

# Tokio Marine Group e-CSR Report 2011



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## Message from the President

We Consider  
Our Responsibilities as an Insurance  
Company and Work to Realize  
a Sustainable Society.



The Great East Japan Earthquake that struck on March 11, 2011 was an unprecedented catastrophe. I wish to express my heartfelt sympathies to the victims of the earthquake and hope for the quickest possible recovery and restoration of the disaster-stricken areas. The Tokio Marine Group also hopes that affected customers can rebuild their livelihoods quickly and will assist customers with recovery by making our utmost efforts to ensure swift payment of insurance claims. We continue to receive damage reports from customers and are committed to taking all possible measures to make prompt and appropriate claims payments up to the very last policy to fulfill our social duties as an insurance group. In the wake of the earthquake, we have also been receiving assistance such as relief money as well as messages of encouragement from Group companies and their employees, including those overseas. As demonstrated by these responses, the entire Tokio Marine Group continues working in concert even in non-insurance fields to undertake activities for supporting a recovery.

The Tokio Marine Group positions customer trust as the foundation of all its corporate activities and adheres to its Corporate Philosophy of providing "safety and security" to customers and realizing a prosperous and comfortable society through its business activities centered on the insurance business. The crucial role that insurance plays in society as a "preparation against unexpected risk" was once again affirmed in the recent earthquake. Customers' awareness of risk as well as their "expectation of insurance that provides safety and security" are increasing as never before and the true worth of the Tokio Marine Group is now being tested.

Under our "Innovation and Execution 2011" medium-term corporate strategy, now in its final fiscal year, we aim to become "a global corporate group maintaining growth by offering quality that customers select." In pursuing this objective, while devoting our all-out efforts toward recovery and restoration of the disaster areas, we will continue to thoroughly raise the quality of our products and services and renew our determination to ensure that these efforts lead to further growth.



In addressing various environmental problems that have emerged as key global issues, we are undertaking research into risks associated with climate change and global warming in collaboration with universities as well as promoting the development and provision of products that help mitigate and adapt to climate change. Additionally, we have been proactively working to reduce environmental impact from our business activities while promoting environmental education activities. In fiscal 2010, Tokio Marine & Nichido Co., Ltd. also formulated medium- and long-term (fiscal 2020 and fiscal 2050) targets for reducing CO<sub>2</sub> emissions.

On a different front, Tokio Marine & Nichido launched the "Green Gift" Project in 2009 as an initiative for preserving the earth's environment. The Green Gift Program encourages the use of paperless Web-based insurance contracts (clauses), which allows policies to be viewed via the company's website, with the aim of reducing paper consumption. At the same time, the program supports mangrove planting based on the number of customers choosing to use Web contracts. To date, more than 8 million contracts have been switched to Web contracts and this has enabled paper consumption to be reduced by approximately 1,600 tons per year. Through its promotion of Web contracts, Tokio Marine & Nichido acquired the first auto insurance Eco Mark certification for financial products from the Japan Environment Association in December 2010.

Tokio Marine & Nichido has been involved in mangrove tree-planting activities in the Asian Pacific region for 12 years and during this time has planted 6,824 hectares of forests (From Zurich to Rome, by a hundred meters of width). Besides absorbing and stabilizing CO<sub>2</sub>, mangrove forests are helpful in biodiversity protection and natural disaster prevention and also contribute to the development of local communities. During fiscal 2010, Tokio Marine & Nichido also worked to develop human resources in mangrove planting regions through initiatives that included participation in a developing country education support program operated by the international NGO Room to Read. By utilizing the effects of mangrove trees in absorbing and stabilizing CO<sub>2</sub>, Tokio Marine & Nichido became "carbon neutral"\* in fiscal 2010. Looking ahead, the entire Tokio Marine Group endeavors to become carbon neutral on a global basis by the end of fiscal 2011.

The Tokio Marine Holdings has been a participant in the United Nations Global Compact since 2005 and has promoted initiatives based on the Compact's 10 principles concerning human rights, labor, the environment and anti-corruption. Meanwhile, finding solutions to various social problems has become a major theme under ISO 26000, which came into effect in 2010 as an international guidance standard for social responsibility. The Tokio Marine Group will carefully consider the social responsibilities it is expected to fulfill. Based on dialogue and cooperation with diverse stakeholders, we will undertake initiatives for finding solutions to an array of social issues in regions worldwide, as we work toward the realization of a sustainable society. In striving to achieve these vital objectives, I ask for your ongoing support.

\* Being carbon neutral refers to achieving zero net carbon emissions by balancing a measured amount of carbon released from business activities of a corporation with an equivalent amount sequestered or offset by means of planting mangrove, use of renewable energy, carbon credits, and other carbon-absorbing or carbon-reducing activities.

August 2011

Shuzo Sumi

President & Chief Executive Officer  
Tokio Marine Holdings, Inc.

# Tokio Marine Group's CSR

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- Tokio Marine Group's Approach to CSR
- CSR Promotion Structure
- Tokio Marine & Nichido Corporate Value Index and CSR Index
- Plans and Results of CSR Initiatives
- External Evaluations and Awards
- Participation in External Initiatives

This e-CSR Report 2011 was produced based on information posted on the Company's website.



## Tokio Marine Group's Approach to CSR

The Tokio Marine Group is determined to raise its corporate value continuously by realizing its Corporate Philosophy and thus contributing to the sustainable growth of society.

The Tokio Marine Group has provided "safety and security" to society and contributed to its development by making the most of its abundant knowledge and experience accumulated over the years in the insurance industry. Risks surrounding individuals and companies continue to become more diversified and we are well aware of the increasing importance of social roles and responsibilities incumbent on insurance companies.

Based on this rationale, we have formulated the Tokio Marine Group CSR Charter as behavioral guidelines for all employees to execute CSR. Under the "Innovation and Execution 2011" medium-term corporate strategy (FY2009 - FY2011), as our medium-term vision, we aim to become "a global corporate group maintaining growth by offering quality that customers select." We believe the implementation of CSR management will serve as the cornerstone of these efforts and we will proactively support initiatives to solve various social issues through our business activities.

The Tokio Marine Group supports and respects the Universal Declaration of Human Rights, International Labor Standards, as well as OECD Guidelines for Multinational Enterprises. The philosophies and contents of the 10 principles concerning human rights, labor, the environment and anti-corruption advocated by the United Nations Global Compact coincide with the Tokio Marine Group's own approach to CSR as well as its CSR Charter, and for this reason, Tokio Marine Holdings has been participating in the United Nations Global Compact since 2005.

▶ [Participation in United Nations Global Compact](#)





#### Tokio Marine Group Corporate Philosophy

With customer trust as the foundation of all its activities, the Tokio Marine Group continuously strives to raise its corporate value.

- Through the provision of the highest quality products and services, the Tokio Marine Group aims to deliver safety and security to all its customers.
- By developing sound, profitable, and growing businesses throughout the world, the Tokio Marine Group will fulfill its mandate to shareholders.
- The Tokio Marine Group will continue to build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential.
- Acting as a good corporate citizen through fair and responsible management, the Tokio Marine Group will broadly contribute to the development of society.



#### Tokio Marine Group CSR Charter

The Tokio Marine Group is committed to fulfilling its Corporate Social Responsibility (CSR) by implementing its Corporate Philosophy to achieve sustainable growth together with the development of society, in accordance with the following principles:

##### Products and Services

We aim to provide society with products and services to meet the needs for safety and security.

##### Respect for Human Rights and Dignity

- We respect and actively promote the recognition of human rights for all people.
- We strive to ensure an energetic working environment that is both safe and healthy and to promote the training and education of our employees.
- We respect the right to privacy and strive to enforce this right through the management of personal information.

##### Protection of the Global Environment

Acknowledging that the protection of the global environment is an important responsibility for all corporate entities, we respect the harmonization with and the improvement of the global environment in all of our activities.

##### Contribution to Local Communities and Societies

As a member of various communities and societies, we respect the diversity of cultures and customs in different countries and regions, and we aim to contribute actively to society in response to the needs of the current era.

##### Compliance

While striving to maintain high ethical standards at all times, we will pursue strict compliance in all aspects of our business activities.

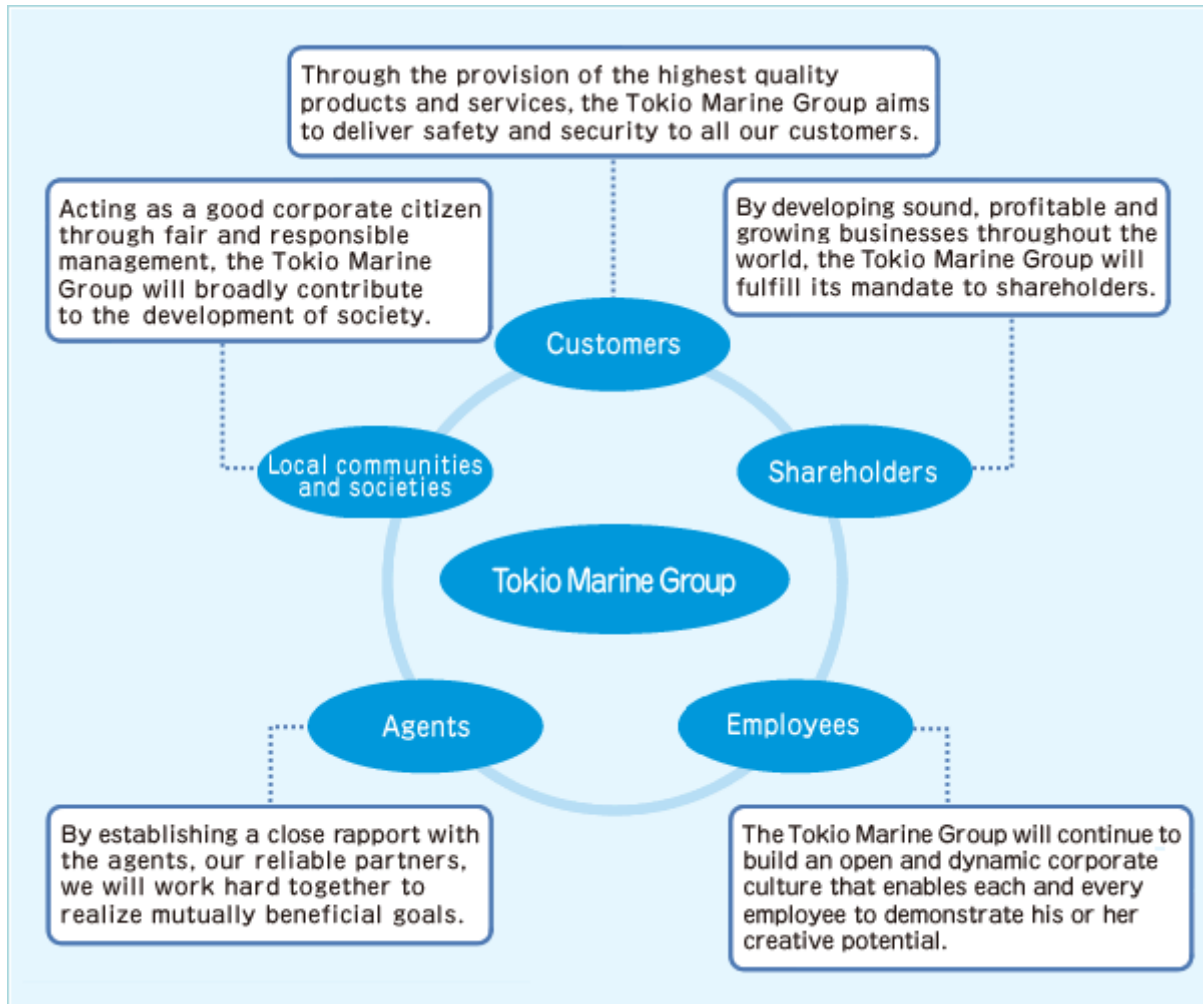
##### Communication

We intend to disclose information timely and appropriately and to promote dialogue with all our stakeholders to ensure effective corporate management.





#### Tokio Marine Group CSR Charter





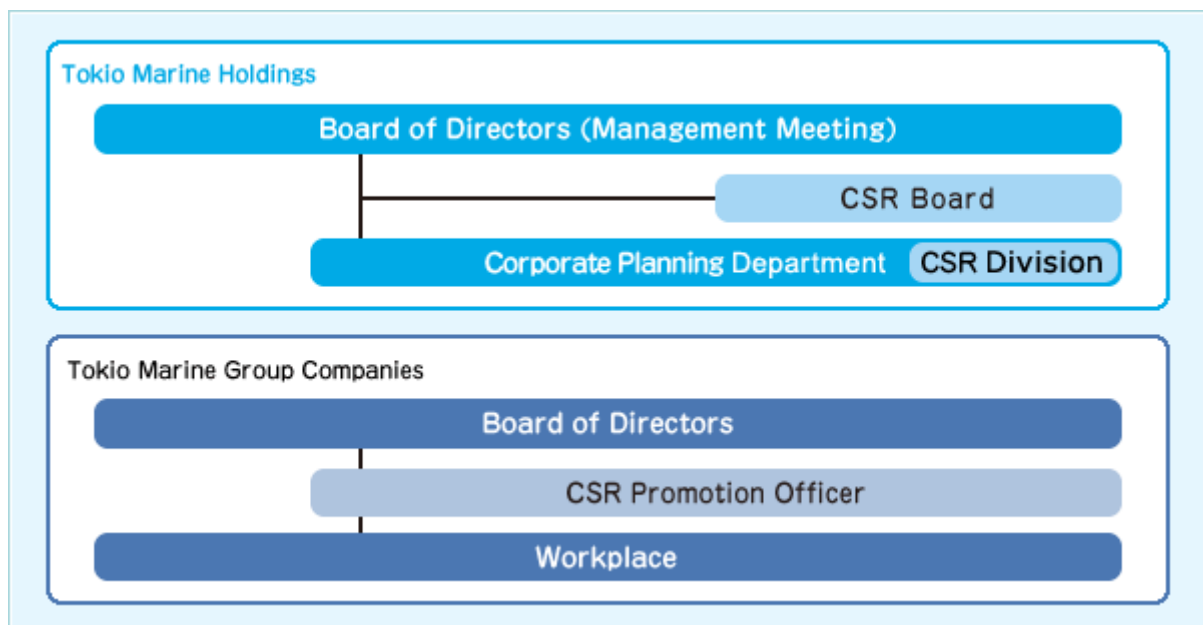
## CSR Promotion Structure

The CSR Promotion Structure for the Tokio Marine Group is as shown below.

The Tokio Marine Group's Board of Directors and CSR Board, which is chaired by the president of Tokio Marine Holdings with membership consisting of the presidents of main Group companies, formulate fundamental CSR policies and plans for the entire Group in addition to periodically confirming the progress of such initiatives.

Additionally, Tokio Marine Holdings has established a dedicated CSR Division (Corporate Planning Department) to further promote CSR efforts across the Group and support the CSR activities of each Group company. CSR promotion officers at each Group company implement CSR activities in accordance with the characteristics of their respective businesses and the local communities.

### Tokio Marine Group CSR Promotion Structure





## Tokio Marine & Nichido Corporate Value Index and CSR Index

Tokio Marine & Nichido has formulated the Corporate Value Index and the CSR Index as it aims to raise the quality of its management strategies and CSR.

Tokio Marine & Nichido defines corporate value as the sum total of the value it provides for its stakeholders, namely its customers, shareholders, agents, employees, and local communities and societies, and makes quantitative evaluations to determine whether measures implemented each year have raised the company's corporate value. This approach helps raise the standards of our CSR initiatives and facilitates the preparation of new strategic proposals.

Along with profits and sales, Tokio Marine & Nichido has incorporated the Corporate Value Index as a KPI\* into the categories for evaluating remuneration for Tokio Marine & Nichido executives. By doing so, the Group aims to improve the quality of its management strategies and CSR.

\*KPI: Key performance indicator

### Corporate Value Index

Area of assessment	Primary indicators
Customer fundamentals	Number of individual customers, net premiums written, results of customer surveys (on the level of satisfaction with the Company), etc.
Agent fundamentals	Results of customer surveys (on the level of satisfaction with agents and whether they appropriately ensure "Anshin Quality" and handling), etc.
Management leadership	Results of employee surveys (evaluation of executives and management), etc.
Organization/Human resources system	Employment ratio of persons with disabilities, number of female employees (at or above a certain rank), results of employee surveys (on the level of employee satisfaction), etc.
Organizational culture	Number of employee activities making contributions to local communities and societies, results of employee surveys (evaluation of respect for human dignity, corporate culture, CSR)
Employee capabilities/Operational process capabilities	Results of customer and agent surveys (on such subjects as partnership with agents, satisfaction with accident responses, ensuring appropriate "Anshin Quality" and payment of claims), amount of paper used, amount of greenhouse gas (CO <sub>2</sub> ) emissions and the switchover rate to Web clauses, etc.

Area of assessment	Primary indicators
Product strength	Results of external surveys on corporate image, results of agent and employee surveys (evaluation of products, services)
Brand strength	Results of external surveys on corporate image, brand value indicators, etc.
Profitability/Soundness	Financial ratings, adjusted earnings and ROE, etc.
Compliance/Internal control	Business improvement based on customer responses (dissatisfaction and demands), internal audit results, etc.

In expressing the state of progress of initiatives in the key CSR areas of "customers," "employees," "protection of the global environment," and "community and social contributions," we have designated categories we consider especially important as a CSR Index. From the perspective of accountability to stakeholders, we will continue to disclose actual results in each category.

## CSR Index

Area	Indicator	Indicator explanation	FY2009	FY2010	
Customers	1) Number of customers (individuals)	Number of individual customers	13.84 million	14.99 million	
	2) Level of satisfaction at time of sales solicitation	Level of customer satisfaction indicated in customer surveys at the time of selling automobile and fire insurance	78.7%	77.8%	
	3) Level of satisfaction regarding responses to accidents	Total level of satisfaction indicated in customer surveys of responses to accidents (automobile insurance)	94.2%	94.5%	
Employees/Agents	4) Employee satisfaction levels	Level of satisfaction indicated in employee surveys	78.4%	78.3%	
	5) Agent satisfaction levels	Level of satisfaction indicated in agent surveys	78.7%	80.6%	
	Diversity	6) Number of female employees in leadership positions	Number of female employees in the leader or sub-leader class	325	385
		7) Employment	Employment ratio of persons with disabilities	1.95%	2.04%

Area	Indicator	Indicator explanation	FY2009	FY2010
	ratio of persons with disabilities			
Protection of the global environment	8) Amount of greenhouse gas (CO <sub>2</sub> ) emissions	Amount of greenhouse gas (CO <sub>2</sub> ) emissions (Japan)* originating from energy usage during business activities	49,130t	45,234t
	9) Amount of paper used	Amount of paper used (total for copier paper, printed business forms, computer-use paper in Japan)*	9,503t	7,624t
Community and social contributions	10) Number of employees participating in community and social contributions	Number of employees participating in volunteer activities	7,955	9,294
	11) Number of employees making donations	Number of employees making donations (excluding relief money for large-scale disasters, etc.)	5,624	4,696

\*The emission coefficient for greenhouse gas (CO<sub>2</sub>) emissions is calculated based on the fiscal 2006 emission coefficient. This coefficient covers "energy used in buildings and gasoline for company-owned vehicles." From fiscal 2009, we began calculating emissions associated with domestic and overseas business travel.



## Plans and Results of CSR Initiatives

The fiscal 2010 results of CSR initiatives for the companies in the Tokio Marine Group as well as targets for fiscal 2011 are shown below.

### Results of fiscal 2010 CSR initiatives and fiscal 2011 plans

The companies in the Tokio Marine Group generally attained the targets of key CSR initiatives for fiscal 2010 according to plan.

Key Issues		Targets and Results	Evaluation	Pages	Targets (FY 2011)
Providing value through our core businesses		(Targets) Enhance the quality of products and services (Results) - Tokio Marine & Nichido and Tokio Marine & Nichido Life carried out "Medical Assist" - Tokio Marine & Nichido Life implemented the "Movement to Protect Customers from Cancer."	◎	<a href="#">Click here for details</a>	Continue initiatives to become "a global corporate group maintaining growth by offering quality that customers select" (Continue initiatives shown on the left) * Make all-out efforts directed toward recovery and restoration following the Great East Japan Earthquake
Responding to climate change	Address climate change through our products and services	(Targets) Develop and provide products and services that adapt to and mitigate climate change (includes responses for developing countries) (Results) - Tokio Marine & Nichido's Green Gift	◎	<a href="#">Click here for details</a>	Develop products and services that adapt to and mitigate climate change Expand and upgrade Tokio Marine & Nichido's Green Gift Project



Key Issues		Targets and Results	Evaluation	Pages	Targets (FY 2011)
		<p>Project</p> <p>Promote switch to paperless Web clauses for auto, fire and Super Insurance</p> <ul style="list-style-type: none"> <li>•Target: Attain a switchover rate of 60.0% (automobile)</li> <li>•Result: Attained a switchover rate of 73.9% (automobile)</li> </ul> <p>- India-IFFCO-Tokio General Insurance Co., Ltd. (weather insurance)</p> <p>Promote the diffusion of weather insurance in farming communities in India</p>			
	Reduce the volume of CO <sub>2</sub> emissions accompanying our business activities	<p>(Targets)</p> <p>Group companies (Japan): Strengthen initiatives for reducing environmental impacts based on independent numerical targets</p> <p>(Results)</p> <ul style="list-style-type: none"> <li>- CO<sub>2</sub> emissions: 73,692 tons</li> <li>- Copier paper used: 2,122 tons (a reduction of 8.7% from FY2009)</li> <li>- Group companies (overseas): Improved environmental management systems (EMS) at principal bases</li> </ul>	○	<a href="#">Click here for details</a>	<p>Reduce environmental impact at Group companies (Japan/overseas)</p> <ul style="list-style-type: none"> <li>- CO<sub>2</sub> emissions: Reduction of 5% from the previous year</li> <li>- Copier paper use: Reduction of 9% from the previous year</li> </ul>
	Collaborative work with local communities and societies	<p>(Targets)</p> <p>Participation rate in community and social contribution activities by domestic Group company employees: 40%</p>	◎	<a href="#">Click here for details</a>	<p>Employee participation rate of more than 50% (total) for Group companies (Japan) promoting community and</p>

Key Issues	Targets and Results	Evaluation	Pages	Targets (FY 2011)
	<p>(Results):</p> <ul style="list-style-type: none"> <li>- Group companies (Japan): Participation rate in community and social contribution activities by employees: 55% (Breakdown: 56% at Tokio Marine &amp; Nichido and Tokio Marine &amp; Nichido Life, 53% at other companies)</li> <li>- Strengthened joint initiatives within the Group for community and social contribution programs <ul style="list-style-type: none"> <li>• Mangrove planting volunteers</li> <li>• Green Lessons</li> <li>• Pink Ribbon Movement</li> <li>• AED training sessions</li> <li>• Dementia supporter training sessions, etc.</li> </ul> </li> <li>- Disaster relief funds donated by Group companies (Japan/overseas) and employees (A total of ¥67 million for aiding victims of the Great East Japan Earthquake and other aid activities)</li> </ul>			<p>social contribution activities in countries and regions around the world</p>

## External Evaluations and Awards

Tokio Marine Holdings has received high evaluations from SRI rating agencies worldwide and is working to further enhance its CSR activities to ensure that it earns such ratings in the future as well.

### Evaluations from External SRI Rating Agencies

In recent years, attention has been focused on Socially Responsible Investment (SRI), which evaluates corporate activities from the perspective of sustainability in the areas of the economy, the environment and society.

In September 2010, Tokio Marine Holdings was selected for the first time to be included as one of the companies comprising the insurance sector of the Dow Jones Sustainability World Index, one of the world's leading sustainability indexes. As of the end of August 2011, Tokio Marine has been selected to be included as one of the companies listed in the SRI indexes shown below.

#### Inclusion in SRI (Socially Responsible Investment)



#### Status of inclusion in SRI funds

Fund Name	Registered and Managed by
Eco Balance	Sumitomo Mitsui Asset Management Company, Limited
Eco Partners ("Green Wings")	Mitsubishi UFJ Asset Management Co., Ltd.
Sumishin Japan Stock SRI Fund	STB Asset Management Co., Ltd.
Sumishin DC Good Company	STB Asset Management Co., Ltd.
Sumishin SRI Japan Open	STB Asset Management Co., Ltd.
World 6 Asset Equal Distribution (monthly distribution type)	Daiwa Asset Management Co. Ltd.
Daiwa Eco Fund	Daiwa Asset Management Co. Ltd.
Daiwa SRI Fund	Daiwa Asset Management Co. Ltd.

<b>Fund Name</b>	<b>Registered and Managed by</b>
Fukoku SRI Fund	Shinkin Asset Management Co., Ltd.
Mitsubishi UFJ SRI Fund	Mitsubishi UFJ Asset Management Co., Ltd.
Resona Japan CSR Fund	PineBridge Investments Japan Co., Ltd.
6 Asset Balanced Fund	Daiwa Asset Management Co. Ltd.

Note: Inclusion in these funds is based on the latest performance reports of each fund as of the end of July 2011.

## **External Awards**

Received the Japan Investor Relations Association's (JIRA) "15th IR Prime Business Award"	Tokio Marine Holdings
Received Nikko Investor Relations Co., Ltd.'s fiscal 2010 "IR Site Industry-Specific Ranking Best Website" award	Tokio Marine Holdings
Received the 5th Japan Facilities Management Grand Prix "Encouragement Award" in recognition of the concept of an office where employees, including those with disabilities, can work with a sense of excitement	Tokio Marine Nichido Systems Co., Ltd.
Received the "Most Outstanding Prize" under the "Nagoya Child-Rearing Supporting Business Recognition/Award System"	Tokio Marine & Nichido
Received double awards, namely, the Tokyo Labor Bureau's "Excellence Award" in the "Companies that Promote Equality" category and in the "Family Friendly Company" category	Tokio Marine & Nichido
Received the "Himawari Medal of Honor 2010" in the Corporate Awards category from the NPO Himawarinokai in recognition of being a company that supports the childbirth and child-rearing of working women	Tokio Marine & Nichido



## Participation in External Initiatives

The Tokio Marine Group supports and respects the Universal Declaration of Human Rights, International Labor Standards, as well as OECD Guidelines for Multinational Enterprises. The Tokio Marine Group will also fulfill its role in helping realize a sustainable society through its participation in a variety of initiatives that include the United Nations Global Compact and the United Nations Environment Program Finance Initiative (UNEP FI).

### The United Nations Global Compact

The ideas and contents of the 10 principles concerning human rights, labor, the environment and anti-corruption advocated by the United Nations Global Compact coincide with the Tokio Marine Group's own approach to CSR as well as its CSR Charter.

Therefore, Tokio Marine Holdings has been participating in the United Nations Global Compact since 2005.



## The UN Global Compact's 10 principles

### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

### Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

### Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

► <http://www.unglobalcompact.org/>





Every year Tokio Marine Holdings summarizes and reports on the status of initiatives for addressing the 10 principles of the United Nations Global Compact.

▶ [Communication on Progress](#)

#### UNEP FI Insurance Commission



**UNEP Finance Initiative**  
innovative financing for sustainability

Tokio Marine & Nichido is taking part as the Board Member for Asia in the United Nations Environment Program Finance Initiative (UNEP FI) Insurance Commission including approximately 10 companies worldwide, mainly from among insurance companies and brokers. The company conducted activities to deepen understanding of insurance and climate change/sustainability through a seminar entitled "Insuring for sustainability"(2009), issuance of a collaborative paper entitled "The global state of sustainable insurance" (2010) and a presentation at the COP 10 side event "The next challenge - The role of finance institutions in accounting for biodiversity and ecosystem services in the Asia Pacific Region."

▶ <http://www.unepfi.org/>

#### Geneva Association



Tokio Marine & Nichido is a member of the Geneva Association composed of approximately 80 executives from major insurance companies around the globe. Since September 2008, each company has been conducting research into climate change under the Climate Change and Insurance (CC+I) Project regarding the economic impact of climate change on insurance companies, and jointly launched research reports on "The Insurance Industry and Climate Change" (2009) and "Global Insurance Industry Statement on Adapting to Climate Change in Developing Countries."

▶ [http://www.genevaassociation.org/Home/Climate\\_Change.aspx](http://www.genevaassociation.org/Home/Climate_Change.aspx)

### ClimateWise



In September 2010, Tokio Marine & Nichido became the first Asian member of ClimateWise, a global collaboration of 40 leading insurers focused on reducing the risks of climate change, launched in 2007 by HRH The Prince of Wales. Under ClimateWise, these insurers from around the world jointly carry out studies and research on various risks and opportunities related to climate change and make recommendations toward reducing the risks that climate change imposes on economic and social life.

▶ <http://www.climatewise.org.uk/>

### Japan Climate Leaders' Partnership



Tokio Marine & Nichido has been a member of the Japan Climate Leaders' Partnership (Japan-CLP), an initiative of Japanese companies to deal with issues of climate change, since July 2009. With Japan-CLP, companies from various industries (finance, insurance, logistics, construction, IT, etc.) join forces to lead initiatives aimed at realizing a sustainable, low-carbon society and to make recommendations on how to tackle climate change together.

▶ <http://www.japan-clp.jp/>

# Key CSR Issues of the Tokio Marine Group

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- Providing Value through Our Core Businesses
- Response to Climate Change
- Collaborative Work with Local Communities and Society

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## Key CSR Issues of the Tokio Marine Group

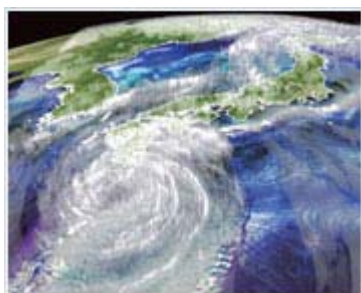
Each of the Tokio Marine Group companies undertakes various initiatives in its business activities to address CSR issues specific to its business domains, ranging from insurance, finance and consulting services, and in accordance with the characteristics of the region in which it operates. At the Group level, we have identified three key CSR issues, or themes, of "providing value through our core businesses," "response to climate change" and "collaborative work with local communities and society." These are shared throughout the Group, and we have been actively promoting initiatives in each field.



### Providing Value through Our Core Businesses

With the aim of “offering quality that customers select,” we concentrate on improving our business processes from customer perspectives. We also deliver new value that ensures the “safety and security” of society against the increasingly diversified and complex risks resulting from social changes.

[Click here for details](#) ▶



### Response to Climate Change

We recognize that climate change and global warming are risks common to all humankind, which may have a significant impact on future generations, and are also risks that greatly affect our business activities in the fields of non-life insurance, life insurance and reinsurance. We seek ways to mitigate or adapt to climate change and measures to prevent global warming from every possible angle and accordingly fulfill our roles and responsibilities in society.

[Click here for details](#) ▶



### Collaborative Work with Local Communities and Society

Each company within the Tokio Marine Group acts on the belief that it has a responsibility as a corporate citizen to foster harmonious relations with local communities through community and social contribution activities, and strives to contribute to national as well as regional development around the world. Based on the trust we have gained from local communities, we intend to become a “corporate group playing an indispensable role worldwide” while working to resolve social issues in each region through dialogue and collaboration with NPO and NGO.

[Click here for details](#) ▶



#### The Process of Specifying Key CSR Issues

Under its medium-term business strategy "Innovation and Execution 2011" (FY2009 - FY2011), the Tokio Marine Group aims to become a "global corporate group maintaining growth by offering quality that customers select" by fostering the sustainable growth of society and providing increased value to all stakeholders. In doing so, we must develop a relationship of mutual trust through dialogue with customers and other stakeholders and implement high-quality CSR management.

We work to identify issues that must be addressed by the entire Group and those unique to each Group company based on the results of various evaluations, customer feedback that includes both compliments and complaints and information obtained through communication with employees and agents, IR activities for shareholders and investors and CSR dialogue with external experts. Our CSR Board serves to specify issues having a large impact on our stakeholders and those having particular significance to the management of the Tokio Marine Group.



## Providing Value through Our Core Businesses

Risks have become more diversified and complex along with the times. The Tokio Marine Group starts with enhancing the quality of products and provides new value that will lead to assuring the "safety and security" of society.

### **Social Changes Generating More Diverse Risks**

The history of the Tokio Marine Group goes back to 1879. The Group has since been playing a role of supporting corporate growth and economic development by providing marine, fire, auto, general liability and personal information protection insurance to safeguard companies against a variety of risks associated with their operations in Japan.

To counter risks affecting individuals and their households, we have ceaselessly marketed types of insurance suited to the changes in people's lifestyles such as individual property insurance, travel insurance, medical insurance and life insurance.

Today, risks surrounding companies and individuals have become increasingly diversified. The Tokio Marine Group is acutely aware of the increased significance given to its roles and responsibilities in "protecting companies and households against risks."

### **Fulfilling Our Mission by Changing the Traditional Concept of an Insurance Company**

Through our insurance products, we assume the role of providing financial support to customers in the event of accidents by settling insurance claims promptly and unfailingly. At the same time, we are committed to enhancing the quality of our products and services with an eye to offering easy-to-understand products and services and to giving greater confidence to our customers in our claims settlement services.

To bring about the "safe and secure" society to which we aspire, insurance companies-including the Tokio Marine Group-must fulfill another important duty of making assessments to prevent accidents from occurring as a professional of risk management.

In addition to making prompt responses to customers' inquiries in cases of emergency, we set great value on a corporate culture in which we constantly ask ourselves if we are truly attentive to customers, or seeing things from their viewpoints, when interacting with them.

Based on a wealth of know-how accumulated through its insurance business spanning over 130 years, the Tokio Marine Group will continuously contribute to the development of society by delivering "safety and security."



#### Plans and Results of Fiscal 2010/Highlights

[Target] To continue initiatives to become a "global corporate group maintaining growth by offering quality that customers select"

[Results/Highlights]

- Tokio Marine & Nichido  
Acquisition of first automobile insurance Eco Mark certification by Japan Environment Association(December 2010)
- Tokio Marine & Nichido and Tokio Marine & Nichido Life  
Collaboration concerning improvement of cancer examination rates (with 42 prefectures/16 cities, as of March 2011) via "Movement to Protect Customers from Cancer"

#### Challenging Social Issues

We deliver new value that ensures the "safety and security" of society against risks that have become increasingly diversified and complex along with the times. The following sections provide examples of our initiatives related to respective social issues.

[▶ Disasters](#)

[▶ Healthcare](#)

[▶ Cancer](#)

[▶ Other](#)

[▶ Quality Enhancement](#)



Key CSR Issues : Providing Value through Our Core Businesses

## Disasters

Against risks of disasters, the Tokio Marine Group delivers "safety and security" to its customers by enhancing its insurance coverage and providing a diverse range of products and services including support for early recovery.

