to have significantly increased when the PD has increased by more than two times since initial recognition. In addition, financial instruments that are investment grade are considered to have low credit risk as at the reporting date, it is presumed that credit risk has not significantly increased since initial recognition.

Default is determined based on factors such as significant financial difficulty of the issuer or debtor and breaches of contract, including past-due status. A financial asset is considered to be in default where, as at the reporting date, the debtor is subject to legal insolvency proceedings or is in bankruptcy, or, while not bankrupt, is experiencing significant financial difficulty such that there are serious concerns regarding repayment, or where payments of principal or interest are more than three months past due. In such cases, objective evidence of credit impairment is considered to exist.

For credit-impaired financial assets, while loss allowances are generally measured on the same basis as for other financial assets, ECL is estimated individually based on the latest available information and events, by discounting expected future cash flows using the original effective interest rate, or, where applicable, based on the fair value of collateral and other credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery of all or part of the asset. This includes cases where write-offs arise due to legal insolvency proceedings, where it is evident that the debtor's assets and repayment capacity do not support full recovery, or where no repayment is made after a certain period following suspension of transactions.

Impairment gains or losses arising from changes in loss allowances are recognized in profit or loss.

b. Quantitative and qualitative information on amounts arising from ECL

(a) Reconciliation of the gross carrying amount and ECL allowances.

(Yen in millions)

Loans	Reconciliation of the gross carrying amount				Reconciliation of the ECL allowance			
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired
	12-month ECL	Lifetime ECL Non-credit-impaired	Lifetime ECL Credit-impaired		12-month ECL	Lifetime ECL Non-credit-impaired	Lifetime ECL Credit-impaired	
As of April 1, 2024 (Transition date)	1,661,766	904,634	304,965	—	(9,509)	(22,960)	(43,409)	—
Transfer								
-Transfer to Stage 1	134,468	(128,919)	(5,548)	—	(1,602)	1,549	53	—
-Transfer to Stage 2	(346,678)	385,297	(38,618)	—	4,865	(11,537)	6,671	—
-Transfer to Stage 3	(139,262)	(240,852)	380,114	—	2,021	12,797	(14,819)	—
Derecognized during the period	(540,093)	(130,816)	(100,433)	—	2,657	2,040	13,380	—
Newly originated or acquired	849,012	—	—	—	(8,439)	—	—	—
Modifications not resulting in derecognition	560	—	—	—	—	—	—	—
Changes in models and risk variables (Note)	—	—	—	—	(644)	(19,950)	(64,052)	—
Foreign exchange	(17,200)	(8,892)	(8,431)	—	140	593	1,735	—
Others	(1,437)	2,100	640	—	(2)	—	—	—
As of March 31, 2025	1,601,135	782,551	532,687	—	(10,512)	(37,468)	(100,440)	—
Transfer								
-Transfer to Stage 1	172,622	(146,471)	(26,151)	—	(2,059)	1,665	394	—
-Transfer to Stage 2	(182,369)	217,762	(35,393)	—	2,497	(6,862)	4,364	—
-Transfer to Stage 3	(48,392)	(45,106)	93,499	—	1,855	2,996	(4,852)	—
Derecognized during the period	(464,114)	(206,336)	(213,809)	—	2,490	5,647	31,800	—
Newly originated or acquired	770,651	—	—	—	(5,990)	—	—	—
Modifications not resulting in derecognition	—	—	231	—	—	—	—	—
Changes in models and risk variables	—	—	—	—	(2,069)	(5,612)	(3,467)	—
Foreign exchange	119,335	43,182	25,257	—	(978)	(2,696)	(5,200)	—
Others	1,264	2,137	(10,454)	—	(924)	501	412	—
As of March 31, 2026	1,970,133	647,719	365,865	—	(15,690)	(41,829)	(76,989)	—

(Note) Changes in models and risk parameters in the previous fiscal year were primarily attributable to U.S. commercial real estate-backed loans, reflecting declines in collateral property values and changes in the economic environment, including persistently high interest rates and inflation.

Notes to Consolidated Financial Statements

(Yen in millions)

Investment securities (Debt instruments)	Reconciliation of the gross carrying amount				Reconciliation of the ECL allowance			
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired
	12-month ECL	Lifetime ECL			12-month ECL	Lifetime ECL		
		Non-credit-impaired	Credit-impaired			Non-credit-impaired	Credit-impaired	
As of April 1, 2024 (Transition date)	16,974,901	62,833	4,879	110,368	(3,293)	(2,420)	(157)	(1,877)
Transfer								
-Transfer to Stage 1	5,170	(4,988)	(181)	—	(251)	251	—	—
-Transfer to Stage 2	(26,017)	26,017	—	—	395	(395)	—	—
-Transfer to Stage 3	(949)	(11)	961	—	0	2	(2)	—
Derecognized during the period	(3,849,713)	(18,109)	(815)	(7,203)	854	597	12	74
Newly originated or acquired	3,509,438	—	—	3,009	(1,394)	—	—	(1)
Modifications not resulting in derecognition	—	—	—	—	—	—	—	—
Changes in models and risk variables	—	—	—	—	(182)	(376)	(18)	203
Foreign exchange	(44,068)	(852)	(65)	(4,517)	29	29	2	17
Others	(138,803)	3,779	239	(32,082)	2	(18)	—	—
As of March 31, 2025	16,429,958	68,668	5,018	69,575	(3,838)	(2,330)	(163)	(1,584)
Transfer								
-Transfer to Stage 1	11,672	(10,941)	(730)	—	(145)	145	—	—
-Transfer to Stage 2	(37,430)	37,463	(33)	—	1,685	(1,692)	6	—
-Transfer to Stage 3	(1,232)	(1,008)	2,241	—	63	1	(65)	—
Derecognized during the period	(5,414,281)	(20,963)	(806)	(8,651)	567	382	18	114
Newly originated or acquired	4,431,139	580	—	1,547	(1,266)	(40)	—	(4)
Modifications not resulting in derecognition	—	—	—	—	—	—	—	—
Changes in models and risk variables	—	—	—	—	1,478	(4,214)	(152)	(243)
Foreign exchange	683,282	4,962	408	4,381	(237)	(356)	(23)	(117)
Others	64,328	(2,589)	316	(83)	(2,224)	2,236	—	—
As of March 31, 2026	16,167,437	76,171	6,413	66,768	(3,916)	(5,867)	(378)	(1,834)

(b) Modified financial assets

For financial assets whose contractual cash flows were modified while the loss allowance was measured at an amount equal to lifetime expected credit losses, the amortized cost before modification and the modification gain or loss recognized are as follows. There were no material financial assets whose contractual cash flows were modified while the loss allowance was measured at an amount equal to lifetime expected credit losses during the previous fiscal year. In addition, there were no financial assets that were modified while the loss allowance was measured at lifetime expected credit losses and for which the loss allowance subsequently changed to an amount equal to 12-month expected credit losses during either the previous fiscal year or the current fiscal year.

(Yen in millions)

	As of March 31, 2026
Amortized cost before modification	**23,582**
Modification gain or loss	**231**

(c) Credit risk exposure

i. Maximum exposure to credit risk

The Group's maximum exposure to credit risk is as follows:

The maximum exposure to credit risk represents the maximum exposure to credit risk without taking into account the collateral held and other credit enhancements.

The definition of maximum exposure to credit risk within the Group is as follows:

Type	Description	Definition of maximum exposure to credit risk
Financial assets (including derivatives)	The breakdown of financial assets is stated in "(1) Fair Value Measurement."	The carrying amount of the financial asset (including the carrying amount of a derivative asset if the financial asset is a derivative).
Loan commitments	Loan commitments that are irrevocable over the period of the contract or can only be revoked if a material adverse change occurs.	The full amount of the commitment.

Notes to Consolidated Financial Statements

As of April 1, 2024 (Transition date)

(Yen in millions)

	Stage 1	Stage 2	Stage 3		
		Lifetime ECL			
	12-month ECL	Non-credit-impaired	Credit-impaired (Note)	Purchased or originated credit-impaired	Total
Loans					
AAA	—	—	—	—	—
AA	2,000	—	—	—	2,000
A	401,268	33,349	—	—	434,617
BBB	596,891	582,509	—	—	1,179,400
Below BBB or not rated	661,606	288,776	304,965	—	1,255,348
Gross carrying amount (total)	1,661,766	904,634	304,965	—	2,871,366
ECL allowance	(9,509)	(22,960)	(43,409)	—	(75,879)
Carrying amount	1,652,256	881,674	261,556	—	2,795,487
Investment securities (Debt instruments)					
AAA	1,290,883	334	—	—	1,291,218
AA	9,867,085	279	—	0	9,867,365
A	3,307,451	429	—	—	3,307,880
BBB	1,948,227	1,670	—	12	1,949,910
Below BBB or not rated	561,252	60,120	4,879	110,356	736,609
Gross carrying amount (total)	16,974,901	62,833	4,879	110,368	17,152,984
ECL allowance	(3,293)	(2,420)	(157)	(1,877)	(7,748)
Changes in fair value recognized in other comprehensive income	(1,241,948)	(5,226)	303	2,056	(1,244,815)
Carrying amount	15,729,660	55,186	5,025	110,547	15,900,420
Loan commitments - other than those designated at FVPL					
AAA	—	—	—	—	—
AA	—	—	—	—	—
A	4,765	14,411	—	—	19,176
BBB	51,865	107,709	—	—	159,575
Below BBB or not rated	33,539	45,083	14,143	—	92,766
Maximum exposure to credit risk	90,169	167,204	14,143	—	271,517
ECL allowance	(280)	(3,690)	(29)	—	(4,000)
Carrying amount - net of ECL allowance	(280)	(3,690)	(29)	—	(4,000)

(Note) For loans classified as credit-impaired financial assets, recovery is primarily expected from the underlying collateral or other credit enhancements.

As of March 31, 2025

(Yen in millions)

	Stage 1	Stage 2	Stage 3		
		Lifetime ECL			
	12-month ECL	Non-credit-impaired	Credit-impaired (Note)	Purchased or originated credit-impaired	Total
Loans					
AAA	—	—	—	—	—
AA	2,000	—	—	—	2,000
A	651,161	86,862	—	—	738,024
BBB	367,176	547,221	—	—	914,397
Below BBB or not rated	580,797	148,467	532,687	—	1,261,952
Gross carrying amount (total)	1,601,135	782,551	532,687	—	2,916,373
ECL allowance	(10,512)	(37,468)	(100,440)	—	(148,421)
Carrying amount	1,590,623	745,083	432,246	—	2,767,952
Investment securities (Debt instruments)					
AAA	1,566,971	—	—	—	1,566,971
AA	2,591,477	583	—	0	2,592,061
A	9,733,099	4,217	—	2	9,737,319
BBB	2,060,580	2,971	—	12	2,063,564
Below BBB or not rated	477,829	60,895	5,018	69,559	613,302
Gross carrying amount (total)	16,429,958	68,668	5,018	69,575	16,573,219
ECL allowance	(3,838)	(2,330)	(163)	(1,584)	(7,916)
Changes in fair value recognized in other comprehensive income	(1,707,351)	(4,185)	307	1,734	(1,709,494)
Carrying amount	14,718,768	62,152	5,162	69,725	14,855,808
Loan commitments - other than those designated at FVPL					
AAA	—	—	—	—	—
AA	—	—	—	—	—
A	50,925	3,172	2	—	54,101
BBB	56,412	70,134	2,735	—	129,282
Below BBB or not rated	32,257	37,766	28,169	—	98,193
Maximum exposure to credit risk	139,596	111,073	30,906	—	281,576
ECL allowance	(51)	(473)	(9)	—	(534)
Carrying amount - net of ECL allowance	(51)	(473)	(9)	—	(534)

(Note) For loans classified as credit-impaired financial assets, recovery is primarily expected from the underlying collateral or other credit enhancements.

Notes to Consolidated Financial Statements

As of March 31, 2026

(Yen in millions)

	Stage 1	Stage 2	Stage 3		
		Lifetime ECL			
	12-month ECL	Non-credit-impaired	Credit-impaired (Note)	Purchased or originated credit-impaired	Total
Loans					
AAA	—	—	—	—	—
AA	—	—	—	—	—
A	976,368	104,453	—	—	1,080,821
BBB	395,347	355,696	—	—	751,043
Below BBB or not rated	598,417	187,570	365,865	—	1,151,853
Gross carrying amount (total)	1,970,133	647,719	365,865	—	2,983,719
ECL allowance	(15,690)	(41,829)	(76,989)	—	(134,509)
Carrying amount	1,954,442	605,890	288,876	—	2,849,209
Investment securities (Debt instruments)					
AAA	1,897,937	—	—	8	1,897,946
AA	2,929,103	—	—	4	2,929,108
A	8,339,069	4,715	—	4	8,343,789
BBB	2,423,935	2,545	—	11	2,426,492
Below BBB or not rated	577,392	68,909	6,413	66,739	719,454
Gross carrying amount (total)	16,167,437	76,171	6,413	66,768	16,316,791
ECL allowance	(3,916)	(5,867)	(378)	(1,834)	(11,998)
Changes in fair value recognized in other comprehensive income	(1,909,453)	(5,259)	(172)	3,550	(1,911,334)
Carrying amount	14,254,067	65,044	5,862	68,484	14,393,458
Loan commitments - other than those designated at FVPL					
AAA	—	—	—	—	—
AA	—	—	—	—	—
A	67,534	1,375	—	—	68,909
BBB	84,691	30,457	—	—	115,149
Below BBB or not rated	35,213	31,508	14,238	—	80,959
Maximum exposure to credit risk	187,439	63,340	14,238	—	265,018
ECL allowance	(760)	(3,596)	(122)	—	(4,478)
Carrying amount - net of ECL allowance	(760)	(3,596)	(122)	—	(4,478)

(Note) For loans classified as credit-impaired financial assets, recovery is primarily expected from the underlying collateral or other credit enhancements.

ii. Descriptive information on collateral and other credit enhancements held as security

The Company holds collateral and other credit enhancements for certain credit exposures. Loans primarily comprise U.S. commercial real estate-backed loans originated by overseas consolidated subsidiaries and are, in principle, secured by first-lien mortgages on the underlying properties. Collateral underwriting processes are rigorous, and exposures are managed to avoid concentration within individual portfolios. Given the significance of the underlying collateral, independent external valuations are obtained. Overseas consolidated subsidiaries periodically review reported property values. For debt securities, financial guarantee insurance is accepted as the primary form of collateral or other credit enhancement.

(Yen in millions)

	As of April 1, 2024 (Transition date)		As of March 31, 2025		As of March 31, 2026	
	Carrying amount (total)	Of which, gross carrying amount of financial assets subject to collateral or other credit enhancements	Carrying amount (total)	Of which, gross carrying amount of financial assets subject to collateral or other credit enhancements	Carrying amount (total)	Of which, gross carrying amount of financial assets subject to collateral or other credit enhancements
Loans	2,871,366	2,659,904	2,916,373	2,629,530	2,983,719	2,717,039
Investment securities (Debt instruments)	17,152,984	68,422	16,573,219	73,016	16,316,791	81,314

iii. Quantitative information about the collateral held as security and other credit enhancements

In the previous fiscal year and the current fiscal year, assets acquired by the Group through taking possession of collateral or by calling on other credit enhancements comprised real estate, with a carrying amount of 74,776 million yen and 189,344 million yen, respectively.

Notes to Consolidated Financial Statements

(5) Risk management

The following describes the principal matters concerning risks arising from financial instruments held by the Group that the Group believes may have a material effect on the judgments of users of the financial statements, as well as matters considered important for understanding the Group's business operations. Risks relating to insurance contracts are described in "7. Insurance Contracts."

a. Overview of risk management for financial instruments

The Group implements ERM with the aim of achieving high ROE by continually managing the relationship among risk, capital, and return, and by ensuring both financial soundness relative to risk and profitability.

Specifically, the Group seeks to enhance corporate value by appropriately managing risk, capital, and return through the business planning process, continuous validation, and application of the ERM cycle, including the formulation of capital allocation plans based on the Risk Appetite Framework.

To secure financial soundness, the Group manages market risk, credit risk, liquidity risk and other risks arising from financial instruments both quantitatively and qualitatively, using methods appropriate for each company's business profile, scale, location, risk characteristics and other relevant factors. Through this process, the Group appropriately controls the overall amount of risk across the Group.

b. Investment policies

The core operation of the Group is its insurance business, and it invests utilizing the cash inflows mainly arising from insurance premiums. Therefore, the Group seeks to appropriately control risks based on the characteristics of insurance products primarily through ALM. The Group thereby aims to ensure stable, long-term earnings while realizing efficient management of liquidity.

Specifically, the Group's approach entails controlling interest rate risk associated with insurance liabilities by utilizing ultra-long-term bonds, interest rate swaps and other transactions while assuming a certain degree of credit risk by investing in bonds with high credit ratings. At the same time, the Group endeavors to ensure medium-to-long-term earnings by diversifying risks and asset management approaches in Japan and overseas through the utilization of a wide range of products including foreign securities and alternative investments. Foreign exchange forward contracts and other derivative transactions are used to mitigate risks associated with the Group's asset portfolio.

Through these approaches, the Group aims to steadily increase investment income in order to enhance net asset value in the medium-to-long term and maintain financial soundness.

With regard to financing, the Group issues corporate bonds and undertakes borrowings mainly to secure funds for business investments. When financing is necessary, amounts and sources of financing are determined based on the Group's cash flow status.

c. Overview of risks arising from financial instruments

The financial instruments held by the Group are exposed to market risk, which refers to the risk of losses arising from declines in value or income due to fluctuations in interest rates, exchange rates, stock prices, and other market variables. They are also exposed to credit risk, which refers to the risk of losses when the value of an investment declines or is lost due to deterioration in the financial condition or changes in the creditworthiness of the debtor. Other risks to which these instruments are exposed include market liquidity risk, which refers to the risk that the Group may incur losses if, due to market disruption or other factors, it becomes unable to execute market transactions or is forced to transact at significantly unfavorable prices.

(a) Market risk

i. Interest rate risk

The Group invests in bonds, loans, interest rate swaps, and other instruments. If interest rates rise, the fair value of financial instruments such as bonds and other investments may decline or future cash flows may decrease, which could affect the Group's operating results and financial position. In assessing the effect of an increase in interest rates, it is necessary to consider changes in the fair values of both assets and liabilities, because even if the fair values of bonds and other instruments decline as interest rates rise, the fair values of interest-bearing liabilities arising from savings-type insurance contracts and long-term life and P&C insurance contracts also decline.

ii. Exchange rate risk

The Group holds assets and liabilities denominated in foreign currencies, including U.S. dollars, euros, and British pounds. Fluctuations in exchange rates may lead to a decrease in the value of these assets or an increase in the value of liabilities, which could affect the Group's operating results and financial position. The Group hedges a portion of the foreign exchange risk associated with its investments in securities by using foreign exchange forward contracts, currency swaps, and other derivative transactions.

iii. Stock price risk

The Group holds listed equity securities. If stock prices decline, this may result in a decline in the fair value of financial instruments, a decrease in future cash flows, or other effects, which could affect the Group's operating results and financial position.

Notes to Consolidated Financial Statements

(b) Credit risk

The Group invests in corporate bonds, loans, and other instruments as part of its asset management activities. If issuers of corporate bonds, borrowers, or other counterparties fail to fulfill obligations, and payments of principal, interest, or other amounts related to such instruments are delayed or not made, the value of financial instruments may decline, which could affect the Group's operating results and financial position.

(c) Liquidity risk

i. Funding liquidity risk

The Group's liquidity position may deteriorate as a result of a decrease in premium income due to a decline in new policies following a deterioration in its financial condition or other factors, an increase in surrender value payments associated with a large number of surrenders or large-scale surrenders, or cash outflows in connection with major catastrophes or other events. Such deterioration may force the Group to sell assets at prices significantly lower than normal in order to secure funds, which could result in losses.

ii. Market liquidity risk

The Group may incur losses if, due to market disruption or other factors, it becomes unable to execute market transactions or is forced to transact at significantly unfavorable prices.

d. Risk management framework for financial instruments

Through the Risk Management Department and other supervisory divisions, the Company provides basic policies, guidance, instructions, and monitoring related to risk management to Group companies in Japan and overseas. Each Group company, in line with the Group-wide policy, establishes its own risk management policies, as well as investment guidelines, which set the rules for which instruments to invest in, risk limits, and actions to take when limits are exceeded. In addition, management departments that are independent of trading departments take a leading role in risk management, including through the review of asset management plans prepared by trading departments and the monitoring of compliance with investment guidelines.

Through these initiatives, the Group appropriately manages market risk, credit risk, and liquidity risk arising from financial instruments across the Group both quantitatively and qualitatively, thereby seeking to maintain financial soundness.

The amount of investment risk, including market risk and credit risk, is measured using a VaR-based approach, and the Group manages investment risk and return. Regarding credit risk, in addition to the above, the Group appropriately manages credit risk through the regular monitoring of large credit exposures and exposures to counterparties subject to country risk. With regard to funding liquidity risk, the Group manages liquidity risk related to funding through treasury management that takes into account the impact on liquidity of significant insurance claim payments, substantial fluctuations in financial markets, and other events, while also controlling payment schedules and ensuring various ways of financing.

The status of these risk management activities is reported periodically to the responsible officers of the Company and its group companies, and is also reported to the Board of Directors depending on materiality.

e. Exposure to market risk

Market risk sensitivity analysis

The tables below show the impact on Income before income taxes, Other comprehensive income before taxes, and Equity, assuming that a single risk variable changes within a reasonably possible range. While all other risk variables are assumed to remain unchanged, in practice there are correlations among risk variables. Furthermore, the impact of changes in risk variables is non-linear, and actual outcomes may be greater or smaller than those implied by simple interpolation or extrapolation. The impact amounts are calculated based on the following assumptions.

Interest Rates

- Impact of a 0.5% increase in interest rates.
- Impact of a 0.5% decrease in interest rates.

Exchange Rates

- Impact of a 5% appreciation of the functional currency against foreign currencies.
  Major consolidated subsidiaries manage exchange rate risk through ALM, and other consolidated subsidiaries implement similar management practices. Therefore, the sensitivity analysis for exchange rates is presented as the sum of sensitivities related to insurance contracts and those related to financial instruments.

Stocks

- Impact of a 10% decline in the referenced stock indices and the fair value of listed equity securities held.

