

## TOKIO MARINE HOLDINGS INTEGRATED ANNUAL REPORT 2025

## Directors and Audit &amp; Supervisory Board Members



## Directors

- |   |   |  |  |   |
|---|---|--|--|---|
| 1 Chairman of the Board<br><b>Satoru Komiya</b>                                 | 4 Vice President Director<br>(Representative Director)<br><b>Kichiichiro Yamamoto</b> | 7 Outside Director<br><b>Takashi Mitachi</b>   | 10 Outside Director<br><b>Emi Osono</b>    | 12 Outside Director<br><b>Robert Alan Feldman</b> |
| 2 Representative Director and<br>President & Group CEO<br><b>Masahiro Koike</b> | 5 Managing Director<br><b>Keiko Fujita</b>  | 8 Outside Director<br><b>Nobuhiro Endo</b>     | 11 Outside Director<br><b>Kosei Shindo</b> | 13 Outside Director<br><b>Haruka Matsuyama</b>    |
| 3 Vice President Director<br>(Representative Director)<br><b>Kenji Okada</b>    | 6 Director<br><b>Hiroaki Shiota</b>   | 9 Outside Director<br><b>Shinya Katanozaka</b> |  |   |

## Audit &amp; Supervisory Board Members

- |  |  |
|--|--|
| 14 Audit & Supervisory<br>Board Member (Full-Time)<br><b>Takayuki Yuasa</b>  | 17 Outside Audit &<br>Supervisory Board Member<br><b>Nana Otsuki</b>   |
| 15 Audit & Supervisory<br>Board Member (Full-Time)<br><b>Akira Harashima</b> | 18 Outside Audit &<br>Supervisory Board Member<br><b>Junko Shimizu</b> |
| 16 Outside Audit &<br>Supervisory Board Member<br><b>Akihiro Wani</b>        |  |



For more details, including biographies, please refer to our website:

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

TOKIO MARINE HOLDINGS INTEGRATED ANNUAL REPORT 2025

## Corporate Governance Dialogue:

## TMNF's "Re-New" and Strengthening Group Governance

"Theory of Employee Excellence" and Guardrails

**Secretariat:** It has been just over a year since TMNF launched the "Re-New" initiative, prompted by a series of governance issues. What specific discussions were held during the implementation of this initiative?

**Kunihiro:** I have served as an outside director of TMNF for many years. Reflecting on the fact that this series of governance issues had been occurring continuously, I feel a profound personal regret that we were unable to recognize the problem for so long. With this in mind, when identifying root causes and developing measures to prevent recurrence, we thoroughly examined the question of why these issues went unnoticed until now and discussed it at the Board of Directors and the Business Quality Innovation Committee. The discussions spanned a wide range of topics, but today I would like to introduce one particular perspective: the "Theory of Employee Excellence."

**Secretariat:** At first glance, it sounds as if this simply means that employees should be talented, but what does it specifically entail?

**Kunihiro:** For example, our corporate culture of "Freedom and Open-mindedness" is cultivated by the Company's trust in employees and its encouragement of autonomous work. This culture is supported by the presence of excellent employees who respond to that trust. Such a culture is invaluable—it cannot simply be created from scratch, and it must be carefully nurtured. On the other hand, the "excellence of employees" that underpins



**Tadashi Kunihiro**

Tokio Marine & Nichido Fire  
Outside Director  
Chairman of the Business Quality  
Innovation Committee

**Haruka Matsuyama**

Outside Director  
Chairman of the Group  
Audit Committee

**Satoru Komiya**

Chairman of the Board



## Corporate Governance Dialogue

this culture was developed within the Company's familiar "sandbox" of insurance business law—but had not kept pace with changes in the broader marketplace, such as antitrust and data privacy regulations. While we excelled within this controlled environment, the external world had evolved, and remaining focused solely on our sandbox might have created a gap between our internal practices and societal expectations.

**Matsuyama:** In other words, our focus had been almost entirely within the sandbox—that is, the non-life insurance industry. While cartel issues were occurring in other sectors, we did not consider the possibility of such issues arising within our own company, which reflects a rather narrow perspective. Even if some employees had raised concerns, the prevailing culture that prioritized industry practices and adherence to precedent might have made it difficult to act on them. I believe this was partly due to the high degree of homogeneity and conformity among our employees.



**Komiya:** Indeed, our employees exhibit a high degree of homogeneity. In my experience in sales, I often received feedback from customers noting that the consistency and quality of our service remained strong even when their contact changed due to transfer or relocation. The ability to provide uniform, high-quality service without detailed rules has long been one of our strengths, demonstrating the positive side of this homogeneity. However, relying on past successes meant we were slow to adapt to changes outside our sandbox. In a changing environment, it is important to preserve what works well and change what needs to evolve. Because we did not fully embrace this latter perspective, aspects that had been strengths might have inadvertently become weaknesses.

**Kunihiro:** In addition, by assuming that "employees are excellent," we might have fostered the mistaken belief that employees would not stray from the right path even without detailed rules. Certainly, principle-based controls—ensuring that what is right is done correctly—are important in governance. However, placing too much trust in employees based solely on a presumption of goodwill is insufficient for effective governance. In certain areas, we should have clearly defined specific boundaries regarding what is correct and what is not, and I reflect on the need to have done so.

**Matsuyama:** That's exactly right. What makes this particularly challenging is that the line between what is right and what is wrong changes over time and with the environment, and even individuals might perceive the distance to that line differently.

Assuming that "employees are excellent," we cannot leave the setting of that line entirely to the field. The Company must clearly establish guardrails. In addition, it is essential to explain why these guardrails are in place and the reasoning behind them. As a lawyer, when applying a law, I always interpret its provisions based on an understanding of the background, purpose, and legislative discussions at the time of enactment—that is, the legislative intent. Conversely, ignoring legislative intent when interpreting a law can lead to incorrect conclusions, which is extremely risky. Similarly, by understanding the purpose behind established guardrails, employees can naturally recognize inconsistencies or raise questions and act in ways aligned with their intent. As a result, this enables them to ensure that the right actions are carried out correctly.

**Kunihiro:** Our business improvement plan places the lack of specific rules and codes of conduct at the beginning of the root cause analysis. Some feedback suggested that this was obvious for a business improvement plan or that the true root causes lay deeper. While it is true that some causes are embedded in industry structures and other systemic factors, we nonetheless prioritized establishing clear rules and codes of conduct and ensuring they are embedded among employees. This decision emerged from thorough discussions on why these issues had gone unrecognized for so long and whether we had overestimated our own capabilities. From this perspective, clarifying rules—or guardrails—is fundamental to risk-based governance and underpins all other initiatives.

## Corporate Governance Dialogue

### Thorough Execution Capability

**Secretariat:** Through the "Re-New" initiative, we strengthened our self-correcting mechanisms and proactively uncovered the information leakage issue, which ultimately led to two consecutive years of business improvement orders. Looking ahead, is there a dilemma in the fact that continuing to do the right things correctly could result in the discovery of new issues?

**Komiya:** Following last year's insurance premium adjustment issue, the discovery of the information leakage problem led to two consecutive years of business improvement orders, causing considerable concern and inconvenience for our stakeholders. In our supervisory role over TMNF, we take this matter very seriously. At the same time, as the Board of Directors of Tokio Marine Holdings (TMHD), we resolved from the outset that this crisis must not be wasted. Immediately after these governance issues came to light, we strongly directed that not only individual cases but also any inappropriate conduct identified through root cause analysis be thoroughly examined and addressed. I continue to believe this judgment was appropriate.

**Kunihiro:** From TMNF's perspective, it was very reassuring to see Mr. Komiya take the lead and, from TMHD's standpoint, direct that all issues be thoroughly examined. Since the initial insurance premium adjustment issue was reported to the Financial Services Agency, the company has proactively uncovered incidents, engaged the industry in investigations, and implemented measures to prevent recurrence. TMNF has never taken the approach of simply covering up issues; once a matter is brought to light, it is investigated thoroughly.