### Response to the Great East Japan Earthquake

- ▶ [Response to the Great East Japan Earthquake](#)

### For Disaster Prevention and Early Recovery

Corporate customers constantly face risks associated with the sudden occurrence of floods, earthquakes, fires or explosions. For many years, Tokio Marine & Nichido has been providing financial coverage for loss or damage sustained during these disasters through its insurance products. The Tokio Marine Group is also providing a comprehensive corporate support program to its customers, ranging from the development of business continuity plans (BCPs) and establishment of business continuity management (BCM) to providing training for an initial-stage response to disasters and support for early recovery of business operations.

**Early Disaster Recovery Support Service through a Tie-up with BELFOR**

Tokio Marine & Nichido has formed a partnership with BELFOR (Japan) Co., Ltd., a company possessing highly specialized technologies in the disaster recovery support field, and has been providing the Early Disaster Recovery Support Service for customers. BELFOR uses its precision cleaning techniques to restore the condition and functions of contaminated equipment and facilities, for which replacement was the only option available in the past. This helps reduce the business interruption period significantly and is particularly effective in case of customized facilities which require a considerable time to replace.

The company has started to add a new rider to essentially all of our fire insurance \* for corporate customers to cover the expenses for emergency stabilization measures. from January 2011, allowing policyholders to use the disaster restoration service of BELFOR under specified conditions without incurring additional costs.

The availability of the Early Disaster Recover Support Service jointly provided by Tokio Marine & Nichido and BELFOR has expanded from Japan to the United States in 2006, to Europe in 2008 and to Southeast Asia in 2010. We now have a system to provide support for the early recovery of business operations to customers throughout the world.

\*Excluding forest fire insurance and Super Business Insurance that does not cover property damage and loss arising from suspension of operations

#### Flow of early disaster recovery support

##### Step 1

##### Verification of disaster and contamination

Upon being informed by a customer of the occurrence of a disaster or accident, we contact BELFOR after obtaining consent from the customer for dispatching a crew. BELFOR immediately visits the damaged site, conducts an on-site inspection and draws up a "contamination map" that identifies contaminated areas within the site.

##### Step 2

##### Emergency stabilization measures

To prevent further damage, BELFOR applies emergency stabilization measures, as necessary, to inhibit the progression of corrosion and rust in facilities.

##### Step 3

##### Proposal of an optimal recovery plan

We propose an optimal recovery plan to the customer.

##### Step 4

##### Full-scale restoration by BELFOR



During full-scale recovery operations, BELFOR conducts the dismantling of facilities contaminated with smoke due to fire or mud caused by flooding, precision cleaning that uses its special technologies, drying, reassembling and a final inspection of the reassembled facilities.



Contaminated equipment



Precision cleaning equipment

- ▶ ["My relations with CSR" Recovery Support for the Great East Japan Earthquake](#)

## Key CSR Issues : Providing Value through Our Core Businesses

## Cancer

As part of efforts to fulfill its mission and social roles as an insurance company, the Tokio Marine Group started providing support in 2005 for the Pink Ribbon Movement, a campaign to convey the importance of early detection of breast cancer, to raise cancer awareness among the public. In addition to engaging in these activities and providing financial support to customers via insurance payments, we now seek ways to ease the hardship and suffering of customers and their families fighting against cancer by promoting our own initiative, the "Movement to Protect Customers from Cancer."

**Movement to Protect Customers from Cancer****[Basic Policy]**

In Japan, cancer is considered a national disease, a source of many griefs. The fact has fueled our desire to protect our customers from cancer, to help ease the suffering of cancer patients and to assist their families going through the ordeal. For us, the social role of an insurance company now extends beyond delivering financial confidence in terms of insurance payments to working to prevent cancer and providing mental support. Accordingly, we have launched the Movement to Protect Customers from Cancer, which consists of the following three steps.

**(1) Learning about cancer**

Each of our employees and agents is voluntarily studying about cancer, its current status, preventive measures, treatment options and the reality of cancer care in each region, and holding study sessions frequently.

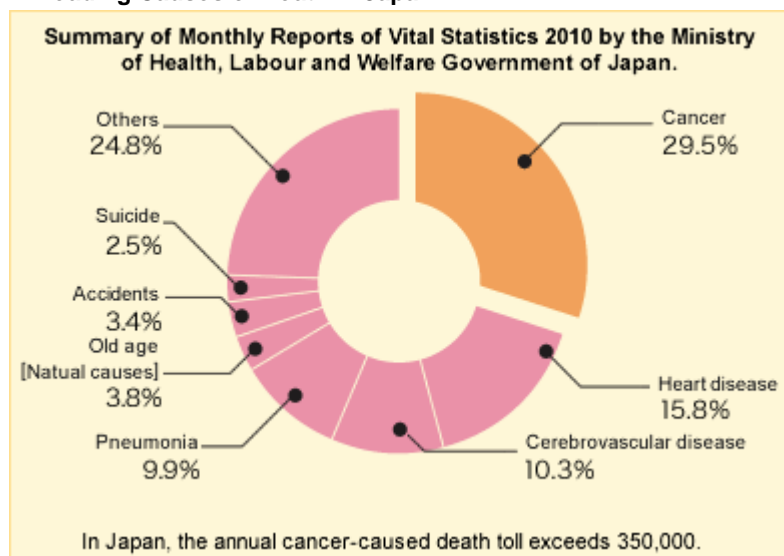
**(2) Spreading the message about cancer**

Periodical checkups and early detection are two key factors associated with a high probability of being cured of cancer, besides such preventive measures as improving dietary habits and quitting smoking. Employees and agents in each region personally take the initiative in raising cancer awareness. We have developed tools to convey the importance of preventive measures and checkups as well as knowledge on cancer in an easy-to-understand manner. We have also been holding seminars, participating in cancer awareness efforts including street campaigns under the Pink Ribbon Movement, and promoting collaboration with regulations such as local authorities in Japan.

**(3) Providing support against cancer**

Cancer causes enormous psychological stress on patients and their families. To help alleviate their distress, Tokio Marine & Nichido Life operates a cancer-specific consultation center, through which doctors and nurses specialized in many types of cancer and their medical treatment listen to the problems of customers and offer advice over the telephone. Expert advisors also provide home consultation services to support our customers mentally, helping them maintain a strong will to fight against cancer.

#### Leading Causes of Death in Japan



#### Learning about cancer

- Enable employees and agents to sufficiently understand various information about cancer  
Initiatives include ongoing study sessions or holding seminars by inviting external lecturers (including healthcare professionals and persons who have survived cancer).

#### Spreading information about cancer

- Raise awareness about cancer by widely conveying various information to customers and society  
Initiatives include distributing leaflets that summarize cancer preventive measures and the importance of detecting cancer at an early stage, recommending cancer examinations and holding seminars.

#### Providing support against cancer

- Support for early detection  
Preferential services for general health checkups and cancer PET examinations
- Support in the event of being diagnosed with cancer  
Payment of insurance claims and benefits from cancer insurance (guaranteed extended coverage for advanced medical treatment and anti-cancer drug treatment). Providing various information and psychological support via cancer-specific consultation centers, home consultation and other services.

### Collaboration with Local Authorities

It is an urgent task to improve cancer examination rates in order to detect the disease at an early stage. However, the checkup rate is as low as approximately 20% on a national average, being far lower than 50% targeted by the government and local authorities. Based on the belief that joint action with as many people as possible is indispensable for improving the situation, Tokio Marine & Nichido Life has concluded agreements with 42 prefectural bodies and 16 cities (as of March 31, 2011) and has been actively promoting collaboration with them to call more attention to cancer and raise examination rates.

In October 2009, Tokio Marine & Nichido Life became a promoting partner for "Corporate Actions for Cancer Checkups," a national project commissioned by the Ministry of Health, Labour and Welfare to raise the cancer examination rate to more than 50% through joint efforts by the government and companies. By taking part in this public-private partnership, we intend to contribute to the improvement of the cancer checkup rate in Japan.

### Nationwide Regional Activities

Each of Tokio Marine & Nichido Life's branch offices across the country holds cancer-related study sessions, exchange meetings and seminars for its agents/consignees on a periodical basis. The head office hosts a national conference of employees and agent representatives (one agent representing each of the 62 branch offices nationwide) who are actively and responsibly engaged in cancer awareness efforts. The fifth conference held in October 2010 included lectures by cancer patients, medical workers and agents as well as meetings of working groups by regional block to expand knowledge, share experience and foster a strong sense of mission concerning cancer awareness.

### Joint Research with the Shizuoka Cancer Center

In July 2007, Tokio Marine & Nichido Life and Tokio Marine & Nichido Medical Service (TMS), both of which provide insurance products and medical services from patients' viewpoints, concluded a comprehensive agreement on joint research into the "best ways to provide consultation, support and information regarding the treatment of cancer" with the Shizuoka Cancer Center, one of the top-level facilities in Japan for the diagnosis and treatment of cancer and support services for cancer patients and their families. This joint research program has been promoting initiatives to protect customers against risks, worries and anxieties by jointly developing tools to communicate to them in plain language the importance of preventive medicine and medical checkups, as well as knowledge on cancer; carrying out drives for enlightenment through the Tokio Marine & Nichido Life's nationwide sales network; and opening a special counter for cancer consultation at TMS's 24-hour Call Center.



Shizuoka Cancer Center  
(established by Shizuoka Prefecture)





Key CSR Issues : Providing Value through Our Core Businesses

## Healthcare

We deliver "security" to customers by offering insurance products tailored to changes in the social environment and customer needs and through consultation services by healthcare specialists.

### **Introduced Long-Life Support Whole Life Insurance to Support the Health and Longevity of Customers**

#### **Concept and Background of Development of Long-Life Support Whole Life Insurance**

This long-life support whole life insurance product is based on the concept of delivering confidence for customers to live long lives with peace of mind.

The population of Japan has been aging at a considerable pace, with one out of every four Japanese people now being above 65. The number of elderly people requiring nursing care is rising every year, and such social issues as "elder care by elderly people" and "long-distance elder care" have become increasingly prevalent in our society. Against this social backdrop, Tokio Marine & Nichido Life developed in September 2010 a long-life support whole life insurance product featuring nursing care coverage and severe-disability and death benefits, covering policyholders for their entire life.



#### Characteristics of the Long-Life Support Whole Life Insurance

1.	<b>Provides nursing care coverage for a policyholder's entire life.</b> Nursing care coverage as well as severe-disability and death benefits cover a policyholder for his/her entire life.
2.	<b>Nursing care benefit is made in a lump-sum payment amount.</b> If a policyholder is judged as being in need of second degree nursing care under the public nursing care insurance system or determined as requiring nursing care according to the conditions set out by Tokio Marine & Nichido Life, the policyholder receives a nursing care benefit in a lump-sum payment amount.
3.	<b>Long-living policyholders receive an additional cash contribution to celebrate longevity.</b> A policyholder turning 80, 85 and 90 receives an additional cash contribution to celebrate longevity on a specified anniversary date.
4.	<b>A refund is made upon policy cancellation.</b> This product also has a savings feature, and the refund can be utilized as retirement funds.
5.	<b>A special provision for three major diseases is also available as an option.</b> A policyholder who is diagnosed with cancer, acute cardiac infarction or cerebral stroke is exempted from further payment of premiums.

- ▶ [Tokio Marine & Nichido Life's Long-Life Support Whole Life Insurance \(Japanese only\)](#)



#### Launched New Services Related to Nursing Care

Tokio Marine & Nichido Life has been offering a range of services and information as an addition to its insurance products for the purposes of preventing and reducing the risks, concerns and distress of customers. Upon the launch of new long-life support whole life insurance, we revamped and added the following to our menu of related services. With "elder care by elderly people" and " long-distance elder care" becoming prevailing issues in our society, we will continue to offer various related services with a view towards delivering confidence to customers to live long lives with peace of mind.

<p>Preferential service for brain medical checkups</p>	<p>A service to provide information about medical institutions offering brain medical checkups, make reservations on behalf of customers and offer a special discount on checkup fees. An addition to the conventional lineup of preferential services for general health checkups and cancer PET examinations, because cerebrovascular disease, namely a cerebrovascular accident, is the major cause of health conditions that necessitate nursing care.</p>
<p>Telephone and home-visit consultation services specializing in nursing care</p>	<p>A service in which experienced care managers pay home visits and prepare an outline of a care plan, or a care plan itself, when our long-life support whole life insurance policyholders or their living-together parents are judged as in need of nursing care according to the conditions set out by Tokio Marine &amp; Nichido Life. An addition to the conventional telephone consultation service for nursing care.</p>



#### **"More Dish" Project**

At Hyldemoer nursing home operated by Tokio Marine Nichido Samuel, we focus on daily oral care and prevention of aspiration of elderly residents while promoting development of "More Dish 3 (MD3)" chopped meal menus for those having difficulty in chewing and swallowing. MD3 is a series of special menus which look appealing and are easy to swallow. Based on its philosophy of "creating value and quality of life in older age," Hyldemoer believes that providing the joy of eating, or letting residents enjoy meals every day, is more important than anything else even when people are in need of nursing care.

#### **Providing Meal Preparation Support for Caregivers through Recipe Search Service**

In May 2011, Tokio Marine Nichido Better Life Service developed a recipe search service via mobile phone jointly with Link & Communication Inc. This service, named "Care-recipe," is designed to support caregivers who have to prepare meals using limited ingredients and within a limited amount of time while taking care of elderly people and doing other chores such as cleaning and washing. Care-recipe provides a collection of more than 1,500 healthy meals, allowing caregivers to arrange an optimum set of menus for respective persons to whom they are providing care. Tokio Marine Nichido Better Life Service will continue to work on achieving greater customer satisfaction and strive to improve the quality of nursing care services and the efficiency of work performed by caregivers.

### **Providing 24/7 Support for Customers Seeking Advice on Illness or Injury Medical Assist**

Medical Assist is a free healthcare consultation service that supports the health of policyholders of Tokio Marine & Nichido Life and Tokio Marine & Nichido, including their families. Assistance is provided mainly via telephone 24 hours a day, seven days a week, including advice on how to handle emergencies such as sudden illnesses or injuries and information about hospitals, clinics and other medical facilities that are available on holidays or late at night. We also arrange transfer to other hospitals on behalf of patients. Such concerns are addressed by highly specialized healthcare professionals who are engaged in roughly 30 medical examination fields, including medical specialists qualified as university professors or assistant professors, emergency medical specialists who take leading roles in emergency medical institutions and experienced nurses. Nurses initially respond to approximately 180-340 customer inquiries a day, and depending on the case, emergency medical specialists address the issue thereafter as necessary.

#### **Medical Assist Service Overview**

Emergency medical consultation	Emergency medical specialists who are taking the lead in emergency medical institutions and experienced nurses respond to urgent medical consultation requests 24 hours a day/7 days a week.
Consultation with medical specialists by appointment	Medical specialists in various diagnostic fields provide consultation via telephone regarding medical care and health by appointment.
Information of medical institutions	Information is provided about emergency care hospitals that accept patients at night and on holidays, the closest medical institutions while traveling, etc.
Transfers/Arranging patient transfers	A series of services are carried out for customers who become hospitalized in Japan or abroad while traveling, including arrangements for a private ambulance and special procedures for boarding aircraft in the event of transferring such customers from emergency care hospitals to hospitals near their homes. (Expenses incurred in the course of transportation shall be paid by customers.)
Cancer-specific consultation centers	Highly specialized medical staff attend to the concerns of patients who are fighting against cancer and their families in addition to responding to various concerns about cancer.

For example, in the case of providing consultation about "a child stung by a bee or bees," a detailed explanation is given about symptoms requiring emergency medical care, including treatment needed in less serious cases. Additionally, utilizing a database of medical institutions throughout Japan, Medical Assist service also introduces the closest medical institutions in the event of being injured or falling ill in unfamiliar places such as while traveling.

**Support Desk Service for Hospitalization Assist Rider Received "Three Stars"**

Tokio Marine & Nichido's Hospitalization Assist Rider offers coverage for various hospitalization-related expenses for customers in case of a car accident. Comprising a menu of 19 items, it includes excess bed fees and taxi fees to and from the hospital, from which customers choose those matched to their needs within the coverage limit determined by the length of hospital stay. The Support Desk for Hospitalization Assist Rider is specialized in the handling of this hospitalization rider and provides support ranging from making arrangements for selected menu items to the payment of expenses.

In running this Support Desk service, we concentrate on developing attentive operators who are empathic and helpful to customers, in addition to enhancing their product knowledge and providing skills training. We are cultivating the ability to propose services from customers' perspectives by actually communicating with people in need of help through volunteer activities in day-care services and by accompanying people with disabilities when they go outside.

As a result of these quality enhancement efforts, our Support Desk service became the first after-sales call center in Japan to receive the Three Stars Bench Mark Award from HDI-Japan (Help Desk Institute) in December 2010. HDI-Japan is a quality certification authority for help desk operations, and Three Stars is the highest-rank award given by the organization.

\*Support Desk for Hospitalization Assist Rider is operated by Millea Mondial Co., Ltd.





#### Support for Mental Health Management

Depression is considered a modern-day illness, and the number of patients with depression in Japan has increased to 1.04 million by 2008\*1 with the number of suicides exceeding 30,000 for the 13th consecutive year since 1998\*2. Following the increased seriousness of the issue, the mental healthcare of employees has become an integral part of corporate welfare systems, and greater importance has been attached to it as a means to promote corporate risk management.

Tokio Marine & Nichido Medical Service offers the Employee Assistance Program (EAP) to support the mental health management of companies. Under EAP, a team of psychiatrists, clinical psychotherapists and other specialists provides a comprehensive range of services from notifying employees who have no clear symptoms but are judged prone to depression based on the results of employee stress checks to providing supportive care during a leave of absence or when returning to work and preventing recurrence. The team provides e-mail, telephone and face-to-face consultation services and gives referrals to tie-up medical institutions nationwide.

In addition to these support services for individual employees, the program also assists companies in performing trend analysis of organizational stress levels and building a mental healthcare structure. To date, EAP has been utilized by more than 200,000 corporate employees in every age group, gender, business field and job type. We will continue to offer this program to everyone needing this type of support to assist them in maintaining better mental health.

Sources:

\*1) Summary of Patient Survey 2008 by the Ministry of Health, Labour and Welfare

\*2) White Paper on Suicide Prevention 2011 by the Cabinet Office

### Support for Measures against New Influenza (H1N1 virus)

A global outbreak of a new strain of influenza virus poses a significant risk for society and companies due to the tremendous impact. Tokio Marine & Nichido Risk Consulting offers consulting services for companies regarding measures against new strains of influenza viruses ranging from methods to prevent infection to formulation of business continuity plans (BCPs). The company has been providing information useful for companies in implementing measures against new strains of influenza viruses by leveraging various means, including the Tokio Marine & Nichido Risk Management Seminar and such publications as the New Influenza Strain Countermeasure Handbook and New Influenza Strain Topics. After the outbreak in 2009 of the H1N1 virus, one of the influenza type A viruses, the company started delivering timely and relevant information on its website. The company has also launched a packaged service encompassing a prototype manual for new influenza countermeasures and a simple consultation service through a dedicated help desk, which can be easily adopted by companies just starting a full-fledged influenza program.

Tokio Marine & Nichido Risk Consulting intends to support initiatives undertaken by many companies, with the ultimate goal of fully being prepared for new strains of influenza viruses based on a diverse range of outbreak scenarios.



During the Tokio Marine & Nichido Risk Management Seminar



New Influenza Strain Countermeasure Handbook and New Influenza Strain Topics



Key CSR Issues : Providing Value through Our Core Businesses

**Other**

The Tokio Marine Group responds to diversifying customer needs through combining the abilities of its Group member companies to provide new products and services that anticipate the changing times and extend beyond the framework of the existing insurance products and services.

**Reducing Poverty in the World****Establishing Japan's First Fund to Invest in Microfinance-Related Assets**

Microfinance is a system to provide financial services, including microcredit loans (small loans usually provided without collateral), savings and insurance, to low-income entrepreneurs who traditionally have no access to these services. The system, for example, provides short-term loans to low-income households, and they use these funds to buy chickens. When they pay off loans in full using profits generated from sales of eggs and poultry products, the system in turn provides funds to buy pigs. The major characteristic of microfinancing is that it helps people get out of poverty and become financially independent. It has recently drawn much attention in the international community as a social investment tool that provides direct aid for and generates immediate outcomes in reducing poverty across the world. The number of financial institutions providing microfinance services to low-income entrepreneurs mainly in developing countries (Microfinance Institutions - MFIs) has begun to show rapid growth.

Tokio Marine Asset Management, in collaboration with Daiwa Securities and Developing World Markets (DWM) Asset Management, launched the Daiwa Microfinance Fund, the first Japanese investment trust fund on March 1, 2011.

The Microfinance Fund makes direct investments in creditworthy MFIs and purchases bonds issued by the International Bank for Reconstruction and Development and other international financial institutions that are keenly working to improve the business environment for MFIs. Investments made in the local currencies provide MFIs with easy-to-use funds and allow investing parties to make the most of relatively high interest rates on these emerging currencies, thereby establishing a win-win relationship between the investees and investors. Microcredits provided under the microfinancing system generally show a high ratio of repayment and a low tendency of turning into bad loans. Thus, investments in MFIs are simultaneously investments in businesses with high potential. We strive to turn the Fund into a sustainable investment trust with a continued growth capability by taking part in an effort to reduce poverty and seeking higher returns at the same time.

The primary amount of the Fund as of March 1, 2011 was approximately 20 billion yen, reflecting the fact that it is well received by individual investors and other customers. In the future, we plan to provide a detailed report on the performance of the Fund both financially and by specifically showing how it has contributed to the resolving of poverty issues in order to gain support from more investors

▶ [Daiwa Microfinance Fund](#)

**Example of Investment in an MFI**

[Mongolia] XacBank



Established in 2001, XacBank is the fourth largest commercial bank in Mongolia. The bank has been actively engaged in microfinancing operations.

The DWM Microfinance Fund J - Class J, the underlying investment vehicle of the Daiwa Microfinance Fund, made local-currency investment in XacBank (the equivalent of approximately USD 3 million) on April 27, 2011.

**\* Example of a Borrower**

The Bakhit family turned their small home into a workshop and started making and selling tanbur, a traditional Kazakh string instrument in 2002. Their products became popular quickly, causing production to lag behind sales. To expand their business, Mr. Bakhit visited XacBank and received the initial loan of 600,000 tugrik (about 40,000 yen). The money allowed him to buy more materials and hire one employee. After that, they moved their workshop from home and purchased machines to increase their production capacity, and their business has been showing steady growth.



The Bakhit family  
Use of fund: Production and sales of string instruments



#### Providing Microinsurance in India

Approximately 20% of India's population (223.7 million households) is categorized as low-income, with annual earnings of 130,000 yen or less.\* Most of these households are on farms. IFFCO-TOKIO (India) considers enhancing the stability of low-income households to be a part of its mission and is working to develop and spread insurance products geared to the needs of farmers.

Since most farmers use fertilizer on their farms, in 2001 the company began offering "personal injury insurance linked to the purchase of fertilizer." A 50 kg bag of fertilizer comes with property insurance coverage at a premium of 1 rupee (approximately 2 yen), and pays out a maximum of 200,000 yen in the event of damage due to lightning, fire, theft or earthquake-induced landslides and other causes. In 2008, the company began offering non-life microinsurance products. Microinsurance products are designed for low-income households and enable them to receive the coverage they need for low premiums. In addition to the personal injury insurance attached to fertilizer purchases, the company also offers group insurance products for rural communities and insurance designed specifically for women in rural villages.

All of these products are distinguished by their focus on identifying the most significant risks faced by India's farmers and providing coverage at low cost (approximately 100-450 rupees per year). The Tokio Marine Group supports safer, more stable lives for people around the world by developing and offering insurance products customized to their needs.

\*2008 survey by the National Council of Applied Economic Research (NCAER) in India



#### To Reduce Incidents in Logistics Operations

In order to prevent damage to and loss of products during transportation and delivery by logistics companies, Tokio Marine & Nichido provides a Loss Prevention Service to corporate customers in the logistics field, which capitalizes on its unique, ergonomics-based accident prevention know-how. Product damage and other incidents in product handling mostly result from human errors. Rather than telling operators to be more careful, establishing a work environment or methods in which it is difficult for accidents to happen based on physical and psychological human behavioral patterns is often more effective in preventing these mishaps from occurring or recurring. Adjusting the height of a work table, for example, is a simple but effective way to reduce the dropping of products during handling. This ergonomics-based methodology is the aggregation of the company's long experience in the field of claims settlement services. Under the Loss Prevention Service, members of the company's claims settlement team visit customers' sites and make proposals for improvement suited for their respective operations. This service has been well received by customers, and there has been a case in which the rate of the occurrence of product handling mishaps showed a drastic decline of more than 30%. Tokio Marine & Nichido will continue to work with its logistics customers to enhance the quality of overall logistics operations.

#### Responding to Diverse Needs on a Global Scale

##### Providing a Mutual-Aid System through Takaful

Takaful is an insurance scheme conforming to Islamic law, which was developed and commercialized in the late 1970s. Traditionally, Western-style insurance products were not accepted in Islamic nations as they were considered non-conforming to Islamic law. Recognizing the potential of Takaful products, the Tokio Marine Group quickly initiated extensive research in this field and started sales of original Takaful products ahead of other global insurance companies in 2001. Since then, the Group has been delivering "safety and security" to people who otherwise have no access to insurance products because of such religious reasons.

The Tokio Marine Group is providing Takaful products in three countries (Saudi Arabia, Indonesia and Egypt) and has launched the Takaful reinsurance business in Singapore. In Saudi Arabia, preparations are being made in accordance with the change in the local legal system to establish and commence operation of a new Takaful company.



#### **Launching an Engagement-Focused Fund to Invest in Japanese Companies**

In the United States and Europe, there has been an increasing tendency among institutional investors, including pension funds, to emphasize engagement with investee companies with a view to promoting responsible investment. This type of engagement has not yet been as popular in Japan as in the United States and Europe.

Jointly with Governance for Owners (GO)\*, Tokio Marine Asset Management (TMAM) is launching the TMAM-GO Japan Engagement Fund, an engagement-focused fund to invest primarily in small- to medium-sized Japanese companies having strong core businesses. TMAM and GO plan to start operating the Fund in fiscal 2011 with the ultimate goal of attaining total assets under management of around 100 billion yen. By promoting engagement with investee companies as an investor fully understanding the corporate culture in Japan, TMAM intends to deepen mutual understanding between investors and Japanese companies and provide increased corporate value over the long term.

\*Governance for Owners

An independent asset management partnership based in London, characterized by its investment strategy that focuses on enhancement of long-term corporate value through amicable engagement with investee companies listed on the European stock markets.



## Response to Climate Change

Risks of climate change to society are becoming increasingly serious as evident in the incidence of typhoons, hurricanes, floods and other natural disasters. The Tokio Marine Group develops and provides products and services that mitigate and adapt to climate change with the aim of contributing to the creation of a sustainable society.

### **Environmental Issues that Pose Risks to All Humankind**

Global warming and climate change have caused increased risks of droughts and torrential rainfalls around the world, posing a serious threat to our social lives.

Since the 1990s, insurance companies have been paying a huge amount of insurance claims due to frequent occurrences of natural disasters. It is apparent that climate change is closely related to the insurance business, and response to climate change is now considered a major challenge that the global insurance industry has to overcome in the medium to long term.

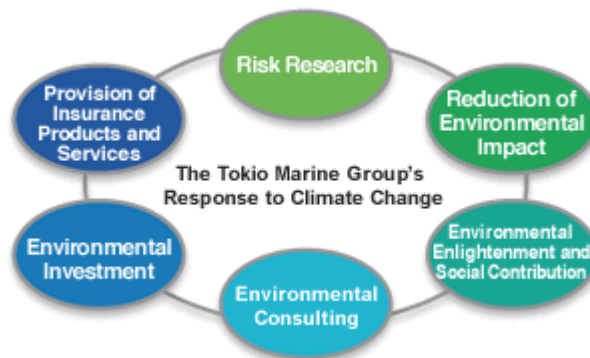
#### Leveraging the Group's Strengths to Mitigate and Adapt to Climate Change

Our mission in the non-life insurance business is to stably provide insurance products against the full spectrum of risks and ensure "safety and security" in society.

Insurance companies are also expected to provide various solutions to society based on expertise accumulated in the insurance business encompassing the payment of insurance claims, risk assessment and asset management.

Another important task of insurance companies is to encourage the establishment of natural disaster risk insurance mechanism and disaster prevention and risk management practices in developing countries and regions vulnerable to the impact of climate change.

Since December 2006, the Tokio Marine Group has been promoting the Global Warming Research Project, a cross-organizational initiative led by Tokio Marine & Nichido, the Tokio Marine Research Institute and Tokio Marine & Nichido Risk Consulting. The project conducts research on global warming and risks associated with climate change and develops and provides products and services that are designed to mitigate or adapt to climate change. Through these endeavors, the Tokio Marine Group will leverage its total strengths and respond to new risks arising from climate change.



**Plans and Results of Fiscal 2010/Highlights**

[Targets]

- To develop products and services that mitigate and adapt to climate change  
To expand and upgrade Tokio Marine & Nichido's Green Gift Project
- To reduce environmental impact at Group companies (Japan and overseas)

[Results/Highlights]

- Promotion of joint risk research efforts concerning climate change with The University of Tokyo and Nagoya University  
Refinement of risk assessment models used for quantitative assessment of changes in typhoon risks
- Tokio Marine & Nichido's Green Gift Project  
Launched the "Green Gift" website from September 2010  
Improving the rate of a switch to paperless Web contract (73.9% of automobile insurance and 59.9% of fire insurance)
- Promotion of weather insurance by IFFCO-TOKIO (India)
- Acquisition of first automobile insurance Eco Mark certification for financial products in Japan. (Tokio Marine & Nichido)
- Use of recycled parts when repairing automobiles and promotion of eco-safe driving (Tokio Marine & Nichido, Nisshin Fire & Marine Insurance and others)
- Becoming carbon neutral in business activities (Tokio Marine & Nichido)

[▶ Risk Research](#)

[▶ Provision of Insurance Products and Services](#)

[▶ Environmental Consulting](#)

[▶ Environmental Investment](#)

[▶ Reduction of Environmental Impactal Impact](#)

[▶ Environmental Enlightenment and Social Contribution](#)



**Key CSR Issues : Responding to Climate Change**
**Risk Research**

With a view towards ensuring the stable supply of products and services in the future, the Tokio Marine Group has been actively engaged in research on global warming and risks concerning climate change, and promoting development and the provision of products and services tailored to these new risks.

**Upgrading Natural Disaster Risk Assessment Approaches**
**■ To Use Findings in Developing and Providing Products and Services for adaptaion on to Climate Change**

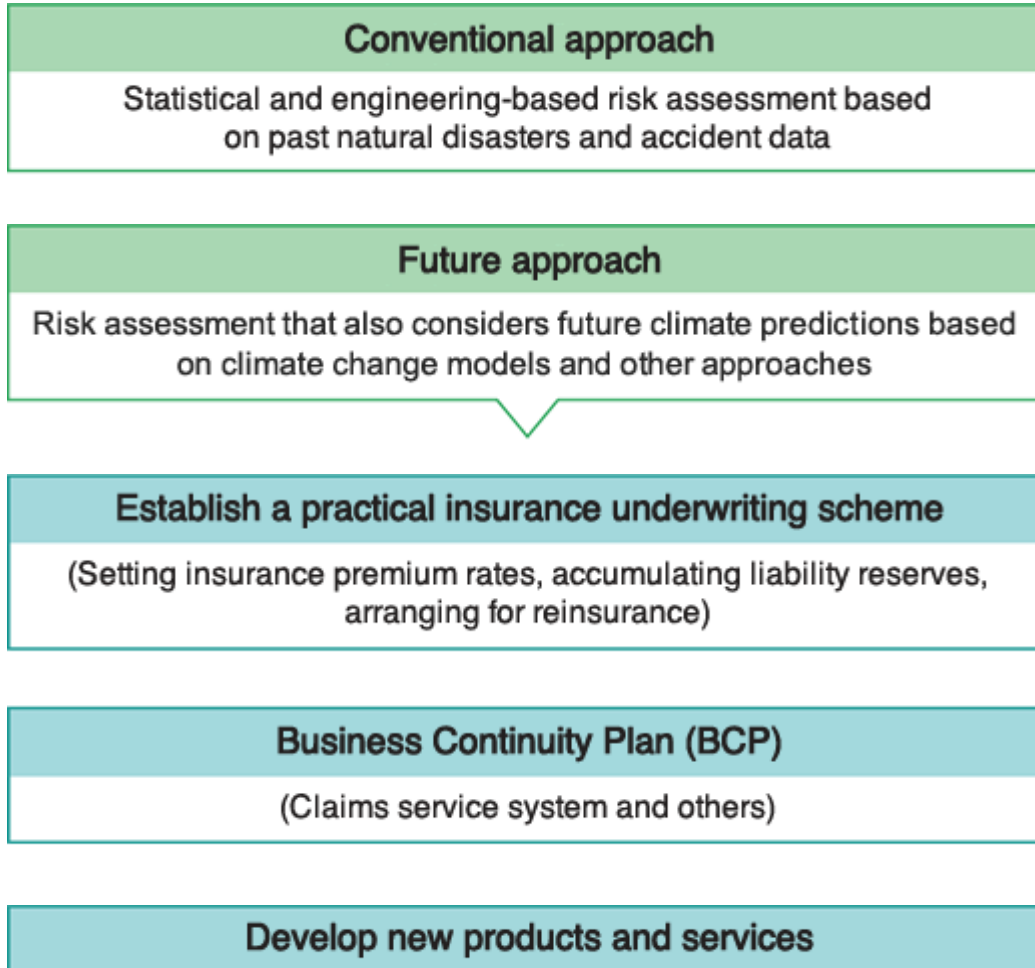
Major changes in the frequency of natural disasters and the scale of damage due to climate change and global warming make it very difficult for insurance companies to calculate appropriate insurance premiums, set up adequate liability reserves against the payment of insurance claims in the future or make proper arrangements for reinsurance should they continue to rely only on the assessment of risks based on past statistical data. Accordingly, the Tokio Marine Group has been promoting research into future natural disaster risks by utilizing "climate models," which enable us to forecast future climate conditions based on computer simulations, in addition to forecasts mainly utilizing past statistical data. We contribute to the realization of a sustainable society by linking research findings to the development and provision of products and services while disseminating this information to society.



