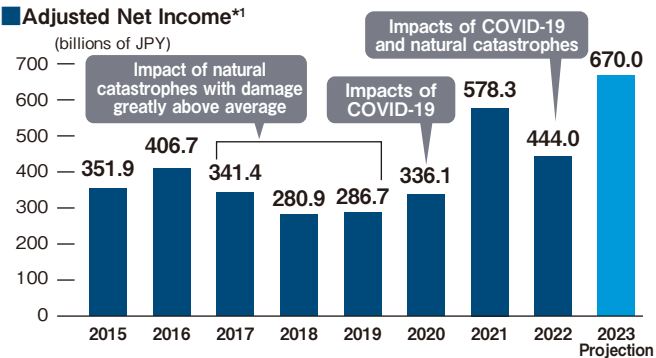


Financial Highlights

Promoting risk diversification and generating stable profits

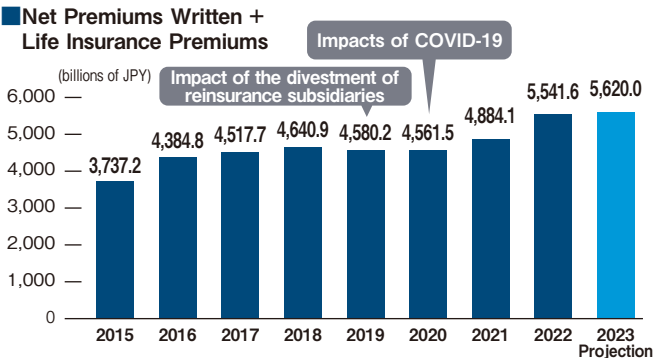
As a result of diversifying risk globally and achieving sustainable growth in both domestic and overseas businesses with low correlations, we have been able to generate stable profits even in the past few years of major natural catastrophes and COVID-19. (Please refer to p. 57 for the progress of the current MTP.)



*1: Indicator used for business plans and shareholder return; please see p. 156 for details.

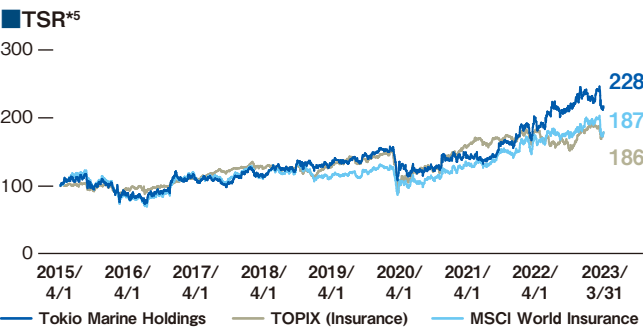
Steady expansion of the top-line

Excluding the impact of the divestment of reinsurance subsidiaries in the amount of approximately 130 billion yen in fiscal 2019 and COVID-19 in fiscal 2020, insurance premiums are steadily increasing due to organic growth and the disciplined execution of M&A.



Shareholder value growing with TSR greatly outperforming market

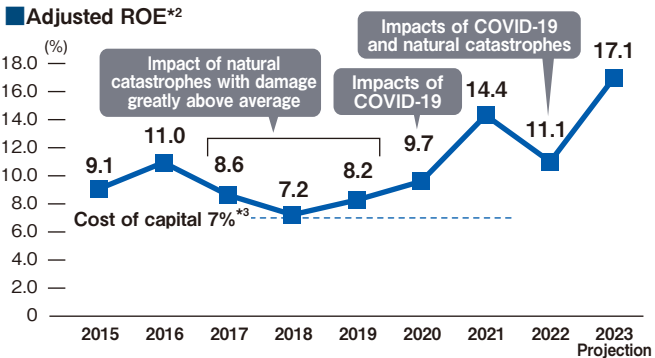
Total shareholder return (TSR), an indicator of the capital returns achieved after reinvestment of dividends, is greatly outperforming that of peers in Japan and overseas.



Source: Bloomberg
*5 Stock prices on April 1, 2015 are set at an index value of 100.

Pursuit of higher capital efficiency

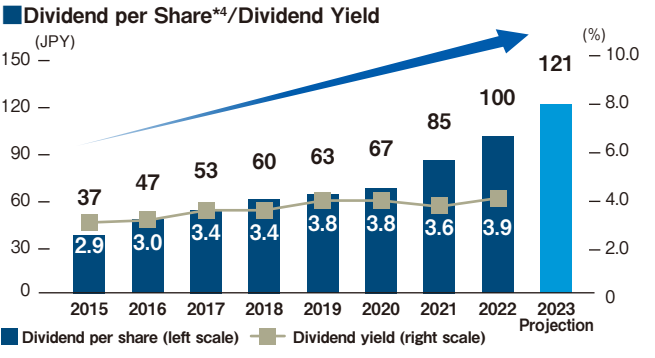
We are aiming to improve capital efficiency by revising our business portfolio, strengthening control of natural catastrophe risks, and accelerating the sales of business-related equities in addition to our world-class EPS growth. (Please refer to p. 57 for the progress of the current MTP.)



*2: Indicator used for business plans and shareholder return; please see p. 156 for details.
*3: Return expected by investors; calculated using the capital asset pricing model (CAPM).

12 consecutive years of higher dividends projected

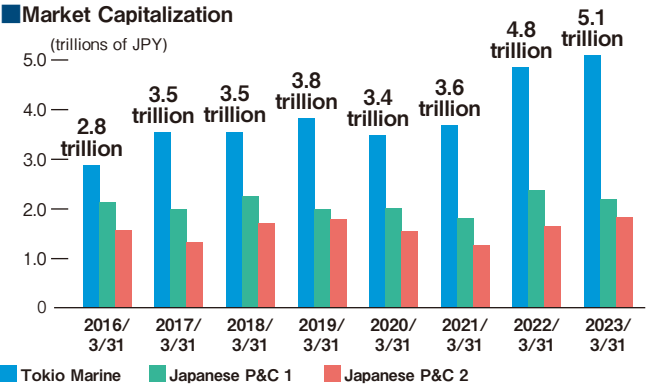
The dividend per share for fiscal 2023 is expected to increase by 21 yen to 121 yen due to the expansion of dividend resources in line with profit growth and an increase in the dividend payout ratio (from 48.5% at the beginning of 2022 to 50.0% at the beginning of 2023).



*4: Stock split implemented in October 2022. Figures for fiscal 2021 and before are recalculated based on the stock split.

Steady growth in corporate value

As a result of evaluations from the capital markets, Tokio Marine Group's PBR has exceeded 1 and its market capitalization doubled in the past few years, greatly exceeding other insurance groups in Japan. (Please refer to p. 49 for PBR.)

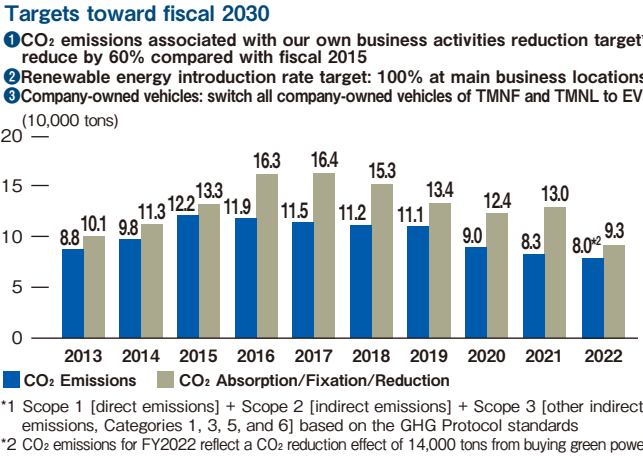


Non-Financial Highlights

Combat climate change Protect the natural environment

Achieved carbon neutrality for 10 years running and established climate change action targets

Tokio Marine Group has achieved carbon neutrality in its business activities for 10 years running since fiscal 2013 through its mangrove planting activities.



*1 Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions, Categories 1, 3, 5, and 6] based on the GHG Protocol standards
*2 CO₂ emissions for FY2022 reflect a CO₂ reduction effect of 14,000 tons from buying green power

Support people's healthy and enriching lives

Selected for inclusion in the Health & Productivity Stock Selection program for eight years running

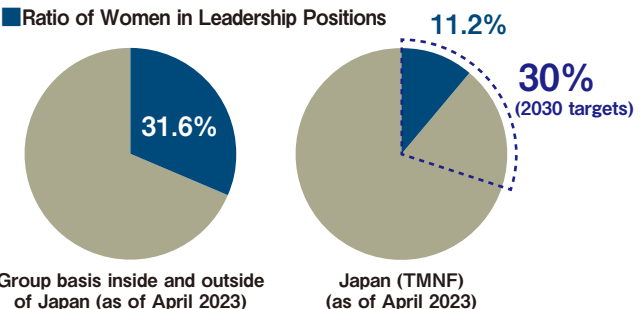
We continue to work on health and productivity management across the Group, knowing that this forms an important element of our corporate philosophy to be a "Good Company."



Promote and support diversity and inclusion

Eliminating the gender gap

We are actively working to eliminate the gender gap as part of our growth strategy. We have set qualitative and quantitative targets to promote such initiatives to further expand the scope of our activities. (See p. 93 for details.)



Eight Material Issues (Materiality) ★: Priority Issues (See pp. 64, 65)	
Combat climate change (★)	Facilitate and foster innovation through digitalization
Improve disaster resilience (★)	Protect the natural environment
Support people's healthy and enriching lives (★)	Provide education to children
Promote and support diversity and inclusion (★)	Disclose highly transparent and timely information

Improve disaster resilience

Contributing to local communities through assistance for BCP formulation

We are contributing to building a disaster-resilient society while working closely with local governments.

Cumulative Total of Collaboration Agreements with Local Governments*3

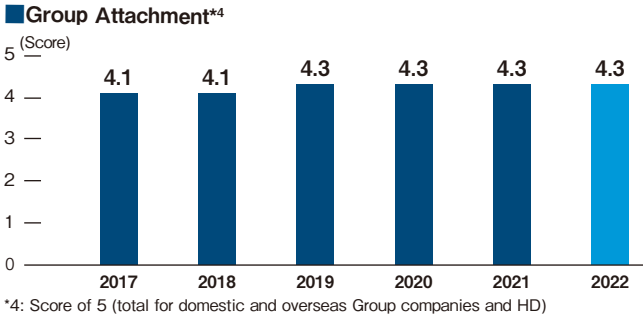
Prefectures	42
Ordinance-designated cities	13
Other cities	76

*3 Collaboration agreements on regional revitalization including BCP formulation assistance, etc. As of the end of February 2023.

Promote and support diversity and inclusion

Group of highly motivated employees

Scores on the Culture & Values Survey conducted at Group companies inside and outside of Japan are positive. We are now working on further improvements at the Group level with the involvement of Tokio Marine Holdings.

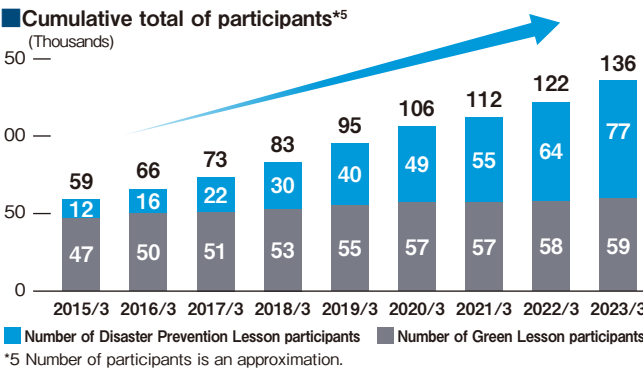


*4: Score of 5 (total for domestic and overseas Group companies and HD)

Improve disaster resilience Protect the natural environment Provide education to children

Active participation in social contribution activities

We are also actively holding Green and Disaster Prevention lessons as part of efforts to provide education to children.



*5 Number of participants is an approximation.

Global Insurance Market

Further profit growth in the United States, which has the world’s largest insurance market, and stable growth in Japan, which has the world’s third-largest market, are the key.

The global insurance market in 2021 was worth 6.86 trillion dollars, with the United States in first place for both life and non-life insurance.
Japan was in third place with the sixth largest non-life insurance and the third largest life insurance markets.