Notes to Consolidated Financial Statements

As of April 1, 2024 (Transition date)

(Yen in millions)

	Income before income taxes	Other comprehensive income before taxes	Equity
Interest rates			
+0.5%	(46,687)	(869,363)	(686,799)
−0.5%	56,189	943,537	748,604
Foreign exchange rates			
US Dollar			
+5%	9,070	61,134	50,325
British Pound			
+5%	(4,765)	5,165	284
Euro			
+5%	(3,283)	14,744	8,256
Stocks			
−10%	(74,058)	(357,653)	(315,432)

As of March 31, 2025

(Yen in millions)

	Income before income taxes	Other comprehensive income before taxes	Equity
Interest rates			
+0.5%	(27,550)	(699,195)	(551,827)
−0.5%	33,580	750,116	594,519
Foreign exchange rates			
US Dollar			
+5%	10,386	59,222	49,858
British Pound			
+5%	(4,265)	5,602	1,073
Euro			
+5%	(5,104)	13,895	5,897
Stocks			
−10%	(82,539)	(218,297)	(221,792)

As of March 31, 2026

(Yen in millions)

	Income before income taxes	Other comprehensive income before taxes	Equity
Interest rates			
+0.5%	**(10,175)**	**(602,980)**	**(474,531)**
−0.5%	**13,085**	**640,757**	**505,938**
Foreign exchange rates			
US Dollar			
+5%	**8,851**	**63,423**	**51,785**
British Pound			
+5%	**(4,650)**	**6,429**	**1,406**
Euro			
+5%	**(4,548)**	**17,370**	**9,179**
Stocks			
−10%	**(118,608)**	**(193,966)**	**(232,117)**

Notes to Consolidated Financial Statements

f. Liquidity risk

Maturity analysis of financial instruments

(Yen in millions)

As of April 1, 2024 (Transition date)	Carrying amount	Total undiscounted cash flows	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Over 5 years
Derivatives	(49,314)							
Derivative contracts settled on a net basis		14,243	27,743	(640)	794	(700)	(4,902)	(8,049)
Derivative contracts settled on a gross basis (cash outflows)		2,251,235	2,214,734	2,570	937	931	5,385	26,677
Derivative contracts settled on a gross basis (cash inflows)		2,162,403	2,137,998	1,696	426	422	3,739	18,119
Liabilities presented in the consolidated statement of financial position								
Repurchase agreements and other similar secured borrowings	711,974	711,974	711,974	—	—	—	—	—
Bonds and borrowings	474,272	687,521	69,713	3,710	159,672	1,920	4,236	448,268
Investment contract liabilities	744,168	806,695	257,902	233,704	119,346	92,207	95,496	8,037
Lease liabilities	131,641	145,913	31,194	27,871	22,363	19,030	16,143	29,310
Assets presented in the consolidated statement of financial position								
Loans	2,803,743	3,073,988	1,170,540	554,559	283,049	190,297	165,475	710,065
Investment securities (Debt instruments)	18,211,683	19,746,429	726,498	692,169	648,013	775,192	1,086,792	15,817,762

(Notes) 1. The carrying amounts of derivatives are presented on a net basis, offsetting derivative assets and liabilities.
2. For derivative contracts settled on a net basis, cash inflows are presented as positive amounts and cash outflows as negative amounts.
3. In addition to the above, major items not recognized in the consolidated statement of financial position include loan commitments. The earliest period in which payment could be required is within one year. The maximum exposure to credit risk arising from loan commitments is disclosed in "(4) Expected Credit Losses (ECL)."

(Yen in millions)

As of March 31, 2025	Carrying amount	Total undiscounted cash flows	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Over 5 years
Derivatives	21,944							
Derivative contracts settled on a net basis		26,753	3,482	1,368	924	(2,292)	169	23,101
Derivative contracts settled on a gross basis (cash outflows)		2,182,782	2,149,124	929	923	5,321	747	25,736
Derivative contracts settled on a gross basis (cash inflows)		2,165,099	2,142,391	426	422	3,739	401	17,717
Liabilities presented in the consolidated statement of financial position								
Repurchase agreements and other similar secured borrowings	63,514	63,514	63,514	—	—	—	—	—
Bonds and borrowings	549,444	853,365	69,267	172,714	75,941	7,940	6,293	521,208
Investment contract liabilities	869,021	944,536	383,577	208,698	98,045	101,280	143,252	9,681
Lease liabilities	133,016	148,054	34,933	29,960	24,226	19,032	10,758	29,143
Assets presented in the consolidated statement of financial position								
Loans	2,772,889	3,008,806	1,111,208	443,470	457,231	275,796	322,864	398,234
Investment securities (Debt instruments)	17,403,081	19,621,651	1,112,575	624,803	705,471	890,449	781,851	15,506,500

(Notes) 1. The carrying amounts of derivatives are presented on a net basis, offsetting derivative assets and liabilities.
2. For derivative contracts settled on a net basis, cash inflows are presented as positive amounts and cash outflows as negative amounts.
3. In addition to the above, major items not recognized in the consolidated statement of financial position include loan commitments. The earliest period in which payment could be required is within one year. The maximum exposure to credit risk arising from loan commitments is disclosed in "(4) Expected Credit Losses (ECL)."

Notes to Consolidated Financial Statements

(Yen in millions)

As of March 31, 2026	Carrying amount	Total undiscounted cash flows	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Over 5 years
Derivatives	57,627							
Derivative contracts settled on a net basis		208,308	14,513	(1,032)	(2,376)	968	(51)	196,287
Derivative contracts settled on a gross basis (cash outflows)		2,477,249	2,388,592	2,513	7,168	2,299	48,446	28,229
Derivative contracts settled on a gross basis (cash inflows)		2,388,121	2,319,702	864	4,359	1,095	44,784	17,315
Liabilities presented in the consolidated statement of financial position								
Repurchase agreements and other similar secured borrowings	61,648	61,648	61,648	—	—	—	—	—
Bonds and borrowings	598,007	919,645	239,108	75,075	7,596	4,067	18,628	575,170
Investment contract liabilities	1,178,840	1,256,213	596,321	116,114	198,906	160,112	88,851	95,906
Lease liabilities	128,939	143,306	36,507	31,335	24,394	14,165	10,880	26,022
Assets presented in the consolidated statement of financial position								
Loans	2,852,633	2,993,821	904,172	507,429	441,190	451,003	244,140	445,885
Investment securities (Debt instruments)	17,553,993	20,234,820	1,110,720	708,138	856,170	855,837	831,239	15,872,713

(Notes) 1. The carrying amounts of derivatives are presented on a net basis, offsetting derivative assets and liabilities.
2. For derivative contracts settled on a net basis, cash inflows are presented as positive amounts and cash outflows as negative amounts.
3. In addition to the above, major items not recognized in the consolidated statement of financial position include loan commitments. The earliest period in which payment could be required is within one year. The maximum exposure to credit risk arising from loan commitments is disclosed in "(4) Expected Credit Losses (ECL)."

g. Exposure to credit risk

The maximum exposure to credit risk for financial instruments not subject to the impairment requirements of IFRS 9 (financial instruments measured at FVPL and designated at FVPL) is as follows. The maximum exposure to credit risk for financial instruments subject to the impairment requirements of IFRS 9 is disclosed in "(4) Expected Credit Losses (ECL)."

(Yen in millions)

As of April 1, 2024 (Transition date)	Maximum exposure to credit risk	Financial effects of collateral held and other credit enhancements	Net exposure to credit risk
Financial assets			
Derivative assets	122,274	38,313	83,961
Investment securities (Debt instruments)	2,311,262	—	2,311,262
Loans	8,255	—	8,255
Total	2,441,793	38,313	2,403,479

(Yen in millions)

As of March 31, 2025	Maximum exposure to credit risk	Financial effects of collateral held and other credit enhancements	Net exposure to credit risk
Financial assets			
Derivative assets	162,253	43,392	118,861
Investment securities (Debt instruments)	2,547,272	—	2,547,272
Loans	4,937	—	4,937
Total	2,714,463	43,392	2,671,070

(Yen in millions)

As of March 31, 2026	Maximum exposure to credit risk	Financial effects of collateral held and other credit enhancements	Net exposure to credit risk
Financial assets			
Derivative assets	328,026	109,628	218,397
Investment securities (Debt instruments)	3,160,534	1,017	3,159,517
Loans	3,424	—	3,424
Total	3,491,984	110,645	3,381,338

Notes to Consolidated Financial Statements

9. Finance Result

(1) Breakdown of investment gains and losses

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Interest income		
Interest income (financial assets measured at amortized cost)	297,795	**271,290**
Interest income (financial assets measured at FVOCI)	508,256	**514,113**
Total interest income	806,051	**785,404**
Other investment gains and losses		
Dividend income	86,107	**68,158**
Gains and losses on investment securities (financial assets measured at FVPL)	232,290	**333,522**
Gains and losses on investment securities (financial assets designated at FVPL)	48,400	**47,907**
Gains and losses on investment securities (financial assets measured at amortized cost and measured at FVOCI)	(285,593)	**(461,497)**
Gains and losses arising from the derecognition of financial assets measured at amortized cost	(7,477)	**(5,895)**
Gains and losses arising from the derecognition of financial assets measured at FVOCI	(278,116)	**(455,602)**
Credit impairment losses	(135,949)	**(27,252)**
Derivative gains and losses	(85,766)	**(38,143)**
Others	(45,652)	**17,455**
Total other investment gains and losses	(186,163)	**(59,848)**
Investment expenses	(56,733)	**(58,998)**
Total investment gains and losses	563,154	**666,557**

(Note) Gains and losses on financial assets measured at FVPL and designated at FVPL include interest income and dividend income.

(2) Breakdown of insurance finance income or expenses

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)		**FY2025 (April 1, 2025 - March 31, 2026)**	
	Insurance contracts issued	Reinsurance contracts held	**Insurance contracts issued**	**Reinsurance contracts held**
Amounts of insurance finance expenses (net) and reinsurance finance income (net) recognized in profit or loss	(598,713)	66,352	**(681,184)**	**39,867**
Interest accreted	(443,302)	59,450	**(462,989)**	**56,085**
Effects of changes in fair value of underlying items and changes in assumptions related to interest rates and other financial risks	(160,727)	(1,097)	**(197,812)**	**335**
Foreign exchange gains or losses	5,316	7,999	**(20,382)**	**(16,553)**
Amounts of insurance finance expenses (net) and reinsurance finance income (net) recognized in other comprehensive income	508,087	(9,875)	**474,095**	**(62,767)**

(3) Investment gains and losses and insurance finance income or expenses

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Recognized in profit or loss		
Investment gains and losses	563,154	**666,557**
Insurance finance expenses (net)	(598,713)	**(681,184)**
Reinsurance finance income (net)	66,352	**39,867**
Recognized in other comprehensive income		
Investment gains and losses	(935,378)	**417,959**
Insurance finance expenses (net)	508,087	**474,095**
Reinsurance finance income (net)	(9,875)	**(62,767)**

Notes to Consolidated Financial Statements

10. Management of Shareholders' Equity

(1) Shareholders' equity

The Group promotes ERM as the foundation for executing its business strategies. Based on the ERM framework, the Group ensures capital adequacy in relation to risk and maintain strong profitability, thereby enhancing capital efficiency while preserving financial soundness and achieving sustainable growth in corporate value. With respect to capital adequacy, we conduct integrated risk management and perform stress testing to complement the assessment of capital sufficiency, thereby maintaining financial soundness and ensuring compliance with capital regulations.

In pursuing sustainable growth in corporate value, the Group uses adjusted ROE (adjusted net income divided by adjusted net assets) as a key performance indicator. Through disciplined capital management, we have set a clear aspiration to raise ROE to the level of global peers. The Group makes capital allocation decisions-such as business investments and shareholder returns-based on their impact on adjusted ROE, and adjusted net assets are managed as part of this framework.

Adjusted net assets are calculated by excluding unrealized gains and losses related to financial assets and insurance liabilities from the Group's accounting net assets.

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Adjusted net asset	5,970,275	6,439,140	**7,183,250**

(2) Regulatory capital

The Group is subject to capital adequacy regulations under the Insurance Business Act and is supervised by the Financial Services Agency (FSA), the relevant regulatory authority in Japan.

The Group's subsidiaries engage in P&C and life insurance businesses both in Japan and overseas. Insurance groups are required to maintain sufficient ability to meet their obligations even under risks beyond normal expectations, such as large-scale catastrophic events or significant declines in asset prices.

The consolidated solvency margin ratio and the standalone solvency margin ratio are key indicators of financial soundness for regulatory purposes. These ratios are calculated by dividing the total amount of available financial resources-such as capital and retained earnings-by the total amount of risks representing such "risks beyond normal expectations." A ratio of 100% or higher is considered to satisfy one of the regulatory standards for financial soundness.

The Company and its domestic insurance subsidiaries regularly monitor both the consolidated and standalone solvency margin ratios and ensure financial soundness through appropriate risk management.

Overseas insurance subsidiaries are subject to capital adequacy regulations in their respective jurisdictions and are supervised by local regulatory authorities. The Company ensures financial soundness by monitoring their compliance with such regulations.

11. Cash and Cash Equivalents

The breakdown of cash and cash equivalents is as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Cash and bank deposits	936,804	1,064,876	**1,151,516**
Money market funds	380,747	451,310	**563,806**
Other short-term investments	10,178	423,620	**617,084**
Total	1,327,730	1,939,807	**2,332,406**

Other short-term investments consist of reverse repurchase agreements and other similar secured lending, and debt instruments, all of which meet the definition of cash equivalents.

12. Equity-method Investments

(1) Equity-method investments that are individually material

None.

(2) Equity-method investments that are individually immaterial

The carrying amounts of investments in associates and joint ventures accounted for using the equity method, which are individually immaterial, are as follows:

(Yen in millions)

Carrying amount	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Associates	82,707	92,548	**98,137**
Joint Ventures	48,146	40,165	**47,556**
Total	130,853	132,714	**145,693**

(Yen in millions)

Total amount of the Group's share	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Associates		
Net income	3,791	**2,776**
Other comprehensive income	696	**934**
Total comprehensive income	4,487	**3,711**
Joint Ventures		
Net income	3,747	**5,534**
Other comprehensive income	–	**–**
Total comprehensive income	3,747	**5,534**

(3) Significant restrictions on fund transfers, etc.

Among the associates, insurance companies are subject to laws and regulations in their country of domicile and are typically supervised by the local regulatory authorities. Accordingly, transfers of funds may be restricted by dividend remittance regulation and other applicable regulations.

Notes to Consolidated Financial Statements

13. Investment Property

(1) Changes in investment property

The acquisition costs, accumulated depreciation and accumulated impairment losses, and carrying amount of investment properties are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Acquisition costs	55,281	73,169	**73,537**
Accumulated depreciation and accumulated impairment losses	(1,781)	(2,960)	**(4,557)**
Carrying amount	53,500	70,209	**68,979**

The increase in the carrying amount of investment property in the previous fiscal year was primarily attributable to acquisitions through business combinations, which amounted to 14,144 million yen. There were no material changes in the carrying amount of investment property in the current fiscal year.

(2) Fair value of Investment property

The fair value of investment property is as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Fair Value	120,022	142,639	**137,641**

The fair value of investment property is primarily based on appraisal values prepared by independent external appraisers and is classified as Level 3 in the fair value hierarchy. The valuation is mainly determined using the income approach, based on significant unobservable inputs such as expected rental income, discount rates, and other relevant assumptions for each property, in accordance with the valuation standards of the country in which the property is located.

Notes to Consolidated Financial Statements

14. Property and Equipment

The acquisition costs, accumulated depreciation and accumulated impairment losses, and changes in the carrying amount of Property and equipment are as follows:

(Yen in millions)

	Land	Buildings	Construction in progress	Other	Total
As of April 1, 2024 (Transition date)					
Acquisition costs	107,137	125,093	6,998	132,037	371,267
Accumulated depreciation and accumulated impairment losses	(3,187)	(42,320)	—	(82,894)	(128,402)
Carrying amount	103,950	82,773	6,998	49,142	242,864
Changes in carrying amount					
Acquisitions	18	8,103	3,359	13,952	25,433
Acquisitions through business combinations	29,747	22,547	4,314	3,163	59,772
Sale or disposal	(1,566)	(1,300)	—	(8,275)	(11,142)
Transfers	—	1,913	(1,975)	53	(7)
Depreciation (Note 1)	—	(6,816)	—	(11,262)	(18,078)
Impairment losses (Note 2)	(1)	(2)	—	(10)	(13)
Foreign translation differences	994	424	(0)	28	1,447
Others	117	19	—	(33)	102
Total changes	29,309	24,890	5,697	(2,383)	57,514
As of March 31, 2025					
Acquisition costs	136,448	151,963	12,696	131,149	432,258
Accumulated depreciation and accumulated impairment losses	(3,188)	(44,300)	—	(84,389)	(131,878)
Carrying amount	133,260	107,663	12,696	46,759	300,379
Changes in carrying amount					
Acquisitions	208	7,655	25,186	9,900	42,950
Acquisitions through business combinations	—	74	—	160	235
Sale or disposal	(324)	(1,166)	(80)	(2,684)	(4,256)
Transfers	3,748	1,626	(3,215)	1,351	3,510
Depreciation (Note 1)	—	(7,902)	—	(10,732)	(18,634)
Impairment losses (Note 2)	(45)	(200)	—	—	(245)
Foreign translation differences	1,175	2,596	457	1,385	5,614
Others	(4,842)	(4,318)	(1)	(1,476)	(10,638)
Total changes	(81)	(1,634)	22,346	(2,095)	18,534
As of March 31, 2026					
Acquisition costs	133,224	146,884	35,042	135,699	450,851
Accumulated depreciation and accumulated impairment losses	(45)	(40,856)	—	(91,035)	(131,937)
Carrying amount	133,178	106,028	35,042	44,664	318,913

(Notes) 1. Depreciation is recognized as Insurance service expenses, Investment expenses and Administrative expenses in the consolidated statement of income.
2. Impairment losses are recognized as Other expenses in the consolidated statement of income.

15. Intangible Assets

(1) Intangible assets

The acquisition costs, accumulated amortization and accumulated impairment losses, and changes in the carrying amount of intangible assets are as follows:

(Yen in millions)

	Goodwill	Software	Customer relationships	Other	Total
As of April 1, 2024 (Transition date)					
Acquisition costs	395,395	485,219	802,421	122,520	1,805,557
Accumulated amortization and accumulated impairment losses	—	(194,597)	(375,937)	(40,221)	(610,756)
Carrying amount	395,395	290,621	426,484	82,299	1,194,800
Changes in carrying amount					
Acquisitions	—	26,613	—	3,052	29,665
Internal developments	—	72,780	—	—	72,780
Acquisitions through business combinations	7,528	632	424	6,160	14,745
Sale or disposal	—	(1,309)	—	(80)	(1,389)
Amortization (Note 2)	—	(59,958)	(41,891)	(3,598)	(105,447)
Impairment losses (Note 3)	—	(796)	—	(1)	(798)
Foreign translation differences	(3,105)	(83)	(4,471)	(160)	(7,820)
Others	—	(820)	—	6,502	5,682
Total changes	4,423	37,057	(45,938)	11,874	7,417
As of March 31, 2025					
Acquisition costs	399,819	586,079	794,599	140,006	1,920,505
Accumulated amortization and accumulated impairment losses	—	(258,401)	(414,054)	(45,832)	(718,287)
Carrying amount	399,819	327,678	380,545	94,174	1,202,218
Changes in carrying amount					
Acquisitions	—	26,120	—	4,793	30,914
Internal developments	—	82,048	—	—	82,048
Acquisitions through business combinations	156,019	3,214	126,915	13,002	310,465
Sale or disposal	—	(1,660)	—	(10)	(1,671)
Amortization (Note 2)	—	(73,509)	(43,175)	(3,411)	(120,096)
Impairment losses (Note 3)	—	—	—	(3)	(3)
Foreign translation differences	35,702	7,698	30,333	6,072	68,493
Others	—	(2,679)	3,268	6,910	7,500
Total changes	191,722	41,232	117,341	27,353	377,650
As of March 31, 2026					
Acquisition costs	591,541	701,105	993,542	172,337	2,458,527
Accumulated amortization and accumulated impairment losses	—	(332,194)	(495,654)	(50,808)	(878,658)
Carrying amount	591,541	368,911	497,887	121,528	1,579,868

Notes to Consolidated Financial Statements

(Notes) 1. The carrying amount of intangible assets with an indefinite useful life amounted to 42,977 million yen, 50,777 million yen, and 60,153 million yen, as at the transition date, the end of the previous fiscal year, and the end of the current fiscal year, respectively. These intangible assets mainly comprise insurance licenses and Lloyd's syndicate capacity. The Group has determined that the useful life of these assets is indefinite, as they are expected to continue to generate economic benefits for as long as the underlying business remains in operation, and accordingly their useful life cannot be determined.
2. Amortization is recognized as Insurance service expenses, Investment expenses, Administrative expenses and Other expenses in the consolidated statement of income.
3. Impairment losses are recognized as Other expenses in the consolidated statement of income.

(2) Goodwill

The carrying amounts of major goodwill recognized in the consolidated statement of financial position are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Privilege Underwriters, Inc.	161,013	159,003	**170,020**
Philadelphia Consolidated Holding Corp.	84,175	83,124	**88,884**
HCC Insurance Holdings, Inc.	74,493	73,563	**78,660**
Agrihedge, Inc.	—	—	**73,187**

Goodwill is tested for impairment by comparing the carrying amount with the recoverable amount for each cash-generating unit (hereinafter referred to as "CGU"). The recoverable amount is determined based on value in use. The value in use is calculated by discounting the estimated future cash flows derived from the business plans approved by management to their present value. The pre-tax discount rate is determined based on the cost of capital applicable to the relevant CGU. Since the recoverable amounts exceed the carrying amounts of each CGU, the Company has determined that it is unlikely that any reasonably possible change in key assumptions used to calculate the recoverable amounts would result in a material impairment loss.

Impairment test for goodwill arising from the acquisition of Privilege Underwriters, Inc.:

The cash flow projection derived from the business plan is used to calculate the value in use. The business plan is prepared based on management's assessment of future industry trends, past experience, and information from both internal and external sources. Key assumptions in the business plan include the management fees received in return for managing operations of the Reciprocal Exchange which is an organization based on mutual support of the policyholders. Considering the business plan prepared at the time of acquisition, the period covered by the business plan is 7 years (previous fiscal year: 8 years; transition date: 9 years), which reflects the high growth rate of the insurance market and the business environment in which it operates. The perpetual growth rate used to extrapolate the cash flow projections beyond the period covered by the business plan is based on the U.S. inflation rate which is 2.2% (previous fiscal year: 2.2%; transition date: 2.1%). The projected cash flows are discounted to present value using a pre-tax discount rate of 11.2% (previous fiscal year: 12.0%; transition date: 12.4%).

Impairment test for goodwill arising from the acquisition of Philadelphia Consolidated Holding Corp.:

The cash flow projection derived from the business plan is used to calculate the value in use. The business plan is prepared based on management's assessment of future industry trends, past experience, and information from both internal and external sources. Key assumptions in the business plan include premium growth rates, loss ratios, expense ratios and investment results. The perpetual growth rate used to extrapolate the cash flow projections beyond the period covered by the business plan, which is generally three years, is based on the U.S. inflation rate. The cash flows are discounted to present value using a pre-tax discount rate of 14.8% (previous fiscal year: 15.6%; transition date: 15.9%).