Typhoon simulation model  
Source: Japan Agency for Marine-Earth Science and Technology (JAMSTEC)

- In collaboration with the Atmosphere and Ocean Research Institute of The University of Tokyo, Tokio Marine & Nichido and the Tokio Marine Research Institute have been upgrading their natural disaster risk assessment approaches by utilizing the world's top-class climate models developed by the university.
- Through a partnership with the Hydrospheric Atmospheric Research Center of Nagoya University, Tokio Marine & Nichido and the Tokio Marine Research Institute have been conducting research on how the increase in typhoon risks affects the amount of insurance claims paid by analyzing changes in the nature of typhoons occurring around Japan due to climate change.
- Tokio Millennium Re based in Bermuda has been conducting surveys and research on climate change and global warming, with a focus on North Atlantic hurricanes. To advance its research, Tokio Millennium Re has undertaken actions that include regularly holding the Summit on Global Warming and Climate Change, inviting front-line specialists who study climate change-related risks and provide an assessment of risks caused by natural disaster risks worldwide.

■ Upgrading and Applying Natural Disaster Risk Assessment Approaches



Information Relevant to "Response to Climate Change" Topics

▶ [Risk Research](#)

▶ [Provision of Insurance Products and Services](#)

▶ [Environmental Consulting](#)

▶ [Environmental Investment](#)

▶ [Reduction of Environmental Impactal Impact](#)

▶ [Environmental Enlightenment and Social Contribution](#)



Key CSR Issues : Responding to Climate Change

## Provision of Insurance Products and Services

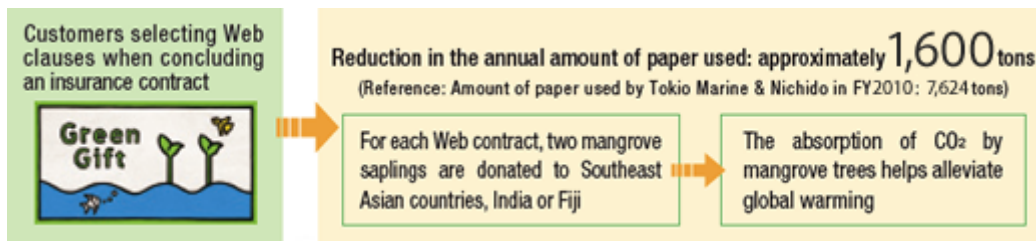
The amount of damage caused by climate change is on the rise globally.

The Tokio Marine Group has set up a cross-organizational climate change and global warming working group that is advancing the development of products and services that leverage the accumulated know-how of the Tokio Marine Group and adapt to climate change.

### Green Gift Project - Presenting Forests to the 22nd Century

With the support of its customers, Tokio Marine & Nichido initiated the Green Gift Project in May 2009 to reduce environmental impact (i.e., use of paper) by policyholders a choice of viewing their respective policies via the company website (Web contract) rather than by receiving them in paper form. To promote its Mangrove Planting Project, the company makes monetary donations equivalent to two mangrove trees per one customer choosing this Web contract.

In fiscal 2010, more than 70% of customers buying auto insurance and "Super Insurance," switched to paperless Web contracts.



From September 2010, Tokio Marine & Nichido has designated customers who participate in the Green Gift Project as its Green Gift Partners and has undertaken a variety of initiatives that give customers a genuine sense that they are participating in and contributing to global environmental protection and social contribution activities.



### Key CSR Issues of the Tokio Marine Group

- Tokio Marine & Nichido launched the "Green Gift" Project website. This website is showing mangrove planting activities in each region, growth of mangrove saplings and how people live in these regions by maps, photographs and videos.
- The company reports the amount of CO<sub>2</sub> absorbed by mangroves planted to date.
- The company will hold eco-volunteer tours to Iriomote Island in Okinawa (Japan) and to Southeast Asian countries, as well as seminars and various events for customers.

Moreover, Tokio Marine & Nichido launched the following services in July 2011 for customers who have purchased Super Insurance and chose Web contracts for the first time.

- (1) To deliver one photo message (postcard) per policy, showing the actual planting of mangroves.
- (2) To make reports on how mangrove saplings, which have been notified to customers via photo messages, grow into a forest on a special page on the company website.



- ▶ [Tokio Marine & Nichido Green Gift Project](#)
- ▶ [Nisshin Fire & Marine Insurance Web contract](#)

#### Acquired First Auto Insurance Eco Mark Certification for Financial Products

Tokio Marine & Nichido acquired the first auto insurance Eco Mark\* certification for financial products from the Japan Environment Association for its efforts to promote the Green Gift Project. The certification was given to its four auto insurance products, namely Total Assist Auto Insurance, TAP, Total Assist Super Insurance and Fleet Accident Reduction Assist Rider, recognizing the company for the following initiatives.



Total Assist Auto Insurance  
Certification Number: 10147001  
This auto insurance contributes to global  
environment preservation activities by  
offering a choice of Web contract.



### Key CSR Issues of the Tokio Marine Group

(1) Reducing paper usage

Providing customers with the choice of reviewing their policies on the company website (Web contract) instead of receiving policy booklets

(2) Encouraging the use of eco-friendly cars

Offering premium discounts on auto insurance for eco-friendly cars with less CO<sub>2</sub> emissions to encourage their use

(3) Reducing environmental impact by preventing car accidents

Disseminating information on eco-safe driving and accident reduction via the company website in order to reduce environmental impact caused by traffic accidents

(4) Reducing environmental impact after the occurrence of an accident

Recommending the use of recycled parts in post-accident auto repairs to save resources and energy

\*The Eco Mark environmental label is granted to products that are approved for their environmental preservation effects and to products that exert less impact on the environment throughout their lifecycles from production to disposal. The Eco Mark certification given by the Japan Environment Association complies with the ISO 14020 (Environmental labels and declarations - General principles) and ISO 14024 (Environmental labels and declarations - Type I environmental labeling - Principles and procedures) standards of the International Organization for Standardization.

The Eco Mark certification for auto insurance has been established under the belief that expanding the use of eco-friendly cars and reducing accident-induced environmental impact serve to reduce resource consumption, release of harmful substances, generation of waste and CO<sub>2</sub> emissions from energy use.

Source: Japan Environment Association

### Fleet Accident Reduction Assist Rider and Eco-Safe Driving Assessment

Corporate customers using automobiles in their business activities want to keep the occurrence of car accidents to a minimum, if not avoidable, and obtain steady and long-term savings on auto insurance premiums. To respond to these needs by way of insurance as a professional in auto accident prevention, Tokio Marine & Nichido provides a Fleet Accident Reduction Assist Rider that combines auto insurance and a risk-specific consultation service called the High Accident Rate Response Program. This optional rider assists companies in reducing car accidents and related social costs (lower corporate credibility, loss of business opportunities and costs for accident response) and helps them make greater contribution to preservation of the environment by means of eco-safe driving.

Tokio Marine & Nichido promotes safety and security for customers through this optional rider and contributes to the development of an enriched and comfortable social life and economic growth of society by reducing accident-related social costs and eliminating wasteful fuel use caused by reckless driving.

### Post-Accident Auto Repairs Friendly to the Environment

Tokio Marine & Nichido has been undertaking an initiative to promote environment-conscious auto repairs following accidents with the cooperation of customers. This initiative encourages the repairing, not replacement, of parts damaged in an accident or the use of recycled or rebuilt parts if the damage is beyond repair, to reduce industrial waste and utilize resources more effectively.

For the same purpose, Nisshin Fire & Marine Insurance provides an environment-conscious auto insurance, "Asante," which provides a 10% discount on insurance premiums if a car repair is done using recycled parts at one of the automobile repair shops specified by the company.



"Asante" environment-conscious auto insurance



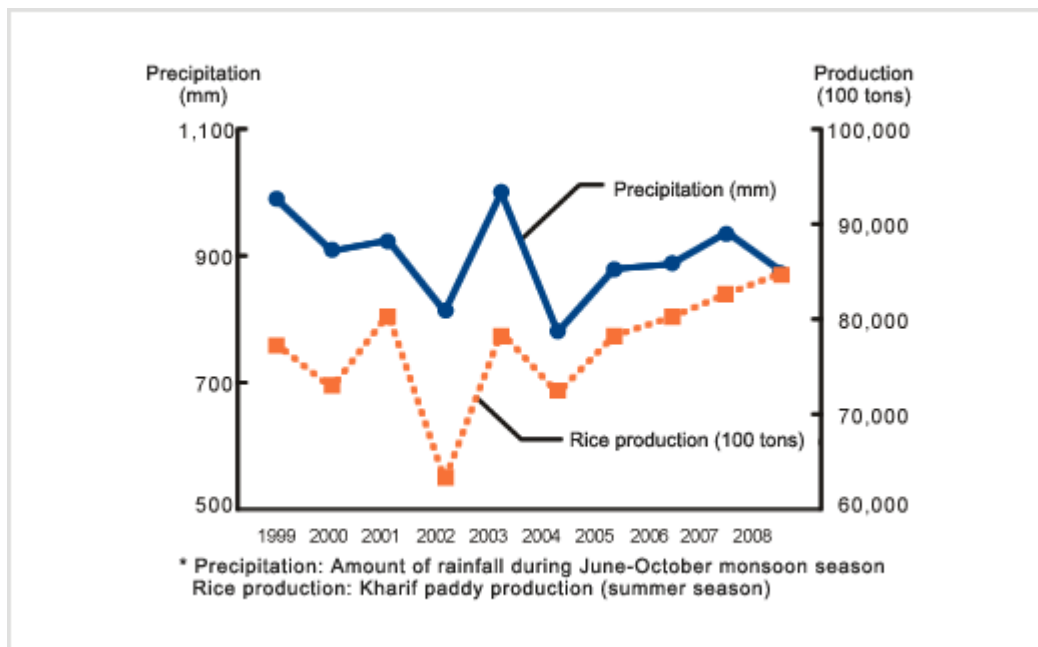
#### Weather Insurance in India

India is an agricultural country with approximately 60% of the working population involved in farming. Many regions, however, do not have a system of irrigation, and about 70% of agricultural water relies on rainwater, making the country particularly vulnerable to drought and other unusual climates. In 2002, for example, almost 60% of the land did not get enough rainfall during the June to October monsoon season, and agricultural production declined by more than 13%. A drought of this magnitude could cause serious economic damage to farmers, sometimes forcing them to sell their livestock and land.

Our desire as an insurance company to counter the situation in India has led to the development of "weather insurance." Insuring risks associated with climate change means that we help farmers achieve a stable living and simultaneously contribute to the stabilization of the food supply in the world.



**Correlation between Rainfall and Paddy Production (1999-2008)\***



In 2001, the Tokio Marine Group established IFFCO-TOKIO General Insurance Co., Ltd., a joint venture with Indian Farmers Fertilizer Cooperative Ltd. (IFFCO), to begin development of weather insurance. IFFCO is the largest public company in India handling fertilizer.

In designing weather insurance, the Tokio Marine Group used its know-how in weather analysis and the precipitation data collected by observation stations of the Indian Meteorological Department (IMD) located throughout the country to calculate the probability of occurrence of drought in each region. Based on the results of calculation, the Group successfully created a weather insurance product with coverage for rainfall fluctuations, paying fair benefits according to the difference between the average and actual precipitation amounts in each region during the monsoon season, not for a poor harvest. This weather insurance contributes to increased livelihood stability for farmers.

IFFCO-TOKIO has been providing the weather insurance since May 2004. With the percentage of non-insurance policyholders remaining below 1% in India, it is necessary to explain how insurance works before expanding sales of its weather insurance. For this purpose, IFFCO, as an agent of IFFCO-TOKIO, has been dispatching staff to villages in provinces across the country and holding study meetings with villagers. Currently, the company's weather insurance has about 70,000 customers, many voicing their gratitude for receiving benefits during a drought-caused hardship. In the face of increased risks on agricultural production arising from climate change, this insurance product is expected to become closely intertwined with lives in rural villages in the future. Through its weather insurance, IFFCO-TOKIO strives to take part in achieving sustainable development of agriculture in India.



#### First Insurance Product Responding to Carbon Credits

U.K.-based Kiln Group Limited has commenced underwriting of an insurance product that covers carbon credit eligibility risk from April 2011.

Under the EU Emissions Trading Scheme, companies and investors can purchase the rights in advance to buy carbon credits at a given price that will be generated as credits at a later date. However, as a result of discussions for reviewing credit certification standards from 2012 onwards, concerns have been raised over various aspects such as emissions reductions of trifluoromethane (HFC-23) and nitrous oxide (N<sub>2</sub>O) generated from adipic acid production projects will no longer be approved as credits.

Parhelion Underwriting Ltd., an insurance company based in the U.K. specialized in emissions trading, has developed the current insurance product to cover this certification risk and Kiln implemented the underwriting for a major bank. With this initiative, Kiln will address risks in the emissions trading market, thereby promoting investments in reduction projects with the aim of contributing to climate change countermeasures.



Key CSR Issues : Responding to Climate Change

## Environmental Consulting

The Tokio Marine Group leverages the knowledge and expertise it has accumulated in the field of risk research to promote comprehensive support for corporate customers in making provisions for climate change.

### Environmental Consulting

Tokio Marine & Nichido Risk Consulting supports an array of climate change countermeasures in corporate management. As one example, the company provides a program to support development of corporate carbon management strategies as a means to conduct comprehensive management of CO<sub>2</sub> emission sources. Under the program, the company helps corporate customers identify the overall picture of CO<sub>2</sub> emissions from their business activities and assists them in defining organization-wide carbon management strategies, including reduction targets and specific action plans. These strategies are based on medium- to long-term regulatory trends as well as clients' respective business strategies and positions in the industry. As for measures to be adopted for individual emission sources, the company provides assistance in terms of lifecycle assessment (LCA) and carbon footprint calculation for quantitative analysis of the environmental impact of each product over its lifecycle. To promote energy-saving activities in business offices, the company provides support both in terms of hardware (energy-related facilities and systems) and software (energy management structures). Other initiatives include a program to promote eco-friendly driving, a service specialized in the automobile field.

- ▶ [Tokio Marine & Nichido Risk Consulting](#)

**Lifecycle Assessment (LCA) and Carbon Footprint Calculation Support Service**

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**Certification of Lifecycle Environmental Impact of Customers' Products from Procurement of Raw Materials to Disposal**

Companies have a significant impact on society through supplying products and services and are now required to undertake measures to mitigate global warming throughout their business operations in addition to energy-saving and other efforts in their offices and plants. In January 2009, Tokio Marine & Nichido Risk Consulting launched a service to support LCA and carbon footprint calculation, the first process in designing countermeasures to be integrated into products and services.

This service is designed to identify how much resources and energy are channeled into or released from each lifecycle stage of a product. It assists companies in conducting an LCA that converts the volume of resources/energy thus identified into the amount of environmental impact, namely CO<sub>2</sub> emissions. LCA is used for quantitative certification, of the environmental impact of each product.

Certification of the volume of CO<sub>2</sub> emissions provides precise numerical data to customers, allowing them to identify issues, gain concrete proof for matters only known qualitatively and gather objective figures from a third-party perspective. These concrete data and information on CO<sub>2</sub> emissions are used in their various initiatives, for internal and external distribution, and for improving processes and parts that generate a considerable amount of CO<sub>2</sub> emissions.



#### **Voice** LCA and Carbon Footprint Calculation Support Service

Japan Drum Reconditioners Association

We have been taking a significant role in reducing environmental impact through drum reuse activities. The LCA and Carbon Footprint Calculation Support Service of Tokio Marine & Nichido Risk Consulting has enabled us to gain a quantitative understanding of the degree of our contribution in terms of greenhouse gas emissions (new drum vs. reused drum = 7:1).

The Association is now encouraging its member companies to conduct measurements using the same technique so as to eliminate variations in our numerical data. The results of the survey have made us renew our determination to achieve a greater reduction in greenhouse gas emissions and promote the reuse of drums.

Key CSR Issues : Responding to Climate Change

## Environmental Investment

The Tokio Marine Group strives to take an environment-conscious approach in its investment and financing operations.

### Integrating Environmental Consciousness into Investment Products

Tokio Marine Asset Management provides "Premium World," an environmental investment trust fund to invest in Japanese and other companies involved in activities under the following themes. These are environment and social issues arising from the growing economies and increasing population in the world, which need to be sustained or improved.

● **Environment**  
(e.g., global warming and clean energy)

● **Water and foodstuffs**  
(e.g., stable supply of water and food and enhanced productivity)

● **Medical services and healthcare**  
(e.g., medical techniques and promotion of better health)

For institutional investors, the company launched a socially responsible investment (SRI) fund targeting Japanese companies in January 2006. Leveraging the comprehensive risk management know-how of the Tokio Marine Group, this fund aims to obtain long-term and stable added value based on the Group's unique environmental, social, governance and risk management (ESGR) analysis and evaluation. In March 2010, the company also launched mutual funds for overseas institutional investors.

In the future, Tokio Marine Asset Management intends to fulfill its social responsibilities as an institutional investor and improve investment performance over the long term while giving due consideration to ESG issues in its asset management operations.



#### **Signed the United Nations-Backed Principles for Responsible Investment (PRI)**

On April 1, 2011, Tokio Marine Asset Management signed the United Nations-backed Principles for Responsible Investment (PRI) initiative. Consisting of the following six principles summarized from the PRI website, PRI requires investors to integrate environmental, social and governance (ESG) issues in their decision-making.

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

Before joining the initiative, Tokio Marine Asset Management had already established a responsible investment committee comprised of chief asset managers and a responsible investment group including ESG-specialized analysts to develop basic policies concerning responsible investment and define an organization and processes to conduct investment accordingly. The company has also added "risk management" to the set of ESG issues and has been performing relevant surveys and analyses by utilizing the Tokio Marine Group's expertise in this field.

By joining the PRI initiative, Tokio Marine Asset Management demonstrates its strong commitment to conducting responsible investment and fulfilling its social responsibilities as an institutional investor.



Key CSR Issues : Response to Climate Change

## Reduction of Environmental Impact

The Tokio Marine Group consumes considerable volumes of paper and energy in its business activities. The Group has been making continued efforts to reduce its environmental impact to the extent possible.

### Promotion of Environmental Management Systems

The Tokio Marine Group continues to push for protection of the global environment by appointing CSR key personnel in each of the principal Group companies to promote related activities.

Our Group companies in Japan and overseas have introduced their own unique environmental management system (EMS) known as "Green Assist" to accelerate their efforts to protect the global environment through implementation of the Plan-Do-Check-Act (PDCA) cycle and reduce environmental impact from their business activities.

The head office of Tokio Marine & Nichido and Tokio Marine & Nichido Facilities adopted an EMS based on the ISO 14001 environmental management standard in fiscal 1999 and 2006, respectively. In addition, we expanded the scope of coverage for the environmental impact data to Group companies and have now achieved approximately 100% coverage on a consolidated basis.

Internal and external audits conducted in accordance with the ISO 14001 standard have revealed no major problems or violations of environmental laws, and there have been no environment-related complaints regarding the Tokio Marine Group from customers.





#### Environmental Philosophy / Environmental Policy of Tokio Marine & Nichido

##### Environmental Philosophy

Adopting the conservation of the global environment as one of its key management policies, Tokio Marine & Nichido recognizes that it is an important responsibility of all humans and companies in the present world to protect the environment. Tokio Marine & Nichido is committed to realizing a society where sustainable development is maintained through the efforts of all employees throughout the entire range of our business activities in order to improve and coexist in harmony with the environment.

##### Environmental Policy

Tokio Marine & Nichido has established the following policies and will make every effort to realize them in all areas of its activities.

1. Preservation of the Global Environment through the Insurance Business
2. Effective Use of Resources and Energy
3. Compliance with Environmental Laws and Regulations
4. Continuous Improvement of the Environment and Prevention of Pollution
5. Promotion of Environmental Awareness-raising and Philanthropic Activities

The above policy will be made well-known to and understood by all employees and released to the public. (October 1st, 2004)



#### Concept for Reducing Environmental Impact

Primary environmental impacts caused by the Tokio Marine Group are CO<sub>2</sub> emissions (electricity and gasoline) and paper usage (various types of pamphlets). We have positioned initiatives for reducing environmental impact as one of our "Key CSR Issues" and have been implementing countermeasures based on the following strategic concepts.

1. Reduce: Use energy-efficient buildings and facilities and cut back on energy usage.
2. Switch: Switch to natural energy.
3. Offset: Absorb and stabilize CO<sub>2</sub> by mangrove planting and retirement of emissions credits.

The entire Tokio Marine Group (Japan/overseas) has been promoting various measures for reducing environmental impact and aims to become carbon neutral\* by the end of fiscal 2011.

\*A carbon neutral state means that CO<sub>2</sub> emitted in the course of a company's business activities is equivalent to the volume of CO<sub>2</sub> absorbed and reduced by way of mangrove planting, use of natural energy and retirement of emissions credits by such a company.

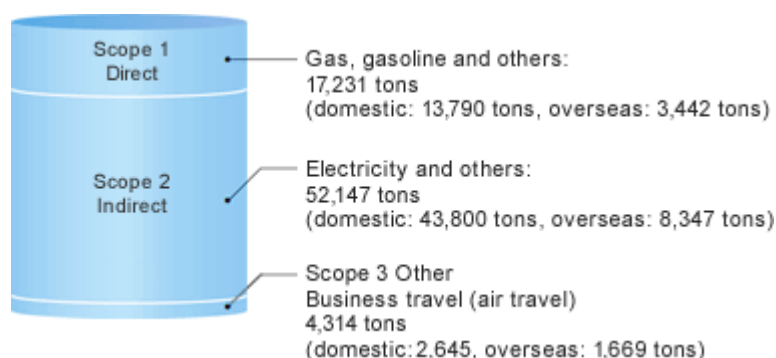
#### Medium- to Long-Term Targets for Reduction of Greenhouse Gas Emissions

Tokio Marine & Nichido set a medium-term target of attaining a 6% reduction in CO<sub>2</sub> emissions by fiscal 2012 compared with the 2006 level. The company attained a level of reduction significantly exceeding this target by the end of fiscal 2009 and defined new medium- to long-term targets for fiscal 2020 and 2050, respectively, to step up its efforts to reduce CO<sub>2</sub> emissions.

- Medium-term target (fiscal 2020): 40% reduction (compared with fiscal 2006 level)
- Long-term target (fiscal 2050): 60% reduction (compared with fiscal 2006 level)

**Environmental Impact Data**
**CO<sub>2</sub> Emissions**

Total CO<sub>2</sub> emissions by the Tokio Marine Group in fiscal 2010 amounted to 73,692 tons, including 60,235 tons in Japan and 13,457 tons overseas, down 7% from the previous fiscal year. For fiscal 2011, the Group has set a reduction target of 5% from the previous fiscal year.


**Paper Usage**

Total paper consumption of the Tokio Marine Group in fiscal 2010 amounted to 10,637 tons, including 9,482 tons in Japan and 1,174 tons overseas, down 20% from the previous fiscal year. For fiscal 2011, the Group has set a reduction target of 10% from the previous fiscal year.

Tokio Marine & Nichido has established a project team to implement initiatives for paper reduction, including a shift to paperless Web contracts and leaflets and promotion of double-sided photocopying and multiple-page in one page printing in daily operations.

**Environmental Impact Data (Tokio Marine Group - Companies Included in Consolidated Financial Statements)**

	Units	FY2009	FY2010
Electricity consumption	1,000 kWh	142,642	138,196
Gas consumption	1,000 m <sup>3</sup>	1,965	1,861
Other fuel consumption	GJ	45,891	42,495
Gasoline consumption	kℓ	5,559	5,515
Business travel (by air)	1,000 km	26,970	29,686
Paper consumption	t	11,535	10,637



## Key CSR Issues of the Tokio Marine Group

CO<sub>2</sub> Emissions from Energy Use (Estimate)

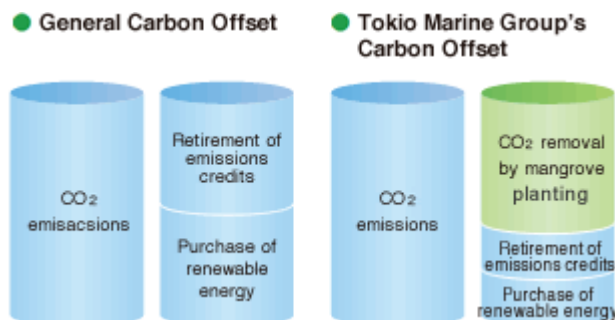
(Unit: t-CO <sub>2</sub> )	
CO <sub>2</sub> emissions in FY2010	73,692
Reduction target in FY2011	70,000 (a reduction of 5% from the previous fiscal year)

Breakdown	(Unit: t-CO <sub>2</sub> )		
Scope 1	Direct (gas, gasoline and others)	17,231	Domestic 13,790
			Overseas 3,442
Scope 2	Indirect (electricity and others)	52,147	Domestic 43,800
			Overseas 8,347
Scope 3	Other (business travel by air)	4,314	Domestic 2,645
			Overseas 1,669

- The subject, activities and CO<sub>2</sub> emission, removal volumes and retirement of emission credits are pursuant to ISO 14064-1 and the "Calculation, Reporting and Publication System for Greenhouse Gas Emissions based on the Act on Promotion of Global Warming Countermeasures."
- "Business travel by air" shows data corresponding to 73.5% of the entire Group (on the basis of the number of employees).

**Initiatives for Becoming Carbon Neutral**

**Mangrove Planting for CO<sub>2</sub> Absorption and Stabilization**



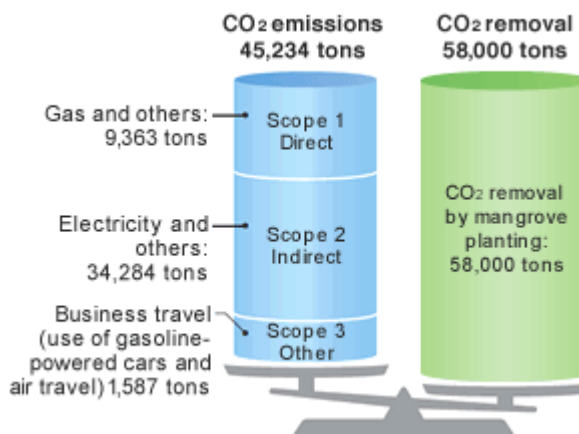
Tokio Marine & Nichido's Mangrove Planting Project was initiated in 1999 in Southeast Asia and other regions, under the concept of "insurance for the future of the Earth." As of fiscal 2010 (the end of March 2011), the project had planted 6,824 hectares of new forest in these regions.

Mangrove trees absorb and fix large volumes of CO<sub>2</sub> and are effective in mitigating and preventing global warming. We have decided to utilize these characteristics of mangrove trees to offset our CO<sub>2</sub> emissions in our effort to become carbon neutral. This is truly a unique initiative in Japan and in the world.

**Tokio Marine & Nichido**

In fiscal 2010, CO<sub>2</sub> emissions of Tokio Marine & Nichido amounted to 45,234 tons. At the end of fiscal 2010, the company became carbon neutral in its domestic operations.

\*The calculations of the amount of CO<sub>2</sub> emissions and CO<sub>2</sub> absorption and stabilization through mangrove planting in fiscal 2010 have been verified by Tokio Marine & Nichido itself and a third-party organization (Ernst & Young Shin Nihon Sustainability Institute).



**Key CSR Issues of the Tokio Marine Group**
**Environmental Impact Data (Tokio Marine & Nichido)**

	Units	FY2009	FY2010
Electricity consumption	1,000 kWh	99,352	96,365
Gas consumption	1,000 m <sup>3</sup>	1,065	1,199
Other fuel consumption	GJ	42,785	39,551
Gasoline consumption	kℓ	2,841	2,827
Business travel (by air)	1,000 km	19,500	5,825
Water consumption	1,000 m <sup>3</sup>	370	347
Paper consumption	t	9,503	7,624
Waste	t	2,153	1,902
Recycling rate	%	66%	66%

\*The subject, activities and CO<sub>2</sub> emission, removal volumes and retirement of emission credits are pursuant to ISO 14064-1 and the "Calculation, Reporting and Publication System for Greenhouse Gas Emissions based on the Act on Promotion of Global Warming Countermeasures."

**Environmentally-Friendly New Asia Headquarters Building**

Construction of Tokio Marine Centre (TMC), the Singapore-based Asia headquarters of the Tokio Marine Group was completed in October 2010.

The structure received a Gold Plus Award in the Green Mark category for exceptionally eco-friendly buildings, a first for a Japanese company. It was recognized by Singapore's Building & Construction Authority for energy efficiency through the use of low-energy air conditioning and lighting, efficient use of water by rainwater harvesting and rooftop greening.

▶ [Tokio Marine Singapore Insurance](#)



Key CSR Issues : Response to Climate Change

## Environmental Enlightenment and Social Contribution

The Tokio Marine Group will take an active and broad role in society by working to raise environmental awareness, proposing ways for protecting the environment and facilitating social contribution activities.

### Environmental Enlightenment and Social Contribution

The Tokio Marine Group promotes environmental education for children and university students as well as social contribution activities including afforestation efforts.

- ▶ [Protection of the Global Environment](#)

### Participation in International Initiatives

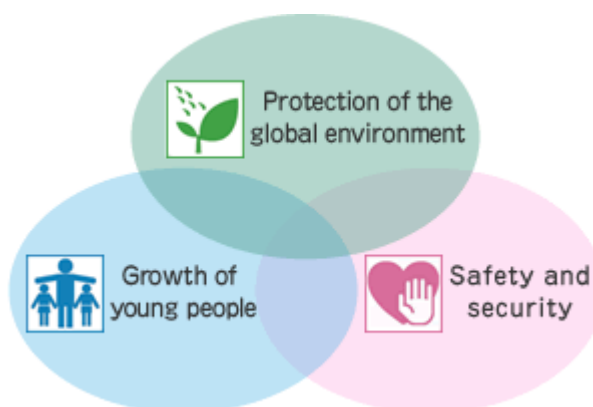
The Tokio Marine Group participates in international initiatives related to climate change and actively proposes ways and means to mitigate and adapt to climate change.

- ▶ [Participation in External Initiatives](#)

## Collaborative Work with Local Communities and Society

The Tokio Marine Group undertakes local community and social contribution activities across the world, focusing on the three areas of "protection of the global environment," "safety and security," and "growth of young people." These activities emphasize voluntary engagement by employees of the entire Group and collaboration with non-profit organizations (NPOs) with the know-how and a network required for local community and social contribution activities.

The Tokio Marine Group has defined a target of having 50% of all domestic Group company employees engage in local community and social contribution activities by the end of fiscal 2011.



### Plans and Results of Fiscal 2010/Highlights

**[Target]**

To increase the ratio of domestic Group company employees participating in local community and social contribution activities to 50%

**[Results/Highlights]**

- During fiscal 2010, a total of 13,400 domestic Group company employees participated in a range of volunteer activities\* throughout Japan. The ratio reached approximately 55%, exceeding the defined target of 50%.

\*Volunteer activities include engaging in cleanup activities, serving as an instructor in the Green Lessons program and participating in workshops for using Automated External Defibrillators (AEDs) and practicing other life-saving skills, and in courses to foster support for dementia care.





#### Activities by Individual and Groups of Employees

With a view towards fostering employee volunteerism, the Tokio Marine Group encourages every domestic and overseas Group company to conduct at least one volunteer activity a year. The Group designates October and November as "CSR Months" and undertakes local community and social contribution activities in different countries and regions worldwide under the three common themes of "protection of the global environment," "growth of young people" and "safety and security."

In fiscal 2010, many employees of domestic Group companies took part in a variety of volunteer activities throughout Japan. About 260 employees working in the Kansai region volunteered to assist in the running of the Special Olympics Nippon National Summer Games 2010 held in Osaka, while some participated in a forestry tour held from November 13 to 15, 2010 in Aki City, Kochi Prefecture, to experience tree-thinning operations.

Overseas, numerous Group personnel participated in volunteer and donation-related activities in various countries and regions such as Asia CSR Day events (November 10; five countries in Asia) and cleanup events in urban areas and along coastlines.

### Support Systems and Programs

All Tokio Marine Group companies encourage the proactive participation of their employees in regional and social contribution activities by introducing them to activities in which they may be able to participate or by creating a volunteer leave system or the Presidential CSR Awards for activities highly regarded by local communities and society.

#### Overview of Support Systems/Programs and Fiscal 2010 Results (Tokio Marine & Nichido)

Matching gift system	A system in which the company makes a donation matching the amount voluntarily donated by employees (22 cases totaling 1,296,116 yen)
Volunteer leave/leave of absence system	A system to support employees for their volunteer time (used by 152 employees)
Share Happiness Club	A donation program operated by employee volunteers
Share Happiness Movement	A program to encourage each office, department, Group company, overseas office and agent to conduct at least one volunteer activity a year
Presidential CSR Awards for activities contributing to local communities and society and protection of the environment	A scheme to award protection of the environment as well as local community and social contribution activities conducted by offices and branches across Japan, Group companies and overseas offices, which strongly represent the "essence" of the Tokio Marine Group and are highly recognized by local communities and society.

#### Share Happiness Club, a Donation Program Operated by Employee Volunteers

Tokio Marine & Nichido has set up a donation program, Share Happiness Club, which is operated by employee volunteers to support non-government organizations (NGOs) active in the fields related to "protection of the global environment," "safety and security," and "growth of young people."



