



TOKIO MARINE



Sustainability Report **2013**

TOKIO MARINE GROUP

Tokio Marine Holdings

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Sustainability Report 2013
Message from the President

Message from the President



With customer trust as the foundation of all its corporate activities, Tokio Marine Group aims to contribute to the realization of a sustainable society by utilizing its wisdom and experience accumulated over many years in the insurance business and providing safety and security to its customers and society through its business activities. In recent years, large-scale natural disasters have occurred around the world, including the Great East Japan Earthquake, floods in Thailand and Hurricane Sandy in the United States. We devoted full strength of the Group to make insurance claims payments and to expedite recovery. Through these experiences, I once again affirmed the crucial role that the insurance business plays in helping customers rebuild their lives and business activities. However, even in the absence of disasters, the world faces a variety of environmental, social and governance (ESG) issues such as environmental and energy problems, low birthrates and aging societies (a rising need for medical and nursing care), poverty, traffic accidents, among others. Tokio Marine Group will work to earn further trust from its customers and society and contribute to the resolution of ESG issues through protecting customers by way of providing insurance and financial services, and protecting the future of the planet by exercising ecological activities including the iconic Mangrove Planting Project.

Initiatives for the Environment

Tokio Marine Group has been conducting research on climate change and natural disaster risk in collaboration with The University of Tokyo since 2005 and Nagoya University since 2007; research on earthquake and tsunami risk through an industry-academia collaboration agreement with Tohoku University formed in July 2011; and research on water disaster risk under future climate conditions in collaboration with Kyoto University since October 2012. Through industry-academia collaborative research with these world class research institutions, we will enhance scientific knowledge of climate change and natural disaster risk to contribute to improving disaster prevention and reduction capabilities around the world and building a safe, secure and resilient society.



Moreover, to reduce environmental burden, in addition to efforts at Group companies in Japan and overseas to conserve electricity and other types of energy and to reform various processes including the move to paperless operations, the Group is continuing the Mangrove Planting Project. This project, which commenced in 1999, is now in its 15th year, and 7,993 hectares of mangrove have been planted during this period. Mangroves slow the progress of global warming by absorbing and stabilizing a large amount of CO₂ and function as a embankment to protect communities from storm surges and tsunamis. They also provide the fruits of nature such as fishery and forest resources that are indispensable to the lives of local residents and help to stabilize and improve their lives. Tokio Marine Group aims to continue this undertaking to protect the future of the planet for 100 years.

Initiatives for Society

Tokio Marine Group provides various insurance and financial services and conducts social contribution activities so that people can live in safety and with a sense of security. With regard to insurance initiatives, in January 2012 we commenced sales of a lump-sum payment rider for auto insurance in case of total vehicle loss from an earthquake, volcanic eruption or tsunami. The rider is aimed at ensuring that customers suffering damage in an earthquake have a means of transportation, which is essential in their everyday lives. Also in January 2012, we launched *One Day Auto Insurance*, which is aimed at reducing auto accidents involving uninsured drivers by encouraging young drivers who do not own vehicles to sign up for insurance. We also promote activities that contribute to the realization of a safe and secure society including providing support for the Pink Ribbon Movement (a campaign for communicating the importance of the early detection of breast cancer) and holding Green Lessons and Disaster Prevention Lessons for children in elementary schools, who will shoulder the future of the planet. In our efforts toward rebuilding after the Great East Japan Earthquake, we will continue to provide support in various forms including our involvement in restoration project of the coastal forests of Tohoku region promoted by a non-governmental organization (NGO).

Initiatives for Governance

In 2005, Tokio Marine Group endorsed the United Nations Global Compact (UNGC) and has promoted initiatives based on the UNGC's ten principles in the areas of human rights, labour, the environment and anti-corruption. We also place great importance on the social role and responsibilities that the insurance industry must fulfill, and Tokio Marine & Nichido is a signatory to the Principles for Sustainable Insurance (PSI) advocated by the United Nations Environment Programme Finance Initiative (UNEP FI).

Insurance has been called "the people's business." Tokio Marine Group is a global insurance group with dedicated, energetic and proactive workforce and organization, which is the wellspring of its competitiveness in each country and region and a crucial asset for contributing to the development of a sustainable society.

My mission is none other than to contribute to the creation of a safe, secure and sustainable "Good Society" by making Tokio Marine Group a "Good Company" that works to resolve various issues and earns the widespread trust of its customers and society. This can only be achieved by assembling the comprehensive power of the Group together with its employees and interacting and cooperating with our various stakeholders. I ask for the continued understanding and support of our stakeholders.

September 2013

Tsuyoshi Nagano

President and CEO
Tokio Marine Holdings, Inc.

Sustainability Report 2013

Tokio Marine Group's CSR

- Tokio Marine Group's Approach to CSR
- CSR Promotion Structure
- CSR Material Issues of Tokio Marine Group
- Stakeholder Engagement
- Plans and Results of CSR Initiatives
- External Evaluations and Awards
- Participation in External Initiatives



Tokio Marine Group's CSR

▶ Tokio Marine Group's Approach to CSR

Based on our Corporate Philosophy, we have established the Tokio Marine Group CSR Charter as behavioral guidelines.

▶ CSR Promotion Structure

We introduce Tokio Marine Group's CSR Promotion Structure.

▶ CSR Material Issues of Tokio Marine Group

We introduce three CSR material issues of Tokio Marine Group and the formulation process.

▶ Stakeholder Engagement

We introduce our structure for stakeholder engagement.

▶ Plans and Results of CSR Initiatives

We introduce fiscal 2012 results and fiscal 2013 action plans using a reference list.

▶ External Evaluations and Awards

We introduce external evaluations and awards received as a corporate group that proactively undertakes CSR.

▶ Participation in External Initiatives

We participate in and support various initiatives for the realization of a sustainable society.



Tokio Marine Group's Approach to CSR

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.

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.

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 2014" mid-term business plan (FY2012 - FY2014), 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.

Tokio Marine Group supports and respects the Universal Declaration of Human Rights, international labour standards, as well as OECD Guidelines for Multinational Enterprises. The ideas and contents of the ten principles concerning human rights, labour, the environment and anti-corruption advocated by the United Nations Global Compact (UNGC) coincide with Tokio Marine Group's own approach to CSR as well as its CSR Charter. Therefore, Tokio Marine Holdings has been participating in the UNGC since 2005.

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



Tokio Marine Group Corporate Philosophy

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

- Through the provision of the highest quality products and services, Tokio Marine Group aims to deliver safety and security to all its customers.
- By developing sound, profitable, and growing businesses throughout the world, Tokio Marine Group will fulfill its mandate to shareholders.
- 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, Tokio Marine Group will broadly contribute to the development of society.



Tokio Marine Group CSR Charter

Tokio Marine Group is committed to fulfilling its Corporate Social Responsibility (CSR) by implementing its management 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 its needs for safety and security.

Respect for Human Rights and Dignity

We respect and actively promote the recognition of human rights.

We strive to ensure an energetic working environment that is both safe and healthy and to promote training and education of our employees.

We respect the right to privacy and strive to enforce sound information management and control.

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 and we aim to contribute actively 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's Stakeholders



Customers

We continually provide customers and society with "safety and security". We will continue to promptly and appropriately provide even higher quality products, services and processes that meet the expectations of our customers.

Shareholders and Investors

By earnestly dealing with all our stakeholders, we will work to create a virtuous cycle in which we generate even higher and more appropriate levels of profits and continue to provide value to shareholders.

Insurance Agents

We emphasize mutual trust with our agents and combine our strengths to meet the needs of customers while cooperating to promote mutually sound growth and development. We also aim for healthy mutual growth and development with their related business partners.

Employees

We respect each and every employee as individuals and recognize their dignity and value, and pay careful attention to ensure that they can fulfill their responsibilities to their families. We aim to be a professional group with very distinctive characteristics while cooperating to ensure all colleagues maximize their performance by assisting each other productively.

Business Partners

We aim for healthy mutual growth and development with our business partners.



Local Communities and Societies

As a good corporate citizen, we strive to be recognized by local communities and societies while contributing to the creation of a society where a diversity of people can live healthy lives and with a sense of security. We also make efforts to protect the global environment for future generations.

- ▶ [Stakeholder Engagement](#)



CSR Promotion Structure

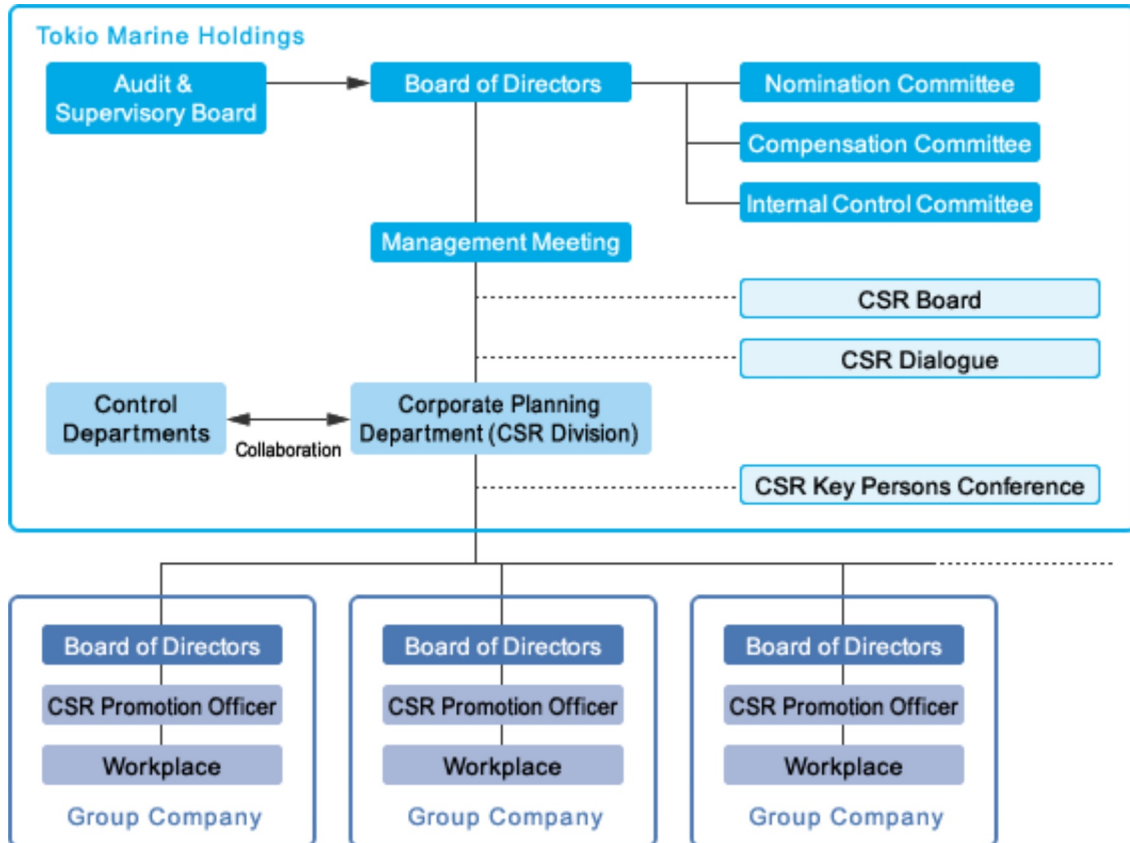
Tokio Marine Holdings has established a dedicated CSR Division (CSR Division, Corporate Planning Department) to identify material CSR issues and to formulate and implement CSR strategies and support the CSR activities of Group companies.

Tokio Marine Group regularly convenes the CSR Key Persons Conference, which consists of Tokio Marine Holdings and Group companies' CSR Divisions as well as the CSR Board, comprising the president of Tokio Marine Holdings (board chairman) and presidents of major domestic Group companies. These bodies evaluate various types of CSR initiatives and discuss response measures for CSR issues (important issues to be shared by each Group company) for the entire Group. Tokio Marine Holdings also convenes CSR Dialogues with external experts, non-governmental organizations (NGOs), non-profit organizations (NPOs) and academics. The dialogues give us opportunities to hear outside opinions about our awareness and approaches concerning the Group's CSR issues. These opinions and other ideas are then reflected in our CSR strategy and our approach to each individual CSR issue.

The Company's Board of Directors receives reports on the CSR activities of the entire Group while formulating the Overall Group CSR Strategy (medium-term plan and single fiscal-year plans). CSR promotion officers at each Group company play a leading role in promoting and handling common issues to be addressed by the entire Group as well as in implementing CSR activities based on the characteristics of each business and local communities.



Tokio Marine Group CSR Promotion Structure



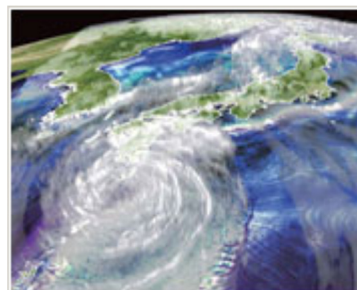
CSR Material Issues of Tokio Marine Group

Tokio Marine Group has reconfigured its CSR material issues in its new mid-term business plan "Innovation and Execution 2014" (FY2012 - FY2014), taking into consideration environmental, social and governance (ESG) issues and the requests and expectations of various stakeholders. As a result, Tokio Marine Group has identified issues - responding to climate change and natural catastrophe risk, contributing to local communities and societies, and strengthening CSR management - as fields with a strong relevance to the operations and the characteristics of the businesses of Tokio Marine Group (insurance, financial services, consulting, etc.) and will promote activities in these areas.



▶ **Environmental** : Responding to Climate Change and Natural Disaster Risk Material Issue 1

We recognize climate change and global warming as a huge risk for future generations in the global community. At the same time, we are aware that this represents a major risk with a large impact on Tokio Marine Group's businesses (insurance, financial services, consulting, etc.). The Great East Japan Earthquake and floods in Thailand have sparked rising interest in the functions and roles of insurance, financial services and consulting as adaptation measures for responding to risks in society.



Tokio Marine Group has designated "responding to climate change and natural disaster risk" as a material Group CSR issue. Accordingly, we will strive to raise the resilience to climate change and catastrophe risk across society and contribute to creating a sustainable society by applying our knowledge and experience cultivated in insurance, financial services and consulting while undertaking initiatives for adapting to and mitigating climate change and thus minimizing the impact of natural disasters.

[Click here for details](#) ▶

▶ **Social** : Contributing to Local Communities and Societies

Material Issue 2

The global community is dealing with a host of social issues that include disasters, aging of society (healthcare and nursing care) and community participation and development (support for emerging countries). There are also a number of emerging issues in Japan that include preventing and reducing disasters, aging of society (healthcare and nursing care) and preventing automobile accidents. Tokio Marine Group has set "contributing to local communities and societies" as another Group CSR material issue. The Group intends to make contributions in response to such social issues as healthcare, cancer and disasters through its core businesses of insurance, financial services and consulting. Concurrently, we take great interest in participating in regional activities as collaborative work with local communities and society. These activities include providing recommendations on preventing and reducing disasters, offering disaster prevention education, supporting the Pink Ribbon Movement (raising the cancer examination rate) and promoting education support programs in developing countries. Through these efforts, we contribute to creating a sustainable society as a good corporate citizen.



▶ [Addressing social issues - Providing value through our core businesses](#)

▶ [Community and social contribution activities](#)

[Click here for details](#) ▶

▶ **Governance** : Strengthening CSR Management

Material Issue 3

To ensure we are trusted by customers and society and achieve sustainable growth, Tokio Marine Group must raise the quality of its initiatives in the areas of business strategies, governance, and social responsibilities and build a sound and highly transparent management structure as a global insurance group.



[Click here for details](#) ▶

The Process for Specifying CSR Material Issues of Tokio Marine Group

Under the mid-term business plan "Innovation and Execution 2014," 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 shareholders. In recent years, there have been gradually rising expectations and calls for companies to consider ESG (environmental, social and governance) issues and proactively utilize the characteristics of their businesses in making efforts to solve them. In addition, based on the lessons learned from such natural catastrophes as the Great East Japan Earthquake and the floods in Thailand, society as a whole has taken great interest in the functions and roles of finance and insurance as an adaptation measure for risk. Through the following process, Tokio Marine Holdings has specified its Group CSR material issues under the mid-term business plan "Innovation and Execution 2014."

■ Specifying the Group's Material Issues

To identify social responsibility and sustainability issues, Tokio Marine Holdings believes it is crucial to evaluate the importance of each issue based on dialogue with stakeholders. Specifically, the CSR Division, Corporate Planning Dept. identifies CSR issues related to Tokio Marine Group's business based on numerous ESG issues set forth in ISO 26000 (international guidance on social responsibility), the UN Global Compact and UNEP FI Principles for Sustainable Insurance (PSI) as well as on various types of information and customer opinions ([customer compliments, complaints and other opinions and suggestions](#)) received by Group companies, communications with employees and agents ([Wednesday Dialogues](#)), communications and investor relations (IR) activities with shareholders, investors and external socially responsible investment (SRI) rating agencies and CSR communication with external experts ([CSR Dialogue](#)).

We evaluate the importance of CSR issues identified through the above process by considering issues of influence on stakeholder assessments and decisions and issues with significance of economic, environmental and social impact on Tokio Marine Group and then specifying Group CSR material issues.



■ Monitoring and Verifying the Progress of Group CSR Material Issues

Tokio Marine Holding's CSR Board, which consists of representatives (presidents) of major Group companies, discusses Group CSR material issues, while the Company's Board of Directors (Management Meeting) periodically confirms the state of initiatives related to these issues. For the state of its initiatives for Group CSR material issues and reporting on these issues, Tokio Marine Holdings undergoes verification process run by a third-party reviewer and publishes the Sustainability Report.

▶ [Environmental: Responding to Climate Change and Natural Catastrophe Risk](#)

▶ [Social: Contributing to Local Communities and Societies](#)

▶ [Governance: Strengthening CSR Management](#)

Stakeholder Engagement

In implementing high-quality CSR management, we believe it is essential to develop a relationship of mutual trust through dialogue with customers and all other stakeholders. We are promoting a deeper understanding of Tokio Marine Group's thinking, values and various types of initiatives through customer opinions ([customer compliments, complaints and other opinions and suggestions](#)) received by Group companies, communications with employees and agents, communications and investor relations (IR) activities with shareholders, investors and external socially responsible investment (SRI) rating agencies and CSR communication with external experts ([CSR Dialogue](#)). We work to identify issues of Group companies based on opinions and evaluations obtained through these dialogues.

- ▶ [Tokio Marine Group's Stakeholders](#)
- ▶ [Customer opinions](#)
- ▶ [IR activities](#)
- ▶ [Direct dialogue between employees and executives](#)

Fiscal 2012 CSR Dialogue

Under the theme "CSR Dialogue," Tokio Marine Group regularly invites third-party experts to exchange views about its CSR initiatives. On December 6, 2012, we invited prominent figures from various fields and asked their opinions about the CSR initiatives of Tokio Marine Group based on the latest social conditions in the field of CSR. Some opinions offered by these experts are provided herein.



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



One Akiyama
President
Integrex Inc.



Fumihiko Imamura
Professor and
Deputy Director
International Research Institute
of Disaster Science
Tohoku University



Yoshifumi Tajiri
Secretary General
Japan NPO Center



Shuzo Sumi
President (at the time)
Tokio Marine Holdings, Inc.



Takaaki Tamai
Executive Vice President
Tokio Marine Holdings, Inc.



Koji Iwai
Managing Director (at the time)
Tokio Marine & Nichido Fire
Insurance Co., Ltd.



■ 1. Environmental (Response to Climate Change and Natural Disaster Risk)

■ Principal opinions of experts

Imamura: In Japan, based on our experience of the Great East Japan Earthquake, industry, government and academia must collaborate to ascertain earthquake and tsunami risk, and then, using the data and information gained, must acquire a correct approach (knowledge) for proper action in the event a disaster occurs and conduct training (preparation). I would like you to conduct more widespread efforts for public enlightenment such as Disaster Prevention Lessons as the CSR activities of an insurance company, which is also a specialist in risk analysis.

■ Tokio Marine Group's Response

Based on its experience of the Great East Japan Earthquake, Tokio Marine Group will take measures to become an insurance company that is resilient to disasters by enhancing underwriting and risk management. In addition, we will disseminate useful information to the public through methods including research on earthquake and tsunami risk with Tohoku University, disaster prevention educational programs for elementary school children (Disaster Prevention Lessons), disaster prevention educational tools (website on disaster prevention/mitigation, etc.) and natural disaster seminars.

■ 2. Social (Contribution to Local Communities and Society)

■ Principal opinions of experts

Tajiri: Recently, society has been facing many issues such as the increase in natural disasters, the destruction of the natural environment and the low birthrate and aging of society. To resolve these issues, expectations are growing for cooperation, with the general public, companies and other parties working together to solve problems, in addition to self-help and public assistance. I want companies (managers) to take on the challenge of solving diverse social issues through their own businesses in cooperation with local citizens and NPOs. I would also like them to increase their ability to disseminate information, both inside and outside the company, on activities that contribute to local communities and society so that employees and agents in each region nationwide take a greater interest in contributing as individuals.

Akiyama: In addition to contributing to the resolution of various social issues through your business, you should provide support so that individual employees can independently conduct activities to contribute to local communities and society outside the framework of business.

■ Tokio Marine Group's Response

Tokio Marine Group will contribute to the resolution of social issues such as disasters, medical care and cancer through its businesses including insurance, risk consulting and financial services, and promote activities to contribute to local communities and society in each region under the themes of "protection of the global environment," "development of young people" and "safety and security." Based on the advice you have provided, we will enhance the provision of programs for contributing to local communities and society that are easy to join and the dissemination of information on local contribution activities in each region, and will provide support for individual employees and agents to participate independently in activities to contribute to local communities and society.



■ 3. CSR Management

■ Principal opinions of experts

Akiyama: In recent years, to assess the continuous growth of companies in which they invest, pension funds and other institutional investors have been evaluating risks and opportunities based on companies' non-financial information (environmental, social and governance) as well as financial information. I would like you to strive for active disclosure of non-financial information so that your various stakeholders can understand and sympathize with your company's initiatives.

Tajiri: You should also increase your ability to disseminate information on your initiatives both inside and outside the company to gain the understanding and sympathy of your employees, agents and other stakeholders.

■ Tokio Marine Group's Response

Tokio Marine Group is working to enhance disclosure of non-financial information (environmental, social and governance) to gain the understanding of its various stakeholders for its initiatives. We will continue to work to disseminate information both inside and outside the company while remaining aware of the expectations and demands of society.

Responding to Opinions in the CSR Dialogue

We have been raising the awareness of each employee of the social role and responsibilities of our principal businesses (insurance, risk consulting, financial services, etc.) through our experience of the Great East Japan Earthquake. In the future as well, while placing importance on communication with our stakeholders, we will get to know and understand various social issues in each region worldwide and act with due consideration of CSR every day as a global insurance group.

Takaaki Tamai
Executive Vice President
Tokio Marine Holdings, Inc.

Plans and Results of CSR Initiatives

CSR Initiatives: Fiscal 2012-2014 Mid-Term Business Plan, Fiscal 2012 Results and Fiscal 2013 Plan

Under the mid-term business plan (FY2012 - FY2014) "Innovation and Execution 2014," Tokio Marine Group has established the following material Group CSR issues.

The occurrence of natural disasters such as the Great East Japan Earthquake and the floods in Thailand has spurred rising social interest in the functions and the roles of insurance, financial services and consulting as measures for adapting to risk. In working toward the realization of a sustainable society, we promote initiatives that utilize the characteristics of our own businesses and give consideration to environmental, social and governance (ESG) issues in solving social issues.