Impairment test for goodwill arising from the acquisition of HCC Insurance Holdings, Inc.:

The cash flow projection derived from the business plan is used to calculate the value in use. The business plan is prepared based on management's assessment of future industry trends, past experience, and information from both internal and external sources. Key assumptions in the business plan include premium growth rates, loss ratios, expense ratios and investment results. The perpetual growth rate used to extrapolate the cash flow projections beyond the period covered by the business plan, which is generally three years, is based on the U.S. inflation rate. The cash flows are discounted to present value using a pre-tax discount rate of 14.7% (previous fiscal year: 15.6%; transition date: 16.0%).

Goodwill has been recognized in the current fiscal year following the acquisition of shares of Agrihedge, Inc. on January 30, 2026, resulting in Agrihedge, Inc. becoming a subsidiary. As stated in "6. Business Combination", the amounts recognized for this business combination are provisional as of March 31, 2026. Consequently, the allocation of goodwill to CGUs has not yet been completed.

Notes to Consolidated Financial Statements

16. Lease

(1) Lessees

The Group leases office buildings and employee residential facilities. Extension or termination options are primarily included in real estate leases, and they are exercised as necessary to utilize these properties for business purposes.

a. Right-of-use assets

The changes in the carrying amount of right-of-use assets are as follows:

(Yen in millions)

	Real estate	Movable property	Total
As of April 1, 2024 (Transition date)	122,395	3,591	125,986
Acquisition	29,524	2,225	31,750
Acquisition through business combination	8,822	1,638	10,460
Depreciation	(31,298)	(1,690)	(32,988)
Foreign translation differences	103	(1)	101
Others (Note)	(9,408)	(249)	(9,657)
As of March 31, 2025	120,139	5,513	125,652
Acquisition	30,602	1,854	32,456
Acquisition through business combination	428	–	428
Depreciation	(34,317)	(2,068)	(36,385)
Foreign translation differences	4,267	221	4,488
Others (Note)	(5,709)	(1,032)	(6,742)
As of March 31, 2026	115,410	4,487	119,898

(Note) Others include decreases due to the shortening of the contractual lease term or termination of lease contracts.

b. Breakdown of lease expenses and income

The breakdown of lease expenses and income is as follows:

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Lease expenses		
Interest expenses on lease liabilities	3,026	**3,308**
Short-term lease payments	157	**312**
Payments for leases of low-value assets	8,053	**7,990**
Lease income		
Income from subleasing right-of-use assets	709	**758**

c. The total cash outflows for leases amounted to 45,485 million yen for the previous fiscal year and 48,933 million yen for the current fiscal year.

d. The maturity analysis of lease liabilities is stated in "8. Financial Instruments (5) Risk management."

(2) Lessors

The Group leases real estate and other assets (Property and equipment and Investment property) as operating leases.

Income from operating leases amounted to 7,979 million yen for the previous fiscal year and 8,676 million yen for the current fiscal year. Additionally, no income was recognized related to variable lease payments that do not depend on an index or a rate.

The maturity analysis of future lease payments to be received is as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Within 1 year	7,783	8,070	**8,840**
Over 1 to 2 years	6,942	7,493	**8,315**
Over 2 to 3 years	6,561	7,131	**7,471**
Over 3 to 4 years	6,248	6,686	**6,711**
Over 4 to 5 years	1,056	1,379	**1,348**
Over 5 years	7,339	8,706	**8,160**
Total	35,931	39,467	**40,847**

Items of property and equipment subject to an operating lease are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Land	11,607	11,478	**11,231**
Buildings	7,140	7,524	**7,944**
Others	6,292	—	**–**
Total	25,041	19,003	**19,176**

Notes to Consolidated Financial Statements

17. Assets and Disposal Groups Classified as Held for Sale

The breakdown of assets held for sale is as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Assets held for sale			
Property and equipment	52,764	126,878	**310,437**
Total	52,764	126,878	**310,437**

As of the transition date, March 31, 2025 and March 31, 2026, the major assets held for sale are as follows:

・Real estate acquired as collateral for commercial real estate secured loans at Delphi Financial Group, Inc., a subsidiary engaged in international insurance business
The commercial real estate was acquired as collateral for loans. As of March 31, 2026, these assets are classified as held for sale as they are expected to be sold within one year. These assets are measured at fair value less costs to sell and are classified as Level 3 in the fair value hierarchy. Fair value is based on appraisal values prepared by independent external appraisers, and the valuation is calculated with reference to factors such as comparable market transactions for similar real estate properties in the same area and the property's income-generating capacity. Significant unobservable inputs used in the measurement of fair value include projected rent and expense schedules and offer amounts from letters of intent. The appropriateness of the appraisal values is analyzed internally.

Impairment losses on assets held for sale, which are presented as Other expenses in the consolidated statement of income, amounted to 2,696 million yen for the previous fiscal year and 3,956 million yen for the current fiscal year.

18. Income Taxes

(1) Income taxes

The breakdown of Income taxes in the consolidated statement of income is as follows:

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Current tax expenses	397,846	**383,382**
Deferred tax expenses		
Arising and reversal of temporary differences	(228,419)	**(208,544)**
Effects of changes in tax rates	(5,214)	**856**
Changes in tax loss carry-forwards	(3,149)	**5,111**
Changes in unrecognized deferred tax assets	3,622	**(2,328)**
Others	149	**29**
Subtotal	(233,011)	**(204,875)**
Income taxes	164,834	**178,506**

(2) Reconciliation between income taxes and accounting profit

The reconciliation from the statutory tax rate in Japan to the actual average effective tax rate is as follows:

(%)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Statutory tax rate in Japan	30.6	**30.6**
Non-taxable income such as dividend received	(3.3)	**(2.4)**
Non-deductible expenses such as entertainment expenses	1.7	**1.1**
Differences in tax rate of subsidiaries	(6.4)	**(7.5)**
Change in unrecognized deferred tax assets	4.9	**(1.0)**
Undistributed earnings of overseas affiliates	1.4	**3.3**
Others	(1.3)	**(0.3)**
Actual average effective tax rate	27.6	**23.8**

The Company and its domestic subsidiaries are mainly subject to corporate tax, inhabitant tax, and enterprise tax, and the statutory tax rate based on these taxes is 30.6% for both the previous and current fiscal years. For overseas subsidiaries, corporate taxes and other taxes are imposed in accordance with the tax regulations of their respective locations.

Notes to Consolidated Financial Statements

(3) Changes in deferred tax assets and deferred tax liabilities

The breakdown and increase/decrease of deferred tax assets and deferred tax liabilities by primary causes are as follows:

(Yen in millions)

FY2024 (April 1, 2024 - March 31, 2025)	Opening balance	Recognized through net profit or loss	Recognized through other comprehensive income	Acquisition through business combination	Others (Note)	Closing balance
Deferred tax assets						
Defined benefit liabilities	81,454	600	(2,946)	2,343	(1,207)	80,244
Insurance and reinsurance contracts	19,634	1,423	1,411	—	728	23,198
Bonus payables	14,456	2,339	—	1,244	(49)	17,990
Loans	4,478	230	—	—	(49)	4,659
Investment securities	14,282	(1,540)	727	—	(214)	13,254
Derivatives	56,310	(9,318)	(349)	—	(35)	46,607
Property and equipment	16,551	(3,046)	—	—	43	13,548
Intangible assets	11,142	1,860	—	—	(0)	13,002
Lease liabilities	29,854	(1,706)	—	2,865	(128)	30,885
Tax loss carry-forwards	21,396	3,149	78	400	(416)	24,607
Tax credit carry-forwards	1,640	(578)	1,594	—	(39)	2,616
Others	40,730	1,050	818	3,516	(435)	45,679
Total deferred tax assets	311,932	(5,535)	1,334	10,370	(1,805)	316,296
Deferred tax liabilities						
Insurance and reinsurance contracts	(440,881)	23,202	(153,061)	—	141	(570,598)
Investment securities	(741,679)	213,548	289,328	(610)	(545)	(239,957)
Derivatives	(3,421)	3,444	(747)	—	(86)	(811)
Property and equipment	(1,447)	2,575	—	(8,858)	(240)	(7,970)
Intangible assets	(114,504)	9,267	—	—	981	(104,255)
Right of use assets	(28,657)	1,819	—	(2,770)	114	(29,494)
Investments in subsidiaries and others	(29,377)	(3,395)	—	(1,631)	—	(34,405)
Others	(33,436)	(11,914)	(978)	(2,412)	(1,780)	(50,521)
Total deferred tax liabilities	(1,393,405)	238,547	134,541	(16,282)	(1,415)	(1,038,014)
Net deferred tax assets (liabilities)	(1,081,472)	233,011	135,875	(5,912)	(3,220)	(721,717)

(Note) The main content of Others includes foreign translation differences for overseas subsidiaries.

(Yen in millions)

FY2025 (April 1, 2025 - March 31, 2026)	Opening balance	Recognized through net profit or loss	Recognized through other comprehensive income	Acquisition through business combination	Others (Note)	Closing balance
Deferred tax assets						
Defined benefit liabilities	80,244	(2,923)	1,968	—	709	79,997
Insurance and reinsurance contracts	23,198	(841)	3,678	—	2,016	28,052
Bonus payables	17,990	2,389	—	848	359	21,587
Loans	4,659	1,403	—	—	321	6,385
Investment securities	13,254	(1,835)	(3,266)	—	796	8,949
Derivatives	46,607	(1,279)	8,161	12	187	53,690
Property and equipment	13,548	10,491	—	—	(560)	23,479
Intangible assets	13,002	(2,951)	—	—	(159)	9,890
Lease liabilities	30,885	(970)	—	53	4,149	34,117
Tax loss carry-forwards	24,607	(5,111)	301	204	1,596	21,598
Tax credit carry-forwards	2,616	1,076	(427)	—	220	3,486
Others	45,679	(8,618)	(841)	2,469	37	38,727
Total deferred tax assets	316,296	(9,171)	9,574	3,588	9,674	329,962
Deferred tax liabilities						
Insurance and reinsurance contracts	(570,598)	63,095	(127,432)	—	(5,134)	(640,070)
Investment securities	(239,957)	159,363	(85,973)	—	(840)	(167,408)
Derivatives	(811)	(514)	(1,228)	—	(201)	(2,755)
Property and equipment	(7,970)	(2,553)	—	(5)	(1,182)	(11,711)
Intangible assets	(104,255)	5,260	—	(26,198)	(8,225)	(133,419)
Right of use assets	(29,494)	942	—	(52)	(3,595)	(32,199)
Investments in subsidiaries and others	(34,405)	(19,175)	17	—	—	(53,562)
Others	(50,521)	7,628	(69)	(31)	(2,898)	(45,892)
Total deferred tax liabilities	(1,038,014)	214,047	(214,687)	(26,287)	(22,079)	(1,087,021)
Net deferred tax assets (liabilities)	(721,717)	204,875	(205,112)	(22,698)	(12,405)	(757,059)

(Note) The main content of Others includes foreign translation differences for overseas subsidiaries.

Notes to Consolidated Financial Statements

(4) Deductible temporary differences and others for which deferred tax assets are not recognized

The amounts of deductible temporary differences, tax loss carry-forwards, and tax credit carry-forwards for which deferred tax assets are not recognized are as follows. The amounts are presented based on taxable profits.

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Deductible temporary differences	1,202,046	1,293,910	**1,171,310**
Tax loss carry-forwards	299,197	333,138	**348,325**
Tax credit carry-forwards	50	50	**—**
Total	1,501,294	1,627,099	**1,519,636**

In addition, the expiry periods of tax loss carry-forwards for which deferred tax assets are not recognized are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Within 1 year	8,008	7,615	**6,462**
Over 1 to 5 years	36,113	52,749	**113,537**
Over 5 years	199,690	217,732	**209,431**
No expiration	55,384	55,040	**18,894**
Total	299,197	333,138	**348,325**

(5) Taxable temporary differences related to investments in subsidiaries and others for which deferred tax liabilities are not recognized

Total taxable temporary differences related to investments in subsidiaries and others for which deferred tax liabilities are not recognized are 3,937,027 million yen, 3,254,850 million yen and 3,591,379 million yen as of April 1, 2024 (Transition date), March 31, 2025 and March 31, 2026 respectively. Deferred tax liabilities are not recognized as the Group is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

19. Bonds Issued, Borrowings, and Investment Contract Liabilities

(Yen in millions)

Category	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**	Average interest rate (%) (Note 1)	Maturity date (Note 2)
Bonds issued (Note 3)	226,059	225,761	**227,575**	—	—
Short-term borrowings	771	52,045	**67,404**	2.2	—
Current portion of long-term borrowings	62,078	8,507	**165,016**	3.8	—
Long-term borrowings, excluding the current portion	185,363	263,130	**138,012**	3.6	Aug 2027～ May 2053
Current portion of investment contract liabilities	232,125	353,394	**561,366**	3.5	—
Investment contract liabilities, excluding the current portion	512,043	515,627	**617,474**	4.8	May 2027～ Dec 2032
Total	1,218,441	1,418,466	**1,776,849**	—	—

(Notes) 1. The average interest rate is the weighted average rate based on the balance for the current fiscal year.
2. The maturity date is the repayment deadline applicable to the balance as of March 31, 2026.
3. The summary of the bond issuance terms is as follows:

(Yen in millions)

Entity	Name	Issued Date	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**	Interest Rate (%)	Collateral	Redemption Date
Tokio Marine & Nichido Fire Insurance Co., Ltd.	First series of domestic subordinated unsecured bonds with interest deferral option and early redemption option	Dec. 24, 2019	200,000	200,000	**200,000**	0.96 (Note 1)	None	Dec. 24, 2079
Delphi Financial Group, Inc.	Subordinated Bond in USD (Note 2)	May 23, 2007	26,059 (USD 172,115 thousand)	25,761 (USD 172,291 thousand)	**27,575 (USD 172,474 thousand)**	7.10～ 7.78	None	May 1, 2067
Total		—	226,059	225,761	**227,575**	—	—	—

(Notes) 1. From and after December 24, 2029, the applicable interest rate is the benchmark interest rate plus 1.80%.
2. Figures in parentheses in the columns for April 1, 2024 (the Transition Date), March 31, 2025, and March 31, 2026 indicate amounts denominated in foreign currencies.

Notes to Consolidated Financial Statements

20. Employee Benefits

(1) Outline of retirement benefit plans

The Company and certain consolidated subsidiaries have defined benefit plans and defined contribution plans.

The main defined benefit plan is the plan of Tokio Marine & Nichido, which comprises approximately 90% of the total defined benefit obligations. Tokio Marine & Nichido has a non-contributory lump-sum payment retirement plan covering substantially all employees, a defined benefit corporate pension fund plan and a defined contribution pension plan. The benefits of the lump-sum payment retirement plan and the corporate pension fund plan are primarily based on the points which each employee acquires through service.

The corporate pension fund plan of Tokio Marine & Nichido is subject to regulations including the Defined Benefit Corporate Pension Act of Japan, under which it is required to make contributions to Tokio Marine & Nichido Corporate Pension Fund (hereinafter referred to as "the Fund"), which provides pension benefit payments. The Fund is a legally separate entity from Tokio Marine & Nichido and the Fund's board is composed of an equal number of representatives appointed by Tokio Marine & Nichido and representatives elected by the Fund's participants. The chairperson of the board of representatives, who also serves as the chief director of the fund, is elected from the appointed representatives. Resolutions of the board are passed by a majority vote of the representatives present, and the chairperson holds the casting vote in the event of a tie. Certain resolutions of particular importance require an approval of a greater majority. The Fund's directors are required to comply with laws, regulations, orders issued by the Minister of Health, Labour and Welfare or the Director-general of the Regional Bureau of Health and Welfare, the Fund's rules, and resolutions of the board of representatives, and to act faithfully in the interest of the fund. Furthermore, directors are prohibited from engaging in any conduct that would harm the proper management or investment of the Fund's assets for the purpose of benefiting themselves or any third parties other than the Fund.

Certain domestic consolidated subsidiaries participate in a multi-employer pension plan. Since the amount of its share of plan assets cannot be reasonably determined, the plan is accounted for as if it were a defined contribution plan. In addition, certain domestic consolidated subsidiaries have employee retirement trusts.

During the previous fiscal year and the current fiscal year, certain overseas consolidated subsidiaries settled their defined benefit obligations and plan assets.

(2) Defined benefit plans

a. Net defined benefit liabilities (assets)

(a) Changes in the present value of defined benefit obligations

(Yen in millions)

	FY2024 (April 1 2024 - March 31 2025)	**FY2025 (April 1 2025 - March 31 2026)**
Opening balance	466,381	**433,862**
Current service cost	14,379	**13,410**
Interest expense	8,240	**10,268**
Remeasurements of defined benefit plans		
Actuarial gains and losses arising from changes in demographic assumptions	(4,813)	**5,579**
Actuarial gains and losses arising from changes in financial assumptions	(38,423)	**(42,212)**
Gains or losses from experience	2,406	**(182)**
Past service cost	3	**586**
Foreign translation differences	126	**1,149**
Benefit payments	(25,048)	**(27,694)**
Settlement	(5,986)	**(692)**
Changes due to business combinations	17,865	**—**
Others	(1,266)	**(4,088)**
Closing balance	433,862	**389,987**

(Note) Current service cost, Interest expense and Past service cost are recognized as Insurance service expenses, Investment expenses, Administrative expenses or Other finance expenses in the consolidated statement of income.

(b) Changes in the fair value of plan assets

(Yen in millions)

	FY2024 (April 1 2024 - March 31 2025)	**FY2025 (April 1 2025 - March 31 2026)**
Opening balance	232,894	**226,064**
Interest income	4,235	**5,525**
Remeasurements of defined benefit plans	(29,710)	**(33,797)**
Foreign translation differences	48	**218**
Employer contribution	9,227	**12,012**
Benefit payments	(9,780)	**(11,188)**
Settlement	(5,986)	**(2,363)**
Changes due to business combinations	26,016	**—**
Others	(880)	**56**
Closing balance	226,064	**196,528**

Notes to Consolidated Financial Statements

(c) Assets and liabilities recognized in the consolidated statement of financial position

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Funded defined benefit plans			
Present value of defined benefit obligations	264,360	241,432	**211,630**
Fair value of plan assets	(232,894)	(226,064)	**(196,528)**
Net defined benefit liabilities (assets) of funded plans	31,465	15,368	**15,101**
Unfunded defined benefit plans			
Present value of defined benefit obligations	202,021	192,429	**178,356**
Total net defined benefit liabilities (assets) before asset ceiling adjustments	233,486	207,797	**193,458**
Impact of asset ceiling adjustments	3,299	13,702	**23,646**
Total net defined benefit liabilities (assets) after asset ceiling adjustments	236,786	221,500	**217,104**

(d) Changes in the impact of asset ceiling

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Opening balance	3,299	**13,702**
Interest expense	13	**233**
Remeasurements of defined benefit plans	716	**9,678**
Foreign translation differences	(22)	**32**
Changes due to business combinations	9,695	**—**
Closing balance	13,702	**23,646**

b. Significant actuarial assumptions

Significant actuarial assumptions for major domestic subsidiaries are as follows. The assumption for future mortality rates is based on actuarial calculation data derived from published statistical figures and actual results for each region.

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Discount rate	1.3～1.9%	1.9～2.6%	**2.7～3.6%**
Life expectancy of benefit recipients currently aged 65			
Male	20.3～23.7	20.3～23.7	**20.6～24.9**
Female	25.1～28.7	25.1～28.8	**25.5～30.0**
Life expectancy at retirement age for employees currently aged 45			
Male	20.3～24.9	20.3～25.0	**20.6～26.1**
Female	25.1～30.0	25.1～30.1	**25.5～31.1**

c. Sensitivity analysis of significant actuarial assumptions

The defined benefit obligation calculations are sensitive to discount rate changes among the aforementioned assumptions. The sensitivity analysis to changes in discount rates for major domestic subsidiaries is as follows.

The sensitivity analysis reflects changes in one assumption while keeping all other assumptions unchanged. Changes in other variables may affect the results in actual calculations.

(Yen in millions)

Assumption changes		As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Discount rate	+0.5%	(29,218)	(23,377)	**(18,956)**
	−0.5%	32,703	26,457	**20,920**

d. Breakdown of fair value of plan assets

(Yen in millions)

As of April 1, 2024 (Transition date)	Assets with a quoted market price in an active market	Assets without a quoted market price in an active market	Total
Debt securities	47,013	146,561	193,574
Equity securities	1,613	38	1,651
Cash and cash equivalents	7,341	65	7,407
Life insurance company general accounts	—	13,821	13,821
Others	—	16,440	16,440
Total	55,968	176,926	232,894

(Yen in millions)

As of March 31, 2025	Assets with a quoted market price in an active market	Assets without a quoted market price in an active market	Total
Debt securities	41,949	133,429	175,378
Equity securities	1,394	11,259	12,654
Cash and cash equivalents	6,346	150	6,497
Life insurance company general accounts	—	18,785	18,785
Others	—	12,748	12,748
Total	49,691	176,373	226,064

Notes to Consolidated Financial Statements

(Yen in millions)

As of March 31, 2026	Assets with a quoted market price in an active market	Assets without a quoted market price in an active market	Total
Debt securities	42,806	104,504	147,310
Equity securities	1,239	11,600	12,839
Cash and cash equivalents	2,054	4,478	6,533
Life insurance company general accounts	—	21,066	21,066
Others	—	8,779	8,779
Total	46,099	150,428	196,528

e. Risk management strategy

For the funded plan of Tokio Marine & Nichido, the investment of the plan assets is determined to secure the overall return required to ensure the long-term ability to pay pension benefits, lump-sum death benefits, and other lump-sum benefits as stipulated in the Fund's rules, taking into account the maturity profile of the plan and the circumstances of the sponsoring company. Given the long-term nature of the pension liabilities, the Fund focuses on controlling the interest rate risks associated with the liabilities through ALM surplus analysis and, as a general rule, seeks to hedge interest rate risk in full. The Fund's policy is, in principle, not to take on any additional risks, such as credit risk.

The Investment policy is reviewed and where necessary revised in light of the plan's funding status and market conditions.

f. Employer contributions and maturity analysis

The contribution amount to the Fund is to be recalculated at least every five years based on the fiscal year-end date to ensure that the plan remains adequately funded over time, in accordance with the Defined Benefit Corporate Pension Act of Japan. In addition, when plan assets fall below the minimum funding requirement at the reporting date, Tokio Marine & Nichido is required to make additional contributions.

The expected amount of contributions to plan assets by major domestic subsidiaries during the next fiscal year is 10,375 million yen.