### Key CSR Issues of the Tokio Marine Group

#### <Recipients of Donations in Fiscal 2010>

Protection of the global environment	International Society for Mangrove Ecosystems (ISME)
Safety and security	Japan Deaf-Blind Association (social welfare corporation)
Growth of young people	Child Line Japan (NPO)

#### Donations (including Monetary and In-Kind Donations by Employees and Agents)

Monetary donations	Approximately 722 million yen Among these donations, amount allocated for disaster relief: Approximately 67 million yen for responding to torrential rainfall in the Amami region, an outbreak of foot and mouth disease in Miyazaki Prefecture, the Great East Japan Earthquake and others
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#### Examples of Activities



Protection of  
the global  
environment

- ▶ [Mangrove Planting Volunteers](#)
- ▶ [Green Lessons: The Mangrove Story](#)
- ▶ [Collaborative Afforestation Efforts in Kochi Prefecture: Tokio Marine & Nichido's Forest for the Future](#)
- ▶ [Children's Environmental Award](#)



Growth of  
young people

- ▶ [Social Contribution Activities through Foundations](#)
- ▶ [Environmental Education and Enlightenment for Preschool and School Children](#)
- ▶ [Cooperating in the Running of the Special Olympics Nippon National Summer Games](#)
- ▶ [Serving as a Special Sponsor of the JOC Junior Olympic Cup Swimming Tournament](#)
- ▶ [Cooperation for the Internship Program for International Environmental Leaders Jointly Operated by Waseda University and Beijing University](#)
- ▶ ["Meraboshi-no-kai" Volunteer Group](#)
- ▶ [Supporting Young Artists through "Showakai-ten" Art Exhibition](#)
- ▶ [Asian Children's Enikki \(Illustrated Diaries\) Festa](#)
- ▶ [Participating in Room to Read's Educational Support Program in Developing Countries](#)
- ▶ [Scholarship Program for Children in Thailand](#)
- ▶ [Educational Assistance for Children in China](#)
- ▶ [Asia CSR Day](#)



### Key CSR Issues of the Tokio Marine Group



- ▶ [Courses to Foster Support for Dementia Care](#)
- ▶ [AED Workshop to Practice Life-Saving Skills](#)
- ▶ [Promoting the Pink Ribbon Movement](#)
- ▶ [Project to Raise Cancer Examination Rates](#)
- ▶ [Collaboration with Japan Deaf-Blind Association](#)
- ▶ [Cooperating in the Running of the Special Olympics Nippon National Summer Games](#)
- ▶ [Working Together with the Sawayaka Welfare Foundation](#)
- ▶ [Participating in the TABLE FOR TWO Charity Initiative Aimed at Achieving an Optimal Food Balance in the World](#)
- ▶ [Contributing to Safety and Security in Local Communities](#)
- ▶ [Providing Japanese-Language Medical Services in the United States](#)
- ▶ [N Program to Support Young Physicians to Gain Clinical Experience in the United States](#)
- ▶ [Cancer Awareness Activities in Dubai for Prevention of Breast Cancer](#)

Key CSR Issues : Collaborative Work with Local Communities and Society

## Protection of the Global Environment

The Tokio Marine Group designates the "protection of the global environment," a social issue of growing concern, as one of its key focus areas and strives to raise environmental awareness both internally and externally.

### Mangrove Planting Volunteers

Once a year, the Tokio Marine Group carries out voluntary mangrove planting activities, providing an opportunity for Group employees, agents and retired employees as well as their families to learn about the environment and interact with local people. During the 12th Mangrove Planting Volunteer Tour in September 2010, 53 participants visited Tien Yen, Vietnam, and planted about 20,000 mangrove trees in three days.



#### **Voice** Comments after Participating in Mangrove Planting

What I felt most strongly while I was participating in this mangrove planting tour was the importance of solidarity.

The tour gave me a chance to communicate with local people and staff of other Group companies, and that experience made me realize the power of the bonds extending beyond national boundaries, generations and customs. I also felt that our mangrove planting activities play an important role in enriching local marine and forest resources, which will lead to the sustainable development of each region.

In the area adjacent to where we planted mangrove trees this year, the trees planted last year have already grown to the height of about one meter. I was thrilled to see them and felt determined to do whatever I can, no matter how small, to help protect the global environment. I hope that people who will be standing there in Vietnam years or decades from now will see a lush forest of mangrove trees.

Yoko Ichikawa  
Kansai No. 2 Sales Department,  
Tokio Marine & Nichido Career Service



#### Green Lessons: The Mangrove Story

As part of its effort to raise environmental awareness, the Tokio Marine Group provides "Green Lessons: The Mangrove Story," an environmental education program for children in elementary and special-needs schools. Employee and agent volunteers visit these schools and give lectures on the theme of "prevention of global warming and preservation of ecosystems," in which they tell stories about mangrove planting and the recycling of company uniforms. Children participating in these lessons receive flower pots made from recycled uniforms.

As of fiscal 2010, the Group visited about 440 elementary and special-needs schools throughout Japan and provided Green Lessons to approximately 30,600 children.



A class at Toozu Elementary School in Kochi Prefecture

### **Collaborative Afforestation Efforts in Kochi Prefecture Tokio Marine & Nichido's Forest for the Future**

In May 2009, Tokio Marine & Nichido concluded a five-year partners agreement with Kochi Prefecture, Aki City and the Eastern Kochi Forestry Association to promote afforestation in Aki City under the Prefecture's "Collaborative Afforestation Project with Environmentally Advanced Corporations." The forest covered under the agreement encompasses 44.4 hectares and has been named "Tokio Marine & Nichido's Forest for the Future." In November 2010, approximately 40 Group employees and agents including their families participated in the 2nd Tree-Thinning Forestry Volunteers to experience tree thinning and socially interact with local residents. The tour gave participants a chance gain a sense of the harshness and generosity of nature, and many expressed their gratitude for the kindness and hospitality shown by local people.



### **Children's Environmental Award**

Together with the Asahi Shimbun Company(Newspaper), Tokio Marine & Nichido launched the Children's Environmental Award program in 2008 as one initiative to raise environmental awareness among elementary school children who will take the lead in the future and, in turn, raise awareness among society as a whole. We solicit illustrations and essays about the environment from elementary school children and invite the award winners and their parents to join the Iriomote Island Eco Experience Tour during the spring school holidays. For the third Children's Environmental Award in fiscal 2010, we received 2,893 works from throughout Japan.



During the tour, children learned about various global issues in the rich natural surroundings of Iriomote Island. They explored Japan's largest mangrove forest, picked up garbage that had washed ashore and separated them by country of origin, and under the guidance of experts, experienced the thrill of coming into contact with fish, shellfish and small animals. Through these nature activities, the children recognized that they have the responsibility to protect the environment and will willingly do so as global citizens.



Key CSR Issues : Collaborative Work with Local Communities and Society

## Growth of young people

The Tokio Marine Group is engaged in a wide array of activities to support the growth of children and young people who will lead the next generation.

### Japan

#### Social Contribution Activities through Foundations

Tokio Marine & Nichido promotes social contribution activities through three foundations with such aims as helping young people grow, encouraging international cultural exchange and promoting sports in the local community.

##### Overview and Fiscal 2010 Activities of Each Foundation

Foundation	Summary	Activities in Fiscal 2010
Tokio Marine & Nichido Kagami Commemorative Foundation	Provides scholarships and educational training assistance to students at Japanese universities and graduate school exchange students from ASEAN nations	Provided a total of 47.87 million yen to 81 new and existing scholarship students in addition to other activities
The Tokio Marine Sports Foundation	Promotes sports activities in local communities	Number of persons using Nasu Sports Park: 40,582 Number of persons using Toda Boathouse: 9,077
Tokio Marine & Nichido Educational Development Fund	Provides assistance for educators and to children orphaned through traffic accidents	Financial assistance for education and research: 150 cases Scholarships for children orphaned through traffic accidents: 85 individuals

## Environmental Education and Enlightenment for Preschool and School Children

- ▶ [Green Lessons: The Mangrove Story](#)
- ▶ [Children's Environmental Award](#)

## Cooperating in the Running of the Special Olympics Nippon National Summer Games

Since 2005, Tokio Marine & Nichido has been an official sponsor of the Special Olympics (SO) Nippon and has been supporting the organization by providing funds and volunteers. In fiscal 2010, about 260 employees of Tokio Marine Group companies in the Kansai region volunteered to assist in the running of the Fifth Special Olympics Nippon National Summer Games in Osaka.



SO National Summer Games in Osaka

## Serving as a Special Sponsor of the JOC Junior Olympic Cup Swimming Tournament

Tokio Marine & Nichido started providing support to the Japan Swimming Federation as one of the initiatives undertaken to commemorate its 110th anniversary in 1989.

More specifically, Tokio Marine & Nichido provides support for the costs of training camps for Junior Olympic athletes and of attending overseas competitions, in addition to serving as a special sponsor of the JOC Junior Olympic Cup Swimming Tournament to support the running of the event financially and donate event-related leaflets and other goods. The company contributes to the healthy growth of young people by promoting swimming.



#### **Cooperation for the Internship Program for International Environmental Leaders Jointly Operated by Waseda University and Beijing University**

Tokio Marine & Nichido has been supporting the Joint Graduate School Initiative between Waseda University and Beijing University by endowing a course entitled "Practical Studies on the Environment in Japan and China" for three years from fiscal 2009 to fiscal 2011.

During the course, graduate school students of the two universities in their first year of the master's course visit companies, administrative agencies and universities in Japan and China to directly observe their activities. Through the exchange of ideas and discussion with local students, they examine organizational as well as system and policy issues concerning the environment and develop respective solutions. We aim to develop environmental leaders through this course.

#### **"Meraboshi-no-kai" Volunteer Group**

Meraboshi-no-kai is an internal volunteer group of Tokio Marine & Nichido. The group makes fabric picture books and toys for children and donates them to hospitals and welfare facilities.

For the annual Mangrove Planting Volunteer, the group makes cloth bags, fills them with stationery goods and other small gifts and gives these "happy pouches" to local children.

### Supporting Young Artists through "Showakai-ten" Art Exhibition

Tokio Marine & Nichido has been supporting the Showakai-ten Art Exhibition since 1991 (as Nichido Fire Insurance from 1991 to 2004).

The Showakai-ten Art Exhibition, sponsored by the Galerie Nichido in Ginza, Tokyo, is one of the oldest art exhibits in Japan, serving as a "gateway" to success for young artists. The exhibition, commemorating its 46th anniversary in fiscal 2010, has been organized to support, award and encourage the growth of young artists in the fields of Western- and Japanese-style paintings and sculpture.

Every year, the Tokio Marine & Nichido Award is given to a talented young artist as part of an effort to support the promotion of art and culture.



"Shiro-no-seibutu (Still Life in White)" by Hiroaki Ariyoshi

### Asian Children's Enikki (Illustrated Diaries) Festa

The Mitsubishi Public Affairs Committee, in which Tokio Marine & Nichido is participating, has been sponsoring the Mitsubishi Asian Children's Enikki Festa since 1990 for the purpose of facilitating mutual understanding among Asian countries.

The Enikki Festa is an exhibition of illustrated diaries solicited from children in Asia between the ages of 6 to 12. These illustrated diaries convey the life of people in each country, and the exhibition plays a significant role in fostering cultural exchange and mutual understanding among children. In 1990, the United Nations designated the year as International Literacy Year for promoting literacy throughout the world. The Enikki Festa, which was first organized in support of this UN resolution, has been presenting the outstanding works of children in Japan and overseas. Some of works have been turned into learning materials and distributed to participating countries and regions to promote literacy education.

[Click for details](#)



## Overseas

**Participating in Room to Read's Educational Support Program in Developing Countries**

In fiscal 2010, Tokio Marine & Nichido participated in the educational support effort led by the international NGO Room to Read. In India and Bangladesh, the company donates about USD100,000 annually to provide comprehensive support for impoverished and vulnerable girls to help them attain independent living in the future and offer a study environment for children by opening reading rooms. For girls not attending school for economic reasons or because they are tied to household duties as a result of their parents' lack of understanding, the program offers financial aid for tuition fees and endeavors to convey the importance of education to their families through home visits. These efforts have allowed girls to continue education, with many achieving excellent performance in their schoolwork to make their dreams a reality.



India and Bangladesh are two mangrove planting regions\* covered under the company's ongoing Mangrove Planting Project initiated in 1999. Through the Mangrove Planting Project and educational support program, Tokio Marine & Nichido will thus carry out the dual-purpose global social contribution activities of "nurturing both trees and people." (\*The planting of mangroves was launched in fiscal 2009 in India, while planting in Bangladesh is scheduled to commence in fiscal 2011.)

▶ [Room to Read](#)



### Scholarship Program for Children in Thailand

In partnership with the National Council on Social Welfare of Thailand, Tokio Marine & Nichido, Tokio Marine Asia, Tokio Marine Sri Muang Insurance and Tokio Marine Life Insurance (Thailand) have been offering scholarships in Thailand since 2005. These scholarships have been providing support for tuition fees and the costs of learning materials to an accumulated total of about 480 junior/senior high school and university students having difficulty in entering a higher level of schooling for economic reasons. Every July, we hold a scholarship conferment ceremony and invite all scholarship students to a two-day camping trip. Employees in Thailand participate in this camping trip as volunteer staff.



Scholarship program in Thailand



4th Scholarship Conferment Ceremony

### Educational Assistance for Children in China

In China, the Tokio Marine Group has been supporting children of migrant workers since 2009. In November 2010, Tokio Marine Holding Chairman Kunio Ishihara and 20 other employee volunteers visited two elementary schools in Longli County, Guizhou, in inland China. During the trip, they interacted with children and local university student volunteers by enjoying singing, folk dancing and sports activities in the school yard and in the "Room of Smiles" donated by the Tokio Marine Group. The Room of Smiles is a classroom equipped with learning tools and a TV phone for children to talk with parents working in distant places and is also used to provide emotional support. Many of the children were seeing foreigners for the first time and immensely enjoyed the opportunity as they gathered around their rare visitors.

On March 14, 2011, four months after the visit, children of each school gathered in the Room of Smiles, lighted candles that were lined up to show the date "3.11" and prayed for the victims of the Great East Japan Earthquake. They sent their prayers to the people suffering from the disaster, together with 29 heart-warming message cards and a donation amounting to 373.3 yuan (about 5,000 yen).



Children gathering in the Room of Smiles

### Asia CSR Day

On November 6, 2010, Tokio Marine Asia (TM Asia), Tokio Marine Life Insurance (TMLS) and Tokio Marine Insurance Singapore (TMiS) conducted a volunteer activity as part of the Tokio Marine Group's CSR Months initiative. They took 40 children to an outside playground and enjoyed various activities together. The event was conducted jointly with Club Rainbow, a charity organization supporting children with chronic and life-threatening illnesses and their families in Singapore. The four companies also made a monetary donation totaling SGD 15,000 to NGO Club Rainbow.





Key CSR Issues : Collaborative Work with Local Communities and Society

## Safety and security

The Tokio Marine Group also places great emphasis on "safety and security," which are closely linked to the insurance business, and engages in social contribution activities while working to enhance traffic safety as well as crime and disaster prevention in local communities

### Japan

#### Courses to Foster Support for Dementia Care

As one volunteer initiative to ensure "safety and security" in society, the Tokio Marine Group offers courses to foster support for dementia care, which are internal educational sessions to promote a correct understanding of dementia. With the ultimate goal of creating a safe society for people with dementia, the program is designed to develop more persons who support dementia care within the Group and who have the correct knowledge to share with friends and families as well as give compassionate consideration to people with dementia and their families in work and private life.

During the one-and-half-hour program conducted in each work department, attendees watch a DVD, listen to a lecture given by an employee (called "caravan mate") who has received special training on this subject and participate in a role-playing session. As of March 2011, a total of around 640 employees have participated in this educational program and become supporters for dementia care. We intend to promote this program further, as it gives us a good opportunity to think about our own aging workforce and deepen our understanding about dementia.

#### AED Workshop to Practice Life-Saving Skills

Each of the Tokio Marine Group companies provides a workshop to practice the use of Automated External Defibrillators (AEDs) and to perform cardiopulmonary resuscitation (CPR), with employees having specialized knowledge serving as trainers. Around 1,665 employees mainly from Tokio Marine & Nichido as well as other Group companies and agents attended the workshop in fiscal 2010.

Through the workshop, participants have realized that they do not have to be an expert to perform CPR and gained enough confidence to take action rather than just standing by in case of an emergency situation.



#### Promoting the Pink Ribbon Movement

Tokio Marine & Nichido Life supports the Pink Ribbon Movement through J.POSH, an NPO engaged in pink ribbon movements for breast cancer awareness in Japan. The number of breast cancer patients has been increasing in Japan, but it is a disease with a high survival rate if detected and treated early based on correct knowledge. The company promotes the Pink Ribbon Movement by disseminating various information, including the importance of receiving examinations for early detection of breast cancer.

#### Cooperating in Making Terry Cloth Caps for Cancer Patients.

On February 26, 2011, Tokio Marine & Nichido Life donated 1,015 terry cloth caps to Iwate Hospice Association in Morioka City for patients undergoing anticancer drug treatment. The idea to make the caps stemmed from a concept promoted by the citizens' group Iwate Hospice Association with the aims of supporting cancer patients and their families and giving patients fighting the disease courage. Tokio Marine & Nichido Life sponsored the activity and has cooperated in the production of the caps since 2009.

#### Project to Raise Cancer Examination Rates

In collaboration with Tokio Marine & Nichido Life, Tokio Marine & Nichido is engaged in local initiatives jointly conducted with prefectural bodies and private-sector companies to raise cancer examination rates in respective regions.

Cancer is considered a national disease, causing about one out of every three Japanese people to lose their lives every year. We work to raise public awareness for the importance of cancer examinations and actively encourage people to get a checkup, with a view towards promoting the early detection and treatment of cancer.

- ▶ [Click to see details of joint efforts \(in Japanese\)](#)
- ▶ [Key CSR Issues: Providing Value through Our Core Businesses - Cancer](#)

### Collaboration with Japan Deaf-Blind Association

In fiscal 2008, Tokio Marine & Nichido became a supporting member of the Japan Deaf-Blind Association. At its annual national conference, employees working in offices and branches in respective areas serve as volunteer staff to cooperate in the running of the event. In fiscal 2010, about 75 employees of Tokio Marine Group companies in Hokkaido volunteered in the 20th Deaf-Blind National Conference held in Sapporo, giving directions for conference attendees at the airport and various train stations.



### Cooperating in the Running of the Special Olympics Nippon National Summer Games

- ▶ [The Special Olympics Nippon National Summer Games](#)

### Working Together with the Sawayaka Welfare Foundation

The Sawayaka Welfare Foundation forms a network with a number of volunteer organizations across the country and works to build a system of mutual assistance in each local community with the ultimate goal of "building a new society in which all people can develop a close rapport with each other." Tokio Marine & Nichido empathizes with this organizational philosophy and partners with the foundation.

- ▶ [National volunteer network information of the Sawayaka Welfare Foundation \(in Japanese\)](#)

### **Participating in the TABLE FOR TWO Charity Initiative Aimed at Achieving an Optimal Food Balance in the World**

Tokio Marine & Nichido participates in the TABLE FOR TWO initiative and has been offering a TABLE FOR TWO menu in the employee cafeteria at its Head Office.

TABLE FOR TWO is an initiative to donate a part (usually 20 yen) of the price of a lunch offered in a company cafeteria to school meal programs in developing countries. The TABLE FOR TWO menu consists of healthy dishes having lower calories than those typically offered in a company cafeteria to help employees achieve better health.

According to the World Food Programme (WFP), approximately 300 million children suffer from chronic hunger across the world, mainly in developing countries. In developed countries, on the other hand, lifestyle-related diseases have become a social issue, with the most notable example being the so-called metabolic syndrome caused by consumption of excessive calories. Young Japanese leaders selected by the World Economic Forum (Davos Forum) started the TABLE FOR TWO initiative as a means to eliminate this global food imbalance. The amount of 20 yen donated from every lunch is equal to one school meal in developing countries. This is like sharing a table with one child, thus the name "TABLE FOR TWO."

#### **Overview of TABLE FOR TWO in Tokio Marine & Nichido**

Location:	Employee Cafeteria at the Head Office
Method:	Purchasing a 560-yen TABLE FOR TWO lunch (650 - 750 kcal) automatically donates 20 yen to the WFP (a United Nations food aid branch) through TABLE FOR TWO International (an NPO)

▶ [The Table for Two](#)

### Contributing to Safety and Security in Local Communities

In September 2010, Tokio Marine & Nichido partnered with 38 FM radio stations across the country to promote the "Human Conscious Act - Loving Home Campaign."

Under the campaign, the company sponsors a radio program and holds events throughout Japan according to the theme of "making your community safer and more secure by building ties ("Kizuna") among residents."

Tokio Marine & Nichido has also been supporting the "Daijoubu Campaign" since fiscal 2007.

The Daijoubu Campaign is a movement led by the Mainichi newspapers and carried out jointly with local residents, companies, local governments, police stations and fire stations to protect local residents and children from disasters and crimes.



Overseas

**Providing Japanese-Language Medical Services in the United States**

The Japanese Medical Practice outpatient clinic operated by Beth Israel Medical Center in New York City with donations from Tokio Marine & Nichido has been providing medical services in Japanese since 1990. During fiscal 2009, the Japanese American Association of New York celebrated its 100th anniversary, and the Japanese Medical Practice outpatient clinic has offered medical consultation services and held medical seminars for elderly Japanese-American people living in New York.

**"N Program" to Support Young Physicians to Gain Clinical Experience in the United States**

In collaboration with Beth Israel Medical Center, Tokio Marine & Nichido has been offering the "N Program" since 1991. This is a medical residency program to promote the exchange between the two countries in the medical field by dispatching every year young doctors with the desire to gain clinical experience in the United States.

The N Program has made remarkable progress thanks to the cooperation of teachers at U.S. medical institutions and the efforts of residents who participated as trainee physicians. From 1991 to 2010, the total number of trainees rose to 135.



### Cancer Awareness Activities in Dubai for Prevention of Breast Cancer

A representative office of Tokio Marine & Nichido in Dubai, United Arab Emirates, and its local agents co-sponsored PINK WALKATHON 2010, a charity walk hosted by the BurJuman premier luxury shopping mall in Dubai for raising awareness for breast cancer. A number of employees participated in this charity event.

PINK WALKATHON is one of the Pink Ribbon activities spreading worldwide. In Dubai, a 3.6-km charity walk around the BurJuman Shopping Mall and various events before and after the walk are held over the course of one month to raise awareness for and promote the prevention of breast cancer. In fiscal 2010, the charity walk was held on November 5 with the participation of 4,000 people. About 70 employees of Tokio Marine & Nichido and their families took part in the walk wearing pink ribbons or T-shirts with a "Safe & Sound" logo to convey the importance of getting examinations for the early detection of breast cancer.



# Management

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- Corporate Governance
- Risk Management
- Disaster-Response Measures
- Compliance
- Information Security

This e-CSR Report 2011 was produced based on information posted on the Company's website.



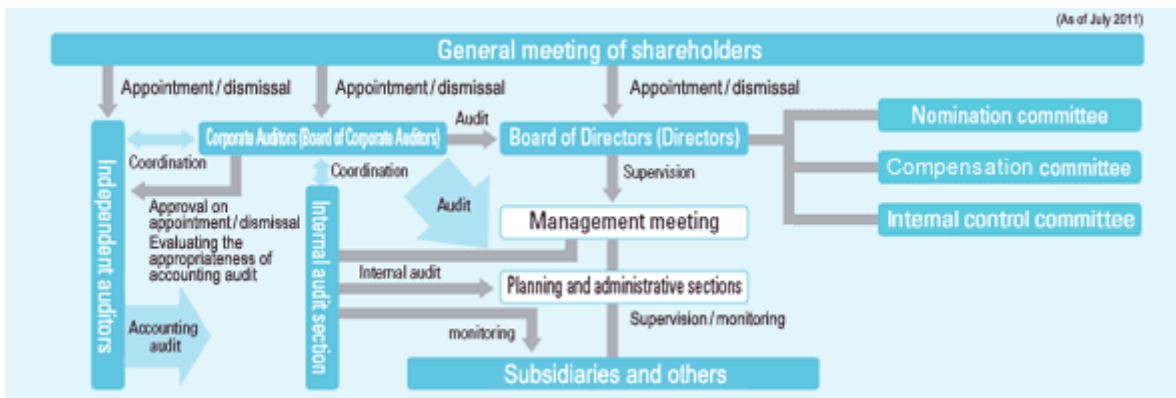
## Corporate Governance

Tokio Marine Holdings has constructed a system for ensuring sound and highly transparent corporate governance. Also, as a holding company, it supervises each Group member company accordingly.

Tokio Marine Holdings, in line with the Tokio Marine Group Corporate Philosophy, is committed to the continuous enhancement of the Group's corporate value by fulfilling its responsibilities to shareholders, customers, society, employees and other stakeholders. For this purpose, the Company hereby maintains a sound and highly transparent corporate governance system. As a holding company, it aims to exercise appropriate control over Tokio Marine Group companies. The Corporate Governance Policies of the Company shall be reviewed and amended as necessary to adapt to changes in the business environment.

- ▶ [Corporate Governance Policies](#)

### Corporate governance organizational chart





**Corporate Governance Structure**

Body	Role assigned (top) and composition (bottom)
Board of Directors	The Board of Directors is responsible for decisions on important matters relating to the execution of Tokio Marine Holdings' business, for supervising the performance of individual directors, and establishing an appropriate internal control environment and effective internal control system.
	Approx. 10 members, at least 3 of whom, in principle, must be outside Directors
Corporate Auditors, Board of Corporate Auditors	Audits the performance of Directors, as an independent body entrusted by shareholders.
	Approx. 5 members. In principle, a majority of these must be outside Corporate Auditors.
Nomination Committee	Deliberates and reports to the Board of Directors on appointment and dismissal of Directors and Corporate Auditors of Tokio Marine Holdings and major subsidiaries and on requirements for such appointments.
	Approx. 5 members, a majority of whom must, in principle, be outside members. The committee chair shall be chosen from among the outside members.
Compensation Committee	Deliberates and reports to the Board of Directors on performance evaluations of Directors and Corporate Auditors of Tokio Marine Holdings and major subsidiaries, as well as on the executive compensation system.
	Approx. 5 members, a majority of whom must in principle be outside members. The committee chair shall be chosen from among the outside members.

### **Compensation System for Directors and Corporate Auditors of the Company**

Compensation for full-time directors (including non-members of the Board) of Tokio Marine Holdings consists of three elements: fixed compensation, bonuses related to the business performance of the Company and the performance of the individual, and stock options.

Compensation for part-time directors of Tokio Marine Holdings consists of two elements: fixed compensation and stock options.

Compensation for corporate auditors of Tokio Marine Holdings consists of one element: fixed compensation.

The compensation system for directors (including non-members of the Board) and corporate auditors of the Company's principal business subsidiaries shall generally be identical to that applied to directors (including non-members of the Board) and corporate auditors of the Company.

### **Governance of Subsidiaries**

Tokio Marine Holdings carries out the supervision of its subsidiaries, including the monitoring of their business plans, by exercising its shareholder rights and rights based on management agreements. It also formulates fundamental policies for the promotion of compliance, risk management and internal auditing for the Group, and supervises its subsidiaries through building and operating structures based on these policies.



#### Establishment of an Internal Control Systems

In accordance with the Companies Act of Japan and the Enforcement Regulations of the Companies Act of Japan, Tokio Marine Holdings has formulated its Basic Policies for Internal Controls. Under these policies, Tokio Marine Holdings is appropriately establishing internal control systems for the entire Tokio Marine Group that include Group company management systems, compliance and risk management.

Also based on these policies, the Internal Control Committee formulates various types of policies and measures, evaluates the state of implementation and deliberates on improvements, and reports the results to the Board of Directors.

#### Basic Policies for Internal Controls

- System for ensuring proper operations within the Tokio Marine Group
- System for ensuring the execution of professional duties in accordance with applicable laws, regulations and the Articles of Incorporation
- System for risk management
- System for ensuring efficient execution of professional duties
- System for maintaining and managing information concerning the execution of directors' duties
- Matters concerning support personnel to the corporate auditors and their independence from the directors
- System of reporting to the corporate auditors
- Other systems for ensuring effective audits by the corporate auditors

▶ [Tokio Marine Holdings Basic Policies for Internal Controls](#)



#### Internal Audit System

Within the Tokio Marine Group, internal audits are executed based on the aim that "in order to play an effective role in achieving the Group's management targets, internal audits covering the full scope of operations performed in its business should not simply identify and indicate problems in the internal office processes but also assess the internal controls and propose measures for improvements." Within Tokio Marine Holdings and its insurance subsidiaries, each company has its own internal audit department, which performs appropriate internal audits mainly on risk management and compliance, which are the pillars of internal controls, in accordance with the type and level of risks.

The Internal Audit Department of Tokio Marine Holdings directly carries out auditing and monitoring of the internal controls of those subsidiaries that do not have their own internal audit department.

The results of these audits are reported to the Internal Audit Department of Tokio Marine Holdings and the Board of Directors of each member company of the Group. If any serious issue is found in the audit results, it is reported to the Board of Directors of Tokio Marine Holdings as well.

#### Unified Framework of Internal Audits within the Tokio Marine Group

A set of unified Basic Policies for Internal Audits and Internal Audit Rules are applied to all internal audits that are performed by internal audit departments of the Group companies in order to ensure consistent internal auditing within the Tokio Marine Group. In addition, priority issues and checking points on internal audits are defined every year and internal audit plans of the subsidiaries require the prior approval of Tokio Marine Holdings. Through these approaches, Tokio Marine Holdings endeavors to enhance the consistency of internal auditing throughout the Group.



#### Information Disclosure

We make every effort to disclose information about the Tokio Marine Group's current financial condition and future business development in a fair and understandable manner that facilitates precise and expeditious understanding for our investors and financial analysts.

#### Disclosure Policy of the Tokio Marine Group

We aim to disclose meaningful information regarding the Tokio Marine Group that enhances management transparency and fairness in connection with our corporate social responsibility.

##### 1. Disclosure Policy

It is our policy to expeditiously disclose information in accordance with the "Securities Listing Regulations" stipulated by the Tokyo Stock Exchange. We strive for timely, accurate and fair disclosure of other information that is relevant to our customers, shareholders and investors, representative offices and employees, as well as Japanese society at large.

##### 2. Disclosure Methods

Disclosure pursuant to the Tokyo Stock Exchange rules, regulations and other requirements is made through the Timely Disclosure network, or TDnet, as well as the press and other appropriate means. We subsequently post disclosed information on our website. Other disclosure is made in a manner appropriate to the content of the relevant information.

##### 3. Disclaimer

Disclosure made based on this Disclosure Policy is intended to accurately, expeditiously and fairly inform the public regarding the Tokio Marine Group's activities and is not intended to constitute an investment offer or solicitation.

Adopted on November 30, 2004

Revised on September 29, 2010



## Risk Management

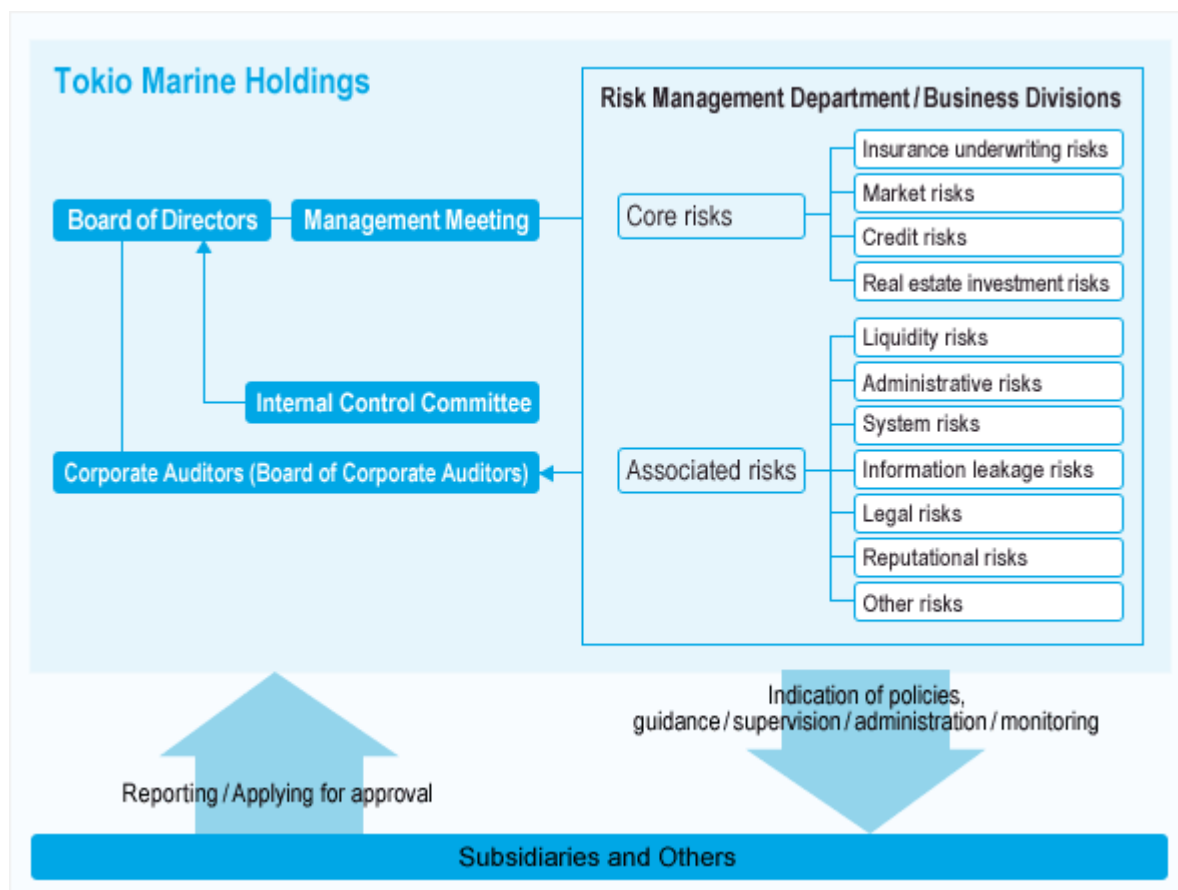
For the purpose of securing and maintaining the soundness of business operations, the Tokio Marine Group manages various risks related to the operation of its business and ensures the stability of management.

### **Risk Management System of the Tokio Marine Group**

The Company formulates the basic policies concerning risk management for the entire Tokio Marine Group as well as ascertains the state of risks for the Group. Subsidiaries and Others manage risks on their own initiative in accordance with these basic policies.

Among the various risks, the Company recognizes that insurance underwriting risks and investment risks (market risks, credit risks and real estate investment risks) are risks (core risks) that must be managed in sources of earnings, and therefore, actively manages these risks. The Company also identifies administrative risks, system risks and other risks pertaining to the Group's business activities and strives to prevent the occurrence of or reduce these risks as it works to execute proper risk management and ensure stable business operations.

Tokio Marine Group risk management organizational chart







#### (1) Roles of Tokio Marine Holdings

Tokio Marine Holdings develops basic policies for risk management of the Tokio Marine Group and promotes the enhancement and sophistication of the risk management system for the entire Group in accordance with the Tokio Marine Group's basic policies for risk management. The Company also manages quantitative risks for the Group in order to retain credit ratings and prevent bankruptcies.

#### (2) Roles of Subsidiaries and Others

Subsidiaries and Others actively conduct their own risk management by developing their own risk management policies in line with the basic policies for risk management of the Tokio Marine Group.

### Basic Policies for Risk Management

The Tokio Marine Group has developed the basic policies relating to risk management described below. Tokio Marine Holdings, its Subsidiaries and Others manage risks in line with these basic policies.

#### (1) Basic Policies for Risk Management

The Basic Policies for Risk Management of the entire Group sets forth the department supervising risk management, definition of risks, organizations and guidelines for risk management that Subsidiaries and Others shall establish, and the issues that must be reported. Subsidiaries and Others conduct risk management based on the policies.