Group CSR Material Issues	Mid-Term Business Plan (Fiscal 2012-Fiscal 2014) Targets	Fiscal 2012 Results	Fiscal 2013 Targets	Reference
Responding to climate change and natural disaster risk	<ul style="list-style-type: none"> ■ Provide value through our core businesses - Provide insurance and consulting for advanced environmental technologies - Strengthen research on climate change and natural disaster risk 	<ul style="list-style-type: none"> ■ Green Gift Project (Tokio Marine & Nichido) Web clause adoption ratio: 75.8% (Decrease of 2.0% from the previous year) ■ Mega-Solar Package Program (Tokio Marine & Nichido, Tokio Marine & Nichido Risk Consulting) TM Nippon Solar Energy Fund (Tokio Marine Asset Management) Others ■ Research on climate change risk – Industry-academia collaborative project (Tokio Marine & Nichido, The Tokio Marine Research Institute) Others 	<ul style="list-style-type: none"> ■ Continue initiatives on the left 	Click here for details

Group CSR Material Issues	Mid-Term Business Plan (Fiscal 2012-Fiscal 2014) Targets	Fiscal 2012 Results	Fiscal 2013 Targets	Reference
	<ul style="list-style-type: none"> ■ Reduce environmental burden from business activities - FY2014 CO₂ emissions: Reduction of 10% compared with FY2010 - Be carbon neutral (ongoing) - Promote paperless operations 	<ul style="list-style-type: none"> ■ FY2012 CO₂ emissions: 93,311 tons (Increase of 24.0% from previous year) (*) CO₂ emissions per employee: 2.83 tons (Increase of 16.0% from previous year) ■ CO₂ absorption/stabilization effect of Mangrove Planting Project: 84,000 tons Mangrove planting area (cumulative): 7,993ha (450ha in FY2012) ■ Paper usage 9,781 tons (Increase of 7.1% from the previous year) 	<ul style="list-style-type: none"> ■ FY2013 CO₂ emissions: Maintain FY2012 results (±0% change from previous fiscal year) (*) CO₂ emissions per employee: Maintain FY2012 results (±0% change from previous fiscal year) ■ CO₂ absorption/stabilization effect of Mangrove Planting Project: 98,000 tons Mangrove planting area (cumulative): 8,282ha (289ha in FY2013) ■ Paper usage 9,292 tons (Decrease of 5% from the previous year) 	
Contributing to local communities and society	<ul style="list-style-type: none"> ■ Provide value through our core businesses - Contribute to building communities that are strongly resilient to disasters - Strengthen tsunami risk research, provide disaster prevention education - Contribute to solutions for social issues (traffic accident prevention, 	<ul style="list-style-type: none"> ■ Research on earthquake and tsunami risk – Industry-academia collaborative project (Tokio Marine & Nichido, Tokio Marine & Nichido Risk Consulting) ■ Disaster Prevention Lessons at 36 schools, attendance by approximately 2,400 children ■ Life Insurance Revolution to Protect One's Living (Tokio Marine & Nichido Life) Others 	<ul style="list-style-type: none"> ■ Continue initiatives on the left 	Click here for details

Group CSR Material Issues	Mid-Term Business Plan (Fiscal 2012-Fiscal 2014) Targets	Fiscal 2012 Results	Fiscal 2013 Targets	Reference
	<p>aging of society)</p> <ul style="list-style-type: none"> ■ Employee participation in contributions to local communities and society/Foster a corporate culture in which Group companies naturally engage in local communities and society contribution activities (FY2014 employee participation rate: 100%) - Group companies work together to carry out programs to contribute to local communities and society - Strengthen relationships with NGOs and NPOs in Japan and overseas 	<ul style="list-style-type: none"> ■ Domestic Group company employee participation rate as volunteers: 83.9% (total) (20,415 of 24,319 employees) ■ Green Lessons at 68 schools, attendance by approximately 4,400 children ■ Support for Room to Read (educational support for girls), OISCA (coastal forest restoration in Tohoku region) Others 	<ul style="list-style-type: none"> ■ Domestic Group company employee participation rate as volunteers: 90.0% (total) ■ Continue and evolve initiative on the left ■ Continue and evolve initiatives on the left 	
Strengthening CSR management	<ul style="list-style-type: none"> ■ Strengthen management within the Group - Strengthen communications among Group companies 	<ul style="list-style-type: none"> ■ Convened the CSR Board and CSR Key Persons Conference (Tokio Marine Holdings) ■ Held CSR-related training for officers and employees (Tokio Marine Holdings, Tokio 	<ul style="list-style-type: none"> ■ Continue and evolve initiatives on the left 	Click here for details

Group CSR Material Issues	Mid-Term Business Plan (Fiscal 2012-Fiscal 2014) Targets	Fiscal 2012 Results	Fiscal 2013 Targets	Reference
	(Japan, overseas) - Implement combined ESG initiatives together with business partners (agents, customers)	Marine & Nichido, etc.) Others		
	<ul style="list-style-type: none"> ■ Enhance dialogue with stakeholders - Enhance disclosure of information concerning ESG issues 	<ul style="list-style-type: none"> ■ Published Sustainability Report ■ Strengthened communication with stakeholders 	<ul style="list-style-type: none"> ■ Continue and evolve initiatives on the left 	



External Evaluations and Awards

Tokio Marine Holdings is making efforts to improve its initiatives in environmental, social and governance (ESG) fields and is receiving high evaluations from socially responsible investment (SRI) rating agencies worldwide.

Evaluations from External SRI Rating Agencies

In recent years, attention has been focused on Socially Responsible Investment (SRI), which evaluates corporate ESG risk and corporate ethics from the perspective of the sustainability of society.

Tokio Marine Holdings works toward transparency in its disclosure of ESG information and has earned acclaim from numerous global indexes. As of the end of March 2013, Tokio Marine was listed in the SRI indexes shown below.

Inclusion in Socially Responsible Investment (SRI) Index





Status of Tokio Marine Group's Inclusion in Domestic Publicly Offered SRI Funds (Main)

Fund Name	Managing Company
Sumishin SRI Japan Open	STB Asset Management
Sumishin Japan Stock SRI Fund	STB Asset Management
Mitsubishi UFJ SRI Fund	Mitsubishi UFJ Asset Management
Daiwa Eco Fund	Daiwa Asset Management
World 6 Asset Equal Distribution (monthly distribution type)	Daiwa Asset Management
Fukoku SRI Fund	Shinkin Asset Management
Sompo Japan SRI Open	Sompo Japan Nipponkoa Asset Management
Daiwa SRI Fund	Daiwa Asset Management

Note: Inclusion in these funds is based on the latest performance reports of each fund as of the end of March 2013.

External Awards



Asia Insurance Industry Awards 2012 - General Insurance Company of the Year	Tokio Marine Holdings
RobecoSAM Sustainability Award 2013 - RobecoSAM Bronze Class	Tokio Marine Holdings
Newsweek Green Rankings 2012: Global Companies - The Top 250 companies	Tokio Marine Holdings
Universal Communication Design Association - UCDA Award 2012	Tokio Marine & Nichido Life (UCDA Award) Nisshin Fire & Marine Insurance (Information Completeness Award) Tokio Marine & Nichido (Special Award)
City of Yokohama - 2012 Yokohama Good Balance Award	Tokio Marine Millea SAST
Management Innovation eXchange - M-Prize	Tokio Marine & Nichido Systems
Seguro Total (Brazilian insurance magazine) - Executive of the Year in the Brazilian Insurance Market	Tokio Marine Seguradora S.A (Brazil)
The Alliance for Work-Life Progress (AWLP) - 2013 Work-Life Seal of Distinction Pacific Business News - Community Spirit Award	First Insurance Company of Hawaii (US)
The Sunday Times - 100 Best Companies to Work for 2013	Kiln (UK)
International Takaful Awards 2013 - Best Takaful Company Egypt Award	Nile General Takaful (Egypt) Nile Family Takaful (Egypt)



Participation in External Initiatives

Tokio Marine Group supports and respects the Universal Declaration of Human Rights, international labour standards, as well as OECD Guidelines for Multinational Enterprises. 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 (UNGC) and the United Nations Environment Programme Finance Initiative (UNEP FI).

The United Nations Global Compact

The ideas and contents of the ten principles concerning human rights, labour, the environment and anti-corruption advocated by the UNGC coincide with Tokio Marine Group's own approach to CSR as well as its CSR Charter. Therefore, Tokio Marine Holdings has been participating in the UNGC since 2005.



The UN Global Compact's Ten 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/>

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

▶ [Communication on Progress](#)

UNEP FI Principles for Sustainable Insurance (UNEP FI-PSI)



Approximately 200 financial institutions around the world participate in the United Nations Environment Programme Finance Initiative (UNEP FI), an initiative that surveys, researches and puts into practice business approaches that consider economic development, the environment and sustainability. As the Board Member for Asia of the UNEP FI Insurance Commission, Tokio Marine & Nichido participates in surveys, research and proposal activities on sustainability in the insurance industry. Tokio Marine & Nichido also supports the intent and policies of the Principles for Sustainable Insurance (PSI) spearheaded by UNEP FI, and in addition to co-hosting the PSI Regional Consultation Meeting for Asia with UNEP FI in November 2011, the company participated in the formulation of principles of action and became a founding signatory to PSI in June 2012.

▶ <http://www.unepfi.org/psi/>

Furthermore, as a member of the PSI Board from April 2013, Tokio Marine & Nichido is promoting insurance industry initiatives that consider environmental, social and governance (ESG) issues together with insurance companies in regions around the world. In January 2013, Tokio Marine & Nichido participated in discussions on PSI with parties related to the insurance industry in India and worked to contribute to raising the level of recognition of PSI in India and the Asian region.

▶ <http://www.unepfi.org/>



The PSI Regional Consultation Meeting for Asia held in Tokyo in November 2011

UN Principles for Responsible Investment (UN PRI)



The United Nations Principles for Responsible Investment (UN PRI) is an initiative led by UNEP FI and the United Nations Global Compact that expresses and puts into practice stances and policies that consider ESG issues in investment decisions by financial institutions and institutional investors. The following Group companies support the policies of and become signatories to the UN PRI. Each company will work toward initiatives that consider ESG issues in carrying out its activities.

Tokio Marine Asset Management (signed: April 2011)

Tokio Marine & Nichido (signed: August 2012)

Tokio Marine Capital (signed: April 2013)

▶ <http://www.unpri.org/>

Carbon Disclosure Project

CARBON DISCLOSURE PROJECT

The Carbon Disclosure Project (CDP) is an organization that drives an initiative under which the world's principal institutional investors cooperate in calling for companies worldwide to disclose their climate change strategies (risks and opportunities) and greenhouse gas (GHG) emissions. Tokio Marine & Nichido participates every year as a CDP Signatory and is supporting survey research in the areas of corporate-related climate change strategies and GHG emissions as well as energy usage.

▶ <https://www.cdproject.net/>

The Geneva Association



The Geneva Association is an insurance industry think tank composed of approximately 80 executives from major insurance companies around the globe. As Vice Chairman of the Geneva Association, Shuzo Sumi, Chairman of the Board of Tokio Marine & Nichido, leads and supports surveys and research on important insurance industry issues (regulation, risk management, climate change, etc.) handled by the association.

▶ <http://www.genevaassociation.org/>



ClimateWise



ClimateWise is an initiative in which approximately 40 leading 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.

Articles - Thought Leadership "The role of insurers in strengthening business resilience to climate risk"

In February 2013, Kunio Ishihara (chairman of the Board Tokio Marine & Nichido at the time), made a proposal based on the insurance industry's experience of the Great East Japan Earthquake and the floods in Thailand in an article entitled "The role of insurers in strengthening business resilience to climate risk," which was part of ClimateWise's Thought Leadership series of proposals for strengthening the role of the insurance industry in dealing with climate change risk.

Specifically, Mr. Ishihara proposed the importance of advance preparation such as the formulation of business continuity plans (BCPs) that include supply chain risk and rapid disaster recovery plans for businesses, and the need for using the expertise of the insurance industry in promoting them, for companies (managers) to become resilient to climate change and natural disaster risk in the future. (<http://www.climatewise.org.uk/issue-three/>)

▶ <http://www.climatewise.org.uk/>

Activities Report

Tokio Marine & Nichido submits an annual activity report based on ClimateWise Principles to ClimateWise (Secretariat: United Kingdom).

▶ [Activity Report](#)



Sustainability Report 2013 CSR Story

CSR Story

Tokio Marine Group tells the stories brought about by its CSR activities.

Tokio Marine Group CSR Booklet 2013: Caring for People

Every year, Tokio Marine Group publishes a CSR booklet that presents the thoughts of its employees through easy-to-understand stories and introduces the CSR activities by which it aims to achieve a sustainable society. With "Caring for People and Contributing to Society: The Origins of Our Work and Actions" as its theme, the fiscal 2013 booklet uses interviews with employees to introduce Tokio Marine Group's products and services, diversity, and regional and social contribution activities in Japan and overseas. The booklet (Japanese edition) also includes the Clear File Folder for Disasters that was created through earthquake and tsunami risk research under industry-academia collaboration with Tohoku University.



The delicate white flower on the cover is a mangrove flower that bloomed in the spring of 2013, deep in the forests of Iriomote Island. We hope you will read this year's booklet and, through the thoughts of our employees appearing within, touch on the CSR stories of Tokio Marine Group.



▶ [Clear File Folder for Disasters](#)

Tokio Marine Group CSR Booklet 2013: Caring for People

Read from the start



PDF

Choose from the table of contents

1. Engaging with Society



PDF

2. Caring for People



PDF

3. Working with Enthusiasm



PDF

4. Looking Beyond Our Main Businesses



PDF

[CSR Booklet back issues](#)

Sustainability Report 2013

Material Issue -Environmental-

Responding to Climate Change and Natural Disaster Risk

- Risk Research
- Provision of Insurance Products and Services
- Environmental Investment
- Consulting
- Reduction of Environmental Burden
- Preservation of Biodiversity
- Environmental Enlightenment and Social Contribution

▶ **Environmental** : Responding to Climate Change and Natural Disaster Risk Material Issue 1



Global warming and climate change have caused increased risks of typhoons, droughts, torrential rainfalls and other natural disasters around the world, posing a serious threat to our social lives. As risks of natural disasters are rising, which has been anticipated since the 1990s, insurance companies contribute to society by offering appropriate insurance products and making insurance payments. The insurance business is closely related to climate change and risks of natural disasters. Naturally, response to these two threats is now considered a major management issue that the global insurance industry has to address in the medium-to-long term.

We believe that the mission of Tokio Marine Group is to stably provide insurance products and risk management services against various risks and ensure "safety and security" in society. Insurance companies are also expected to provide various climate change and natural disaster risk solutions to society based on expertise accumulated in the insurance business encompassing the payment of insurance claims, risk assessment and asset management. In addition to providing products and services in developed countries, another important task of insurance companies is to encourage the establishment of an insurance mechanism and disaster prevention and risk management practices in developing countries and regions vulnerable to the impact of climate change.

In Tokio Marine Group, Tokio Marine & Nichido, the Tokio Marine Research Institute and Tokio Marine & Nichido Risk Consulting conduct research on climate change and natural disaster risk and develop and provide products and services that are designed to mitigate or adapt to climate change. Through these endeavors, Tokio Marine Group will leverage its total strengths and proactively respond to new risks arising from climate change.



▶ Risk Research	▶ Provision of Insurance Products and Services
▶ Environmental Investment	▶ Consulting
▶ Reduction of Environmental Burden	▶ Preservation of Biodiversity
▶ Environmental Enlightenment and Social Contribution	
<ul style="list-style-type: none">▶ Environmental Enlightenment and Social Contribution▶ Participation in External Initiatives	



Risk Research

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

Risks and Opportunities Associated with Climate Change

Considerable concern exists over the possibility of increased typhoons, heavy rains, droughts and other natural disasters caused by climate change. In 2007, the Intergovernmental Panel on Climate Change (IPCC), which collects scientific research into climate change, was awarded the Nobel Peace Prize for its contributions to raising recognition of climate change. Established in 1988, the IPCC indicates the current state, causes, impact, adaptation measures and mitigation measures concerning climate change through means such as assessment reports. In its "Special Report on Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation" issued in 2012, the IPCC supplemented previous research with an appeal to the importance of adaptation and disaster risk management with respect to climate change.

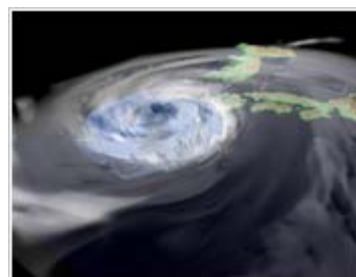
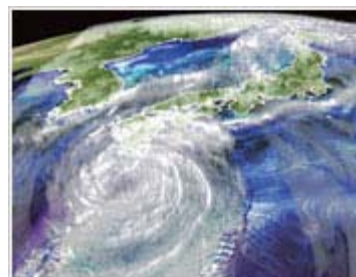
Although weather phenomena are natural occurrences that are beyond our control, it is possible to prepare ourselves and adopt measures against climate change and increasing risks of natural disasters. Tokio Marine Group regards these evolving risks as opportunities and aims to provide protection to customers and society by offering appropriate insurance products and risk management services.

Upgrading Natural Disaster Risk Assessment Approaches

By matching future climate forecasts and other meteorological risk assessment approaches to a base of conventional natural disaster risk assessment approaches, Tokio Marine Group is aiming to create a more advanced approach to natural disaster risk assessment.

Using Our Findings to Develop and Provide Products and Services for Adapting to Climate Change

In the face of major changes in the frequency and scale of natural disasters due to climate change, basing risk assessment only on past statistical data may significantly impact the calculation of appropriate insurance premiums and the ability to pay insurance claims in the event of a serious disaster. In response, Tokio Marine Group is leveraging climate models that forecast future climate change through computer simulations, and is advancing research into future natural disaster risks in cooperation with the universities introduced below. We intend to connect the findings of the research to the development and provision of products and services, and will contribute to society through the release of the information.



Typhoon simulation model
Source: Japan Agency for Marine-Earth Science and Technology (JAMSTEC) (top)
Hydrospheric Atmospheric Research Center, Nagoya University (bottom)



- In cooperation with the Atmosphere and Ocean Research Institute at The University of Tokyo, we are advancing typhoon risk assessment using world-class climate models.
- In cooperation with the Hydrospheric Atmospheric Research Center at Nagoya University, we are carrying out research into the impact of climate change on heavy rain disasters, including detailed analysis of the climate phenomenon that cause heavy rain disasters, such as typhoons and "bomb" cyclones.
- In cooperation with the Disaster Prevention Research Institute and the Graduate School of Engineering at Kyoto University, we are engaged in the development of flow volume models for rivers in Japan to achieve more advanced assessment of flood risks.
- The research results were presented at a symposium of the Meteorological Society of Japan and are scheduled to be presented at a symposium of the Japan Society of Hydrology and Water Resources in September 2013. The Tokio Marine Research Institute, a Tokio Marine Group company, is also releasing information related to global warming and natural disasters on its website and by various other means.

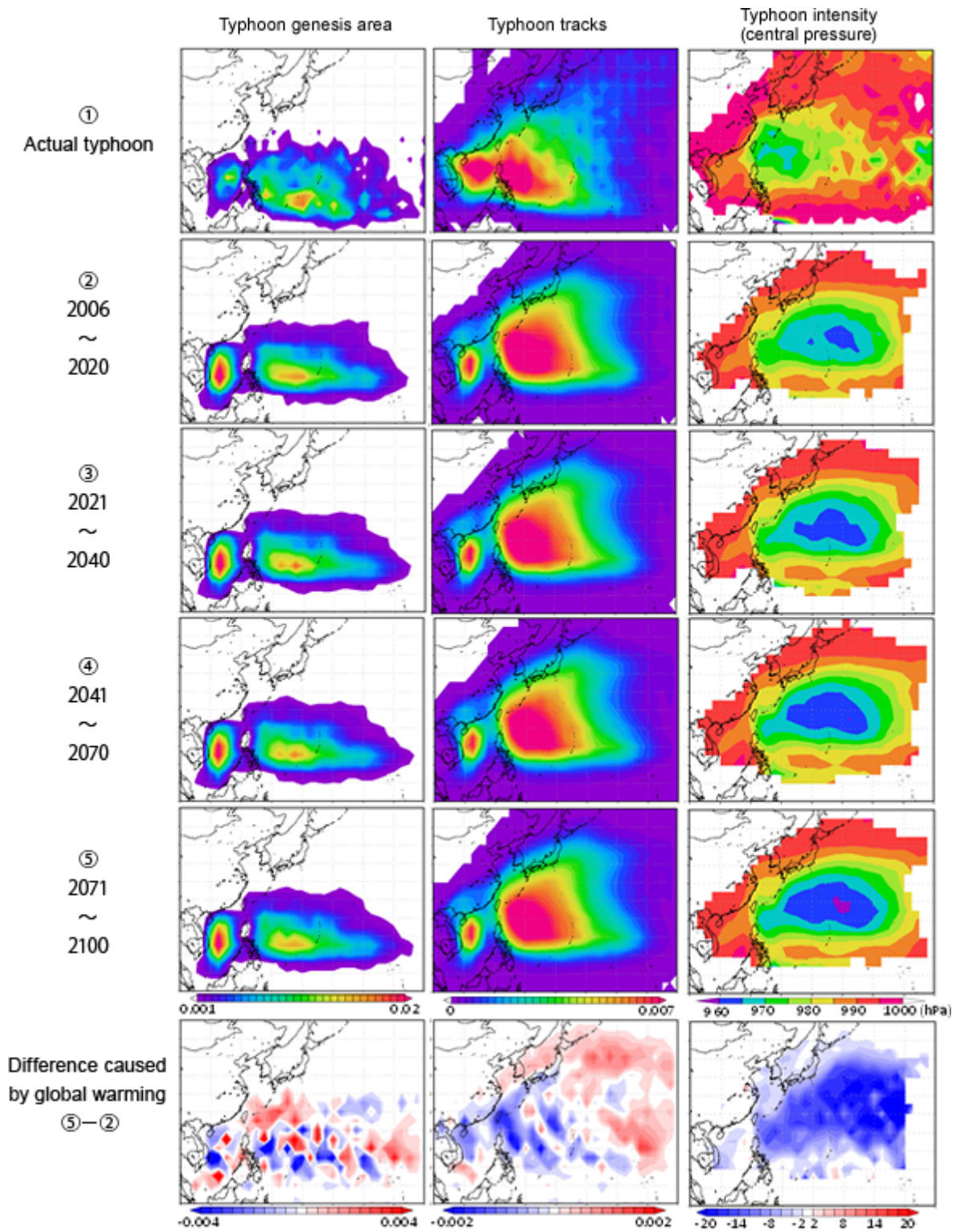
▶ [Tokio Marine Research Institute](#)

We are introducing the following natural disaster-related initiatives overseas.

- Tokio Millennium Re (Bermuda) and Tokio Marine Technologies (Atlanta, U.S.), both Tokio Marine Group companies, are engaged in surveys and research on climate change and global warming, with a focus on hurricanes in the United States. The companies regularly co-host the Summit on Global Warming and Climate Change, inviting experts from around the world in the fields of climate change-related risk research and natural catastrophe risk assessment.

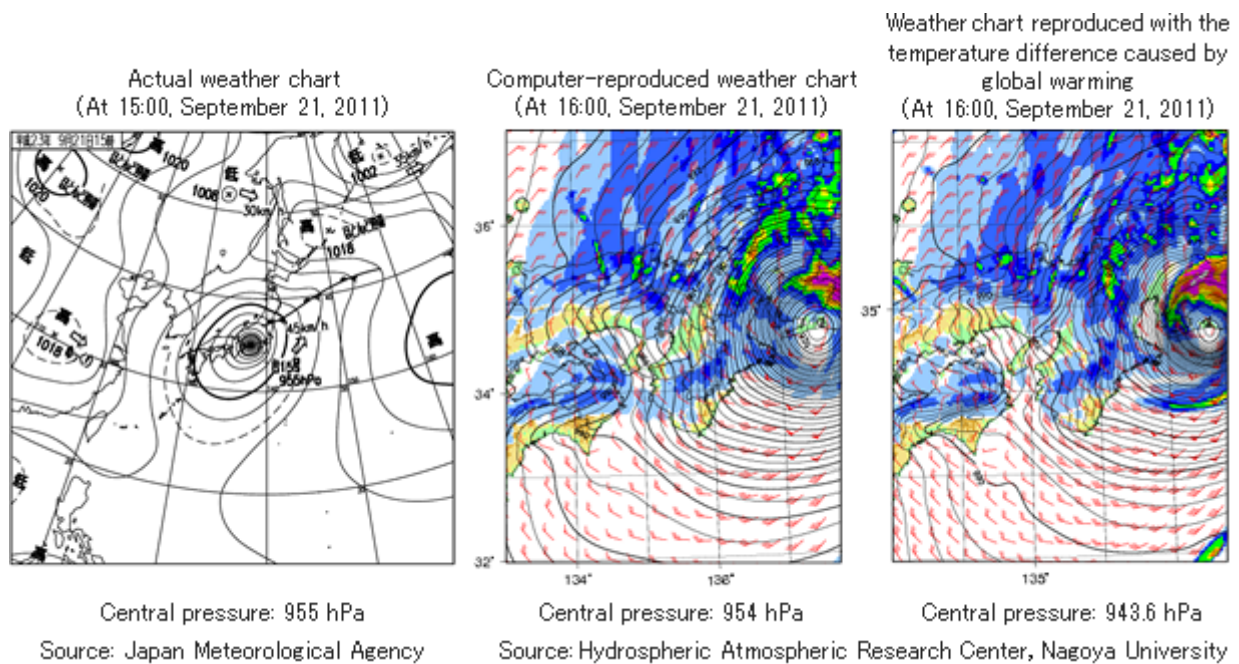
Joint research with The University of Tokyo: Forecasting Future Changes in Typhoons Using Climate Model Data

- The Atmosphere and Ocean Research Institute at The University of Tokyo has been engaged in research into climate change and other climate systems using an integrated analysis of simulation results based on observation data and climate models. Professor Masahide Kimoto and other researchers from the university have contributed as authors to the creation of the IPCC assessment reports, and The University of Tokyo has received acclaim from around the world for the widely used research results.
- Tokio Marine & Nichido and the Tokio Marine Research Institute are undertaking joint research with The University of Tokyo to develop a novel typhoon probability model that estimates future changes in typhoons. The charts below show estimates of future changes in typhoons based on 15 types of climate change forecast data from 10 institutions worldwide, using the jointly-developed typhoon probability model. In the chart showing warming differentials in typhoon generation and tracks, blue represents locations where typhoons will decrease in the future, and red represents locations where they will increase. In the chart showing the warming differential of central atmospheric pressure (i.e., strength), blue represents locations where central atmospheric pressure will decrease in the future. These analyses indicate the possibility that future typhoons will take more eastward tracks and will become stronger.
- We will continue working to enhance the forecast data to be used and to release information throughout Japan and overseas through means such as presentation of papers. As many aspects of future changes in typhoon patterns and other natural catastrophes remain unknown, researchers all over the world are engaged in ongoing research. Tokio Marine & Nichido and the Tokio Marine Research Institute keep a wide-ranging eye on this research as the companies advance investigation and research into climate change.