The weighted average duration of defined benefit obligations was primarily in the range of 8.9 to 14.8 years as of the transition date, 8.3 to 13.3 years for the previous fiscal year, and 7.2 to 11.9 years for the current fiscal year.

(3) Defined contribution plans

Contributions to the defined contribution plans, including contributions to state plans are 29,972 million yen for the previous fiscal year and 35,651 million yen for the current fiscal year.

21. Provisions

The breakdown and changes in provisions for the current fiscal year are as follows:

(Yen in millions)

	Asset retirement obligations	Litigation claims (excluding insurance-related)	Others	Total
As of April 1, 2025	4,680	25,937	2,996	33,614
Increase during the period	112	1,766	2,674	4,553
Decrease during the period (intended use)	(56)	—	(659)	(715)
Decrease during the period (reversal)	(3)	—	(2,410)	(2,414)
Others (Note)	(126)	4,795	4,373	9,041
As of March 31, 2026	4,606	32,499	6,974	44,079

(Note) Others are mainly due to foreign translation differences.

Asset retirement obligations

The Group recognizes provisions for the present value of estimated expenditures required for the removal or dismantlement of property and equipment. The amounts and timing of expenditures related to the removal or dismantlement of these property and equipment are based on current estimates and are subject to change.

Litigation claims (excluding insurance-related claims)

The Group recognizes provisions at each fiscal year-end for a reasonable estimate deemed necessary to cover damages, litigation costs, and other related expenses in connection with ongoing or potential lawsuits. The timing and amount of any outflow of economic benefits will depend on future developments in the litigation.

Notes to Consolidated Financial Statements

22. Classification of Current and Non-current

The analysis of assets and liabilities by expected timing of recovery or settlement is as follows:

In addition, Provisions are primarily classified as non-current.

(Yen in millions)

As of April 1, 2024 (Transition date)	Period until recovery or settlement		Total
	Within 12 months	Beyond 12 months	
Assets			
Other financial assets	672,516	208,030	880,547
Reinsurance contract assets	591,062	535,473	1,126,536
Insurance contract assets	12,875	4,904	17,780
Other assets	113,324	44,059	157,384
Liabilities			
Other financial liabilities	542,038	31,413	573,452
Insurance contract liabilities	3,600,522	15,472,981	19,073,503
Reinsurance contract liabilities	28,143	(6,617)	21,525
Other liabilities	130,669	135,771	266,441

(Yen in millions)

As of March 31, 2025	Period until recovery or settlement		Total
	Within 12 months	Beyond 12 months	
Assets			
Other financial assets	774,931	170,050	944,981
Reinsurance contract assets	534,397	1,148,209	1,682,607
Insurance contract assets	10,437	4,339	14,776
Other assets	146,319	46,986	193,305
Liabilities			
Other financial liabilities	626,025	78,628	704,653
Insurance contract liabilities	3,830,555	15,526,841	19,357,397
Reinsurance contract liabilities	29,630	(15,611)	14,019
Other liabilities	199,614	122,850	322,465

(Yen in millions)

As of March 31, 2026	Period until recovery or settlement		Total
	Within 12 months	Beyond 12 months	
Assets			
Other financial assets	855,437	248,895	1,104,332
Reinsurance contract assets	560,963	1,882,570	2,443,534
Insurance contract assets	69,683	(29,726)	39,956
Other assets	130,651	103,825	234,477
Liabilities			
Other financial liabilities	864,545	81,155	945,701
Insurance contract liabilities	4,434,833	15,784,284	20,219,118
Reinsurance contract liabilities	24,982	(9,673)	15,308
Other liabilities	228,268	128,739	357,007

Notes to Consolidated Financial Statements

23. Equity and Other Components of Equity

(1) Share capital and treasury stock

As of the transition date, March 31, 2025 and March 31, 2026, the total number of shares authorized is 8,000,000 thousand. All stocks issued by the Company are no-par value common stocks with no restrictions on rights, and all issued stocks are fully paid. The numbers of issued stock and treasury stock are as follows:

(Thousands of shares)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Issued stock		
Opening balance	1,978,000	**1,934,000**
Increase	—	**—**
Decrease	44,000	**—**
Closing balance	1,934,000	**1,934,000**
Treasury stock		
Opening balance	5,166	**11,150**
Increase	50,342	**44,799**
Decrease	44,359	**462**
Closing balance	11,150	**55,487**

(Notes) 1. The number of shares of treasury stock at the end of FY2024 and the end of FY2025 include 2,030 thousand shares and 1,568 thousand shares, respectively, held by the BIP Trust.
2. The decrease of 44,000 thousand shares in the number of issued stock during FY2024 was entirely due to the cancellation of treasury stock.
3. The principal components of the increase of 50,342 thousand shares of treasury stock in FY2024 were: an increase of 49,686 thousand shares due to the acquisition of treasury stock based on a resolution of the Board of Directors; and an increase of 649 thousand shares due to acquisitions by the BIP Trust.
The principal components of the decrease of 44,359 thousand shares of treasury stock in FY2024 were: a decrease of 44,000 thousand shares due to the cancellation of treasury stock; and a decrease of 331 thousand shares due to the disposition of stocks by the BIP Trust.
The principal components of the increase of 44,799 thousand shares of treasury stock in FY2025 were: an increase of 44,794 thousand shares due to the acquisition of treasury stock based on a resolution of the Board of Directors.
The principal components of the decrease of 462 thousand shares of treasury stock in FY2025 were: a decrease of 461 thousand shares due to the dispositions by the BIP Trust.
4. The number of stocks of the Company held by affiliated companies at the end of FY2024 and FY2025 is 19 thousand shares.

(2) Retained earnings

Under the Companies Act of Japan, one-tenth of dividends paid out of surplus decreasing because of the distribution of surplus is transferred to capital reserve or retained earnings, until the total amount of capital reserve and retained earnings reaches one-quarter of share capital. The reserved retained earnings can be used to compensate for deficits and can be released by resolution of the ordinary general meeting of shareholders.

24. Dividends

(1) Dividends paid

FY2024 (April 1, 2024 - March 31, 2025)

Resolution	Type of stock	Total amount of dividends (Yen in millions)	Dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 24, 2024	Common stock	123,409	62.50	March 31, 2024	June 25, 2024
Meeting of the Board of Directors held on November 19, 2024	Common stock	158,072	81.00	September 30, 2024	December 10, 2024

(Notes) 1. The total amount of dividends resolved at the Ordinary General Meeting of Shareholders held on June 24, 2024 includes dividends of 107 million yen for the stocks of the Company held by the BIP Trust.
2. The total amount of dividends resolved at the Meeting of the Board of Directors held on November 19, 2024 includes dividends of 169 million yen for the stocks of the Company held by the BIP Trust.

FY2025(April 1, 2025 - March 31, 2026)

Resolution	Type of stock	**Total amount of dividends (Yen in millions)**	**Dividends per share (Yen)**	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 23, 2025	Common stock	**175,164**	**91.00**	March 31, 2025	June 24, 2025
Meeting of the Board of Directors held on November 19, 2025	Common stock	**200,976**	**105.50**	September 30, 2025	December 12, 2025

(Notes) 1. The total amount of dividends resolved at the Ordinary General Meeting of Shareholders held on June 23, 2025, includes dividends of 184 million yen for the stocks of the Company held by the BIP Trust.
2. The total amount of dividends resolved at the Meeting of the Board of Directors held on November 19, 2025, includes dividends of 177 million yen for the stocks of the Company held by the BIP Trust.

(2) Dividends whose effective date falls in the next fiscal year

Resolution	Type of stock	Total amount of dividends (Yen in millions)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 29, 2026	Common stock	211,509	Retained earnings	112.50	March 31, 2026	June 30, 2026

(Note) The total amount of dividends includes dividends of 176 million yen for the stocks of the Company held by the BIP Trust.

Notes to Consolidated Financial Statements

25. Breakdown by Nature of Expenses

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Incurred claims (Note)	4,137,805	**4,186,185**
Agency and brokerage commissions expenses	1,110,249	**1,230,246**
Employee benefits expenses	722,247	**865,117**
Depreciation and amortization expenses	157,511	**176,186**
Others	638,990	**757,552**
Subtotal	6,766,805	**7,215,288**
Insurance acquisition cash flows included in the measurement of insurance contract liabilities	(1,459,596)	**(1,740,511)**
Amortization of insurance acquisition cash flows	1,399,366	**1,481,741**
Impairment losses and its reversals of assets for insurance acquisition cash flows paid before the related group of insurance contracts is recognized	252	**335**
Total	6,706,827	**6,956,854**
Represented by expenses included within the consolidated statement income		
Insurance service expenses	6,066,020	**6,114,387**
Investment expenses	56,733	**58,998**
Administrative expenses	546,651	**723,908**
Other expenses	37,422	**59,559**

(Note) "Incurred claims" includes changes in liabilities related to incurred claims in prior years, as well as losses and reversal of losses for onerous contracts.

26. Other Comprehensive Income

The amounts of each component of other comprehensive income, including amounts arising during the year, reclassification adjustments and tax effects, are as follows:

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Items that will not be reclassified to profit or loss		
Investments in equity instruments		
Amount arising during the year	(463,223)	**592,367**
Before tax effect	(463,223)	**592,367**
Tax effect	137,781	**(146,295)**
After tax effect	(325,441)	**446,071**
Remeasurements of defined benefit plans		
Amount arising during the year	10,403	**(6,661)**
Before tax effect	10,403	**(6,661)**
Tax effect	(2,939)	**1,968**
After tax effect	7,464	**(4,692)**
Share of other comprehensive income of associates accounted for using the equity method		
Amount arising during the year	(93)	**88**
Before tax effect	(93)	**88**
Tax effect	—	**—**
After tax effect	(93)	**88**
Total	(318,070)	**441,467**

Notes to Consolidated Financial Statements

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Items that may be reclassified subsequently to profit or loss		
Investments in debt instruments		
Amount arising during the year	(747,080)	**(636,013)**
Reclassification adjustments	274,925	**461,606**
Before tax effect	(472,154)	**(174,407)**
Tax effect	151,873	**54,900**
After tax effect	(320,281)	**(119,507)**
Cash flow hedges		
Amount arising during the year	7,347	**6,694**
Reclassification adjustments	—	**—**
Before tax effect	7,347	**6,694**
Tax effect	(1,469)	**(1,246)**
After tax effect	5,877	**5,448**
Foreign currency translation adjustments		
Amount arising during the year	(32,111)	**339,238**
Reclassification adjustments	1,211	**853**
Before tax effect	(30,900)	**340,091**
Tax effect	(1,207)	**6,708**
After tax effect	(32,107)	**346,799**
Changes in discount rate for insurance contracts		
Amount arising during the year	508,087	**474,095**
Reclassification adjustments	—	**—**
Before tax effect	508,087	**474,095**
Tax effect	(155,787)	**(140,968)**
After tax effect	352,300	**333,126**
Changes in discount rate for reinsurance contracts		
Amount arising during the year	(9,875)	**(62,767)**
Reclassification adjustments	—	**—**
Before tax effect	(9,875)	**(62,767)**
Tax effect	3,392	**18,247**
After tax effect	(6,483)	**(44,520)**
Share of other comprehensive income of associates accounted for using the equity method		
Amount arising during the year	790	**845**
Reclassification adjustments	—	**—**
Before tax effect	790	**845**
Tax effect	—	**—**
After tax effect	790	**845**
Total	95	**522,192**
Total other comprehensive income	(317,974)	**963,660**

27. Earnings Per Share

The basis for the calculation of basic and diluted earnings per share is as follows:

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Net income attributable to owners of the parent (Yen in millions)	450,423	**531,255**
Adjustment of net income attributable to owners of the parent (Yen in millions)	—	**—**
Net income used for the calculation of diluted earnings per share (Yen in millions)	450,423	**531,255**
Average number of ordinary shares outstanding (In thousand shares)	1,946,421	**1,901,699**
Impact of potentially dilutive ordinary shares		
Stock-based compensation (In thousand shares)	1,498	**1,391**
Diluted average number of ordinary shares outstanding (In thousand shares)	1,947,919	**1,903,090**
Basic earnings per share (Yen)	231.41	**279.35**
Diluted earnings per share (Yen)	231.23	**279.15**

(Note) For the calculation of basic and diluted earnings per share, shares of the Company held in the Board Incentive Plan Trust are included in treasury stock deducted from the average number of shares outstanding.

Notes to Consolidated Financial Statements

28. Stock-Based Compensation

The Group has adopted a stock-based compensation plan for its Directors and Executive Officers etc. The stock-based compensation expenses were 1,351 million yen for the previous fiscal year and 1,593 million yen for the current fiscal year.

(1) Executive compensation BIP Trust

The Company and its major domestic consolidated subsidiaries have adopted BIP Trust as a stock-based compensation system for the Group's Directors and Executive Officers (hereinafter referred to as "Directors, etc."). This system aims to allow the eligible Directors, etc. to share benefits and risks arising from stock price fluctuations with shareholders, as well as to further strengthen incentives for the medium- to long-term corporate value enhancement of the Group. Under this system, the Company and its major domestic consolidated subsidiaries contribute funds to a trust, which acquires the Company's shares. Directors, etc. are granted points in accordance with the share delivery rules. Subject to the conditions including continued service as eligible Directors, etc. during the period, after their resignation, the eligible Directors, etc., will receive, through the trust, the Company's shares and cash equivalent to the proceeds from the sale of such shares based on the number of points accumulated. This system is accounted for as an equity-settled share-based payment transaction.

(2) Restricted Stock Units (RSU)

The Company has adopted a stock-based compensation system using Restricted Stock Units (RSU) for the officers of the Company's domestic and overseas subsidiaries (excluding the Company's Directors and Audit & Supervisory Board Members). Under this system, the Company grants a certain number of RSUs to the eligible officers, and if certain conditions, such as the continuation of their position until the third anniversary of the grant date, are met, the Company delivers the same number of shares as the granted RSUs to the eligible officers. This system is treated as equity-settled share-based payment transactions.

(3) Number of Points (Units) Granted during the fiscal year and fair value

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Number of Points Granted (BIP Trust): (shares)	217,644	**259,479**
Number of Units Granted (RSU): (shares)	20,040	**22,044**
Fair Value at Grant Date: (yen)	6,147	**6,048**

(Notes) 1. The fair value at the grant date is calculated using the stock price of the Company's shares at the grant date, as it was considered to approximate the fair value.
2. Points (Units) granted are converted into the number of shares.

29. Supplementary Information on Consolidated Statement of Cash Flows

(1) Changes in liabilities arising from financing activities

(Yen in millions)

	As of April 1, 2024 (Transition date)	Changes arising from cash flows	Non-cash changes: Changes due to business combinations	Non-cash changes: Foreign translation differences	Non-cash changes: Others (Note)	As of March 31, 2025
Bonds and borrowings	474,272	8,091	68,710	(3,642)	2,012	549,444
Repurchase agreements and other similar secured borrowings	711,974	(650,252)	–	1,792	–	63,514
Lease liabilities	131,641	(32,236)	10,946	274	22,390	133,016
Total liabilities related to financing activities	1,317,888	(674,397)	79,656	(1,575)	24,403	745,975

(Note) Others in Lease liabilities is mainly due to the acquisition of right-of-use assets.

(Yen in millions)

	As of March 31, 2025	Changes arising from cash flows	Non-cash changes: Changes due to business combinations	Non-cash changes: Foreign translation differences	Non-cash changes: Others	As of March 31, 2026
Bonds and borrowings	549,444	27,465	–	22,207	(1,109)	598,007
Repurchase agreements and other similar secured borrowings	63,514	(8,359)	–	6,493	–	61,648
Lease liabilities	133,016	(34,575)	1,010	3,708	25,779	128,939
Total liabilities related to financing activities	745,975	(15,469)	1,010	32,409	24,669	788,595

(Note) Others in Lease liabilities is mainly due to the acquisition of right-of-use assets.

(2) Cash flows from obtaining control of subsidiaries

FY2024(April 1, 2024 - March 31, 2025)

The breakdown of assets and liabilities at the time of the commencement of consolidation due to the acquisition of shares of ID&E and the reconciliation between the acquisition cost of shares of ID&E and the expenditure (net amount) due to the acquisition of ID&E are as follows:

(Yen in millions)

Total assets	233,019
(Other financial assets)	97,640
(Property and equipment)	59,772
Goodwill	7,528
Total liabilities	140,585
(Bonds and borrowings)	68,710
Non-controlling interests	15,846
Acquisition cost of ID&E	84,116
Fair value at the business combination date of ID&E shares held through consolidated subsidiaries immediately before the business combination	(294)
Cash and cash equivalents of ID&E	(21,151)
Expenditure (net amount) due to the acquisition of ID&E	62,671

Notes to Consolidated Financial Statements

FY2025(April 1, 2025 - March 31, 2026)

a. Riser Topco Ⅲ, LLC and its three subsidiary LLCs

The breakdown of assets and liabilities at the time of the commencement of consolidation due to the acquisition of interests of Riser Topco Ⅲ, LLC and its three subsidiary LLCs and the reconciliation between the acquisition cost of interests of Riser Topco Ⅲ, LLC and its three subsidiary LLCs and the expenditure (net amount) due to the acquisition of Riser Topco Ⅲ, LLC and its three subsidiary LLCs are as follows:

(Yen in millions)

Total assets	52,611
(Intangible assets)	43,929
(Other financial assets)	3,622
Goodwill	54,458
Total liabilities	4,240
(Other financial liabilities)	3,552
Acquisition cost of Riser Topco Ⅲ, LLC and its three subsidiary LLCs	102,829
Unpaid portion of acquisition cost	(6,893)
Cash and cash equivalents of Riser Topco Ⅲ, LLC and its three subsidiary LLCs	(2,107)
Expenditure (net amount) due to the acquisition of Riser Topco Ⅲ, LLC and its three subsidiary LLCs	93,828

b. CIH

The breakdown of assets and liabilities at the time of the commencement of consolidation due to the acquisition of shares of CIH and the reconciliation between the acquisition cost of shares of CIH and the expenditure (net amount) due to the acquisition of CIH are as follows:

(Yen in millions)

Total assets	109,725
(Intangible assets)	98,342
(Other financial assets)	5,574
Goodwill	71,832
Total liabilities	31,552
(Other liabilities)	3,370
(Deferred tax liabilities)	26,046
Acquisition cost of CIH	150,004
Unpaid portion of acquisition cost	(7,929)
Cash and cash equivalents of CIH	(4,740)
Expenditure (net amount) due to the acquisition of CIH	137,334

30. Major Subsidiaries

(1) Composition of the Group

The major subsidiaries of the Group as of the end of the current fiscal year are as follows:

Entity name	Location /Country of Incorporation	Ratio of Tokio Marine Holdings' voting rights[1] (%)	Ratio of Tokio Marine Holdings' subsidiaries' voting rights[2] (%)	Major business
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Tokyo, Japan	100	0	Japan P&C Insurance business
Nisshin Fire & Marine Insurance Co., Ltd.	Tokyo, Japan	100	0	Japan P&C Insurance business
Tokio Marine Direct Insurance Co., Ltd.	Tokyo, Japan	100	0	Japan P&C Insurance business
Tokio Marine & Nichido Life Insurance Co., Ltd.	Tokyo, Japan	100	0	Japan Life insurance business
Integrated Design & Engineering Holdings Co., Ltd.	Tokyo, Japan	100	0	Solution and other businesses
Tokio Marine North America, Inc.	Wilmington, Delaware, U.S.A.	0	100	International insurance business
Philadelphia Consolidated Holding Corp.	Bala Cynwyd, Pennsylvania, U.S.A.	0	100	International insurance business
Delphi Financial Group, Inc.	Wilmington, Delaware, U.S.A.	0	100	International insurance business
HCC Insurance Holdings, Inc.	Wilmington, Delaware, U.S.A.	0	100	International insurance business
Privilege Underwriters, Inc.	Wilmington, Delaware, U.S.A.	0	100	International insurance business
Tokio Marine Kiln Group Limited	London, U.K.	0	100	International insurance business
Tokio Marine Asia Pte. Ltd.	Singapore, Singapore	0	100	International insurance business
Tokio Marine Life Insurance Singapore Pte. Ltd.	Singapore, Singapore	0	99.7	International insurance business
Tokio Marine Seguradora S.A.	Sao Paulo, Brazil	0	98.6	International insurance business

(Notes) 1. The ratio of voting rights of said subsidiaries held by Tokio Marine Holdings to total voting rights
2. The ratio of voting rights of said subsidiaries held by Tokio Marine Holdings' subsidiaries to total voting rights
3. Tokio Marine Direct Insurance Co., Ltd. changed its name from E. design Insurance Co., Ltd. effective October 1, 2025.
4. Tokio Marine Life Insurance Singapore Pte. Ltd. changed its name from Tokio Marine Life Insurance Singapore Ltd. effective October 18, 2025.

(2) Significant restrictions on fund transfer

Insurance subsidiaries are subject to laws and regulations in their country of domicile and are typically supervised by the local regulatory authorities. Accordingly, transfers of funds may be restricted by dividend remittance regulation and other applicable regulations.

Notes to Consolidated Financial Statements

31. Structured Entities

The Group is involved with structured entities through investments in investment funds, securitized products, and loans, as well as through trust fees from investment trusts and fees under discretionary investment contracts earned by certain entities engaged in investment management and investment advisory services.

When the Group has control over these structured entities, they are consolidated as subsidiaries.

For involvement with non-consolidated structured entities that are not controlled by the Group, the carrying amounts of assets and liabilities recognized in the consolidated statement of financial position, as well as the maximum loss exposure, are as follows. The potential maximum loss exposure arising from such involvement is limited to the carrying amounts and the amounts of commitment contracts for additional investments.

During the reporting period, the Group did not provide financial or other support to these consolidated or non-consolidated structured entities without contractual obligations, nor does it intend to do so in the future.

(Yen in millions)

	As of April 1, 2024 (Transition date)		As of March 31, 2025		**As of March 31, 2026**	
	Carrying amount	Maximum loss exposure	Carrying amount	Maximum loss exposure	**Carrying amount**	**Maximum loss exposure**
Investment securities	3,633,321	3,633,321	4,094,633	4,094,633	**5,126,956**	**5,126,956**
Loans	1,719,315	1,719,315	1,403,037	1,403,037	**1,179,956**	**1,179,956**
Total assets	5,352,637	5,352,637	5,497,671	5,497,671	**6,306,912**	**6,306,912**
Other financial liabilities	6,893	—	37,777	—	**69,459**	**—**
Total liabilities	6,893	—	37,777	—	**69,459**	**—**
Commitment agreement for additional investment	—	335,624	—	290,296	**—**	**391,177**
Total maximum exposure to loss	—	5,688,262	—	5,787,967	**—**	**6,698,089**

32. Related parties

(1) Related party transactions

None.