#### (2) Basic Policies for Integrated Risk Management

The Tokio Marine Group has developed the Basic Policies for Integrated Risk Management, which establishes the fundamental matters concerning the quantitative risk management of the entire Group, definition of risk amount and returns, and the process for evaluation and monitoring of capital allocation plans.

#### (3) Basic Policies for Crisis Management

The Tokio Marine Group has developed the Basic Policies for Crisis Management of the entire Group. The policies clarify the principles of actions in an emergency situation related to the measures to minimize losses and recover ordinary business operations and the crisis management systems that should be established by Subsidiaries and Others. Subsidiaries and Others establish risk management systems based on the policies.



#### Integrated Risk Management

Through integrated risk management, the Company quantitatively ascertains and properly manages every risk to ensure that any risk that emerges is within the scope of net asset value.

Net asset value mentioned here refers to net asset value to absorb losses if any risk emerges. It consists of adding various types of reserves such as the catastrophe loss reserve as well as the value of in-force life insurance policies to consolidated net asset value on the balance sheet and subtracting goodwill.

We also assume stress scenarios, such as a major natural catastrophe and turmoil in financial markets, that would create detrimental effects in the future and implemented stress tests to evaluate and analyze the impacts of such scenarios.

##### (1) Risk quantification

The Tokio Marine Group quantifies potential losses on all risks that could arise within the given time horizons and that could exceed the given probability levels. The risk quantification method used is a risk indicator called "value at risk" (VaR). With the aim of maintaining an AA rating, the Company quantitatively measures risk, setting a probability level of 99.95% in consideration of past probabilities of bankruptcies for AA ratings.

##### (2) Determination of allowable risk parameters

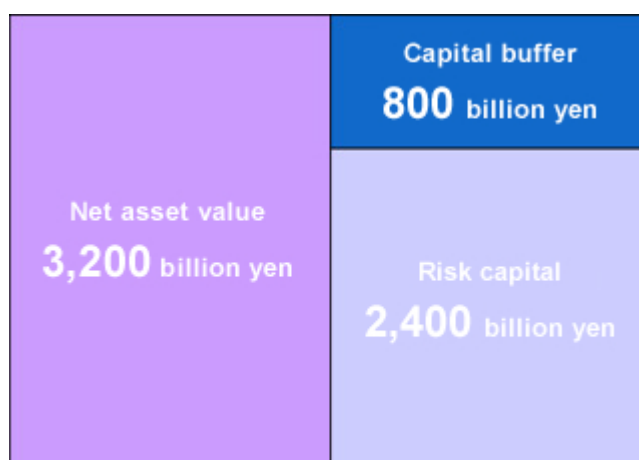
Integrated risk management aims to maintain ratings and prevent bankruptcies by keeping risk volume within the prescribed allowable parameters. The allowable risk parameter for the Tokio Marine Group as a whole has been defined in terms of an upper limit on the entire quantity of risk. While considering the level of net asset value, we determine this allowable risk quantity semiannually and properly manage operations so that risk quantity does not exceed this limit.

##### (3) Evaluation and monitoring of capital allocation plans

Tokio Marine Holdings ensures that the expected risk volume is within the allowable risk parameters set out in the Group capital allocation plan. In other words, the Risk Management Department, which has an internal control function, checks and examines the capital allocation plans to make sure that they are appropriate in terms of net asset value. Moreover, the status of the risk volume is periodically monitored.

##### (4) State of net asset value and risk capital (as of the end of March 2011)

Regarding the status of the Tokio Marine Group's net asset value and risk capital as measured by the above processes, at the end of March 2011, net asset value stood at 3,200.0 billion yen, risk capital was 2,400.0 billion yen and the capital buffer was 800.0 billion yen. The Company maintained adequate net asset value for maintaining an AA rating. Capital buffer is the differential amount between net asset value and risk capital and serves as the capital reserve for responding to future changes in the financial and economic environments and for implementing new M&A strategies.



As of the end of March 2011



#### **Strengthening Enterprise Risk Management (ERM)**

The changes in the environment surrounding the Tokio Marine Group as well as the diversification of the Tokio Marine Group's business portfolio have also been accompanied by a diversification in the Group's risks. By strengthening its risk management structure, the Company is handling this new risk while continually upgrading and refining its risk quantification methods.

The Tokio Marine Group's approach to enterprise risk management (ERM) has also been recognized by external organizations. The ratings agency Standard & Poor's (S&P) evaluates the ERM systems of insurance companies as part of its credit rating determination process. Regarding this evaluation of ERM systems, Tokio Marine & Nichido Fire Insurance Co., Ltd. was the only Japanese insurance company (non-consolidated basis) to receive a "Strong" evaluation. This "Strong" evaluation is the second-highest evaluation. Only around 15% of insurance companies around the world for which S&P evaluates have attained a rating of "Strong" or above.

(Within the Tokio Marine Group, we have also received a "Strong" evaluation from Tokio Millennium Re.)

\*For details on "Risk Management," please refer to Tokio Marine Holdings Annual Report 2011.

▶ [Tokio Marine Holdings Annual Report 2011](#)



## Disaster-Response Measures

To fulfill its social mission as a non-life insurer, even during normal times, Tokio Marine & Nichido focuses on disaster-response measures such as formulating a Business Continuity Plan (BCP)\* as part of efforts to ensure it works in concert across the company to provide quick and proper claims services in the event of an actual disaster.

### Business Continuity Plan (BCP) \*

Tokio Marine & Nichido has formulated a Business Continuity Plan (BCP) to ensure that it can continue its important business operations as a non-life insurer, such as receiving claims, paying on claims and concluding policies in the event of a natural disaster such as an earthquake or a typhoon, both in the disaster-stricken area and elsewhere.

\*A BCP is a plan established in advance for the continuation and recovery of the company's important business operations in the event of disasters or similar incidents.

#### 1 Basic Policy for Responding to Disasters

##### 1. Principles of employees' conduct

- To check the safety of customers, employees and their families, agents and others
- To make every effort to cooperate in securing safety in the local communities

##### 2. Basic policy for business continuity

To give top priority to the continuation of important business operations by supplying resources such as personnel, funds and others as needed

**2 Formulation of Plans and Measures for Continuation of Important Business Operations**

**1. Anticipated risks and damage**

The worst-case scenario envisions damage to the Head Office building and the Tama Systems Center in an earthquake striking the Head Office building with a seismic intensity (on the Japanese scale) of greater than 6, making both facilities unusable for a certain period of time.

**2. Selection of key business operations**

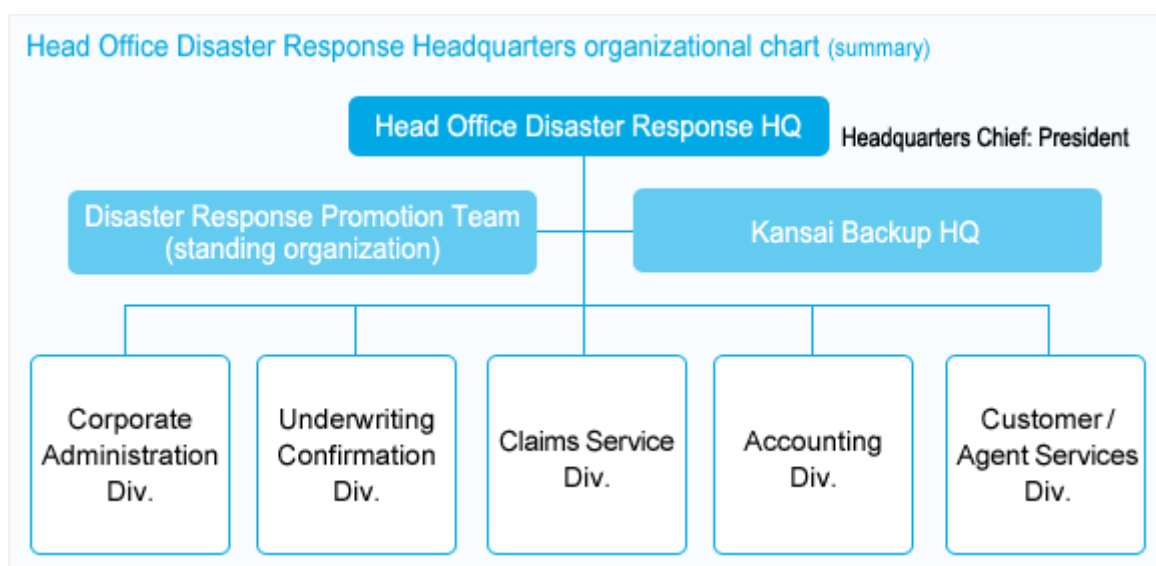
The operations selected as important business operations are receiving of accident notices; payment of claims, maturity refunds and other payables; and the conclusion of insurance contracts.

**3. Setting a recovery target**

Should the Tama Systems Center become unavailable for use, we envision that key operations initially will be handled manually, whether taking place inside or outside the area affected by the disaster, and the backup systems needed for the continuation of important business operations will be up and running within 24 hours.

**4. Setting up required organizations and framework**

The Head Office Disaster Response Headquarters under the authority of the President will be set up at the Head Office. In the event of damage to the Head Office, the Kansai Backup HQ will be established in the Kansai region. In addition, the Disaster Response Promotion Team has been established as a standing organization that handles on a regular basis efforts related to responding to disasters.



**5. Measures for continuation of key operations**

In addition to the preparation of the planned location for establishing the Head Office Disaster Response Headquarters, advance preparation for substitute head office locations, preparation for backup information systems and the adoption of a system for checking employee safety, various manuals have been prepared for individual roles and levels.



#### 3 Education and Training

Various types of education and training programs have been implemented for individual roles and levels such as desktop training for the president and other directors, and training for all employees.

#### 4 Inspection and Corrective Measures

In addition to inspections conducted by the Disaster Response Promotion Team on the progress of disaster-response measures at all branches and audits performed by external organizations, appropriate improvements and corrections are made for any inadequacies identified during these inspections and audits.

#### 5 Review of Plans by the Management

At a regular annual meeting on disaster-response measures and other meetings, the president and other directors review all aspects of these plans.

### Preparation of a Claims Service Structure for Use in the Event of a Disaster Striking the Metropolitan Area

Should the Head Office facilities become unusable because of a disaster striking the Metropolitan area in particular, a Kansai Claims Service Backup Headquarters would be set up within the Kansai Backup HQ to attend to initial-stage needs such as receiving accident notices from the disaster-stricken area (the Metropolitan area) until lifeline and other services are restored in the areas. Claims cases already accepted prior to the disaster in the Metropolitan area shall be allocated to and handled by claims service bases throughout Japan.

In the Metropolitan area struck by the disaster, a Claims Service Headquarters and its subdivisions would be set up within the Head Office Disaster Response Headquarters, with the Claims Service Dept. in charge of Tokyo and Chiba, Saitama and Kanagawa prefectures at its helm. Support personnel will be assigned to the Claims Service Headquarters from facilities across Japan, and a unified provision of claims services would begin at five other facilities.

An infrastructure needed to provide claims services swiftly to the Metropolitan area in the event of a natural disaster has been built in advance in the locations where the Kansai Claims Service Backup Headquarters, the Claims Service Headquarters and separate subdivisions would be established. Also, we have established a scheme of dispatching support personnel as needed in all in the company.

### Response to the Great East Japan Earthquake

▶ [Click here for details](#)

## Compliance

The Tokio Marine Group, which places customer trust as the foundation of all its activities, is implementing various compliance-related initiatives based on its belief that it is important to thoroughly implement compliance through its day-to-day business, with employees and agents maintaining high ethical standards.

### The Tokio Marine Group Compliance System

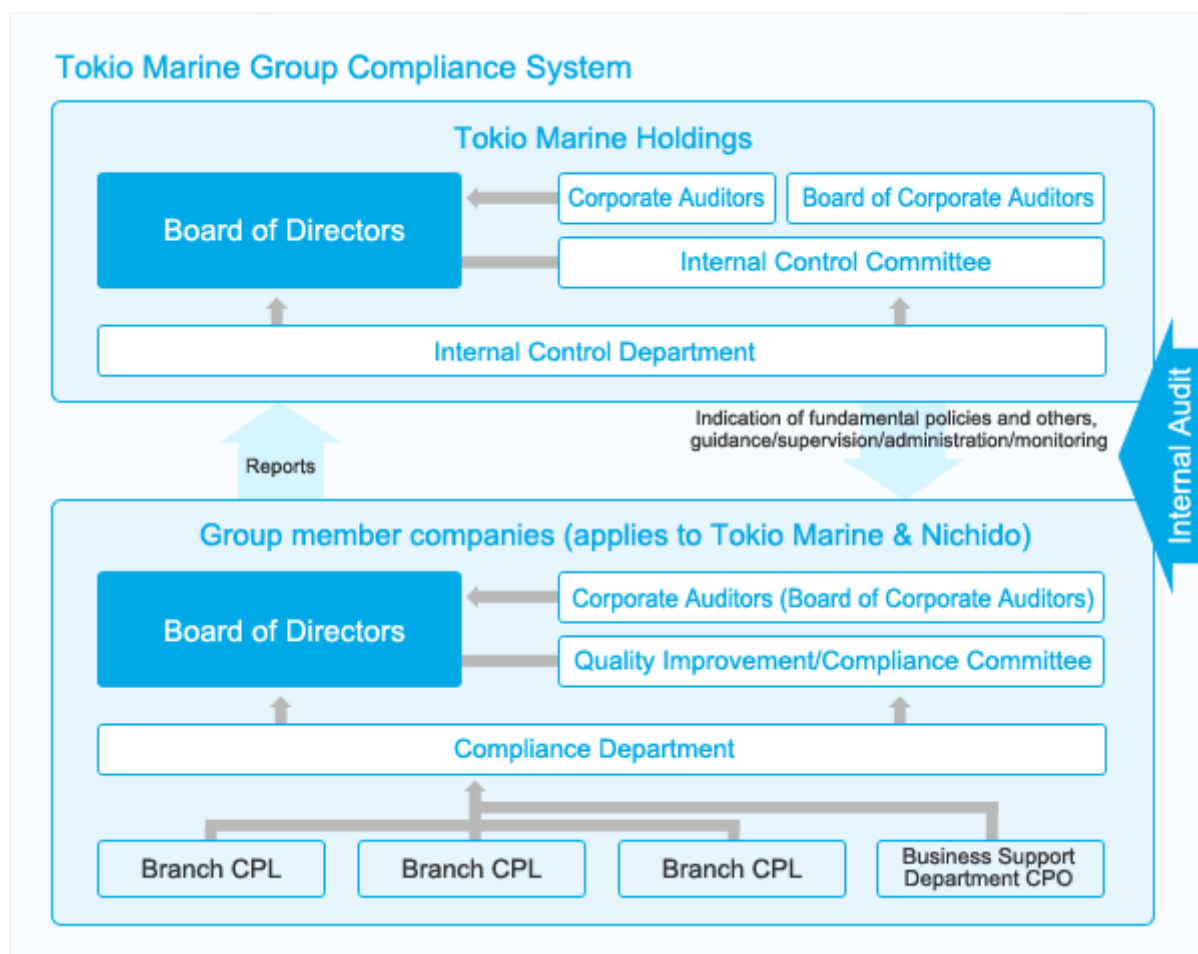
The Tokio Marine Group defines compliance as "observing applicable laws, rules and regulations and internal regulations, and conducting fair and equitable business activities within social norms," and thoroughly implements compliance in this manner. Additionally, the Company has formulated the Tokio Marine Group Code of Conduct that incorporates matters that directors, executive officers and employees should comply with from the perspective of compliance.

To thoroughly implement compliance as a Group, Tokio Marine Holdings has formulated the Tokio Marine Group Basic Policies for Compliance, which prescribes the role of the Company, its Subsidiaries and Others and the basic rationale regarding the implementation of compliance, and also prepares measures and policies for the entire Group. Subsidiaries and Others shall build compliance systems in a form suited to the content and scale of their respective businesses in accordance with the Tokio Marine Group Basic Policies for Compliance and shall report on important matters to Tokio Marine Holdings. Tokio Marine Holdings also deliberates and makes decisions on important compliance-related matters via the Board of Directors, Management Meeting and the Internal Control Committee, and when necessary, provides guidance and advice about such matters to its Subsidiaries and Others.

Tokio Marine & Nichido has also established a Quality Improvement/Compliance Committee, which has a majority of members from outside the company, that evaluates the establishment of compliance systems from an external perspective and checks, monitors and provides suggestions on the appropriateness of overall business operations. Tokio Marine & Nichido has appointed a Compliance Leader (CPL) in each production department who provides guidance on initiatives for compliance and fulfills a check-and-balance function, among other responsibilities. It also has appointed a Compliance Officer (CPO) in each region's business support department who fulfills a check-and-balance function with regard to production departments and supports the CPL. In this way, Tokio Marine & Nichido has built up a system for thorough compliance throughout a wide range of operations it conducts.

In the overseas Group companies, compliance is promoted primarily under the lead of the CPOs in the respective companies on the basis of undertaking proper business in accordance with the above policies and with respect for local laws and regulations.







### Declaration of Commitment to Compliance

The Tokio Marine Group is committed to the continuous enhancement of its corporate value, with customer trust at the base of all its activities. Strict compliance is at the heart of our corporate philosophy. The Tokio Marine Group Code of Conduct is a compilation of important matters that must be strictly observed. We, the directors, officers and employees of the Tokio Marine Group companies, promise to prioritize compliance in the conduct of business activities in accordance with the Code of Conduct.



Shuzo Sumi

President & Chief Executive Officer  
Tokio Marine Holdings, Inc.

### Tokio Marine Group Code of Conduct (revised October 1, 2009) (only the categories are excerpted)

#### Basic Principles

#### 1 Compliance with laws and regulations

- 1-1 Compliance with relevant laws
- 1-2 International Rules and Local Laws
- 1-3 Free and Fair Competition
- 1-4 Conflicts of Interest
- 1-5 Insider Trading
- 1-6 Intellectual Properties
- 1-7 Working Environment

#### 2 Social and Political Issues

- 2-1 Anti-social Forces
- 2-2 Political Activities, Political Funding
- 2-3 Gifts and Entertainment

#### 3 Appropriate Actions of and High Transparency in Management

- 3-1 Appropriate Transaction
- 3-2 Public Disclosure
- 3-3 Accurate Information
- 3-4 Confidential Information

#### 4 Respect for Human Rights and the Environment

- 4-1 Anti-discrimination
- 4-2 Anti-harassment
- 4-3 Private Information
- 4-4 Protection of the Global Environment

Applicable Laws, Rules, Regulations and Internal Rules Reporting

▶ [Tokio Marine Holdings - Tokio Marine Group Code of Conduct](#)

## Nurturing the Ethics of Employees and Agents

### Compliance Education and Training for Employees

The Tokio Marine Group has covered systems, structures and rules for ensuring thorough compliance in documents such as the compliance manuals of the member companies, which are made available for the use of all members of the management and employees. In addition, it has prepared various manuals corresponding to the types of business to clarify relevant rules and has also implemented various kinds of training for individual positions and levels and for each workplace in order to have the firm knowledge of compliance, which is needed for all employees, take root in their minds.

### Implementing Thorough Compliance by Employees

Tokio Marine & Nichido proceeds with thorough compliance by all employees as important business activities in day-to-day business operations, particularly in sections in charge of production and claims services.

The Compliance Leader (CPL) assigned to each production department provides guidance on initiatives to production and claims services sections and fulfills a check-and-balance function with regard to business operations in each section through handling inquiries on individual matters as well as conducting compliance training for employees and agents.

### Implementing Thorough Compliance by Agents

Since each member company of the Tokio Marine Group handles a range of products including life insurance and investment trust in addition to non-life insurance, it has been making efforts, in the same way with its employees, to have thorough compliance implemented by agents and sales personnel also who handle the same types of products.

Tokio Marine & Nichido provides its agents and sales personnel with group training and compliance courses on the Internet, as well as support for the construction of their compliance systems. Tokio Marine & Nichido Life implements training for agents using training materials that provide an easy-to-understand explanation of sales rules.



Screen showing Tokio Marine & Nichido Academy

### **Hotline System (Internal Whistle-Blower System)**

The Tokio Marine Group has installed hotlines as a system for handling reports and consultation from employees and the management of Group member companies in the event a compliance-related issue has arisen or there is a likelihood of such an issue occurring. An external hotline is also established at an external law office so that the persons making such reports are able to select the hotline most convenient for them.

The Group keeps personal information on individuals making such reports strictly confidential and ensures that such individuals are not put in a disadvantageous position.

### **Response to Anti-social Forces**

1. The Tokio Marine Group has prescribed the basic policies concerning responses to anti-social forces so that Subsidiaries and Others can resist anti-social forces and make concerted and uniform responses. Initiatives are being promoted based on the following basic concepts.
  - (1) To ensure it consistently undertakes fair management and widely contributes to the development of society as a good corporate citizen, the Tokio Marine Group shall sever all relationships with anti-social forces and forcefully repudiate any illicit demands made by them as a basic matter in the application of its management philosophy. In association with lawyers, police and other professionals, it will respond to anti-social forces in an uncompromising and organized manner.
  - (2) Subsidiaries and Others shall respond to anti-social forces based on the following measures.
    - 1) Take action as a unified organization while ensuring the safety of directors, officers and employees;
    - 2) Contact relevant external institutions (specialized in such matters);
    - 3) Sever all known relationships, including transactions and repudiate any illicit demands;
    - 4) Take legal action at either the civil or criminal level for any contingency; and
    - 5) Prohibit backroom deals and access to capital.
2. Taking into consideration the basic policies for responding to anti-social forces, the Tokio Marine Group shall promote initiatives that include setting up controlling departments, establishing reporting and consultation rules and systems for when a problem occurs, and implementing training activities.



## Information Security

The Internal Control Department of Tokio Marine Holdings supervises information security for the entire Group as the controlling department while sections in charge of information security have been established at each Group company. In this manner, the Group is working to build an effective management structure for information security.

### Initiatives for Information Security

We thoroughly adhere to information security management rules to prevent information leakages. In particular, each Group company is adopting physical and technological safety-control measures that include locking away customers' personal information and confidential documents when not in use, placing restrictions on taking documents and other items outside the company, and using encryptions and setting passwords for electronic information.

In fiscal 2010, Tokio Marine & Nichido introduced thin-client\* terminals for its in-house intranet. Thin-client terminals are not equipped with hard disks and information is centrally managed and deployed from a server, which thereby further strengthens information security.

\*A method whereby the PC environment (client OS and applications) for each user is consolidated into and operated by the server

#### ■ Protection of Personal Information

In the area of personal information on customers, the Tokio Marine Group has formulated and released the Tokio Marine Group Privacy Policy, which clarifies the Group policy for dealing with such information. At the same time, each Group company formulates and releases a policy of its own in accordance with the Privacy Policy.

#### ■ Privacy Policy

The Privacy Policies of Tokio Marine Holdings and the Tokio Marine Group are posted on the pages below.

- ▶ [Tokio Marine Group Privacy Policy](#)
- ▶ [Tokio Marine Holdings Privacy Policy](#)



#### ■ Acquisition of External Certification

The Tokio Marine Group has acquired external certification for information security that includes the Privacy Mark and Information Security Management System (ISMS) certifications. These achievements recognize the initiatives taken within the Group to protect personal information. The Group intends to make continuous improvements and to strengthen further its information security management structure.

#### Status of acquiring external certifications related to information security

Group member company	Certification date	Certification
Tokio Marine & Nichido Communications	Mar. 2006	ISMS
Tokio Marine & Nichido Career Service	Jun. 2006	Privacy Mark
Tokio Marine & Nichido Systems	Aug. 2006 Dec. 2006	ISMS ITSMS*
Tokio Marine & Nichido Risk Consulting	Jun. 2007	Privacy Mark
Millea Mondial	Aug. 2007	Privacy Mark
Tokio Marine & Nichido Medical Service (Health Promotion Dept.)	Sep. 2007	ISMS

\*Third-party certification system on operational management of IT services (ISO/IEC 20000)

# Relations with Stakeholders

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- Relations with Customers
- Relations with Shareholders and Investors
- Relations with Agents
- Relations with Employees
- Relations with Local Communities and Society
- Relations with Suppliers

This e-CSR Report 2011 was produced based on information posted on the Company's website.



#### Relations with Customers

### Initiatives to Improve for quality of products and services

The Tokio Marine Group continuously seeks to enhance quality and convenience from a customer standpoint in accordance with the Group's corporate philosophy: "Through the provision of the highest quality products and services, the Tokio Marine Group aims to deliver safety and security to all its customers."

#### **Concept of quality of products and services in the Tokio Marine Group**

The Tokio Marine Group has earned high regard from its customers by providing products and services which are ahead of the times in accordance with the Group's corporate philosophy: "Through the provision of the highest quality products and services, the Tokio Marine Group aims to deliver safety and security to all its customers." From a medium- to long-term viewpoint, it is conceivable that social and economic changes such as the declining birthrate and aging population and global warming inside and outside Japan could give rise to new risks. In response to the diversifying needs of both individual and corporate customers in connection with such changes, the Tokio Marine Group will combine the capabilities of all Group member companies and will do its best to provide new products and services that anticipate the changing times and extend beyond the framework of conventional insurance products and services in areas such as the financial, medical and consulting fields.

#### **"Anshin Quality" and "Business Renovation Project"**

In order to realize the Group's corporate philosophy, Tokio Marine & Nichido designates specific quality standards that are indispensable for products and services provided to customers in terms of "Anshin Quality" and is promoting an array of initiatives to realize this.

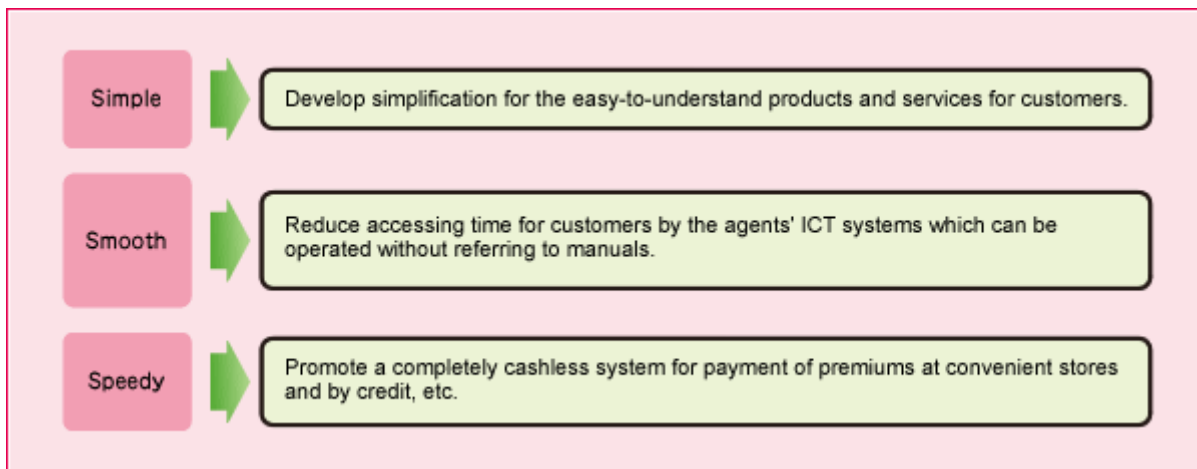
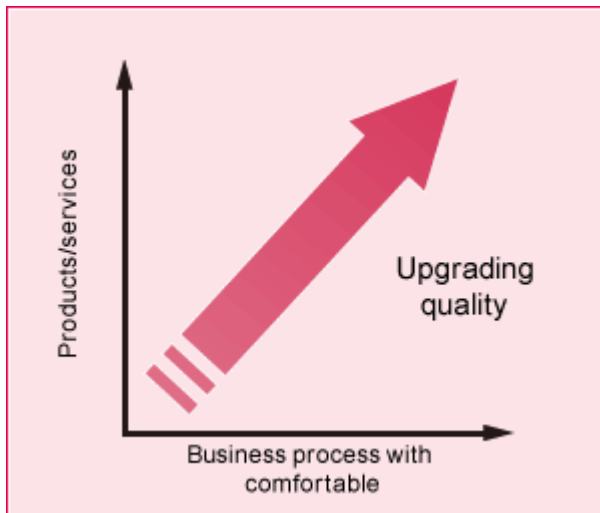
Specifically, in addition to enhancing the quality of products and services, we are also promoting the Business Renovation Project throughout the company based on the concept that quality enhancement can be truly achieved by "making all business processes more prompt and accurate at the time of providing products and services to customers, thereby earning a sense of comfort and trust from customers."

This project is aimed at realizing reform towards new ways of doing business for employees and agents in all processes from the signing of contracts to the payment of claims. Based on the fundamental concept of making complex insurance business practices simple, smooth and speedy to increase customer convenience, we have drastically revised our products, administrative procedures and systems to provide "simple and easy-to-understand products to customers," "quick administrative procedures in response to customers' needs" and "easy-to-operate systems for agents." At the same time, in the course of drastically revising the conventional ways of doing business, we have initiated such arrangements as the cashless payment of premiums and early notices of renewal, and our employees and agents have been proceeding with business steadily along these lines. In the future, we will further promote initiatives with the aim of achieving growth by securing stable product quality through business process reforms and the enhancement of product quality.



Improving quality = Improving products/services x Business process with comfort and accuracy

#### ■ Image of improving quality that Tokio Marine & Nichido is aiming for





#### For Improving Insurance Literacy

Tokio Marine & Nichido is pursuing the concepts of "easy-to-understand" based on customer feedback, including opinions. Accordingly, the company devised rules for creating forms that make customers feel at ease in order to make significant improvements to forms that customers can understand (fill out) by reading them by themselves. Forms that have been created from March 2007 onwards are based on these rules.

#### To Provide "Anshin Quality" of Claims Services to Customers

True value as an insurance company is questioned in the unlikely event that customers are involved in accidents. We consider that it is our mission to provide the highest quality claims services in such an eventuality.

Tokio Marine & Nichido designates specific quality standards that are indispensable for products and services provided to customers in terms of "Anshin (Reassuring) quality" and the company and agents are currently undertaking concerted efforts to thoroughly promote initiatives towards the realization of "Anshin (Reassuring) quality." When we receive accident notices, we utilize a system that verifies whether or not such an accident is covered under any other contracts that will allow payment for that accident, thereby providing claimants with information about the payments of claims. Specifically, in terms of auto insurance, we have introduced a system that has various functions according to which we cannot close the file until after we have paid all incidental claims without any omission. By means of this system and various types of training, we are now confident in making appropriate payment of claims to customers.

- Information regarding details of coverage and a list of possible claims payable will be sent to customers upon receipt of the notification of an accident and personnel in charge provide information on the amount of claims payable in an easy-to-understand manner.
- When insurance claims are paid, personnel in charge will explain in an easy-to-understand manner while also sending a statement of claims payable which not only verifies the amount but also provides a detailed breakdown.
- When insurance claims cannot be paid, we will inform customers of the reason both verbally and in written form in an easy-to-understand manner. Additionally, inquiries and claims from customers are accepted via an exclusive toll-free telephone line. Assistance by external specialists such as lawyers is also available via the Re-examination Request System\*.

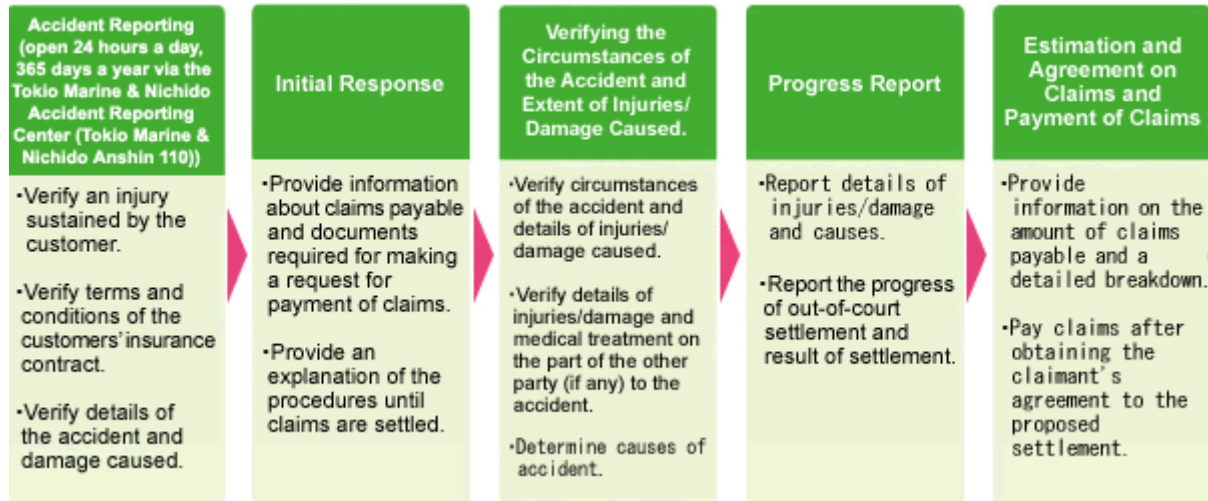


**\*Re-examination Request System(Tokio Marine & Nichido).**

In cases where customers do not concur with the decision made by the claims service bases that are involved with the payment of insurance claims, the Re-examination Request System can be used upon request by customers (including policyholders and insured persons). Under the Re-examination Request System, the Claims Service Examination Committee, which is a closed-door committee comprised of external specialists (doctors and lawyers), re-examines the decision made by the claims service base responsible for the case using re-examination request documents and materials submitted by relevant parties. The results are subsequently reported to customers who requested the re-examination via correspondence.

- ▶ [Tokio Marine & Nichido Re-examination Request System\(Japanese only\)](#)
- ▶ [Tokio Marine & Nichido Re-examination results by the Claims Service Examination Committee\(Japanese only\)](#)

#### ■ Claim Payment Procedures



### To Further Enhance Customer Reassurance

We are making efforts to eliminate customer anxiety through such means as Tokio Marine & Nichido Medical Service's free medical advice service, highly specialized services provided by each Group member company and accurate advice offered by affiliated lawyers, doctors and other experts.