Joint research with Nagoya University: Typhoon and Heavy Rain Simulation Using High Spatial Resolution Models

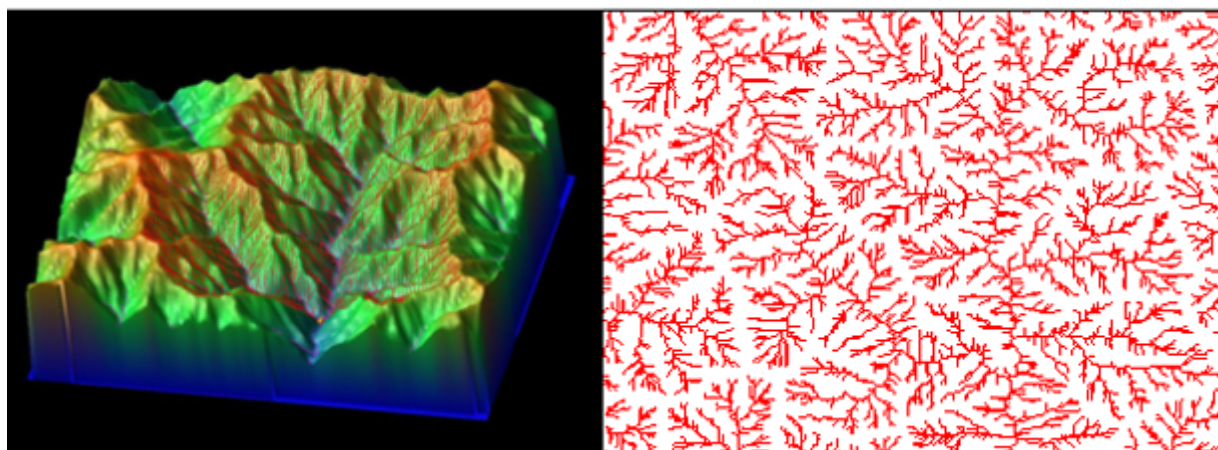
- An accurate understanding of problems surrounding environmental changes in the hydrosphere and atmosphere calls for research from an integrated perspective involving physics, chemistry, biology and other sciences. Nagoya University has established the Hydrospheric Atmospheric Research Center to conduct diversified research into the processes in water cycle systems. As part of this research, Nagoya University Professor Kazuhisa Tsuboki has developed a numerical model able to perform detailed, high-resolution simulation of clouds and precipitation, and is advancing research into the structure and mechanisms of heavy rain, typhoons, tornadoes and other phenomena.
- Tokio Marine & Nichido and the Tokio Marine Research Institute are collaborating with Nagoya University to analyze in detail the ways by which climatic phenomena such as typhoons, "bomb" cyclones and cloudbursts change in line with climate change, and to research future changes in natural disaster risks.
- In 2011, Typhoon No. 15 brought heavy rains to the Tokai region and disrupted Tokyo-area transportation with high winds. The charts below show the results using Nagoya University's high spatial resolution model to simulate this typhoon and then assess the impact of warming. The chart on the left depicts the actual weather; that in the center is a simulation using the high spatial resolution model; and on the right is a simulation using the high spatial resolution model with the addition of the differential between post-warming sea surface temperatures and current sea surface temperatures (i.e., the warming differential). The results show that the simulations using the high spatial resolution model re-create the actual typhoon accurately, and the result with the addition of the warming differential reveals that stronger typhoons may result from the impact of warming.



Joint research with Kyoto University on Assessment of Water Disaster Risks under Future Climate Conditions

- The Disaster Prevention Research Institute and the Graduate School of Engineering at Kyoto University have top-class researchers in the area of water disaster risks, including Professor Eiichi Nakakita and Associate Professor Yasuto Tachikawa. The Institute has developed a river flow volume model for Japan's rivers, using physical principles to simulate and forecast river flow volume following rain.
- In 2012, Tokio Marine & Nichido and the Tokio Marine Research Institute launched joint research with Kyoto University into the assessment of water disaster risks under future climate conditions and are developing methods for the quantitative assessment of the flood risk of rivers. This will enable more accurate quantitative assessment of water disaster risks under future climatic conditions. By connecting the results of this research with the knowledge of precipitation volume forecasting under future climatic conditions, which has been gained through joint research with Nagoya University begun in 2007, we will achieve a quantitative assessment of water disaster risks under future climate conditions.

Image of the flow model



Source: Graduate School of Engineering, Kyoto University

Global warming is a new type of risk that has never yet been experienced by humankind. At the same time, through progress in climate models and other tools of meteorology, the state of global warming and its impact on society are becoming better understood. To respond to global warming, it is important to correctly understand the latest findings and implement countermeasures in terms of both "hard" aspects such as infrastructure and "soft" aspects such as strengthening disaster readiness systems. By continuing to advance research in close collaboration with universities and other institutions, we hope to provide support for these initiatives.



Eiji Imakita, Researcher
The Tokio Marine Research
Institute

Connecting to Disaster Readiness and Mitigation Initiatives through Earthquake and Tsunami Risk Research

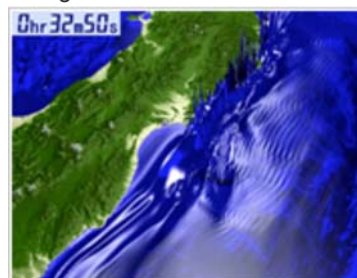
In recent years, low-frequency major earthquakes have inflicted serious damage around the world, as seen in the earthquakes in Chile and Northern Sumatra, the earthquake and tsunami in the Indian Ocean, the Great Sichuan Earthquake and the Great East Japan Earthquake. Against this background, Tokio Marine Group brings together the expertise and data gained through its casualty insurance and risk consulting businesses to advance initiatives leading to the safety and security of society.

■ Earthquake and Tsunami Risk Research in Collaboration with the International Research Institute of Disaster Science at the Tohoku University

In July 2011, Tokio Marine & Nichido concluded an industry-academia collaborative agreement with Tohoku University and began research and development and human resource development initiatives in disaster science. The initiatives drew upon Tohoku University's knowledge and data concerning tsunami risk assessment and other areas of disaster science, and Tokio Marine & Nichido's knowledge and data concerning earthquake and tsunami risk accumulated through its insurance business.

In April 2012, an endowed research division named the Earthquake Induced Tsunami Risk Evaluation Field (Tokio Marine) was established within the International Research Institute of Disaster Science (IRIDeS) at Tohoku University. This laboratory is analyzing wave height distribution, arrival time, and other aspects of tsunamis following major past earthquakes such as the Great East Japan Earthquake, and is researching more reliable damage estimates (simulations) that take into consideration vulnerabilities and disaster readiness capabilities in society both in Japan and overseas, as well as tsunami risk assessment approaches that factor in the probability of occurrence. In addition, the laboratory is working to make recommendations for disaster readiness and mitigation, including the provision of basic information and disaster readiness education in the disaster mitigation planning of coastal areas.

Image of a tsunami simulation model



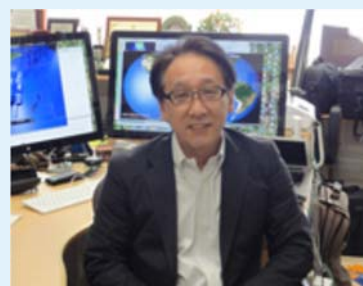
Source: Endowed Research Division (research program endowed by Tokio Marine & Nichido), IRIDeS, Tohoku University

Areas of research

1. Research into earthquake and tsunami risk assessment
 - (1) Research into damage to buildings from tsunami
 - (2) Research into damage to ships from tsunami
 - (3) Research into stochastic evaluation of tsunami hazards
2. Research into tsunami evacuation
 - (1) Planning, surveying, and verification of tsunami evacuation training
 - (2) Surveying of tsunami evacuation in the Great East Japan Earthquake
 - (3) Construction of tsunami evacuation simulation approaches and their use in drafting tsunami evacuation plans
3. Research into earthquake archaeological remains and methods of transmission in folklore
 - (1) Cooperation with the Earthquake Folklore Transmission Research Society
 - (2) Listing, on-site surveying, etc., of earthquake archaeological remains
4. Activities concerning disaster readiness education and awareness
 - (1) Development of disaster readiness awareness goods
 - (2) Counsel and editorial supervision for the Tokio Marine & Nichido Disaster Readiness and Mitigation Information website
 - (3) Editorial supervision of educational materials for the Tokio Marine & Nichido Disaster Readiness Course
 - (4) Instruction for disaster research by high school students, etc.

Building systematic mechanisms and approaches to earthquake and tsunami risk assessment allows more reliable risk projections. We intend to use these estimates as a basis for developing disaster mitigation plans for coastal areas and help create a safer and more secure society. Tsunami-related risks, in particular, are a new field that has not been explored in the past, and the research results will be very valuable for both Japan and other countries. We plan to conduct risk assessment in and outside Japan to support systematic, precautionary disaster prevention and mitigation. Moving one step further, we also aim to build a system of disaster avoidance, which focuses on minimizing disaster damage by eliminating risks.

► [Endowed Research Division, IRIDeS, Tohoku University](#)



Fumihiko Imamura, Professor
IRIDeS, Tohoku University

For Tomorrow's Smiles: Disaster Readiness and Mitigation Information Website

Drawing on the lessons of the Great East Japan Earthquake, and hoping for people everywhere to see the tragedy as an opportunity to think about and gain knowledge of disaster readiness and mitigation, Tokio Marine & Nichido launched the "For Tomorrow's smiles: Disaster Readiness and Mitigation Information Website" for general users in March 2013. This site offers easily understood explanations of the mechanisms behind natural disasters, as well as the necessary actions to take in the event of a disaster and preparations to make beforehand, allowing households to properly understand disaster readiness.

Main contents

- (1) Learn the basics of disasters! (earthquakes, tsunamis, typhoons, tornadoes, cloudbursts)
- (2) Think about disaster preparation! ("Disaster Readiness Check Sheet," "Simple Tool for Calculating Emergency Rations")
- (3) Learn tips for reducing disaster damage!
- (4) Enjoy learning as a family!
(Quiz: "Disaster Readiness Dojo for Safe Families," "Disaster Readiness Walkabout Simulation," etc.)



Contents of the site are supervised by Endowed Research Division, the International Research Institute of Disaster Science Tohoku University.

▶ [For Tomorrow's smiles: Disaster Readiness and Mitigation Information Website](#)



Providing Recommendations concerning Climate Change and Natural Disaster Risks

Tokio Marine Group coordinates with insurance companies worldwide to conduct surveys and research into climate change and natural disaster risks and to provide recommendations aimed at reducing and mitigating the risks placed on economic and social life.

■ ClimateWise Thought Leadership Series: "The role of insurers in strengthening business resilience to climate risk"

Tokio Marine & Nichido is the only insurance firm in Asia participating in the U.K.-based ClimateWise climate change initiative. Tokio Marine & Nichido (Chairman at the time Kunio Ishihara), drawing on the experiences of insurance firms following the Great East Japan Earthquake and the flooding in Thailand, put forth a proposal in February 2013 titled "The role of insurers in strengthening business resilience to climate risk" as an article in the Thought Leadership Series (i.e., a proposal to strengthen the role of the insurance industry with respect to climate change risk) under ClimateWise. Specifically, the recommendation stated that "advance preparation of business continuity planning (BCP) that factors in supply chain risks, along with rapid business recovery planning, are important in creating resilience against future climate change and natural catastrophe risk; as such, companies (and managers) should leverage the knowledge of insurance companies in addressing these."

▶ [ClimateWise Thought Leadership Series](#)

■ The Geneva Association: The CR+I Project

Tokio Marine & Nichido participates in the Geneva Association's Climate Risk and Insurance (CR+I) project. In collaboration with insurance firms and other participants worldwide, the company is surveying and researching the impacts of climate change and natural disaster risks on the insurance business, economies and society. As one of the CR+I project's initiatives, Tokio Marine & Nichido cooperated from an insurance industry standpoint on the creation of the United Nations' "Global Assessment Report on Disaster Risk Reduction 2013," and within that white paper released "Contribution of the Insurance Industry in Lessening Disaster Risk: Case Study Collection" (May 2013), a report corroborating statements concerning the role of insurance in lessening risk. In the report, Tokio Marine & Nichido assisted with sections concerning the Great East Japan Earthquake.

▶ <http://www.genevaassociation.org/>

Provision of Insurance Products and Services

The amount of damage caused by climate change is on the rise globally. 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 Tokio Marine Group and adapt to climate change.

Climate Change

Green Gift Project

Through eco-friendly products, we act as one with our agents in engaging in global environmental protection initiatives and welcome participation by customers as well.

Since fiscal 2009, Tokio Marine & Nichido has operated the Green Gift Project. Under this project, we make a donation to mangrove planting activities, equivalent to the funds to plant two saplings for each new auto or fire insurance policy that a customer chooses to view as an online document (Web policy) instead of a paper policy (a booklet).

Customers' selection of the Web policy option leads to the conservation of paper resources. At the same time, it allows the company to reduce the environmental burden created by the manufacture of paper and its transport to the company, the mailing of policies to customers, and the disposal of policies when unneeded. In addition, donating to mangrove planting activities is an initiative with a number of beneficial effects, including contribution to preservation of biodiversity and prevention of global warming through the mangrove trees. In fiscal 2012, the number of agreements taking advantage of the Web policy option was about 8.6 million, representing a reduction in paper usage of 2,400 tons.

To help customers better understand mangroves and experience participation in global environmental protection activities, the company established a Green Gift page on its website that reports on topics such as planting activities in various countries, updates on the growth of planted saplings, and the volume of CO₂ absorbed through the planting. The company is also cooperating in human resource development in the regions where planting occurs, and participates in the education support programs conducted by the international NGO known as Room to Read in developing countries where planting takes place, such as India and Bangladesh.



Through this project, Tokio Marine & Nichido will continue its initiatives aimed at conservation of paper resources, prevention of global warming, and conservation of biodiversity. From October 2013, the company will further expand its initiatives to support environmental protection activities in Japan as well.

- ▶ [Tokio Marine & Nichido Green Gift Project \(in Japanese\)](#)
- ▶ [Nisshin Fire Web contract \(in Japanese\)](#)
- ▶ ["Creating Mangrove Forests"](#)

First Auto Insurance Eco Mark Certification Acquired for Financial Products

In December 2010, Tokio Marine & Nichido acquired the first auto insurance Eco Mark ¹⁾ certification for financial products from the Japan Environment Association (JEA) for its efforts to promote various initiatives in the environment-related field. These included promotion of the Green Gift Project, dissemination of information on eco-safe driving and accident reduction via the company website, increased use of recycled parts in auto repairs and premium discount services for hybrid, electric and compressed natural gas vehicles.

In 2011, Tokio Marine & Nichido won the Silver Prize in the Eco Mark Award 2011 ²⁾ sponsored by JEA, becoming the first company in the financial industry to receive an Eco Mark award. In granting the award, JEA highly recognized the company's efforts to promote the widespread use and increase the visibility of Eco Mark-certified auto insurance products (creation of Eco Mark awareness posters and extensive use of the Eco Mark label on auto insurance leaflets and renewal notices) and to offer eco-friendly auto insurance that allows policyholders to participate in activities to reduce environmental impact through the Green Gift Project. Becoming carbon neutral in its domestic business activities in fiscal 2009 and fiscal 2010 was another point that was highly valued by JEA.



- 1) The Eco Mark environmental label is granted to products that are certified as having less impact on the environment throughout their lifecycles and being effective in preserving the environment.
- 2) The first award scheme established in 2010 in relation to the Eco Mark. Awards are presented to companies and organizations proactively engaged in activities to achieve the objective of the Eco Mark project: "Creation of a sustainable society through the wise choice of environment-friendly products by consumers and environment improvement efforts by companies."

Development of Paperless Insurance Policies and the Tokio Marine Millea no Forest

To reduce its burden on the environment from the use of paper resources, from February 2013 Tokio Marine Millea SAST Insurance has engaged in an initiative through which insurance policies can optionally be viewed online (as Web policies) instead of on paper, a move that has met with the approval of customers.

To contribute to global environmental protection by going paperless, the company cooperates with a project to plant saplings in Meguri no Forest in Shonan Village, Kanagawa Prefecture. In April 2013, the company concluded a memorandum of understanding with Kanagawa Prefecture on using the name "Tokio Marine Millea no Forest".

At the 7th Shonan Village Meguri no Forest Planting Festival held in May 2013, 24 employees and family members took part in planting 22 types of evergreen broad-leaved forest and laurel forest saplings, including bamboo-leaf oak, *Machilus thunbergii* laurel, and chinquapin. With employees, families, and the company coming together as one, Tokio Marine Millea will continue working toward the growth of Tokio Marine Millea no Forest and the creation of forests that can be handed down to the 22nd century.



▶ [Tokio Marine Millea SAST Insurance](#)

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 to 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 a 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.

▶ [Tokio Marine & Nichido Risk Consulting: Traffic Risk Consulting service \(in Japanese\)](#)

Accident-Related Auto Repairs That Are Friendly to the Environment

Tokio Marine & Nichido and Nisshin Fire & Marine Insurance ("Nisshin Fire") have been undertaking an initiative to promote environment-conscious auto repairs following accidents with the cooperation of customers. This initiative, contingent upon the approval of customers, encourages the repair, 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. Following "The Declaration of the Promotion of the Use of Recycled Parts," a joint statement made by the General Insurance Association of Japan and its member insurance companies, we have decided to step up this initiative by generally requiring the use of recycled parts when repairing company-owned vehicles and encouraging their use in personal vehicles of employees.

For the same reason, Nisshin Fire 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.

▶ [Nisshin Fire *Asante* \(in Japanese\)](#)



Asante environment-conscious auto insurance

Mega-Solar Package Program

With the launch of Japan's Feed-in Tariff Scheme for Renewable Energy in July 2012, the planning and construction of "mega solar" large-scale solar power generation facilities is surging across the country. In order for businesses to stably operate the facilities, measures are necessary to evaluate business risks over a long term of 10 to 20 years and from a variety of angles, starting from the installation stage.

In July 2012, Tokio Marine & Nichido began marketing its Mega-Solar Package Program. Through risk consulting and insurance products, the program offers an integrated solution for the risks involved in mega solar projects.

Making use of evolving risk assessment approaches in consulting

The Mega-Solar Package Program is composed of 1) risk consulting (natural disaster risk assessment and soil contamination status assessment) and 2) arrangement of property and casualty insurance.

In the event of damage from earthquake, tsunami, water, wind, high tide or other natural disasters, mega solar projects may be forced to review installation expenses or construction times, and business operation following launch may be severely affected.

Based on natural disaster information and knowledge accumulated over years in the property and casualty insurance business, the product offers risk consulting services that include a three-stage evaluation of natural disaster risks at planned mega solar installation sites, and soil contamination status assessment consulting through means such as site usage history surveys and field investigations. By incorporating such consulting, mega solar business operators are able to accurately assess the risks that can threaten business continuity and can effectively carry out necessary investments and measures.

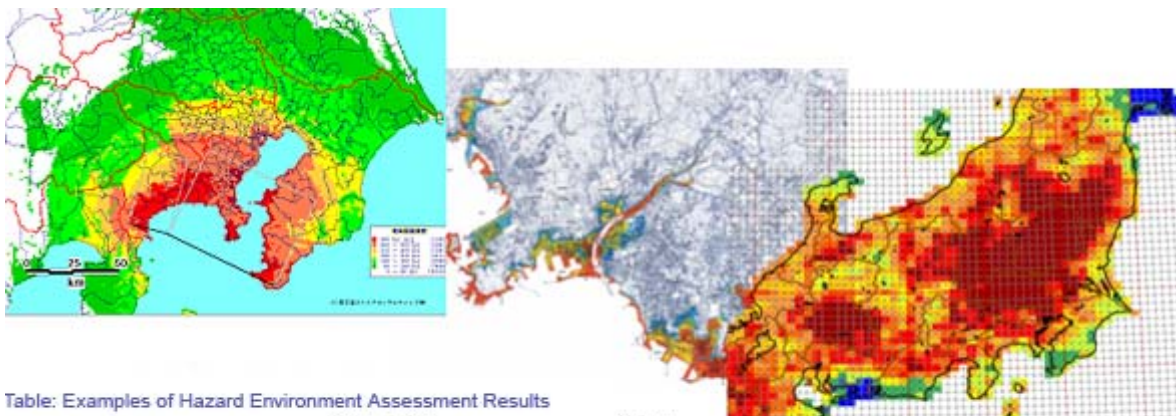


Table: Examples of Hazard Environment Assessment Results

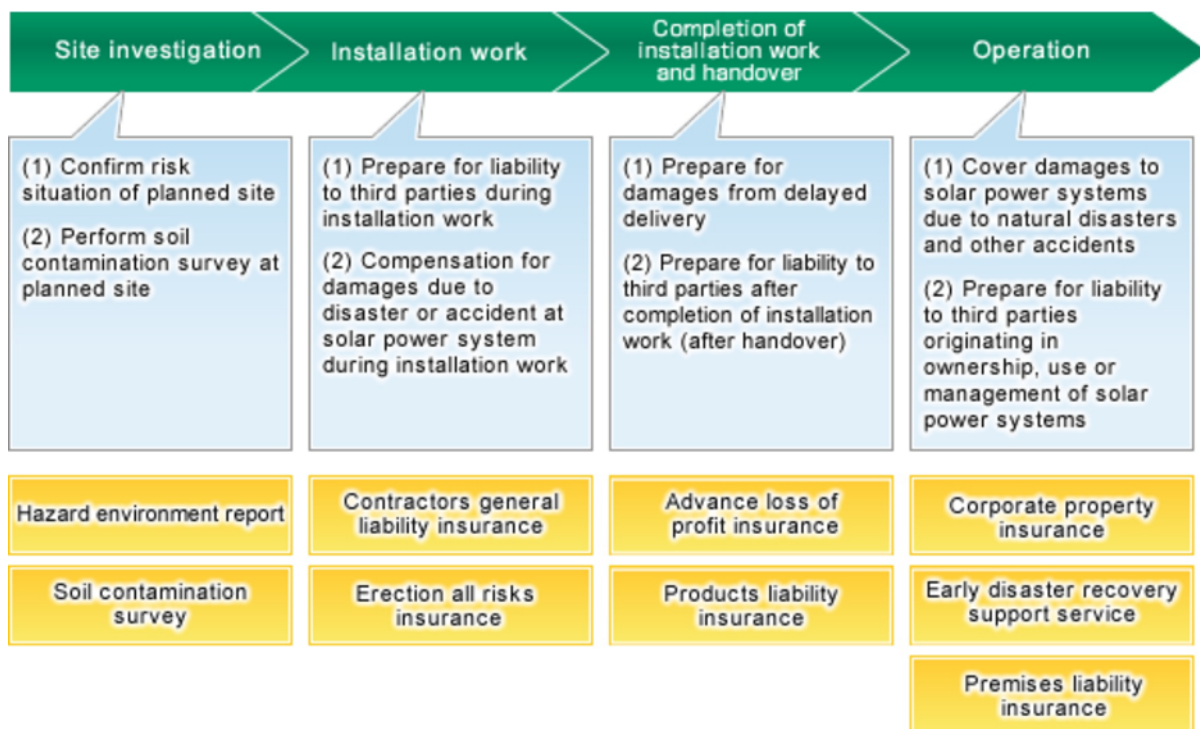
	Earthquake	Tsunami	Liquefaction	Water damage	Wind damage	High tide	Mudslide	Volcanic eruption	Dense fog
Point A	A	A	A	C	C	C	C	C	B
Point B	B	C	C	B	B	B	C	C	B
Point C	A	C	C	A	C	C	B	C	A

Figure: Materials on natural disaster risk assessment simulation models (from top: earthquake, tsunami, lightning)

Arrangement of appropriate property and casualty insurance at the mega solar project installation and operational stages

As various risks are expected at every stage – from installation to operation – in mega solar projects, appropriate risk management is achieved by analyzing risk factors that can impact project management and by arranging for insurance against each risk. Looking specifically at risks to installation work, insurance involves compensation for damages in the event of accidents originating in solar power systems during installation or after completion, including damage to or destruction of solar systems or temporary installations from calamities such as fire or lightning, as well as accompanying loss of profit due to delay of operation. Risk hedging against the preceding factors is possible through erection all risks insurance, delayed start of operations insurance, and various forms of liability insurance. With regard to risks to operation, insurance involves compensation for damages originating in ownership or management of facilities, including damage to or destruction of solar power systems from calamities such as fire, as well as accompanying loss of profits if operation is halted. Risk hedging against the preceding is possible through commercial property insurance and various forms of liability insurance.

The mega solar project flow from installation work to operation



Solar power and other forms of renewable energy are indispensable as new energy sources to support the social infrastructure of the future. Based on the role that insurance companies bear in society, Tokio Marine & Nichido will support the smooth diffusion of renewable energy by providing insurance products and risk consulting services and contribute to the development of a sustainable society.

Participation in the World Bank's Pacific Disaster Risk Financing Pilot Program

In January 2013, Tokio Marine & Nichido participated in the Pacific Disaster Risk Financing Pilot Program implemented by the World Bank in cooperation with the government of Japan, as an international contribution initiative in the field of disaster prevention and reduction.

- Background to creation of the Pacific Disaster Risk Financing Pilot Program

At the Japan-Pacific Islands Forum Summit Meeting (a.k.a. Pacific Islands Summit) held in May 2012, the government of Japan announced the creation of an insurance scheme for natural disaster in Pacific island nations as a part of Japan's international cooperation in the field of disaster readiness, and subsequently created the Pacific Disaster Risk Financing Pilot Program in collaboration with island nations' governments, the World Bank and private insurance companies.

- Overview of the Program

Operated as a Public-Private Partnership (PPP), the program consists of natural disaster derivatives as support measures for disaster readiness and mitigation in Pacific island nations.*

* Countries targeted by the Program are the Republic of Vanuatu, Independent State of Samoa, Kingdom of Tonga, Solomon Islands and Republic of the Marshall Islands.

1. Underwriting scheme during the pilot period (from January 2013)

(1) Island nations ⇔ Derivative contracts through the International Development Association (IDA)

Each island nation has concluded a natural disaster derivative contract with the IDA, a member of the World Bank Group, as a risk hedge against large-scale natural disasters (earthquakes, tsunamis and tropical cyclones).

(2) IDA ⇔ Derivative contracts through insurance companies

The IDA has concluded derivative contracts under the same conditions as 1) above, with four private insurance companies.



2. Underwriting conditions during the pilot period (from January 2013)

- Commitment period: January 17, 2013 to October 31, 2013
- Notional amount (total): USD 44.875 million (approximately 4.0 billion yen) (Underwriting by four private insurance companies)
- Trigger: In the event that an island country incurs economic losses (model losses) in excess of assumptions as a result of natural disasters (earthquakes, tsunamis and tropical cyclones), insurance companies shall pay to the government of the island nation, via IDA, a previously established compensation value.

3. Conditions differ for each target nation.

Through the underwriting of natural disaster derivatives, Tokio Marine Group supports the efforts of Pacific island nations with regard to natural disasters, and thereby contributes to the creation of sustainable societies.

Weather Insurance in India and the Diffusion of Microinsurance

About 50% of the working population of India is said to consist of farmers. Representing about 14% of GDP, agriculture is a key industry in the nation's economy. Moreover, about 20% of households consist of low-income earners (130,000 yen per year or lower), many of whom engage in small-scale farming. However, areas in which irrigation is widespread remain less than 30%, and most water for agricultural use is from rainwater. As such, when agricultural production decreases due to drought or excessive rains, farmers may suffer serious economic consequences.