(2) Remuneration of key management personnel

The components of remuneration of the Company's Directors and Audit & Supervisory Board Members are as follows:

(Yen in millions)

	FY2024 (April 1, 2024 - March 31, 2025)	**FY2025 (April 1, 2025 - March 31, 2026)**
Fixed and performance-based remuneration	805	**844**
Share-based payment	309	**330**
Total	1,114	**1,175**

33. Collateral

(1) Pledged collateral

Assets pledged as collateral are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Cash and cash equivalents	89,026	105,397	**111,064**
Investment securities	1,755,976	1,250,850	**1,501,254**
Loans	654,327	773,707	**1,057,557**
Property and equipment	—	9,181	**—**
Intangible assets	—	611	**—**
Other financial assets	88,365	44,944	**102,701**

(Note) The principal items among the above are the pledging of investment securities and loans as collateral in connection with the issuance of Funding Agreements to the FHLB, and the deposit of investment securities required for conducting insurance operations at Lloyd's.

Among the above, assets over which counterparties have free disposal rights are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Cash and cash equivalents	72	639	**25**
Investment securities	725,099	189,145	**219,583**
Other financial assets	52,515	9,181	**59,899**

(2) Assets accepted as collateral over which the Company has free disposal rights

The fair value of the assets that the Company has received as collateral and over which it has the right to freely dispose, including through sale or repledge, is as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Assets accepted as collateral (Note 1)	38,236	337,640	**98,305**
Of which, assets pledged as collateral for sale or repledge (Note 2)	23,420	10,097	**22,364**

(Notes) 1. The breakdown consists of commercial paper received through repurchase agreements and collateral received for derivatives.
2. All of these relate to collateral for derivatives, and there is an obligation to return them.

34. Purchase Commitments

The Group's commitments related to the acquisition of assets are as follows:

(Yen in millions)

	As of April 1, 2024 (Transition date)	As of March 31, 2025	**As of March 31, 2026**
Property and equipment	—	123,532	**164,781**

(Note) This mainly relates to the reconstruction of the head office building.

Notes to Consolidated Financial Statements

35. Contingencies

None.

36. Subsequent Events

(1) Disposition of Treasury stock by way of third-party allotment

On March 23, 2026, the Company's Board of Directors resolved to enter into a comprehensive strategic partnership (hereinafter referred to as the "Strategic Partnership") with National Indemnity Company (hereinafter referred to as "NICO"), the core reinsurance entity wholly owned by Berkshire Hathaway Inc. This Strategic Partnership is based upon Strategic Equity Investment in the Group, Collaboration in Reinsurance, and Strategic Collaboration in M&A with NICO.

To implement this Strategic Partnership, the Company's Board of Directors, at the same meeting, resolved to dispose of treasury stock to NICO by way of a third-party allotment, and the payment was completed on April 13, 2026.

To mitigate the dilutive impact resulting from the third-party allotment, the Company's Board of Directors also resolved on March 23, 2026, to repurchase its own shares in an amount of up to 287.4 billion yen during the period from April 2026 to September 2026. The proceeds from the third-party allotment are intended to be used to fund such share repurchase.

a. Disposition date
April 13, 2026
b. Number of shares disposed
48,207,200 shares of common stock
c. Price of disposition
5,962 yen per share
d. Total amount of disposition price
287,411,326,400 yen
e. Method of disposition
Disposition of Treasury stock by way of third-party allotment
f. Allottee
National Indemnity Company
g. Purpose of use
Repurchase of the Company's own shares to mitigate the dilutive impact resulting from the third-party allotment

(2) Share repurchases from the market

On May 20, 2026 the Company's Board of Directors resolved repurchases of its own shares, pursuant to Article 156 of the
Companies Act which is applicable in accordance with Article 165, Paragraph 3 of the Companies Act, as detailed below.

a. Reason for the repurchase of shares
The Company intends to repurchase its own shares in order to implement flexible financial policies.
b. Class of shares to be repurchased
Common stock of the Company
c. Aggregate number of shares to be repurchased
Up to 130,000,000 shares
d. Aggregate purchase price of shares
Up to 200 billion yen
e. Period in which repurchases may be made
From May 21, 2026, through December 23, 2026

37. Transition to IFRS

The Group adopts IFRS from the consolidated financial statements of the fiscal year ended March 31, 2026 onwards. The most recent consolidated financial statements prepared under Japanese GAAP are for the fiscal year ended March 31, 2025. The date of transition from Japanese GAAP to IFRS is April 1, 2024.

(1) Exemption provisions under IFRS 1

Under IFRS, companies adopting IFRS for the first time (hereinafter referred to as "first-time adopters") are, in principle, required to retrospectively apply the standards mandated by IFRS. However, IFRS 1 specifies certain mandatory exceptions and optional exemptions to the application of these standards. The impact of applying these provisions has been adjusted against retained earnings or other components of equity as of the transition date. The exemption provisions adopted by the Group during the transition from Japanese GAAP to IFRS are as follows:

a. Business combination
First-time adopters of IFRS are permitted to elect not to retrospectively apply IFRS 3 "Business Combinations" (hereinafter referred to as "IFRS 3") to business combinations that occurred before the transition date. The Group has applied this exemption and elected not to retrospectively apply IFRS 3 to business combinations that occurred before the transition date. Accordingly, the amount of goodwill arising from business combinations before the transition date is based on the book value under Japanese GAAP as of the transition date. Impairment test of goodwill was conducted as of the transition date, regardless of indications of impairment.

b. Share-based payment transactions
First-time adopters of IFRS are encouraged but not required to retrospectively apply IFRS 2 "Share-based Payment" (hereinafter referred to as "IFRS 2") to Equity-settled share-based payments that vested before the transition date. The Group has not retrospectively applied IFRS 2 to equity instruments that were granted and vested before the transition date.

c. Deemed cost
First-time adopters are permitted to use the fair value of property and equipment and investment property as deemed cost as of the transition date. The Group has used the fair value as of the transition date as deemed cost under IFRS for certain property and equipment and certain investment property.

d. Foreign currency translation adjustments
First-time adopters are permitted to elect to deem the cumulative foreign currency translation adjustments to be zero as of the transition date to IFRS. The Group has elected to deem the cumulative amount of foreign currency translation adjustments to be zero as of the transition date.

e. Leases
First-time adopters are permitted to determine whether a contract includes a lease as of the transition date. The Group has applied this exemption and determined whether contracts include a lease based on facts and circumstances existing as of the transition date.

f. Financial instruments
First-time adopters are permitted to designate financial assets as measured at fair value through profit or loss based on facts and circumstances existing at the transition date, and designate equity instruments as financial assets whose changes in fair value are measured through other comprehensive income. The Group has made judgments based on facts and circumstances existing at the transition date, designating some financial assets as measured at fair value through profit or loss and designating equity instruments, except for certain ones, as financial assets whose changes in fair value are measured through other comprehensive income.

Notes to Consolidated Financial Statements

g. Borrowing costs
First-time adopters are permitted to set the transition date as the commencement date for capitalizing borrowing costs related to qualifying assets. The Group has been capitalizing borrowing costs related to qualifying assets after the transition date.

(2) Reconciliation from Japanese GAAP to IFRS
The reconciliations required to be disclosed for the first-time adoption of IFRS are as follows. On the reconciliation table, "Reclassification of presentation" indicates items that do not affect retained earnings or comprehensive income, while "Differences in recognition and measurement" indicate items that affect retained earnings or comprehensive income.

a. Reconciliation of equity as of the transition date (April 1, 2024)

(Yen in millions)

Japanese GAAP items	Japanese GAAP	Reclassification	Differences in recognition and measurement	IFRS	Notes	IFRS items
Assets						Assets
Cash and bank deposits	896,898	212,074	218,757	1,327,730	(a)(e)	Cash and cash equivalents
Receivables under resale agreements	999	(999)	—	—	(a)	
Monetary receivables bought	2,326,324	(2,326,324)	—	—	(a)(b)	
Money trusts	7	(7)	—	—	(b)	
Securities	20,680,544	1,896,210	242,997	22,819,753	(a)(b)(c)(s)	Investment securities
	—	129,485	1,368	130,853	(c)	Investments accounted for using the equity method
Loans	2,817,606	(116,497)	102,634	2,803,743	(e)(s)(t)	Loans
Tangible fixed assets	399,579	(124,956)	(31,758)	242,864	(d)(u)	Property and equipment
	—	33,710	19,789	53,500	(d)(u)	Investment property
	—	51,891	74,094	125,986	(d)(v)	Right-of-use assets
Intangible fixed assets	1,150,669	—	44,131	1,194,800	(ab)	Intangible assets
Other assets	2,283,818	(765,785)	(1,360,648)	157,384	(a)(e)(f)(g)(t)	Other assets
	—	761,462	119,085	880,547	(e)	Other financial assets
	—	135,323	(13,048)	122,274	(f)	Derivative assets
	—	60,608	(22,008)	38,599	(g)	Income taxes receivable
Net defined benefit assets	4,757	—	(2,685)	2,072		Retirement benefit assets
Deferred tax assets	46,467	—	(2,296)	44,171	(w)	Deferred tax assets
Customers' liabilities under acceptances and guarantees	1,644	—	(1,644)	—		
Allowance for doubtful accounts	(14,449)	14,449	—	—		
	—	—	1,126,536	1,126,536	(t)	Reinsurance contract assets
	—	—	17,780	17,780	(t)	Insurance contract assets
	—	39,354	13,409	52,764	(d)	Assets held for sale
Total assets	30,594,869	—	546,495	31,141,365		Total assets

(Yen in millions)

Japanese GAAP items	Japanese GAAP	Reclassification	Differences in recognition and measurement	IFRS	Notes	IFRS items
Liabilities						Liabilities
Outstanding claims	4,739,831	—	(4,739,831)	—	(t)	
Underwriting reserves	17,291,343	(775,515)	(16,515,827)	—	(h)(t)	
	—	—	19,073,503	19,073,503	(t)	Insurance contract liabilities
	—	—	21,525	21,525	(t)	Reinsurance contract liabilities
	—	775,515	(31,346)	744,168	(h)	Investment contract liabilities
Corporate bonds	224,404	186,799	63,067	474,272	(i)	Bonds and borrowings
Payables under securities lending transactions	522,577	189,456	(59)	711,974	(j)	Repurchase agreements and other similar secured borrowings
Other liabilities	1,754,075	(1,064,796)	(422,837)	266,441	(f)(g)(i)(j)(k)(l)(m)(n)(t)	Other liabilities
	—	502,813	70,638	573,452	(l)(x)	Other financial liabilities
	—	180,973	(9,383)	171,589	(f)	Derivative liabilities
	—	23,354	20,830	44,185	(g)	Income taxes payable
	—	32,612	1,479	34,091	(m)	Provisions
	—	62,440	69,201	131,641	(n)(v)	Lease liabilities
Net defined benefit liabilities	236,623	—	2,234	238,858		Retirement benefit liabilities
Provision for employees' bonus	113,652	(113,652)	—	—	(k)	
Provision for share awards	3,455	—	(3,455)	—	(y)	
Reserves under special laws	140,250	—	(140,250)	—	(z)	
Deferred tax liabilities	378,830	—	746,813	1,125,644	(w)	Deferred tax liabilities
Negative goodwill	4,838	—	(4,838)	—		
Acceptances and guarantees	1,644	—	(1,644)	—		
Total liabilities	25,411,528	—	(1,800,180)	23,611,348		Total liabilities
Net assets						Equity
Share capital	150,000	—	—	150,000		Share capital
Retained earnings	2,378,790	—	3,455,652	5,834,442	(ac)	Retained earnings
Treasury stock	(14,167)	—	—	(14,167)		Treasury stock
Accumulated other comprehensive income	2,661,980	—	(1,120,369)	1,541,611	(s)(t)(aa)(ad)	Other components of equity
Stock acquisition rights	33	—	(33)	—	(y)	
Non-controlling interests	6,704	—	11,426	18,131		Non-controlling interests
Total net assets	5,183,341	—	2,346,676	7,530,017		Total equity
Total liabilities and net assets	30,594,869	—	546,495	31,141,365		Total liabilities and equity

Notes to Consolidated Financial Statements

b. Reconciliation of equity as of March 31, 2025

(Yen in millions)

Japanese GAAP items	Japanese GAAP	Reclassification	Differences in recognition and measurement	IFRS	Notes	IFRS items
Assets						Assets
Cash and bank deposits	1,071,138	712,009	156,659	1,939,807	(a)(e)	Cash and cash equivalents
Receivables under resale agreements	299,812	(299,812)	—	—	(a)	
Monetary receivables bought	3,051,927	(3,051,927)	—	—	(a)(b)	
Money trusts	7	(7)	—	—	(b)	
Securities	19,262,988	2,398,278	(892,045)	20,769,221	(a)(b)(c)(s)	Investment securities
	—	128,120	4,593	132,714	(c)	Investments accounted for using the equity method
Loans	3,140,328	(141,029)	(226,409)	2,772,889	(e)(s)(t)	Loans
Tangible fixed assets	562,056	(219,559)	(42,118)	300,379	(d)(u)	Property and equipment
	—	48,728	21,480	70,209	(d)(u)	Investment property
	—	56,921	68,731	125,652	(d)(v)	Right-of-use assets
Intangible fixed assets	1,158,132	—	44,085	1,202,218	(ab)	Intangible assets
Other assets	2,578,281	(759,246)	(1,625,729)	193,305	(a)(e)(f)(g)(t)	Other assets
	—	805,749	139,232	944,981	(e)	Other financial assets
	—	166,906	(4,652)	162,253	(f)	Derivative assets
	—	22,733	(6,198)	16,534	(g)	Income taxes receivable
Net defined benefit assets	16,967	—	(13,295)	3,672		Retirement benefit assets
Deferred tax assets	112,395	—	(73,141)	39,254	(w)	Deferred tax assets
Customers' liabilities under acceptances and guarantees	1,528	—	(1,528)	—		
Allowance for doubtful accounts	(18,225)	18,225	—	—		
	—	—	1,682,607	1,682,607	(t)	Reinsurance contract assets
	—	—	14,776	14,776	(t)	Insurance contract assets
	—	113,909	12,969	126,878	(d)	Assets held for sale
Total assets	31,237,340	—	(739,981)	30,497,359		Total assets

(Yen in millions)

Japanese GAAP items	Japanese GAAP	Reclassification	Differences in recognition and measurement	IFRS	Notes	IFRS items
Liabilities						Liabilities
Outstanding claims	5,411,597	—	(5,411,597)	—	(t)	
Underwriting reserves	17,767,189	(879,651)	(16,887,538)	—	(h)(t)	
	—	—	19,357,397	19,357,397	(t)	Insurance contract liabilities
	—	—	14,019	14,019	(t)	Reinsurance contract liabilities
	—	879,651	(10,629)	869,021	(h)	Investment contract liabilities
Corporate bonds	227,246	318,574	3,623	549,444	(i)	Bonds and borrowings
Payables under securities lending transactions	—	66,007	(2,493)	63,514	(j)	Repurchase agreements and other similar secured borrowings
Other liabilities	2,101,900	(1,299,859)	(479,575)	322,465	(f)(g)(i)(j)(k)(l)(m)(n)(t)	Other liabilities
	—	613,854	90,798	704,653	(l)(x)	Other financial liabilities
	—	137,062	3,246	140,309	(f)	Derivative liabilities
	—	193,586	17,502	211,088	(g)	Income taxes payable
	—	31,129	2,484	33,614	(m)	Provisions
	—	79,912	53,104	133,016	(n)(v)	Lease liabilities
Net defined benefit liabilities	223,866	—	1,306	225,172		Retirement benefit liabilities
Provision for employees' bonus	140,268	(140,268)	—	—	(k)	
Provision for share awards	3,622	—	(3,622)	—	(y)	
Reserves under special laws	150,455	—	(150,455)	—	(z)	
Deferred tax liabilities	103,089	—	657,882	760,971	(w)	Deferred tax liabilities
Negative goodwill	3,030	—	(3,030)	—		
Acceptances and guarantees	1,528	—	(1,528)	—		
Total liabilities	26,133,794	—	(2,749,104)	23,384,690		Total liabilities
Net assets						Equity
Share capital	150,000	—	—	150,000		Share capital
Retained earnings	2,925,599	—	3,445,265	6,370,865	(ac)	Retained earnings
Treasury stock	(53,643)	—	—	(53,643)		Treasury stock
Accumulated other comprehensive income	2,054,886	—	(1,437,053)	617,833	(s)(t)(aa)(ad)	Other components of equity
Non-controlling interests	26,702	—	911	27,613		Non-controlling interests
Total net assets	5,103,545	—	2,009,123	7,112,669		Total equity
Total liabilities and net assets	31,237,340	—	(739,981)	30,497,359		Total liabilities and equity

Notes to Consolidated Financial Statements

c. Reconciliation of net income for FY2024 (April 1, 2024 - March 31, 2025)

(Yen in millions)

Japanese GAAP items	Japanese GAAP	Reclassification	Differences in recognition and measurement	IFRS	Notes	IFRS items
Underwriting income	6,275,529	—	(6,275,529)	—	(t)	
Underwriting expenses	(4,993,332)	—	4,993,332	—	(t)	
	—	—	7,396,221	7,396,221	(t)	Insurance revenue
	—	—	(6,066,020)	(6,066,020)	(t)	Insurance service expenses
	—	—	(367,482)	(367,482)	(t)	Income or expenses from reinsurance contracts held
	1,282,196	—	(319,478)	962,718		Insurance service result
Investment income	1,988,646	(1,988,646)	—	—	(o)	
Investment expenses	(544,633)	544,633	—	—	(o)	
	—	915,928	(109,876)	806,051	(o)(s)	Interest income
	—	528,085	(714,248)	(186,163)	(o)(s)	Other investment gains and losses
	—	(60,612)	3,878	(56,733)	(p)	Investment expenses
	1,444,013	(60,612)	(820,246)	563,154		Investment gains and losses
	—	—	(598,713)	(598,713)	(t)	Insurance finance expenses (net)
	—	—	66,352	66,352	(t)	Reinsurance finance income (net)
	—	—	(532,360)	(532,360)		Insurance finance income or expenses
	1,444,013	(60,612)	(1,352,606)	30,794		Finance result
Operating and general administrative expenses	(1,401,394)	66,041	788,701	(546,651)	(p)(t)(ab)	Administrative expenses
Other ordinary income	175,938	(175,938)	—	—	(r)	
Other ordinary expenses	(40,747)	40,747	—	—	(q)(r)	
Extraordinary gains	10,354	(10,354)	—	—	(r)	
Extraordinary losses	(20,089)	20,089	—	—	(r)	
	—	(26,922)	(4,362)	(31,284)	(q)	Other finance expenses
	—	184,880	25,756	210,637	(r)	Other income
	—	(39,344)	1,921	(37,422)	(r)	Other expenses
	—	1,413	6,125	7,538		Gains and losses from investments accounted for using the equity method
Income before income taxes and non-controlling interests	1,450,272	—	(853,941)	596,330		Income before income taxes
Total income taxes	(396,529)	—	231,694	(164,834)		Income taxes
Net income	1,053,742	—	(622,247)	431,495		Net income
Net income attributable to:						Net income attributable to
Net income attributable to owners of the parent	1,055,276	—	(604,853)	450,423		Owners of the parent
Net income(loss) attributable to non-controlling interests	(1,533)	—	(17,393)	(18,927)		Non-controlling interests

d. Reconciliation of comprehensive income for FY2024(April 1, 2024 -March 31, 2025)

(Yen in millions)

Japanese GAAP items	Japanese GAAP	Reclassification	Differences in recognition and measurement	IFRS	Notes	IFRS items
Net income	1,053,742	—	(622,247)	431,495		Net income
Other comprehensive income						Other comprehensive income
						Items that will not be reclassified to profit or loss
Unrealized gains (losses) on available-for-sale securities	(1,059,002)	105,872	627,688	(325,441)	(s)	Investments in equity instruments
Remeasurements of defined benefit plans	9,100	—	(1,636)	7,464		Remeasurements of defined benefit plans
	—	—	(93)	(93)		Share of other comprehensive income of associates accounted for using the equity method
						Items that may be reclassified subsequently to profit or loss
	—	(105,872)	(214,409)	(320,281)	(s)	Investment in debt instruments
Unrealized gains (losses) on insurance liability of overseas subsidiaries	1,064	—	351,235	352,300	(t)	Changes in discount rate for insurance contracts
	—	—	(6,483)	(6,483)	(t)	Changes in discount rate for reinsurance contracts
Deferred gains (losses) on hedge transactions	(555)	—	6,433	5,877		Cash flow hedges
Foreign currency translation adjustments	444,462	—	(476,570)	(32,107)	(aa)	Foreign currency translation adjustments
Share of other comprehensive income of affiliates accounted for by the equity method	677	—	112	790		Share of other comprehensive income of associates accounted for using the equity method
Total other comprehensive income	(604,252)	—	286,278	(317,974)		Other comprehensive income
Total comprehensive income	449,490	—	(335,969)	113,521		Comprehensive income
						Comprehensive income attributable to
Comprehensive income attributable to owners of the parent	448,182	—	(321,202)	126,980		Owners of the parent
Comprehensive income attributable to non-controlling interests	1,307	—	(14,766)	(13,459)		Non-controlling interests

Notes to Consolidated Financial Statements

(3) Notes on reconciliation

a. Reclassification of presentation

(a) "Cash and cash equivalents"
Cash equivalents with maturities of three months or less included in "Monetary receivables bought", "Securities", and "Other assets", which were separately presented under Japanese GAAP, are reclassified as "Cash and cash equivalents" under IFRS. "Receivables under resale agreements" are also reclassified under IFRS as "Cash and cash equivalents."

(b) "Investment securities"
"Monetary receivables bought" and "Money trusts", which were separately presented under Japanese GAAP, are reclassified as "Investment securities" under IFRS.

(c) "Investments accounted for using the equity method"
Equity-method investments included in "Securities" under Japanese GAAP are presented separately as "Investments accounted for using the equity method" under IFRS.

(d) "Investment property," "Right-of-use assets," and "Assets held for sale"
Investment property, leased assets, and assets held for sale, which were included in "Tangible fixed assets" under Japanese GAAP, are separately presented under IFRS as "Investment property", "Right-of-use assets", and "Assets held for sale" respectively.

(e) "Other financial assets"
Deposits with maturities exceeding three months, which were previously classified as "Cash and bank deposits", certain assets included in "Loans", and accounts receivable or accrued income included in "Other assets" under Japanese GAAP are reclassified as "Other financial assets" under IFRS.

(f) "Derivative assets" and "Derivative liabilities"
"Derivative assets" and "Derivative liabilities", which were included in "Other assets" and "Other liabilities" under Japanese GAAP, are presented separately under IFRS.

(g) "Income taxes receivable" and "Income taxes payable"
"Income taxes receivable" and "Income taxes payable", which were included in "Other assets" and "Other liabilities" under Japanese GAAP, are presented separately under IFRS.