Ten Largest Insurance Markets in Direct Premiums Written for Life Insurance and Non-Life Insurance in 2021 (millions of USD)

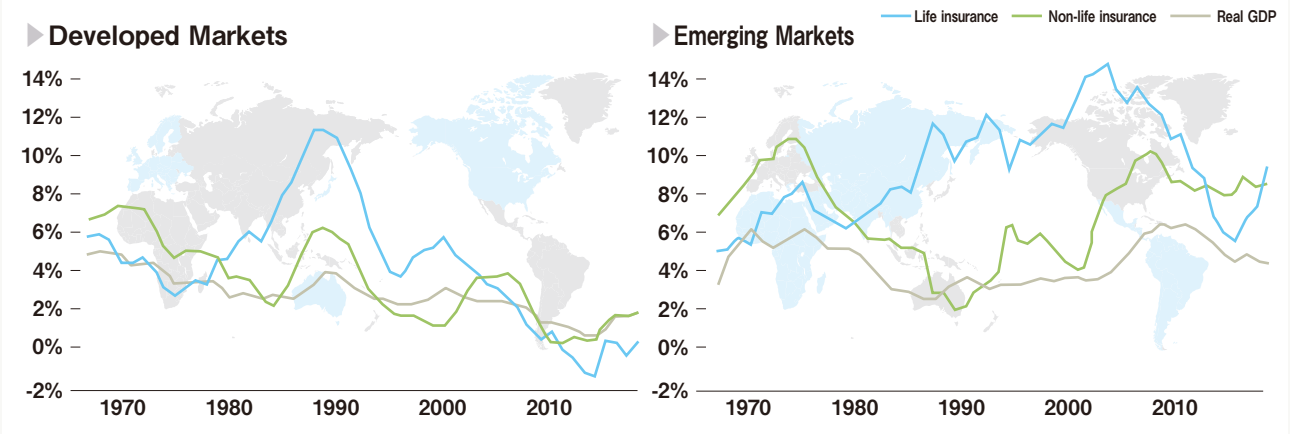
Ranking	Country	Life premiums	Non-life premiums	Total premiums		
				Amount	Change against 2020 (%)	Share of the global total (%)
1	United States	609,642	2,109,057	2,718,699	8.1	39.6
2	China	365,456	300,672	696,128	6.1	10.1
3	Japan	295,850	107,741	403,592	-2.6	5.9
4	United Kingdom	284,284	114,858	399,142	17.0	5.8
5	France	185,445	110,935	296,380	24.0	4.3
6	Germany	109,961	165,818	275,779	6.0	4.0
7	South Korea	101,866	91,142	193,008	1.5	2.8
8	Italy	146,001	46,480	192,481	11.5	2.8
9	Canada	64,917	96,372	161,289	15.8	2.4
10	India	96,679	30,296	126,947	13.5	1.9

Source: Swiss Re Institute, sigma No. 4, 2022

Reference: In addition to stable growth in developed markets, capturing booming emerging markets is the key.

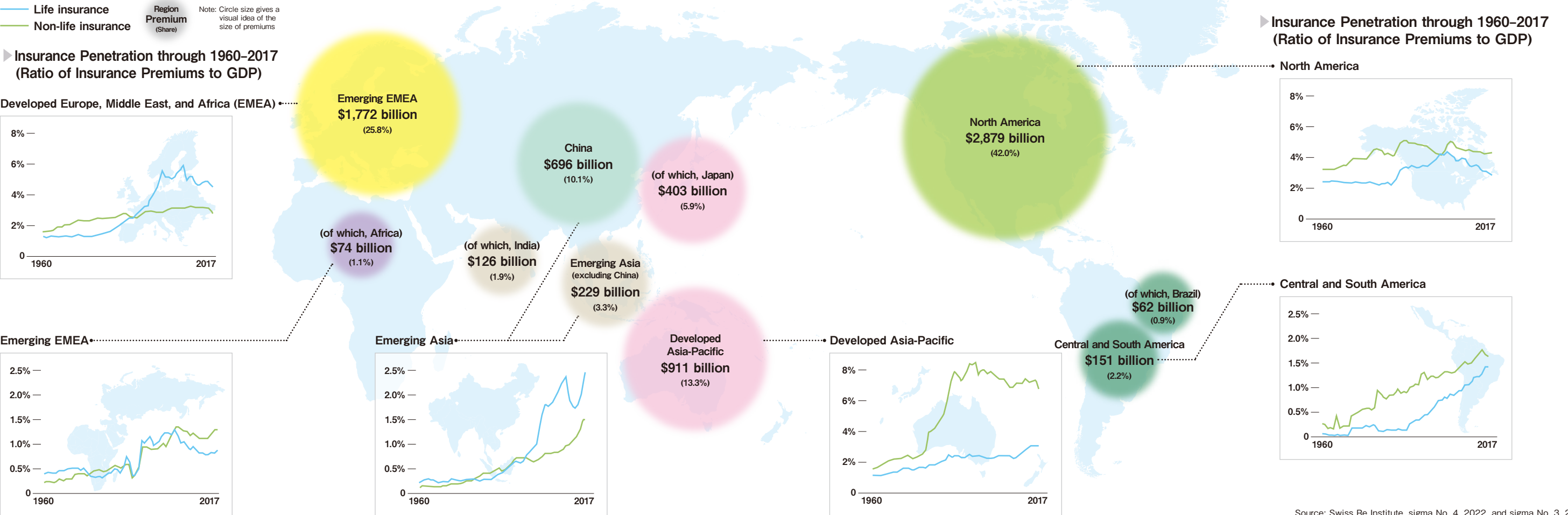
Non-life premiums grow in tandem with economic growth in developed markets. However, in emerging markets, which have low levels of insurance penetration and upward trends in population, insurance premiums show growth that exceeds economic growth. Note that increases in life premiums are greatly impacted by such factors as interest rates, market regulations, and taxation systems, so they are not necessarily linked to economic growth.

Growth in Non-Life and Life Premiums, and Growth in Real GDP (Seven-Year Moving Average)



Source: Swiss Re Institute, sigma No. 3, 2018

Life and Non-Life Insurance Premiums in 2021 and Penetration through 1960–2017 (Ratio of Insurance Premiums to GDP)



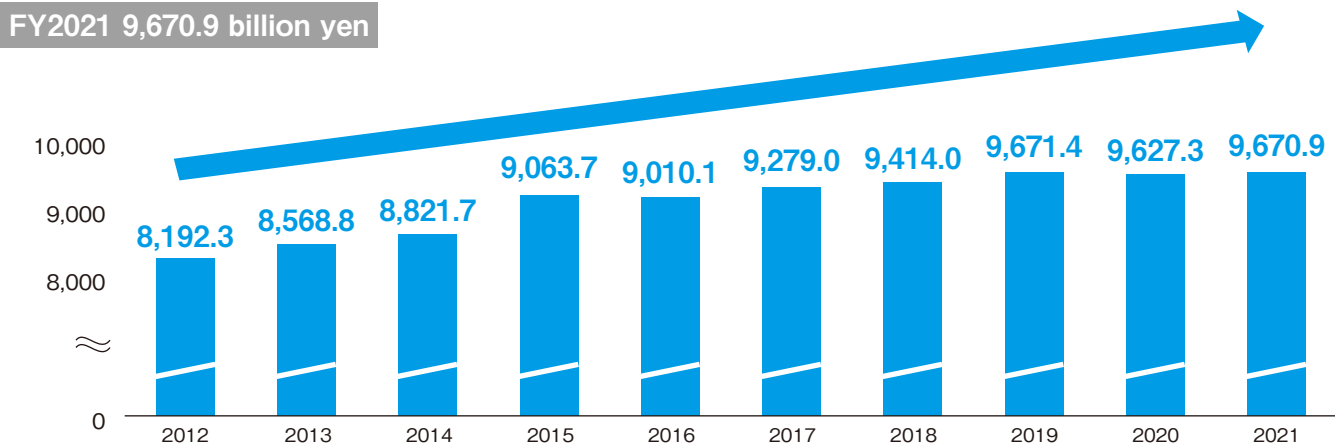
Potential of the Japanese Non-Life Insurance Market

The Japanese non-life insurance market is steadily growing, and profitability is stable over the long term. Although there are various factors for deterioration in earnings such as the intensification of natural catastrophes and inflation, we will continue to achieve stable C/R through prompt and proactive revisions of premiums and products.

► Growth of Japan's Non-Life Insurance Market

Direct Premiums Written (including deposit premiums from policyholders)*1

(billions of JPY)

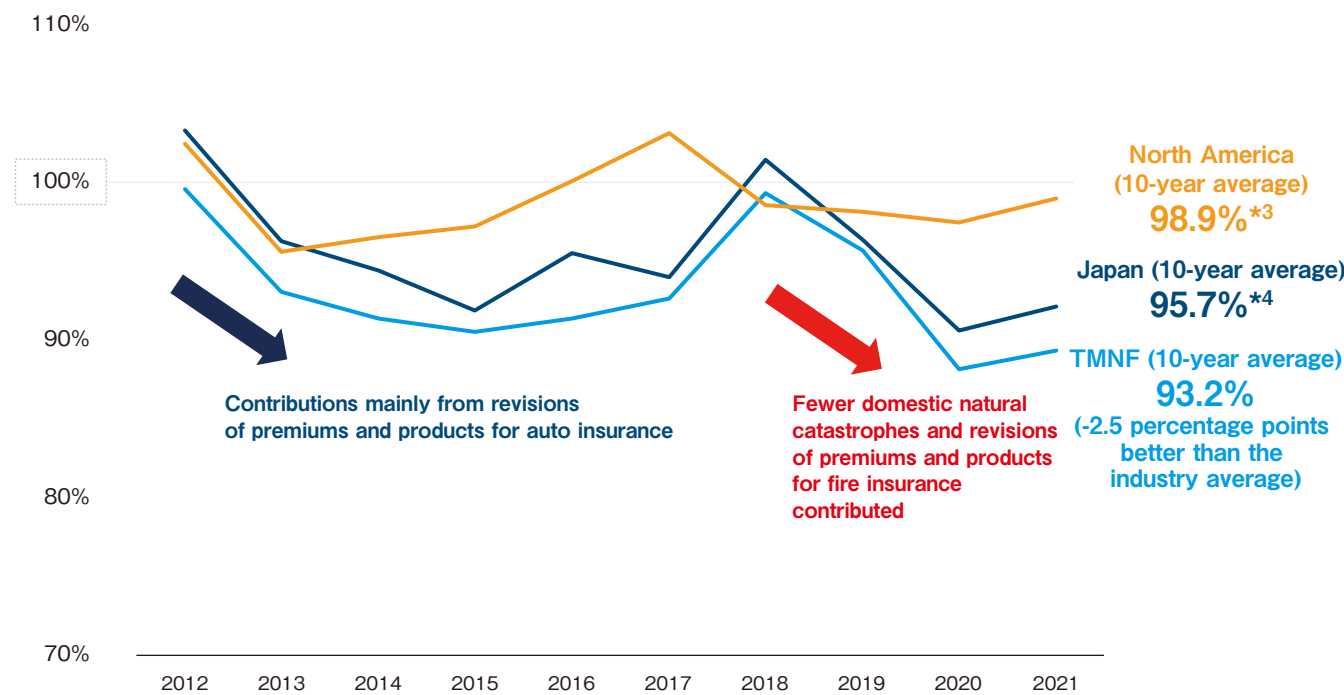


*1: Indicates revenue from direct insurance contracts with policyholders. Direct premiums written-refunds (excluding maturity refunds to policyholders)

Source: The General Insurance Association of Japan, "Fact Book 2022," based on member companies of the General Insurance Association

► Revenue Stability of the Japanese Non-Life Insurance Market

Combined Ratio (C/R)*2



*2: Based on W/P for all items

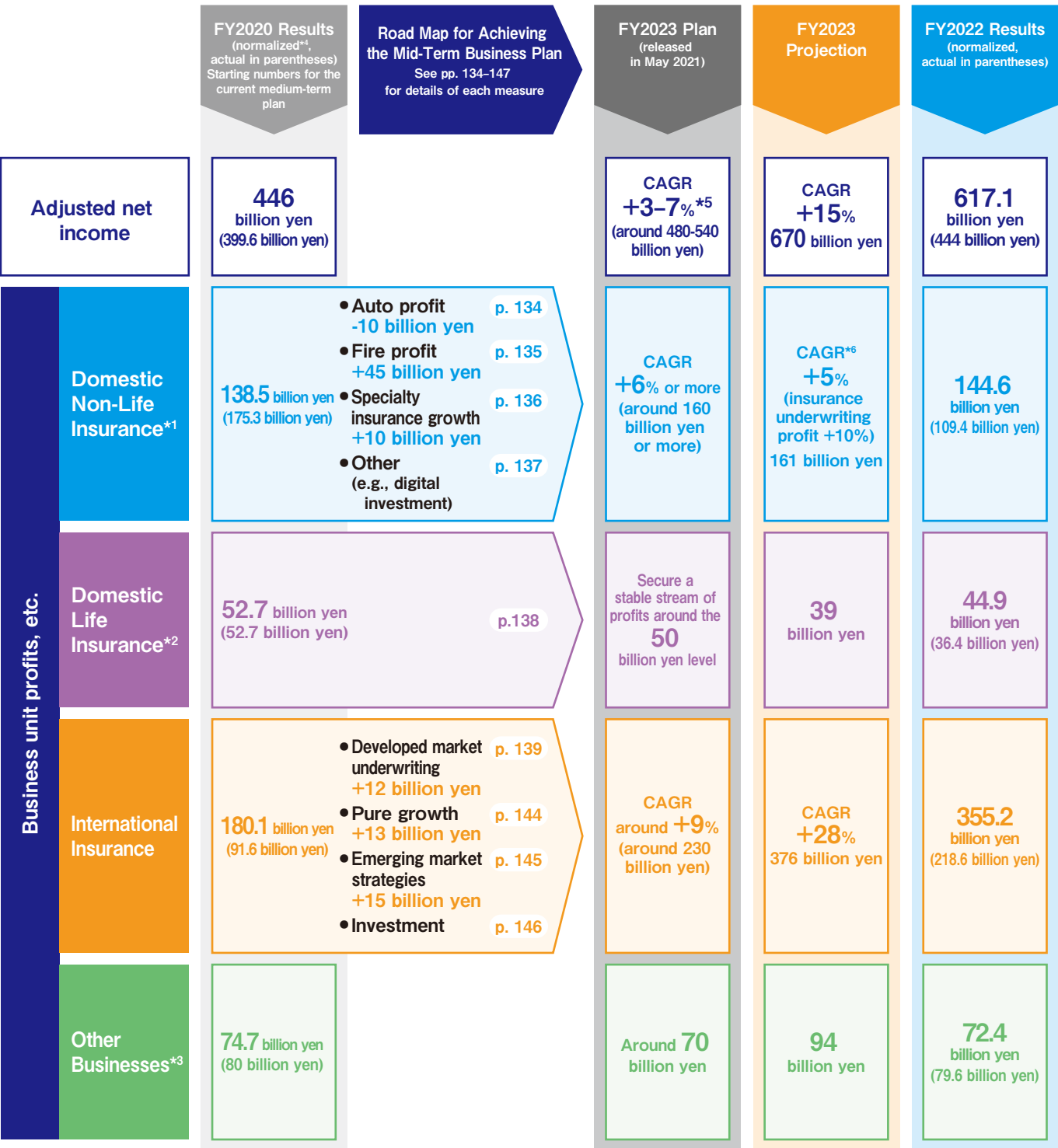
*3: Source: S&P Capital IQ

*4: Source: The General Insurance Association of Japan website

Progress of Current Mid-Term Business Plan by Business Unit

Looking at individual business units under the current Mid-Term Business Plan (MTP), we aim to achieve a CAGR of +6% or more in domestic non-life insurance through improvements in the profitability of fire insurance together with the growth of specialty insurance. Outside Japan, we aim to achieve a CAGR of +9% or more through improvements in underwriting profit fueled by rate increases and risk selection, growth in emerging countries, and investment income expansion. In the domestic life insurance business, plans are in place to secure an annual stream of stable profits around the 50 billion yen level.