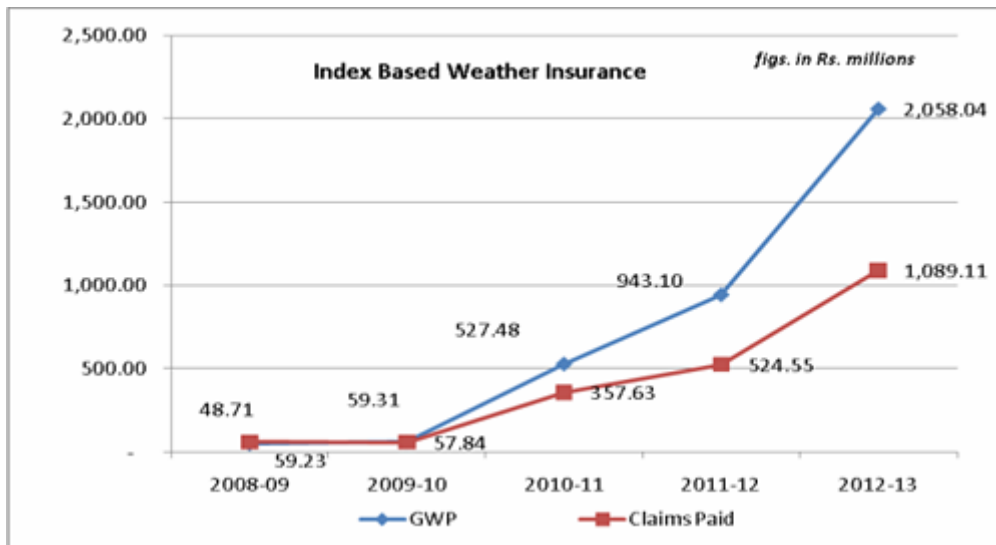
In 2001, Tokio Marine Group established the insurance company IFFCO-TOKIO General Insurance Co., Ltd. in a joint venture with India's largest fertilizer-related public corporation, Indian Farmers Fertiliser Cooperative Limited, and began offering auto insurance and fire insurance in India. From the start, the business tackled the issue of how to resolve the lifestyle of uncertainty faced by farmers in India through the mechanism of insurance, and looked into the development of weather insurance and microinsurance (i.e., insurance available at low cost).

From 2001, the company began marketing forms of microinsurance in India's farming communities, including *Sankatharan Bima Yojna*, low-cost accident insurance available for 1 rupee (about 2 yen) per year as an incidental to fertilizer; *Janta Bima Yojna*, property insurance available for 100 rupees (about 200 yen) per year; and *Mahila Suraksha Bima Yojna*, accident insurance aimed at women in rural communities. From 2011, the company began selling *Rashtriya Swasthya Bima Yojna*, medical insurance aimed at low-income earners, which it provides to about 1.24 million households in farming communities.



Insurance claims payment in farming communities

IFFCO-TOKIO offers *Barish Bima Yojna/ Mausam Bima Yojna*, an index-based weather insurance that takes into account the impact on grain harvest yields in farming communities due to unseasonable climate in the wet monsoon season (June to September) and the dry rabi season (October to April). Development of this revolutionary product leveraged IFFCO's capabilities in market surveys aimed at regional farmers and Tokio Marine Group's years of expertise in insurance underwriting accumulated in Japan to evaluate climate risks such as precipitation volume and temperature in all areas of India. To gain communities' understanding of the weather insurance mechanism, the company conducted briefings for farmers in every state in India together with banks, NGOs and other partners, and currently sells weather insurance to about 1.4 million farming households per year.



Weather insurance sales

- ▶ [IFFCO-TOKIO Weather Insurance](#)

The "1 Policy = 1 Young Plant" Campaign

Tokio Marine Insurance (Thailand) launched the "1 Policy = 1 Young Plant" campaign in cooperation with Din Dee Num Sai, an NGO engaged in global warming prevention activities. Through the program, one tree is planted for every contract signed by customers. In addition, 20 employees and 80 customers responding to a call for volunteers joined hands in planting about 3,000 saplings.



Sale of Environmental Impairment Liability Coverage

In response to the growing need for ensuring compliance with environmental regulations, U.S.-based Philadelphia Insurance Companies (PHLY) offers environmental insurance products with environmental impairment liability coverage against various risks, including impairment liability for contamination of the environment, for manufacturers, processing companies, pharmaceutical firms, hotel operators and real estate agencies.

These insurance products protect policyholders from impairment liability for damage to third parties and remediation expenses caused by environmental contamination, thereby contributing to the protection of the natural environment and the health of local residents while encouraging the promotion of regional industries.



- ▶ [Philadelphia Insurance Companies Environmental Products](#)

First Insurance Product Responding to Carbon Credits

U.K.-based Kiln Group has commenced underwriting 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 the emissions reductions of trifluoromethane (HFC-23) and nitrous oxide (N₂O) generated from adipic acid production projects no longer receiving approval as credits. In response, Kiln is underwriting insurance for a major bank to cover this risk.

- ▶ [Kiln Carbon Credit Insurance](#)

Disaster Risks

Sale of Earthquake Business Interruption Insurance Coverage of Super Business Insurance

In January 2013, Tokio Marine & Nichido fully revised its *Super Business Insurance*, a comprehensive insurance product aimed at small and medium-sized businesses and launched *Earthquake Business Interruption Insurance Coverage* a product that offers compensation for damage from business interruption following a major earthquake.

More specifically, this coverage provides compensation for losses from complete suspension of business operations due to workplace damage, stoppages of electricity, gas or water service, or other causes following an earthquake with an observed seismic intensity of 6 or higher on the Japan Meteorological Agency's scale.

The product may not be available to workplaces in some locations.

Through this insurance, small and medium-sized business operators can cover the expenses required for business restoration in the event of a major earthquake.

▶ [Tokio Marine & Nichido Super Business Insurance](#)

Offering a New Rider for Auto Insurance in Case of Total Vehicle Loss from an Earthquake, Volcanic Eruption or Tsunami

Based on experience gained from the Great East Japan Earthquake, Tokio Marine & Nichido developed a new rider for auto insurance to ensure a means of transportation that is essential in the daily lives of customers affected by an earthquake, volcanic eruption or tsunami. This new rider, offering a lump-sum claim payment for total vehicle loss caused by an earthquake, volcanic eruption or tsunami, became available in January 2012.

In order to enable swift payment of claims in the event of a major earthquake, insured vehicles that have been completely written off will automatically receive a uniform amount of 500,000 yen regardless of their value (or an amount that is equal to the vehicle value if it is below 500,000 yen).

▶ [Tokio Marine & Nichido Auto Insurance \(in Japanese\)](#)





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 that require a considerable amount of time to replace.

Tokio Marine & Nichido has added a new rider to essentially all of its property insurance* for corporate customers to cover the expenses for emergency stabilization measures from January 2011, allowing policyholders to use the Early Disaster Recovery Support Service of BELFOR under specified conditions without incurring additional costs.

The availability of the Early Disaster Recovery Support Service jointly provided by Tokio Marine & Nichido and BELFOR 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

Disaster recovery flow using BELFOR

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**



**Equipment after
precision cleaning**

- ▶ [My relations with CSR: "Providing Early Disaster Recovery Support Service"](#)



Environmental Investment

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 that invests in Japanese and other companies involved in activities under the following themes. These themes are related to environmental or social issues arising from the growing economies and increasing population in the world, which need to be sustained or improved.

- **Environmental**

(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 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.



Launching a Solar Energy Fund

At the end of August 2012, Tokio Marine Asset Management rolled out a new fund for institutional investors, including corporate pension funds, to invest in solar power plants. The new fund, *TM Nippon Solar Energy Fund 2012*, is the company's first investment product targeting Japan's national infrastructure, with assets under management amounting to approximately 9 billion yen and the investment period covering approximately 20 years.

The aim of this fund is to distribute its investment among 10 large solar power plants in Japan and provide returns to investors from sales of power generated by these facilities.

Japan initiated a feed-in tariff (FIT) system for reusable energy sources in July 2012 with a view to increasing the use of solar, wind and other reusable energy. The system requires all users of electricity, including businesses and households, to pay a surcharge on electricity generated from renewable sources. *TM Nippon Solar Energy Fund 2012*, which is based on this FIT system, is designed to return investment income to citizens of Japan through corporate pension funds, the major investor of the fund.

Tokio Marine Asset Management believes that this fund will contribute to the diversification of energy sources. By offering investment opportunities of social significance through this fund, the company strives to fulfill its social roles and responsibilities as an asset management company.



Signatory to the United Nations-supported Principles for Responsible Investment (PRI)

Recently, there has been increasing demand on asset owners (investors) and asset management companies to enforce their social roles and responsibilities via responsible investment.

The Principles for Responsible Investment (PRI) require investors to consider environmental, social and governance (ESG) aspects of potential investees in making investment decisions.

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.

On April 1, 2011, Tokio Marine Asset Management signed the United Nations-supported PRI initiative, accepting these principles as an asset management company. The company established a responsible investment committee composed of the chief asset managers of each line, as well as a responsible investment group. Through these steps, the company develops basic policies, processes and systems concerning responsible investment, and undertakes initiatives that take into account environmental, social and governance (ESG) issues during investment analysis, product development and exercise of voting rights.

As an insurance firm that has taken ESG issues into account in its insurance underwriting, investment analysis and other actions, Tokio Marine & Nichido signed the PRI in August 2012.

In addition, Tokio Marine Capital, as the first private equity investment firm (GE) headquartered in Japan, signed the PRI in April 2013.

These companies will make efforts to gain deeper insight into responsible investment and continue to fulfill their social responsibilities in their investment and financing operations.



Consulting

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 and disaster risks.

Climate Change

Environmental Consulting

Undertaking CSR through compliance and risk management in the fields of the economy, society and the environment, Tokio Marine & Nichido Risk Consulting minimizes the various risks involved in business infrastructure and provides support for the construction of schemes that enable the creation of new corporate value and the establishment of competitive advantage. In addition, the company supports corporate environmental initiatives such as surveys of environment-related legal schemes in Japan and overseas, and the development of schemes for responding to environmental laws and ordinances.

Environmental Management Consulting

The conventional corporate response to the environment has been primarily a passive one, centered on complying with environmental laws and ordinances on matters such as pollution prevention. However, what is needed now is an active response that goes beyond response to laws and regulations to put environmental initiatives into practice as a business. Also required is environmental management that aims for a harmonization of environment with economy, under which the response to environmental issues creates new business chances. In order for companies to realize environmental management, Tokio Marine & Nichido Risk Consulting conducts questionnaire surveys on the subject of employees' environmental awareness and knowledge and interviews with relevant departments, and by doing so, assesses the awareness and orientation of parties involved. Moreover, the company supports the drafting of environmental strategy, including environmental management philosophy, environmental targets and medium-term planning while taking into account the outlook for medium- and long-term policy and regulatory trends, clients' positions with respect to industry competitors, and clients' environmental strategies.

▶ [Tokio Marine & Nichido Risk Consulting \(in Japanese\)](#)



Disaster Risks

Natural Disaster Consulting

Tokio Marine & Nichido Risk Consulting employs original analysis models to quantitatively identify earthquake and typhoon risks that may vary among regions or types of facilities and, based on the results of prior analyses, provides cost-effective risk mitigation solutions for customers. For risks concerning earthquakes, in particular, the results of field surveys and document reviews are used to develop estimates of earthquake damage and provide consulting on mitigation of earthquake damage. Other services include the review of real estate structural calculation data, diagnosis of antiseismic capability of buildings and consulting based on tsunami damage simulation models.

- ▶ [Tokio Marine & Nichido Risk Consulting: Natural Disasters Consulting \(in Japanese\)](#)

Consulting for Establishment of Business Continuity Management (BCM)

Tokio Marine & Nichido Risk Consulting provides support for the establishment of business continuity management (BCM), a practice to develop, maintain and constantly improve business continuity plans (BCPs) encompassing supply chains. BCPs serve to protect companies from earthquakes, floods, infectious diseases and other contingencies. In addition to providing assistance at each stage of BCM establishment, from introduction and development to operation, the company collaborates with BELFOR, the world's largest disaster recovery specialist, to offer early disaster recovery support services to disaster-affected business and production sites.

- ▶ [Tokio Marine & Nichido Risk Consulting: Business Continuity Management \(BCM\) \(in Japanese\)](#)
- ▶ [Tokio Marine & Nichido Risk Consulting: Early Disaster Recovery Support Service by BELFOR \(in Japanese\)](#)



Reduction of Environmental Burden

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

Management structure under an Environmental Management System

To reduce the environmental burden from its business activities and to advance environmental protection initiatives in regions and communities, Tokio Marine Group appoints key personnel to roles promoting CSR activities within Group companies in Japan and overseas.

In our efforts to reduce the environmental burden in business activities, we perform PDCA management through our proprietary Green Assist environmental management system, which draws on ISO 14001, and engage in energy conservation and resource conservation initiatives. The head office of Tokio Marine & Nichido adopted an EMS based on the ISO 14001 environmental management standard in fiscal 1999, and Tokio Marine & Nichido Facilities did so in fiscal 2006.

* The targeted scope of data aggregation is major subsidiaries among consolidated companies (12 in Japan and 19 overseas).

Among Group companies, there were no major issues noted in internal auditing or external examination under ISO 14001 and no violations of environmental laws or other regulations.

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 Burden

Environmental burden caused by business activities of Tokio Marine Group is relatively small compared with companies in the manufacturing industry; however, the size of the Group makes it a large consumer of paper and energy. In order to reduce the environmental burden from our business activities wherever possible, we have positioned initiatives for reducing environmental burden as a key issue for the company. The entire Tokio Marine Group, in Japan and overseas, is making efforts to become carbon neutral* under the following strategic concepts.

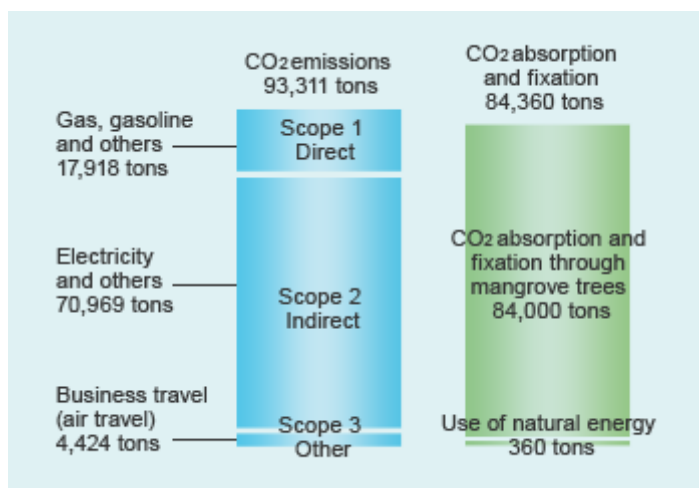
1. Reduce: Use energy-efficient buildings and facilities and cut back on energy usage.
2. Switch: Switch to natural energy.
3. Offset: Absorb and fix CO₂ by mangrove planting and retirement of emissions credits.

* A Carbon neutral means that CO₂ emitted in the course of a company's business activities is equivalent to the volume of CO₂ absorbed and reduced by way of mangrove planting, use of natural energy and the retirement of emissions credits by such a company.

Initiatives toward becoming carbon neutral

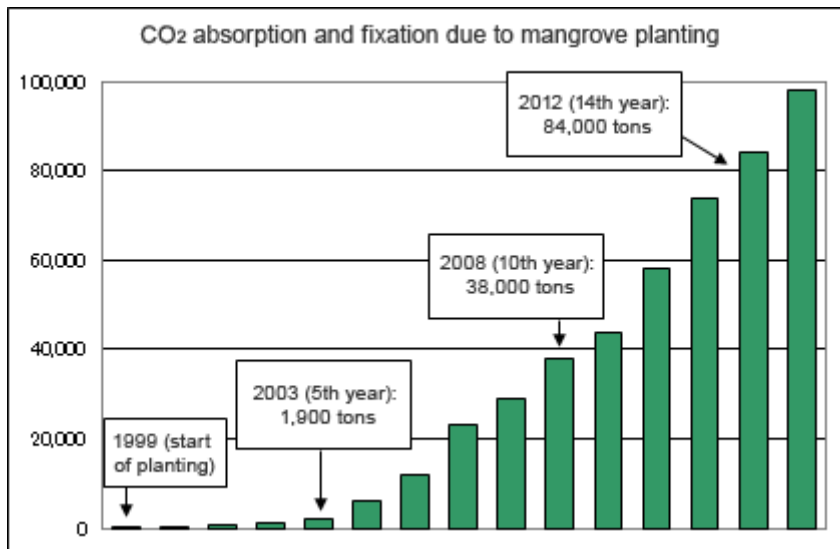
Mangrove forests have an effect on the prevention and mitigation of global warming by absorbing and fixing a significant volume of CO₂. Under the concept of "Insurance for the Future of the Earth," Tokio Marine Group has engaged in the Mangrove Planting Project since 1999. As of March 2013, 7,993 hectares of mangrove forest have been planted through this project in nine countries, primarily in Asia.

Each Group company strives to reduce the environmental burden through energy conservation and resource conservation. At the same time, Tokio Marine Group aims to achieve carbon neutral status on a global basis, offsetting the CO₂ emissions generated by its business activities with CO₂ absorption and fixation through means such as mangrove planting and Tradable Green Certificates (wind power).



Our CO₂ emissions in fiscal 2012 reached 93,311 tons, or 123.9% of emissions in the previous year, primarily due to the expansion of overseas business (including M&A) as well as a significant increase in the CO₂ emissions coefficient of Japanese power utilities (source: Environmental Burden Data). At the same time, our absorption and fixation of CO₂ through mangrove planting and other means reached 84,360 tons. Although the result fell short of achieving carbon neutral on a global basis, we will continue our efforts to reach that goal.

The calculations of the amount of CO₂ emissions, CO₂ absorption and fixation through mangrove planting and CO₂ reduction through the purchase of renewable energy have been verified by a third-party organization (Ernst & Young Sustainability Co., Ltd.).



Energy Conservation and Resource Conservation Initiatives

Raising employees' energy conservation awareness

Responding to the calls for energy conservation (in particular, the restraint of electricity consumption during peak periods) following the Great East Japan Earthquake of March 2011, Group companies in Japan are implementing Summer & Winter Electricity-Saving Measures as an initiative to firmly establish electricity and energy conservation. Specifically, the companies are making continuous efforts to (1) conserve energy in offices (reducing unneeded light fixtures, placing restrictions on use of items (OA equipment, copiers, etc.) around power outlets, and thoroughly managing air-conditioning (such as setting temperatures in offices to 28°C in summer and 19°C in winter); and (2) review employees' work styles (such as active use of telecommuting and promotion of casual dress). We also held a contest for employees and their families, The Electricity-Saving Measures Contest – Our Home Electricity-Saving Strategies, and activities to boost awareness of summertime electricity-saving measures at home. Further, we are making efforts to constrain CO₂ emissions from energy usage, such as by expanding our use of TV/Web conferencing systems and restricting air travel for business (which also reduces costs).



Energy conservation measures in buildings and facilities

Tokio Marine Group's companies are engaged in initiatives* for energy conservation in buildings and facilities, as appropriate for each structure.

* Estimated facilities investment value related to energy conservation measures: 1.947 billion yen (FY2012, Tokio Marine & Nichido)

* Upgrading to high-efficiency lighting fixtures (LED, etc.) and air conditioning; installation of motion sensors in lighting fixtures; etc.

At Group companies overseas, as in Japan, we are taking measures to conserve energy as appropriate for each building or facility. As an example, Tokio Marine Centre (Singapore) has been actively introducing environmentally conscious measures that include installment of energy-saving air-conditioning equipment and lighting fixtures, installment of water-saving equipment that reuses rainwater, and placement of greenery.

▶ [Tokio Marine Insurance Singapore](#)

Initiatives to reduce paper use

Tokio Marine Group's volume of paper consumed in fiscal 2012 was 9,781 tons (8,841 tons in Japan, 940 tons overseas), 107.1% of the amount consumed in the previous year. In fiscal 2013, we are taking action under a target of reducing this paper volume by 5% from the previous year.

As a measure to constrain paper consumption, Group companies are promoting the use of paperless conferencing, using green procurement of stationery and office supplies, shifting forms and pamphlets to Web formats (i.e., promoting paperless use), and firmly establishing the use of double-sided copying and aggregate printing.

Promoting the use of recycled auto parts

From the perspective of creating a recycling-based society and reducing the burden on the environment (i.e., constraining CO₂ emissions from the manufacture of parts*), Tokio Marine Group is calling on employees to engage in the Eco-Safe Driving program of the General Insurance Association of Japan, and is actively using recycled auto parts when repairing vehicles used by Group companies.

Furthermore, Tokio Marine & Nichido, Nisshin Fire & Marine Insurance and E. design Insurance are taking action in calling for the use of recycled auto parts and proposing the use of these parts to individual and corporate customers that have met with accidents.

Number of instances of use of recycled auto parts (fiscal 2012, Tokio Marine & Nichido): about 18,500 (111.3% compared with the previous year)

Recycled parts are said to have an effect in reducing CO₂ emissions compared with new parts: for example, 23.1 kg for a bumper, 97.3 kg for a door, etc. (Source: Survey by the General Insurance Association of Japan)

With the approval of customers, Tokio Marine & Nichido is making efforts to expand the use of recycled parts. The company's actions include distributing pamphlets to boost awareness of the Recycled Parts Usage Promotion Campaign among agents and auto repair shops, as well as creating content for tablet devices to aid these businesses in easily explaining the merits of recycled parts to customers.

Certification support for Eco-Action 21 (environmental management system for small- and medium-sized enterprises)

For agents operating auto maintenance shops, Tokio Marine & Nichido provides support for certification and registration of Eco-Action 21, the environmental management system for small- and medium-sized enterprises formulated by the Ministry of the Environment. Specifically, the company holds business seminars for interested agents to explain the necessary steps for certification and offers practical support. Through the company's support, the auto maintenance shops of 83 companies have acquired certification.

Environmental Burden Data

Environmental Burden Data (Tokio Marine Group and consolidated companies)

Reductions targets for CO₂ emissions

- Reduction target in FY2013: To maintain FY2012 level ($\pm 0\%$ year on year)
- Mid-term target (FY2014): -10% (compared with FY2010 level)

CO₂ Emissions from Energy Use (Fiscal 2012 results)

Fiscal 2012 CO₂ emissions by Tokio Marine Group overall, against a start-of-year target of 75,277 tons (maintaining the previous year's level), were 93,311 tons (124.0% of emissions in the previous year). The main causes of the increase were as follows:

- In Japan: (1) Energy conservation effects: -751 tons; (2) Impact of significant increase in the CO₂ emissions coefficient of Japanese power utilities: +11,970 tons
- Overseas: (1) Impact of business expansion: +1,004 tons; (2) Expansion of measurement targets through new company establishment, M&A, etc.: +5,986 tons*

* Calculated as Scope 1 + 2

		Fiscal 2010	Fiscal 2011	Fiscal 2012
CO ₂ emissions		73,692 tons (93.0% compared with previous year)	75,277 tons (102.2% compared with previous year)	93,311 tons (124.0% compared with previous year)
Breakdown Domestic		60,235 tons (92.2% compared with previous year)	59,919 tons (99.5% compared with previous year)	71,191 tons (118.8% compared with previous year)
Overseas		13,457 tons (96.5% compared with previous year)	15,358 tons (114.1% compared with previous year)	22,120 tons (144.0% compared with previous year)
Scope 1	Direct (gas, heavy oil, gasoline and others)	17,231 tons Domestic 13,790 tons Overseas 3,442 tons	18,013 tons Domestic 14,785 tons Overseas 3,228 tons	17,918 tons Domestic 14,371 tons Overseas 3,547 tons
Scope 2	Indirect (electricity,	52,147 tons Domestic 43,800	52,665 tons Domestic 42,139 tons	70,969 tons Domestic 53,772 tons

		Fiscal 2010	Fiscal 2011	Fiscal 2012
	cold/hot water and others)	tons Overseas 8,347 tons	Overseas 10,526 tons	Overseas 17,197 tons
Scope 3	Other (business travel by air)	4,314 tons Domestic 2,645 tons Overseas 1,669 tons Supplementary rate: 73.5%	4,598 tons Domestic 2,995 tons Overseas 1,603 tons Supplementary rate: 77.7%	4,424 tons Domestic 3,048 tons Overseas 1,376 tons Supplementary rate: 67.8%

	Fiscal 2010	Fiscal 2011	Fiscal 2012
CO ₂ emissions per employee	2.48 tons (92.5% compared with previous year)	2.44 tons (98.4% compared with previous year)	2.83 tons (116.0% compared with previous year)
Number of employees (consolidated basis)	29,758	30,831	33,006

		Fiscal 2010	Fiscal 2011	Fiscal 2012
Electricity usage	1,000 kWh	138,196	133,527	144,600
Gas usage	1,000m ³	1,861	1,688	1,791
Other fuel usage	GJ	42,495	35,271	31,905
Gasoline usage	kℓ	5,515	6,360	6,645
Business travel (by air) (Capture rate: employee basis)	1,000km	29,686 (73.5%)	39,482 (77.7%)	44,969 (67.8%)
Paper usage	t	10,637	9,132	9,781

The subject, activities and CO₂ 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."