Executives and employees alike have worked together to address these challenges decisively and without hesitation.

**Matsuyama:** Of course, incidents are best avoided altogether. That said, from the perspective of thoroughly addressing underlying issues, the fact that incidents were uncovered in two consecutive years can actually be seen as a sign of healthy governance. The root causes of the information leakage case mirror those of the insurance premium adjustment issue, such as an organizational culture prioritizing sales figures. In this context, the company's ability to step outside the conventional thinking within the non-life insurance industry sandbox and identify issues from a fresh perspective represents significant progress. At the recent shareholders' meeting, even shareholders representing agencies raised questions about structural reforms in the non-life insurance industry and agency business, which I take as evidence of the company's serious commitment to addressing these issues.

**Matsuyama:** Earlier, we discussed corporate culture, and I see Tokio Marine's commitment to thoroughly seeing initiatives through as one of the company's key strengths. While it is important to reflect on the fact that these issues went unrecognized for many years, management has consistently demonstrated strong determination since the occurrence of these incidents. This includes deeply investigating root causes, developing and implementing measures to prevent recurrence, and continuously reviewing these measures in each committee and at the Board of Directors to enhance their effectiveness. Combined with the dedication and execution capability of employees implementing these initiatives on the ground, the results of the "Re-New" efforts are steadily becoming



evident. I believe this capacity to fully execute initiatives has been a major factor supporting Tokio Marine's success.

**Kunihiro:** I share that view. At the same time, while the strong execution capability that stems from the company's commitment to thoroughly seeing initiatives through is highly reassuring, it also means that if environmental awareness or goal-setting is incorrect, the company could pursue the wrong direction. It is therefore essential to set clear objectives and continuously review them through repeated discussion to ensure alignment and unity across the organization.

**Komiya:** That's correct. This aligns with the earlier point about the importance of understanding the purpose of guardrails and the reasoning behind them. The current business improvement plan has been developed based on thorough root cause analysis, but it would be counterproductive if the process itself became an end in itself or led to mechanical thinking. It is essential to continually discuss, from a fresh perspective, what we are aiming for and why we are pursuing it, and to work together as one toward the right direction. Achieving unity through robust discussion is something we intend to maintain going forward.

## Corporate Governance Dialogue

### Achieving a High-Level Balance Between Growth and Governance

**Secretariat:** Looking ahead, what initiatives are necessary to further advance the “Re-New” initiative at TMNF and to strengthen and enhance Group governance?

**Matsuyama:** I believe that the “Re-New” initiative at TMNF has been making steady progress, thanks to the unified efforts of management and employees. The series of incidents also highlights the structural challenges within the non-life insurance industry, and addressing these will inevitably take time. That is why it is essential to maintain a lasting awareness of risk.

Management must sustain a healthy sense of crisis and ensure that it reaches all employees to cultivate a strong risk culture across the company. Achieving this requires not only repeated messages from top management but also communication from supervisors who are closely connected with their teams. In addition, initiatives currently being implemented—such as comprehensive walk-throughs of daily operations involving third parties—should not be treated as one-off efforts; they must be continuously refined and integrated into daily work.

**Kunihiro:** It is true that major transformations take time. While this is unavoidable, up until now, the efforts following the incidents have largely focused on bringing negative outcomes back to zero.

Prolonged initiatives of this kind can risk employee fatigue, so moving forward, the company needs to shift gears toward efforts that energize employees and aim for positive outcomes. For example, in a world without conventional industry practices such as excessive cooperation in customer’s businesses or business-related equities, what concrete tools do frontline employees have to succeed? Management must provide practical, real-world tools beyond the ideal of simply doing the right thing correctly, and one such tool is the solutions business. As societal challenges and risks expand and become more complex, the insurance industry remains a growth sector. However, non-life insurance products are easily replicated by competitors, as they carry no patents. In contrast, the solutions business the company is pursuing reduces risks and potential losses themselves, and the technologies, know-how, and data required to deliver these solutions are unique to Tokio Marine and not easily replicated. This represents a distinctive strength and a significant growth opportunity. By providing solutions that create a world with fewer accidents, or minimize damage when accidents occur, claim payments are reduced and customers’ insurance premiums can be lower. This, in turn, naturally increases demand for insurance plus solutions services and contributes to the company’s profit growth. This business model is unique globally and provides Tokio Marine with a clear competitive advantage.

**Komiya:** I agree. For employees to feel excited and energized in their work, it is essential that they recognize the nobility of contributing to society, find the work itself engaging, and feel that it leads to their own growth. In this regard, for example, disaster



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prevention and mitigation initiatives directly embody efforts to serve customers and society by building a disaster-resilient society, known as Build Back Better. Moreover, as these initiatives represent new challenges for the company, tackling them with determination will not only drive corporate growth but also undoubtedly foster employees' own growth.

Furthermore, societal issues are expanding not only in disaster prevention and mitigation but also in areas such as cybersecurity and healthcare. This broadens the fields in which we can contribute to customers and society through the solutions business. Under conventional industry practices, employees' capabilities and time were often diverted to activities outside of insurance, such as excessive cooperation in customers' business or support for agents. Going forward, by directing these resources fully toward delivering value through insurance plus solutions, we can further realize our purpose of supporting customers and society not only in times of need but at all times.

**Matsuyama:** From a Group governance perspective, I intend to proactively share both the initiatives taken in response to incidents and the lessons learned with other Group companies through the Group Audit Committee. For example, the recent series of incidents at TMNF stemmed in part from structural factors unique to Japan's non-life insurance industry, such as the agent-based business model. As other Group companies operating agency businesses in Japan might face similar risks, we have recommended concrete measures such as

comprehensive walk-throughs of daily operations, which are now being put into practice across the Group.

**Komiya:** The sharing of lessons learned is an effective mechanism for strengthening and enhancing Group governance. By sharing insights, it is possible to identify potential issues at other Group companies before they arise, highlight problems that might otherwise go unnoticed, and clarify differences among Group companies.

**Matsuyama:** In terms of differences among Group companies, for example, large overseas acquisitions, which were previously listed companies, tend to have relatively high governance levels and can operate independently. In contrast, governance at smaller or minor sites in emerging markets is still developing, and TMHD provides necessary support for local governance and operations. As such, governance levels vary across Group companies—domestic versus overseas, large versus small or minor sites. It is important to understand these differences and characteristics in order to appropriately maintain and enhance governance at the Group level. Based on my experience serving as an outside director at various companies, I believe Tokio Marine is implementing governance practices of a particularly high level of complexity.

**Kunihiro:** That's correct. From a business perspective, it is also true that Group companies can leverage their strengths and achieve strong performance by operating independently.



Governance should not be about imposing restrictions on everything; rather, it is important to maintain a balance and respond to each company's individual circumstances.

**Komiya:** Exactly. By clearly defining the responsibilities between the holding company and its subsidiaries according to governance levels, it is important to maintain an optimal balance between respecting autonomy and taking a more hands-on approach. Striking this balance is crucial for achieving a high-level equilibrium between growth and governance, which in turn enhances corporate value. TMHD manages this across the Group by leveraging the functions of the Group Audit Committee and the Board of Directors. I believe that diversity and an external perspective are key to achieving this.

In an era of rapidly changing business environments, it is essential to integrate diversity even more deeply into execution and governance, so that we can continually refresh our understanding of the sandbox in which our business operates and the direction



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we are heading. By incorporating new and diverse perspectives and fostering the kind of lively debate we just discussed, we can ensure that the Group keeps evolving in the right direction.

Ms. Matsuyama, since joining the TMNF Business Quality Innovation Committee in August 2025, you, together with Mr. Kunihiro, have contributed significantly to strengthening governance by bringing external perspectives. I appreciate how you both apply these insights to the “Re-New” initiatives, which TMHD continues to monitor closely to ensure their successful completion.