In fiscal 2023, the final year of the current MTP, we expect overseas profit growth to significantly exceed that of the plan and lead the Group as a whole. As for domestic non-life insurance, while the improvement of profitability in fire insurance is making steady progress, the deterioration of loss cost in auto insurance and the hardening of the reinsurance market, among other factors, mean results are projected to be as planned. In addition, the domestic life insurance business is expected to fall short of the plan due to an increase in the first-year burden associated with top-line growth.



*1: Domestic non-life insurance = TMNF

*2: Domestic life insurance = TMNL

*3: Other domestic non-life insurance, financial and other businesses, and sales of business-related equities not included in business unit profit, etc.

*4: Starting numbers for the current MTP (the impact of natural catastrophes is assumed to come in at around the annual average, and the impact of COVID-19 and FX rate fluctuations is deducted).

*5: As outlined at an IR presentation in May 2021, organic growth was projected to come in at 5% or higher.

*6: Compared with FY2020

Road Map for Achieving the Current Mid-Term Business Plan

Domestic non-life insurance

Maintaining Auto Insurance Profit

► Current MTP Targets

Under the current MTP, plans are in place to secure top-line growth and offset the impact of rate decreases in January 2022 through such initiatives as expanded coverage. In this manner, steps are being taken to limit the decline in profit to around -10 billion yen compared with fiscal 2020 and maintain a stable stream of profits.

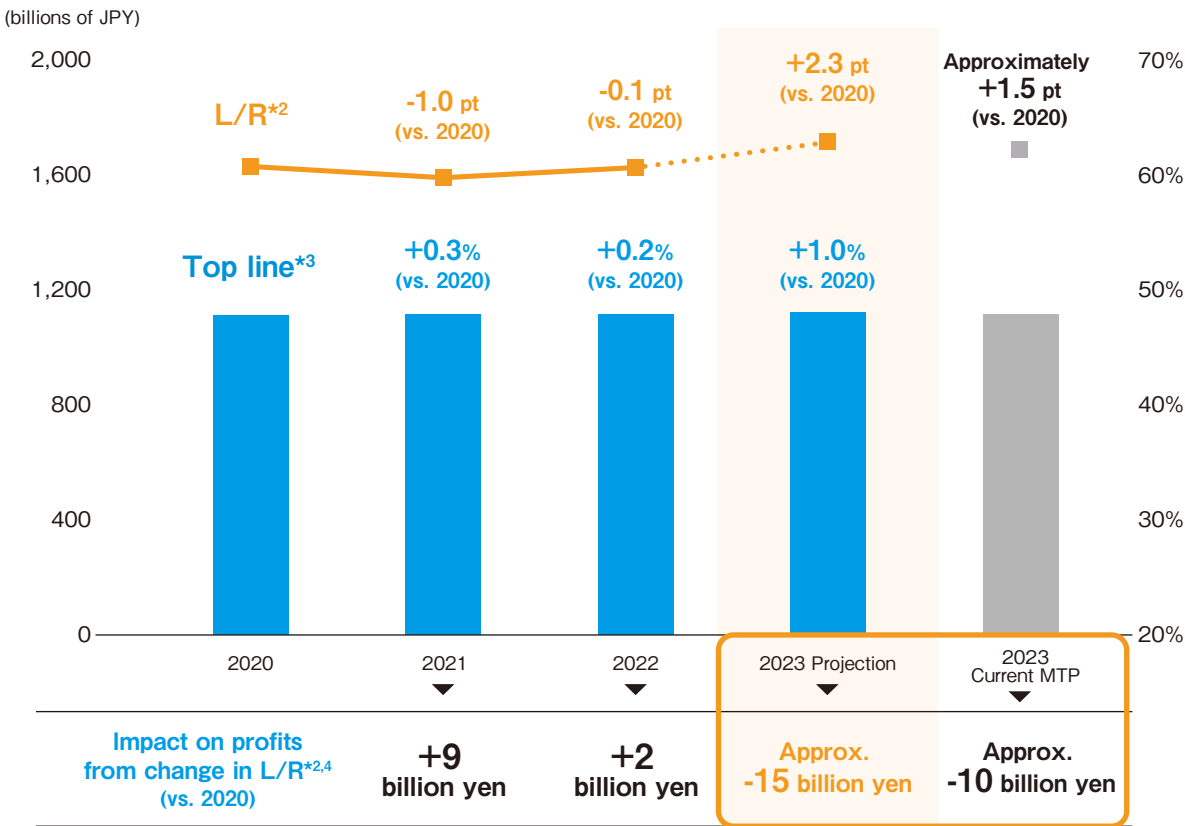
► Key Measures

Maintain the top and bottom lines by implementing the following measures.

Measure	Approach
(1) Increase market share (M/S)	<ul style="list-style-type: none">Expand coverage through product revisionsStrengthen digital contact points for customers, establish early contacts, etc.
(2) Generate sustainable and stable earnings	<ul style="list-style-type: none">Push forward initiatives to improve profitability through Drive Agent Personal (DAP)*1 and other proposalsFlexibly review premium levels considering loss cost, etc.

► Progress Status

- The top-line fiscal 2022 result was +0.2% (vs. fiscal 2020), as the impact of the rate revisions (rate cut) in April 2022 was offset by coverage expansion, etc. The fiscal 2023 projection is +1.0% (vs. fiscal 2020).
- Regarding the bottom line, we planned to limit the decline in profits to about 10 billion yen in the current MTP, but due to inflation and an increase in loss cost from revenge drives, the decline in profits is expected to be around 15 billion yen.
- In response to the increase in loss cost, we plan to conduct rate and product revisions in January 2024, and will continue to work toward the generation of sustainable and stable earnings.



*1 Drive Agent Personal (DAP), a drive recorder provided by Tokio Marine as a set with insurance

*2 Natural catastrophes are normalized to an average annual level and the impact of COVID-19 is excluded (normalized basis).

*3 NWP

*4 After tax, estimation

Road Map for Achieving the Current Mid-Term Business Plan

Domestic non-life insurance

Improving Fire Insurance Earnings

► Current MTP Targets

Aim to improve profitability by more than 45 billion yen through rate revision etc. for the current MTP targets.

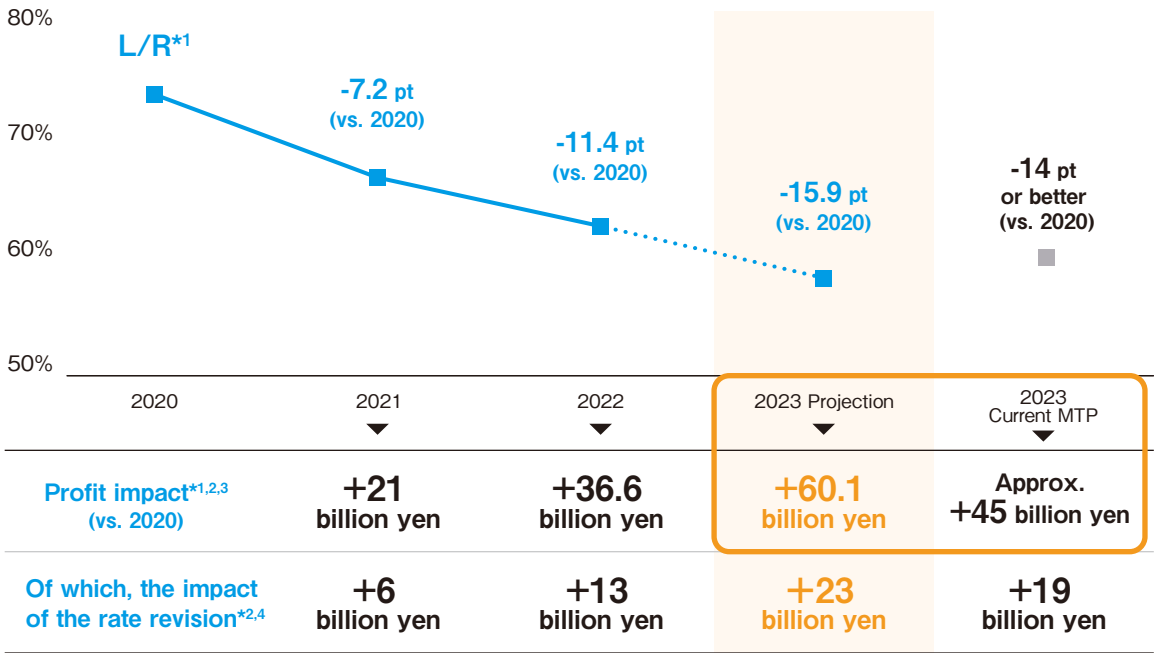
► Key Measures

By implementing the following measures, focusing on rate and product revisions, we aim to achieve the targets of the MTP and “secure profitability equivalent to that of capital costs (RoR >7%)” by fiscal 2026.

Measure	Approach
Thorough improvement of profitability	<ul style="list-style-type: none">Rate and product revisions (conducted in October 2019, January 2021, October 2022, and January 2023)Strengthen disciplined underwritingStrengthen disaster prevention, mitigation, and early recovery effortsEnsure appropriate reinsurance arrangementsImprove business efficiency, etc.

► Progress Status

- Through the implementation of key measures, we expect to achieve +60.1 billion yen in fiscal 2023 (vs. fiscal 2020) compared with the target of +45 billion yen in the current MTP.
- We will continue to monitor the impact of natural catastrophes, inflation, and rising reinsurance costs, and, depending on the situation, we will steadily implement measures such as additional rate and product revisions and strengthening of results measures.



*1: Natural catastrophes are normalized to an average annual level and the impacts of COVID-19 and exchange rates are excluded. In addition to the above, the impact of the flooding in South Africa (approximately 3 billion yen) was excluded in fiscal 2022.

*2: After tax, estimation

*3: The impact of inflation has been reflected in projections.

*4: Cumulative value of the profit improvement impact actualized in the relevant year from product revisions, etc.

Road Map for Achieving the Current Mid-Term Business Plan

Domestic non-life insurance

Specialty Insurance Growth

► Current MTP Targets

Aim to achieve revenue growth of over 100 billion yen over three years by providing specialty insurance and other products that help resolve increasingly complex and diverse social issues, and by creating new markets for the current MTP targets.

