

March 23<sup>rd</sup>, 2021  
Tokio Marine Holdings, Inc.

**Responding to media speculation about our subsidiary (BCC)**  
**and exposure of Tokio Marine to Greensill**

Tokio Marine Holdings, Inc. (“Tokio Marine”) issues the following statement in response to media speculation about our subsidiary company, The Bond & Credit Company Co. (“BCC”), an insurance agent located in Australia, and its relationship with Greensill. We have reviewed this situation carefully, including our reinsurance position, and will continue to do so as needed. On that basis, our expected net exposure remains unchanged, and as a result we don’t see any need to adjust our financial guidance nor do we currently anticipate any material impact on our financials for the next fiscal year.

BCC, an insurance agent of Tokio Marine located in Australia, was acquired from Insurance Australia Group Limited (“IAG”) and others in April 2019. BCC handled insurance policies as an agent of IAG before the acquisition. After the acquisition, BCC handled insurance policies as an agent of Tokio Marine & Nichido Fire Insurance Co., Ltd. (“TMNF”) Australia Branch.

One of BCC’s key lines of business is trade credit insurance. Although it is our general policy not to comment on individual policyholder relationships or policy terms, the publicity regarding this matter requires some clarification. Greensill was a client of BCC for trade credit insurance. Insurance transactions between BCC and Greensill were underwritten by IAG prior to the acquisition, and TMNF Australia Branch after the acquisition.

In light of recent developments for Greensill’s business, we would like to clarify that trade credit insurance does not cover the liability of the policyholder nor the insured; rather it covers the accounts receivable of the insured. Hence if Greensill were the insured, trade credit insurance would cover what Greensill is owed, rather than what Greensill owes others. As such, in that case, the insolvency of Greensill does not crystallise any exposure for TMNF. The figures that have been reported in the media with respect to underwriting (such as “in excess of AUD 10 billion”) refers to the accumulated amount of the accounts receivable of Greensill, not exposure for TMNF.

As recently published court documents about BCC’s business relationship with Greensill show, BCC notified Greensill and its broker in mid 2020 that we would not renew, increase limits, extend, or underwrite new policies, and that we were fully reserving our rights. We continue to assess the validity of the cover extended to Greensill.

Tokio Marine will continue to monitor the situation closely.