(h) "Investment contract liabilities"
"Investment contract liabilities" which were included in "Underwriting reserves" under Japanese GAAP, are presented separately under IFRS.

(i) "Bonds and borrowings"
Borrowings, which were included in "Other liabilities" under Japanese GAAP, are reclassified as "Bonds and borrowings" under IFRS.

(j) "Repurchase agreements and other similar secured borrowings"
Payables under repurchase agreements, which were included in "Other liabilities" under Japanese GAAP, are reclassified as "Repurchase agreements and other similar secured borrowings" under IFRS.

(k) "Other liabilities"
"Provision for employees' bonus", which was separately presented under Japanese GAAP, is reclassified as "Other liabilities" under IFRS.

(l) "Other financial liabilities"
Payables and accrued expenses, which were included in "Other liabilities" under Japanese GAAP, are reclassified as "Other financial liabilities" under IFRS.

(m)"Provisions"
"Provisions", which were included in "Other liabilities" under Japanese GAAP, are presented separately under IFRS.

(n) "Lease liabilities"
"Lease liabilities", which were included in "Other liabilities" under Japanese GAAP, are separately presented under IFRS.

(o) "Interest income" and "Other investment gains and losses"
"Investment income" under Japanese GAAP is reclassified into "Interest income" and "Other investment gains and losses" under IFRS. In addition, "Investment expenses" under Japanese GAAP are reclassified into "Other investment gains and losses" under IFRS.

(p) "Investment expenses"
"Investment expenses", which were included in "Operating and general administrative expenses" under Japanese GAAP, are separately presented under IFRS.

(q) "Other finance expenses"
Interest paid, which was included in "Other ordinary expenses" under Japanese GAAP, is reclassified into "Other finance expenses" under IFRS.

Notes to Consolidated Financial Statements

(r) "Other income" and "Other expenses"
Parts of "Other ordinary income" and "Extraordinary gains" under Japanese GAAP are reclassified into "Other income" under IFRS. Similarly, parts of "Other ordinary expenses" and "Extraordinary losses" under Japanese GAAP are reclassified into "Other expenses".

b. Differences in recognition and measurement
Under Japanese GAAP, the reporting periods of certain consolidated subsidiaries and associates with fiscal year-ends different from the Group are aligned with the Group's fiscal year-end under IFRS. In addition, non-consolidated subsidiaries that have no material impact on the consolidated financial statements under Japanese GAAP, as well as structured entities that are accounted for as financial instruments under Japanese GAAP based on the purpose of holding but are determined to be controlled by the Group, are included in the scope of consolidation under IFRS. These impacts are included in Differences in recognition and measurement.

(s) Classification and measurement of financial instruments
Under Japanese GAAP, securities are classified as trading securities, bonds held to maturity, bonds earmarked for underwriting reserves, investments in subsidiaries and associates, or available-for-sale securities. Bonds held to maturity and bonds earmarked for underwriting reserves are measured at amortized cost, while trading securities and available-for-sale securities are measured at fair value through profit or loss or through other comprehensive income. Under Japanese GAAP, loans and receivables are measured at amortized cost. On the other hand, under IFRS, financial assets are classified and measured as FVOCI (fair value through other comprehensive income), FVPL (fair value through profit or loss), or amortized cost based on the business model and the contractual cash flow characteristics.

・Investment securities (Equity instruments)
Under Japanese GAAP, gains and losses on the disposal of equity securities classified as available-for-sale securities, as well as impairment losses on such securities, are recognized in profit or loss. However, under IFRS, most of these equity securities are designated as financial assets at FVOCI, where changes in fair value are recognized in other comprehensive income. When the financial asset is derecognized, the cumulative amounts in other comprehensive income are transferred to retained earnings. In addition, under Japanese GAAP, unlisted equity securities are generally measured at acquisition costs, whereas under IFRS, they are measured at fair value.

・Investment securities (Debt instruments)
Under Japanese GAAP, bonds classified as bonds held to maturity and bonds earmarked for underwriting reserves are measured at amortized cost using the straight-line method. However, under IFRS, these are classified as financial assets at FVOCI and measured at fair value. Impairment losses were recognized under Japanese GAAP based on significant declines in market value, whereas IFRS recognizes expected credit losses due to significant increases in credit risk since initial recognition.

Under Japanese GAAP, bonds that were classified as available-for-sale securities were measured at fair value, with changes in fair value recognized in other comprehensive income. However, under IFRS, certain of these bonds are classified as financial assets at FVPL, and changes in fair value are recognized in profit or loss.

Under Japanese GAAP, monetary receivables bought were measured at fair value, with changes in fair value recognized in other comprehensive income. However, under IFRS, certain of these assets are classified as financial assets at FVPL, and changes in fair value are recognized in profit or loss.

Under Japanese GAAP, interest income on debt instruments that were classified as available-for-sale securities was recognized as "Interest and dividend income". However, under IFRS, interest income on such debt instruments classified as financial assets at FVPL is recognized as "Other investment gains and losses".

・Investment in funds such as investment trusts
Under Japanese GAAP, changes in fair value of investment trusts classified as available-for-sale securities are recognized as other comprehensive income, and Income or Loss is recognized from investments in partnerships based on the share of the net profit or loss obtained from the operations of the partnership. However, under IFRS, except for those classified as subsidiaries, they are classified as financial assets at FVPL and changes in fair value are recognized in profit or loss.
Under Japanese GAAP, interest income on debt instruments that were classified as available-for-sale securities was recognized as "Interest and dividend income". However, under IFRS, interest income on such debt instruments classified as financial assets at FVPL is recognized as "Other investment gains and losses".

(t) Insurance and reinsurance contracts
There are significant differences between the measurement and presentation methods under Japanese GAAP and IFRS. Therefore, all amounts recognized under Japanese GAAP are reversed, and the amounts under IFRS are newly recognized as "Differences in recognition and measurement."

Notes to Consolidated Financial Statements

・Classification and measurement
Under Japanese GAAP, domestic companies establish insurance liabilities in accordance with the Insurance Business Act and its Enforcement Regulations, and overseas subsidiaries do so based on Practical Solution No.18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc., for Consolidated Financial Statements," in accordance with IFRS or US GAAP. On the other hand, under IFRS, insurance contracts measured based on the significant accounting policies disclosed in "3. Significant Accounting Policies" are recognized as either assets or liabilities.

The measurement methods under Japanese GAAP and IFRS are generally similar for assets and liabilities for remaining coverage of contracts measured under PAA. However, there are major differences concerning assets and liabilities for incurred claims of contracts measured under PAA and assets and liabilities of contracts not measured under PAA, as outlined below:

- Under Japanese GAAP, discounting was not applied to insurance contract-related assets and liabilities, except for the majority of life insurance contracts and certain P&C insurance contracts. However, under IFRS, insurance contract assets and liabilities are, in principle, measured by reflecting the time value of money in estimated future cash flows.
- Under Japanese GAAP, risk adjustment were not explicitly considered in the measurement of insurance contract liabilities. However, under IFRS, insurance contract liabilities are measured by incorporating risk adjustment for non-financial risk.
- Under Japanese GAAP, unearned profit was not explicitly recognized. However, under IFRS, unearned profit is recognized as CSM.
- Under Japanese GAAP, measurement was generally based on assumptions estimated at contract inception. However, under IFRS, measurement is based on assumptions as of the reporting date.
- Under Japanese GAAP, primarily at domestic insurance companies, acquisition costs were not deducted from insurance contract liabilities and recognized as expenses when incurred. However, under IFRS, insurance acquisition cash flows are deducted from insurance contract liabilities. They are allocated in a systematic way over the coverage period, and insurance revenue and insurance service expenses are recognized accordingly.
- Under Japanese GAAP, policy loans were included in "Loans." However, under IFRS, policy loans are included in "Insurance contract assets" and "Insurance contract liabilities".
- Under Japanese GAAP, receivables and payables related to insurance contracts issued and reinsurance contracts held were included in "Other assets" or "Other liabilities." However, under IFRS, such balances are included in "Insurance contract assets," "Insurance contract liabilities," "Reinsurance contract assets," and "Reinsurance contract liabilities."
- Under Japanese GAAP, assets related to reinsurance contracts held were netted against outstanding claims or underwriting reserves. However, under IFRS, assets and liabilities related to reinsurance contracts held are presented separately as "Reinsurance contract assets" and "Reinsurance contract liabilities."

・Presentation of insurance revenue
Under Japanese GAAP, "Underwriting income" included premium written recognized when received from policyholders, as well as decreases in underwriting reserves and outstanding claims recognized as reversals. However, under IFRS, "Insurance revenue" includes revenue for services provided during the period and excludes investment components.

・Presentation of insurance service expenses
Under Japanese GAAP, "Underwriting expenses" included insurance claims recognized when paid, as well as increases in underwriting reserves and outstanding claims recognized as provisions. However, under IFRS, "Insurance service expenses" includes changes in incurred claims liabilities.

Under Japanese GAAP, both acquisition costs and maintenance expenses were recognized as expenses when incurred as part of "Underwriting expenses". However, under IFRS, insurance acquisition cash flows are allocated over the coverage period and recognized as expenses, and investment components are excluded from "Insurance service expenses".

・Presentation of reinsurance income or expenses
Under Japanese GAAP, income or expenses related to reinsurance contracts held were presented on a net basis together with those related to insurance contracts issued. However, under IFRS, such income or expenses are presented separately as "Income or expenses from reinsurance contracts held".

・Presentation of insurance finance income or expenses and changes in discount rates
Under Japanese GAAP, interest arising from insurance contract liabilities was included in "Underwriting income" or "Underwriting expenses". However, under IFRS, such interest is included in "Insurance finance income or expenses", and the effects of changes in discount rates are recognized as "Changes in discount rate for (re)insurance contracts" in other comprehensive income.

Notes to Consolidated Financial Statements

(u) Deemed cost
For certain property and equipment and certain investment properties, the Group applies the exemption provision to use the fair value as of the transition date as deemed cost. The book value under Japanese GAAP as of the transition date for these property and equipment and investment properties was 144,517 million yen, and the fair value was 100,367 million yen (88,355 million yen for property and equipment and 12,012 million yen for investment properties).

(v) Right-of-use assets and lease liabilities
For lease contracts of buildings and other assets which are accounted for as leases under Japanese GAAP that transfer the right to control the use of identified assets over a certain period in exchange for consideration, the Group recognizes right-of-use assets and lease liabilities under IFRS, as these contracts are determined to be leases or to include leases.

(w)Deferred tax assets and deferred tax liabilities
Due to the temporary differences arising from adjustments from Japanese GAAP to IFRS, the amounts of deferred tax assets and deferred tax liabilities were adjusted accordingly.

(x) Non-controlling interests classified as liabilities
For investment trusts that are consolidated under IFRS, non-controlling interests are recognized as liabilities and included in "Other financial liabilities".

(y) Share-based payment transactions
Under Japanese GAAP, the share-based payment presented as "Provision for share awards" and stock options presented as "Stock acquisition rights" were measured at the expected amount of obligation. However, under IFRS, equity-settled share-based payments are measured at the fair value on the grant date of equity instruments.

(z) Reserves under special laws
Under Japanese GAAP, a "Reserve for price fluctuation" is recorded based on the provisions of the Insurance Business Act to prepare for losses due to fluctuations in the prices of stocks and other securities. Under IFRS, the "Reserve for price fluctuation" is not recorded because it does not meet the definition of liabilities under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

(aa) Cumulative foreign currency translation adjustments
At the time of first-time adoption, the exemption provisions stipulated in IFRS 1 were applied, and all the cumulative foreign currency translation adjustments as of the transition date were transferred to retained earnings.

(ab) Goodwill
Under Japanese GAAP, goodwill was amortized using the straight-line method. However, under IFRS, amortization was discontinued after the transition date, and impairment test has been conducted.

(ac) Reconciliation of retained earnings

(Yen in millions)

	As of April 1, 2024 (Transition date)	**As of March 31, 2025**
Unification of reporting periods	103,409	**86,773**
Change in scope of consolidation	292,770	**310,139**
Financial instruments	(16,525)	**(15,485)**
Insurance contracts and reinsurance contracts	2,919,569	**2,687,165**
Reserves under special laws	140,250	**150,455**
Cumulative foreign currency translation adjustments	931,570	**931,570**
Goodwill	—	**89,893**
Others	(34,932)	**38,732**
Tax effects	(880,460)	**(833,981)**
Total	3,455,652	**3,445,265**

(ad) Reconciliation of other components of equity

(Yen in millions)

	As of April 1, 2024 (Transition date)	**As of March 31, 2025**
Unification of reporting periods	144,799	**(138,831)**
Change in scope of consolidation	(58,006)	**(60,793)**
Financial instruments	(503,212)	**(809,552)**
Insurance contracts and reinsurance contracts	227,206	**587,382**
Cumulative foreign currency translation adjustments	(931,570)	**(1,006,652)**
Others	414	**(8,605)**
Total	(1,120,369)	**(1,437,053)**

(4) Reconciliation of cash flows
In the consolidated statement of cash flows disclosed under Japanese GAAP, cash flows related to asset management, such as "Purchases of securities" and "Proceeds from sales and redemption of securities," are classified as cash flows from investing activities. On the other hand, in the consolidated statement of cash flows disclosed under IFRS, they are classified as cash flows from operating activities.

Assets under the Insurance Business Acts

The total amount of bankrupt or de facto bankrupt assets, doubtful assets, loans past due for three months or more, and restructured loans among the assets under the Insurance Business Acts are as follows:

(Yen in millions)

	As of March 31, 2025	**As of March 31, 2026**
Bankrupt or de facto bankrupt assets	6,610	**5,749**
Doubtful assets	375,287	**350,517**
Loans past due for three months or more	0	**0**
Restructured loans	34,787	**46,843**
Total	416,676	**403,111**

(Note) Bankrupt or de facto bankrupt assets are receivables from any debtor who has become insolvent due to the commencement of bankruptcy proceedings, reorganization proceedings or rehabilitation proceedings and receivables equivalent to them.

Doubtful assets are receivables from any debtor who has not become insolvent, but which the principal or interest according to the contract are unlikely to be collected due to deterioration in the financial condition and business performance of the debtor. Assets classified as bankrupt or de facto bankrupt assets are excluded.

Loans past due for three months or more are defined as loans on which any principal or interest payments are delayed for three months or more from the date following the due date. Loans classified as bankrupt or de facto bankrupt assets and doubtful assets are excluded.

Restructured loans are loans on which concessions (e.g. reduction of the stated interest rate, deferral of interest payment, extension of the maturity date, forgiveness of debt) are granted to borrowers in financial difficulties to assist them in their corporate restructuring or financial recovery by improving their ability to repay creditors. Restructured loans do not include loans classified as bankrupt or de facto bankrupt assets, doubtful assets, or loans past due for three months or more.

Solvency Margin Ratio

Sufficiency of solvency of insurance holding company and its subsidiaries, etc. to fulfill payment obligations such as insurance claims

Tokio Marine Holdings' solvency margin ratio (consolidated)

* Due to the application of transitional measures in the first year of the new regulatory framework, the solvency margin ratio (consolidated) for fiscal year 2025 will be disclosed by the end of October 2026.

Sufficiency of solvency of major domestic insurance subsidiaries to fulfill payment obligations such as insurance claims

Solvency margin ratio (non-consolidated) for Tokio Marine & Nichido Fire Insurance Co., Ltd.

Solvency margin ratio (non-consolidated) for Nisshin Fire & Marine Insurance Co., Ltd.

Solvency margin ratio (non-consolidated) for Tokio Marine Direct Insurance Co., Ltd.

Solvency margin ratio (non-consolidated) for Tokio Marine & Nichido Life Insurance Co., Ltd.

* Due to the application of transitional measures in the first year of the new regulatory framework, the solvency margin ratio for insurance company (non-consolidated) for fiscal year 2025 will be disclosed by the end of October 2026.

Solvency Margin Ratio

Sufficiency of solvency of domestic SAST subsidiaries to fulfill payment obligations such as insurance claims

Solvency margin ratio (non-consolidated) for Tokio Marine Millea SAST Insurance Co., Ltd.

(Yen in millions)

	As of March 31, 2026	As of March 31, 2025
(A) Total amount of solvency margin	**1,957**	1,904
Total net assets excluding deferred assets, etc.	**1,743**	1,712
Reserve for price fluctuation	—	—
Catastrophe loss reserve	**14**	12
General allowance for doubtful accounts	—	—
Unrealized gains (losses) on available-for-sale securities before tax effect deductions	—	—
Unrealized gains (losses) on land	—	—
Part of reserve for dividends to policyholders excluding dividends for following period	—	—
Future profit	—	—
Tax effect	**200**	179
Subordinated debt, etc.	—	—
Deductions	—	—
(B) Total amount of risks $\sqrt{R_1^2+R_2^2}+R_3+R_4$	**104**	105
Insurance risk	**30**	31
General insurance risk (R_1)	**5**	5
Catastrophe risk (R_4)	**24**	25
Asset management risk (R_2)	**77**	76
Business administration risk (R_3)	**2**	2
(C) Solvency margin ratio [(A)/{(B) × 1/2}] × 100	**3,760.2%**	3,626.3%

Note: The above figures are calculated in accordance with Article 211-59 and 211-60 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 14 issued by the Financial Services Agency in 2006.

Solvency margin ratio for Small Amount and Short Term (SAST) insurance companies (non-consolidated)

1. SAST insurance companies maintain reserves to cover claims payments and other obligations arising from insured events. SAST insurance companies are also required to maintain sufficient solvency in order to cover risks that exceed normal estimates, e.g. occurrences of a major catastrophe, a significant decline in value of assets held by SAST insurance companies.

2. (C) Solvency margin ratio is the ratio of (A) Total amount of solvency margin (i.e. solvency of SAST insurance companies in terms of their capital, reserves, etc.) to (B) Total amount of risks (i.e. risks that exceed normal estimates), which is calculated in accordance with the Insurance Business Act.

3. "Risks that exceed normal estimates" is composed of risks described below.
   (1) (General) insurance risk: risk that insurance claims occur in excess of normal estimates excluding catastrophe risk.
   (2) Asset management risk: risk that prices of retained securities and other assets fluctuate in excess of normal estimates.
   (3) Business administration risk: risk that occurs in excess of normal estimates and does not fall under other categories.
   (4) Catastrophe risk: risk that a major catastrophe in excess of normal estimates which is equivalent to the Great Kanto Earthquake or Isewan typhoon occurs.

4. Solvency of SAST insurance companies in terms of their capital, reserves, etc. ((A) Total amount of solvency margin) is the total amount of net assets, certain reserves (e.g. reserve for price fluctuation, catastrophe loss reserve, etc.) and part of unrealized gains (losses) on land, etc.

5. Solvency margin ratio for SAST insurance companies is one of the objective indicators used by the regulators to supervise SAST insurance companies. A ratio exceeding 200% indicates sufficient solvency to fulfill payment obligations such as insurance claims.

Solvency Margin Ratio

Sufficiency of solvency of domestic SAST subsidiaries to fulfill payment obligations such as insurance claims

Solvency margin ratio (non-consolidated) for Tokio Marine West SAST Insurance Co., Ltd.

(Yen in millions)

	As of March 31, 2026	As of March 31, 2025
(A) Total amount of solvency margin	**4,484**	3,833
Total net assets excluding deferred assets, etc.	**3,268**	2,838
Reserve for price fluctuation	—	—
Catastrophe loss reserve	**11**	10
General allowance for doubtful accounts	—	—
Unrealized gains (losses) on available-for-sale securities before tax effect deductions	—	—
Unrealized gains (losses) on land	—	—
Part of reserve for dividends to policyholders excluding dividends for following period	—	—
Future profit	—	—
Tax effect	**1,205**	984
Subordinated debt, etc.	—	—
Deductions	—	—
(B) Total amount of risks $\sqrt{R_1^2+R_2^2}+R_3+R_4$	**105**	107
Insurance risk	**25**	26
General insurance risk (R_1)	**4**	4
Catastrophe risk (R_4)	**20**	21
Asset management risk (R_2)	**82**	83
Business administration risk (R_3)	**2**	2
(C) Solvency margin ratio [(A)/{(B) × 1/2}] × 100	**8,520.7%**	7,115.5%

Note: The above figures are calculated in accordance with Article 211-59 and 211-60 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 14 issued by the Financial Services Agency in 2006.

Solvency margin ratio (non-consolidated) for Tokio Marine X SAST Insurance Co., Ltd.

(Yen in millions)

	As of March 31, 2026	As of March 31, 2025
(A) Total amount of solvency margin	**769**	253
Total net assets excluding deferred assets, etc.	**768**	252
Reserve for price fluctuation	—	—
Catastrophe loss reserve	**1**	0
General allowance for doubtful accounts	—	—
Unrealized gains (losses) on available-for-sale securities before tax effect deductions	—	—
Unrealized gains (losses) on land	—	—
Part of reserve for dividends to policyholders excluding dividends for following period	—	—
Future profit	—	—
Tax effect	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
(B) Total amount of risks $\sqrt{R_1^2+R_2^2}+R_3+R_4$	**30**	19
Insurance risk	**9**	5
General insurance risk (R_1)	**2**	0
Catastrophe risk (R_4)	**6**	4
Asset management risk (R_2)	**23**	13
Business administration risk (R_3)	**0**	0
(C) Solvency margin ratio [(A)/{(B) × 1/2}] × 100	**5,020.9%**	2,617.9%

Note: The above figures are calculated in accordance with Article 211-59 and 211-60 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 14 issued by the Financial Services Agency in 2006.

Solvency Margin Ratio

Sufficiency of solvency of domestic SAST subsidiaries to fulfill payment obligations such as insurance claims

Solvency margin ratio (non-consolidated) for Tokio Marine Trust SAST Insurance Co., Ltd.

(Yen in millions)

	As of March 31, 2026	As of March 31, 2025
(A) Total amount of solvency margin	**27**	47
Total net assets excluding deferred assets, etc.	**24**	45
Reserve for price fluctuation	—	—
Catastrophe loss reserve	**3**	2
General allowance for doubtful accounts	—	—
Unrealized gains (losses) on available-for-sale securities before tax effect deductions	—	—
Unrealized gains (losses) on land	—	—
Part of reserve for dividends to policyholders excluding dividends for following period	—	—
Future profit	—	—
Tax effect	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
(B) Total amount of risks $\sqrt{R_1^2+R_2^2}+R_3+R_4$	**9**	13
Insurance risk	**5**	8
General insurance risk (R_1)	**1**	1
Catastrophe risk (R_4)	**3**	6
Asset management risk (R_2)	**5**	6
Business administration risk (R_3)	**0**	0
(C) Solvency margin ratio [(A)/{(B) × 1/2}] × 100	**565.7%**	695.1%

Note: The above figures are calculated in accordance with Article 211-59 and 211-60 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 14 issued by the Financial Services Agency in 2006.