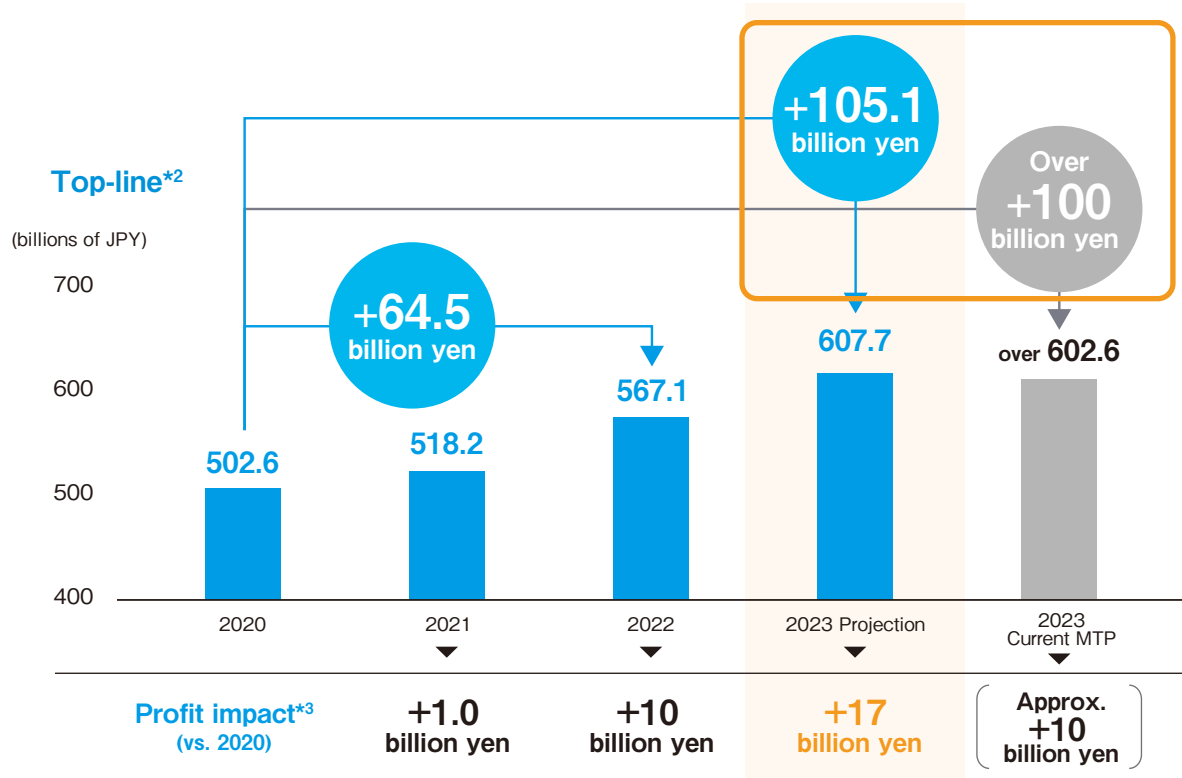
► Key Measures

Aim to achieve the goals of the current MTP by implementing measures centered on the expansion of initiatives in four priority areas of social issues (healthcare, SME, renewable energy, and cyber).

Measure		Approach
Expansion of initiatives in four priority areas of social issues	Healthcare	<ul style="list-style-type: none">Accelerate initiatives for commercialization in the presymptomatic and preventive area (established a preparatory company in April 2023)Increase revenue through new sales models and digital application procedures
	SME	<ul style="list-style-type: none">Strengthen digital contact points with the SME marketIncrease revenue through compensatory upgrades of SME exclusive package products
	Renewable energy	<ul style="list-style-type: none">Increase revenue by enhancing Group-based initiatives including utilization of the abundant expertise of GCubeConstruct a business support model using the solar PPA model*1
	Cyber	<ul style="list-style-type: none">Develop promotions based on the strength of the 24/7 emergency hotline serviceEstablish an insurance agency specializing in cyber insurance
Response to New Risks		<ul style="list-style-type: none">Establish insurance programs in cooperation with overseas Group CompaniesCreate new markets by leveraging the strengths of the Group's core data company, Tokio Marine dR Co., Ltd.

► Progress Status

- The top-line fiscal 2022 results were +64.5 billion yen (vs. fiscal 2020), mainly due to expansion of initiatives in four priority areas of social issues, which are growth drivers. The fiscal 2023 projection is +105.1 billion yen, and the current MTP target of +100 billion yen is achievable.
- We will continue to firmly capture the expanding market due to the increasingly diverse and complex social issues.



*1: A system that enables the introduction of solar power generation systems without initial and maintenance costs
*2: Including P.A.
*3: After tax, estimation (including rate revision effects)

Road Map for Achieving the Current Mid-term Business Plan

Domestic non-life insurance

Initiatives to Improve the Combined Ratio (C/R)

► Current MTP targets

Invest about 40 billion yen in digital technology to rigorously reduce internal administration work. Improve the C/R ratio to around 92% by not only reducing business expenses but also redistributing the generated load to increase strategic execution capability for the current MTP targets.

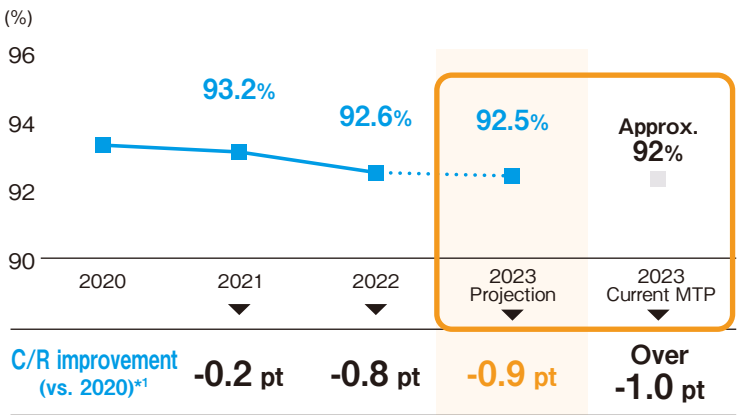
► Key Measures

Measure	Approach
Rigorously reduce internal (1) administrative work through the thorough use of digital technology	<ul style="list-style-type: none">Business expense related: Digitize customer contacts, increase automation, and improve the efficiency of administrative workLoss adjustment expense related: Improve efficiency using AI, online procedures, etc.
(2) Initiatives that utilize the time created	<ul style="list-style-type: none">Achieve top-line growth mainly in specialty insuranceImprove fire insurance earnings through disaster prevention and mitigation, as well as via countermeasures, etc.

► Progress Status

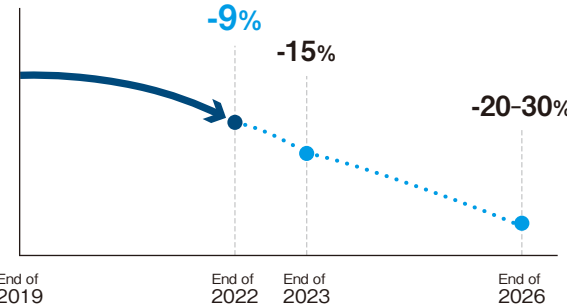
- In fiscal 2022, although the E/R declined due to top-line growth, the C/R was 92.6% due to the deterioration of the L/R in fire and specialty insurance, etc. In fiscal 2023, despite the deterioration of the L/R in auto insurance, our C/R projection is 92.5%, close to the target of the current MTP, due to various measures such as the improvement of profitability in fire insurance and the expansion of specialty insurance.
- As of the end of fiscal 2022, we had reduced our internal administrative work by 9%, against the target of 15% reduction by the end of fiscal 2023 (vs. the end of fiscal 2019, with a 20%–30% reduction targeted by the end of fiscal 2026).

C/R*1



*1: Natural catastrophes are normalized to an average annual level, and the impacts of COVID-19 and exchange rates are excluded. In addition to the above, the impact of the flooding in South Africa (approximately 3 billion yen) was excluded in fiscal 2022.

Effects of reduced internal administration*2 (compared to end of 2019)



*2: Virtual calculation of the reduction effect compared to the actual results as of the end of fiscal 2019

Road Map for Achieving the Current Mid-Term Business Plan

Domestic life insurance

Contributing to the Group’s risk diversification and long-term growth

► Current MTP Targets

Under the current MTP, plans are in place to secure stable top-line growth of around +5% CAGR and bottom-line growth of around 50 billion yen per year by expanding sales of highly profitable products.

► Key Measures

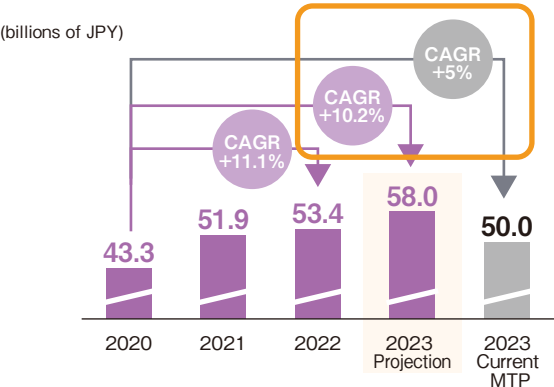
Introduce highly profitable products that focus on the three areas of seniors, healthcare, and asset formation. In addition, aim to achieve the current MTP targets using digital technology to expand our business model that establishes direct contact between TMNL and existing non-life insurance policyholders and connects them with sales agents who can provide consulting services.

Measure	Approach
(1) Focus on growth areas (seniors, healthcare, and asset formation)	<ul style="list-style-type: none">Introduce new products focusing on nursing care and cancer and expand sales of variable insurance with installment plansExpand such supplementary services as dementia prevention and early cancer detection
(2) Promote the cross-selling of life and non-life products	<ul style="list-style-type: none">Expand the use of apps that provide comprehensive insurance diagnosis servicesExpand the division of labor model in which direct contacts with existing non-life insurance policyholders are established and they are referred to life insurance agents

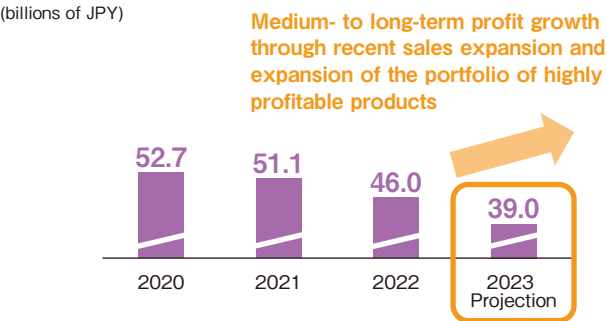
► Progress Status

- The top-line fiscal 2022 result was 53.4 billion yen (CAGR +11.1% vs. fiscal 2020). The fiscal 2023 projection is 58 billion yen (CAGR +10.2% vs. fiscal 2020), exceeding the current MTP target (CAGR +5%).
- The bottom-line 2022 result (excluding one-off effects) was 46 billion yen due to an increase in hedging costs, etc. Under the current MTP, plans were to secure a stable stream of profits around the 50 billion yen level, but the fiscal 2023 projection is lower than the plan due to an increase in the first-year burden associated with top-line growth and an increase in hedging costs.

Top-line (New Policies ANP)



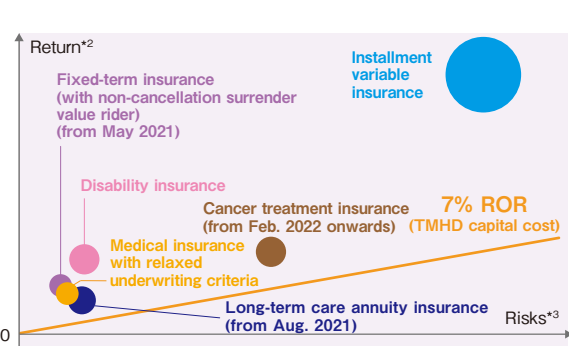
Bottom line



(Reference) Medium- to Long-Term Growth Driver

Current main and new products have RORs that exceed the cost of capital and will serve as a driver of future profit growth.

ROR*1 for TMNL’s main products (image)



*1: The size of the bubble indicates annualized new policy net premium (FY2023 projection)
*2: Value of new business and future release of cost of non-hedgeable risks (FY2023 projection)
*3: Sum of the present value of required capital for each future fiscal year (FY2023 projection)

Road Map for Achieving the Current Mid-Term Business Plan

International insurance

Underwriting Profits Increase in Advanced Markets

► Current MTP Targets

Under the current MTP, we plan to boost underwriting profit (15 billion yen before tax) compared with fiscal 2020 by generating robust growth in the top line with a CAGR of approximately 5% while maintaining a C/R that compares well to our global peers of approximately 93%.

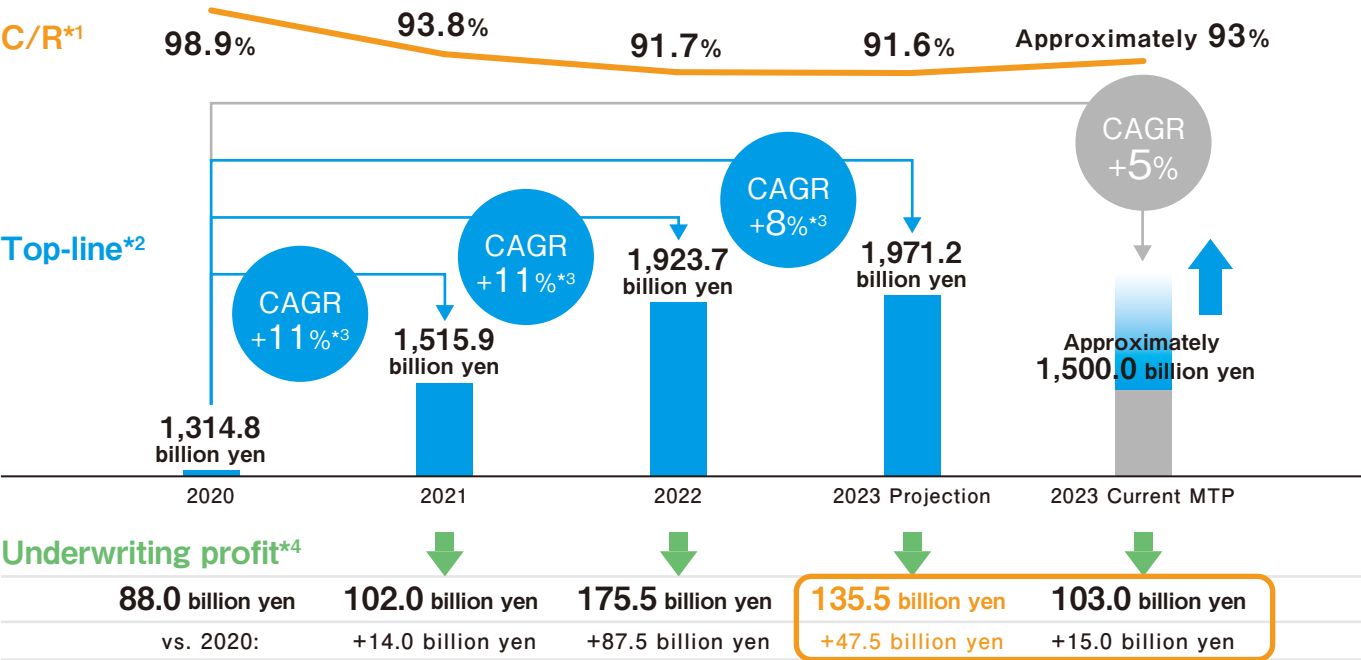
► Key Measures

In consistently focusing on the bottom line and harnessing our strength in underwriting and risk underwriting, we will work to achieve targets identified under the current MTP by realizing appropriate underwriting while ascertaining the profitability of each business line via a forward-looking approach.