With the new TMHD’s Board structure as of June 2025, seven of the 13 members are outside directors, forming a majority. This enables robust discussions that fully incorporate external viewpoints. This setup is not just about structure—it reflects our shared focus on ensuring that Board discussions and decisions effectively support the realization of our Purpose and the enhancement of corporate value.

Going forward, I look forward to continuing long-term, rigorous discussions with diverse perspectives, including yours, to support high-quality decision-making and strong execution, thereby advancing our Purpose and corporate value.



## Transforming the Japan P&C Business | Message from the President of TMNF



**By consistently putting our customers first, we aim to become a company truly trusted by all and to drive transformation across the entire industry. Through our distinctive business model created under the “Re-New” initiative, we will achieve growth that goes beyond conventional expectations.**

**Hiroaki Shirota**

President & CEO,  
Tokio Marine & Nichido Fire

### The Transformation of TMNF and the Insurance Industry

At TMNF, we are promoting a transformation initiative called “Re-New,” designed to make us a truly trusted, customer-centric company. This initiative is based on our Business Improvement Plan formulated in response to incidents of premium adjustment practices and information leaks.

As discussed in the Corporate Governance Dialogue on the preceding pages, we deeply reflect on the fact that our inability to respond adequately to changes in the external environment resulted in a series of inappropriate incidents.

Before the liberalization of the insurance market in 1996, it was difficult to differentiate insurance products, and competition often extended to non-insurance elements such as business-related equities and business cooperation. The real issue was that even after liberalization—when both the basis of competition and customer needs had evolved—we failed to break away from these outdated practices. In other words, we did not recognize, nor did we change, the fact that measures once effective had become increasingly inconsistent with today’s social norms. Out of deep reflection on this, the entire company has been implementing initiatives such as the “Re-New Questionnaire”<sup>\*</sup> and comprehensive walk-throughs of daily operations to identify gaps with social expectations. At the same time, we are rigorously incorporating an external perspective to drive a transformation toward a corporate culture where self-corrective action is continuously exercised. Indeed, the

recent information leak incident was uncovered through the awareness of one of our employees during this process, and we regard this as evidence that our initiatives are steadily progressing. Moreover, to address challenges across the industry and lead transformation, I have taken the initiative as Chairman of the General Insurance Association of Japan to fundamentally review the systems and rules underlying industry practices, and to spearhead the development of new frameworks for customer-oriented business operations and the realization of a sound competitive environment. As a result, competition within the industry is becoming healthier, and an environment is emerging in which customers choose insurers based on the true value that insurance provides.

### Achieving Growth Through “Re-New”

In this new competitive environment, the question is how we will transform our business model and why customers will continue to choose us. While delivering essential insurance at a fair price is a given, what truly matters to our customers is that accidents and disasters ideally never occur—and if they do, that the impact is minimized.

What we are currently working on is a new business model that integrates insurance with solutions. By offering, alongside our insurance, disaster prevention and mitigation consulting expertise from ID&E, which has joined our Group, we aim to reduce losses themselves—or even create a world where

accidents do not occur in the first place. Fewer losses will, in turn, improve our profitability, enabling customers to purchase our insurance without bearing a heavy cost burden. By establishing and expanding this unique business model, we are committed to enhancing the resilience of both our customers and society as a whole.

At the same time, evolving our distribution is also essential to delivering greater value to customers. To provide insurance and services of the highest quality, we are working to enhance the quality of our agents based on industry-wide standards. In cases where we take on part of their operations to maintain quality, we will also introduce a new system that pays fees corresponding to the outsourced work. Breaking away from outdated practices and building a stronger distribution network is by no means easy, but I am personally committed to leading this structural reform to completion. Furthermore, by redirecting the amount of employee activity created through these initiatives into growth areas such as the solutions business and new insurance products, we will accelerate the Company’s growth.

Completing the ongoing transformation means that each and every employee thinks thoroughly from the customer’s perspective, continuously solves challenges faced by our customers and society, and delivers value. As a result, we will achieve growth that goes beyond the conventional path. This is my mission as President, and we will continue to advance these initiatives with the full commitment of the entire company.

<sup>\*</sup>A company-wide survey for all employees to identify inconsistencies or misalignments with societal expectations in daily operations.



## Corporate Governance

### A Hybrid Governance Structure That Combines Management and Monitoring Functions

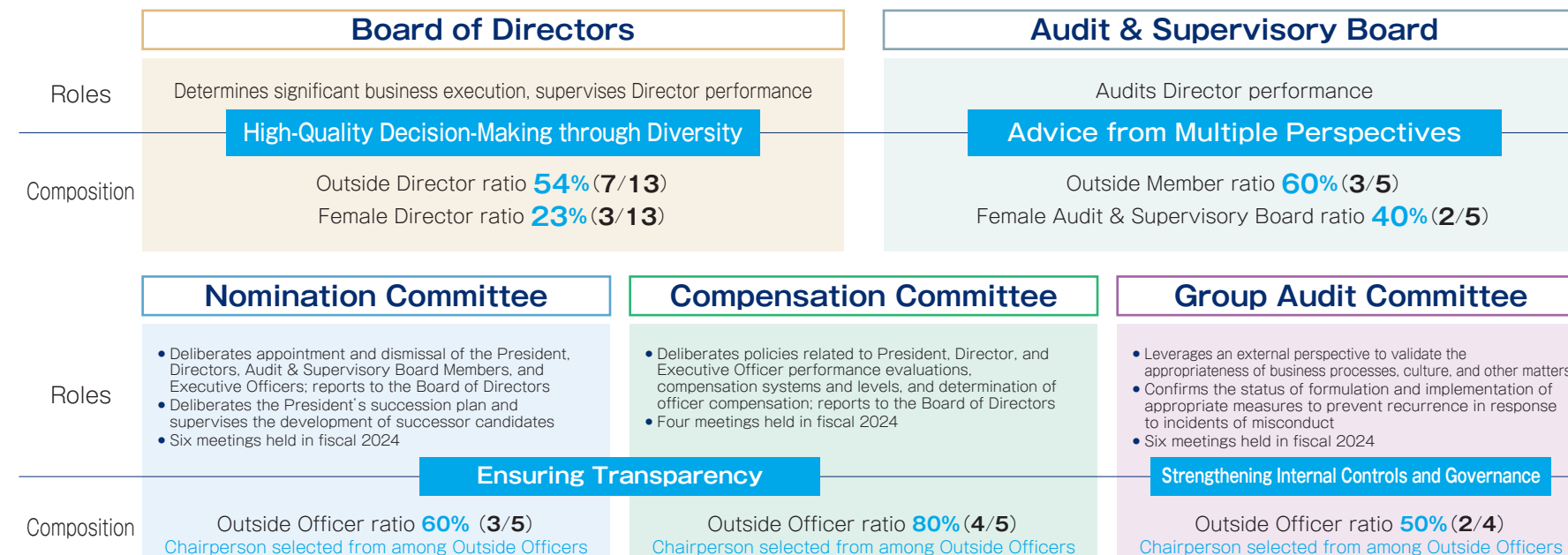
The corporate governance framework of the Company is designed as a hybrid structure, whereby the Nomination Committee, the Compensation Committee, and the Group Audit Committee have been established in addition to the structure of a company with an Audit & Supervisory Board. As an insurance holding company, the Company determines significant business execution by resolution of the Board of Directors, placing emphasis on ensuring high-quality decision-making by leveraging the insights of Outside Directors and Outside Audit & Supervisory Board members.

With regard to the Board of Directors, in light of incidents of misconduct at domestic Group companies, the Company has decided to further enhance the Board's independence and monitoring functions by increasing the ratio of outside directors to more than 50%. At the Annual General Meeting of Shareholders held on June 23, 2025, thirteen directors, including seven outside directors, were elected, resulting in outside directors accounting for 54% of the Board.

