

## **Revision of “Tokio Marine: Our Climate Strategy”**

Tokio Marine Holdings, Inc. (President and Group CEO: Satoru Komiya, hereinafter “TMHD”) revised the “Tokio Marine: Our Climate Strategy” released in September 2020, which outlines the Group’s policies and initiatives that contribute to resolving social issues such as climate change and intensifying natural disasters. The new version includes updates to the initiatives and revisions to the insurance underwriting and investment and lending policies.

### **1. Background**

Climate change is a global social issue that poses a threat to the safety and security of our customers and local communities. At the same time, it also has a direct impact on the insurance industry, making it an important issue for our Group to address globally.

We released “Tokio Marine: Our Climate Strategy”<sup>\*1</sup> in September 2020, and have been working to contribute to the promotion of renewable energies through the provision of insurance products and services, the implementation of our insurance underwriting and investment and lending policies, and the engagement in constructive dialogue with business partners with a focus on decarbonization. Going forward, we will continue to help facilitate the transition to a decarbonized society by reducing greenhouse gas emissions, aiming to achieve the goals of the Paris Agreement.

On the other hand, through the discussions at the Climate Summit, G7, and other fora, initiatives that deal with climate change and the intensification of natural disasters are accelerating worldwide, and European and U.S. insurance companies have implemented policies on thermal coal mining projects in addition to coal-fired power generation projects.

In light of these developments, we have updated the “Tokio Marine: Our Climate Strategy” and revised our policies regarding insurance underwriting and investment and lending.

\*1 News Release: “Tokio Marine: Our Climate Strategy” (September 30, 2020)  
[https://www.tokiomarinehd.com/en/release\\_topics/release/k82ffv0000008juk-att/20200928\\_e\\_v2.pdf](https://www.tokiomarinehd.com/en/release_topics/release/k82ffv0000008juk-att/20200928_e_v2.pdf)

### **2. Key changes in the insurance underwriting and investment and lending policies within the “Tokio Marine: Our Climate Strategy” (Details can be found in the appendix.)**

- Regarding our insurance underwriting and investment and lending policies, “thermal coal mining projects” is added as restricted transactions.

- We will make more careful consideration for granting coal exclusion exceptions on insurance underwriting and investment and lending by limiting the scope of the projects to those with innovative technologies and approaches aiming to achieve the goals of the Paris Agreement.

We published the above changes today in the “Sustainability Report 2021” (made available on our website).

In the “Sustainability Report 2021,” we have enhanced the disclosure of information on climate change based on the TCFD recommendations, including information related to physical risk scenario analysis, which evaluates the impact of typhoon and flood risks on insurance losses under future climate conditions.

In addition, we are currently reviewing the structure of our Sustainability Report to make our policies and initiatives on sustainability easier to follow. Therefore, we plan to release a new version of the “Sustainability Report 2021” by the end of December 2021.

The “Sustainability Report 2021” as of September 2021 in English will be published by the end of November 2021.

**■Revision of Underwriting and Investment and Lending Policies in Tokio Marine: Our Climate Strategy**

In the “Tokio Marine: Our Climate Strategy” released in September 2020, we established policies on insurance underwriting and investment and lending from the perspective of conducting transactions that can contribute to the transition to a decarbonized society, so as to achieve the goals set in the Paris Agreement.

Specifically, the new version adds "thermal coal mining projects" to the existing "coal fired power generation projects" as restricted businesses for new business transactions. In addition, we will only carefully consider exceptions to projects that implement innovative technologies and approaches that are necessary to achieve the goals of the Paris Agreement such as CCS/CCUS and mixed combustion.

Previous	Revised
<p><b>【Insurance Underwriting】</b></p> <ul style="list-style-type: none"> <li>● Tokio Marine Group will not provide new insurance underwriting capacities to coal fired power generation projects.</li> <li>● We may grant exceptions for projects on account of circumstances such as national energy policy and other considerations in the relevant country, and in the context of the OECD Arrangement on Officially Supported Export Credits and other international guidelines.</li> </ul> <p><b>【Investment and Lending】</b></p> <ul style="list-style-type: none"> <li>● Tokio Marine Group will not provide new financing for coal fired power generation projects.</li> <li>● However, as with our underwriting policy, we may take into account individual circumstances when making investment and lending decisions.</li> </ul>	<p><b>【Insurance Underwriting and Investment and Lending】</b></p> <ul style="list-style-type: none"> <li>● Tokio Marine Group will not provide new underwriting capacities or financing to coal fired power generation projects or thermal coal mining projects, regardless of whether they are newly constructed or not.</li> <li>● However, we may grant exceptions for projects with innovative technologies and approaches, such as CCS/CCUS*<sup>1</sup> and mixed combustion, with the aim of achieving the goals of the Paris Agreement, based on careful consideration.</li> </ul> <p>*<sup>1</sup> Carbon dioxide Capture and Storage, Carbon dioxide Capture, Utilization and Storage</p>