Measure	Policy Initiatives
(1) Top-line growth	<ul style="list-style-type: none">Leverage the strengths of each Group company and achieve rate increases above market level and exceeding loss costThrough portfolio management, engage in new risk-taking in lines where high returns are expected while ensuring profitabilityImplement bolt-on M&As
(2) Maintain strong profitability	<ul style="list-style-type: none">Build a strong underwriting portfolio by maintaining strict underwriting discipline while paying close attention to trends in profitability including rising social inflationPromote efforts to improve operation efficiency through such measures as administrative process improvement and work to reduce operating expenses, etc.

► Progress Status

- We are steadily implementing and realizing the effects of a variety of measures including rate increases that take advantage of the hard market environment and disciplined underwriting, as well as such bolt-on M&As (see p. 143) as SSL’s acquisition by DFG (most recently, GGEBS’ s acquisition by TMHCC (July 2023)).
- As a result, actual underwriting profit in fiscal 2022 increased 87.5 billion yen compared with fiscal 2020 (including take down of prior year loss reserves) and is projected to climb 47.5 billion yen in fiscal 2023 compared with fiscal 2020. This is due to top-line growth at a pace that exceeds plans and steady improvements in the C/R. As a result, trends in underwriting profit substantially exceed the target of the current MTP (a 15 billion yen increase compared with fiscal 2020).



*1: North America + Europe segments. Include policies with a high C/R such as DFG’s excess workers’ compensation and life insurance. Exclude transient effects such as natural catastrophes and COVID-19, the currency-adjusted C/R was 93.3% in 2020, 93.0% in 2021, and 89.2% in 2022
*2: Total NWP of the North America + Europe segments. For the 2020 and 2023 current MTP, the foreign exchange rate is as of March 31, 2021
*3: The foreign exchange rate is as of March 31, 2021
*4: Estimated with the top line × (1-C/R) (before tax). Adjusted C/R in *1 above used for 2020, 2021, and 2022, excluding foreign exchange.

Reference: Capacity to support sustainable expansion in underwriting profits in advanced markets

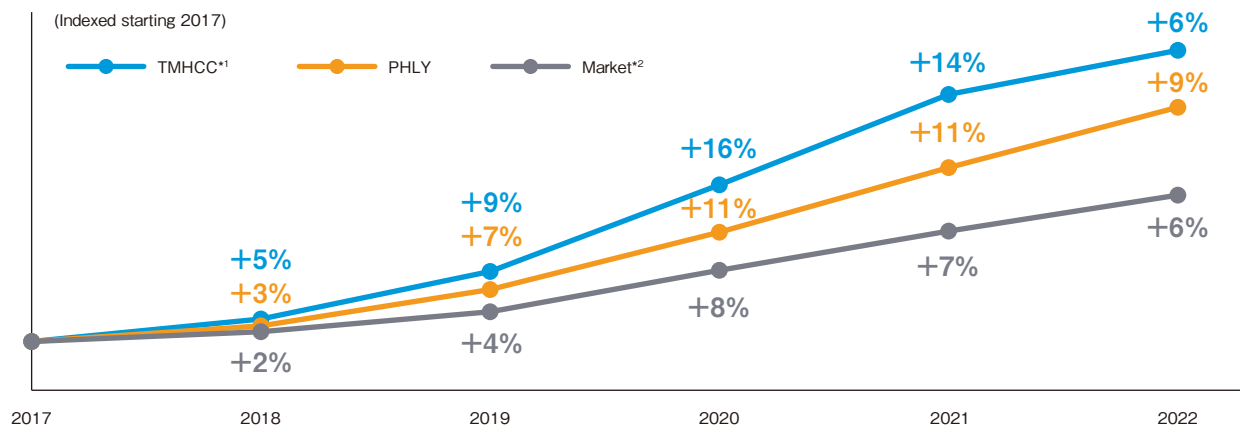
(1) Rate increase capacity

Through forward-looking rate increases, we have realized rate increases that exceed not only the loss cost but also those in the market. This is because of the superior strength of our Group Companies compared to competitors in their respective markets.

For example, since its foundation, TMHCC has built up expertise and brand power by specializing in the North American

specialty insurance field and has high price bargaining power as a market leader. In addition, PHL Y has achieved high customer satisfaction through a strong sales network, detailed services through specialized products that meet the specific needs of niche sectors such as nonprofit organizations, and highly specialized claim services provided by experienced staff.

Examples of rate increases (figures in the graph are YoY rate increase)



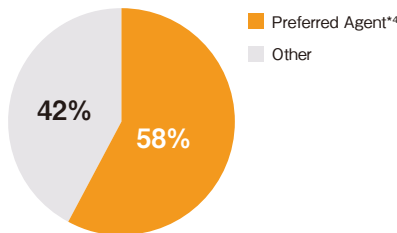
Strengths of Tokio Marine Group Companies That Enable Above-Market Rate Increases

► Strong Competitive Advantage of TMHCC

- Highly specialized underwriting and claims service expertise built as a specialty insurance company since establishment in 1974
- Trusted by customers/brand recognition
- Strong price negotiation as the market leader

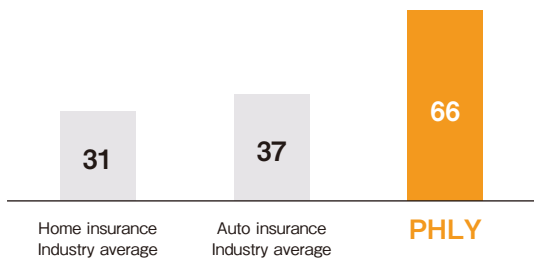
► PHL Y's Strong Sales Network^{*3}

- Strong relationships with leading agents/brokers to enable disciplined U/W



► Net Promoter Score^{*5} of PHL Y Significantly Higher than the Market

- Provides highly specialized and high-quality products and services to meet customer needs



^{*1}: Excluding A&H, Surety and Credit

^{*2}: Source: Willis Towers Watson

^{*3}: Results of PHL Y's underwriting of new contracts in fiscal 2022 (GWP base)

^{*4}: PHL Y's Preferred Agent and equivalent brokers

^{*5}: Indicator to measure customer loyalty and customer willingness to use products/services continuously. PHL Y based on 2022 data
Source: Customer GURU, NICE Satmetrix 2022, Consumer Net Promoter Benchmark Study

(2) Expansion of highly profitable business lines

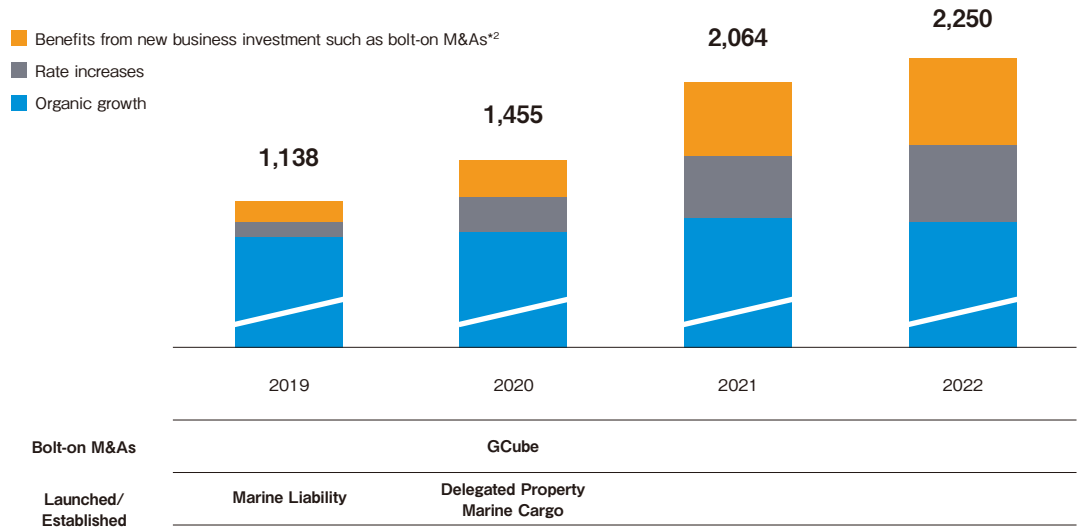
We are improving the profitability of our entire portfolio not only by increasing rates but also by strategically expanding highly profitable business lines. TMHCC, for example, has recently expanded its highly profitable International segment through bolt-on M&As and new underwriting.

In addition, PHL Y is expanding underwriting while continuously improving the profitability of the entire portfolio through a disciplined underwriting strategy for each product group (Tiers) according to profitability.

Example of efforts (1)

► Expansion of TMHCC's International Segment

TMHCC International segment top-line^{*1} (millions of USD)



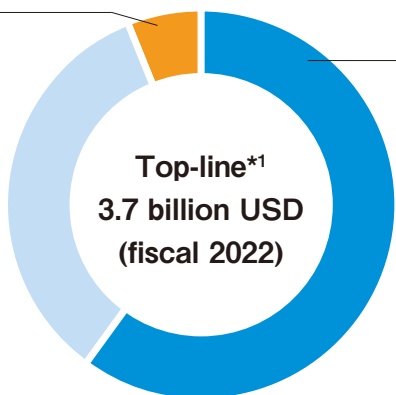
Example of efforts (2)

► Portfolio Management Based on Profitability at PHL Y

- Classifying products into Tiers 1-3 based on profitability
- Improving the profitability of the entire portfolio by implementing a disciplined underwriting strategy for each Tier and repeating the cycle of reviewing the content of each Tier every year

More rigorous underwriting in the less profitable **Tier 3** (-12% year on year)

- Tier 1
- Tier 2
- Tier 3



Expansion of highly profitable **Tier 1** (+8% year on year)

^{*1}: GWP for TMHCC, NWP for PHL Y

^{*2}: Written premium generated from business investment such as bolt-on M&As implemented since 2018.

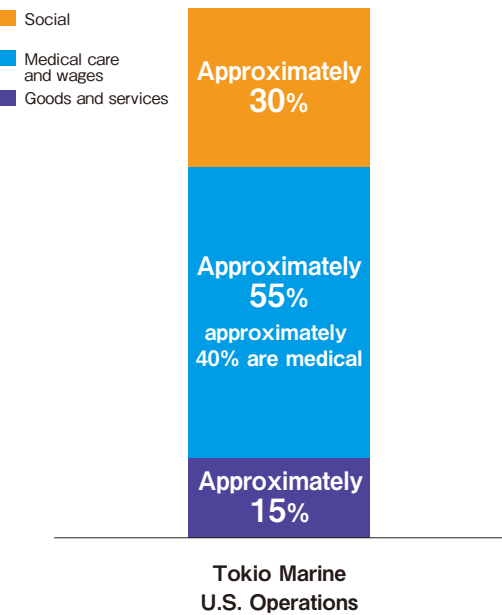
(3) Resistance to inflation

There are three major types of inflation: (1) economic inflation (goods and services), in which the price of goods rises; (2) economic inflation (medical care and wages), in which medical care costs and wages rise; and (3) social inflation, in which legal costs and damages rise as a result of a growing tendency to hold corporations more strictly accountable. For sustainable earnings growth, it is important to appropriately control rises in the loss cost due to inflation. Among them, economic inflation (goods and services) has a particular impact on loss cost in fire insurance and auto insurance, which are traditional insurance lines. However, Tokio Marine's U.S. operations, which are centered on specialty insurance, are relatively resistant to this impact.

However, in specialty insurance, which is one of our strengths, loss cost in medical stop-loss insurance and excess workers' compensation, for example, are susceptible to economic inflation (medical care and wages), while liability insurance is susceptible to social inflation. In response to these developments, we have strengthened our resilience to inflation by proactively implementing measures such as rate increases, reviewing underwriting, and reducing the number of lawsuits by promoting early settlements.

By continuing this proactive approach, we will continue to improve our ability to respond to sudden environmental changes and generate stable profits.