To ensure transparency in the processes of determining the nomination and remuneration of directors, outside members comprise a majority of the Nomination Committee and the Compensation Committee, and the chairs of both committees are selected from among the outside members. In addition, the Group Audit Committee was established on April 1, 2024, for the purpose of further strengthening the Internal Control System and internal audit functions from an external perspective within the Board of Directors. Through this, the Board's supervisory function has been reinforced, and we are striving to further strengthen governance and internal controls at the Group level.

At present, this constitutes an optimal framework that combines both management and monitoring functions. Nevertheless, from the perspective of further strengthening monitoring, we continue to examine the institutional design, the appointment of non-Japanese directors, and increasing the ratio of female directors.

### Roles and Composition of Governance Bodies



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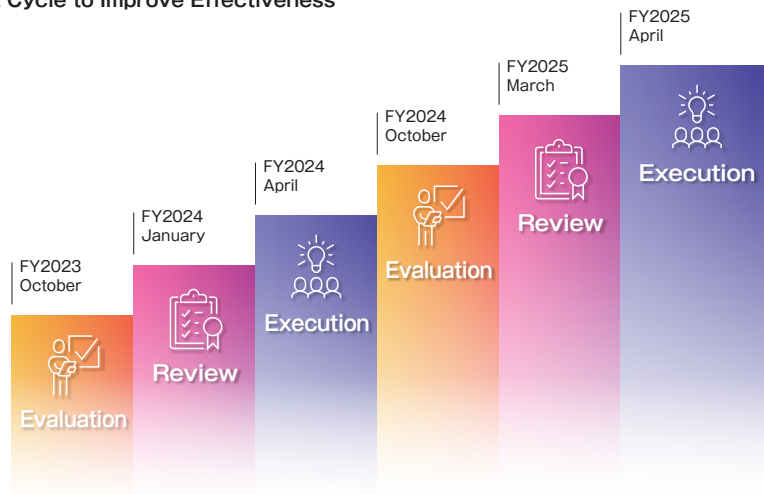
## The Effectiveness of the Board of Directors

## Initiatives to Improve the Effectiveness of the Board of Directors

Once a year, the Company evaluates the effectiveness of the Board of Directors to further enhance its functionality. In concrete terms, to reflect the opinions of all participants of the Board of Directors, we conduct a survey of all Directors and Audit & Supervisory Board Members concerning the management and functioning of the Board of Directors and report the results to the Board of Directors.

## ► Evaluation process

## PDCA Cycle to Improve Effectiveness



## ► Fiscal 2024 evaluation of effectiveness survey

Period	October 2024 to March 2025
Target	All directors and auditors
Main content	(1) Status of Board of Directors' functions (2) Status of Board of Directors' operations (3) Status of Board of Directors' discussions (4) Size, composition, and diversity of the Board of Directors (5) Status of Nomination Committee and Compensation Committee operations

## ► Fiscal 2024 evaluation of effectiveness and fiscal 2025 operation policy

## 1. Overall evaluation for fiscal 2024

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 &amp; Supervisory Board members and future policies

## (Opinion 1)

- More time should be secured for important issues that the Board of Directors should discuss.

## (Response 1)

- Continue to hold Board of Directors' meetings focused solely on "corporate strategy discussions" and utilize consolidated deliberations. In addition, by clearly indicating in the materials the points on which opinions are sought and by combining the deliberation of multiple closely related agenda items, enhance the overall efficiency of discussions and further secure sufficient time for deliberation on important issues.

## (Opinion 2)

- In light of the series of misconduct cases within the Group, the Board of Directors faces a continuing challenge of further enhancing governance at Group companies.

## (Response 2)

- In fiscal 2024, we launched the Group Audit Committee, incorporating an external perspective into the internal audit function, to further strengthen group governance. Through the Group Audit Committee, we will continue to provide the Board of Directors with regular reports on matters such as the progress of the "Business Improvement Plan in response to a series of misconduct cases," the "Evaluation of the Effectiveness of the Internal Control System," and the "Status of instructions issued by the Group Audit Committee to each Group company and reported to the Board of Directors." In addition, for urgent matters, we will endeavor to ensure timely and appropriate reporting to the Board of Directors, including immediate notifications by e-mail without waiting for the next Board meeting.

## (Opinion 3)

- There is a request to continue efforts to expand opportunities for Outside Directors to gain a deeper understanding of the Tokio Marine Group's businesses.

## (Response 3)

- Going forward, we will continue to provide opportunities for Outside Directors to gain a deeper understanding of the Tokio Marine Group's various businesses, including visits to domestic offices, observation of training programs for management talent, dialogue sessions with employees, and visits to overseas offices in conjunction with overseas business trips.

## 3. Operation policy for fiscal 2025

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.

## TOKIO MARINE HOLDINGS INTEGRATED ANNUAL REPORT 2025

## Skill Matrix

## Skills of Directors and Audit &amp; Supervisory Board Members

The Tokio Marine Group conducts its businesses on a global scale as an insurance group. In this context, the Company has established sound and highly transparent corporate governance and internal control systems, and appropriately governs its Group companies, as an insurance holding company that oversees the Group. The Board of Directors of the Company, which is a company with an Audit & Supervisory Board, not only decides on important matters of business execution but also oversees the execution of duties by Directors. In order for the Board of Directors to fulfill its role appropriately, it is necessary for the Board as a whole to possess the necessary skills, based on factors such as the nature of the Tokio Marine Group's businesses, its business development, governance structure, etc. Moreover, the necessary skills will change with the business environment.

To decide on and oversee important matters of its business execution of the Company, it is first necessary to gain a deep understanding of its businesses—in other words, to be closely familiar with the "Insurance Business." In addition, skills in the fields of "Finance-Economy," "Accounting," "Legal-Compliance," "Human Resource Strategies," and "Governance-Risk Management" form the basis for judgment on all matters. Moreover, as the global environment and technological innovation are becoming an issue for society as a whole in recent years, the importance of skills in "Environment" and "Technology" is increasing. Furthermore, skills including "Internationality" and "Corporate Management" are especially expected of Outside Directors. This is because an awareness of the global environment and insight into corporate management are extremely useful for the Tokio Marine Group, which conducts its businesses on a global scale.

Regarding Audit & Supervisory Board Members, the Audit & Supervisory Board should also be composed of Members collectively possessing the skills required of the Board of Directors above, in order to appropriately audit the execution of duties by Directors. Among these, "Accounting" is designated as a particularly important skill.

Based on this policy, the Company has appointed four persons

with experience in corporate management (including one with extensive experience as a business management consultant), as well as an academic expert, an economist, and an attorney-at-law as Outside Directors. The Company has also appointed, as Outside Audit & Supervisory Board Members, an attorney-at-law, an analyst, and an academic expert. In addition, many of the Outside Directors and Outside Audit & Supervisory Board Members have extensive international experience. In this way, the Board of Directors and Audit & Supervisory Board are composed of members with diverse skills. Based on these skills, the Outside Directors and Outside Audit & Supervisory Board Members provide supervision and advice regarding the Company's management at meetings of the Board of Directors and other

forums. Furthermore, in terms of gender diversity, the Company has appointed three female Directors and two female Audit & Supervisory Board Members, with women accounting for 27.8% of the total members of the Board of Directors and Audit & Supervisory Board. Thus, at present, the Boards consist of an optimal composition of members who possess the necessary skills and diverse backgrounds.

Looking ahead, we recognize room to further enhance the skills required of the Board of Directors, such as knowledge and experience related to the launch and expansion of new solutions businesses, which is one of the Group's strategies, as well as diverse perspectives that support decision-making in an era of uncertainty. We are continuing to examine these matters.