**Environmental Burden Data (Tokio Marine & Nichido)****CO₂ Emissions Reduction Targets**

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

CO₂ emissions originating from energy consumption (Fiscal 2012 results)

Fiscal 2012 CO₂ emissions, against a start-of-year target of 44,028 tons (maintaining the previous year's level), were 53,150 tons (120.7% of emissions in the previous year). The main causes of the increase were as follows:

- (1) CO₂ reduction effect through energy conservation: -630 tons
- (2) Impact of significant increase in the CO₂ emissions coefficient of Japanese power utilities: +9,526 tons*

* Calculated as Scope 1 + 2

		Fiscal 2010	Fiscal 2011	Fiscal 2012
CO ₂ emissions		45,234 tons (91.7% compared with previous year)	44,028 tons (97.3% compared with previous year)	53,150 tons (120.7% compared with previous year)
Scope 1	Direct (gas, heavy oil, gasoline and others)	9,578 tons	8,908 tons	8,605 tons
Scope 2	Indirect (electricity, cold/hot water and others)	34,284 tons	33,619 tons	42,818 tons
Scope 3	Other (business travel by air)	1,587 tons	1,501 tons	1,727 tons

	Fiscal 2010	Fiscal 2011	Fiscal 2012
CO ₂ emissions per employee	2.65 tons (90.1% compared to previous year)	2.52 tons (95.1% compared to previous year)	3.07 tons (121.8% compared to previous year)
Number of employees (consolidated basis)	17,087	17,509	17,320



		Fiscal 2010	Fiscal 2011	Fiscal 2012
Electricity usage	1,000kWh	96,365	88,159	87,777
Gas usage	1,000m ³	1,199	1,003	1,003
Other fuel usage	GJ	39,551	34,967	31,610
Gasoline usage	kℓ	2,827	2,857	2,721
Business travel (by air) (Capture rate: employee basis)	1,000km	5,825 (100%)	3,670 (100%)	5,726 (100%)
Paper usage	t	7,624	6,825	7,495
Water usage	1,000m ³	347	354	356
Waste usage	t	1,902	2,247	4,092
Recycling rate	%	66	69	62

- The subject, activities and CO₂ 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."
- Figures for waste emissions fluctuate considerably due to expansion of the targeted scope of measurement.



Preservation of Biodiversity

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

Relationship with Biodiversity

Preserving biodiversity translates into a variety of benefits, namely, lower emissions of greenhouse gases, mitigation of disaster risks from tsunamis and revitalization of regional economies. Under the following vision, the Tokio Marine Group contributes to the preservation of biodiversity through reduction of paper usage as well as mangrove planting and other environmental enlightenment programs.

■ Tokio Marine Group's Vision for Biodiversity

Tokio Marine Group recognizes the preservation of biodiversity as one of its most important environmental issues and, as a good corporate citizen, conducts initiatives for the preservation and sustainable use of biodiversity under the following two themes.

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 \(in Japanese\)](#)

Contributing to the Preservation of Biodiversity through Our Businesses

Green Gift Project

Through eco-friendly products, we act as one with our agents in engaging in global environmental protection initiatives and welcome participation by customers as well.

Since fiscal 2009, Tokio Marine & Nichido has operated the Green Gift Project. Under this project, we make a donation to mangrove planting activities, equivalent to the funds to plant two saplings for each new auto or fire insurance policy that a customer chooses to view as an online document (Web policy) instead of a paper policy (a booklet).

Customers' selection of the Web policy option leads to the conservation of paper resources. At the same time, it allows the company to reduce the environmental burden created by the manufacture of paper and its transport to the company, the mailing of policies to customers, and the disposal of policies when unneeded. In addition, donating to mangrove planting activities is an initiative with a number of beneficial effects, including contribution to preservation of biodiversity and prevention of global warming through the mangrove trees. In fiscal 2012, the number of agreements taking advantage of the Web policy option was about 8.6 million, representing a reduction in paper usage of 2,400 tons.

To help customers better understand mangroves and experience participation in global environmental protection activities, the company established a Green Gift page on its website that reports on topics such as planting activities in various countries, updates on the growth of planted saplings, and the volume of CO₂ absorbed through the planting. The company is also cooperating in human resource development in the regions where planting occurs, and participates in the education support programs conducted by the international NGO known as Room to Read in developing countries where planting takes place, such as India and Bangladesh.



Through this project, Tokio Marine & Nichido will continue its initiatives aimed at conservation of paper resources, prevention of global warming, and conservation of biodiversity. From October 2013, the company will further expand its initiatives to support environmental protection activities in Japan as well.

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

Contributing to the Preservation of Biodiversity through Social Contribution Activities

Mangrove Planting Project

Since 1999, Tokio Marine & Nichido has been conducting its Mangrove Planting Project primarily in Southeast Asia. During the 14-year period to fiscal 2012, we planted 7,993 hectares of new forest in nine countries covering Southeast Asia, South Asia and Fiji.

The activity was rolled out as a commemorative project to celebrate the 120th anniversary of Tokio Marine & Nichido, with the original idea coming from employees who voiced their desire to launch a long-lasting initiative in the environmental field. The 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) and through collaboration with local governments and communities.

"Mangrove" is a generic term for flora that thrives in brackish waters (where seawater and fresh water meet) along tropical and subtropical coastlines and river mouths in Asia, Africa and South America. Mangroves are sometimes referred to as "forests in the sea" and are effective in mitigating global warming as they absorb and fix large volumes of CO₂, a major cause of global warming. They also serve as natural levees to protect people's lives and local ecosystems from tidal waves, tsunamis and other natural disasters. For example, 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," creating a rich ecosystem by providing a safe home for fish, crabs and shrimps and attracting monkeys and birds. Growing mangroves provide fishery and forest resources to local communities and contribute to sustainable development of the areas in which they are planted.

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.

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



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



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

Fish and other animals living in mangrove forests

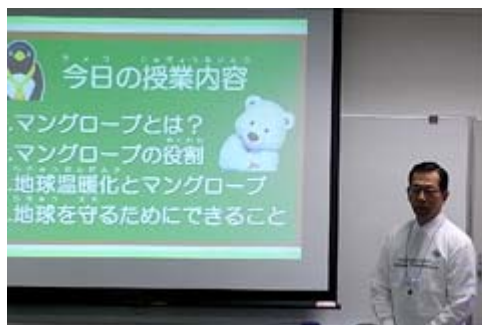


- ▶ [Creation of mangrove forests](#)

Green Lessons: The Mangrove Story

As a part of our environmental awareness promotion activities, from 2005 the Tokio Marine Group has implemented Green Lessons: The Mangrove Story. Through this program, lessons on the theme of "Global Warming and Biodiversity" are conducted with employees and agents visiting elementary schools and special education schools in the roles of volunteer instructors, and topics covered include mangrove planting and the reuse of uniforms. The program also donates flowerpots that are made with recycled uniforms.

As of the end of March 2013, the program has been held at 577 elementary schools and special education schools nationwide, with approximately 40,120 children and students attending the lessons.



- ▶ [Environmental enlightenment program Green Lessons: The Mangrove Story \(in Japanese\)](#)



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

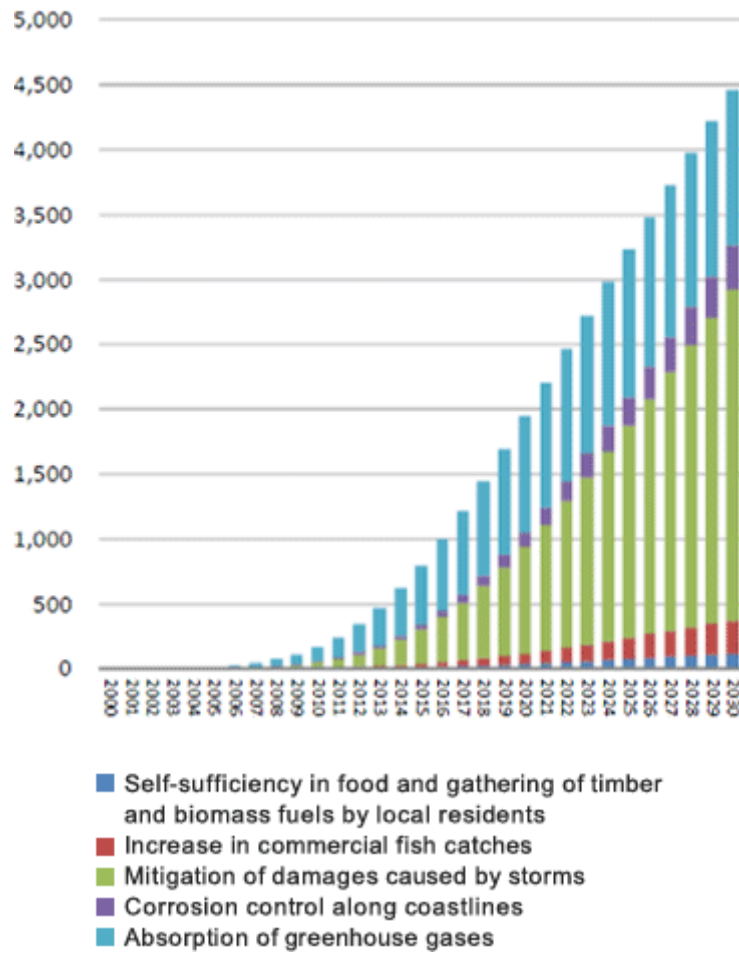
Research related to the economic impact of mangrove forests on biodiversity was reported in the Economics of Ecosystems and Biodiversity (TEEB) study, which was launched at the 10th Conference of the Parties to the Convention on Biological Diversity (COP10) in 2010. Based on the study results, Tokio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

Tokio Marine & Nichido initiated its project to plant mangroves in Thailand in 2000. For the total area of 1,016 hectares covered during the 11-year period up until fiscal 2010, we used details outlined in the TEEB study and relevant papers to estimate and compile the benefits 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 will amount 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 increase 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 plantations can achieve various benefits from local biodiversity in the long term.

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





Environmental Enlightenment and Social Contribution

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

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

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](#)

Sustainability Report 2013
Material Issue -Social-
Contributing to Local Communities and Societies

- Challenging Social Issues - Providing Value through Our Core Businesses
- Local Community and Social Contribution Activities



▶ **Social** : Contributing to Local Communities and Societies Material Issue 2



Various social issues have surfaced in our society.

In the face of growing issues concerning disasters, healthcare and cancer, Tokio Marine Group has selected "contribution to local communities and societies" as disasters one of the CSR material issues that has to be addressed by the entire Group. We help resolve these issues through our core businesses of insurance, financial services and consulting. While doing so, we collaborate with local communities to provide solutions for disaster prevention and reduction, raise awareness for disaster preparedness and take an active role in local community initiatives such as the Pink Ribbon Movement for improved cancer examination rates and a program to offer educational assistance in developing countries. Through these endeavors, Tokio Marine Group acts as a good corporate citizen and contributes to the creation of a sustainable society.

▶ [Challenging Social Issues -Providing Value through Our Core Businesses-](#)

- ▶ [Climate Change and Natural Disaster Risk](#)
- ▶ [Healthcare](#)
- ▶ [Cancer](#)
- ▶ [Other](#)

▶ [Local Community and Social Contribution Activities](#)

- ▶ [Protection of the Global Environment](#)
- ▶ [Growth of Young People](#)
- ▶ [Safety and Security](#)



Challenging Social Issues -Providing Value through Our Core Businesses-

Through our core businesses, 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.

Climate Change and Natural Disaster Risk

Against climate change and natural disaster risk, 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.

Healthcare

Tokio Marine Group delivers "security" to customers by offering insurance products tailored to changes in the social environment and customer needs and through consultation services by healthcare specialists.

Cancer

Tokio Marine Group provides support to the Pink Ribbon Movement and promotes its own initiative, the Movement to Protect Customers from Cancer, as part of efforts to fulfill its mission and social roles as an insurance company.

Other

Tokio Marine Group responds to diversifying customer needs by 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 existing insurance products and services.

Challenging Social 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.

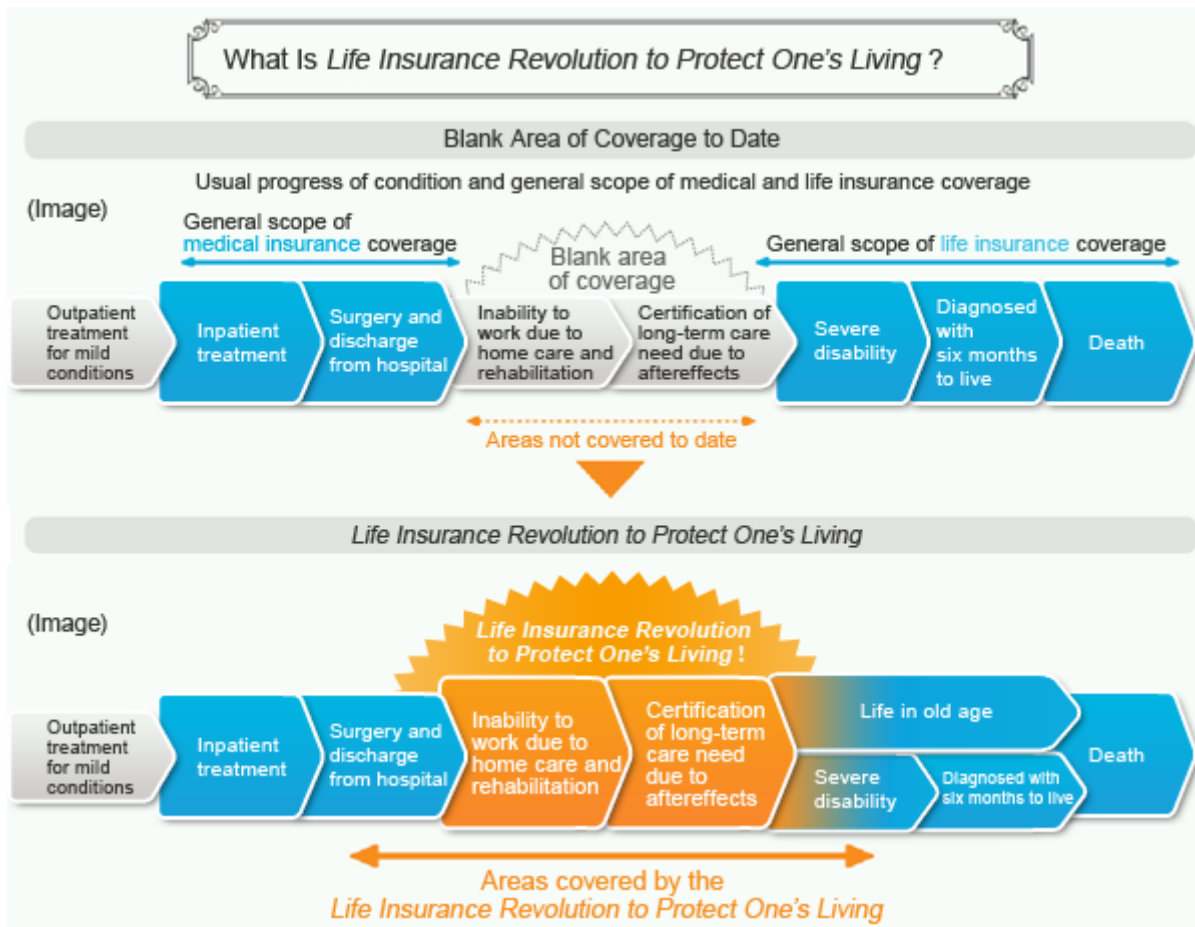
Initiatives for Living Benefits

Life Insurance Revolution to Protect One's Living

With the aging of society, advances in medical technology and shorter hospital stays, a blank area of coverage has arisen that cannot be covered by conventional medical insurance or death coverage, such as the need for outpatient treatment and nursing care after a discharge or a decline in revenues due to aftereffects that make the insured unable to work as before hospitalization.

To widely publicize the need to prepare for this blank area of coverage, Tokio Marine & Nichido Life started an initiative called the *Life Insurance Revolution to Protect One's Living* in October 2012. The company will conduct the *Life Insurance Revolution to Protect One's Living* to dispel anxieties about the period of inability to work and nursing care as a result of home care and rehabilitation, and support customers' treatment, household expenses, longevity and health.





Living Benefit Products

■ **Household Income Term Insurance with Inability to Work Benefit Insurance Plan (launched October 15, 2012)**

The *Household Income Term Insurance with Inability to Work Benefit Insurance Plan* is a policy that offers monthly benefits in the event of the inability to work due to one of five diseases (malignant neoplasm (cancer),* acute myocardial infarction, stroke, cirrhosis of the liver, chronic renal failure) or the need for nursing care due to illness or injury, in addition to death or severe disability. Customer needs are shifting from death benefits to life benefits that cover a decrease in earnings in the event of the inability to work as before due to illness or the need for nursing care due to a traffic accident or other cause. Tokio Marine & Nichido Life developed this product to meet those customer needs.

* Excluding in-situ cancer and skin cancer other than cutaneous malignant melanoma.



■ **Medical Kit R (launched January 22, 2013)**

Medical Kit R is an insurance product that covers hospitalization due to illness or injury, surgery and radiation therapy through the policyholder's lifetime. Furthermore, it is a new type of medical insurance that refunds the excess of premiums paid¹⁾ over benefits received for hospitalization²⁾ in the form of a health refund benefit at the age of 70. Even someone who is healthy today has a rising risk of hospitalization with increasing age. Moreover, premiums are high when taking out a policy at an advanced age, and coverage may be denied due to a pre-existing condition. This product was developed in light of these factors as a new concept that refunds premiums paid up to the age of 70 as a health benefit to reduce the burden of paying premiums up to the age of 70 and enable customers over 70 who take out policies to maintain coverage for the rest of their lives with the same premiums.

1) Applies to premiums on basic policy only, not to premiums on riders.

2) Benefits for hospitalization due to illness, hospitalization due to disaster, surgery and radiation therapy.



▶ [My Relations with CSR: A New Form of Medical Insurance](#)

Initiatives for Longevity Risk: "Academy of Health and Long Life"

In February 2012, Tokio Marine & Nichido Life established the "Academy of Health and Long Life" section of its website to convey to the broadest possible audience the importance of disease prevention and health management in leading a healthy life long into the future. Tokio Marine & Nichido Life guides visitors through the academy and explains what is available at the Health Promotion Center, Retirement Preparations Center and Library. Each "facility" provides easy access to information maintained by Tokio Marine & Nichido Life, Tokio Marine & Nichido Medical Service, Tokio Marine Nichido Better Life Service and other business partners, which relate to the topics below.

Main Contents

<p>Health Promotion Building</p>	<ul style="list-style-type: none"> - Lifestyle-related disease self-check - Understanding and preventing lifestyle-related diseases - Case studies of five diseases* - Dr. Negoro's health and longevity lifestyle course
<p>Preparation for Old Age Building</p>	<ul style="list-style-type: none"> - Building up capital - Current state of nursing care - Case studies of nursing care
<p>Library</p>	<ul style="list-style-type: none"> - Survey of attitudes about cancer - Survey of attitudes about longevity



* Malignant neoplasm (cancer), acute myocardial infarction, stroke, cirrhosis of the liver, chronic renal failure

▶ [Tokio Marine & Nichido Life: Academy of Health and Long Life \(in Japanese\)](#)



Medical Assist: Providing 24/7 Telephone Support for Customers Seeking Advice on Illness or Injury

Medical Assist is a free health and healthcare consultation service that supports the health of policyholders and insureds of Tokio Marine & Nichido and Tokio Marine & Nichido Life, including their families. Assistance is provided via telephone 24 hours a day, seven days a week, including advice on everyday physical accidents, methods for handling emergencies such as sudden illnesses or injuries, information about hospitals, clinics and other medical facilities that examine patients on holidays or late at night, consultation with specialists in a range of more than 30 medical examination fields (by appointment only), and arrangements for transfer to other hospitals on behalf of patients. Such concerns are addressed by highly specialized healthcare professionals including emergency medical specialists who take leading roles in emergency medical institutions, medical specialists qualified as university professors or assistant professors, and nurses with a wealth of clinical experience. Nurses make the initial response to customer inquiries, and depending on the case, emergency medical specialists and other medical staff address the issue thereafter as necessary.



Call center

■ Medical Assist Service Overview

Emergency medical consultation	Emergency medical specialists who play a first-line role at emergency medical institutions and nurses with a wealth of clinical experience respond to urgent medical consultation requests and consult on everyday physical concerns 24 hours a day/7 days a week.
Consultation with medical specialists by appointment	Medical specialists (qualified as university professors or assistant professors) in various diagnostic fields (more than 30 medical examination fields) provide consultation via telephone regarding medical care and health by appointment.
Information of medical institutions	Information from a database of 450,000 facilities nationwide 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 at a leisure or business travel destination, including arrangements for a private ambulance, special procedures for boarding aircraft, and arrangements for a doctor, nurse or other healthcare professional as a companion, when 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 doctors, nurses and other medical staff respond to various concerns about cancer. They also attend to the concerns of patients who are fighting against cancer and their families.

For example, in the case of providing consultation about a child stung by a bee, a detailed explanation is given about symptoms, with an explanation of the necessity of emergency medical care followed by advice on temporary first aid adapted to the symptoms at that time.

- ▶ [Medical Assist \(Tokio Marine & Nichido Life, in Japanese\)](#)

Joint Planning and Development Support for docomo Healthcare's *Karada no Kimochi*

Tokio Marine & Nichido conducted joint planning and development support for the cash benefit for medical treatment portion of *Karada no Kimochi* ("How my body feels") service provided by docomo Healthcare, Inc. from June 1, 2013. *Karada no Kimochi* is a service that allows customers to grasp their daily biorhythm and receive advice on leading a healthy life. When the input data uncovers a change in body condition, the customer is encouraged to see a doctor and receives a cash benefit when medical advice and treatment is received from a qualified medical professional, achieving support for peace of mind. The service has a high level of social significance because of its link to prevention and early detection of breast cancer and uterine cancer, two serious illnesses affecting women for which early detection efforts are lagging behind in Japan.



▶ [docomo Healthcare's *Karada no Kimochi*](#)

Support for Technical Care Helper Training

Amid the rapid progress of the aging of society, an increasing number of companies, not only nursing facilities but also companies mainly in the service industry, are focusing on dealing with elderly and disabled customers by training their employees with information and techniques on caregiving. Tokio Marine Nichido Better Life Service, which conducts business supporting home visit and in-home nursing care, has partnered with the non-profit organization Japan Technical Care Helper Promotion Council since 2011 to use its accumulated knowledge and experience in this business field to provide Technical Care Helper qualification training courses. The Technical Care Helper Certificate is given by the Japan Technical Care Helper Promotion Council to provide caregivers with a sense of security by covering application of basic rules in addition to caregiving information and techniques for the elderly and disabled. As of March 31, 2013, 1,155 students from automobile dealers, travel agencies and elsewhere had taken the course. We are working to spread caregiving information and techniques with the aim of a society where everyone can lead their lives with security.

▶ [My Relations with CSR: Support for Technical Care Helper Training](#)

Support for Mental Health Management

Depression is considered a modern-day illness, but with the effects of various countermeasures since 2008, when the number of patients with depression exceeded one million in Japan, the increase in patients has halted although the number remains at a high level.¹⁾ This plateau is thought to show the effect of the adoption of countermeasures at many companies. On the other hand, however, the number of workers' compensation insurance claims for mental disorders continues to rise.²⁾ As a result, employee mental health care is not only positioned as part of health and welfare, but is rising in importance as an aspect of 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, the mental health e-learning content "Welcome to Himiko's Room" was launched in February 2013 as an optional program of EAP using personal computers as well as smartphones, tablets and other electronic terminals. The e-learning content was developed in response to requests from customer companies that wished to increase the stress tolerance of employees who were thought mentally and physically sound as well as employees suffering from mental health disorders and to provide opportunities for employees to care for themselves independently. As such, employees can enjoy themselves while independently learning about how they can deal with circumstances and events, which can be linked to improving stress tolerance.

In addition to these support services for individual employees, the program 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" and "Summary of Patient Survey 2011" by the Ministry of Health, Labour and Welfare
- 2) "Summary of Worker's Compensation for Brain/Heart Disease and Mental Disorders 2011" by the Ministry of Health, Labour and Welfare

▶ [Tokio Marine & Nichido Medical Service health promotion under EAP \(in Japanese\)](#)



Initiatives for Food

We believe that being able to eat is the basis of happiness.

Hyldemoer/Hytte, a for-profit senior home with nursing services operated by Tokio Marine Nichido Samuel, conducts research on all aspects of food, from its form to oral hygiene, the occlusion of false teeth and the angle of a chair's backrest so that residents who can no longer eat food normally can once again enjoy the pleasure of eating.

In addition, the company has developed *More Dish 3 (MD3)*, original nursing meals for residents who can only eat chopped food. Using the company's original preparation methods that make the most of the natural flavor of the ingredients, the meals look and taste virtually the same as normal meals.

▶ [Tokio Marine Nichido Samuel: Initiatives for Food](#)



Challenging Social Issues -Providing Value through Our Core Businesses-

Cancer

As part of efforts to fulfill its mission and social roles as an insurance company, Tokio Marine Group started providing support for the Pink Ribbon Movement, a campaign to convey the importance of early detection of breast cancer, in 2005 through non-profit organization J.POSH in order 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

In Japan, cancer is considered a national disease, a source of much grief. 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.