► Loss Reserve Ratio by Inflation Type for Our U.S. Business*1



► Tokio Marine Strategies by Inflation Type

Social inflation	<ul style="list-style-type: none">✓ Identify high-risk contracts potentially deteriorating future performance in advance, and proactively take measures by reviewing underwriting details, etc.✓ As a result of significantly reducing high limit policies of 10 million USD or more, which are often targeted by lawsuits, more than 90% of all in-force policies*2 have a limit less than 5 million USD✓ Reduced number of lawsuits by approximately 60%*3 through early settlement efforts✓ Rate increases in light of rising loss cost✓ Loss reserves in select liability lines strengthened and prior year reserves have developed favorably since fiscal 2019
Economic inflation (medical care and wages)	<ul style="list-style-type: none">✓ Although there are impacts on excess workers' compensation and medical stop-loss due to increases in medical expenses and wages, etc., they are controlled through proactive rate increases and increases in self-insurance retention, etc.
Economic inflation (goods and services)	<ul style="list-style-type: none">✓ Increasing rates in light of increased loss cost due to inflation✓ We have a structure that is relatively resistant to the impact of economic inflation due to centering on specialties (low proportion of fire and automobile insurance, etc.)✓ The current inflation index for goods and services (flexible CPI, construction price index, etc.) has declined since peaking in 2021, and the risk of inflation on goods and services has relatively decreased

*1: Tokio Marine North U.S. subsidiaries loss reserves by inflation type as of the end of fiscal 2022
*2: Umbrella insurance with many high-value limit contracts
*3: Compared with Q2 of fiscal 2020 when the Company commenced early settlement initiatives

(4) Ability to execute bolt-on M&As

We are executing bolt-on M&A deals and forward-looking divestments with the aim of strengthening existing businesses, diversifying risk, and stabilizing C/Rs.

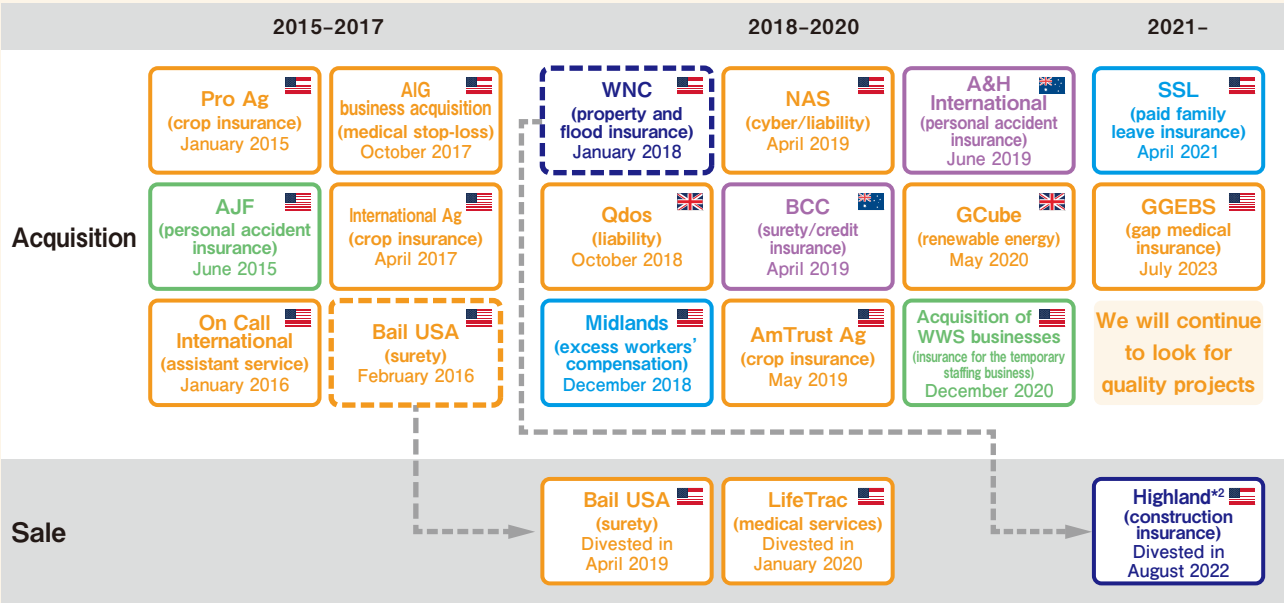
Bolt-on M&As are distinguished by their high rate of success. This is because we have predominantly targeted companies and businesses with which we have had a long-standing business relationship, in-depth knowledge of their business, and enjoy relationships of trust with their management. In addition, we are steadily implementing PMI*1 based on our wealth of experience

and robust framework. Meanwhile, our well-diversified portfolio has allowed us to stabilize C/Rs, which has contributed to profit growth, even as our business expands.

Under the proactive governance of Tokio Marine Holdings, we will further enhance the quality of our bolt-on M&A deals and accelerate growth by utilizing, within each Group company, TMHCC's know-how developed through more than 60 successful bolt-on M&A deals.

*1: Abbreviation of Post Merger Integration, which refers to the integration process after an M&A

Advantages of bolt-on M&As	High success rate Accumulated know-how Disciplined M&As	: In-depth understanding based on a long-term business relationship : Experience of executing more than 60 bolt-on M&As : Strategic portfolio adjustment taking the future business environment into consideration
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Colors indicate acquired companies: TMHCC, TMK, PHLY, DFG, TMMA (Australia)
*2: Agents handling construction insurance in the Tokio Marine Highland (formerly WNC) Group, affiliated with TMK

Latest M&A Deals

 Acquired by TMHCC in July 2023 (Acquisition price: Below 10 billion yen)	<ul style="list-style-type: none">● Provides gap medical insurance*3 for small to medium-sized businesses, which are expected to increase in the United States● Aims to capture the growth of the gap medical insurance market and further diversify the business by leveraging support from TMHCC's nationwide sales network
 Acquired by DFG in April 2021 (Acquisition price: Around 19.8 billion yen)	<ul style="list-style-type: none">● Provides paid family leave insurance, a market that is expected to expand throughout the United States● Expects to become a top three company in the industry in the state of New York and achieve after-tax profit of 1.5-2 billion yen after the M&A● Will further expand insurance for employee benefits through cross-selling synergies with DFG

*3: A generic term for ancillary insurance to cover medical expenses that are not covered by primary health insurance arranged by employers for employees.

Road Map for Achieving the Current Mid-Term Business Plan

International insurance

Driving Growth for Pure

► Current MTP Targets

Under the current MTP, we are taking advantage of the customer loyalty rate that is well above the industry average to accelerate the pace of growth and have achieved major growth. Through the creation of synergies that leverage the Company’s North American-based sales platform, we plan to expand business unit profits by 13 billion yen.

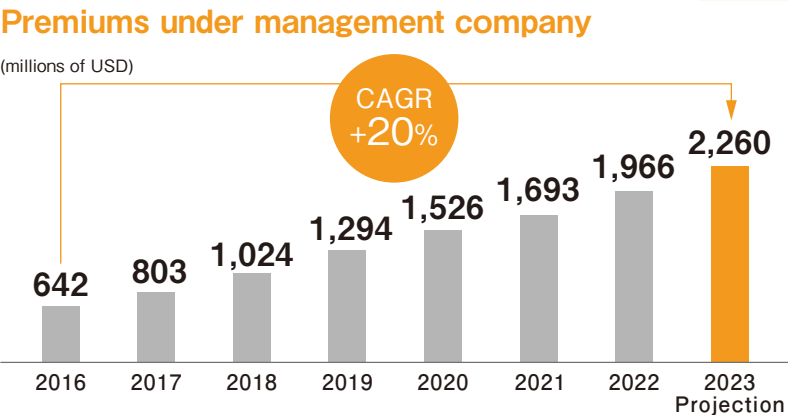
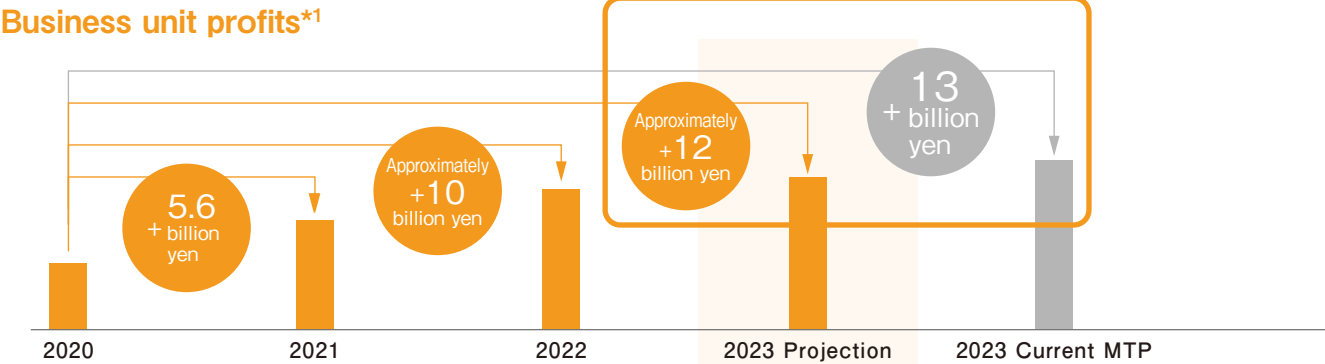
► Key Measures

We aim to achieve the goals of the current MTP by expanding our business scale and earnings through measures such as rate increases and the geographical diversification of our portfolio based on high customer loyalty.

Measure	Approach
(1) Implement growth strategies	<ul style="list-style-type: none">Focus on the high-net-worth market, which is a source of high growth potentialDiversify our portfolio, including expanding into CanadaMaintain and enhance strong customer loyaltyIncrease rates that take advantage of the hard market environment, etc.
(2) Demonstrate Group synergies	<ul style="list-style-type: none">New business relation with PHLY’s leading agents holding high net worth clientsJoint marketing to agents in Hawaii with Hawaiian subsidiary FICOHJoint development of cyber insurance products with TMHCC for individual clients, etc.

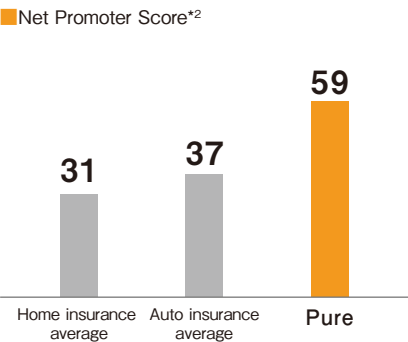
► Progress Status

- As a result of the steady implementation of our key measures, business unit profits in fiscal 2022 increased 10 billion yen and fiscal 2023 projections are an increase of 12 billion yen compared with fiscal 2020. This is generally in line with the current MTP target (a 13 billion yen increase compared with fiscal 2020).



*1: The foreign exchange rate is as of March 31, 2021. For 2020, 2021, and 2022, natural catastrophes are normalized to an average annual level and the impact of COVID-19 is excluded.

Strong customer loyalty



*2 Indicator to measure customer loyalty and customer willingness to use products/services continuously. Data for Pure are from 2022. Source: Customer GURU, NICE Satmetrix 2022 Consumer Net Promoter Benchmark Study

Road Map for Achieving the Current Mid-Term Business Plan

International insurance

Emerging Countries Strategy

► Current MTP Targets

Under the current MTP, we are implementing a growth strategy with the goal of diversifying geographical risk and capturing markets with high growth potential. Plans are in place to secure a CAGR of at least +10% (+15 billion yen) through profit growth.