Name	Sex	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 COO (Group Chief Culture Officer)			○							○	○
Kenji Okada	Male	Vice President Director Group CFO (Group Chief Financial Officer)			○	○	○			○		○	○
Kichihiro Yamamoto	Male	Vice President Director Co-Head of International Business			○	○				○		○	○
Keiko Fujita	Female	Managing Director			○	○		○				○	○
Hiroaki Shirota	Male	Director Head of Japan based Insurance Business Synergy		○	○								○
Takashi Mitachi	Male	Outside Director		○	○	○		○		○	○	○	
Nobuhiro Endo	Male	Outside Director		○	○					○	○	○	
Shinya Katanozaka	Male	Outside Director		○	○				○	○		○	
Emi Osono	Female	Outside Director		○				○		○		○	
Kosei Shindo	Male	Outside Director		○	○			○	○	○		○	
Robert Alan Feldman	Male	Outside Director		○	○	○		○		○	○	○	
Haruka Matsuyama	Female	Outside Director			○	○	○			○			
Takayuki Yuasa	Male	Audit & Supervisory Board Member (full-time)		○	○	○	○			○			○
Akira Harashima	Male	Audit & Supervisory Board Member (full-time)		○	○					○		○	○
Akihiro Wani	Male	Outside Audit & Supervisory Board Member			○	○	○			○		○	
Nana Otsuki	Female	Outside Audit & Supervisory Board Member			○	○		○		○		○	
Junko Shimizu	Female	Outside Audit & Supervisory Board Member			○	○		○		○		○	



## Leveraging Outside Officers' Expertise

### Discussions on Corporate Strategy

When discussing and formulating management strategies for sustainable growth and the enhancement of corporate value over the medium to long term, the Company seeks to make full use of the insights of Outside Directors and Outside Audit & Supervisory Board Members. To this end, the Board of Directors holds "Discussions on Corporate Strategy," which focus on themes such as management challenges and the business environment. The themes are selected based on responses to questionnaires from Directors and Audit & Supervisory Board Members, as well as discussions at "Independent Officers' Meetings." In fiscal 2024, we held discussions on the following themes, and we will continue such discussions in fiscal 2025.

#### ► "Discussions on Corporate Strategy" themes

Fiscal year	Themes
FY2024	<p><b>(1) International Business Strategy</b> We discussed priority regions for future focus, strengthening the management framework to support growth, expanding human resources, and initiatives to enhance governance.</p> <p><b>(2) Issues of the Company from the perspective of a top analyst</b> We invited a leading analyst in the global financial sector from outside the Company and discussed issues facing the Company.</p> <p><b>(3) Discussions on Corporate Strategy Themes in fiscal 2025</b> Based on responses to a questionnaire on the Board of Directors completed by Directors and Audit &amp; Supervisory Board Members, we discussed the themes for Corporate Strategy in fiscal 2025.</p>
FY2023	<p><b>(1) The ideal structure of the Board of Directors</b> We discussed the current status of the Board of Directors and what the ideal structure is in light of the business environment and changes in the environment over the medium to long term.</p> <p><b>(2) Tokio Marine Group's next Mid-Term Business Plan</b> We backcast from our medium- to long-term vision and discussed the changes in our operating environment and strategies based on them.</p> <p><b>(3) Tokio Marine Group's Asia non-life insurance business strategies</b> We discussed growth strategies and strengthening governance in the Asia non-life insurance business.</p> <p><b>(4) Exchange of opinions with presidents of Group companies</b> The CEO of DFG in the United States gave a presentation on the company's business conditions and other topics, and opinions were exchanged through varied questions.</p>

### Recommendations and Responses

The Company holds one meeting each year attended only by Independent Officers. The meeting, including the selection of agenda items, is conducted entirely by Independent Directors and Independent Audit & Supervisory Board Members, and opinions are exchanged objectively and from broad perspectives. In fiscal 2024, discussions were held on themes such as governance in response to misconduct cases, including the insurance premium-fixing incident at a Group subsidiary, and recommendations were made based on these discussions.

At the Board of Directors, based on these recommendations and other inputs, we discussed measures to prevent the recurrence of a series of misconduct cases, and reflected them in initiatives to further strengthen governance and internal controls as well as in the formulation and implementation of business improvement plans related to the misconduct cases.

#### ► Key Recommendations from Outside Directors and Our Responses

##### (Recommendation 1)

Receiving business improvement orders for two consecutive years is taken very seriously from the perspective of Outside Directors. At the same time, under TMNF's current Mid-Term Business Plan "Re-New," employees, management, and directors are working together with determination, addressing even the details of business processes. A significant step forward has been the discovery of the "information leakage incident" from a new and independent perspective, departing from the conventional viewpoint of the non-life insurance industry. As instructed by Chairman Komiya (former CEO) to carry out a "fundamental walk-through (comprehensive review) of day-to-day operations," it is expected that, under the leadership of Tokio Marine Holdings, such walk-throughs will continue not only at TMNF but also across other major domestic Group companies, including TMNL.

##### (Response 1)

TMNF, TMNL, and NF conducted walk-throughs (comprehensive reviews) of day-to-day operations involving third parties, and no new company-wide issues or challenges were identified. It has been decided that walk-throughs will also be conducted in fiscal 2025, with continued efforts to further improve and enhance business processes.

##### (Recommendation 2)

With regard to the structural reform of the agency system in connection with the insurance premium-fixing incident, TMNF is making steady progress. However, this is also an issue for the non-life insurance industry as a whole, and there are limits to reforms that can be carried out by a single company alone. Therefore, we would like President Shirota of TMNF, in his capacity as Chairman of the General Insurance Association of Japan, to take the lead in driving initiatives to transform the entire industry.

##### (Response 2)

From June 28, 2024, to June 30, 2025, President Shirota of TMNF, in his capacity as Chairman of the General Insurance Association of Japan, worked to address various issues, including a fundamental review of long-standing industry practices. As a result, he led the development of new guidelines on "policy-holding stocks" and "secondments," and advanced preparations for guidelines that set out criteria and concrete examples for determining "inappropriate provision of benefits." Through these and other initiatives, he played a leading role in driving transformation across the industry.

## 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, Audit & Supervisory Board Members, and Executive Officers
  - (2) Appointment requirements and dismissal policies for the President, Directors, Audit & Supervisory Board Members, 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 specify the skills, etc., required of Directors and Audit & Supervisory Board Members and use that as a reference for deliberations on the appointment and dismissal under Paragraph (2), Item (1).

\*1 Corporate Governance Basic Policy, Article 16

#### ► 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. Based on these standards, all seven 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.

#### ► Nomination Committee members

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, 2025

#### ► Overview of the Nomination Committee in fiscal 2024

The nomination committee	Themes
First meeting*2 (May 20, 2024)	<ul style="list-style-type: none"> <li>Reviewed the President of Tokio Marine Holdings' achievement of fiscal 2023 objectives and confirmed the annual business execution performance</li> </ul>
Second meeting*2 (July 29, 2024)	<ul style="list-style-type: none"> <li>Confirmed the President of Tokio Marine Holdings' fiscal 2024 objectives and key initiatives, and confirmed the goals for business execution for the year</li> </ul>
Third meeting (September 25, 2024)	<ul style="list-style-type: none"> <li>Successor candidates for the President of Tokio Marine Holdings</li> <li>Outside Director ratio on the Board of Directors of Tokio Marine Holdings</li> </ul>
Fourth meeting (December 18, 2024)	<ul style="list-style-type: none"> <li>Candidate to succeed as President of TMNL</li> </ul>
Fifth meeting (January 14, 2025)	<ul style="list-style-type: none"> <li>President selection (TMNL)</li> </ul>
Sixth meeting (January 29, 2025)	<ul style="list-style-type: none"> <li>Directors and executive officers, FY2025</li> </ul>

\*2 Held jointly with the Compensation Committee

The number of meetings differs by fiscal year; four were held in fiscal 2023 and six in fiscal 2024 with four planned in fiscal 2025.