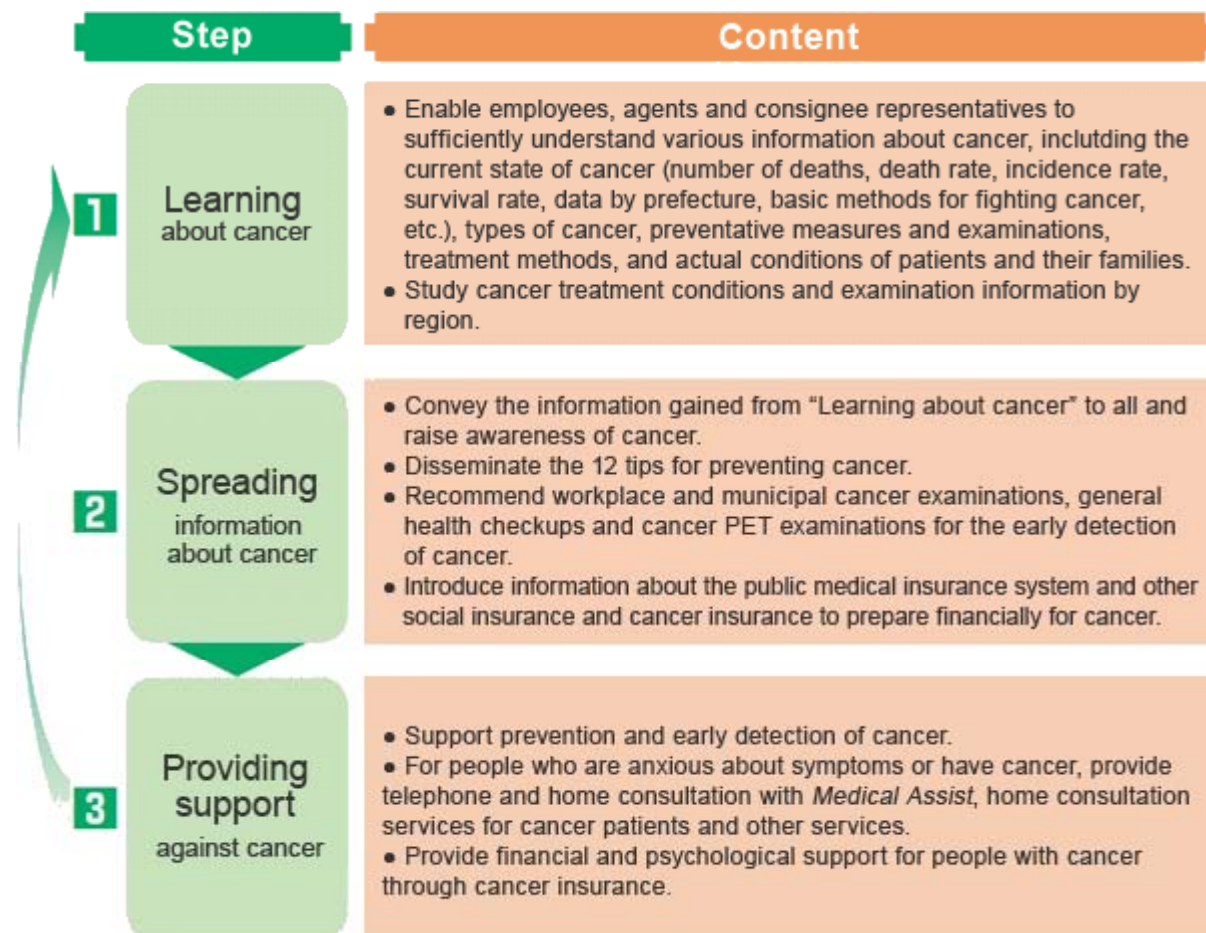
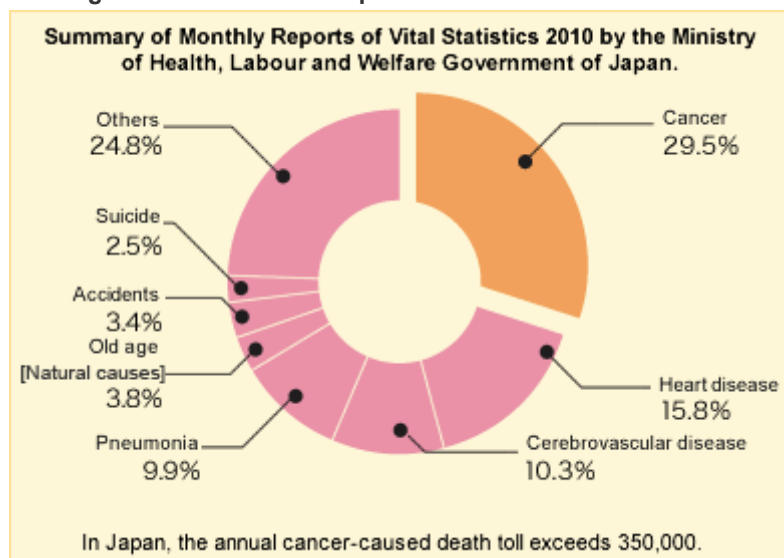
(2) Spreading the message about cancer

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



Collaboration with Local Authorities

An urgent task is 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 signed agreements with 44 prefectural bodies and 16 cities (as of March 31, 2013) 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 examination rate in Japan.

Nationwide Regional Activities

Tokio Marine & Nichido Life encourages cancer education activities in its daily sales operations with the aim of disseminating cancer knowledge and increasing cancer examination rates. In addition to periodic cancer-related study sessions, exchange meetings and seminars for agents/consignees at branch offices across the country, we hold a national conference of employees and agent/consignee representatives who are actively and responsibly engaged in these cancer awareness efforts. At the sixth conference held in October 2012, about 3,000 representatives nationwide were simultaneously connected via the company's internal satellite broadcasting system. This national conference serves to extend knowledge and foster a strong sense of mission concerning cancer awareness through lectures by cancer patients and medical workers.

Joint Research with the Shizuoka Cancer Center

In 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 education through 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)



Challenging Social Issues -Providing Value through Our Core Businesses-

Other

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

Efforts to Utilize Insurance Products More Conveniently

Sale of *One Day Auto Insurance*

Tokio Marine & Nichido sells *One Day Auto Insurance* (driver insurance available in the unit of days), which can be purchased anytime and anywhere via mobile phone. It is the first of its kind in the insurance industry in Japan, allowing infrequent drivers using cars owned by their parents or friends to purchase insurance at the cost of 500 yen a day for just the number of days needed. The product was launched in January 2012, and the cumulative number of days insured exceeded 200,000 in September 2012.

Our *One Day Auto Insurance* received the Nikkei Veritas Award for Superiority at the 2011 Nikkei Superior Products and Services Awards, an annual award organized by Nikkei Inc. to recognize exceptional new products and services. In addition to the novelty of enabling customers to buy the auto insurance at a reasonable price, with greater ease and when and where needed, the product was highly acclaimed for its ability to help resolve one social issue of increasing traffic accidents involving uninsured drivers.

Currently, the number of traffic accidents by uninsured drivers is estimated to exceed 100,000 a year. Through this product, Tokio Marine & Nichido will continue to contribute to the reduction of uninsured drivers involved in traffic accidents and ensure "safety and security" by providing products and services that are useful in people's daily lives and business activities.

- ▶ [My Relations with CSR: Development of Auto Insurance Available in the Unit of Days](#)
- ▶ [Tokio Marine & Nichido *One Day Auto Insurance* \(in Japanese\)](#)

Addressing New Services via Smartphone

Smartphones accounted for about seven out of every ten mobile phones sold domestically in fiscal 2012 and have been rapidly gaining popularity among users.

Tokio Marine & Nichido provides the free smartphone application *Mobile Agent* to its customers. This application can be used to display and confirm policy content and contact points for insurance, and enables access to disaster prevention information using a GPS. Users can also apply for *One Day Auto Insurance* via *Mobile Agent*. In addition, from October 2013, the service has added a function that allows users to make arrangements for a tow truck after an accident in as few as three taps; a function that allows customers to photograph their damaged vehicle and the accident scene and easily send the photos to Tokio Marine & Nichido; and a function for confirming the status of progress of response to the accident. We will work to further improve convenience for customers as an insurance service that can be carried around and used anytime and anywhere.



E. design Insurance has been providing various services for automobile insurance using smartphones since April 2011. After accessing the Internet via their smartphones, policyholders can use them for services such as reporting accidents, verifying accident response status, making changes to contract details and renewal procedures. Additionally, customers who are considering applying for auto insurance can complete overall procedures, from requesting an estimate to final application, via smartphone.

With these and other efforts to bring better convenience and higher quality to customers, E. design Insurance has been ranked number one overall in customer satisfaction for auto insurance in 2013 surveys by both Oricon and Rakuten. The company will work to further improve customer convenience by providing various services through the Internet, including smartphones.

- ▶ [Tokio Marine & Nichido Mobile Agent](#)
- ▶ [E. design Insurance Annual Report \(in Japanese\)](#)

Home Choice Assist Supports Measures to Prevent Recurrence after an Accident

For customers who have experienced damage to their personal property from fire, lightning, explosion or theft, Tokio Marine & Nichido offers *Home Choice Assist*, a policy with a rider that offers compensation for taking measures to prevent recurrence of fire or theft to alleviate as much as possible customer concerns about recurrence. A new framework allows policyholders to choose freely from a menu of reimbursement for various items including expenses for purchase of reserve products to prepare for a disaster and installation of hand-operated fire extinguishers, security cameras and sensors. By playing a role in our customers' disaster countermeasures and prevention of accident recurrence, we aim to provide safety and security.

VOICE The development of *Home Choice Assist* incorporates our customers' opinions and wishes.

What supplementary services would you like from an insurance company after a fire or theft?

- A service that bears the expenses of installing security locks and windows (Female, 50s)
- Security camera installation (Female, 30s)
- A consultation service that suggests appropriate measures to be taken based on actual cases of accident or theft (Male, 30s)

Home Choice Assist was developed based on these opinions.

▶ [Tokio Marine & Nichido Home Choice Assist](#)

Overseas Total Support Desk Assists Overseas Travelers in Case of Emergency

Overseas travel insurance is a major support for overseas travelers with concerns such as injury, illness or theft. Tokio Marine & Nichido has established the Overseas Total Support Desk, which provides 24-hour, year-round consultation in Japanese on accidents, injuries and other difficulties while overseas as well as insurance. Tokio Marine Group company International Assistance (INTAC) receives calls from customers traveling overseas at a centralized point in Tokyo to provide a speedy response in Japanese for various problems and consultations and offer appropriate advice and arrangements on matters such as injury, illness or theft while overseas, insurance terms and conditions, and the method for making a claim.

▶ [Tokio Marine & Nichido Overseas Total Support Desk](#)



Response to Globalization

Reducing World Poverty

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 the sale of eggs and poultry products, the system in turn provides funds to build a chicken coop. 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 around 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.

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. 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 efforts to reduce poverty and seeking higher returns at the same time. In the future, we plan to gain support from more investors by providing a detailed report on the performance of the fund both financially and by specifically showing how it has contributed to resolving poverty issues.

- ▶ [Tokio Marine Asset Management Daiwa Microfinance Fund \(in Japanese\)](#)

Example of Investment in an MFI

[Indonesia] Bank Andara



Bank Andara is a financial institution that provides services to MFIs rather than making loans directly to individuals.

It provided basic loan and deposit services as a local bank based in Bali since 1969. In 2008, five international organizations, including International Finance Corporation (IFC), with a strong interest in social and economic development in emerging nations invested in Bank Andara and become its major stockholders. In 2009, it became a bank for MFIs, providing financial services mainly to small-scale local MFIs.

* Example of a Borrower (Published with the borrower's consent)

Park Sahadi

Use of funds: Purchase of materials for painting, etc.

Mr. Sahadi, who has loved painting since childhood, already has a 40-year career as a professional painter. However, with problems finding a route for selling his paintings as a business and an inability to locate purchasers, collectors or galleries likely to buy his work, making a living through painting was very difficult.

Local banks were hesitant to fund Mr. Sahadi's painting business, but after discussions with Bank Andara and one of its local customer MFIs (BPR Bank Jogja), he borrowed 25 million rupiah (approximately 227,000 yen: 1 IDR = approximately 0.0091 JPY) and began sales as a professional painter. Mr. Sahadi built a design studio with the funds he borrowed and began the process of painting and selling numerous works. He was even able to show his work in an exhibition at the Four Seasons Hotel in Jakarta. Currently, eight collectors regularly purchase Mr. Sahadi's work. He would like to find 15 collectors to stabilize his earnings. In the future, Mr. Sahadi is thinking of holding an exhibition that presents the appeal of the rhythmical sound of the brush used to make his paintings along with their visual appeal, the first such attempt not just in Indonesia but in the world.





Providing "Safety and Security" to Customers in Islamic Nations

In Islamic nations, conventional insurance products were not accepted under Islamic law, which prohibits transactions involving a great deal of uncertainty, gambling and paying and receiving of interest. Foreseeing customer needs in Islamic nations, Tokio Marine Group quickly initiated extensive research and, ahead of other global insurance companies, in 2001 started sales of original insurance products based on a mutual-aid and insurance scheme conforming to Islamic law. We now have a system to deliver "safety and security" to people who otherwise have no access to insurance products because of such religious reasons. Currently, Tokio Marine Group provides these Islamic-style products in Egypt and Saudi Arabia.

▶ [Alinma Tokio Marine \(Saudi Arabia\)](#)

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.

Jointly with Governance for Owners (GO),* Tokio Marine Asset Management (TMAM) launched the *TMAM-GO Japan Engagement Fund* in March 2012. This engagement-focused fund primarily invests in small- to medium-sized Japanese companies having strong core businesses. 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 European stock markets.

▶ [Tokio Marine Asset Management \(in Japanese\)](#)

Local Community and Social Contribution Activities

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

With the aim of fostering a corporate culture in which employees naturally engage in making contributions to local communities and society, the FY2012-FY2014 mid-term business plan sets a target of a 100% participation rate by domestic Group employees in contribution activities for local communities and society by the end of fiscal 2014. The participation rate in fiscal 2012 was 83.9%.



Plans and Results of Fiscal 2012/Highlights

Target

To increase the ratio of domestic Group employees participating in local community and social contribution activities to 80% by the end of fiscal 2012.

Results/Highlights

- During fiscal 2012, a total of about 20,415 domestic Group employees (83.9% of the entire workforce) participated in a range of volunteer activities* throughout Japan. Tokio Marine & Nichido Facilities, in particular, successfully raised employee awareness through periodic in-house promotion campaigns, resulting in 100% of employees taking part in volunteer activities in fiscal 2011.

* 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, as well as in courses to foster support for dementia care.



Engagement with Non-Governmental Organizations (NGOs)

Tokio Marine Group promotes local community and social contribution activities in collaboration with NPOs committed to solving various issues in local communities. In the Mangrove Planting Project, one of the most notable initiatives undertaken by the Group, we have formed a long-term partnership with the NPOs Action for Mangrove Reforestation (ACTMANG) specialized in mangrove planting, the organization for Industrial, Spiritual and Cultural Advancement-International (OISCA) and International Society for Mangrove Ecosystems (ISME). Besides planting mangroves, we cooperate in improving environmental awareness, such as providing environmental education and workshops for local residents and children, and promoting industries in the designated planting regions.

Activities by Individuals and Groups of Employees

Tokio Marine Group defines three action themes shared among all countries and regions around the world ("protection of the global environment," "growth of young people" and "safety and security") and encourages employees of every Group company and at every workplace to conduct at least one local community and social contribution activity per year. In fiscal 2012, we continued another theme from fiscal 2011, "support for recovery from the Great East Japan Earthquake," and undertook various activities both in and outside Japan to support areas affected by the disaster.

With a view toward fostering employee volunteerism, the Group designates October and November as CSR Months. At Tokio Marine & Nichido, many employees took part in a variety of volunteer activities throughout Japan. A total of approximately 3,400 participants took part in 13 CSR events held at the Head Office during the two-month period, including a fair selling goods to support the disaster area.

Support Systems and Programs

All Tokio Marine Group companies encourage the proactive participation of their employees in local community 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 2012 Results (Tokio Marine & Nichido)

Matching gift system	A system in which the company makes a donation matching the amount voluntarily donated by employees (14 cases totaling 457,250 yen)
Volunteer leave/leave of absence system	A system to support employees for their volunteer time (used by 114 employees)
Share Happiness Club	A donation program operated by employee volunteers In fiscal 2012, a total of 7,837,468 yen donated by 4,424 employees was distributed to the following organizations: - International Society for Mangrove Ecosystems (ISME) ("protection of the global environment" theme); - Child Line Japan (NPO) ("growth of young people" theme) - Peace Boat Disaster Relief Volunteer Center ("safety and security" theme)
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 recognize protection of the environment, as well as local community and social contribution activities conducted by offices and branches across Japan, Group companies, overseas offices and agents, which strongly represent the essence of Tokio Marine Group and are highly recognized by local communities and society. In fiscal 2012, awards were presented to nine initiatives undertaken by offices, branches and Group companies nationwide.

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

<p>Monetary donations</p>	<p>Approximately 743 million yen Among these donations, the amount allocated for disaster relief for the Great East Japan Earthquake: Approximately 40 million yen</p>
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Examples of Activities



- ▶ [Mangrove Planting Volunteers](#)
- ▶ [Support for the Ten-Year Restoration Project of the Coastal Forests of Tohoku Region](#)
- ▶ [Green Lessons: The Mangrove Story](#)
- ▶ [Collaborative Afforestation Efforts in Kochi Prefecture: Tokio Marine & Nichido's Forest for the Future](#)
- ▶ [Children's Environmental Award](#)
- ▶ [Marunouchi Citizens Environmental Forum](#)
- ▶ [Global Warming and Natural Disaster Risk Seminars by Tokio Marine & Nichido and the Tokio Marine Research Institute](#)
- ▶ [Display in the Eco-Products Exhibition](#)
- ▶ [Participation in Earth Hour by Group Company in Hong Kong](#)
- ▶ [GREENPHLY Environmental Awareness Program](#)



- ▶ [Social Contribution Activities through Foundations](#)
- ▶ [Programs for Preschool and School Children \(Delivery of Lesson Programs and Environmental Education\)](#)
- ▶ [Ashinaga My Walk](#)
- ▶ [Making Kiwanis Dolls](#)
- ▶ [Picture Book Donation Campaign](#)
- ▶ [Serving as a Special Sponsor of the JOC Junior Olympic Cup Swimming Tournament](#)
- ▶ [Participating in Room to Read's Educational Support Program in Developing Countries](#)
- ▶ [Scholarship Program for High School Students in Indonesia](#)
- ▶ [Educational Assistance for Children in China](#)
- ▶ [Support for a Charity Marathon in the Republic of Sierra Leone in Africa](#)
- ▶ [Charity Event to Support Ronald McDonald House](#)
- ▶ [Volunteer School Repairs for Chicago Cares Serve-a-thon](#)



- ▶ [Initiatives to Support Recovery of Areas Affected by the Great East Japan Earthquake](#)
- ▶ [Initiatives for Lessons on Disaster Prevention](#)
- ▶ [For Tomorrow's Smiles: Disaster Prevention and Mitigation Site](#)
- ▶ [Clear File Folder for Disasters](#)
- ▶ [Contributing to Safety and Security in Local Communities](#)
- ▶ [Cooperating with the NPO Association for Assistance to Children Orphaned in Traffic Accidents](#)
- ▶ [Courses to Foster Support for Dementia Care](#)
- ▶ [AED Workshop to Practice Life-Saving Skills](#)
- ▶ [Promoting the Pink Ribbon Movement](#)
- ▶ [Collaboration with the Iwate Hospice Association](#)
- ▶ [N Program to Support Young Physicians to Gain Clinical Experience in the United States](#)
- ▶ [Collaboration with Japan Deaf-Blind Association](#)
- ▶ [Collaboration with the Special Olympics Nippon Foundation](#)
- ▶ [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](#)
- ▶ [Providing Support to the Himawari no Kai](#)
- ▶ [Participation by All Employees in "Inspiring by Example" Social Contribution Activities](#)
- ▶ [Initiative to Protect the Safety of Elementary School Children](#)
- ▶ [Providing Japanese-Language Medical Services in the United States](#)



Local Community and Social Contribution Activities

Protection of the Global Environment

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

Japan

Mangrove Planting Volunteers

Since 1999, Tokio Marine & Nichido has been promoting its Mangrove Planting Project in Southeast Asia and other countries and regions and conducting a volunteer tour to plant mangrove trees about once a year. Tokio Marine Group employees, agents and retired employees as well as their families participate in these tours as volunteers to plant mangrove seeds and saplings with local residents and children and visit villages and elementary schools in respective regions to promote international exchange. As of March 2013, we have conducted 13 mangrove planting volunteer tours, in which a total of some 420 members have participated.



▶ [Creating Mangrove Forests](#)



Support for the Ten-Year Restoration Project of the Coastal Forests of Tohoku Region

Continuing from fiscal 2011, in fiscal 2012 Tokio Marine & Nichido made a monetary donation of 10 million yen to the Ten-Year Restoration Project of the Coastal Forests of Tohoku Region* led by the Organization for Industrial, Spiritual and Cultural Advancement-International (OISCA). In addition to restoring coastal pine tree forests, this project aims to facilitate regional revitalization through the recovery of agricultural land and creation of job opportunities in disaster areas. These ideas correspond to the philosophy of the Mangrove Planting Project undertaken by Tokio Marine & Nichido, which is to protect the global environment and contribute to local communities and society. Going forward, the company will provide physical support in addition to financial assistance by encouraging employee volunteer activities.



*A project to restore beaches of white sands and forests of green pine trees in the Tohoku Region. It aims to restore coastal forests of the Sendai plain in Miyagi Prefecture, which were devastated by the earthquake-induced tsunami in the March 2011 disaster, by promoting production, nursery and the planting of seedlings while creating local job opportunities through these operations.

Green Lessons: The Mangrove Story

As part of its effort to raise environmental awareness, since 2005 Tokio Marine Group has provided 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 biodiversity," in which they tell stories about mangrove planting and the recycling of company uniforms. Children participating in these lessons receive flowerpots made from recycled uniforms.



As of March 31, 2013, the Group visited about 577 elementary and special needs schools throughout Japan and provided Green Lessons to approximately 40,120 children.

A class at Sakaine Elementary School in Kashiwa City, Chiba Prefecture

▶ [Green Lessons: The Mangrove Story \(in Japanese\)](#)

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 47.1 hectares and has been named "Tokio Marine & Nichido's Forest for the Future." In November 2012, approximately 41 Group employees and agents including their families participated in the fourth Tree-Thinning Forestry Volunteers to experience tree thinning and socially interact with local residents. Participants said, "Through tree thinning and communication, I was able to experience a feeling of a bond with local society," and "After we finished, it was bright on the mountain, and I understood the importance of tree thinning."



Children's Environmental Award

Together with the Asahi Shimbun Company (newspaper), Tokio Marine & Nichido has conducted the Children's Environmental Award program since 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 invite the winners of an illustration and essay contest for elementary school children to join the Iriomote Island Eco Experience Tour during the spring school holidays. For the fifth Children's Environmental Award in fiscal 2012, we received more than 3,800 works from children all over Japan.



The Iriomote Island Eco Experience Tour is conducted under the supervision of Shigeyuki Baba, Doctor of Agriculture at the University of the Ryukyus. He is also a judge of the Children's Environmental Award. Participants learn about the importance of preserving the global environment through a program of events that includes exploring a mangrove forest, engaging in tree planting and mangrove dyeing, while receiving explanations from specialists. Impressions from the children who participated include "My awareness of nature has become stronger. I want to continue activities to protect the global environment."

▶ [Tokio Marine & Nichido: Children's Environmental Award \(in Japanese\)](#)

Marunouchi Citizens Environmental Forum

Every year, Tokio Marine & Nichido holds a social and environmental awareness seminar, the Marunouchi Citizens Environmental Forum, jointly with Mitsubishi Corporation. At the 54th forum held in fiscal 2012, we invited sportscaster Tsugiharū Ogiwara, who talked about when he competed in the Olympics and the activities of the Nordic ski tours and mountaineering club he sponsors. Impressions from the 150 attendees, made up of Tokio Marine Group employees and other guests, included "His full-on enthusiasm was inspiring," "I sympathized with his message of coming to love nature" and "Now I want to experience the beauty of mountains and nature."



Global Warming and Natural Disaster Risk Seminars by Tokio Marine & Nichido and the Tokio Marine Research Institute

Tokio Marine & Nichido and the Tokio Marine Research Institute jointly held a seminar on global warming entitled "New Energy Measures and the Environmental City of the Future" on November 2, 2012 and a seminar on natural disaster risk entitled "The Frontline of Natural Disaster Research" on February 4, 2013. The seminars were provided free of charge to citizens and company employees for the purpose of helping them gain a better understanding of global warming through lectures and panel discussions by experts on the subject matter.

- ▶ [Seminar by the Tokio Marine Research Institute](#)

Display in the Eco-Products Exhibition

Tokio Marine & Nichido had a display in the Eco-Products Exhibition (December 2012), one of Japan's largest environmental exhibits, to increase customer recognition of its Green Gift Project, an initiative started in 2009 to reduce its environmental burden and to publicize its efforts for environmental protection and mangrove planting.

- ▶ [Eco-Products Exhibition](#)





Overseas

Participation in Earth Hour by Group Company in Hong Kong

Tokio Marine Asia and other Group companies in Singapore and Hong Kong have been participating as official sponsors of the Earth Hour event organized by the World Wide Fund for Nature (WWF), an international environmental conservation organization. Earth Hour is an international event that encourages households and businesses to turn off their lights at the same time on the same day to raise awareness for the prevention of global warming. In addition to turning lights down in regions around the world on March 23, 2013, various related events were held. In Singapore, approximately 30 employees participated in a lively WWF-organized event in which electricity was harvested from the kinetic energy generated by dancing on a stage. The electricity generated was then used to screen a movie. In Hong Kong, an environmental awareness seminar was conducted for elementary school children from a Japanese school. More than 300 children gathered for a lecture by WWF staff that included such topics as WWF activities and global warming issues and solutions as well as an introduction of Earth Hour. Tokio Marine Asia will continue to conduct environmental awareness seminars.





GREENPHLY Environmental Awareness Program

Since 2011, U.S.-based Philadelphia Insurance Companies (PHLY) has been conducting an employee-driven environmental awareness program called GREENPHLY. A team of employees forming the GREENPHLY council leads an array of activities to reduce environmental impact at offices and publishes an internal magazine that collects their know-how to improve awareness among employees so that they can guide families and communities to take green action.

In 2012, the company started BIKEPHLY, a new initiative to encourage commuting by bicycle. Support for employees who commute by bicycle includes providing information such as distance traveled and calories used through a tie-up with a power meter manufacturer to award points based on distance traveled that can be used at a kiosk in the company. In addition, various events inviting children of employees to the workplace are held throughout the year, where the children watch an animated film to learn about global environmental preservation, create an Environmental Preservation Poster on which they write various environmental initiatives they have thought up on leaves that are attached to the trunk of a tree, and other activities.





Local Community and Social Contribution Activities

Growth of Young People

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 public-interest incorporated foundations with such aims as helping young people grow, encouraging international cultural exchange and promoting sports in the local community.

Tokio Marine Kagami Memorial Foundation was established in 1939 and initiated a scholarship program in 1941. The foundation provides scholarships to students at Japanese universities and graduate school exchange students from ASEAN nations and assists academic studies by researchers.

Tokio Marine & Nichido Educational Development Fund, established in 1984, offers assistance to elementary school and junior high school children orphaned through traffic accidents and for educational research by educators.