► Key Measures

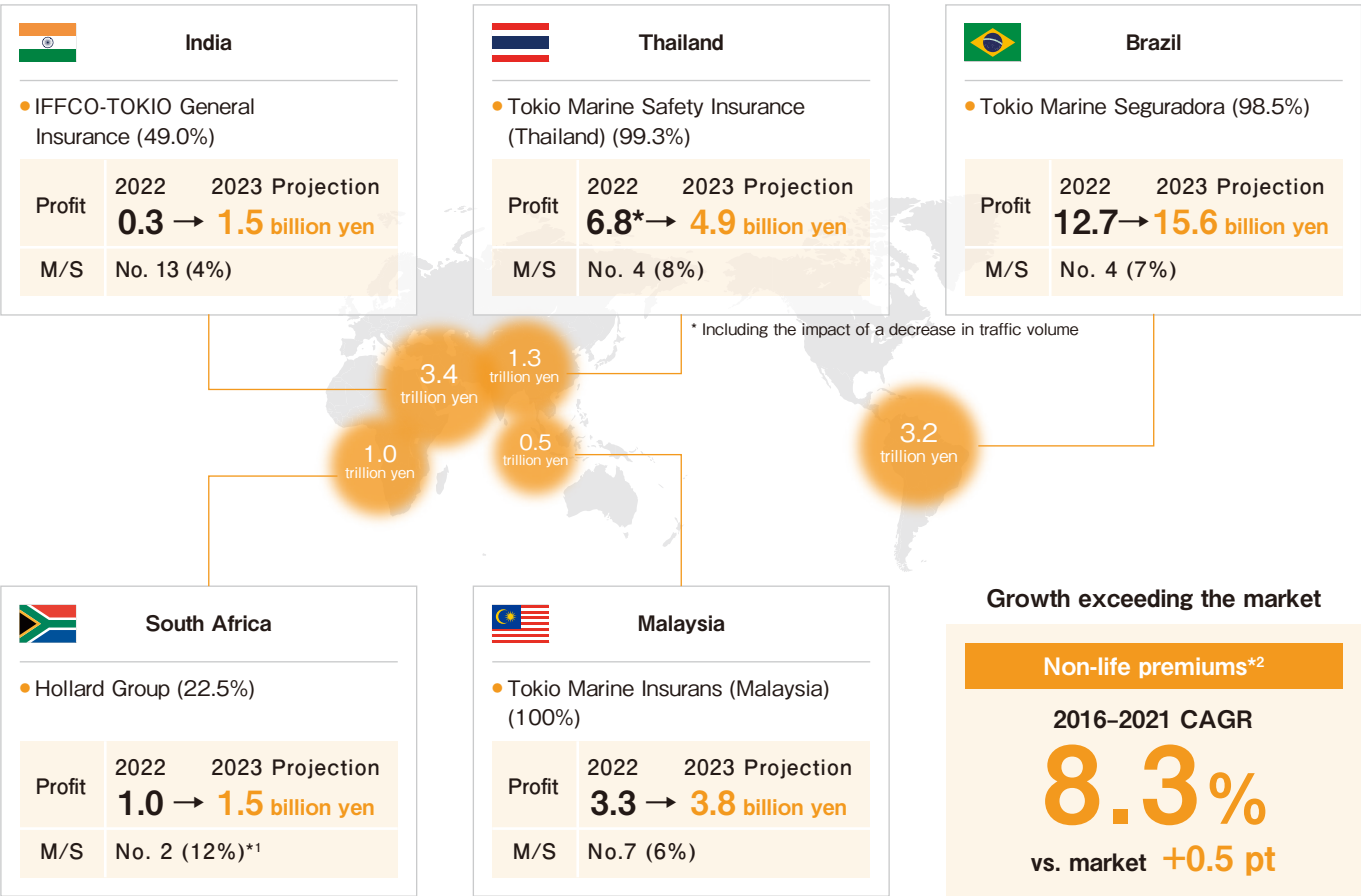
In emerging markets, made up of a variety of countries, we will strategically develop businesses and implement growth strategies considering conditions in each country. Through these means, we will work to achieve current MTP targets and develop pillars of future growth.

Measure	Approach
Strategic business development based on conditions in each country	<ul style="list-style-type: none">Capture Brazilian mortgage-related insurance needs that offer high growth and profitability potential through the establishment of a joint venture with Caixa, Brazil’s largest banking groupExpand our market share in the Thai automobile market through integration with Safety Insurance acquired in Thailand

► Progress Status

- Business unit profits in fiscal 2022 increased 49% and fiscal 2023 projections are an increase of 38% compared with fiscal 2020, excluding transient effects. Progress is substantially beyond the current MTP (over 10% increase).
- In particular, the bottom line in Tokio Marine Seguradora in Brazil has grown to a scale of more than 10 billion yen in actual profits, as a result of its high insurance underwriting capacity and the implementation of digital transformation.

Major regions of non-life insurance business in emerging countries



Profits: Business unit profits
Sources for M/S: AXCO, IRDAI, IPRB, SUSEP, Swiss Re, FSCA Financial Sector Conduct Authority
Figures in brackets by the company name: Ownership ratio as of March 2023
Figures in circles: GWP of each country as of FY2021 Source: Swiss Re

*1: M/S of P&C business (2021)
*2: NWP for TMHD, GWP for market Source: Swiss Re

Road Map for Achieving the Current Mid-Term Business Plan

International insurance

Increase Investment Income by Leveraging Our Strength in Credit Management

► Current MTP Targets

Under the current MTP, we plan to increase investment income utilizing the ability to spot good investment targets in the credit market.

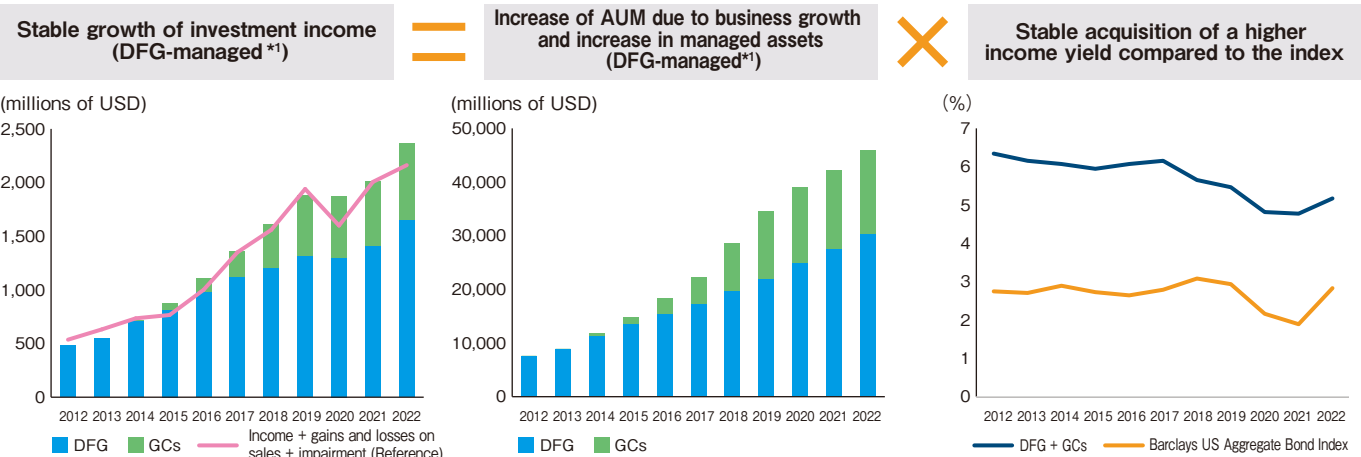
► Key Measures

Under appropriate risk control based on the characteristics of insurance liabilities, we will work to achieve the current MTP targets by achieving high returns relative to risks through various measures including investments in credit assets in the United States that utilize DFG’s asset management prowess.

Measure	Approach
Credit management (1) utilizing the strengths of DFG’s investment team	<ul style="list-style-type: none">• Leverage long-term, predictable investment fund characteristics and pursue excess profits that tolerate liquidity risk• Execute agile asset allocation according to the investment environment by data gathering and analysis leveraging a broad network• Undertake investments that require expertise in such areas as CLOs and CRE loans
(2) Collaboration with Tokio Marine Group companies	<ul style="list-style-type: none">• Control credit risk appropriately within our Group-wide ERM framework• Develop specialized investment personnel through personnel exchanges within the Group, etc.
(3) Demonstrate Group synergies	<ul style="list-style-type: none">• Entrust the assets of Group companies to DFG while expanding profits by utilizing the DFG investment team’s capabilities• Execute R&D in new fields such as ESG investment on a Group-wide basis

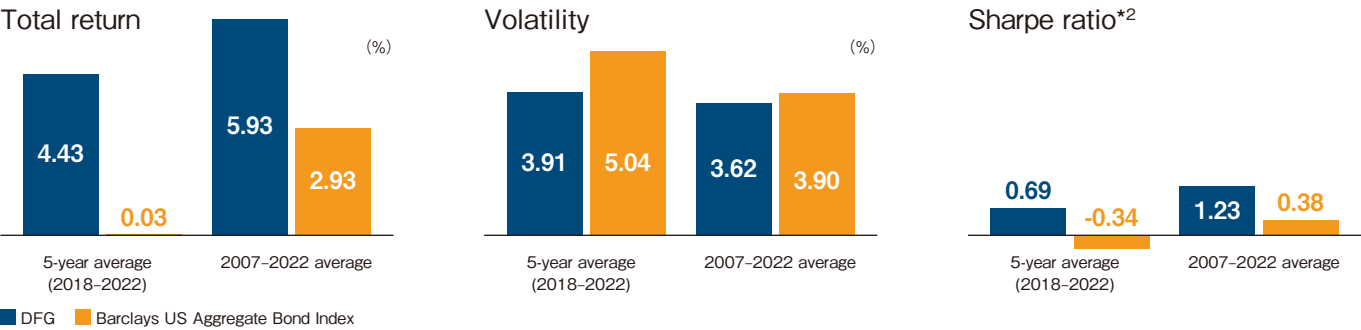
► Progress Status

- Assets under management (AUM) of the entire Group have increased significantly mainly due to the strong performance in insurance underwriting. DFG, which excels at credit management, has managed part of this, and has achieved stable income revenue exceeding the benchmark, and made good progress.



*1: Assets entrusted to DFG by major Group Companies (TMNF, AL, NF, PHLY, TMAIC, TMHCC)

Results compared to index

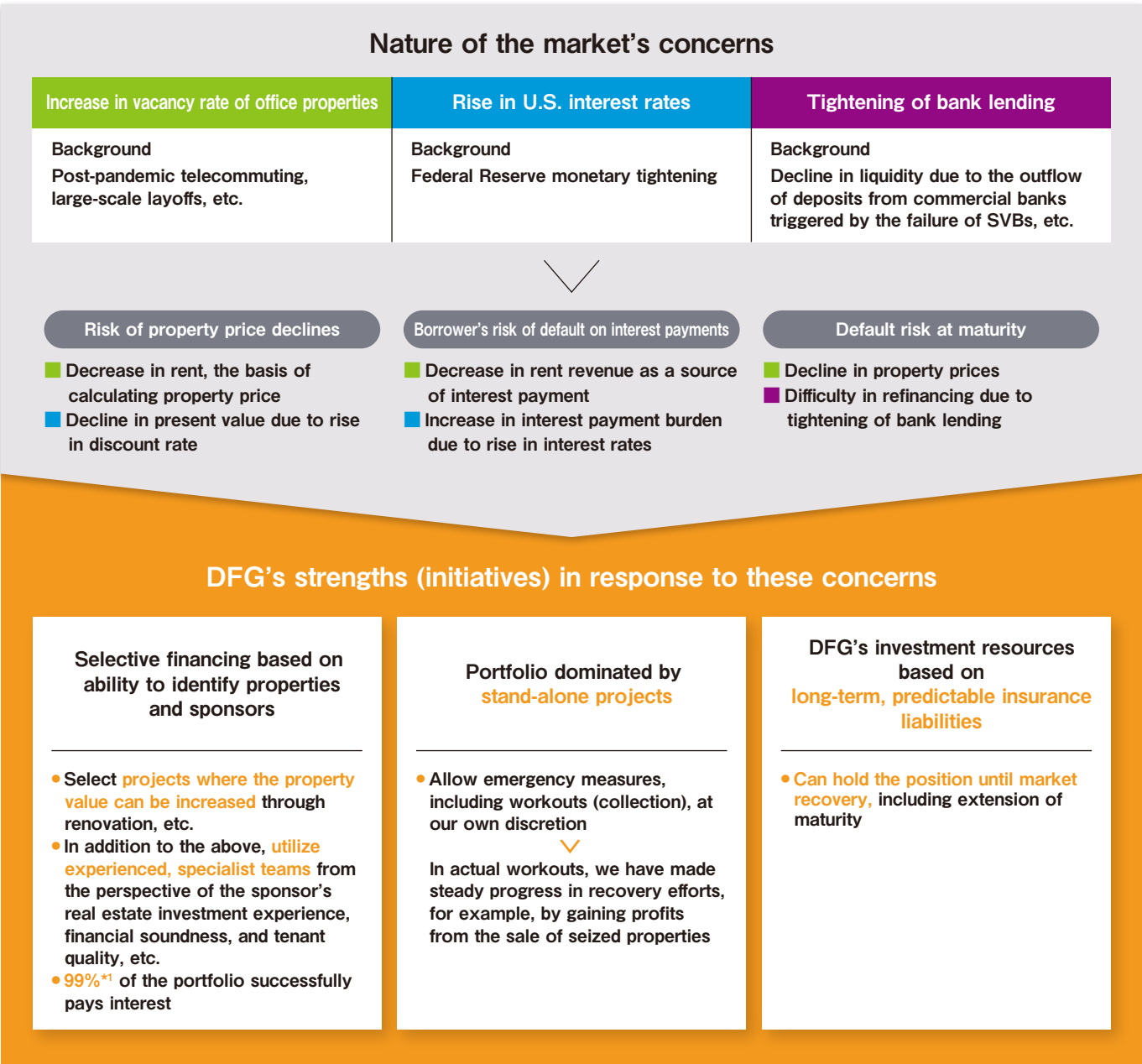


■ DFG ■ Barclays US Aggregate Bond Index

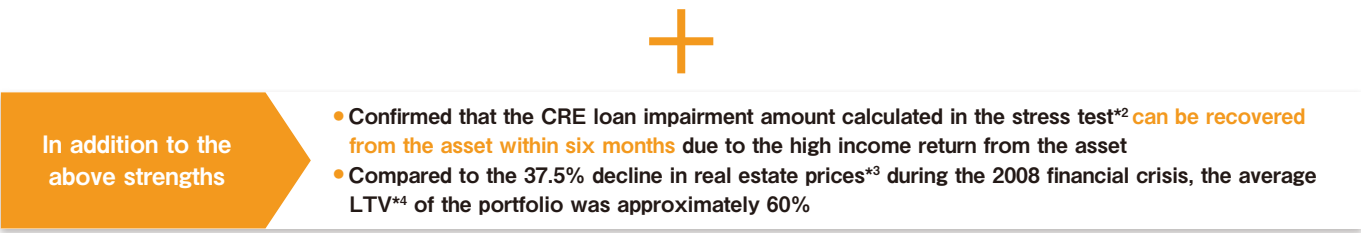
*2: Indicator for measuring investment return per unit of risk. Calculated by total return minus risk-free rates divided by volatility. Risk-free rates: LIBOR6M

Reference: DFG’s strengths in CRE loan management

One of the strengths of DFG’s credit management is its CRE loan investment that utilizes its high level of expertise. DFG has implemented appropriate measures even in the recent financial turmoil, and the negative impact has been limited.