▶ [Providing Value through Our Businesses -Medical Assist, Hospitalization Assist](#)

#### ■ Claims Service System in Japan (As of August 2011)

	Tokio Marine & Nichido	Nisshin Fire
Number of service bases	240	106
Staff	Approx. 9,700	1,062
Lawyers	Approx. 510	39
Consulting physicians	Approx. 130	11
Tax accountants /Accountants	Approx. 80	-
Number of automobile accident settlements reached (/year)	Approx. 2.68 million	Approx. 0.21 million

### Initiatives to Improve Quality of Products and Services through Manufacturing (Monozukuri) Theory

Since 2007, Nisshin Fire has been conducting joint research with the Manufacturing Management Research Center, Graduate School of the University of Tokyo in pursuit of enhancing quality from a customer standpoint by applying manufacturing (monozukuri) theory in the manufacturing industry to non-life insurance. The Service Planning Office within the Product Department was newly established in fiscal 2009 and has since carried out the planning of products and services that utilize the concept of monozukuri. For our new comprehensive auto insurance product You-Side (launched in April 2011), we revised the details of coverage and significantly revamped pamphlets by applying the know-how of monozukuri in the manufacturing industry in order to provide coverage details, contract procedures and product explanations that are easy-to-understand for customers. Additionally, we have also established standard operation processes in claims services response with the aim of further pursuing the "prompt and appropriate payment of insurance claims" by responding in accordance with these processes while also realizing services that will meet customer expectations.

### Quality Enhancement at Call Centers

Tokio Marine & Nichido established the Vendor Management Organization (VMO) for call centers of the entire Group and is working to enhance the quality of call center operations. From fiscal 2009, we have been working to build common IT infrastructures among call centers and are consecutively expanding the introduction in respective call centers to standardize call center operations and strengthen collaboration of call operations between centers. Additionally, in fiscal 2010, the company formulated the Tokio Marine Contact Center Operation Standards (CCST) as the Group's shared standards. These CCST clarify the standards and details of activities that should be accomplished to enhance quality so that each call center can be operated under the same evaluation standards with the aim of enhancing quality and providing homogeneous services to customers throughout the Group. Each call center is promoting initiatives to enhance customer services and improve operation processes based on the CCST standards.

### Strengthening Customer Services through the Multi-Access platforms

In order to address the diversified lifestyles and means of communication of our customers, Tokio Marine & Nichido is working to expand and upgrade customer contact points of contact, including agents, call centers and its company website (construction of the Multi-Access platforms). We will deliver greater security to customers by enabling them to select optimal access procedures tailored to their needs and circumstances.

At call centers, we are upgrading our structures to realize customer-oriented quality while also developing a system to share the details of customer inquiries among agents and respective corporate departments.

On our company website, we are offering functions that are available 24 hours for individual policyholders to conveniently manage their contracts (such as for verifying contract details or receiving changes to contract details) through such means as Internet services offering dedicated policyholder sites (Japanese only). We also offer functions for providing reassurance in the unlikely event of an accident (such as for receiving accident reports or verifying the response status of automobile accidents).

Going forward, we will consecutively expand and upgrade these initiatives based on customer feedback.





#### **"NTT Docomo's One-Time Insurance Products" via Mobile Phone**

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Based on the concept of "necessary coverage at anytime for a necessary period," NTT Docomo Inc. and Tokio Marine & Nichido launched the Docomo One-Time Insurance service that enables insurance products to be provided easily and safely anytime and anywhere via mobile phone. The service commenced in April 2010 with four kinds of product lineups for overseas travel insurance, domestic travel insurance, sports and leisure activities insurance, and golfer's insurance.

The procedures for subscribing are very simple without having to visit outlets or fill out application forms. Since information of mobile phone users will be entered automatically, this makes it possible for users to get insurance by simply entering a minimum of items. As for premiums payments, since the cost will be charged together with monthly mobile phone fees, there is no need to input account or credit card information or other relevant information. Additionally, Docomo automatically and promptly sends information via phone mail regarding One-Time Insurance to mobile phones with an auto-GPS capability when customers are at a place where they might feel the need for insurance, such as golf and ski resorts and airports, thereby offering services that enable completion of subscription procedures on-site.

We will continuously examine various aspects toward developing and providing new concept insurance products via mobile phones to further expand and upgrade one-to-one response for customers.

▶ [NTT DoCoMo One-Time Insurance](#)

**Addressing new services via Smartphone**

E.design Insurance Co., Ltd. which is a subsidiary, began offering various kinds of services for auto insurance via mobile phone and smartphone\* from April 2011.

With the launch of these services, policyholders can access the Internet via smartphones anywhere, anytime to use various services such as reporting accidents, verifying accident response status, making changes to contract details and renewal procedures. Additionally, customers who are considering applying for automobile insurance can also complete overall procedures via smartphones by requesting an estimate.

We received many responses from customers, including requests to further expand and upgrade services for smartphones. In the future, we will work to address customer needs by consecutively expanding services for smartphones, including corresponding handsets.

\* The term smartphone refers to a multifunctional handset with many functions including voice calls and Internet access.



▶ [E.design Insurance press release \(in Japanese\)](#)





#### Relations with Customers

## Response to Customer Feedback

Critical opinions and demands from customers are valuable assets for us to provide more quality services to customers. Based on the Group's common standards related to customer comments, each company of the Tokio Marine Group has formulated a response policy in order to develop a structure to utilize customer opinions for improving products and services.

### Tokio Marine & Nichido Customer Feedback Response Policy

- **Basic Philosophy**  
Tokio Marine & Nichido sincerely accepts and actively applies customer feedback to its corporate activities with customer trust as the basis of all of its business activities.
- **Basic Policy**
  - (1) We will proactively accept and appreciate customer feedback.
  - (2) We will undertake company-wide initiatives to take full responsibility for addressing customer feedback.
  - (3) We will utilize customer feedback to enhance the quality of our operations, including products and services.
  - (4) We will deliver greater "safety and security" based on customer feedback.

### Structure to Make Improvements Based on Customer Feedback

We are undertaking initiatives to improve products and services by sharing information about customer feedback gained through various tools such as surveys and needs perceived by employees and agents as they come in contact with customers. For example, Tokio Marine & Nichido, Tokio Marine & Nichido Life and Nisshin Fire enter such feedback into a unified management system that conforms to the ISO 10002 standard, which is set up on their respective intranets, in order to analyze customer feedback. This feedback is then utilized for various purposes such as the development and improvement of products, administrative work and systems. Additionally, Tokio Marine & Nichido conducts regular meetings with five consumer advisors in order to identify problems and improve the situation from external standpoints. These initiatives are helping to improve various aspects such as simplifying information materials or establishing toll-free telephone services exclusively for overseas travel insurance and claims.

### Self-Declaration of Compliance with the ISO 10002 standard

As a means of standardizing the quality of response toward customer feedback company-wide, Tokio Marine & Nichido and Tokio Marine & Nichido Life have reviewed operation systems in conformity with the ISO 10002 standard, the international complaint-management standard. Additionally, the companies were the first in the domestic financial industry to verify compliance with the standard in June 2007 and subsequently made an external announcement in July. We will continuously strive to enhance the quality of operations in terms of products and services and other relevant aspects based on customer feedback. Nisshin Fire also made a self-declaration of compliance with the ISO 10002 standard in July 2008.



### Websites for respective Group companies: Initiatives to respond to customer feedback (Japanese Only)

- ▶ [Tokio Marine & Nichido "In order to maintain customer trust"](#)
- ▶ [Nisshin Fire "Initiatives to respond to customer feedback"](#)
- ▶ [Tokio Marine & Nichido Life "Initiatives to respond to customer feedback"](#)



#### Gathering to Customer Feedback

Each Group member company is actively gathering to customer feedback through various means such as via customer surveys, customer consultation calls, consultation and inquiries sections on company websites, information gathering via agents and personnel in charge of sales. From the perspective of enhancing the transparency of initiatives regarding customer feedback, the number of feedback comments received, details of claims and examples of developing and improving products and services carried out based on such feedback are made public via company websites in greater detail.

Tokio Marine & Nichido is conducting surveys for policyholders in relation to auto insurance, fire insurance, super Insurance and medical insurance products. The aim is to validate whether the company is appropriately providing explanations regarding products or various kinds of supplementary insurance products and services as well as important terms, and verifying the intent and the scope of insurance coverage, including building structures.

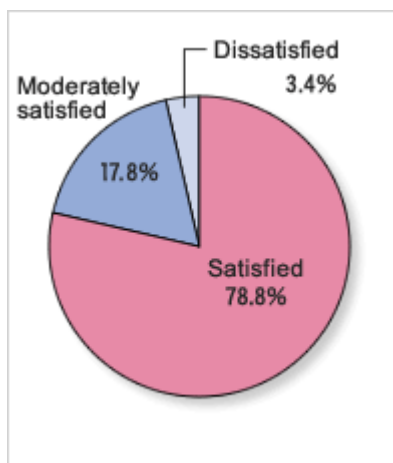
Tokio Marine & Nichido Life is obtaining customer feedback by enclosing surveys along with notices regarding contract details, insurance policies and other relevant documents that are sent to all policyholders once a year.

Nisshin Fire is obtaining evaluations or the level of satisfaction toward the company or agents from 3,000 customers who are randomly selected from among auto insurance policyholders. In fiscal 2010, 823 customers responded and opinions received are being utilized to enhance the quality of products and customer response. Additionally, initiatives are also being undertaken whenever necessary at the time of contract or payment of insurance claims by directly asking customers about their evaluation of the company and agents in terms of customer response. Surveys at the time of signing a contract are being conducted via the Internet while surveys during claims payment are conducted via mail. We are receiving responses from approximately 2,400 customers to these surveys on a monthly basis.

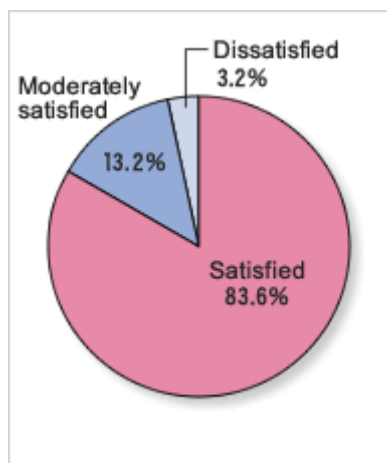
Customer Satisfaction (Fiscal 2010)

Tokio Marine & Nichido

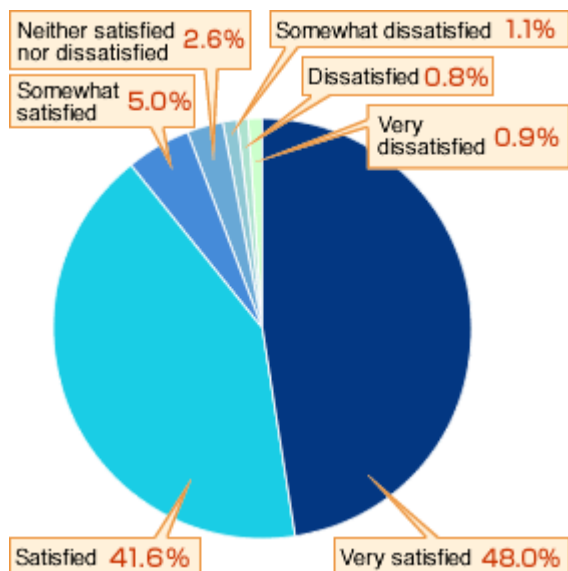
Overall Level of Satisfaction regarding Products and Services



Overall Level of Satisfaction regarding Contract Procedures

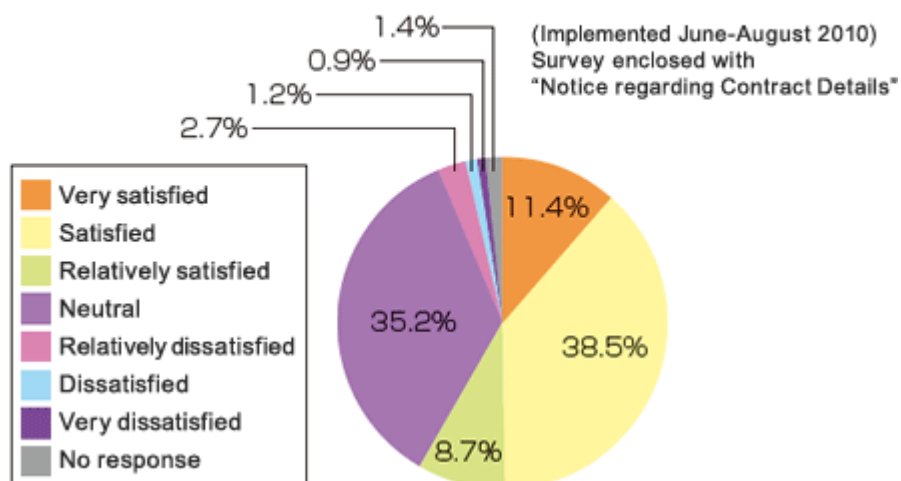


#### Results of Auto Insurance Survey: Level of Satisfaction regarding Overall Claims Services



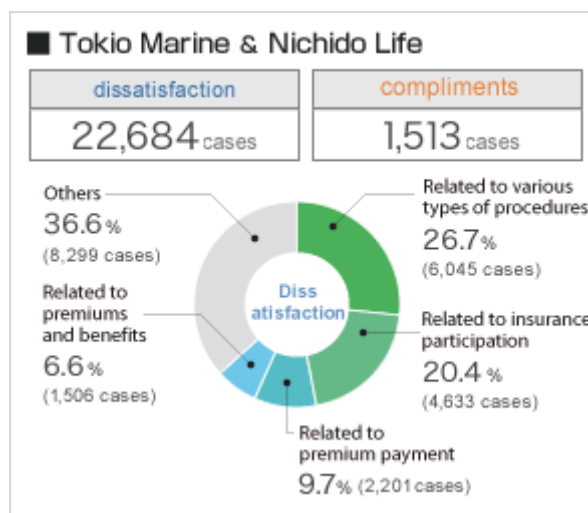
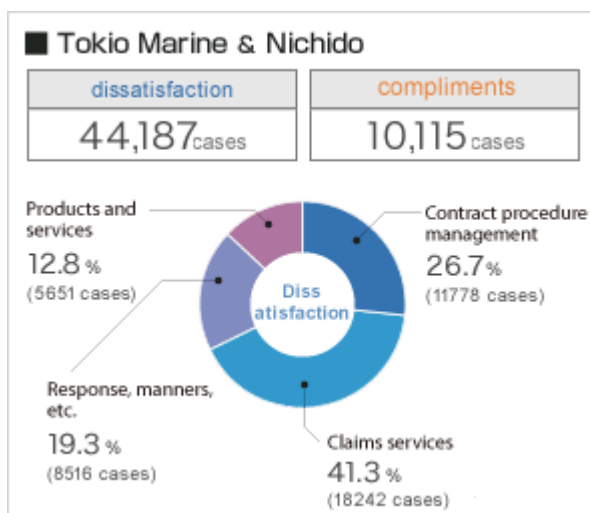
#### Tokio Marine & Nichido Life

To what extent are you satisfied by the enrollment of life insurance of Tokio Marine & Nichido Life?



A total of 37,314 persons responded to the fiscal 2010 survey enclosed with the Notice regarding Contract Details.

**Dissatisfaction Feedback**



**Status of customer feedback for respective Group company websites(Japanese Only)**

- ▶ [Tokio Marine & Nichido: "Overview of customer feedback"](#)
- ▶ [Nisshin Fire: "Response to customer complaints"](#)
- ▶ [Tokio Marine & Nichido Life: "Status of customer feedback"](#)

### Examples of Improvements Based on Customer Feedback (Fiscal 2010)

#### <Customer comments>

Policy documents for non-life insurance and life insurance are created separately even though I enrolled in Super Insurance. As a Super Insurance product, I wish that the documents are created so that the list of terms of non-life and life insurance can be fully understood.

#### <Details of improvement>

A list of contract details was newly established the list indicates what is covered under the term using a "≪Equot; mark or "≪Equot; mark for understanding the overall system of coverage for new Super Insurance, which is providing from October 2010.

Note: For policyholders who are already enrolled in Super Insurance, improvements will be made from the day when the contract becomes effective dated January 2012 onwards (planned).

#### Status of customer feedback for respective Group company websites(Japanese Only)

- ▶ [Tokio Marine & Nichido: "Development and improvement examples based on customer feedback"](#)
- ▶ [Nisshin Fire: "Examples of improvements that have been carried out based on customer feedback"](#)
- ▶ [Tokio Marine & Nichido Life: "Main items that have been developed and improved based on customer feedback"](#)

### Shared Value for Giving Consideration to Customers

At Tokio Marine & Nichido, although it is not tangible, we believe that giving careful consideration to customers first and foremost is a component of product quality of claims services. To this end, a booklet entitled "Kokorokara (From Our Hearts)" is distributed to all members engaged in claims services, including new employees who join the company each year. The booklet summarizes the values on which we place importance, including the shared ideas of all members involved with claims services for customers, working in harmony with colleagues and in pursuit of expertise. We hope to continuously hand down our purpose, pride and sincerity in claims services from a customer standpoint as part of our DNA.



#### Kokorokara Booklet

Cover page and inside text "We want to make our field of specialization the cultivation of human values. There is no end to the cultivation of human values."

Note: Japanese, English and Chinese versions are also available.



## Relations with Shareholders and Investors

Tokio Marine Holdings aims to be a company that earns the trust of shareholders and investors and realizes sound and highly transparent corporate governance by undertaking the disclosure of information and the exchange of opinions in a timely and appropriate manner.

### Toward Enhancement of Returns to Shareholders

Tokio Marine Holdings strives to enhance returns to shareholders through the payment of dividends and acquisition of treasury stocks, while also securing the collateral strength needed for sound business management.

Regarding dividends, we are maintaining stable dividends with a target payout ratio of 40%-50% of average core adjusted earnings\*. In fiscal 2010, the amount of total annual cash dividends was 50 yen per share with a dividend payout ratio of 55% versus average core adjusted earnings.

Additionally, acquisition of treasury stocks will be implemented flexibly by taking into account the market environment, capital status and business opportunities in a comprehensive manner.

\*Core adjusted earnings = Adjusted earnings from non-life, life and other businesses - Capital transactions including capital increases

▶ [See "Returns to Shareholders" for details.](#)





#### Information Disclosure and Investor Relations

The Tokio Marine Group is striving to enhance disclosure that is fair and easy to understand so that each stakeholder can quickly and accurately understand the current status of the Tokio Marine Group and future business development.

##### Disclosure Policy of the Tokio Marine Group

We aim to disclose meaningful information regarding the Tokio Marine Group that enhances management transparency and fairness in connection with our "Corporate Social Responsibility."

##### 1. Disclosure Policy

It is our policy to expeditiously disclose information in accordance with the Securities Listing Regulations stipulated by the Tokyo Stock Exchange.

We strive for timely, accurate and fair disclosure of other information that is relevant to our customers, shareholders and investors, representative offices and employees, as well as Japanese society at large.

##### 2. Disclosure Methods

Disclosure pursuant to the Tokyo Stock Exchange rules, regulations and other requirements is made through the Timely Disclosure network, or TDnet, as well as the press and other appropriate means. We subsequently post disclosed information on our website.

Other disclosure is made in a manner appropriate to the content of the relevant information.

##### 3. Disclaimer

Disclosure made based on this Disclosure Policy is intended to accurately, expeditiously and fairly inform the public regarding the Tokio Marine Group's activities and is not intended to constitute an investment offer or solicitation.

Adopted on November 30, 2004

Revised on September 29, 2010

### Proactive IR Activities

Tokio Marine Holdings carries out continual dialogue (investor relations) with shareholders, investors and securities analysts, with the President and other executives playing central roles.

In fiscal 2010, in addition to two briefings for institutional investors, a total of 155 meetings were held through visiting institutional investors overseas and a total of approximately 460 institutional investors were met with in Japan and around the world. Additionally, briefings were also held for individual investors.

Opinions and suggestions received via various types of briefing sessions, one-on-one meetings and other means are indispensable for realizing sound and highly transparent corporate governance. We truly value investors' opinions, and will continue to work to reflect such feedback in future operations.



Briefing for individual investors



IR Briefings for Individual Investors	October 2010: Implemented investor seminar hosted by a securities company in addition to a briefing for individual investors.
Briefings for analysts and institutional investors	Held financial results and investor relations briefings (twice annually) and appropriately held briefing sessions for institutional investors.
Briefings for overseas investors	Held a total of 7 briefings in the U.S., Europe and Asia, and implemented individual meetings for 155 overseas institutional investors.
IR materials posted on website	Posted information of financial results and disclosure materials besides financial results on <a href="#">the company website</a> in an appropriate and timely manner, as well as annual security reports, IR briefing materials and videos, and explanatory videos of preliminary reports regarding the monthly business results of principal subsidiaries.

Consequently, in November 2010 Tokio Marine Holdings won the IR Prime Business Award by the The Japan Investor Relations Association in recognition of these IR activities. The award was received following the IR Special Award in fiscal 2008.

Additionally, the Company website also was number one in the insurance industry for two consecutive years on Gomez Consulting Co., Ltd's "Investor Relations Web-Site Ranking 2011." It was also selected as the best site (ranked number one by business sector) in Nikko Investor Relations Co., Ltd. 's ranking of listed company websites.



#### Relations with Agents

### Working Together with Agents to Enhance Quality

To build partnerships based on trust and to provide "safety and security" that truly is based on customers' points of view, the company endeavors to mutually improve the quality of operations through smooth communication with agents.

#### The Roles of Agents in the Tokio Marine Group

In auto insurance and life insurance, for example, the roles of agents in the Tokio Marine Group are to protect customers from risks by providing various kinds of insurance products and services as intermediaries between customers and the insurance company. Agents are carrying out a broad range of consulting activities such as introducing optimal insurance tailored to the needs of each customer and quickly supporting customers to provide security for customers in the event of disasters or accidents.

For agents to be indispensable persons truly relied upon by customers, every member company of the Tokio Marine Group has been proceeding with initiatives directed toward its agents such as various kinds of training, the construction of administrative systems and management support.



#### **Working Together with Agents on Initiatives to Improve the Quality of Operations**

Tokio Marine & Nichido formulated quality standards for agent support capabilities that are expected from its employees specifically based on "Anshin (reassuring) quality," basic standards which are indispensable in terms of products and services provided to customers. At the same time, since 2007, we have been conducting dialogues with all agents and checks on the standard's satisfaction levels and working toward making improvements in applicable areas. From fiscal 2010, we have shifted toward "risk-based" initiatives, which promote improvements based on deficiencies of quantitative indices while also striving to steadily ensure quality in our daily operations. In doing so, we are working to enhance quality together with agents and expand customer support by ensuring "Anshin (reassuring) quality" for all customers.

Nisshin Fire has also established its "Customer Standards" for agent operations such as the procedures for concluding insurance contracts, an explanation of products and actions to be taken when an accident occurs, and has been proceeding with initiatives so that all its agents across Japan may provide customers with uniform and a high level of services. Additionally, although agents' commissions were conventionally determined by considering the level of contribution and other relevant factors in addition to the size of premiums written, Nisshin Fire drastically changed the structure, whereby the company will conduct an evaluation of "level of achievement of operations as an agent in terms of providing services and support for customers" to decide agents' commissions. In this respect, the company has shifted the concepts from "scale" to "function" and from "quantity" to "quality," thereby adopting an "agent commission system based on the customer's perspective" that is aimed at raising the quality of insurance sales.

### Sharing Information with Agents

Tokio Marine & Nichido is developing the agent's ICT system TNet\* in order to readily provide functions that are related to insurance administrative procedures as well as product information and sales tools that are necessary for agents as they respond to customers. In August 2009, as a means of enhancing the quality of customer response, we started to mutually share the records of responses between customers and agents, and between customers and customer centers. We will continuously endeavor to enhance communication between agents and Tokio Marine & Nichido through successive advancement of TNet to provide services that will further achieve customer satisfaction.



TNet top screen

\*TNet is an online agent system provided by Tokio Marine & Nichido since May 2008 with the intent of supporting agents in enhancing the quality of insurance business operations and increasing operational efficiency.

### Business Administration Management Support for Agents

Tokio Marine & Nichido is introducing Agent Compass as a business administration management support tool based on the difficult circumstances of agency managers to easily comprehend management issues and other relevant problems in line with a shift toward more complex operation processes accompanied by the growth in size and organizational development of agents. This compass serves as a management support model that enables agent management issues to be visualized using quantitative and objective indicators, analysis to be conducted on relevant issues and initiatives to be undertaken to resolve issues according to business processes. By centralizing support measures to resolve agents' management issues and incorporating all these mechanisms into the agent system TNet, we seek to further enhance communication with agents and employees and improve agents' quality of operations and customer services.

#### **Voice** Comments from Agents Promoting Initiatives to Enhance Quality

- Using the compass to realize visualization has enabled us to share within business offices our outlet's management issues and efforts to address these issues as well as the status of progress. At the same time, since we are also able to share these aspects with the company in a timely manner, it also leads to initiatives toward making improvements based on the same point of view.
- All members are undertaking initiatives under the slogan "Let's become the NO.1 Agent in Japan in terms of compass analysis indicators!" We aim to further boost customer satisfaction through this initiative since indicators are equivalent to the quality for increasing customer satisfaction.

(Agent in Toyohashi Branch Office, Aichi Prefecture; Miyachi Total Insurance Office)



#### Relations with Agents

### Education and Training Systems for Agents

In order to meet customer expectations and earn their trust so that customers are able to consult us about insurance with peace of mind, we support the development of professional human resources through a qualifications system and training programs.

#### Qualification Systems for Salespersonship

Tokio Marine & Nichido stipulates the condition that "agency owners must see to it that their salespersons finish a training course designated by the company" from the standpoint of realizing insurance sales activities that fulfill the standard of "Anshin (reassuring) quality." In addition to tests for salespersons of property and casualty insurance and the insurance products training system operated by the General Insurance Association of Japan, the company has also been making efforts to improve the quality of sales activities by having salespersons obtain qualifications and complete training as designated for individual products as well as building a New Salesperson Management System to manage sales qualifications, training records and other relevant matters according to each salesperson. We are promoting various measures to enhance the quality of salespersons such as by utilizing a system, whereby salespersons who have not acquired designated sales qualifications are unable to handle contracts.

## Provision of Training Programs for Agents

### Tokio Marine & Nichido Academy

In order to train agents and salespersons capable of satisfying the requirements of the standard of "Anshin (reassuring) quality," Tokio Marine & Nichido conducts the "Tokio Marine & Nichido Academy" training program covering a broad range of business knowledge such as product details, sales techniques, claim services and compliance. With regard to product details, in particular, this program has achieved a high level of educational efficiency by using moving visual images such as animations and videos which enable agents and salespersons to picture actual business scenes, as well as case studies and tests to check on what has been learned.



Screen shot of Tokio Marine & Nichido Academy

This program is available via TNet.

#### **Voice** Comments from Agents Who Utilized Tokio Marine & Nichido Academy

- Text and narrations using moving visual images in the Tokio Marine & Nichido Academy training program were practical, very easy to understand and useful.
- The content produced for the Tokio Marine & Nichido Academy training program consists of various items such as animation and illustrations, which were easy to understand for beginners as well. Practical examples using moving visual images are very useful for daily communication with policyholders. We hope to continue using these contents on a regular basis.





#### Tokio Marine & Nichido Life Training College

Tokio Marine & Nichido Life provides the "Tokio Marine & Nichido Life Training College" training program for life-insurance agencies who aim to develop professional insurance salespersons. In this program, for roughly five months, agency salespersons and life-insurance promoters take part together in group training and Web-based training, in which the most advanced training program has been adopted, while also carrying out practical activities on the front lines of business. These practical activities provide the latest programs for supporting the sales activities of participants, such as the adoption of "Antore Hiroba," a site where agencies can exchange information with each other. Also, the programs give salespersons opportunities to continue helping each other to improve their skills after the completion of their training, including follow-up training at branch offices.



Antore Hiroba

#### Agent Trainee System

Tokio Marine & Nichido and Nisshin Fire have established trainee systems for the development of their exclusive professional agents. As of the end of March 2011, 1,036 persons participate in the system of Tokio Marine & Nichido, learning highly professional knowledge and skills in areas such as insurance products and sales techniques over a period of 38 months. In addition to this group training across all outlets, practical education is also conducted through training by advisors in the workplace and on-the-job training as a means of nurturing excellent risk consultants.



## Relations with Employees

## Fair and Honest Personnel Affairs and Respect for Human Rights

The Tokio Marine Group aims to enhance employee motivation through promoting a transparent and fair personnel system. The Group also endeavors to realize a corporate culture in which all employees respect human rights through various initiatives such as human rights training.

### Fair and Honest Personnel Affairs

The Tokio Marine Group believes it essential that motivated and capable employees who possess a diverse sense of values should fully demonstrate their capabilities, regardless of gender, age, nationality or other attributes, to improve the quality of the products and services that we provide to customers. We are aiming to enhance employees' job satisfaction along with efforts to "continuously build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential" through a transparent and fair personnel system.

#### Basic Data

##### Number of employees (as of March 31, 2011)

Total number of employees	29,758
Domestic Group companies	24,193
Overseas Group companies	5,565 (Asia: 1,920; North and Central Americas: 3,100; Europe: 545)

##### Basic employee data (at Tokio Marine & Nichido as of March 31, 2011)

Average age:	40.7
Average years continuously employed:	10.5 years
Average salary:	Approx. 8,210 thousand yen



#### Respect for Human Rights

The Tokio Marine Group supports and respects the Universal Declaration of Human Rights and international labor standards as well as the OECD Guidelines for Multinational Enterprises.

Regarding respect for human rights, the entire Group is implementing initiatives in accordance with "respect and actively promote the recognition of human rights for all people," which is stipulated under the Tokio Marine Group CSR Charter.

Additionally, the 10 principles concerning human rights, labor, the environment and anti-corruption advocated by the United Nations Global Compact coincides with the Tokio Marine Group's own approach to CSR and the Tokio Marine Group CSR Charter. Accordingly, Tokio Marine Holdings supports and has participated in the United Nations Global Compact since 2005.

#### Establishment of Tokio Marine Global HR Policy

Amid the growing importance of overseas business, the Tokio Marine Group believes it essential to hire and nurture diverse personnel, regardless of nationality, age and gender at each Group company in respective countries and regions worldwide and develop an environment in which employees can fully exert their capabilities.

Tokio Marine Holdings established and clearly stated the Tokio Marine Global HR Policy (HR Policy) in December 2010 as a universal philosophy and concept for human resources (HR) shared by each Group company in respective countries and regions worldwide. The Company also held the Global HR Meeting in February 2011 together with HR department managers of principal Group companies, thereby seeking to share the concept and spirit indicated under the HR Policy, including "human resources being major assets," "respect diversity" and "provision of fair and equal opportunities."

Based on the spirit of this HR Policy, Tokio Marine Holdings and each Group company in respective countries and regions worldwide will promote and pursue the permeation of various personnel affairs measures, including employee training and support.

▶ [Global HR Policy](#)



#### Initiatives to Raise Awareness of Human Rights

Every year, each member company of the Tokio Marine Group holds human rights training in the workplace, in which all employees and other co-workers take part to build a dynamic corporate culture without discrimination or harassment. In addition, in seeking to achieve comfortable workplaces, the Group carries out preventative and enlightenment activities regarding sexual harassment and other forms of harassment by establishing a consultation service (hotline), which is staffed by internal and external specialists, based on the motto of "Never do it, Never let anyone do it, and Never overlook it."

#### Percentage of Human Rights Training Participants (Domestic Group Companies)

Fiscal 2009 (As of March 31, 2010)	Fiscal 2010 (As of March 31, 2011)
99.9%	99.9%



#### Relations with Employees

## Development of Human Resources

The Tokio Marine Group considers its employees to be its most valuable assets as the Group works toward achieving sustainable growth as a corporate group selected by customers for its quality. With this in mind, the Tokio Marine Group has been undertaking efforts to become a group truly trusted and supported by customers through creating "a corporate culture that encourages self-cultivation and the development of human resources." This is being accomplished through comprehensive employee training centered on on-the-job training and ongoing support for self-development.



#### Development of Human resources as Professionals

We are working to leverage the "Human Ability\*" of employees, which is very important for them to provide value to customers in selling intangible products such as insurance products and services.

\*Three elements that make up "Human Ability": Abilities as professionals, energies and to always think and act by putting yourself in the other party's shoes

#### The three elements that make up "Human Ability"

1. Abilities as professionals
2. Energies
3. Always think and act by putting yourself in the other party's shoes

Each of the Tokio Marine Group companies is building skill development programs and personnel systems appropriate for the characteristics of their respective offices.

Tokio Marine & Nichido has undertaken measures to develop its human resources by cultivating a culture in which every employee "continuously takes up the challenge of innovation from a customer perspective" and "identifies and solves problems through flexible thinking and a broad vision as an insurance professional." More specifically, interviews between supervisors and their staff are held four times a year to develop each employee's competencies (in behavior and thinking). At the interviews, employees share their career visions and personal strengths and weaknesses with supervisors. This is undertaken in combination with on-the-job training (OJT), off-the-job training (Off-JT) and self-development efforts.

In addition to a wide range of correspondence-based training activities, including Rank-Specific Training, Optional Training, Specialization Training and e-Learning services, Tokio Marine & Nichido offers an External Qualification Support System by providing financial assistance to employees who wish to earn such qualifications. The company also actively sends employees to training at business schools, law schools and other institutions both in Japan and around the world to develop personnel who possess a broad perspective, international sensibilities and a high degree of specialized knowledge. Tokio Marine & Nichido also works to enhance the career development of employees of Group member companies overseas through efforts including group training in their own countries and in Japan.

Human Resources Development Cycle (Tokio Marine & Nichido)



Job Request System

Tokio Marine & Nichido is implementing the Job Request System as a key system for maintaining and expanding the energies of its employees. Through this system, it works to enable employees to transfer into desired positions to the extent possible. This system includes internal recruiting, in which employees apply for positions indicated in advance, and area selection. Each of these leads to increased motivation and improved work skills by enabling employees to take the initiative in choosing their own positions. Additionally, "U-turn" transfers\*1 and "I-turn" transfers\*2 utilized by locally based employees are also functioning as support measures to promote and enable female employees to take active roles in the company.

\*1 "U-turn" transfers: A transfer in which regional employees not subject to relocation can be relocated temporarily to take on the challenge of utilizing their own aptitudes in jobs not available in their own localities, on the condition that they must return to their original localities after the temporary relocation.

\*2 "I-turn" transfers: A transfer in which employees not subject to relocation can continue working after changing localities due to reasons such as marriage or a spouse's relocation.

Job Request System (Tokio Marine & Nichido)

Fiscal year	Applicants	Approval
Fiscal 2010	271	99
Fiscal 2011	301	96



#### Relations with Employees

### Utilizing Diverse Human Resources

The Tokio Marine Group believes it essential that motivated and capable employees who possess a diverse sense of values should exert their capabilities to the full extent, regardless of gender, age, nationality or other attributes, to improve the quality of the products and services that it provides to customers worldwide. Specific initiatives per Training to the promotion of diversity group-wide include the promotion of employment of individuals with disabilities, promotion of female employee taking active roles, and creating a workplace in which older employees with a wealth of knowledge and experience can take active roles.