#### ► 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.

#### ► CEO succession

With respect to CEO succession, the Nomination Committee, where Outside Directors make up the majority, sets forth specific selection criteria required for the next CEO and conducts discussions on multiple candidates. In these discussions, attention is paid not only to the strengths of candidates but also to areas requiring further development, and how such areas have been addressed and overcome over time is continuously monitored. Taking these factors into account, and following deliberations on who would be best positioned to maximize the Group's overall capabilities as CEO, Mr. Koike has been appointed as the new CEO.

As background for the appointment of Mr. Koike, several perspectives can be highlighted. For example, in addition to his extensive management experience at a U.S. subsidiary, he has strong expertise in the International business, which accounts for more than 60% of the Group's profits, as well as experience gained as General Manager of the Corporate Planning Department, where he was deeply involved in formulating the current Mid-Term Business Plan. These experiences are expected to enable smoother succession. Among these factors, one particularly decisive point for the Nomination Committee was his strong communication skills, which are especially required of top management in a rapidly changing business environment. Specifically, he has the ability to engage employees across the globe, further evolve integrated Group management to the next stage, and accelerate transformation initiatives.

## The Compensation Committee

### Officer Compensation to Improve Corporate Value

#### Policy

The policy for determining compensation for officers is as follows:

- Ensure "transparency," "fairness," and "objectivity" regarding compensation for officers.
- The Board of Directors shall set the level of compensation for Directors and Executive Officers according to the responsibilities of each, after setting the standard amount for each position, taking into consideration factors such as the business performance of the Company and the level of compensation in other companies.
- Of the different types of compensation for Directors and Executive Officers, fixed compensation and performance-linked bonuses shall be paid monthly, while share compensation shall be delivered upon resignation.
- The Board of Directors shall determine the content of compensation for individual Directors and Executive Officers and other important matters concerning compensation for Directors, Audit & Supervisory Board Members, and Executive Officers. Decisions on any matter requiring consultations with the Compensation Committee shall be made after obtaining the opinions of the said Committee.

#### Members of the Compensation Committee

The Company has established the Compensation Committee as an advisory body to the Board of Directors. The Committee consists of five members, including four Outside Directors, and is chaired by an Outside Director.

Chairman	Nobuhiro Endo	Outside Director
Members	Takashi Mitachi	Outside Director
	Robert Alan Feldman	Outside Director
	Haruka Matsuyama	Outside Director
	Masahiro Koike	President and CEO

Note: As of August 31, 2025

#### 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 three in fiscal 2023 and four in fiscal 2024, with four planned in fiscal 2025 as well. For fiscal 2024, all committee members attended all Compensation Committee meetings held during their term of office.

In addition, with respect to a specific case, in March 2025 TMNF received a business improvement order from the Financial Services Agency concerning an information leakage incident. Taking into account the views of the Compensation Committee, the Company implemented a reduction of remuneration for 13 of its officers in fiscal 2025. It should be noted that the President of the parent company, Tokio Marine Holdings (Mr. Komiya, current Chairman), voluntarily relinquished a portion of his executive compensation as a demonstration of his determination to prevent recurrence.

#### Overview of the Compensation Committee in fiscal 2024

Compensation Committee	Themes
First meeting* <sup>1</sup> (May 20, 2024)	<ul style="list-style-type: none"> <li>• Evaluated the President of Tokio Marine Holdings' individual performance based on the achievement of fiscal 2023 objectives and related matters</li> <li>• Decided on the executive compensation structure and compensation levels to be applied from July 2024 onward</li> <li>• Deliberation and recommendation on the evaluation of company performance and individual executive performance for fiscal 2023</li> </ul>
Second meeting* <sup>1</sup> (July 29, 2024)	<ul style="list-style-type: none"> <li>• Set the fiscal 2024 objectives and key initiatives for the President of Tokio Marine Holdings</li> </ul>
Third meeting (October 16, 2024)	<ul style="list-style-type: none"> <li>• Review of the medium- to long-term executive compensation system</li> </ul>
Fourth meeting (March 19, 2025)	<ul style="list-style-type: none"> <li>• Verification of the appropriateness of compensation levels</li> </ul>

\*<sup>1</sup> Held jointly with the Nomination Committee

#### Basic approach to executive\*<sup>2</sup> 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 p. 55 for details). These include efforts to enhance value for diverse stakeholders and to strengthen governance.

In fiscal 2024, with the aim of further growth and evolution as a global company, the Company began considering a medium- to long-term review of the executive compensation system, from the perspectives of raising executive awareness, securing and retaining outstanding talent, and other factors.

\*<sup>2</sup> Directors and Executive Officers

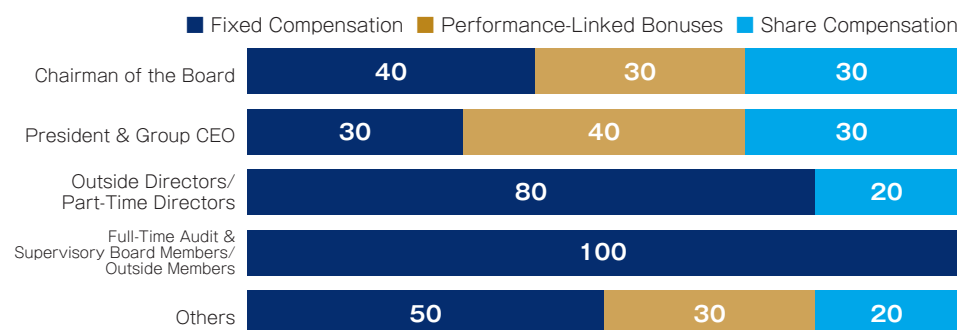


## The Compensation Committee

### ► Compensation structure for Directors, Audit & Supervisory Board Members, and Executive Officers

The compensation structure for Executive Officers\*<sup>1</sup> 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



\*<sup>1</sup> 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\*<sup>2</sup>).

Company targets: Set based on financial indicators and non-financial indicators.

\*<sup>2</sup> Further globalization and strengthening of management functions, as well as improvement of human resources and organizations, etc.

### Targets and Results for Fiscal 2024

Fiscal 2024	Item	Composition ratio	Targets	Results
Financial Indicators	Adjusted net income* <sup>3</sup>	50%	610 billion yen	608.9 billion yen
	Adjusted ROE* <sup>3</sup>	30%	11.0%	11.4%
Non-Financial Indicators	Employee engagement indicators	10%	Score according to improvement in employee engagement indicators	No major fluctuations (100%)
	Indicators relating to sustainability	10%	Comprehensive evaluation of efforts in the fields listed as priority issues	Satisfactory results (100%)

### Targets for Fiscal 2025

Fiscal 2025	Item	Composition ratio	Targets
Financial Indicators	Adjusted net income* <sup>3</sup>	50%	700 billion yen
	Adjusted ROE* <sup>3</sup>	30%	13.2%
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

\*<sup>3</sup> Excluding gains on sales of business-related equities

### (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.

## TOKIO MARINE HOLDINGS INTEGRATED ANNUAL REPORT 2025

## The Group Audit Committee

## Strengthening Internal Controls and Governance through the Group Audit Committee

## ▶ Background and purpose of establishment

Following the fact that our subsidiary, TMNF, received a business improvement order from the Financial Services Agency on December 26, 2023, in connection with an insurance premium-fixing incident, our Group has reorganized the existing Internal Control Committee and newly established the Group Audit Committee as of April 1, 2024, with the aim of further strengthening overall internal controls and governance over Group companies.

## ▶ Roles and responsibilities of the Group Audit Committee

- Deliberating on the formulation of various policies and measures related to the Group's internal control systems, evaluating their implementation status, and promoting comprehensive coordination and continuous improvement.
- Reviewing and confirming the formulation and implementation status of appropriate recurrence prevention measures for misconduct and serious incidents that have occurred at Group companies both in Japan and overseas.
- Examining incidents that have arisen in peer companies and other industries, assessing their potential or possible occurrence within the Tokio Marine Group, and evaluating the effectiveness of current countermeasures. Based on these assessments, instructing thematic audits at Group companies and reviewing their results.