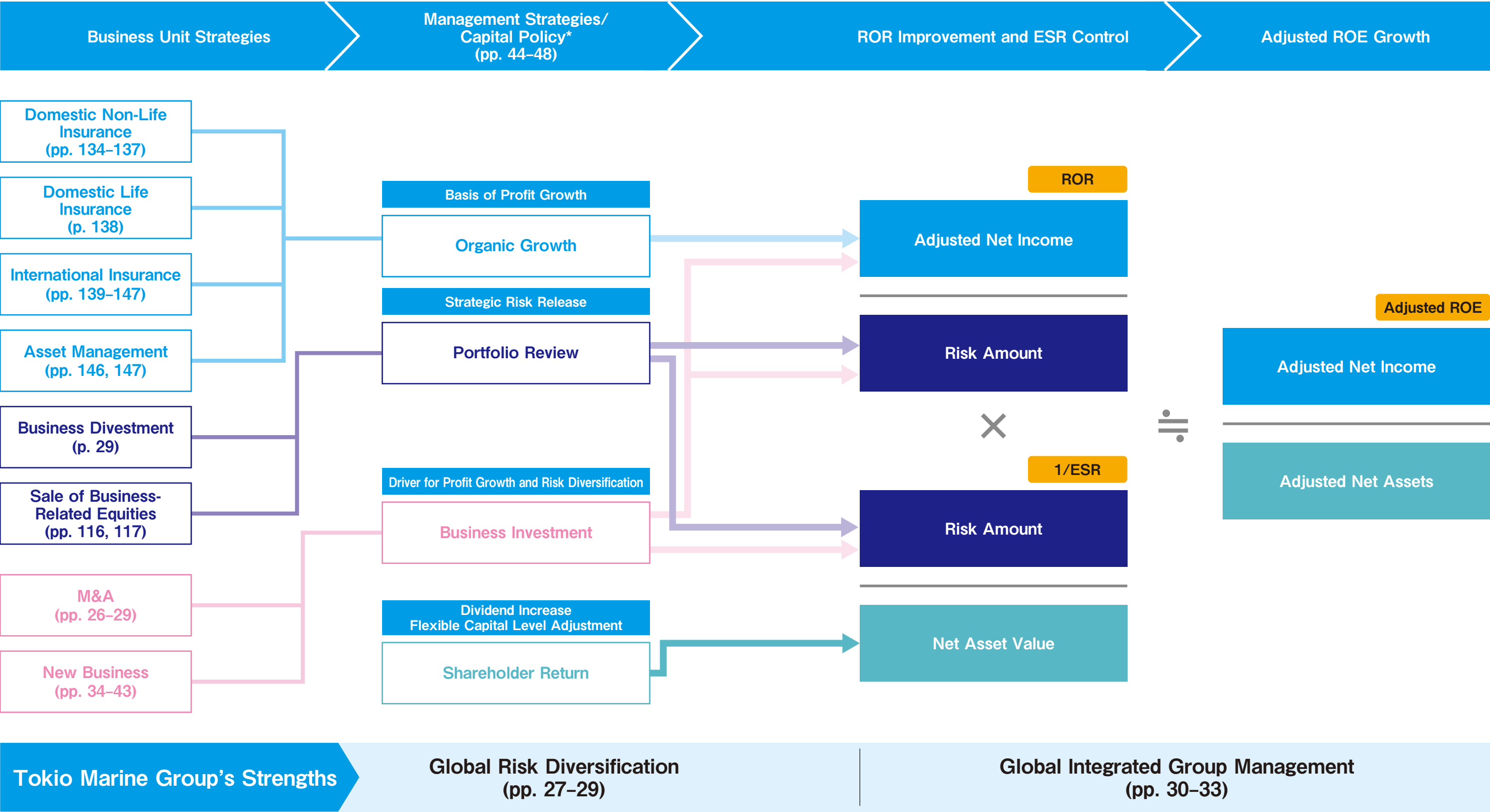
Limited impact on PL from the 2008 financial crisis



*1: Balance as of March 31, 2023 *2: Calculated based on a conservative assumption that certain losses will occur, with reference to the probability of default at the time of the 2008 financial crisis. *3: Refer to the CPPI Index. *4: Loan to Value = Loan balance/collateral value

Toward Adjusted ROE Growth

We will secure adjusted ROE growth by steadily implementing business unit strategies based on our strengths.




*: Arrows from Management Strategies and Capital Policy are drawn toward the components of ROR and ESR that are especially affected. For example, while a portfolio review attributable to the sale of business-related equities increases adjusted net income owing to the gain on sale of business-related equities, an arrow is not drawn toward adjusted net income because the primary objective is to eliminate the risk amount.

Participation in International Initiatives

Tokio Marine Group participates in various international initiatives, taking part in surveys, research, and making recommendations to contribute to the realization of a sustainable society.


Human Rights, Labor, the Environment, and Anti-Corruption



United Nations Global Compact


- Joined in 2005 and continued declaration of support
- In fiscal 2022, participated in the “Disaster Prevention and Mitigation Working Group,” “WEPs Working Group,” etc.

Sustainable Finance and Insurance Frameworks



United Nations Environment Programme and Finance Initiative (UNEP FI)


- Participated in the Insurance Committee as a representative director of the Asia region
- Participated in the Asia-Pacific Roundtable 2021 (June 2021)



Principles for Sustainable Insurance (PSI)


- Signing as a founding signatory in 2012 and participation in the PSI TCFD Insurer Pilot Working Group in 2018 to promote the development of climate-related disclosure frameworks based on the TCFD recommendations

Sustainable Investment



United Nations Principles for Responsible Investment (PRI)

- In Tokio Marine Group, TMNF and Tokio Marine Asset Management became signatories to promote responsible and sustainable investment



Climate-Related Information Disclosure

PCAF



Insurance Development Forum (insurance industry-spearheaded international public-private partnership)



United Nations International Strategy for Disaster Risk Reduction/ Private Sector Alliance for Disaster Resilient Societies



CDP



The Geneva Association



Task Force on Climate-related Financial Disclosures



ClimateWise



Taskforce on Nature-related Financial Disclosures



Asia-Pacific Financial Forum



Sustainable Markets Initiative



ESG Evaluations and External Awards

Tokio Marine Group has been highly evaluated and has received numerous awards from domestic and overseas institutions for the environmental, social, and governance (ESG) initiatives that it promotes as a part of its business and corporate social responsibility activities.

Socially Responsible Investment (SRI) and ESG Indexes that include Tokio Marine Holdings

Member of

Dow Jones Sustainability Indices

Powered by the S&P Global CSA

- Globally recognized ESG Index Series jointly developed by S&P Dow Jones Indices LLC and RobecoSAM AG in 1999
- Tokio Marine Holdings included for 14 consecutive years beginning in 2009






2023 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

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Awards for ESG Initiatives



- Tokio Marine included in the 2023 “Health & Productivity Stock Selection program” (eighth consecutive year)
- Tokio Marine selected as an Excellent Enterprise of Health & Productivity Management (Large Enterprise Category) together with 13 Group companies, of which five were recognized as White 500 enterprises



- Selected as a DX Stock for 2023 in the Digital Transformation Stock (DX Stock) listing (second consecutive year)



- Tokio Marine won the Silver Award (Minister of the Environment Award) in the Environmentally Sustainable Company category of the “ESG Finance Awards Japan”



- Tokio Marine was selected as the Supplier Engagement Leader which is the highest rating in the 2022 “Supplier Engagement Rating (SER)” by the international environmental nonprofit organization CDP



- Overseas Group companies named among the “Best Workplaces in Brazil” (10th consecutive year) and among the “Best Places to Work in Insurance” in the United States

The material social issues to be addressed by Tokio Marine Group are indicated on pp. 64–65. In addition to these issues, the Group is advancing various initiatives pertaining to environmental, social, and governance (ESG) issues.

We will work to contribute greatly to the achievement of the SDGs through such initiatives.

ESG Category Initiative Themes Major Initiative			Relevance to the 17 Sustainable Development Goals (SDGs)																
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Environmental	Promoting environmental management	Reduction of environmental impacts of business activities and achievement of a carbon-neutral													●	●			
	Preserving biodiversity through products and services	Promotion of web-based insurance contracts and omission of issuing issuance policies													●	●			
		Mangrove planting project, "Green Gift," and conservation and restoration activities for eelgrass beds				●		●					●	●	●	●			
		Promotion of the use of recycled parts when repairing damage to vehicles involved in accidents												●	●				
	Preventing global warming by promoting the development of clean energy	Provision of exclusive products and services for solar, geothermal, and offshore wind power generators							●		●				●				
		Provision of products and services for environment-related operators						●			●				●	●	●		
		Promotion of the use of environmentally friendly drones through the provision of drone insurance									●				●				
		Provision of renewable energy funds, and investment in green bonds							●		●				●				
		Promotion of green transformation (GX)							●						●				
		Supporting the decarbonization of business partners and recipients of investments and financing							●		●				●				
	Providing environmental awareness	Implementation of "Green Lessons" and "Marunouchi Citizens Environmental Forum"				●		●					●		●	●	●		
Social	Making society resilient to natural catastrophes	Execution of natural disaster risk research and "Disaster Risk Prevention Lessons" through industry-academia collaboration	●			●				●	●		●		●				●
		Participation in the Geneva Association and other initiatives and events related to natural catastrophes	●							●	●		●		●				●
		Provision of business continuity plan (BCP) formulation support programs, and disaster education and training services								●			●		●				
		Improvement of products and services that respond to increasingly serious natural catastrophes								●			●		●				
		Development of claim services that utilize satellites and drones	●							●	●		●		●				
		Establishment of the disaster prevention consortium CORE									●		●		●				
	Creating a society based on health and longevity	Provision of highly original medical and cancer insurance ("Life Insurance Revolution to Protect One's Living")			●					●									
		Provision of services for facilitating Health and Productivity Management			●					●									
		Provision of specialized products for addressing dementia, and execution of courses to foster people providing support to dementia patients			●					●									
		Responding to the need for coverage for COVID-19 as well as for preventing infection			●					●			●						
	Responding to technological progress and changes in the automotive lifestyle	Provision of auto insurance compatible with autonomous driving and sharing economies			●						●		●	●					
		Provision of products and services that utilize an original driving recorder			●						●		●	●					
		Provision of one-day auto insurance (Choinori Insurance)			●						●		●						
		Provision of cyber risk insurance for corporate customers									●		●						
		Provision of claim services that utilize big data and AI technologies			●						●		●						
	Addressing the increase in foreign visitors to Japan	Development of inbound business support services for Japanese business operators										●		●					
	Eliminating poverty in society	Provision of weather insurance and microinsurance for farmers in India	●	●						●		●							
		Provision of microfinance funds	●	●			●			●		●							
	Realizing an inclusive society	Provision of products and services catering to the LGBTQ+ community								●		●							
		Partnership with the Special Olympics Nippon Foundation and the Japan Deafblind Association, etc.				●				●		●						●	●
		Collaboration with the Japanese Para-Sports Association and the Japan Inclusive Football Federation				●				●		●						●	●
		Monetary donations made with the objective of providing logistic support for COVID-19 and large-scale natural disasters, etc.			●					●			●					●	●
	Developing industrial foundations	Support for corporate health and productivity management efforts			●					●	●		●						●
		Partnership between local governments and businesses operators to advance regional revitalization initiatives	●							●	●		●						●
		Execution of lessons on risk and the future				●					●		●						
		Contribution to the development of society through sports								●	●	●							●
	Increasing employee motivation	Promotion of diversity and inclusion				●				●		●							
		Promotion of work-style reforms, and health and productivity management			●					●	●	●							
		Human resources development that leverages the Group's collective strengths				●				●									
Governance	Enhancing corporate governance	Appointment of outside directors with diverse expertise, and adoption of hybrid corporate governance structure																●	
		Linkage between executive compensation and the results of ESG initiatives																●	
		Enhancement of governance through the execution of the PDCA cycle that is based on the evaluation of effectiveness					●											●	
		Strengthening integrated group management								●								●	
	Implementing internal controls	Formulation of various basic policies and conducting regular monitoring																●	
		Execution of compliance training and introduction of a hotline system										●						●	
	Practicing risk management	Enhancement of enterprise risk management and convening the ERM Committee								●								●	
		Formulation of Tokio Marine Group's Basic Policies for Risk Management and Tokio Marine Group Basic Policy for Crisis Management, and conducting regular monitoring											●					●	