Solvency margin ratio (non-consolidated) for Japan Wide SAST Insurance Co., Ltd.

(Yen in millions)

	As of March 31, 2026	As of March 31, 2025
(A) Total amount of solvency margin	**112**	101
Total net assets excluding deferred assets, etc.	**105**	95
Reserve for price fluctuation	—	—
Catastrophe loss reserve	**6**	5
General allowance for doubtful accounts	—	—
Unrealized gains (losses) on available-for-sale securities before tax effect deductions	—	—
Unrealized gains (losses) on land	—	—
Part of reserve for dividends to policyholders excluding dividends for following period	—	—
Future profit	—	—
Tax effect	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
(B) Total amount of risks $\sqrt{R_1^2+R_2^2}+R_3+R_4$	**13**	8
Insurance risk	**11**	5
General insurance risk (R_1)	**3**	3
Catastrophe risk (R_4)	**7**	2
Asset management risk (R_2)	**4**	5
Business administration risk (R_3)	**0**	0
(C) Solvency margin ratio [(A)/{(B) × 1/2}] × 100	**1,605.5%**	2,300.1%

Note: The above figures are calculated in accordance with Article 211-59 and 211-60 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 14 issued by the Financial Services Agency in 2006.

EV (economic-value based Embedded Value)
Tokio Marine & Nichido Life Insurance Co., Ltd. (TMNL)

About MCEV

The current Japanese financial accounting standards are conservative and have the limitation that the profits generated from life insurance business are generally undervalued shortly after underwriting contracts in terms of performance evaluation.

Embedded value is calculated as the total of the "adjusted net worth" and the "value of in-force." Embedded value is designed to address the limitations of the financial accounting standards in order to facilitate an appropriate evaluation of value and improve performance assessment, reflecting the actual business performance.

While there have been various methodologies for calculating Embedded value, the European Insurance CFO Forum released its MCEV Principles, the European Insurance CFO Forum Market Consistent Embedded Value Principles, in June 2008, to enhance the consistency of valuation standards and unify the standards for disclosures. TMNL has reported its EV in compliance with the MCEV Principles to enhance the disclosure since the fiscal year ended March 31, 2015.

In light of the Tokio Marine Group's adoption of IFRS (International Financial Reporting Standards) as of March 31, 2026, TMNL reports its economic-value based Embedded Value (referred to as "EV" hereinafter). The approach to assumptions and calculation methods used for EV broadly remains unchanged from those applied under MCEV Principles.

EV (economic-value based Embedded Value)
Tokio Marine & Nichido Life Insurance Co., Ltd. (TMNL)

EV as of March 31, 2026

1. EV as of March 31, 2026

(※) Results for periods prior to the previous fiscal year-end are presented on an MCEV basis.
EV as of March 31, 2026 decreased by 30.0 billion yen from EV as of March 31, 2025 (after deduction of shareholder dividends), which was 1,298.4 billion yen, to 1,268.4 billion yen. The EV consists of (816.0) billion yen of adjusted net worth and 2,084.4 billion yen of value of in-force.
As interest rates rose during the fiscal year, the value of in-force business increased significantly, while adjusted net worth became more negative due to increased unrealized losses on bonds. While adjusted net worth decreased, TMNL appropriately controls interest rate risk on an economic value basis. Accordingly, the increase in the value of in-force largely offset the decrease in adjusted net worth, causing no problem with financial soundness.
(*) No shareholder dividends were paid during FY2025.

(Billions of yen)

	FY2025	FY2024	FY2023
Adjusted net worth	**(816.0)**	(695.8)	(340.1)
Value of in-force	**2,084.4**	1,994.3	1,614.1
EV at fiscal year-end	**1,268.4**	1,298.4	1,273.9
New business value	**35.4**	48.5	64.8

2. Change in EV

The change in EV for FY2025 (before dividends paid) was (30.0) billion yen, which was a decrease of 80.6 billion yen compared with FY2024. This was primarily due to a significant decline in Economic variances, mainly reflecting changes in Japanese interest rates, although Other variances increased as a result of the continued execution of coinsurance-type reinsurance transactions (*), as in the previous fiscal year (For detail on the chages, refer to “Reconciliation analysis of EV from the end of FY2024”.)
(*) Coinsurance-type reinsurance transactions transfer a portion of the profits, losses and risks associated with certain in-force life insurance policies to a reinsurer. These transactions do not result in any changes to the terms and conditions of the insurance policies or the relationship with policyholders.

(Billions of yen)

	FY2025	FY2024
Change in MCEV (Before dividends paid)	**(30.0)**	50.6
(Reference) Change in MCEV (Before dividends paid and excluding economic variances)	**104.6**	122.0

EV (economic-value based Embedded Value)
Tokio Marine & Nichido Life Insurance Co., Ltd. (TMNL)

Reconciliation analysis of EV from the end of FY 2024

The table below shows the reconciliation analysis of EV as of March 31, 2026 with MCEV as of March 31, 2025.

(Billions of yen)

	EV
Opening EV (EV as of March 31, 2025)	1,298.4
(1) Dividends paid	—
Adjusted opening EV (EV as of March 31, 2025)	1,298.4
(2) New business value	35.4
(3) Expected existing business contribution	29.8
(4) Actuarial experience variances	(15.8)
(5) Actuarial assumption changes	(47.9)
(6) Other variances	103.1
(7) Operating EV earnings ((2)–(6))	104.6
(8) Economic variances	(134.6)
Total EV earnings (before dividends paid)	(30.0)
Closing EV (EV as of March 31, 2026)	1,268.4

Sensitivity analysis

The impacts of changing specified assumptions underlying EV are as follows.

(Billions of yen)

Assumption	Change in assumption	Change in amount
Base case: EV at the end of March, 2026	—	1,268.4
(1) Interest rates	50bp decrease	31.7
	50bp increase	(44.1)
(2) Stock/Real estate market values	10% decrease	(5.2)
(3) Interest swaption implied volatility	25% increase	(28.6)
(4) Maintenance expenses	10% decrease	26.0
(5) Surrender and lapse rates	×1.1	(40.0)
(6) Mortality rates	Death protection products: ×0.95	13.9
	A&H products and annuity products: ×0.95	(5.1)
(7) Morbidity rates	×0.95	36.4
(8) Foreign exchange rates	10% appreciation of JPY	0.1

EV (economic-value based Embedded Value)
Tokio Marine & Nichido Life Insurance Co., Ltd. (TMNL)

Assumptions

1. Risk-free rates

We have used government bond yields as of the end of March 2026 as risk free rates. JPY forward rates in the 41st year and thereafter are set to the 40-year spot rate adjusted based on historical interest rate movements. We have adjusted and used Bloomberg's government bond yields as our data source. The government bond yields (spot rates) for key terms are shown below. No liquidity premium has been added to the risk-free rates.

JPY

Term	End of March 2026	End of March 2025
1 year	**1.15%**	0.65%
5 years	**1.83%**	1.11%
10 years	**2.43%**	1.52%
20 years	**3.44%**	2.29%
30 years	**3.92%**	2.62%
40 years	**3.83%**	2.79%
50 years	**3.91%**	2.87%

EV (economic-value based Embedded Value)
Tokio Marine & Nichido Life Insurance Co., Ltd. (TMNL)

2. Other assumptions

Assumptions	Development methods
Mortality and morbidity rates	Mortality and morbidity rates are developed based on claim experience of the latest 3 years, in principle by type of protection, policy year, attained age and other attributes. The temporary effects of the spread of the new coronavirus infection are excluded from the morbidity rates. We have reflected improvement trends for mortality rates and improvement trends or deteriorating trends for A&H morbidity rates of some benefits. The projection period for which these trends are reflected is limited to 5 years.
Surrender & lapse rates	Surrender & lapse rates are developed based on experience of the latest 1-3 years, in principle by line of business, premium mode and policy year.
Renewal rates	Renewal rates are developed based on past experience. Here, policies for which renewals are projected are A&H products, whose impact is large due to a large number of limited term in-force policies. For the sake of simplicity, we have not reflected future renewals for some riders.
Operating expense rates	Operating expense rates are developed from the expense forecast of latest fiscal year based on the ratio (unit cost) of overall operating expenditures to the policy count or the premium separately for acquisition and maintenance expenses. Some of the operating expense rates were adjusted by removing one-off costs which are not ordinarily expected to be incurred in future periods.
Effective tax rate	It is set as follows: 28.9%
Consumption tax rate	It is set as follows: 10%
Inflation rate	With reference to the break-even inflation rate from the most recently issued inflation index-linked government bond, inflation rates are set as follows: Projection year 1 - 10: 1.792% Projection year 11 - 20: linear interpolation of year 10 and year 21 Projection year 21 and onwards: 1.810%
Policyholder dividend	For products with interest dividends paid in every 5 years, interest dividends are set based on the interest rate level in future periods, using the method consistent with the one applied to determine the most recent dividend rates.
Reinsurance	We have designated reinsurance premium as an expense and reinsurance benefits and others as income in the projections, because we cede mortality risks on death protection insurance products, A&H risks on A&H products and part of the minimum guarantee risks of the variable products. The reinsurance premium and the level of reinsurance benefits are set based on reinsurance treaty provisions. The same applies to the coinsurance-type reinsurance transactions that have been executed for the purpose of diversification of risk control measures.

Caveats

Embedded values are calculated using various assumptions about the drivers of future results and the risks and uncertainties inherent in those results; future experience may deviate, possibly materially, from that underlying the forecasts used in the EV calculation. Also, the actual market value is determined as a result of informed judgments of investors and may differ materially from an embedded value. As such, embedded values should be used with sufficient caution.

Corporate Overview

Tokio Marine Holdings and Its Subsidiaries

Description of Business

The Group has a network in 55 countries and regions worldwide, where it operates its Japan P&C insurance business, Japan Life insurance business, International insurance business, and Solution and other businesses.

In addition, Tokio Marine Holdings is a specified listed company. Due to the specified listed company designation, the de minimis standard for insider trading regulations is determined on a consolidated basis.

The following is a diagram of businesses as of March 31, 2026.

Business Diagram

Note: ◎indicates consolidated subsidiaries; △indicates equity-method affiliates

Tokio Marine Holdings, Inc.

Japan P&C insurance business

- ◎ Tokio Marine & Nichido Fire Insurance Co., Ltd.
- ◎ Nisshin Fire & Marine Insurance Co., Ltd.
- ◎ Tokio Marine Direct Insurance Co., Ltd.

Japan Life insurance business

- ◎ Tokio Marine & Nichido Life Insurance Co., Ltd.

International insurance business

- ◎ Tokio Marine North America, Inc.
- ◎ Philadelphia Consolidated Holding Corp.
- ◎ Delphi Financial Group, Inc.
- ◎ HCC Insurance Holdings, Inc.
- ◎ Privilege Underwriters, Inc.
- ◎ Tokio Marine Kiln Group Limited
- ◎ Tokio Marine Asia Pte. Ltd.
- ◎ Tokio Marine Life Insurance Singapore Pte. Ltd.
- ◎ Tokio Marine Seguradora S.A.
- △ IFFCO-TOKIO General Insurance Company Limited

Solution and other businesses

- ◎ Integrated Design & Engineering Holdings Co., Ltd.

1 Tokio Marine Direct Insurance Co., Ltd. changed its name from E.design Insurance Co., Ltd. effective October 1, 2025.
2 Tokio Marine Life Insurance Singapore Pte. Ltd. changed its name from Tokio Marine Life Insurance Singapore Ltd. effective October 18, 2025.

Corporate Overview

Major Subsidiaries

(As of March 31, 2026)

Company name	Date of incorporation	Paid-in capital	Ratio of Tokio Marine Holdings' voting rights[1] (%)	Ratio of Tokio Marine Holdings' subsidiaries' voting rights[2] (%)	Location	Major business
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Mar. 20, 1944[3]	JPY101,994 million	100		Chiyoda-ku, Tokyo	Japan P&C insurance business
Nisshin Fire & Marine Insurance Co., Ltd.	June 10, 1908	JPY10,194 million	100		Chiyoda-ku, Tokyo	Japan P&C insurance business
Tokio Marine Direct Insurance Co., Ltd.	Jan. 26, 2009	JPY42,303 million	100		Shinjuku-ku, Tokyo	Japan P&C insurance business
Tokio Marine & Nichido Life Insurance Co., Ltd.	Aug. 6, 1996	JPY55,000 million	100		Chiyoda-ku, Tokyo	Japan Life insurance business
Integrated Design & Engineering Holdings Co., Ltd.	July 3, 2023	JPY7,553 million	100		Chiyoda-ku, Tokyo	Solution and other businesses
Tokio Marine North America, Inc.	June 29, 2011	USD0 thousand		100	Wilmington, Delaware, U.S.A.	International insurance business
Philadelphia Consolidated Holding Corp.	July 6, 1981	USD1 thousand		100	Bala Cynwyd, Pennsylvania, U.S.A.	International insurance business
Delphi Financial Group, Inc.	May 27, 1987	USD1 thousand		100	Wilmington, Delaware, U.S.A.	International insurance business
HCC Insurance Holdings, Inc.	Mar. 27, 1991	USD1 thousand		100	Wilmington, Delaware, U.S.A.	International insurance business
Privilege Underwriters, Inc.	Jan. 5, 2006	USD0 thousand		100	Wilmington, Delaware, U.S.A.	International insurance business
Tokio Marine Kiln Group Limited	July 11, 1994	GBP1,010 thousand		100	London, U.K.	International insurance business
Tokio Marine Asia Pte. Ltd.	Mar. 12, 1992	SGD1,250,971 thousand THB542,000 thousand ZAR3,550,000 thousand		100	Singapore, Singapore	International insurance business
Tokio Marine Life Insurance Singapore Pte. Ltd.	May 21, 1948	SGD1,800,451 thousand		99.7	Singapore, Singapore	International insurance business
Tokio Marine Seguradora S.A.	June 23, 1937	BRL3,205,213 thousand		98.6	Sao Paulo, Brazil	International insurance business
Affiliate accounted for by the equity method						
IFFCO-TOKIO General Insurance Company Limited	Sept. 8, 2000	INR2,878,185 thousand		49.0	New Delhi, India	International insurance business

1 The ratio of voting rights of said subsidiaries held by Tokio Marine Holdings to total voting rights
2 The ratio of voting rights of said subsidiaries held by Tokio Marine Holdings' subsidiaries to total voting rights
3 Founded on August 1, 1879

Corporate Overview

Worldwide Network of Tokio Marine Group

(As of March 31, 2026)

The Group has overseas bases in 55 countries and regions worldwide, and has built a structure that can respond to the diverse needs of customers in each country, beginning with companies setting up overseas operations, as well as overseas travelers. Local subsidiaries and other entities of our group leverage their unique characteristics to provide a variety of solutions.

*The listings for "Tokio Marine & Nichido (city name)" and "Nippon Koei (city name)" on this map indicate the cities where employees are dispatched/representative and liaison offices, branches, and underwriting agents.

North America

United States
- Tokio Marine & Nichido (New York and others)
- Tokio Marine North America,Inc (New York and others)
- TMNA Sevices,LLC (New York and others)
- Tokio Marine America Insurance Company (New York and others)
- Tokio Marine Asset Manenagement (USA),Ltd. (New York)
- TM Claims Sevices,Inc. (New York and others)
- First Insurance Company of Hawaii,Ltd (Honolulu)
- Philadelphia Consolidated Holding Corp. (Bala Cynwyd and others)
- Delphi Financial Group,Inc (New York)
- Reliance Standard Life Insurance Company (Philadelphia and others)
- Safety National Casualty Corporation (St. Louis and others)
- HCC Insurance Holdings, Inc. [TMHCC] (Houston and others)
- Privilege Underwriters,inc[PURE] (White Plains and others)

Canada
- Tokio Marine & Nichido (Toronto and others)
- Tokio Marine Canada Ltd. (Toronto)
- Quadrangle Architects Limited (Toronto)

Central & South America

Mexico
- Tokio Marine & Nichido (Mexico City)
- Tokio Marine HCC Mexico Compania Afianzadora,S.A.de C.V. (Mexico City and others)
- Tokio Marine Compania de Seguros,S.A.de C.V[TMX] (Mexico City and others)

Panama
- NIPPON KOEI LAC,INC. (Panama City)

Peru
- BDP Holdings Limited (Lima)

Brazil
- Tokio Marine & Nichido (São Paulo)
- Tokio Marine Seguradora S.A. (São Paulo and others)
- XS3 Seguros S.A. (São Paulo)
- Nippon Koei LAC do Brasil Ltda. (São Paulo and others)

Paraguay
- La Rural S.A. de Seguros (Asunción and others)

Europe, Africa & Middle East

United Kingdom
- Tokio Marine & Nichido (London)
- Tokio Marine Kiln Group Limited [TMK] (London)
- HCC International Insurance Company Plc (London and others)
- TM Claims Sevices Europe Ltd. [TMCSE] (London)
- Tokio Marine Asset Manenagement (London) ,Ltd. (London)
- BDP Holdings Limited (Manchester and others)

France
- Tokio Marine Europe S.A. [TME] (Paris)

Germany
- Tokio Marine & Nichido (Dusseldorf)
- Tokio Marine Europe S.A. [TME] (Dusseldorf)

Netherlands
- Tokio Marine & Nichido (Amsterdam)
- Tokio Marine Europe S.A. [TME] (Amsterdam)
- TM Claims Sevices Europe Ltd. [TMCSE] (Amsterdam)
- NIPPON KOEI ENERGY EUROPE B.V. (Rotterdam)
- BDP Holdings Limited (Rotterdam)

Belgium
- Tokio Marine & Nichido (Brussels)
- Tokio Marine Europe S.A. [TME] (Brussels)
- Ruien Energy Europe (Waregem)

Luxembourg
- Tokio Marine Europe S.A. [TME] (Luxembourg)

Italy
- Tokio Marine & Nichido (Milan)
- Tokio Marine Europe S.A. [TME] (Milan)

Spain
- Tokio Marine & Nichido (Barcelona)
- Tokio Marine Europe S.A. [TME] (Barcelona)

Denmark
- Tokio Marine Europe S.A. [TME] (Hellerup)

Switzerland
- HCC International Insurance Company Plc (Zurich)

Ireland
- Tokio Marine Europe S.A.[TME] (Kildare)
- BDP Holdings Limited (Dublin)

Ukraine
- Nippon Koei Co., Ltd. (Kyiv)

Poland
- Nippon Koei Co., Ltd. (Warsaw)

Egypt
- Tokio Marine & Nichido (Cairo)
- Tokio Marine Egypt General Takaful Company (Cairo and others)

U.A.E.
- Tokio Marine & Nichido (Dubai)
- Al Futtaim Development Services Company (L.L.C.) (Dubai)
- BDP Holdings Limited (Abu Dhabi)

Turkey
- Allianz Sigorta A.S. (Istanbul)
- Allianz Hayat ve Emeklilik A.S. (Istanbul)
- Nippon Koei Co., Ltd. (Istanbul)

Jordan
- Nippon Koei Co., Ltd. (Amman)

Iraq
- Nippon Koei Co., Ltd. (Baghdad)

Tunisia
- Nippon Koei Co., Ltd. (Tunis)

Corporate Overview

Morocco
Nippon Koei Co., Ltd. (Rabat)

South Africa and sub-Saharan countries
Tokio Marine & Nichido (Johannesburg)
Hollard Group (Mozambique and others)
Nippon Koei Co., Ltd. (Nairobi)
KOEI AFRICA Company Limited (Nairobi)
NIPPON KOEI MOZAMBIQUE,LIMITADA (Maputo)

Asia & Oceania

People's Republic of China
Tokio Marine & Nichido (Beijing and others)
The Tokio Marine & Nichido Fire Insurance Company (China) Limited (Beijing and others)
Tokio Marine Co-Creation Consulting (Shanghai) Limited (Shanghai)
BDP Holdings Limited (Shanghai)

Hong Kong
Tokio Marine & Nichido (Hong Kong)
The Tokio Marine and Fire Insurance Company (Hong Kong) Limited (Hong Kong)

Taiwan
Tokio Marine & Nichido (Taipei)
Tokio Marine Newa Insurance Co., Ltd. (Taipei and others)

Philippines
Tokio Marine & Nichido (Manila)
Malayan Insurance Company,Inc. (Manila and others)
Nippon Koei Co., Ltd. (Manila)
Philkoei International Inc. (Manila)

Vietnam
Tokio Marine & Nichido (Hanoi and others)
Tokio Marine Insurance Vietnam Company Limited (Hanoi and others)
Nippon Koei Co., Ltd. (Hanoi and others)
Nippon Koei Vietnam Co.,Ltd. (Hanoi)

Thailand
Tokio Marine & Nichido (Bangkok)
Tokio Marine Safety Insurance (Thailand) Public Company Limited (Bangkok and others)
Tokio Marine Life Insurance (Thailand) Public Company Limited (Bangkok and others)
Nippon Koei Co., Ltd. (Bangkok)
NIPPON KOEI ENERGY THAILAND CO., LTD. (Bangkok)

Malaysia
Tokio Marine & Nichido (Kuala Lumpur)
Tokio Marine Insurans (Malaysia) Berhad (Kuala Lumpur and others)
Tokio Marine Life Insurance Malaysia Bhd. (Kuala Lumpur and others)
Nippon Koei Mobility SDN.BHD (Kuala Lumpur and others)

Singapore
Tokio Marine & Nichido (Singapore)
Tokio Marine Asia Pte.Ltd. (Singapore)
Tokio Marine Insurance Singapore Ltd. [TMiS] (Singapore)
Tokio Marine Life Insurance Singapore Pte. Ltd. [TMLS] (Singapore)
TM Claims Sevices Asia Pte. Ltd. (Singapore)
Tokio Marine Asset Management International Pte.Ltd (Singapore)
Nippon Koei Co., Ltd. (Singapore)
BDP Holdings Limited (Singapore)

Brunei
Tokio Marine Insurance Singapore Ltd. [TMiS] (Bandar Seri Begawan)
Tokio Marine Life Insurance Singapore Pte. Ltd. [TMLS] (Bandar Seri Begawan)

Indonesia
Tokio Marine & Nichido (Jakarta)
PT Asuransi Tokio Marine Indonesia (Jakarta and others)
PT Tokio Marine Life Insurance Indonesia (Jakarta and others)
Nippon Koei Co., Ltd. (Jakarta)
PT.INDOKOEI INTERNATIONAL (Jakarta)
PT.CIKAENGAN TIRTA ENERGI (Jakarta)
PT NIPPON KOEI ENERGY INDONESIA (Jakarta)

India
Tokio Marine & Nichido (New Delhi and others)
IFFCO-TOKIO General Insurance Company Limited (New Delhi and others)
Nippon Koei Co., Ltd. (New Delhi)
NIPPON KOEI INDIA PVT.LTD. (New Delhi and others)
BDP Holdings Limited (New Delhi)