## ▶ Utilization of external perspectives

At TMNF, the insurance premium-fixing incident stemmed from a "gap" between actions based on "industry practices in the non-life insurance industry and within the company" and what should genuinely be the "customer-oriented approach." In light of this reflection, we are making efforts to eliminate and prevent such gaps by actively incorporating external perspectives. To strengthen this initiative, the Committee has appointed an outside director as its Chairperson.

## Members of the Group Audit Committee

Chairman	Haruka Matsuyama	Outside Director
Members	Ayumi Uzawa	Outside Committee Member (Representative, Uzawa Certified Public Accountant Office)
	Kenji Okada	Vice President Director (Internal Control Operations Officer)
	Shumpei Takizawa	Managing Executive Officer (Internal Audit Officer)

Note: As of August 31, 2025

The Committee reviews and examines the business processes, culture, and other aspects of the Company and its domestic and overseas Group companies from an external perspective, mainly focusing 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.

## ▶ Deliberation topics in fiscal 2024

In fiscal 2024, the Committee held six meetings to deliberate and discuss the following themes.

Meetings	Principal topics of deliberation
First meeting (May 21, 2024)	<ul style="list-style-type: none"> <li>• Governance lessons from small and medium-sized overseas entities (Sharing lessons learned)</li> <li>• Analysis of misconduct cases at global companies (Learning from others)</li> </ul>
Second meeting (July 31, 2024)	<ul style="list-style-type: none"> <li>• Analysis of interviews with mid-career hires (Revisit common sense)</li> <li>• Governance lessons from small and medium-sized overseas entities (Sharing lessons learned)</li> </ul>
Third meeting (October 1, 2024)	<ul style="list-style-type: none"> <li>• TMNF's Business Processes: Examining Concerns Regarding First-Line Initiatives (Revisit common sense)</li> </ul>
Fourth meeting (December 13, 2024)	<ul style="list-style-type: none"> <li>• Discussion on the Review of "Revisit Common Sense" and Future Approaches</li> </ul>
Fifth meeting (February 5, 2025)	<ul style="list-style-type: none"> <li>• Discussion on the Content of Instructions for Consideration to Group Companies</li> </ul>
Sixth meeting (March 5, 2025)	<ul style="list-style-type: none"> <li>• It was decided to review the content of the instructions for consideration to Group companies and submit recommendations to the Board of Directors.</li> <li>• Evaluation of the effectiveness of the internal control system for FY2024 (Annual summary)</li> </ul>

At the 6th Committee meeting, specific measures based on the deliberations conducted throughout the year were compiled as "Instructions for Consideration to the Company and Group Companies" and submitted to the Board of Directors.

The Group Audit Committee will thoroughly review the execution and progress of these instructions.

## Content of the instructions for consideration by the Group Audit Committee

## Strengthening mechanisms for fraud prevention and detection

Applicable entities	<ul style="list-style-type: none"> <li>• TMNF, TMNL, NF</li> </ul>
Identified issues	<ul style="list-style-type: none"> <li>• There was room for improvement in mechanisms for fraud prevention, etc. compared to best practices at major Japanese and international financial institutions</li> </ul>
Actions instructed for consideration	<ul style="list-style-type: none"> <li>• <b>Early detection of fraud:</b> <ol style="list-style-type: none"> <li>(1) Establish external consultation channels and strengthen hotline functions</li> <li>(2) Enhance monitoring of communication tools.</li> </ol> </li> <li>• <b>Personnel disciplinary actions and its dissemination:</b> Tighten and clarify disciplinary standards for legal violations, and communicate disciplinary results from actual cases within the organization to enhance deterrent effects.</li> </ul>

## Strengthening internal controls at small and medium-sized overseas entities

Applicable entities	<ul style="list-style-type: none"> <li>• TMHD</li> </ul>
Identified issues	<ul style="list-style-type: none"> <li>• For small and medium-sized overseas entities, TMHD needs to be more hands-on in strengthening internal audits and controls within each entity</li> </ul>
Actions instructed for consideration	<ul style="list-style-type: none"> <li>• Reevaluate the roles, responsibilities, and authority of internal audit at TMHD in line with current needs, so that TMHD can effectively allocate the necessary budget and human resources to strengthen internal audit functions at small and medium-sized overseas entities. Reinforce reporting to the Group Chief Audit Officer from the internal audit units of the small and medium-sized overseas entities</li> <li>• TMHD to take initiative in hiring, assignment, and training to increase the number of quality of experts group-wide</li> </ul>

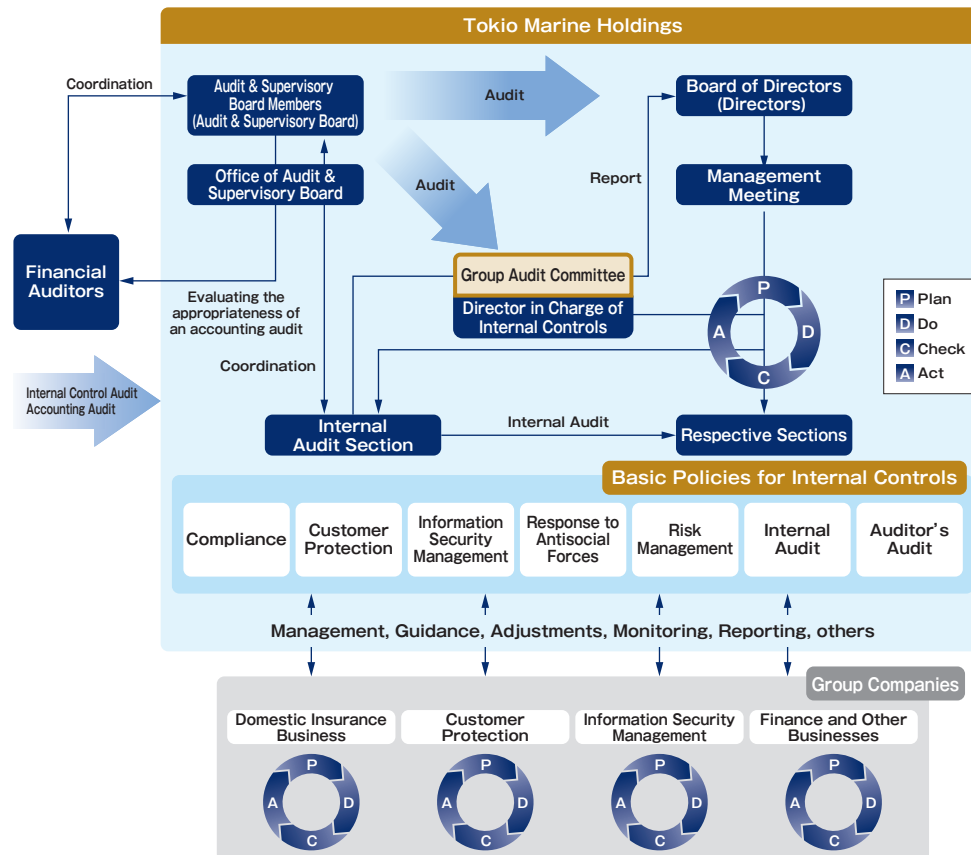
## TOKIO MARINE HOLDINGS INTEGRATED ANNUAL REPORT 2025

## Internal Control System

## Fundamental Policy

The Company has established the Basic Policies for Internal Controls and, in line with this policy, maintains and develops a Group-wide internal control system covering management control of Group companies, compliance, risk management, and internal audits. In addition, the Company monitors the development and operation of these frameworks, deliberates on the results at the Group Audit Committee, and reports them to the Board of Directors for confirmation. Based on these deliberations, the Company continuously works to strengthen and improve the internal control system.