The Tokio Marine Sports Foundation was established in 1937 with the aim of promoting sports activities among the public to help bring bright and enriched lives to the people of Japan. The two facilities owned by the foundation, Nasu Sports Park and Toda Boathouse (a water sports facility), are used by a wide range of groups from young children to senior citizens. The foundation is also involved in local support exchange events planned by members of Tokio Marine & Nichido's sports teams and charity concerts given by the company's orchestra.

■ Overview and Fiscal 2012 Activities of Each Foundation

Public Interest Incorporated Foundation	Summary	Activities in Fiscal 2012
Tokio Marine Kagami Memorial Foundation	Provides scholarships and educational training assistance to students at Japanese universities and graduate school exchange students from ASEAN nations	Provided a total of 45.45 million yen to 85 new and existing scholarship students in addition to other activities
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: 104 individuals

Public Interest Incorporated Foundation	Summary	Activities in Fiscal 2012
The Tokio Marine Sports Foundation	Promotes sports activities in local communities	Number of persons using Nasu Sports Park: 41,473 Number of persons using Toda Boathouse: 8,417

- ▶ [Tokio Marine Kagami Memorial Foundation scholarships for exchange students from ASEAN nations \(in Japanese\)](#)
- ▶ [Tokio Marine & Nichido Educational Development Fund \(in Japanese\)](#)
- ▶ [The Tokio Marine Sports Foundation youth exchange project through sports activities \(in Japanese\)](#)

Programs for Preschool and School Children (Delivery of Lesson Programs and Environmental Education)

We encourage children who will take the lead in the next generation to think about environmental issues and disaster preparedness through our lesson programs delivered to schools and other environmental initiatives.

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

Ashinaga My Walk

Tokio Marine & Nichido held Ashinaga P-Walk 10, a charity walk, with Meiji Yasuda Life Insurance Company. Approximately 1,000 employees of Tokio Marine & Nichido and members of their families participated throughout Japan, and a portion of their participation fees was donated to Ashinaga to be used to support orphans as follows.

- (1) Construction and operation of Tohoku Rainbow House, a healing space for children orphaned by the Great East Japan Earthquake
- (2) Special lump-sum donation to children orphaned by the Great East Japan Earthquake
- (3) Scholarship loans for orphans who want to attend high school, university, junior college on other educational institution



Making Kiwanis Dolls

Employee volunteers of Tokio Marine Group make Kiwanis dolls in cooperation with the Kiwanis Club of Tokyo. Kiwanis dolls are given to children who are hospitalized for treatment. The children take solace in drawing pictures on the blank surface of the dolls and clothing them, and doctors and nurses use the dolls to explain treatments in order to relieve the children's fears. Participating employees wholeheartedly stuff and sew dolls for children undergoing long-term hospitalization. Dolls made by the approximately 180 participants to date are given to national hospitals and other medical institutions in Tokyo through the Kiwanis Club of Tokyo.



▶ [Kiwanis Club of Tokyo](#)

Picture Book Donation Campaign

Tokio Marine Group participates in the Picture Book Donation Campaign, an activity of Shanti Volunteer Association. Through the campaign, picture books are sent to children who have no opportunities to read books due to conflict, poverty, circumstances in their country or other reasons. For picture books in Japanese, the campaign prepares and affixes seals with translations into the local language. Participants assembled in a meeting room and, while reading each other's books in a convivial atmosphere, detached and affixed the seals. They imagined the children who received the books signing their name in the local language on the last page. A total of approximately 140 Group employees participated in preparing the books and sending them via the Shanti Volunteer Association to Cambodia, Laos, Myanmar and Afghanistan, where virtually no children's books are published.



▶ [Shanti Volunteer Association](#)



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. Specific efforts include serving as a special sponsor of the National JOC Junior Olympic Cup Swimming Tournament held twice a year and providing support for the costs of attending overseas competition and of training camps for Junior Olympic athletes. The company contributes to the healthy growth of young people who will represent the future by promoting swimming.



▶ [Go! Go! Junior Swimmers! \(in Japanese\)](#)

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. During the three-year period until fiscal 2012, the company donated about USD100,000 annually in India and Bangladesh to provide comprehensive support for impoverished and vulnerable girls to help them attain independence 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. In the three years from 2010 to 2012, the company's cooperation assisted a total of 782 girls and led to the opening of six reading rooms.



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 thus carries out the dual-purpose global social contribution activities of nurturing both trees and people.

▶ [International NGO Room to Read](#)

Scholarship Program for High School Students in Indonesia

Tokio Marine & Nichido, Tokio Marine Asia and Tokio Marine Indonesia provide a scholarship program in Indonesia jointly with the Putera Sampoerna Foundation, an organization engaged in activities to raise the level of education in the country. The program offers support for tuition fees and costs of learning materials to 50 high school students in the suburbs of Jakarta, who are achieving excellent performance in school but having difficulty in continuing their education because of economic hardships. A scholarship conferment ceremony was held in November 2011 during which scholarship students made Japanese traditional paper cranes called senbazuru to convey their wish for the swift recovery of the country from the Great East Japan Earthquake.



Scholarship conferment ceremony

- ▶ [Student Scholarship Program](#)

Educational Assistance for Children in China

In China, the Tokio Marine Group has been supporting children of migrant workers since 2009. Continuing from fiscal 2011, in fiscal 2012 we donated books, stationery, personal computers and goods used in physical exercise and provided scholarships to elementary and junior high schools for the children of migrant workers in Jilin, Anhui and Hunan provinces. In addition, more than 20 employees of Tokio Marine Group participated in a volunteer tour of the City of Guilin, Guangxi Zhuang Autonomous Region, where they visited two elementary schools. The tour viewed the "seven-colored cabin" (a classroom that provides emotional support, equipped with learning tools and videophones for children to contact parents working in distant areas), which was established with donations from the Group and a dormitory, and the participants interacted with children and local university students in the schoolyard and in classrooms through activities such as ethnic dances, origami and playing with balloons.



- ▶ [Support for growth of young people in China \(in Japanese\)](#)

Support for a Charity Marathon in the Republic of Sierra Leone in Africa

As part of the fiftieth anniversary celebration of Kiln Group of the United Kingdom, Kiln Group and Tokio Marine Holdings cooperated as a sponsor of and raised contributions for a charity marathon held on June 9, 2012 in Sierra Leone. The event was organized by the U.K. charity organization Street Child of Sierra Leone to return street children in Sierra Leone, which has been politically unstable for many years, to their families and provide education. Twenty employees, including Kiln Group CFO James Dover, participated in the marathon, raising more than GBP100,000 in contributions, while Tokio Marine Holdings provided support for construction of an elementary school in a suburban village as a championship prize. Donations collected on the day of the event and from Tokio Marine Group employees around the world were used to build 50 elementary schools and provide education for 5,000 children.



► [Street Child of Sierra Leone website](#)

Charity Event to Support Ronald McDonald House

Philadelphia Insurance Companies of the United States held a charity event to support Ronald McDonald House as part of its fiftieth anniversary celebration. Ronald McDonald House is an organization that provides facilities to house children who are receiving treatment for illness outside their homes and their families. The organization began in Philadelphia, the location of the head office of Philadelphia Insurance Companies, and has established 315 houses in 30 countries worldwide as of October 2012. Approximately 330 employees, including CEO Sean Sweeney, logged more than 550 hours of volunteer activities that included providing food to families in the houses and raising funds through enjoyable events planned by the employees such as a car wash, a jet coaster ride and collection activities. Each dollar raised received a matching donation of USD1.50 from the company for a total of approximately USD410,000 in donations, which is being used to fund the operation of houses in 60 locations.



▶ [Ronald McDonald House Philadelphia](#)

Volunteer School Repairs for Chicago Cares Serve-a-thon

On July 9, 2012, the Chicago office of U.S.-based Tokio Marine Management raised USD5,000 in donations, and its employees participated in an event to repair a school as a sponsor of Chicago Cares Serve-a-thon, Chicago's largest local community and social contribution event. Chicago Cares Serve-a-thon is a volunteer event with a tradition, held for the nineteenth time in 2012, at which more than 6,000 volunteers from the Chicago area participate each year to help repair public schools. The Chicago office of Tokio Marine Management participated for the eighth time, as a team named "TMM Cares." Made up of 12 employees and their family members and friends, the team painted the stairwells and halls of Charles W. Earle Elementary School in the city and carried out repair work in the schoolyard.



Local Community and Social Contribution Activities

Safety and Security

Tokio Marine Group 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

Initiatives to Support Recovery of Areas Affected by the Great East Japan Earthquake

Employees of Tokio Marine Group have been engaged in volunteer activities in areas affected by the Great East Japan Earthquake. Starting from May 2011, Group company employees, agents and their families across the country have provided support to disaster areas in Otsuchi-cho (Kamihei-gun) and Rikuzentakata City in Iwate Prefecture and Ishinomaki City and Kesennuma City in Miyagi Prefecture by conducting activities such as cleaning up houses damaged in the tsunami, removing mud from houses and street drainage gutters, assisting in fishery-related work and cleaning damaged and mud-covered photographs. In November 2011, we joined the Sanriku Cultural Recovery Project* led by Tono City, Iwate Prefecture, and have since undertaken various volunteer activities, including cleaning and repairing cultural properties, books and documents owned by disaster-damaged museums and libraries and organizing, sorting, recording and storing donated books for delivery to affected public and school libraries in disaster areas. A total of some 250 employees (as of March 31, 2013) have participated in these volunteer activities.

* A project led by Tono City, Iwate Prefecture, which has been providing logistical support to the Sanriku coastal area since immediately after the Great East Japan Earthquake. It aims to re-establish and heal the culture, history and minds of people in the coastal area by restoring books and cultural properties lost, damaged or soiled in the disaster. The project has been undertaken by the city in parallel with its physical support for recovery, such as the removal of disaster debris and construction of temporary housing.

Moreover, in addition to holding two fairs to sell produce from the affected areas in fiscal 2012 following similar events in fiscal 2011, local menus from Fukushima Prefecture were offered nine times in the employee cafeteria, with a portion of sales donated to Fukushima Prefecture.



At the "Let's Eat and Provide Encouragement! – East Japan Vegetable Fair"



Employee volunteers working in disaster areas

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

Initiatives for Lessons on Disaster Prevention

Employee volunteers from Tokio Marine Group conduct Disaster Prevention Lessons to convey the lessons learned from the Great East Japan Earthquake to the children who will lead the next generation. Disaster Prevention Lessons are a program to raise disaster prevention awareness among elementary school children. Employee volunteers from Tokio Marine & Nichido Risk Consulting developed educational materials, and Tokio Marine & Nichido entered into an industry-academia collaboration agreement to receive the supervision of the Earthquake-induced Tsunami Risk Evaluation Research Division of the International Research Institute of Disaster Science at Tohoku University. In the lessons, children learn about the mechanisms that cause earthquakes and tsunamis and think about advance preparation such as methods to protect themselves in the event of an earthquake and portable emergency goods while taking a quiz and participating in a group discussion. Disaster Prevention Lessons began in fiscal 2012 and were held at 36 elementary schools during the year, with approximately 2,400 children attending.



- ▶ [My Relations with CSR: Disaster Prevention Lessons Voluntarily Started by Employees](#)

"For Tomorrow's Smiles: Disaster Readiness and Mitigation Information" Website

Tokio Marine & Nichido has established the "For Tomorrow's Smiles: Disaster Readiness and Mitigation Information website" on its website to use the information gathered from its joint research with the International Research Institute of Disaster Science at Tohoku University in order to make a greater contribution to building a safe and secure society. The site presents easily understood information such as the mechanisms that cause various natural disasters such as earthquakes and tsunamis, the necessary actions to take in a disaster, and preparations to be made before a disaster occurs. Because the site is available to everyone, it can be used by many individuals and families in thinking about their response to a natural disaster.



- ▶ [For Tomorrow's Smiles: Disaster Readiness and Mitigation Information Website \(in Japanese\)](#)

Clear File Folder for Disasters

As a result of its joint research with the International Research Institute of Disaster Science at Tohoku University, Tokio Marine & Nichido has created the Clear File Folder for Disasters, which lists emergency goods households should have on hand at all times and specific measures to take in the event of an earthquake or tsunami. With various features such as materials divided into three folders on earthquakes, tsunamis and emergency goods, respectively, that can be taken out at the time of a disaster, the file folders are distributed to customers as novelties and at company events.



Contributing to Safety and Security in Local Communities



Since September 2007, Tokio Marine & Nichido has been cosponsoring the "Daijoubu Campaign," a movement led by the *Mainichi Shimbun* (newspaper), and supporting activities to protect children and local residents from disasters and crimes.

In addition, since October 2011 Tokio Marine & Nichido has partnered with the *Mainichi Shimbun* and 38 FM radio stations throughout Japan to promote the Workshop to Create Local Community Safety Maps, a crime prevention event with the theme of "safety and security in local communities." In fiscal 2012, the workshops were held at three locations nationwide, and a total of 64 employees and agents of Tokio Marine & Nichido participated. During the event, we invited Professor Nobuo Komiya of Risho University, a developer of local community safety maps and an expert in criminal sociology, as a lecturer and held a training seminar for Tokio Marine & Nichido employees and agents. The participants then became trainers themselves and conducted safety map workshops for students of local elementary schools.



Cooperating with the NPO Association for Assistance to Children Orphaned in Traffic Accidents

Nisshin Fire supports children who have lost one or both of their parents in traffic accidents through the NPO Association for Assistance to Children Orphaned in Traffic Accidents.

In fiscal 2012, the company held charity events at its head offices in Tokyo and Saitama, which were open to both employees and visitors, and collected 157,979 yen, which it donated to the association.

We will continue to provide assistance to orphaned children through this association.



Courses to Foster Support for Dementia Care

Tokio Marine Group provides support for the Million-Supporter Caravan for Dementia, which is promoted by the Ministry of Health, Labour and Welfare and the nationwide Caravan Mate Liaison Council, and conducts courses to foster support for dementia care as a volunteer activity to support the safety and security of local communities and families. With the ultimate goal of creating neighborhoods where people with dementia and their families can live with peace of mind, the program is designed so that employees who take the course have the correct knowledge about dementia 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-a-half-hour program conducted in each work department, mainly in Tokyo, attendees watched a DVD, listened to a lecture given by an employee (called a "caravan mate") who has received special training on this subject, and participated in a role-playing session. As of March 2013, a total of around 1,580 Group 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 of dementia.

▶ [The Million-Supporter Caravan for Dementia \(in Japanese\)](#)

AED Workshop to Practice Life-Saving Skills

Tokio Marine Group provides a workshop to practice using Automated External Defibrillators (AEDs) and to perform cardiopulmonary resuscitation (CPR). Around 1,280 employees, mainly from Tokio Marine & Nichido as well as other Group companies and agents, attended the workshop in fiscal 2012. 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.



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.



- ▶ [J.POSH \(Japan Breast Cancer Pink Ribbon Movement\)](#)

Collaboration with the Iwate Hospice Association

In 2009, Tokio Marine & Nichido Life joined initiatives undertaken by the Iwate Hospice Association, a citizens' group in Morioka City, Iwate Prefecture, to support cancer patients and their families and help them gain courage to fight against the disease. The company has been cooperating in making terry cloth caps for patients undergoing anticancer drug treatment. For its fourth presentation in fiscal 2012, the company participated in an initiative to send terry cloth caps as Christmas presents to cancer hospitals throughout Japan. Participants from Tokio Marine & Nichido Life and other Tokio Marine Group companies and their families stitched the caps together and presented a total of 1,173 to the Iwate Hospice Association.



- ▶ [Iwate Hospice Association \(in Japanese\)](#)

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 2012, the total number of trainees rose to 150.



- ▶ [N Program \(in Japanese\)](#)

Collaboration with Japan Deaf-blind Association

The Japan Deaf-blind Association is engaged in activities to support people with hearing and vision impairments across the country. Their activities include dispatching sign language interpreters and helpers, training interpreters and publishing a biannual magazine for the hearing and visually impaired. Tokio Marine & Nichido became a supporting member of the association in 2008. At the association's annual national conference, employees working in offices and branches in respective areas serve as volunteer staff to cooperate in running the event. In fiscal 2012, about 30 employees from the Ehime area provided support for the organization's 21st national conference.

- ▶ [Japan Deaf blind Association](#)

Collaboration with the Special Olympics Nippon Foundation

In support of the Special Olympics Nippon Foundation's vision of creating a society where people with and without disabilities understand and respect each other's differences and live and grow together, Tokio Marine & Nichido became an official sponsor of the foundation in fiscal 2005 and has been supporting its activities by providing funds and volunteers. On March 11, 2013, about 2,000 Tokio Marine Group employees and others nationwide sent messages of support woven into good-luck bracelets to support athletes from the areas affected by the Great East Japan Earthquake.



The company's employee clubs also provide support to the certified NPO Special Olympics Nippon - Tokyo (SONT) through their respective club activities. Examples include assistance provided by the company's track team for the SONT-sponsored Walk and Run Festival charity event and a boating experience event held by the boat club.

- ▶ [Special Olympics Nippon \(in Japanese\)](#)

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.

Of the total world population of almost seven billion, one billion people suffer from hunger while another billion are experiencing obesity and other diet-linked, lifestyle-related diseases. To eliminate this serious food imbalance, the TABLE FOR TWO initiative was launched in Japan in fall 2007. The amount of 20 yen donated from every lunch is equal to one school meal in developing countries. Thus, the name "TABLE FOR TWO" came from the idea that each of us in a developed country shares a table with one child in a developing country. We are having lunch together, beyond time and space.

■ 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 (680-800 kcal) automatically donates 20 yen through the NPO TABLE FOR TWO International, which will be used to buy school meals for children in developing countries

▶ [TABLE FOR TWO](#)

Providing Support to the Himawari no Kai

Tokio Marine & Nichido and Tokio Marine & Nichido Life have been supporting the NPO Himawari no Kai since 2011. Himawari no Kai is an NPO approved by the Cabinet Office, Government of Japan that was established in 1997 with the aim of assisting expectant mothers and their families. The organization's most notable activity is increasing public recognition of its Maternity Mark. Moreover, it hands out traffic safety stickers bearing this mark to protect new mothers from traffic accidents. By supporting the organization, we will further contribute to the creation of local communities and society where expecting mothers and their families can live with peace of mind.



▶ [Himawari no Kai \(in Japanese\)](#)

Overseas

Participation by All Employees in "Inspiring by Example" Social Contribution Activities

To commemorate its centennial in 2011, U.S.-based First Insurance Company of Hawaii started a campaign called "Inspiring by Example" to show its appreciation for the local area. The campaign consists more than 100 events to contribute to the local community and society, with the target of having every employee participate in at least one of the initiatives, which include Meals on Wheels, free child seat safety checks and cleaning of Alamoana Beach, mainly in Waikiki. During the year of the initiative, all employees participated, and in November 2012 the company received the Pacific Business News Community Spirit Award at Business Leadership Hawaii, an event honoring outstanding local businesses.



Initiative to Protect the Safety of Elementary School Children

To contribute to the local community and society, since 2005 Tokio Marine Newa Insurance of Taiwan has supported an elementary school located near its head office. As part of that support, the company conducts an initiative to protect the safety of the elementary school children. For one week each, 25 employees take turns using their lunch hour to help children safely cross at an intersection. The company will continue its support for volunteer activities to create an environment in which children can live safely.



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. In fiscal 2009, the Japanese American Association of New York celebrated its 100th anniversary, and the Japanese Medical Practice outpatient clinic offered medical consultation services and held medical seminars for elderly Japanese-American people living in New York.

▶ [Japanese Medical Practice Outpatient Clinic \(in Japanese\)](#)

Sustainability Report 2013
Material Issue -Governance-
Strengthening CSR Management

- Corporate Governance
- Internal Control Systems
- CSR Promotion Structure



Governance : Strengthening CSR Management Material Issue 3

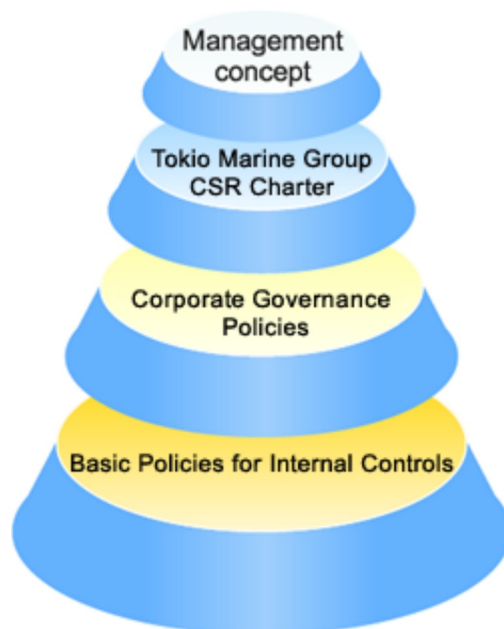


To be trusted by customers and society and achieve sustainable growth, Tokio Marine Group must raise the quality of its business strategies, governance and social responsibility and build a sound and highly transparent management structure as a global insurance group.

Tokio Marine Group has established "Strengthening CSR management" as a material CSR issue and aims to raise the quality of its risk-based management (ERM: enterprise risk management), compliance and corporate governance from the perspective of strengthening its global-based management and control, thereby increasing the level of trust by its stakeholders and fulfilling its social responsibilities.

Tokio Marine Group is determined to raise its corporate value continuously while contributing to the sustainable development of society by implementing its Corporate Philosophy. Based on this rationale, we have formulated the Tokio Marine Group CSR Charter as behavioral guidelines for all employees to execute CSR. Additionally, Tokio Marine Holdings has established the Corporate Governance Policies and is appropriately governing Group companies.

In accordance with the Basic Policies for Internal Controls, Tokio Marine Holdings is appropriately enhancing and operating internal control systems, including systems for management control, compliance and risk management at Group companies. We are making efforts to properly operate these systems to ensure that we develop into a corporate group that combines profitability, growth potential and soundness.





▸ [Corporate Governance](#)

▸ [CSR Promotion Structure](#)

▸ [Internal Control Systems](#)

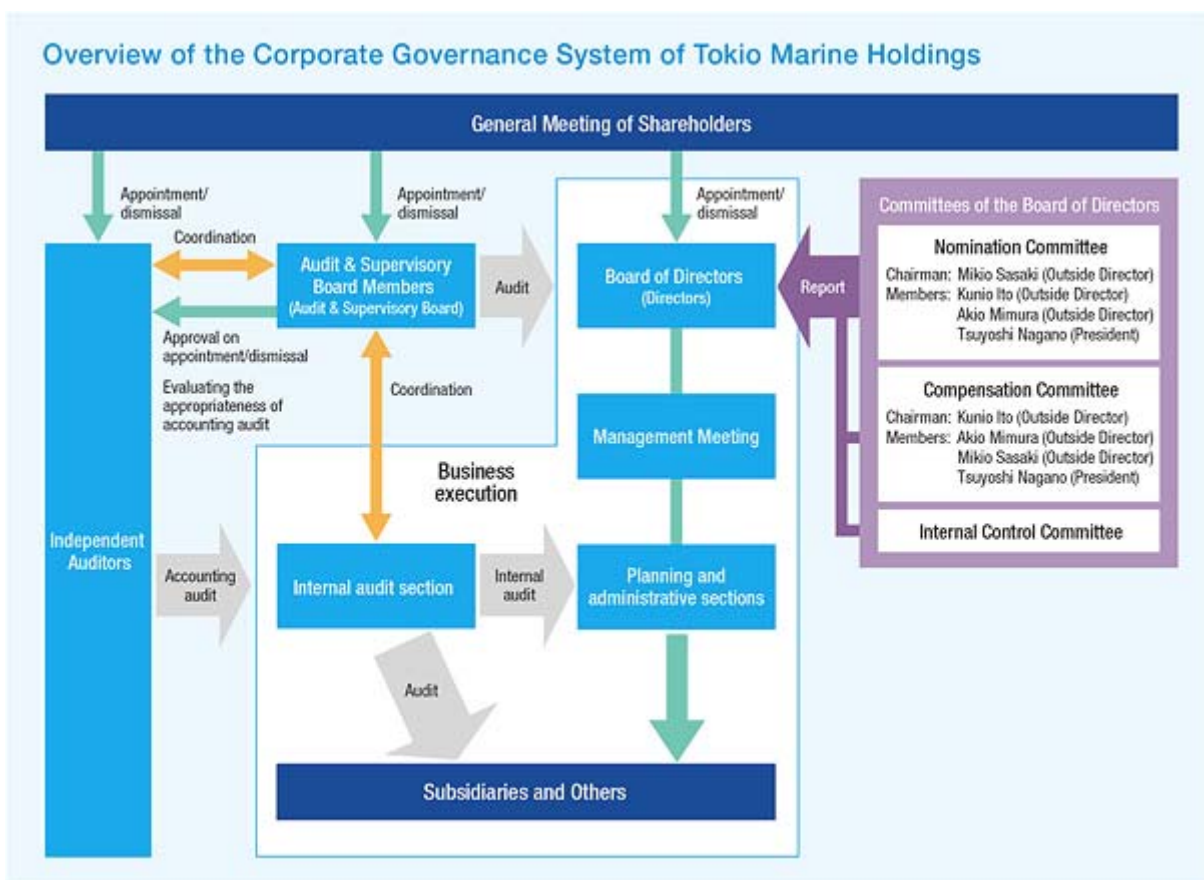
- [Compliance](#)
- [Respect for Human Rights](#)
- [Risk Management](#)
- [Information Security](#)
- [Information Disclosure](#)

Corporate Governance

Tokio Marine Holdings, Inc. ("the Company"), in line with the Tokio Marine Group Corporate Philosophy, is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, society, employees and other stakeholders. The Company therefore maintains a sound and transparent corporate governance system and, as a holding company, emphasizes appropriate control over Tokio Marine Group companies.

In its Corporate Governance Policies, the Company has established a framework for its corporate governance system. The aim of this system is to raise the effectiveness of audits and surveillance by having managers who execute business duties fulfill their responsibilities to provide explanations to Outside Directors and Outside Audit & Supervisory Board Members (collectively, "Outside Officers") at meetings of the Board of Directors and other opportunities.