#### Promoting the Employment of Persons with Disabilities

Based on its vision to "broadly accept persons with disabilities without adhering to the statutory employment rate to become a corporate Group in which diverse personnel are working enthusiastically," the Tokio Marine Group is promoting the employment of persons with disabilities and working to achieve normalization (creating a workplace culture in which employees can exert their capabilities to the fullest regardless of disabilities). The percentage of employees with disabilities within the overall domestic Group stood at 2.09% as of June 1, 2011.

#### Promoting the Employment of Persons with Disabilities through a Special Subsidiary

In January 2010, we have established Tokio Marine Business Support Co., Ltd. with the aim of promoting the employment of persons with intellectual and developmental disabilities. The company hires employees centering on persons with intellectual and developmental disabilities who are considered to have less employment opportunities among persons with disabilities. The company is conducting operations that include document shipping, data input and processing, printing, production of name cards and wet shredder processing.

The company initially commenced operations with 54 executives and regular employees (including 34 persons with disabilities). In April 2011, Tokio Marine Business Support merged with Tokio Marine & Nichido Operations, which specializes in management, delivery and printing of business documents, and Tokio Marine & Nichido Corporation, the provider of office services which include sales of office supplies. As of July 1, 2011, 253 people (including 73 persons with disabilities) are working at bases in Tokyo, Osaka, Nagoya and Fukuoka.

Based on its management philosophy to (1) be an organization that provides support instead of being a support recipient, 2) be a company in which employees can have their dreams and take pride in, and 3) expand opportunities for taking active roles, the company is focusing on creating an environment in which employees can work enthusiastically with a sense of satisfaction. This is achieved through adopting various initiatives such as assigning work according to the suitability of each and every employee, implementing monthly individual interviews and making visual appeals of points to take note of or work processes using a whiteboard. Work quality is becoming more advanced as a result of conducting operations for nearly one year.

In the future, the company plans to broaden the field for persons with intellectual and developmental disabilities to take active roles by expanding operations through cultivating operations that could be outsourced from respective Tokio Marine Group companies.



**Voice**

Hiroyuki Okamoto, Tokio Marine Business Support

I am in charge of recovering waste paper by visiting each floor and saying hello to everyone and calling for recovery of waste paper in order to process and recycle waste paper in respective Group companies using wet shredders. I am delighted and feel a sense of satisfaction by thinking that I am contributing to the 100% recycling of paper. As for my colleagues at the workplace, I am keeping in mind to communicate according to each person so that we can both work comfortably.



**Employment of Persons with Disabilities as Part of a Measure to Enhance Work Satisfaction**

Since the merger in 2004, Tokio Marine & Nichido Systems Co., Ltd. is actively working to employ persons with disabilities, such as responding to barrier-free offices and hiring physically challenged persons as engineers. In 2008, we hired visually impaired persons and commenced internal massage services. In 2009, the company also launched an internal cafe, Smile Cafe, and Smile Office Service, which provides general administration services such as producing name cards and ordering stationery to promote the employment of persons with intellectual disabilities. By having opportunities for general employees and persons with disabilities to work together, synergetic effects are also being created in terms of gaining strength from each other and enhancing work satisfaction.





**Promoting Career Opportunities for Female Employees**

Given that about 50% of its employees are women, the Tokio Marine Group considers it important to make the most of their attributes and strengths, and to give them the opportunity to participate in a wider field of activities. This, in turn, improves our ability to respond to the diverse needs of customers. Based on the theme of "maximizing organizational capabilities," each domestic Group member company held the WOMEN & MEN'S FORUM 2010 in December 2010 to provide opportunities for creating a corporate culture in which female employees can take active roles and enable them to consider for themselves about their future career visions. Participated by approximately 250 Tokio Marine Group employees, the forum consisted of lectures by inviting external lecturers, group discussions by participants and group presentations. Additionally, off-site meetings were also held at the workplace level under the same theme of "maximizing organizational capabilities," thereby undertaking company-wide efforts to discuss various aspects to create a workplace that helps and supports women in taking active roles.

**Number of female managers (Tokio Marine Group as of July 1, 2011)**

Insurance business	Tokio Marine & Nichido	80
	Nisshin Fire	27
	Tokio Marine & Nichido Life	6
	Tokio Marine & Nichido Financial Life	28
	Millea Nihon Kosei SS Insurance	4
	E.design Insurance	1
Other businesses	Domestic Group total	40
<b>Total</b>		<b>186</b>



### System for Continued Employment for the Elderly Employees

The Tokio Marine Group considers actively promoting the employment of older members to be an important management issue in maintaining the sustainable growth of the Group as a whole. In addition to encouraging continuous self-advancement and changes in consciousness and behavior on the part of employees themselves, the Group intends to provide fields of activity in which employees can utilize their past experiences and strengths to generate new added value while maintaining high levels of motivation.

#### Numbers of employees using the system for continued employment (Tokio Marine Group as of July 1, 2011)

Tokio Marine & Nichido	312
Nisshin Fire	65
Tokio Marine & Nichido Life	14
Tokio Marine & Nichido Financial Life	2
Other	21
<b>Total</b>	<b>414</b>

### Promotion of Intercultural Communication

Amid the growing importance of overseas business, the Tokio Marine Group considers it essential to promote global communication by employing and nurturing diverse human resources in each Group company in respective countries and regions worldwide regardless of nationality, age and gender.

In July 2010, Tokio Marine Holdings established the Global Human Resources Group within the Company to strengthen human resources development and personnel affairs strategies from a global perspective.

In February 2011, the Company held the Global Human Resources Meeting by gathering human resources department managers in principal Group companies to discuss measures to strengthen cooperation between respective company human resources departments, human resources development common to the Group and personnel affairs strategies.

We will continue to actively incorporate the opinions and requests of Group companies in respective countries and regions worldwide while also promoting intercultural communication through expanding specific measures, including the global rotation of personnel and personnel training.

## Enhancement of Work Satisfaction

Each Group member company is working to create an environment in which employees can work enthusiastically.

Tokio Marine & Nichido Systems believes that employees' voluntary participation in the process of considering what can be done to make our workplace more comfortable will contribute to enhancing work satisfaction. On this basis, the "Waku Waku Workstyle" is being promoted as a company-wide effort.

"Waku Workstyle Office" is an activity, in which employees carry out initiatives by themselves by soliciting improvement ideas based on the concept of creating a workplace environment in which all employees, including persons with disabilities, can work with a sense of enthusiasm. Various ideas, whether they be small or major, have been realized to date. These include the establishment of signboards and library corners, the introduction of a free layout that allows moving desks freely and the establishment of the Future Center for developing creative discussions.

At the same time, we focused on system planning to enhance teamwork such as quickly introducing the mentor-mentee system. In recognition of these initiatives, we received the 22nd (fiscal 2009) JMA HRD Excellence Award (Japan Management Association) and were selected as a company that is a great place to work (as determined by the Great Place to Work® Institute Japan and published in Nikkei Business magazine) for the three consecutive years since 2008.

- Free Layout Office

Changes were made to offices by adopting movable desks and eliminating side file cabinets so that the layout of desks can be changed according to team meetings and work phases.

- Future Center

A conference room was established in a building located at a distance slightly away from the head office as a place to discuss issues that are difficult to resolve in daily workplaces in a cooperative and creative manner in a free-flowing atmosphere. Employees who have received facilitator training facilitate meetings to enable more effective discussions.

- Mentor-mentee system

Under this system, senior employees (mentors) from different departments offer advice and support young employees (mentees) to build relationships between supervisors and subordinates.





Relations with Employees

Work/Life Balance

In response to changes in the environments faced by families and local communities, the Tokio Marine Group has been working to achieve harmony between work and life from the perspective of creating a corporate climate in which employees respect each others' diverse values.

**Diverse and Flexible Style of Working**

As an initiative to support diverse and flexible working styles, the Group has established a range of systems including nursing care leave and volunteer work leave. The "I-Turn System" under Tokio Marine & Nichido's Job Request System has also been designed in consideration of flexible working styles.

\*"I-turn" transfers: A transfer in which employees not subject to relocation can continue working after changing localities due to reasons such as marriage or a spouse's relocation. The Tokio Marine Group supports the balance between work and childcare.

**Number of Employees Who Used the Systems (Domestic Companies Subject to Consolidation)**

	Fiscal 2009	Fiscal 2010
Nursing care leave	6	9
Volunteer work leave*	184	152

\* Results of Tokio Marine & Nichido only.

**Work/Life Balance Support**


The Tokio Marine Group supports the balance between work and childcare.

Tokio Marine & Nichido has introduced "8 packages of full childcare support" as a system for protecting motherhood and childcare support. In recognition of this system and the company's other proactive initiatives for employees' childcare support, Tokio Marine & Nichido received the Himawari Award 2010 in the corporate category from Himawari no Kai, a non-profit organization approved by the Cabinet Office, Government of Japan. Additionally, in October 2010, the company won the excellent prizes in both sections of the "equality promotion company section" and "family-friendly company section" by the Director of the Tokyo Labor Bureau at the 2010 Equality/Balance Promotion Company Commendation, which is hosted by Japan's Ministry of Health, Labor and Welfare. In February 2011, the company also received the Outstanding Award under the 2010 Nagoya City Childcare Support Company Certification and Commendation System, which is implemented by Nagoya City

At the same time, Tokio Marine & Nichido Life has been promoting the upgrade of systems such as enabling employees, who utilize the Life Balance System (Short Working Hours System), to set their working hours in 30-minute increments.

Additionally, in recognition of proactive initiatives for employees' childcare support, Tokio Marine & Nichido, Tokio Marine & Nichido Life and Tokio Marine & Nichido Systems were granted the "Next Generation Certification Mark (Kurumin)" subsequent to accomplishing the "General Business Owner Action Plan based on the Next Generation Nurturing Support Measures Promotion Law" by the Tokyo Labour Bureau.

**Number of Employees Who Used the Systems (Domestic Companies Subject to Consolidation)**

<b>Systems</b>	<b>Fiscal 2009(As of July 1, 2010)</b>	<b>Fiscal 2010(As of July 1, 2011)</b>
(1) Retiree rehiring system	0	26
(2) Maternity leave system	280	302
(3) Childcare leave system	400 (incl. 20 male employees)	505 (incl. 25 male employees)
(4) Short working hours system	327	414

In addition to the above-mentioned systems, Substitution by Full-Time Employees, Resumption of Work Support System, Support of Use of Babysitters and Partnered Childcare Centers (approximately 1,000 locations as of April 2010) and other systems have been established to support female employees who are raising children.

**Relations with Employees**
**Health Management**

Each member company of the Tokio Marine Group has been making efforts to build an environment in which employees can work with enthusiasm by providing both physical and mental health care for its employees.

**Health Management**

Each member company of the Tokio Marine Group establishes Health Management Offices and Health Consultation Offices with industrial physicians and nursing staff at main bases and carries out various measures such as measures for metabolic syndrome and helping persons to stop smoking.

**Rate of Employees who Received Health Check (Domestic Companies Subject to Consolidation)**

Fiscal 2009	Fiscal 2010
99.6%	99.9%

**Industrial Accidents (Domestic Companies Subject to Consolidation)**

	Fiscal 2009	Fiscal 2010
Occupational accidents	57 persons	60 persons
Commuting accidents	42 persons	52 persons

**Mental Health Care**

The Tokio Marine Group is actively promoting mental health measures by recognizing the importance of pursuing the maintenance and improvement of employees' mental health in terms of corporate management.

Tokio Marine & Nichido established the Basic Policy on Mental Health Measures, in which information related to mental health is posted on the internal intranet to promote self-management and line care. At the same time, initiatives are also undertaken to maintain a good workplace environment by posting stress check tools for measuring the level of mental health in the organization. Additionally, support is also provided by specialists both internally and externally, including mental health counseling by nursing staff and counselors.

Other Group companies, including Nisshin Fire, Tokio Marine & Nichido Life and Tokio Marine & Nichido Financial Life have also been working to deepen understanding of mental health matters by conducting mental health training while also developing counseling systems.

**Relations with Employees**
**Communication with Employees**

The Tokio Marine Group is working to vitalize internal, two-way communication through various occasions.

**Direct Dialogue between Employees and Executives**

With the goal of vitalizing communication between employees and executives, since fiscal 2006 Tokio Marine & Nichido has held offsite meetings known as "Wednesday dialogues." In fiscal 2010, 10 sessions were held in total, at the head office and in Sendai and Nagoya. A total of 300 people took part in these dialogues, which featured the frank exchange of opinions between employees and executives.



In addition, regarding dialogues with the president held during his visits to the front lines of business since fiscal 2007, a total of 5,387 employees participated, and a total of 196 persons have taken part in "Free Talks," in which executives in charge of the service departments visit the front lines.

Each of these programs has been evaluated highly as leading to an improvement in motivation through the direct communication of management's rationale and the directions in which the company is moving.

**Sound Labor-Management Relations**

Tokio Marine & Nichido builds strong relationships of trust by means of labor contracts concluded between the company and its labor union (approximately 15,000 members). The company conducts repeated negotiations and consultations with its labor union about a wide range of topics, from payroll and human resources systems and workplace health and safety to management policies, through such means as joint labor management conferences held nearly 35 times annually and daily consultations between permanent representatives. Additionally, Tokio Marine & Nichido is also conducting negotiations and consultations in a sincere manner with other labor unions in order to resolve respective issues.

**Labor Union Participation Rate(Domestic Group Companies)**

Fiscal 2009	Fiscal 2010
87.4%	81.1%



### CSR Communication Meetings

The Tokio Marine Group is holding CSR Communication Meetings across domestic subsidiaries to promote the exchange of opinions with employees, with the goals of deepening employees' understanding of CSR initiatives and penetrating these initiatives throughout the organization as well as reflecting these opinions in future CSR initiatives and measures. These meetings featured a straightforward exchange of opinions on the Tokio Marine Group's CSR initiatives and CSR activities conducted in respective workplaces. Comments received from participants included that "understanding CSR initiatives has led to increased motivation."

### "Family Day" for Families to Understand Employees' Work

Each member company of the Tokio Marine Group is holding Family Day, in which employee families are invited to the company to deepen understanding about the company and work tasks. At the Tokio Marine & Nichido head office and Shinjuku Building, the event consisted a puppet show and games to learn the relevance of insurance for handling various troubles such as traffic accidents. Tokio Marine Nichido Outsourcing Management and Tokio Marine & Nichido Life head office also provided an opportunity to enjoy experiencing the workplace through various events such as a workplace tour and name card exchange with the president. Comments received from family members who participated the event included that "it was a good opportunity for the children to think about their parents' work."





## Relations with Suppliers

The Tokio Marine & Nichido Group formulated the Group Code of Conduct and the Principle Transactions, which outlines the items that should be followed in terms of conducting transactions. In doing so, the Group and business partners will fulfill their social responsibilities while also mutually achieving sustainable development.

### Tokio Marine & Nichido Group Principle of Transactions

The Tokio Marine & Nichido Group conducts transactions based on the following policies and aims to realize sustainable development with business partners (purchasers and consignees) and to fulfill its social responsibilities.

#### 1. Compliance with laws, regulations and social norms

The Tokio Marine & Nichido Group complies with laws, regulations and social norms in every country and area when conducting transactions. We make every effort to reject relationships with anti-social forces and any undue claims from them.

#### 2. Promoting fair and honest transactions

The Tokio Marine & Nichido Group selects business partners in a fair and honest manner based on comprehensive consideration of compliance with laws, regulations and social norms, business conditions, reliability, environmental activities, quality and prices of products, services and certainty of delivery period, among others.

#### 3. Thorough information management

The Tokio Marine & Nichido Group thoroughly conducts appropriate management and protection of information acquired through business partners.

#### 4. Consideration for the environment

The Tokio Marine & Nichido Group promotes the purchase of products with the least impact on the environment (purchase of green products) and works in cooperation with business partners to promote the creation of a recycling-oriented society.

#### 5. Strengthening relationships of trust

The Tokio Marine & Nichido Group endeavors to build good partnerships based on trust through frequent communication with domestic and overseas business partners and mutually gaining a deeper understanding.

# Contributions to the Global Environment

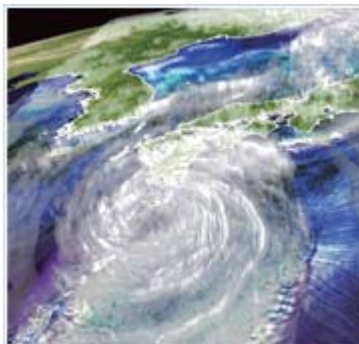
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- Response to Climate Change
- Preservation of Biodiversity

This e-CSR Report 2011 was produced based on information posted on the Company's website.

## Contributions to the Global Environment

### Response to Climate Change



We recognize that climate change and global warming are risks common to all humankind, which may have a significant impact on future generations, and are also risks that greatly affect our business activities in the fields of non-life insurance, life insurance and reinsurance. We seek ways to mitigate or adapt to climate change and measures to prevent global warming from every possible angle and accordingly fulfill our roles and responsibilities in society.

[Click here for details](#)



\*Refer to following links for the Group's main CSR issues related to "Response to climate change."

- [▶ Risk Research](#)
- [▶ Provision of Insurance Products and Services](#)
- [▶ Environmental Consulting](#)
- [▶ Environmental Investment](#)
- [▶ Reduction of Environmental Impact](#)
- [▶ Environmental Enlightenment and Social Contribution](#)

### ▶ Preservation of Biodiversity

The Tokio Marine Group is promoting initiatives for the preservation and sustainable use of biodiversity.

## Contributions to the Global Environment

**Preservation of Biodiversity**

The Tokio Marine Group is promoting initiatives for the preservation and sustainable use of biodiversity.

**Relationship with Biodiversity**

The Tokio Marine Group engages in global business, using paper, energy and other resources around the world. Our business therefore imposes a burden on the global environment. The insurance industry consumes large amounts of paper resources in particular, and we pay attention to the impact that we have on forest ecosystems.

The Tokio Marine Group is conducting the following programs in coordination with its stakeholders to reduce our burden on the global environment and biodiversity and help preserve biodiversity.

1. We endeavor to understand our relationship with biodiversity (benefits and impact) in our business activities, to reduce our impact on biodiversity and to preserve biodiversity.
2. We engage in educational activities on the preservation of biodiversity for the general public and work with our stakeholders to contribute to the development of a sustainable society.

**Participation in the "Promotion Partners" Program under "The Declaration of Biodiversity by Nippon Keidanren"**

Tokio Marine & Nichido supports The Declaration of Biodiversity by Nippon Keidanren and in January 2010 joined the Promotion Partners program under the declaration. Our business activities comply with the declaration and its behavioral guidelines.

▶ [The Declaration of Biodiversity by Nippon Keidanren \(Japanese only\)](#)

#### Contributing to the Preservation of Biodiversity through Our Businesses

##### "Green Gift" Project

###### (Summary of program)

Our Eco-friendly products and services enable us to contribute to protection of the global environment in partnership with our customers and agents.

Tokio Marine & Nichido encourages its customers to opt for Web-based insurance contracts (clauses), which are available for viewing on the Web instead of in paper form, for auto, fire and other insurance. In the Green Gift Project, every time a policyholder chooses this option, we donate funds for the planting of two mangrove saplings to a mangrove planting project.

###### (Program impact)

By choosing Web contracts, our customers help us to save paper resources. At the same time, they also help to reduce environmental impacts from paper production, transportation to the company, delivery to the customer and disposal as waste. In addition, Tokio Marine's contribution to a mangrove planting project provides various benefits to the Earth, because of the effectiveness of mangroves in preventing global warming and preserving ecosystems. We look forward to continuing this project in the future and to contributing to the conservation of paper resources, prevention of global warming and preservation of biodiversity.



▶ [Tokio Marine & Nichido "Green Gift" Project \(Japanese only\)](#)



#### Contributing to the Preservation of Biodiversity through Social Contribution Activities

##### Mangrove Planting Project

###### (Summary of program)

Since 1999, the Tokio Marine Group has been conducting a mangrove planting [plantation] project primarily in Southeast Asia, recognizing that mangroves are the "forests in the sea," an important component in protection of the global environment and conservation of ecosystems whose numbers have been depleted through large-scale deforestation. During the 11-year period to fiscal 2010, we planted 6,824 hectares in seven countries covering Southeast Asia, Fiji and India.

This project is conducted in partnership with the NGOs Action for Mangrove Reforestation (ACTMANG), The Organization for Industrial, Spiritual and Cultural Advancement-International (OISCA) and International Society for Mangrove Ecosystems (ISME).

###### (Relationship between mangrove planting and biodiversity)

Mangroves help to prevent global warming by absorbing and stabilizing large volumes of CO<sub>2</sub>. They also play the role of a levee, protecting people and the ecosystem from tsunamis and other natural disasters.

In addition, mangroves are known as the "cradle of life" for the key role that they play in nurturing rich ecosystems and serving as the source of the coastal food chain.

###### (Program impact)

"Mangrove" is a generic term for flora that thrives along tropical and subtropical coastlines and river mouths.

Mangroves are sometimes referred to as the "forests in the sea." They have many benefits for human beings and the Earth.

Mangroves absorb and stabilize large volumes of CO<sub>2</sub>, one of the factors in global warming, thus contributing to the prevention of global warming.

They also serve as natural levees to protect people from tsunamis and other disasters. Mangroves protected and saved the lives of many people from the tsunami that occurred in the Indian Ocean as a result of the earthquake off the island of Sumatra in December 2004.

The roots of mangrove trees also serve as a "cradle of life," providing a safe space where fish can spawn and small fish, crabs, shrimp and other animals thrive in a rich ecosystem.

Mangroves provide fishery and forest resources that are essential to the lives of local communities. The stability and improvement that they bring to living standards contribute to sustainable development of the area in which they are planted.

**Indian Ocean tsunami from the earthquake off the island of Sumatra in December 2004**



Mangrove planting area in Ranong, Thailand, in which the area behind the mangroves was protected from tsunami damage



Tale Nok near Ranong, Thailand, which did not have mangroves, was damaged by the tsunami.

**Ecosystem surrounding mangroves**



**"100-Year Mangrove Plantation" Declaration**

The Tokio Marine Group considers mangroves as "insurance for the future of the Earth" because they protect the planet and people's lives and bring benefits. We are committed to being involved in the mangrove planting project for 100 years.



▶ [Mangrove Planting Project](#)



### Green Lessons: The Mangrove Story

The Tokio Marine Group, together with its employees and agents, conducts environmental education via planting mangroves in addition to activities to enhance environmental awareness.

Since 2005, group employees and agents have served as lecturers, sent to elementary schools and schools for students with special needs throughout Japan under the environmental education program "Green Lessons: The Mangrove Story." By the end of March 2011, the program had taught approximately 30,600 children and students at approximately 440 schools about the prevention of global warming and preservation of biodiversity and ecosystems. Classes describe the impact that mangrove planting has on the preservation of ecosystems and teach the importance of preserving biodiversity.



- ▶ [Environmental education program "Green Lessons: The Mangrove Story"](#)

### Economic Benefits of Biodiversity and Ecosystems through Mangrove Planting (Thailand)

Research related to the economic impact of mangrove forests on biodiversity was reported in The Economics of Ecosystems and Biodiversity (TEEB) study, which was launched at the 10th Conference of the Parties to the Convention on Biological Diversity (COP10) in 2010. Based on the study results, Tokio Marine & Nichido conducted a preliminary calculation of the economic benefits of mangrove planting project in Thailand in cooperation with Ernst & Young ShinNihon Sustainability Institute Co., Ltd.

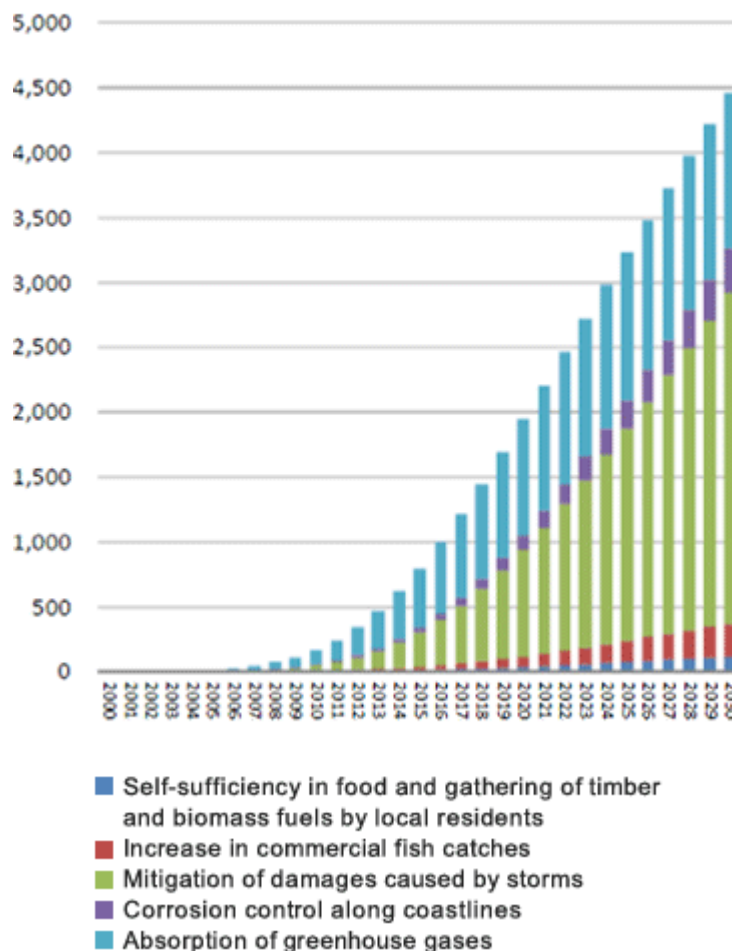


Tokio Marine & Nichido began planting trees in Thailand in 2000 and planted mangroves in a total area encompassing 1,016 hectares over a 11-year period up until fiscal 2010. During this period, we used details outlined in the TEEB study and relevant papers to estimate and compile the benefits effects by the respective items of "self-sufficiency in food and gathering of timber and biomass fuels by local residents," "increase in commercial fish catches," "mitigation of damages caused by storms," "corrosion control along coastlines" and "absorption of greenhouse gases."

As a result, the economic benefits amounted to a cumulative total of approximately 4.46 billion yen by 2030 (approximately 4.40 million yen per hectare over a total of 30 years from the commencement of mangrove planting). Additionally, the economic benefits for a single year will be increased to more than approximately 250 million yen in 2022, and although it will subsequently trend downward, the amount is expected to remain at a base level of approximately 240 million yen from 2030 onwards per year.

A report of the United Nations Environment Programme (UNEP) stated that the costs of mangrove planting amount to approximately 95,000 yen per hectare, which in turn, indicates that plantation can achieve various benefits on biodiversity in the long term.

**Total in Economic Benefit  
by Fiscal Year for Mangrove Planting  
from 2000 to 2010 in Thailand  
(Millions of yen)**



# CSR Library

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- Editorial Policy
- CSR Dialogue
- Key Performance Data
- GRI Content Index
- Recognition about ISO 26000
- External Assurance

This e-CSR Report 2011 was produced based on information posted on the Company's website.

## Editorial Policy for the “Tokio Marine Group CSR Report”

This CSR Report is intended to report on the principal CSR activities of the Tokio Marine Group in fiscal 2010 to customers and all other stakeholders.

From fiscal 2011, we have positioned our web-based report as a full report and will disclose detailed information. The content reported in the web-version of "Tokio Marine Group CSR Report" can be viewed as the e-CSR Report PDF. This report is issued in conjunction with CSR Booklet 2011(Only Japanese) "Change What Can Be Changed into Tomorrow's Strengths," which is intended to report on the Tokio Marine' Group's CSR activities in an easier-to-understand manner.



CSR Website



e-CSR Report 2011 PDF



CSR Booklet 2011 "Change What Can Be Changed into Tomorrow's Strengths" (Japanese Only)

The web- version e-CSR Report 2011 focuses mainly on the philosophy and direction of the Tokio Marine Group's CSR as well as on three key challenges (Providing Value through Our Core Businesses, Response to Climate Change and Relations with Local Communities and Society) and provides details as well as results data regarding initiatives taken for each stakeholder in these areas.

An economic report is issued in Tokio Marine Holdings Annual Report 2011.

▶ [Annual Report 2011](#)



#### Guidelines referred to in preparing this Report

- Global Reporting Initiative (GRI) Sustainability Reporting Guidelines 2006
- United Nations Global Compact "Guidelines for Communication on Progress (COPs)"
- ISO 26000 Guidance on Social Responsibility

#### Scope of this Report

##### Organizations covered in this Report

Fundamentally, this Report covers Tokio Marine Holdings and its principal domestic and overseas Group member companies.\*

\*Tokio Marine & Nichido, Nisshin Fire, Tokio Marine & Nichido Life, Tokio Marine Asset Management, etc.

##### Reporting period

This Report covers details of activities conducted primarily during fiscal 2010 (April 2010-March 2011). However, for the purpose of further clarification, on occasion, reference is made to activities undertaken outside the reporting period.

##### Principal changes during the reporting period:

None

#### Dates of publication (Japanese)

- Previous edition: August 2010
- Current edition: September 2011
- Next edition: August 2012 (planned)

## CSR Dialogue

The Tokio Marine Group invited prominent figures from among various fields and asked their opinions about the direction of the Group's CSR initiatives from a medium-term perspective. Some opinions offered by these experts are provided herein.

### Fiscal 2010 CSR Dialogue



**Participants (Affiliations and positions are as of the date of the convening of the dialogue.)**



Junko Edahiro  
Founder and President, e's Inc.



Yoshifumi Tajiri  
Director and Secretary General  
Specified Nonprofit Organization Japan NPO  
Center



Peter David Pedersen  
Chief Executive, E-Square Inc.



Yoshihiro Fujii  
Professor, Graduate School of Global  
Environmental Studies  
Sophia University



Shuzo Sumi  
President and Chief Executive  
Officer  
Tokio Marine Holdings, Inc.



Hiroshi Amemiya  
Executive Vice President  
Tokio Marine Holdings, Inc.



Tsuyoshi Nagano  
Managing Director  
Tokio Marine & Nichido Fire  
Insurance Co., Ltd.



## ■ 1. Approach to Strategic CSR

### Principal opinions of experts

**Fujii:** From the perspective of raising corporate value, the management team should strategically organize and clearly articulate to shareholders and other diverse stakeholders "How CSR will be integrated into corporate management" and "For what purpose CSR is being implemented." Management members are being asked to show their resolve in these areas.

**Edahiro:** As an example, I believe it is desirable to clearly demonstrate thinking that shows the company wants employees to go out into the community and raise various questions for the benefit of the community and for employees to grow through CSR. Also, it is important to provide support as a company when employees participate in volunteer activities.

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### Tokyo Marine Group Response

We believe that participation in CSR activities can raise employee motivation and vitalize communication as well as instill employees with pride in their company. This will also have a positive effect on our main businesses. CSR activities are also valuable opportunities for enabling such "realizations" among employees and we will consider the ways we convey our message to employees and the ways we provide support as a company.

## ■ 2. Approach to Global CSR

### Principle opinions of experts

**Pedersen:** To further deploy leadership globally, it is desirable to establish a global structure and Key Performance Indicators(KPI) of CSR.

**Edahiro:** I think your role in Japan is large, but on a global basis as well you should also fulfill the role of an industry leader in CSR as a representative of Asia.

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### Tokio Marine Group's Response

We will strengthen our global-based CSR management and will consider establishing global common quantitative targets (indexes) for CSR.

We will exercise leadership in the insurance industry through participation in UNEP FI (United Nations Environment Program Finance Initiative) and ClimateWise.



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### ■ 3. Innovative Initiatives

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#### Principle opinion of expert

**Pedersen:** Besides merely reducing CO<sub>2</sub> emissions and paper usage, I hope you will undertake environmentally conscious innovative initiatives, for example, total adoption of FSC-certified paper and investing in renewable energy.

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#### Tokio Marine Group's Response

Taking this opinion into consideration, we will promote initiatives for finding solutions to various social issues.

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### ■ 4. Solving Social Issues

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#### Principle opinions of experts

**Edahiro:** The type of awareness of such social problems as poverty and global warming as well as how these problems are addressed is the essence of CSR and this awareness will lead to the realization of "initiatives suited to that company." While cooperating with governments and NPOs, I hope to see the implementation of initiatives that lead to solutions to social problems.

**Tajiri:** In working toward resolving social issues, I think that a company should identify both what it is able and unable to do and then strengthen collaboration with NGOs in fields covered by these NGOs. In particular, when considering initiatives undertaken overseas such as BOP (Base/Bottom of Pyramid) business, maintaining communications with NGOs, which have a good understanding of local issues, is very effective.

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#### Tokio Marine's Response

In Asia, our Mangrove Planting Project is becoming a major pillar and we recognize that one of our tasks will be to make efforts over the medium term to promote environmentally conscious businesses and businesses that promote the advance of communities in the tree-planting regions.

For ISO 26000 as well, instead of undertaking simple volunteer activities, we are placing high importance on carrying out activities that contribute to resolving social problems in each region. Going forward, we will promote collaborative efforts (activities support and employee participation) with NPOs/NGOs and other organizations.

#### Responding to Opinions in the CSR Dialogue

As the aging of society and global warming become urgent social issues, we have begun working to find solutions to these issues through the "Green Gift" Project, the Movement to Protect Customers from Cancer and other initiatives. Taking into consideration the opinions received today, we will steadily expand initiatives that will help create solutions to these and other social issues. Concurrently, we will continue working to build a corporate culture in which employees are able to think, communicate and act independently.

Hiroshi Amemiya  
Executive Vice President  
Tokio Marine Holdings, Inc.

## Key Performance Data

Tokio Marine implements a variety of CSR measure.  
Here we provide principal CSR data for the Tokio Marine Group.

### Reporting Organizations/Reporting Period

Organizations covered: Covered by consolidated accounting (Tokio Marine Holdings and domestic and overseas group member companies)  
Reporting period: Report on results for fiscal 2010 (April 2010 - March 2011).

### Corporate Governance

For details, please refer to the "[Corporate Governance](#)." and the "[shareholder's Meeting](#)."