## Internal Control System



## Principal Basic Policies on Internal Control

## Compliance

The Company has formulated the "Tokio Marine Group Basic Policies for Compliance" and the "Tokio Marine Group Code of Conduct," and a compliance system is in place Group-wide based on this framework. 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 matters; discussing these matters among the Board of Directors, the Management Meeting, and the Group Audit Committee; and providing guidance and advice about the activities of Group companies when necessary.

## Customer protection

The Group has established the Tokio Marine Group Policy on Customer Protection, etc., and is committed to thoroughly ensuring a customer-first approach. In line with this policy, the Group develops frameworks to safeguard customers and strives to manage related matters, such as conflict-of-interest transactions, to ensure that customer interests are not unfairly impaired.

## Internal Audit and Audit &amp; Supervisory Board audits

Regarding internal audits, there is a statutory audit conducted by Audit & Supervisory Board Members in accordance with the Companies Act and an internal audit performed by the Internal Audit Section. The internal audit is performed based on the "Internal Auditing Rules" that have been approved by the Board of Directors.

Regarding external audits, there is an accounting audit based on the Companies Act and the Financial Instruments and Exchange Act and an internal control audit based on the Financial Instruments and Exchange Act conducted by PricewaterhouseCoopers Aarata.

We are also subject to inspections by the Financial Services Agency of Japan pursuant to the Insurance Business Law.



## Internal Control System

### ► Risk management

#### Risk Management Framework

The Group identifies and manages a wide range of risks surrounding the Group in a comprehensive manner, implementing risk management through appropriate methods tailored to the nature and circumstances of each risk, to ensure financial soundness and proper business operations.

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 and takes the initiative in managing risks.

#### Crisis Management System

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.


### ► Information security management

#### Information Security

Tokio Marine recognizes the importance of personal and confidential information (hereinafter "information assets"). To ensure the appropriateness and reliability of the Tokio Marine Group's operations, we have established the "Tokio Marine Group Policies for Information Security Management."

Based on this policy, Group companies have worked to protect information assets from various risks such as leakage, loss, and unauthorized use, while ensuring the confidentiality of those assets and managing them so that they can be accessed when necessary. In this

context, our subsidiary, TMNF, received a business improvement order from the Financial Services Agency in March 2025 in connection with an information leakage incident. In response, TMNF 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 relevant laws and regulations," as well as "building a customer information management framework at the Company and its agencies." The Business Improvement Plan\*<sup>1</sup> was submitted to the Financial Services Agency in May 2025. This plan was reviewed by external experts and assessed to be sufficient.

\*<sup>1</sup> For details of TMNF's Business Improvement Plan, please refer to the news release on the submission of Business Improvement Plan. 

#### Cybersecurity


Recognizing cybersecurity as one of the important management issues, the Group, under the leadership of top management and with the Group Chief Information Security Officer (CISO) as supervisor, is building and maintaining management frameworks\*<sup>2</sup> together with outside directors who have IT expertise.

In addition, by adopting global standard frameworks and processes certified under public standards,\*<sup>3</sup> we promote day-to-day cybersecurity measures such as monitoring, testing, and risk assessments.

Recently, certain Group companies and external contractors were subject to cyberattacks. In response, in line with prior preparations, we swiftly identified the scope of impact and promptly carried out initial responses, recovery, and recurrence prevention measures. To further prevent damage, we are reinforcing cyber hygiene management by strictly enforcing more security-conscious rules for system design and development, as well as accelerating the detection of vulnerabilities in IT assets and the implementation of countermeasures.

Going forward, across the entire Group, we will continue to promote advanced security measures by furthering organizational integration and the standardization of technologies and processes, thereby supporting our customers and local communities in times of need.

For further details on cybersecurity management, please refer to our website.

 (<https://www.tokiomarinehd.com/en/company/governance/internal/cyber.html>).

\*<sup>2</sup> 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>).

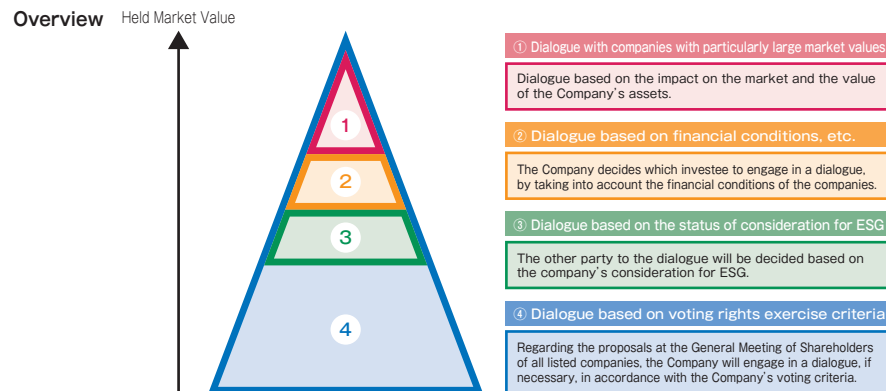
\*<sup>3</sup> The cybersecurity program promoted by Tokio Marine has obtained SOC 2 Type 1 certification. Tokio Marine Nichido Systems, the Group's core IT systems company, has obtained ISO/IEC 27001 certification.

## TOKIO MARINE HOLDINGS INTEGRATED ANNUAL REPORT 2025

## Dialogue with Stakeholders

## Dialogue Based on the Stewardship Code

Throughout the year, TMNF holds four types of dialogues: dialogues with companies with particularly large market values; dialogues based on financial conditions, etc.; dialogues based on the status of consideration for ESG; and, in the process of scrutinizing proposals for general meetings of shareholders of the companies in which the Company invests, dialogues based on voting rights exercise criteria.



## Examples of Dialogues with Investees

	Dialogue content	Response of the dialogue partner company
<b>E</b>	<ul style="list-style-type: none"> <li>We confirmed with companies whose major sources of CO<sub>2</sub> emissions are overseas plants regarding their future initiatives to reduce CO<sub>2</sub> emissions.</li> </ul>	<ul style="list-style-type: none"> <li>In response, we received answers indicating that they would consider purchasing renewable energy and introducing solar power generation at their plant facilities.</li> <li>Subsequently, it was announced that they would participate in an overseas solar power generation project.</li> </ul>
<b>S</b>	<ul style="list-style-type: none"> <li>We confirmed the future initiatives of automobile manufacturers that are expected to help address societal issues such as the "2024 logistics problem."</li> </ul>	<ul style="list-style-type: none"> <li>In response, we received answers indicating that they are working toward the practical implementation of self-driving trucks to help resolve the 2024 logistics problem.</li> <li>Subsequently, plans were announced to launch services for trucks and buses equipped with Level 4 autonomous driving systems, under which drivers are not required under certain conditions.</li> </ul>
<b>G</b>	<ul style="list-style-type: none"> <li>We asked a company that has set strengthening the management framework of its group companies as a goal about its specific initiatives in business investments through group companies.</li> </ul>	<ul style="list-style-type: none"> <li>We received a response to the effect that a monitoring team, including senior management, had been established to conduct regular monitoring of invested projects.</li> <li>Subsequently, from a governance perspective, the divestment and reorganization of businesses with challenges were carried out.</li> </ul>

## 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. In April 2023, with the aim of further strengthening dialogue with diverse stakeholders such as the capital markets, shareholders, the media, and employees, we established the Global Communication Department. This department integrates external IR, SR, and PR activities with internal communication, serving as an organization responsible for overseeing all communication functions, thereby accelerating our initiatives. In April 2024, we further reinforced our dialogue framework with shareholders and investors by establishing a New York desk within the Global Communication Department.

## ► Feedback

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 2024, we also launched Internal IR Sessions utilizing the web with six overseas Group companies, through which we shared and engaged in dialogue on the Group's strategies and other matters with approximately 2,600 Group employees in Japan and overseas (cumulative total).

For further details on dialogue with stakeholders, please refer to our website. [↗](#)