Myanmar
Tokio Marine & Nichido (Yangon)
Grand Guardian Tokio Marine General Insurance Company Limited (Yangon)
Nippon Koei Co., Ltd. (Yangon and others)
Myanmar Koei International Ltd. (Yangon)

Cambodia
Tokio Marine & Nichido (Phnom Penh)
Nippon Koei Co., Ltd. (Phnom Penh)

Sri Lanka
Nippon Koei Co., Ltd. (Colombo)

Bangladesh
Nippon Koei Co., Ltd. (Dhaka)
Nippon Koei Bangladesh Ltd. (Dhaka)

Laos
Nippon Koei Co., Ltd. (Vientiane)

Australia
Tokio Marine & Nichido (Sydney and others)
Tokio Marine Management (Australasia) Pty.Ltd. (Sydney and others)

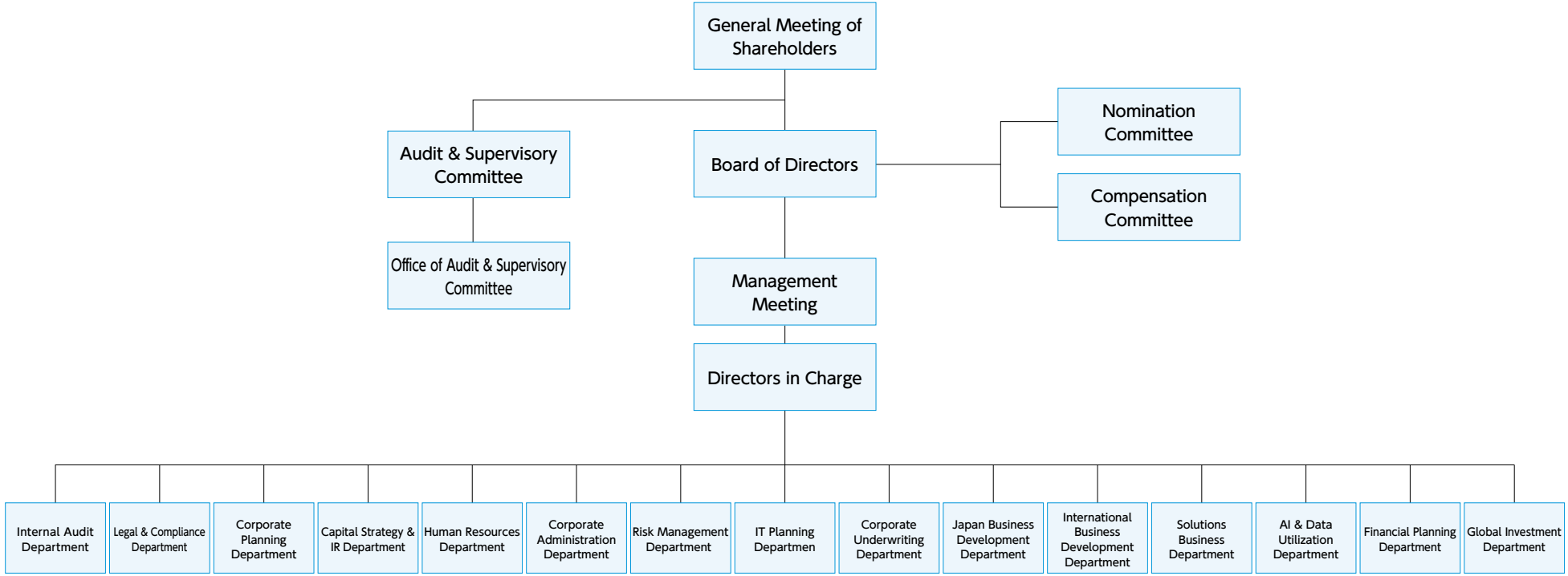
New Zealand
Tokio Marine & Nichido (Auckland)

Locations of overseas bases: 55 countries and regions
Number of Japanese employees positioned overseas: 382
Number of locally hired employees: Approx. 36,700
Number of claims agents: Approx. 250 (including subagents)

Corporate Overview

Organizational Chart

(As of July 29, 2026)



Employees

(As of March 31, 2026)

Number of employees	1,339
Average age of employees	42.4 years old
Average length of service of employees	14.8 years

Note: Most employees of Tokio Marine Holdings are seconded from its subsidiaries. Average length of service includes the years of service at these subsidiaries.

Facilities

Overview of Capital Investment

The Group makes capital investments to improve customer services and streamline workflows, mainly comprising software related investment. The following is a breakdown of capital investment in the fiscal year ended March 31, 2026.

Business Segment	Amount (Yen in millions)
Japan P&C insurance business	109,892
Japan Life insurance business	17,919
International insurance business	49,090
Solution and other businesses	7,569
Total	184,472

Status of Major Facilities

The following are major facilities of Tokio Marine Holdings and its consolidated subsidiaries.

(1) Tokio Marine Holdings

(As of March 31, 2026)

Entity name	Office name (Location)	Business segment	Carrying amount (Yen in millions)					Number of employees (Persons)
			Land (㎡)	Buildings	Right-of-use assets (Land ㎡)	Movables	Software	
Tokio Marine Holdings, Inc.	**Headquarters** (Chiyoda-ku, Tokyo)	Holding Entity	— (—)	—	— (—)	92	3,960	1,339

(2) Domestic subsidiaries

(As of March 31, 2026)

Entity name	Office name (Location)	Business segment	Carrying amount (Yen in millions)					Number of employees (Persons)
			Land (㎡)	Buildings	Right-of-use assets (Land ㎡)	Movables	Software	
Tokio Marine & Nichido Fire Insurance Co., Ltd.	**Headquarters** (Chiyoda-ku, Tokyo)	Japan P&C insurance business	62,040 (111,178)	50,643	39,536 (1,398)	19,858	195,356	16,064
Nisshin Fire & Marine Insurance Co., Ltd.	**Headquarters** (Chiyoda-ku, Tokyo)	Japan P&C insurance business	18,388 (13,268)	7,547	4,623 (—)	1,909	7,635	2,031
Tokio Marine Direct Insurance Co., Ltd.	**Headquarters** (Shinjuku-ku, Tokyo)	Japan P&C insurance business	— (—)	82	— (—)	75	4,374	384
Tokio Marine & Nichido Life Insurance Co., Ltd.	**Headquarters** (Chiyoda-ku, Tokyo)	Japan Life insurance business	— (—)	724	4,826 (—)	581	34,314	2,208
Integrated Design & Engineering Holdings Co., Ltd.	**Headquarters** (Chiyoda-ku, Tokyo)	Solution and other businesses	29,783 (296,956)	22,406	9,981 (23,500)	3,316	720	6,842

Facilities

(3) Overseas subsidiaries

(As of March 31, 2026)

Entity name	Office name (Location)	Business segment	Carrying amount (Yen in millions)					Number of employees (Persons)
			Land (㎡)	Buildings	Right-of-use assets (Land ㎡)	Movables	Software	
Tokio Marine North America, Inc.	**Headquarters** (Wilmington, Delaware U.S.A.)	International insurance business	— (—)	3,248	17,068 (—)	258	33,276	2,933
Delphi Financial Group, Inc.	**Headquarters** (Wilmington, Delaware U.S.A.)	International insurance business	1,198 (86,539)	7,485	12,594 (—)	5,566	44,291	3,654
HCC Insurance Holdings, Inc.	**Headquarters** (Wilmington, Delaware U.S.A.)	International insurance business	441 (45,075)	4,512	13,817 (—)	6,473	21,349	4,420
Privilege Underwriters, Inc.	**Headquarters** (Wilmington, Delaware U.S.A.)	International insurance business	— (—)	1,083	4,819 (—)	262	6,732	1,198
Tokio Marine Kiln Group Limited	**Headquarters** (London, U.K.)	International insurance business	— (—)	—	4,984 (—)	1,803	4,487	763
Tokio Marine Asia Pte. Ltd.	**Headquarters** (Singapore, Singapore)	International insurance business	— (—)	—	1 (—)	33	3	86
Tokio Marine Life Insurance Singapore Pte. Ltd.	**Headquarters** (Singapore, Singapore)	International insurance business	— (—)	—	62 (—)	105	497	259
Tokio Marine Seguradora S.A.	**Headquarters** (São Paulo, Brazil)	International insurance business	288 (4,660)	176	685 (—)	1,313	601	2,492

Note: The figures presented for Integrated Design & Engineering Holdings Co., Ltd., Tokio Marine North America, Inc., Delphi Financial Group, Inc., HCC Insurance Holdings, Inc., Privilege Underwriters, Inc. and Tokio Marine Kiln Group Limited include figures for subsidiaries of each company.

New Facility Construction and Elimination Schedule

As of March 31, 2026, the schedule for new construction and elimination of major facilities is as follows.

(1) New facilities

(Entity name Facility name	Location	Business segment	Description	Scheduled investment		Financing method	Start and completion schedule	
				Total (Yen in millions)	Amount already paid (Yen in millions)		Start	Completion
Tokio Marine & Nichido Fire Insurance Co., Ltd. (Tentative name) Tokio Marine Building	Chiyoda-ku, Tokyo	Japan P&C insurance business	Reconstruction	190,961	26,306	Self - financing	Mar, 2025	FY2028

(2) Renovation

None planned

(3) Sale

None planned

Stock Information

Stock and Shareholder Information

Stock Information (As of March 31, 2026)
Stock issued by Tokio Marine Holdings is common stock. The total number of authorized shares is 8.0 billion shares and the total number of shares outstanding is 1,934,000,000 shares.

a. The Ordinary General Meeting of Shareholders is held within three months of the end of each fiscal year.
b. Accounting period: Ends March 31
c. Share registrar: The Mitsubishi UFJ Trust and Banking Corporation
d. Record date: Ordinary General Meeting of Shareholders: March 31
Year-end dividend: March 31
Interim dividend: September 30
e. Public notice will be electronically published. (http://www.pronexus.co.jp/koukoku/8766/8766.html)
However, in the event that public notice cannot be electronically published due to an accident or other compelling reason, a notification shall be published in the Tokyo issue of the *Nihon Keizai Shimbun*.
f. Number of shares constituting one unit: 100
g. Stock listing: Tokyo Stock Exchange

Matters for the General Meeting of Shareholders
The 24th General Meeting of Shareholders was held on June 29, 2026. The items reported and the proposals acted upon were as follows:

Items reported
1. Business report, consolidated financial statements and the audit reports on consolidated financial statements prepared by the independent auditor and the Audit & Supervisory Board, respectively, for the fiscal year 2025 (April 1, 2025 to March 31, 2026)
2. Non-consolidated financial statements for the fiscal year 2025 (April 1, 2025 to March 31, 2026)

Proposals acted upon:
Proposal No.1: Appropriation of Surplus
Proposal No.2: Reduction of the Amount of Additional paid-in Capital
Proposal No.3: Partial Amendments to the Articles of Incorporation
Proposal No.4: Election of 12 Directors (excluding Directors who are Audit and Supervisory Committee Members)
Proposal No.5: Election of 5 Directors who are Audit and Supervisory Committee Members
Proposal No.6: Election of 1 Substitute Director who is an Audit and Supervisory Committee Member
Proposal No.7: Determination of the Amount of Remuneration for Directors (Excluding Audit and Supervisory Committee Members)
Proposal No.8: Determination of the Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members
Proposal No.9: Determination of the Share Compensation Plan for Directors (Excluding Audit and Supervisory Committee Members)

Dividend Policy
The Company seeks to improve shareholder returns on a cash dividend basis, after providing sufficient capital to meet the business needs of Tokio Marine Group and taking into consideration the business results and the expected future business environment of the Company.

In accordance with the above policy, and considering various factors, the Company paid 112.5 yen per share as a year-end cash dividend for the fiscal year 2025. As 105.5 yen per share was paid as an interim cash dividend (an ordinary dividend), the total amount of annual cash dividends (ordinary dividends) was 218 yen per share for the fiscal year 2025. This is an increase of total annual cash dividends (ordinary dividends) of 46 yen per share from 172 yen per share paid for the previous fiscal year.

In the fiscal years 2018, 2019, and 2020, in addition to the ordinary dividends, the Company also paid one-time dividends (23 yen per share, 12 yen per share, and 12 yen per share respectively) for capital level adjustment.
Note: The Company conducted a 3-for-1 stock split on October 1, 2022. For dividends paid before the stock split, the amount per share equivalent after the stock split is shown (fractions less than 1 yen are rounded to the nearest whole number).

Stock Information

Capital

Date	Equity capital
April 2, 2002	¥150 billion
March 31, 2025	¥150 billion

Stock Information

Stock Ownership Distribution

As of March 31, 2026, the number of shareholders was 317,566. The percentage of major stock ownership was 32.94% and 41.24% for financial institutions and foreign shareholders, respectively.

a. Types of shareholders

(As of March 31, 2026)

Category	Number of shareholders	Number of shares	Shareholding ratio (%)
Government/Local government	1	1,500	0.00
Financial institutions	217	637,044,389	32.94
Financial instruments firms	64	85,045,790	4.40
Other domestic companies	2,512	75,428,011	3.90
Foreign shareholders	2,082	797,578,857	41.24
Individuals and others	312,689	284,983,261	14.74
Treasury stocks	1	53,918,192	2.79
Total	317,566	1,934,000,000	100.01

b. Breakdown by region

(As of March 31, 2026)

Category	Number of shareholders	Shareholder ratio (%)	Number of shares	Shareholding ratio (%)
Hokkaido	6,481	2.04	4,525,859	0.23
Tohoku	9,763	3.07	8,873,334	0.46
Kanto	149,673	47.13	979,810,416	50.66
Chubu	49,049	15.45	51,482,680	2.66
Kinki	61,835	19.47	59,758,647	3.09
Chugoku	13,559	4.27	9,883,137	0.51
Shikoku	6,974	2.20	6,597,796	0.34
Kyushu	18,705	5.89	15,183,792	0.79
Overseas and others	1,527	0.48	797,884,339	41.26
Total	317,566	100.00	1,934,000,000	100.00

c. Breakdown by number of shares held

(As of March 31, 2026)

Category	5,000 units or more	1,000 units or more	500 units or more	100 units or more	50 units or more
Number of shareholders	287	428	368	5,242	6,081
Composition ratios to total number of shareholders (%)	0.09	0.13	0.12	1.65	1.91
Number of shares	1,558,258,925	97,351,436	24,949,892	100,048,837	42,319,629
Composition ratios to total number of shares (%)	80.57	5.03	1.29	5.17	2.19

Category	10 units or more	5 units or more	1 unit or more	Less than 1 unit	Total
Number of shareholders	33,543	20,195	144,481	106,941	317,566
Composition ratios to total number of shareholders (%)	10.56	6.36	45.50	33.68	100.00
Number of shares	71,224,242	13,083,621	24,884,386	1,879,032	1,934,000,000
Composition ratios to total number of shares (%)	3.68	0.68	1.29	0.10	100.00

Stock Information

Top 10 Shareholders

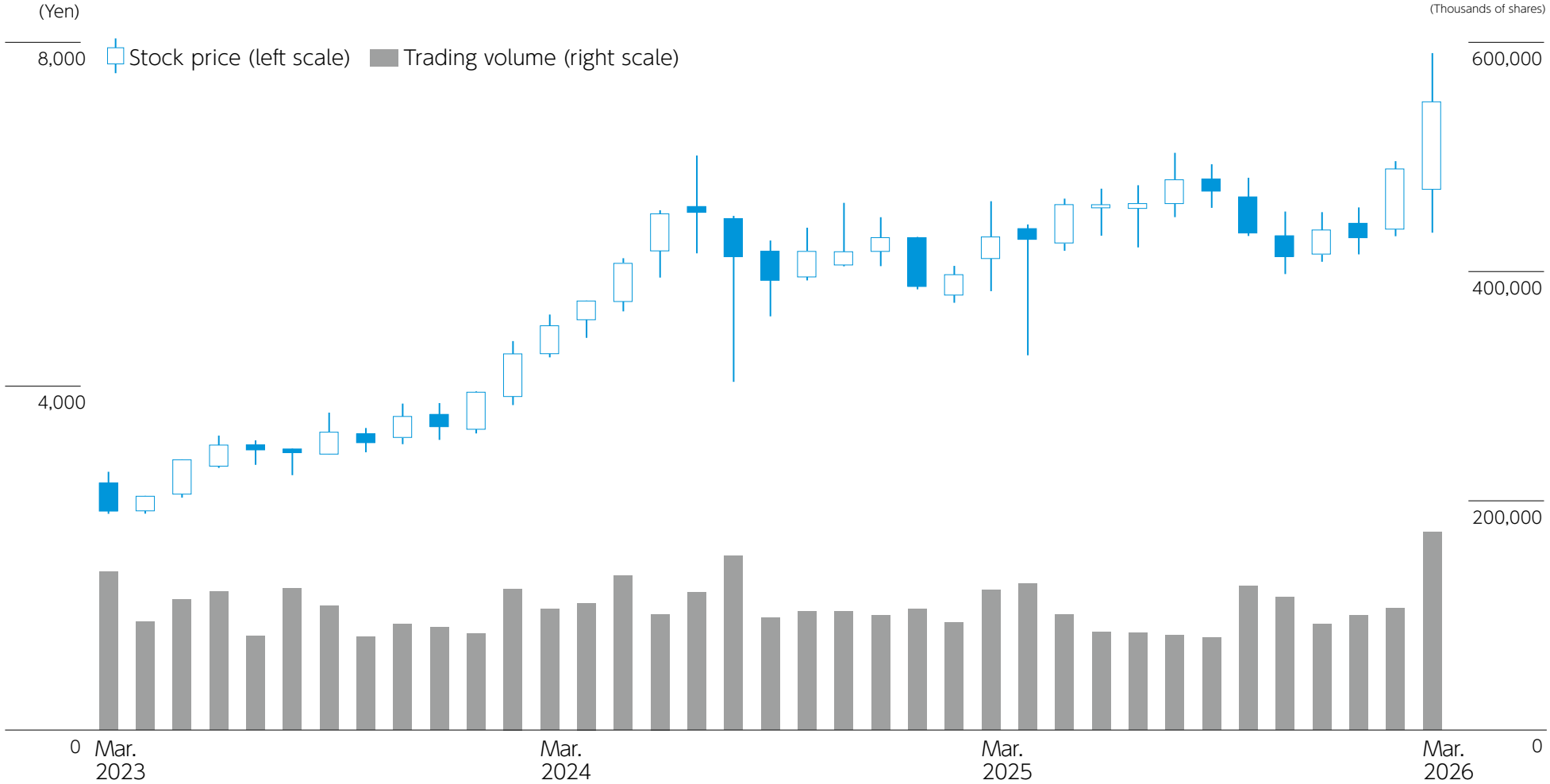
(As of March 31, 2026)

Shareholders	Address	Number of shares held (Thousand shares)	Composition ratios to total number of shares (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo	321,356	17.09
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	142,631	7.59
State Street Bank and Trust Company 505001 (Custodian: Mizuho Bank, Ltd. Settlement &Clearing Services Division)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (Shinagawa Intercity A Building, 15-1 Konan 2-chome, Minato-ku, Tokyo)	66,592	3.54
Moxley & Co. LLC. (Custodian: MUFG Bank, Ltd.)	383 MADISON AVENUE, FLOOR 11 NEW YORK, NEW YORK 10179 U.S.A. (Transaction Services Division, 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo)	34,270	1.82
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT (Custodian: Mizuho Bank, Ltd. Settlement &Clearing Services Division)	WOOLGATE HOUSE, COLEMAN STREET LONDON EC2P 2HD, ENGLAND (Shinagawa Intercity A Building, 15-1 Konan 2-chome, Minato-ku, Tokyo)	28,856	1.53
Tokai Nichido Employee Stock Ownership Plan	Tokiwabashi Tower 6-4, Otemach 2-chome, Chiyoda-ku, Tokyo Human Resources Dept. Tokio Marine & Nichido Fire Insurance Co., Ltd.	27,790	1.48
Meiji Yasuda Life Insurance Company (Custodian: Custody Bank of Japan, Ltd.)	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo (8-12, Harumi 1-chome, Chuo-ku, Tokyo)	26,973	1.43
JP Morgan Chase Bank 385781 (Custodian: Mizuho Bank, Ltd. Settlement &Clearing Services Division)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (Shinagawa Intercity A Building, 15-1 Konan 2-chome, Minato-ku,Tokyo)	26,773	1.42
Goldman Sachs Japan Co., Ltd. BNYM (Custodian: MUFG Bank, Ltd.)	Toranomon Hills Station Tower, 6-1, Toranomon 2-chome, Minato-ku, Tokyo (Transaction Services Division, 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo)	22,249	1.18
JP Morgan Chase Bank 385642 (Custodian: Mizuho Bank, Ltd. Settlement &Clearing Services Division)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (Shinagawa Intercity A Building, 15-1 Konan 2-chome, Minato-ku,Tokyo)	21,538	1.15

Note: 1. Moxley & Co. LLC. is the registered holder of shares deposited pursuant to ADR issuance.
2. The Company holds 53,918 thousand shares of treasury stock which are not included in the table above.

Stock Information

Stock Price Range and Trading Volume



Note: The Company conducted a stock split (3-for-1) in October 2022. Figures for and prior to September 2022 have been recalculated based on figures after the split.

Closing Note

Thank you very much for reading this report through to the end.

Since our founding, Tokio Marine Group has continued to evolve the value it provides by addressing risks that change with the times, guided by its purpose of protecting customers and society in their times of need. This year, 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.

The Purpose Story, told in three chapters, illustrates how Tokio Marine Group creates value sustainably. It explores the evolution of the Group around our Purpose and the distinctive strengths embodied in our Federated Model; where we stand today in creating value for our stakeholders, powered by the passion and initiative of each of our employees; and the path ahead as we continue to evolve toward realizing our Aspiration 2035. Through this narrative, we aim to provide a clear and compelling understanding of Tokio Marine Group's ability to create value sustainably over time.

In the Business Strategy section, we explore our strengths from the perspective of each of our businesses. The executives leading each business discuss, in their own words, their views on the market environment, key challenges, competitive advantages, and growth strategies. These messages are followed by detailed explanations of specific initiatives. The section is designed to provide a clear and concrete understanding of how each business contributes to and drives the Group's growth.

We hope this report has provides a deeper understanding of Tokio Marine Group's distinctive strengths, the future we aspire to create, and the initiatives we are undertaking to achieve that vision. Going forward, we will continue to value dialogue with our stakeholders as we pursue sustainable growth and the enhancement of corporate value. We sincerely appreciate your continued support and guidance.

Tokio Marine Value Creation Book 2026
Editorial Office
IR & SR Group, Capital Strategy & IR Department
Sustainability Division, Corporate Planning Department
Strategy & Planning Group, Human Resources Department

TOKIO MARINE

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