#### Items concerning organization composition and organization operation

Organization format	A company with auditors
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#### Relationship with Directors

Chairman of the Board of Directors	Chairman (except when concurrently serving as president)
Number of directors	11
Status of appointment of outside directors	Appointed
Number of outside directors	3
Number of outside directors designated as independent directors	3

**Relationship with Corporate Auditors**

Establishment of a Board of Corporate Auditors	Established
Number of corporate auditors	5
Status of appointment of corporate auditors	Appointed
Number of outside corporate auditors	3
Number of outside corporate auditors designated as independent directors	3

**Incentives**

Implementation of measures concerning the granting of incentives to directors	Introduction of a performance-based compensation system Introduction of a stock option system
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Compensation for full-time directors (including non-members of the Board) of Tokio Marine Holdings consists of three elements: fixed compensation, bonuses related to the business performance of the Company and the performance of the individual, and stock options. Compensation for part-time directors of Tokio Marine Holdings consists of two elements: fixed compensation and stock options. Compensation for corporate auditors of Tokio Marine Holdings consists of one element: fixed compensation.

The compensation system for directors (including non-members of the Board) and corporate auditors of the Company's principal business subsidiaries shall generally be identical to that applied to directors (including non-members of the Board) and corporate auditors of the Company.

Persons eligible for the granting of stock options	Internal directors, outside directors, employees, directors of subsidiaries, employees of subsidiaries
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Employees of the Company and its subsidiaries who are eligible for the granting of stock options are the executive officers of their respective companies.

**Matters Related to Compensation for Directors**

Disclosure of compensation for individual directors	Compensation disclosed only for some directors
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The amount of compensation is disclosed individually for directors whose total compensation, including consolidated compensation and others, exceeds 100 million yen.

Policies for determining compensation amounts and calculation method	Yes
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Basic policies for determining compensation for directors and corporate auditors of the Company and its principal business subsidiaries are as follows:

- Ensure "transparency," "fairness" and "objectivity" regarding compensation for directors (including nonmembers of the Board) and corporate auditors;
- Strengthen incentives for improving the business performance of the Company by introducing a performance linked compensation system;
- Enhance accountability through sharing returns with shareholders by introducing compensation system linked to meeting the Company's business results indices based on the management strategy and Company share price; and
- Fully implement a performance-based pay system through processes designed to objectively evaluate individual performance of directors (including non-members of the Board) with respect to management objectives.

In order to determine the level of compensation for directors (including non-members of the Board) and corporate auditors, the company shall set the standard of compensation for each position, depending on the responsibilities of directors (including non-members of the Board) and corporate auditors, and take the business performance of the Company and the level of compensation of other companies into consideration.

**Convening of the Board of Directors**

Number of times convened	10 times
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Supplementary note: Outside directors shall attend more than 8 of the 10 meetings. Corporate auditors shall attend more than 90% of the Company's Meeting of the Board of Corporate Auditors.



#### Investor Relations (IR) Related Information

IR information briefings for individual investors	IR information briefings for individual investors are convened by means of information briefings for individual investors (one time) and securities company investment seminars (two times).
Information briefings for analysts and institutional investors	We hold information briefings such as business results IR briefings (twice per year) for institutional investors.
Information briefings for overseas investors	We held these meetings seven times in the Americas, Europe and Asia and made a total of 155 individual company visits to overseas institutional investors.
Disclosure of IR materials on our website	Through <a href="#">our website</a> , we provide information on our business results, the timely disclosure of materials other than business results, securities reports, IR information briefing materials and videos, video commentary on flash reports of monthly business results of principal subsidiaries and other materials.

#### Compliance/Risk Management

##### Information Security

From the perspective of strengthening compliance, the Tokio Marine Group has acquired certification for information security that includes the Privacy Mark and Information Security Management System (ISMS) certifications.



Group member company	Certification date	Certification
Tokio Marine & Nichido Communications	Mar. 2006	ISMS
Tokio Marine & Nichido Career Service	Jun. 2006	Privacy Mark
Tokio Marine & Nichido Systems	Aug. 2006 Dec. 2006	ISMS ITSMS*
Tokio Marine & Nichido Risk Consulting	Jun. 2007	Privacy Mark
Millea Mondial	Aug. 2007	Privacy Mark
Tokio Marine & Nichido Medical Service (Health Promotion Dept.)	Sep. 2007	ISMS

\*Third-party certification system on operational management of IT services (ISO/IEC 20000)

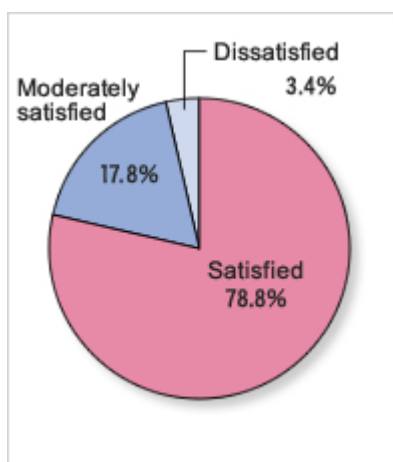
## Response to Customers

### Customer Survey (Fiscal 2010)

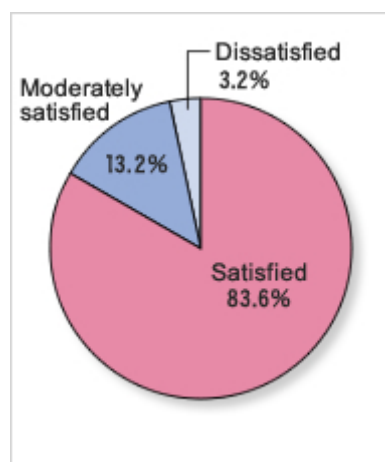
We implement surveys on a regular basis to ascertain customer satisfaction levels and gather customer opinions and requests. For reference purposes, we report on the results of surveys by Tokio Marine & Nichido and Tokio Marine & Nichido Life.

#### Tokio Marine & Nichido

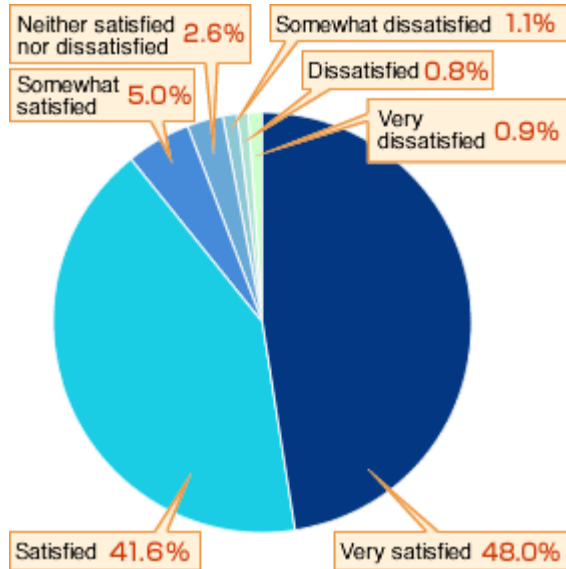
Overall Level of Satisfaction regarding Products and Services



Overall Level of Satisfaction regarding Contract Procedures

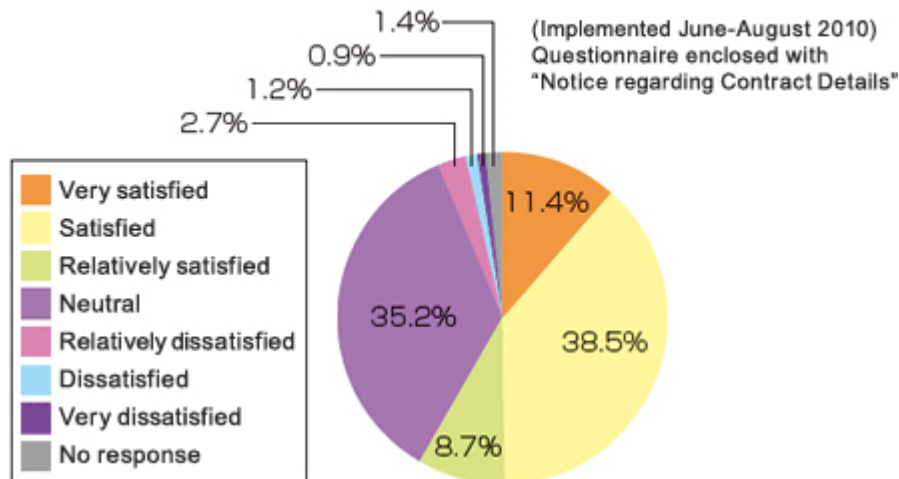


Results of Automobile Insurance Survey: Level of Satisfaction regarding Overall Claims Services 94.4%



#### Tokio Marine & Nichido Life

To what extent are you satisfied by the enrollment of life insurance of Tokio Marine & Nichido Life?







#### **Declaration of Conformity to Complaint Management System (ISO 10002\* Customer Satisfaction Standard)**

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To standardize the process for responding to "the opinions of customers," Tokio Marine & Nichido, Nisshin Fire & Marine and Tokio Marine & Nichido Life carry out business operations in conformance with ISO 10002 and we are confirming that each company is compliant with ISO 10002.

\*ISO 10002: International standard concerning complain management systems issued by the International Organization for Standardization (ISO).

**Environment (Tokio Marine Group)**
**Emissions of CO<sub>2</sub> from energy sources (estimate)**

- Companies covered: Domestic and overseas Group companies (companies subject to consolidated accounts)

**- Results**

FY2010
73,692 tons (reduction of 7.0% from the previous year)

**- Breakdown**

Scope 1	Direct	Gas, gasoline and others	17,231 tons	domestic: 13,790 tons overseas: 3,442 tons
Scope 2	Indirect	Electricity and others	52,147 tons	domestic: 43,800 tons overseas: 8,347 tons
Scope 3	Other	Business travel (by air)	4,314 tons	domestic: 2,645 tons overseas: 1,669 tons

- The subject, activities and CO<sub>2</sub> emission, removal volumes and retirement of emission credits are pursuant to ISO 14064-1 and the "Calculation, Reporting and Publication System for Greenhouse Gas Emissions based on the Act on Promotion of Global Warming Countermeasures." Scope 3 ("Business travel by air") shows data corresponding to 73.5% of the entire Group (on the basis of the number of employees).



Environmental Impact Data

(estimated figures)	Units	FY2010
Electricity consumption	1,000 kWh	138,196 (reduction of 2.7% from the previous year)
Gas consumption	1,000 m <sup>3</sup>	1,861 (reduction of 5.3% from the previous year)
Gasoline consumption	kℓ	5,515 (reduction of 1.1% from the previous year)
Business travel (by air)	1,000 Km	29,686
Paper consumption	t	10,637



#### - Data Calculation Method

CO<sub>2</sub> emission calculation organizational boundaries, activities boundaries, method of calculation and CO<sub>2</sub> emission factors refer to "ISO14064-1" and the "Mandatory Greenhouse Gas Accounting and Reporting System" based on the "Act on the Promotion of Global Warming Countermeasures."

### Environment (Tokio Marine & Nichido)

#### Emissions of CO<sub>2</sub> from Energy Sources

FY2010
45,234 tons (reduction of 8.3% from the previous fiscal year)

#### CO<sub>2</sub> Removal

FY2010			
CO <sub>2</sub> emissions 45,234 tons			
Scope 1	Direct	Gas, gasoline and others	9,363 tons
Scope 2	Indirect	Electricity and others	34,284 tons
Scope 3	Other	Business travel (by air)	1,587 tons
CO <sub>2</sub> removal 58,000 tons			
CO <sub>2</sub> removal through mangrove planting			58,000 tons



## Environmental Impact Data

(estimated figures)	Units	FY2010
Electricity consumption	1,000 kWh	96,365 (reduction of 7.6% from the previous year)
Gas consumption	1,000 m <sup>3</sup>	1,199 (increase of 11.4% from the previous year)
Gasoline consumption	kℓ	2,827 (reduction of 2.2% from the previous year)
Business travel (by air)	1,000 Km	5,825 (reduction of 70.1% from the previous year)
Water consumption	1,000 m <sup>3</sup>	347 (reduction of 6.2% from the previous year)
Paper consumption	t	7,624 (reduction of 19.7% from the previous year)
Waste	t	1,902 (reduction of 11.7% from the previous year)
Recycling rate	%	66 (change of ±0% from the previous year)

## (Note)

CO<sub>2</sub> emission calculation organizational boundaries, activities boundaries, method of calculation and CO<sub>2</sub> emission factors refer to "ISO14064-1" and the "Mandatory Greenhouse Gas Accounting and Reporting System" based on the "Act on the Promotion of Global Warming Countermeasures (Global Warming Countermeasures Law)."

"Removal by mangroves" refers to the clean development mechanism (CDM) of using forest sinks to store CO<sub>2</sub>.



## Human Rights and Labor

### Basic Data

#### - Number of employees (As of March 31, 2011)

Total number of employees	29,758
Domestic	24,193
Overseas	5,565 (Asia 1,920, North and Central Americas 3,100, Europe 545)

#### - Basic employee data (Tokio Marine & Nichido, as of March 31, 2011)

Average age	40.7
Average years continuously employed	10.5
Average salary	approx. 8,210 thousand yen

#### - Number of female managers (for the entire Tokio Marine Group in Japan as of July 1, 2011)

FY2009	FY2010
189 persons(% of all managers: 4.1%)	182 persons(% of all managers: 4.6%)

#### - Number of employees using the system for continued employment of older employees (domestic companies subject to consolidation)

FY2009 (as of July 1, 2010)	FY2010 (as of July 1, 2011)
272	414

#### - Rate of employment of persons with disabilities (domestic Group companies)

FY2009 (as of July 1, 2010)	FY2010 (as of July 1, 2011)
2.06%	2.09%



#### Protecting motherhood system

##### - Retiree rehiring system (domestic companies subject to consolidation)

FY2009	FY2010
0	26

##### - Maternity leave system (domestic companies subject to consolidation)

FY2009	FY2010
280	302

##### - Childcare leave system (domestic companies subject to consolidation)

FY 2009	FY 2010
400 (incl. 20 male employees)	505 (incl. 25 male employees)

##### - Short working hours system (domestic companies subject to consolidation)

FY2009	FY2010
327	414

**Others****- Rate of employees who received health check (domestic companies subject to consolidation)**

FY2009	FY2010
99.6%	99.9%

**- Industrial accidents (domestic companies subject to consolidation)**

	FY2009	FY2010
Occupational accidents	57	60
Commuting accidents	42	52

**- Nursing care leave system (domestic companies subject to consolidation)**

FY2009	FY2010
6	9

**- Labor union participation rate (domestic companies subject to consolidation)**

FY2009	FY2010
87.4%	81.1%

**- Human rights training participants (domestic companies subject to consolidation) of employees receiving training**

FY2009	FY2010
99.9%	99.9%

**- Job request system (Tokio Marine & Nichido)**

FY2010	FY2011
Applicants 271	Applicants 301
Approval 99	Approval 96



**- (Number of people using) Volunteer activity leave system (Tokio Marine & Nichido)**

FY2009	FY2010
184	152

**Social Contribution Activities****- Employee participation rate in volunteer activities (domestic companies subject to consolidation)**

FY2009	FY2010
44.6%	55.5%

**- Donations (including monetary and in-kind donations by employees and agents)**

Monetary donations	Approximately 722 million yen(includes disaster support of approximately 67 million yen for responding to torrential rainfall in the Amami region, an outbreak of foot-and-mouth disease in Miyazaki Prefecture, the Great East Japan Earthquake and others)
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**- Matching gift system (Tokio Marine Holdings and Tokio Marine & Nichido)**

FY2009	FY2010
1.8 million yen	31.3 million yen

## GRI Content Index

In this CSR Report, we provide information mainly about the Tokio Marine Group's CSR activities that have a high degree of importance and that are highly relevant as topics.

Item		Link
1. Strategy and Analysis		
	1.1	Statement from the most senior decisionmaker of the organization about the relevance of sustainability to the organization and its strategy.
	1.2	Description of key impacts, risks, and opportunities.
2. Organizational Profile		
	2.1	Name of the organization.
	2.2	Primary brands, products, and/or services.
	2.3	Operational structure of the organization.
	2.4	Location of organization's headquarters.
	2.5	Number and names of countries where the organization operates.
	2.6	Nature of ownership and legal form.
	2.7	Markets served.
	2.8	Scale of the reporting organization.
	2.9	Significant changes during the reporting period regarding size, structure, or ownership.

	2.10	Awards received in the reporting period.	<ul style="list-style-type: none"> <li>• <a href="#">External Evaluations and Awards</a></li> </ul>
3. Report Parameters			
	Report Profile		
	3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	<ul style="list-style-type: none"> <li>• <a href="#">Editorial Policy</a></li> </ul>
	3.2	Date of most recent previous report (if any).	<ul style="list-style-type: none"> <li>• <a href="#">Editorial Policy</a></li> </ul>
	3.3	Reporting cycle	<ul style="list-style-type: none"> <li>• <a href="#">Editorial Policy</a></li> </ul>
	3.4	Contact point for questions regarding the report or its contents.	<ul style="list-style-type: none"> <li>• <a href="#">e-CSR Report</a></li> </ul>
	Report Scope and Boundary		
	3.5	Process for defining report content.	<ul style="list-style-type: none"> <li>• <a href="#">Editorial Policy</a></li> <li>• <a href="#">Key CSR Issues of the Tokio Marine Group</a></li> </ul>
	3.6	Boundary of the report.	<ul style="list-style-type: none"> <li>• <a href="#">Editorial Policy</a></li> </ul>
	3.7	State any specific limitations on the scope or boundary of the report.	<ul style="list-style-type: none"> <li>• <a href="#">Editorial Policy</a></li> </ul>
	3.8	Basis for reporting on entities that can significantly affect comparability from period to period and/or between organizations.	-
	3.9	Data measurement techniques and the bases of calculations.	<ul style="list-style-type: none"> <li>• <a href="#">Reduction of Environmental Impact</a></li> </ul>
	3.10	Reasons for any re-statements of information provided in earlier reports.	-
	3.11	Significant changes from previous reporting periods in 3.6 or 3.9	Not Applicable
	3.12	Table identifying the location of the Standard Disclosures in the report.	<ul style="list-style-type: none"> <li>• <a href="#">GRI Content Index</a></li> </ul>
	3.13	Policy and current practice with regard to seeking external assurance for the report.	<ul style="list-style-type: none"> <li>• <a href="#">External Assurance</a></li> </ul>
4. Governance, Commitments and Engagement			
	Governance		

4.1	Governance structure of the organization.	• <a href="#">Corporate Governance</a>
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	• <a href="#">Members of Management</a>
4.3	State the number and gender of members of the highest governance body that are independent and/or non-executive members.	• <a href="#">Corporate Governance</a>
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	• <a href="#">Relations with Employees</a>
4.5	Linkage between compensation for management, and the organization's performance (including social and environmental performance).	• <a href="#">Corporate Governance</a>
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	• <a href="#">Corporate Governance</a>
4.7	Process for determining the qualifications, and expertise of the members of the highest governance body for the organization strategy on economic, environmental and social topics.	-
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	• <a href="#">Tokio Marine Group's CSR</a>
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance.	• <a href="#">Tokio Marine Group's CSR</a>
4.10	Processes for evaluating the highest governance body's own performance.	• <a href="#">Tokio Marine &amp; Nichido Corporate Value Index and CSR Index</a>
Commitments to External Initiatives		

	4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	<ul style="list-style-type: none"> <li>• <a href="#">Tokio Marine Group's CSR</a></li> <li>• <a href="#">CSR Dialogue</a></li> </ul>
	4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	<ul style="list-style-type: none"> <li>• <a href="#">Participation in External Initiatives</a></li> <li>• <a href="#">Environmental Enlightenment and Social Contribution/Participation in International Initiatives</a></li> </ul>
	4.13	Memberships in associations and/or national/international advocacy organizations:	<ul style="list-style-type: none"> <li>• <a href="#">Participation in External Initiatives</a></li> <li>• <a href="#">Environmental Enlightenment and Social Contribution/Participation in International Initiatives</a></li> </ul>
Stakeholder Engagement			
	4.14	List of stakeholder groups engaged by the organization.	<ul style="list-style-type: none"> <li>• <a href="#">Tokio Marine Group's CSR</a></li> <li>• <a href="#">CSR Dialogue</a></li> </ul>
	4.15	Basis for identification and selection of stakeholders with whom to engage.	-
	4.16	Approaches to stakeholder engagement.	<ul style="list-style-type: none"> <li>• <a href="#">CSR Dialogue</a></li> </ul>
	4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to them.	<ul style="list-style-type: none"> <li>• <a href="#">Key CSR Issues of the Tokio Marine Group</a></li> </ul>
5. Management Approach and Performance Indicators			
Economic	Aspect: Economic Performance		
	EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings,	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report</a></li> <li>• <a href="#">Collaborative Work with Local Communities and Society</a></li> </ul>

ENVIRONMENTAL		and payments to capital providers and governments.	
	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	<ul style="list-style-type: none"> <li>• <a href="#">Response to Climate Change</a></li> </ul>
	EC3	Coverage of the organization's defined benefit plan obligations.	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report 2011 (P.130-131)</a></li> </ul>
	EC4	Significant financial assistance received from government.	-
	Aspect: Market Presence		
	EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	-
	EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	<ul style="list-style-type: none"> <li>• <a href="#">Tokio Marine &amp; Nichido Group Principle of Transactions</a></li> </ul>
	EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	-
	Aspect: Indirect Economic Effects		
	EC8	Development and impact of infrastructure investments and services provided primarily for public benefit.	<ul style="list-style-type: none"> <li>• <a href="#">Creating Mangrove Forests</a></li> <li>• <a href="#">Collaborative Work with Local Communities and Society</a></li> </ul>
	EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	-
	Aspect: Environmental Performance		
	Aspect: Materials		
	EN1	Materials used by weight or volume.	<ul style="list-style-type: none"> <li>• <a href="#">Reduction of Environmental Impact</a></li> </ul>
	EN2	Percentage of materials used that are recycled input materials.	-
	Aspect: Energy		

EN3	Direct energy consumption by primary energy source.	• <a href="#">Reduction of Environmental Impact</a>
EN4	Indirect energy consumption by primary source.	• <a href="#">Reduction of Environmental Impact</a>
EN5	Energy saved due to conservation and efficiency improvements.	• <a href="#">Reduction of Environmental Impact</a>
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	-
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	• <a href="#">Reduction of Environmental Impact</a>
Aspect: Water		
EN8	Total water withdrawal by source	-
EN9	Water sources significantly affected by withdrawal of water.	Not Applicable
EN10	Percentage and total volume of water recycled and reused.	-
Aspect: Biodiversity		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not Applicable
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	• <a href="#">Preservation of Biodiversity</a>
EN13	Habitats protected or restored.	• <a href="#">Creating Mangrove Forests</a>
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	• <a href="#">Response to Climate Change</a>
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not Applicable

Aspect: Emissions, Effluent, and Waste		
EN16	Total direct and indirect greenhouse gas emissions by weight.	<ul style="list-style-type: none"> <li>• <a href="#">Reduction of Environmental Impact</a></li> </ul>
EN17	Other relevant indirect greenhouse gas emissions by weight.	<ul style="list-style-type: none"> <li>• <a href="#">Reduction of Environmental Impact</a></li> </ul>
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<ul style="list-style-type: none"> <li>• <a href="#">Reduction of Environmental Impact</a></li> </ul>
EN19	Emissions of ozone-depleting substances by weight.	-
EN20	NO, SO, and other significant air emissions by type and weight.	-
EN21	Total water discharge by quality and destination.	-
EN22	Total weight of waste by type and disposal method.	<ul style="list-style-type: none"> <li>• <a href="#">Reduction of Environmental Impact</a></li> </ul>
EN23	Total number and volume of significant spills.	Not Applicable
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not Applicable
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not Applicable
Aspect: Products and Services		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<ul style="list-style-type: none"> <li>• <a href="#">Creating Mangrove Forests</a></li> <li>• <a href="#">Response to Climate Change</a></li> </ul>
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not Applicable
Aspect: Compliance		



Social Performance Indicators	EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	Not Applicable
	Aspect: Transport		
	EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	<ul style="list-style-type: none"> <li>• <a href="#">Reduction of Environmental Impact</a></li> </ul>
	Aspect: Overall		
	EN30	Total environmental protection expenditures and investments by type.	-
	Labor Practices and Decent Work		
	Aspect: Employment		
	LA1	Total workforce by employment type, employment contract, and region.	<ul style="list-style-type: none"> <li>• <a href="#">About Tokio Marine Holdings</a></li> </ul>
	LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	<ul style="list-style-type: none"> <li>• <a href="#">About Tokio Marine Holdings</a></li> </ul>
	LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
	Aspect: Labor/Management Relations		
	LA4	Percentage of employees covered by collective bargaining agreements.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
	LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	-
	Aspect: Occupational Health and Safety		
LA6	Percentage of total workforce represented in formal joint management-worker health and	<ul style="list-style-type: none"> <li>• <a href="#">Key Performance Data</a></li> </ul>	

	safety committees that help monitor and advise on occupational health and safety programs.	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	<ul style="list-style-type: none"> <li>• <a href="#">Key Performance Data</a></li> </ul>
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
LA9	Health and safety topics covered in formal agreements with trade unions.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
Aspect: Training and Education		
LA10	Average hours of training per year per employee by gender, and by employee category.	-
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
LA12	Percentage of employees receiving regular performance and career development reviews.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
Aspect: Diversity and Equal Opportunity		
LA13	Composition of governance bodies and breakdown of employees per category according to indicators of diversity.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
LA14	Ratio of basic salary of men to women by employee category.	-
Human Rights Performance Indicators		
Aspect: Investment and Procurement Practices		
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights	-

	concerns, or that have undergone human rights screening.	
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	-
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
Aspect: Non-discrimination		
HR4	Total number of incidents of discrimination and corrective actions taken.	Not Applicable
Aspect: Freedom of Association and Collective Bargaining		
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Not Applicable
Aspect: Child Labor		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Not Applicable
Aspect: Forced and Compulsory Labor		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Not Applicable
Aspect: Security Practices		
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning	-

aspects of human rights that are relevant to operations.		
Aspect: Indigenous Rights		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not Applicable
Society Performance Indicators		
Aspect: Local Communities		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	-
Aspect: Corruption		
SO2	Percentage and total number of business units analyzed for risks related to corruption.	-
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	• <a href="#">Compliance</a>
SO4	Actions taken in response to incidents of corruption.	-
Aspect: Public Policy		
SO5	Public policy positions and participation in public policy development and lobbying.	-
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	-
Aspect: Anti-Competitive Behavior		
SO7	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	Not Applicable
Aspect: Compliance		
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	Not Applicable

Product Responsibility Performance Indicators		
Aspect: Customer Health and Safety		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not Applicable
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not Applicable
Aspect: Product and Service Labeling		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Not Applicable
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not Applicable
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Customers</a></li> </ul>
Aspect: Marketing Communications		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Customers</a></li> </ul>
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion,	Not Applicable

and sponsorship by type of outcomes.		
Aspect: Customer Privacy		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Customers</a></li> </ul>
Aspect: Compliance		
PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	Not Applicable

Sustainability Reporting Guidelines & Financial Services Sector Supplement/td>

Item		Link
Aspect: Product Portfolio		
FS1	Policies with specific environmental and social components applied to business lines.	<ul style="list-style-type: none"> <li>• <a href="#">Response to Climate Change</a></li> <li>• <a href="#">Creating Mangrove Project</a></li> </ul>
FS2	Procedures for assessing and screening environmental and social risks in business lines.	<ul style="list-style-type: none"> <li>• <a href="#">Response to Climate Change</a></li> </ul>
FS3	Processes for monitoring clients Eimplementation of and compliance with environmental and social requirements included in agreements or transactions.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Customers</a></li> <li>• <a href="#">Relations with Suppliers</a></li> </ul>
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	<ul style="list-style-type: none"> <li>• <a href="#">Key CSR Issues of the Tokio Marine Group</a></li> <li>• <a href="#">Collaborative Work with Local Communities and Society</a></li> </ul>
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	-
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report</a></li> </ul>

FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	-
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	-
Aspect: Audit		
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	-
Aspect: Active Ownership		
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	-
FS11	Percentage of assets subject to positive and negative environmental or social screening.	-
FS12	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	-
Aspect: Community		
FS13	Access points in low-populated or economically disadvantaged areas by type.	-
FS14	Initiatives to improve access to financial services for disadvantaged people.	<ul style="list-style-type: none"> <li>• <a href="#">Response to Climate Change</a></li> </ul>
Aspect: Product and Service Labelling		
FS15	Policies for the fair design and sale of financial products and services.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Customers</a></li> </ul>
FS16	Initiatives to enhance financial literacy by type of beneficiary.	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Customers</a></li> </ul>

## Recognition about ISO 26000

ISO 26000, the international standard concerning the social responsibility of organizations, was issued in November 2010. Based on ISO 26000 standard, the Tokio Marine Group is confirming a review of its CSR and this standard is helping the Group improve its CSR.

Below are website links to the pages introducing the Tokio Marine Group's initiatives for addressing issues described in ISO 26000 standard.

### Core issues in ISO 26000 and the Tokio Marine Group's Initiatives

Core issues	Organizational governance	
		<ul style="list-style-type: none"> <li>• <a href="#">CSR Promotion Structure</a></li> <li>• <a href="#">Management</a></li> </ul>
Core issues	Human rights	
Issue 1	Due diligence	<ul style="list-style-type: none"> <li>• <a href="#">Tokio Marine Group's Approach to CSR</a></li> <li>• <a href="#">Participation in External Initiatives - The United Nations Global Compact</a></li> <li>• <a href="#">Management - Compliance</a></li> <li>• <a href="#">Relations with Employees - Fair and Honest Personnel Affairs and Respect for Human Rights</a></li> </ul>
Issue 2	Human rights risk situations	
Issue 3	Avoidance of complicity	
Issue 4	Resolving grievances	
Issue 5	Discrimination and vulnerable groups	
Issue 6	Civil and political rights	
Issue 7	Economic, social and cultural rights	
Issue 8	Fundamental principles and rights at work	





<b>Core issues</b>	<b>Labour practices</b>	
Issue 1	Employment and employment relationships	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Employees</a></li> </ul>
Issue 2	Conditions of work and social protection	
Issue 3	Social dialogue	
Issue 4	Health and safety at work	
Issue 5	Human development and training in the workplace	
<b>Core issues</b>	<b>The environment</b>	
Issue 1	Prevention of pollution	<ul style="list-style-type: none"> <li>• <a href="#">Response to Climate Change</a></li> <li>• <a href="#">Contribution to the Global Environment</a></li> </ul>
Issue 2	Sustainable resource use	
Issue 3	Climate change mitigation and adaptation	
Issue 4	Protection of the environment, biodiversity and restoration of natural habitats	
<b>Core issues</b>	<b>Fair operating practices</b>	
Issue 1	Anti-corruption	<ul style="list-style-type: none"> <li>• <a href="#">Tokio Marine Group's Approach to CSR</a></li> <li>• <a href="#">Management - Compliance</a></li> <li>• <a href="#">Relations with Suppliers</a></li> </ul>
Issue 2	Responsible political involvement	
Issue 3	Fair competition	
Issue 4	Promoting social responsibility in the value chain	
Issue 5	Respect for property rights	



<b>Core issues</b>	<b>Consumer issues</b>	
Issue 1	Fair marketing, factual and unbiased information and fair contractual practices	<ul style="list-style-type: none"> <li>• <a href="#">Relations with Customers</a></li> <li>• <a href="#">Management - Information Security</a></li> </ul>
Issue 2	Protecting consumers' health and safety	
Issue 3	Sustainable consumption	
Issue 4	Consumer service, support, and complaint and dispute resolution	
Issue 5	Consumer data protection and privacy	
Issue 6	Access to essential services	
Issue 7	Education and awareness	
<b>Core issues</b>	<b>Community involvement and development</b>	
Issue 1	Community involvement	<ul style="list-style-type: none"> <li>• <a href="#">Collaborative Work with Local Communities and Society</a></li> </ul>
Issue 2	Education and culture	
Issue 3	Employment creation and skills development	
Issue 4	Technology development and access	
Issue 5	Wealth and income creation	
Issue 6	Health	
Issue 7	Social investment	



## External Assurance

The Tokio Marine Group has received assurance from an external institution for the Tokio Marine Group e-CSR Report (Fiscal 2011 Version), with the aim of further raising the level of communication with stakeholders. By obtaining this assurance, we will work to raise the quality of the Tokio Marine Group's CSR reporting.

## Independent assurance report

13 October 2011

Mr. Shuzo Sumi

President  
Tokio Marine Holdings, Inc.

### 1. Purpose and scope of our assurance engagement

We have performed certain assurance procedures, based on the engagement with Tokio Marine Holdings, Inc. (the "Company"), on the Company's Key CSR Performance Indicators. These comprise the material CSR information<sup>1</sup> of the Company and its major subsidiaries for the year ended 31 March 2011 that was reported in the Tokio Marine Group e-CSR Report 2011 (the "CSR Report"). The assurance procedures are with respect to whether the key CSR performance indicators have been measured and calculated accurately and whether material information has been fully disclosed in accordance with the reporting standards for the CSR Report<sup>2</sup>.

The preparation of the CSR Report is the responsibility of the Company's management. Our responsibility is to express an independent opinion on the Key CSR Performance Indicators.

### 2. Outline of the assurance procedures performed

We have performed limited assurance procedures<sup>3</sup> in accordance with the 2003 International Standard on Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information of the International Federation of Accountants (IFAC) and the 2009 Practical Guidelines for the Assurance of Sustainability Information of the J-SUS. Therefore, our assurance engagement provides relatively limited assurance compared to a reasonable assurance engagement.

### 3. Conclusion

Based on the assurance procedures performed, nothing has come to our attention that causes us to believe that the Key CSR Performance Indicators have not been measured and calculated accurately in accordance with the reporting standards of the CSR Report or that material information has not been disclosed, in all material respects.

### 4. Independence

Our assurance is compliant with the Ethics Regulations of J-SUS and there is no financial interest between the Company and us.

Akihiro Nakagome  
Representative Director  
Ernst & Young ShinNihon Sustainability Institute Co., Ltd.

<sup>1</sup> The scope of material CSR information is stipulated in the 2011 Sustainability Reporting Assurance and Registration Criteria of the Japanese Association of Assurance Organizations for Sustainability Information (J-SUS).

<sup>2</sup> The reporting standards refer to the 2007 Environmental Reporting Guidelines of Japan's Ministry of the Environment, the 2006 Sustainability Reporting Guidelines of the Global Reporting Initiative (the GRI), and the 2011 Sustainability Reporting Assurance and Registration Criteria of J-SUS in the context of specifying the material subject to disclosure.

<sup>3</sup> We have mainly reviewed and assessed the Company's procedures for the collection and aggregation of data, performed analytical procedures, as well as recalculated and reconciled them with the corroborating evidence on the quantitative sustainability information on a test basis. In addition, we have mainly made inquiries and reviewed related records to verify the qualitative information.