Moreover, we have set up the Nomination Committee and the Compensation Committee, which consist mainly of Outside Directors, to further raise the transparency of the processes for selecting as well as determining compensation for Directors, Executive Officers and Audit & Supervisory Board Members of the Company and principal Group companies. The Company believes this is the optimal system at the present time.



► [Corporate Governance Policies](#)



Corporate Governance Structure

1. Directors and the Board of Directors

The Board of Directors is responsible for decisions on important matters relating to the execution of the Company's business, supervising the performance of individual Directors and establishing an effective internal control system. In addition, as the Board of Directors of a holding company, the board is responsible for determining med-to-long-term business strategies and various basic business policies such as the Basic Policies for Internal Controls for Tokio Marine Group.

The Company shall have approximately 10 Directors, with a maximum of 15 set by the Articles of Incorporation. As a general rule, the Company shall have at least three Outside Directors. In addition, Directors are appointed for a term of office of one year and may be re-appointed. As of March 31, 2013, the Company had 10 Directors, of whom three were Outside Directors.

2. Audit & Supervisory Board Members and the Audit & Supervisory Board

Audit & Supervisory Board Members, as an independent body entrusted by shareholders, audit the performance of Directors, with the aim of ensuring sound and fair management and accountability. Audit & Supervisory Board Members shall endeavor to conduct a high-quality audit in accordance with the regulations of the Audit & Supervisory Board, auditing standards, auditing policies and auditing plans determined by the Audit & Supervisory Board.

The Company shall have approximately five corporate Audit & Supervisory Board Members, with a maximum of six set by the Articles of Incorporation. As a general rule, a majority shall be Outside Audit & Supervisory Board Members. As of March 31, 2013, the Company had five Audit & Supervisory Board Members, of whom three were Outside Audit & Supervisory Board Members.

3. Outside Officers

The presence of Outside Directors ensures effective supervision of director performance by the Board of Directors. In addition, Outside Directors are management experts who provide advice to the Board of Directors on issues including Company management, thus ensuring an organization that enables appropriate decisions on important matters relating to the execution of the Company's business.

The presence of Outside Audit & Supervisory Board Members creates an auditing organization with an independent and objective perspective. In addition, it enhances the effectiveness of the Audit & Supervisory Board and ensures an organization that maintains sound, transparent management.

An Outside Officer for whom none of the following is applicable may be selected to ensure his or her perspective is independent of the Company.

- (1) Current or former manager or employee of the Company
- (2) Manager or employee of a company currently or recently involved in material transactions with the Company
- (3) Familial relationship with a Company Director or Audit & Supervisory Board Member
- (4) Currently or recently a recipient of material compensation as an advisor to the Company other than compensation as a Company Director or Audit & Supervisory Board Member

The Company currently has three Outside Directors and three Outside Audit & Supervisory Board Members. All are capable of judgments with a perspective that is independent of the Company because neither they nor the companies at which they formerly served or concurrently serve (including companies with which they were

associated in the past) have personal, equity, business or other interests related to the Company or its subsidiaries that pose any risk of conflict of interest with general shareholders.* The Company has therefore filed declarations naming all six of them as independent Directors/auditors as prescribed by the Tokyo Stock Exchange and other organizations.

* Insurance subsidiaries of the Company conduct insurance-related transactions with certain companies. However, these transactions constitute less than one percent of consolidated ordinary income.

Concurrent Posts, Attendance and Other Information for Outside Officers (As of July 2013)

	Name	Tenure*	Concurrent Posts and Other Information	Attendance
Outside Directors	Kunio Ito	4 years	Professor, Hitotsubashi University, Graduate School of Commerce and Management Director, Mitsubishi Corporation (Outside Director) Director, Sumitomo Chemical Co., Ltd. (Outside Director) Director, Akebono Brake Industry Co., Ltd. (Outside Director) Director, Kobayashi Pharmaceutical Co., Ltd. (Outside Director)	Attended 9 of 11 meetings of the Board of Directors in fiscal 2012
	Akio Mimura	3 years	Senior Advisor, Nippon Steel & Sumitomo Metal Corporation Director, Japan Post Holdings Co., Ltd. (Outside Director) Director, Development Bank of Japan Inc. (Outside Director) Director, Innovation Network Corporation of Japan (Outside Director) Director, Nisshin Seifun Group Inc. (Outside Director)	Attended 10 of 11 meetings of the Board of Directors in fiscal 2012
	Mikio Sasaki	2 years	Senior Corporate Advisor, Mitsubishi Corporation Director, Mitsubishi Motors Corporation (Outside Director) Director, Mitsubishi Electric Corporation (Outside Director) Director, Mitsubishi Research Institute, Inc. (Outside Director)	Attended all 11 meetings of the Board of Directors in fiscal 2012
Outside Audit & Supervisory Board Members	Hiroshi Fukuda	7 years	Attorney	Attended all 11 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board in fiscal 2012
	Yuko Kawamoto	7 years	Professor, Waseda Graduate School of Finance, Accounting and Law Director, Mitsubishi UFJ Financial Group, Inc. (Outside Director) Director, Japan Exchange Group, Inc. (Outside Director)	Attended 9 of 11 meetings of the Board of Directors and 9 of 11 meetings of the Audit & Supervisory Board in fiscal 2012
	Akinari Horii	2 years	Director and Special Advisor of The Canon Institute for Global Studies	Attended all 11 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board in fiscal 2012

* Tenure as of the close of the Ordinary General Meeting of Shareholders convened on June 24, 2013.

4. Nomination Committee and Compensation Committee

The Company has established the Nomination Committee and the Compensation Committee, which consist mainly of Outside Directors, to further raise the transparency of the processes for selecting as well as determining compensation for Directors and Audit & Supervisory Board Members of the Company and principal Group companies.

The Nomination Committee reports to the Board of Directors. It deliberates on the requirements for and the appointment and dismissal of candidate Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and principal Group companies.

The Compensation Committee reports to the Board of Directors. Its duties include deliberating on the compensation system and evaluating the performance of Directors and Executive Officers of the Company and principal Group companies.

The Compensation Committee reports to the Board of Directors. Its duties include deliberating on the compensation system and evaluating the performance of Directors and Executive Officers of the Company and principal Group companies.

The Nomination Committee and the Compensation Committee generally consist of approximately five members each. As a general rule, a majority of the members of each committee are from outside the Company, and the chairman of each committee is one of the outside members.

Compensation System for Directors, Audit & Supervisory Board Members and Executive Officers of Tokio Marine Group

1. Policies for Determining the Method for Calculating compensation for Directors, Audit & Supervisory Board Members and Executive Officers

Basic policies for determining compensation for Directors and Audit & Supervisory Board Members of the Company and its principal Group companies are as follows:

- Ensure transparent, fair and objective compensation for Directors, Audit & Supervisory Board Members and Executive Officers.
- Strengthen incentives for improving Company business performance by using a performance-linked compensation system.
- Enhance accountability by aligning compensation with shareholder returns. Link compensation to achievement of the performance indicators based on the Company's management strategy and to Company share price.
- Fully implement a performance-based pay system through processes designed to objectively evaluate individual performance of Directors and Executive Officers with respect to management objectives.

In order to determine the level of compensation for Directors, Audit & Supervisory Board Members and Executive Officers the Company shall set the standard of compensation for each position, depending on the responsibilities of Directors, Audit & Supervisory Board Members and Executive Officers, and take the business performance of the Company and the level of compensation of other companies into consideration. In addition, performance evaluations are annual and involve comparing actual results of the Company and principal Group companies with the Company's performance indicators based on the management strategy. The results of these evaluations are reflected in the compensation of Tokio Marine Group Directors, Audit & Supervisory Board Members and Executive Officers.

2. Compensation System for Directors, Audit & Supervisory Board Members and Executive Officers of Tokio Marine Group

Compensation for Full-Time Directors and Executive Officers 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 Outside Directors (Part-Time) consists of two elements: fixed compensation and stock options. Audit & Supervisory Board Members receive fixed compensation. As a general rule, the compensation system for Directors, Audit & Supervisory Board Members and Executive Officers of principal Group companies is the same.

The Board of Directors makes decisions regarding the above compensation system based on reports from the Compensation Committee.

3. Total Compensation for Directors and Audit & Supervisory Board Members for Fiscal 2012

Position	Total Compensation (Millions of yen)	Breakdown of Compensation (Millions of yen)		Number of Directors and Audit & Supervisory Board Members
		Monetary compensation	Stock options	
Directors (Excluding Outside Directors)	209	172	37	9

Position	Total Compensation (Millions of yen)	Breakdown of Compensation (Millions of yen)		Number of Directors and Audit & Supervisory Board Members
		Monetary compensation	Stock options	
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	72	72	-	2
Outside Officers	57	52	4	6

Structure of Corporate Governance of Business Subsidiaries

(1) Governance System of Business Subsidiaries

In the various basic business policies for Tokio Marine Group, the Company shall prescribe basic terms for the management of the business subsidiaries and compliance, risk management and internal auditing of Tokio Marine Group, and the Company shall manage its subsidiaries through the establishment and operation of a governance system based on these basic terms.

(2) Evaluation of Business Results of the Business Subsidiaries

The Company shall evaluate the business results of each business subsidiary of Tokio Marine Group on an annual basis, comparing actual results with the Company's business results indices based on the management strategy. The results of such evaluations shall be considered in the determination of the compensation for Directors (including non-members of the Board) and Audit & Supervisory Board Members of each business subsidiary.

Dialogue with Shareholders

Tokio Marine Group concentrates on proactive communication and appropriate, timely, and highly transparent disclosure.

The Company views the General Meeting of Shareholders as an opportunity to receive the valuable opinions of shareholders regarding Company management, and therefore implements several initiatives to encourage attendance at the General Meeting of Shareholders and the exercise of voting rights. Specific initiatives with the objective of facilitating shareholder participation in the General Meeting of Shareholders include issuing the Notice of Convocation well in advance of the meeting, scheduling the meeting on days that are not crowded with the shareholder meetings of other companies, and using a website that allows shareholders to exercise their voting rights via the Internet.



Top page of the "Investor Relations" section of Tokyo Marine Holdings website
<http://ir.tokiomarinehd.com/en/Top.html>

Webcast

Shareholders who attend the meeting receive a tally sheet that surveys how they exercised their voting rights, which they fill out and submit on the day of the meeting. These survey results are combined with the previously received results of mail-in and Internet voting and announced along with the legally mandated results of the exercise of voting rights.

Aside from the General Meeting of Shareholders, the Company includes surveys in interim reports sent to shareholders. These surveys ask shareholders why they purchased Company shares, their policies for holding the shares, and their expectations for issues including Group businesses. The Company uses the responses as valuable suggestions.

The Company holds semiannual meetings led by the President to explain its business strategy for institutional shareholders. The presentations, questions and answers from these meetings are available in video on the Company's website. The Company also holds more than 500 individualized meetings each year with institutional investors in Japan and overseas.

The opinions that the Company receives from shareholders through these opportunities are reported to senior managers and shared broadly throughout the Company to encourage improved management.



Internal Control Systems

Compliance

We believe it is crucial for each and every employee and agent to maintain high ethical standards and to convey this stance through day-to-day business operations.

Respect for Human Rights

In executing our Corporate Philosophy, we have formulated the Tokio Marine Group CSR Charter as behavioral guidelines required from the perspective of social responsibility and we strive to respect and promote the recognition of human rights for all people, including customers, agents/business partners, employees, society and shareholders.

Risk Management

For the purpose of securing and maintaining the soundness of business operations, Tokio Marine Group manages various risks related to the operation of its businesses and strives for stable management.

Information Security

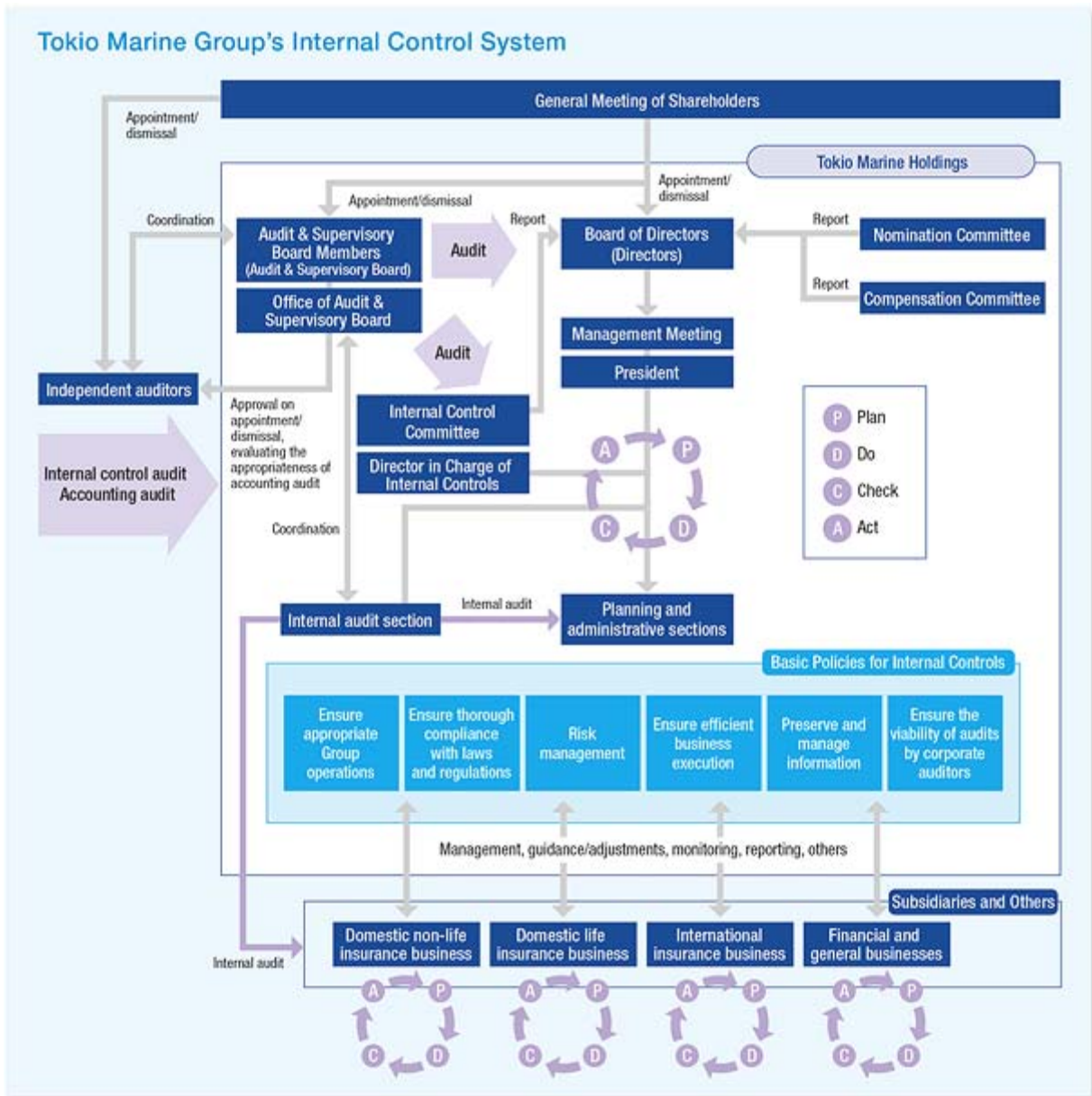
In accordance with the Act on the Protection of Personal Information and related guidelines, each Group company has established internal rules and regulations and undertakes employee education and monitoring as part of thorough information management.

Information Disclosure

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 Tokio Marine Group and its future business development.

Internal Control System

Tokio Marine Holdings has formulated Basic Policies for Internal Controls. In accordance with these policies, the Company has established an internal control system for the entire Tokio Marine Group that encompasses structures for management control, compliance, risk management and internal auditing of Group companies. The Company employs this system to ensure proper operations while raising corporate value. Additionally, the Company monitors the status and practical application of its internal control system once every year. The Board of Directors confirms the details of the monitoring based on deliberations at the Internal Control Committee. In addition, the Company continually strengthens and improves its internal control system in light of the results of this monitoring.



Basic Policies for Internal Controls

In accordance with the following principles of conduct, Tokio Marine Group is fulfilling its corporate social responsibility (CSR) by implementing its Corporate Philosophy to achieve sustainable growth together with the development of society.

- System for ensuring proper operations within 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 preserving and managing information concerning the execution of Directors' duties
- Matters concerning support personnel to the Audit & Supervisory Board Members and their independence from the Directors
- System of reporting to the Audit & Supervisory Board Members
- Other systems for ensuring effective audits by the Audit & Supervisory Board Members

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

Internal Audit System

Within 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.



Consistent Internal Audit System within 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 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.



Internal Control Systems

Compliance

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.

Tokio Marine Group Compliance System

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.

Roles of Tokio Marine Holdings

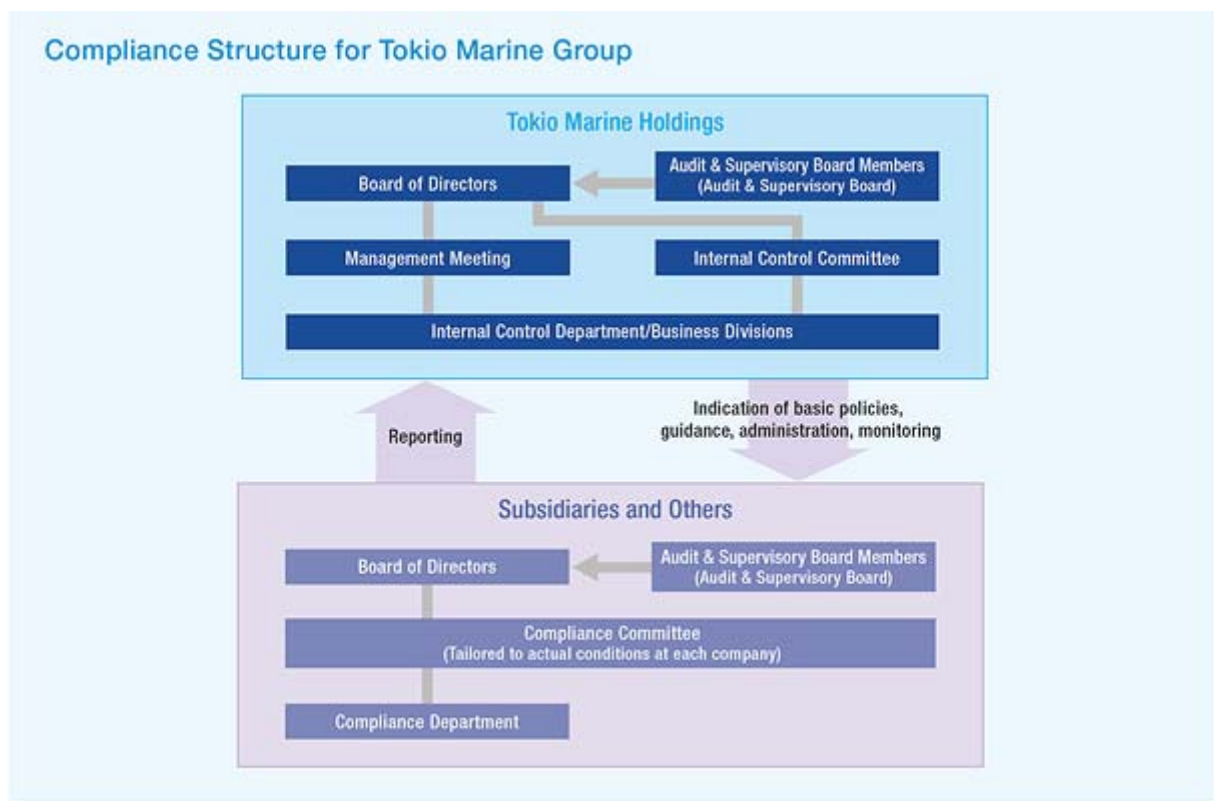
To thoroughly implement compliance as a Group, Tokio Marine Holdings has formulated the Tokio Marine Group Basic Policies for Compliance and the Tokio Marine Group Code of Conduct (made public at <http://www.tokiomarinehd.com/en/conduct/index.html>). The Group has also formulated measures and policies for the entire Group, including Compliance Standards that stipulate such items as laws and regulations that are commonly applicable within the entire Group.

Also, Tokio Marine Holdings has built a structure to ensure Group-wide compliance by periodically monitoring the status of compliance within the Group; receiving reports from subsidiaries and others on important matters; discussing these matters among the Board of Directors, Management Meeting and the Internal Control Committee; and providing guidance and advice about the activities of subsidiaries and others when necessary.

Roles of Subsidiaries and Others

Subsidiaries and others proactively undertake thorough compliance in accordance with the Tokio Marine Group Basic Policies for Compliance. Subsidiaries and others have created compliance structures in a format suited to the content of their respective businesses while reporting to Tokio Marine Holdings on the status of thorough compliance and important items concerning compliance.

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 also 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. As for 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

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 Tokio Marine Group companies, promise to prioritize compliance in the conduct of business activities in accordance with the Code of Conduct.



Tsuyoshi Nagano
President and CEO
Tokio Marine Holdings, Inc.

Tokio Marine Group Code of Conduct (Outline)

The Tokio Marine Group Code of Conduct is a compilation of important matters to be adhered to from the perspective of compliance when the spirit of our Corporate Philosophy is put into specific action and the Code is given the highest priority in carrying out all Tokio Marine Group business activities.

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

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



Compliance Initiatives

To thoroughly implement compliance as a Group, we have formulated the Tokio Marine Group Basic Policies for Compliance, which prescribe the role of Tokio Marine Holdings, its subsidiaries and others and the basic rationale regarding the implementation of compliance.

Organizational Structure

Tokio Marine Group has set up specialist departments for controlling internal compliance at each Group company. Subsidiaries and others have established internal frameworks enabling organized responses for compliance. The frameworks include compliance committees that formulate compliance policies and measures according to the actual state of operations and check on the state of compliance implementation while assigning compliance officers and persons in charge of compliance to each department and branch office.

Compliance Manuals

Based on the Compliance Standards formulated by Tokio Marine Holdings, Tokio Marine Holdings and its subsidiaries and others have prepared their own compliance manuals by adding items necessitated by their respective businesses, and have made these manuals available for the reference of directors, officers and employees.

Compliance Training

Tokio Marine Group nurtures an awareness of compliance while providing persons in charge of business operations with necessary knowledge about compliance through training on laws, regulations and internal regulations with which directors, officers and employees must comply.

Evaluation and Improvement Activities (Including Inspections and Monitoring)

Tokio Marine Group formulates a fiscal year action plan for enhancing structures for thorough compliance and prepares viable measures in accordance with the action plan. Tokio Marine Group makes autonomous checks and also undertakes monitoring in combination with internal audits to verify the effectiveness of these measures.

Hotline System (Internal Whistle-Blower System)

Tokio Marine Group has installed hotlines as a system for handling reports and consultation from employees and the management of the Group companies in the event a compliance-related issue has arisen or been discovered. An external hotline is also available at an external law office so that the persons making such reports are able to choose the easiest method 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 Antisocial Forces

Tokio Marine Group has prescribed the basic policies concerning responses to antisocial forces so that subsidiaries and others can resist antisocial 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, Tokio Marine Group shall sever all relationships with antisocial forces and forcefully repudiate any illicit demands made by them as a basic matter in the application of its Corporate Philosophy. In association with lawyers, police and other professionals, it will respond to antisocial forces in an uncompromising and organized manner.
2. Tokio Marine Group shall respond to antisocial 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 that specialize 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 funding.

Taking into consideration the basic policies for responding to antisocial forces, 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.

Management of Transactions Involving Conflicts of Interest

Tokio Marine Group has formulated Policies for Managing Transactions Involving Conflicts of Interest and through compliance with these policies by directors, officers and employees works to manage conflict-of-interest transactions to ensure that clients' interests are not unduly harmed.

Tokio Marine Group Policies for Managing Prevention of Transactions Involving Conflicts of Interest (Summary)

1. Transactions Involving Conflicts of Interest

"Transactions Involving Conflicts of Interest" shall be defined as any of the following actions during the course of Tokio Marine Group's business activities.

- (1) Transactions in which there is a potential conflict between the interest of a customer and the interest of Tokio Marine Group.
- (2) Transactions in which there is the potential for the interest of a customer to be harmed by the interest of another customer of Tokio Marine Group.
- (3) Transactions involving the use of customer information held by Tokio Marine Group without the consent of the customer (with the exception of transactions involving a Purpose of Use specified beforehand in accordance with the Act on the Protection of Personal Information in Japan or provisions of other laws and regulations applicable to Tokio Marine Group).

- (4) Besides transactions specified in (1) to (3) above, transactions or other actions that especially require management from the perspectives of protecting customers of Tokio Marine Group and maintaining confidence in Tokio Marine Group.

2. Structure for Managing Transactions Involving Conflicts of Interest

Tokio Marine Holdings, a holding company, uniformly controls matters concerning the management of conflict-of-interest transactions for Tokio Marine Group. To do so, Tokio Marine Holdings has established a structure that includes setting up a department that controls the managing of conflict-of-interest transactions at the companies mentioned below as it appropriately manages conflict-of-interest transactions.

- (1) Tokio Marine Holdings, Inc.
- (2) Tokio Marine & Nichido Fire Insurance Co., Ltd.
- (3) Tokio Marine & Nichido Life Insurance Co., Ltd.
- (4) Nisshin Fire & Marine Insurance Co., Ltd.
- (5) Tokio Marine & Nichido Financial Life Insurance Co., Ltd.
- (6) Tokio Marine Financial Solutions Ltd.
- (7) Tokio Marine Capital Co., Ltd.
- (8) E. design Insurance Co., Ltd.

3. Methods for Managing Transactions Involving Conflicts of Interest

Tokio Marine Group manages transactions involving conflicts of interest through the following methods.

- (1) Tokio Marine Group companies shall report beforehand to Tokio Marine Holdings on any intended transactions with a potential conflict of interest.
- (2) When Tokio Marine Holdings determines that such reported transactions will unduly harm the interests of a customer or has the potential for such harm, it shall take action using the methods below.
 - 1) A method that separates the department executing the relevant transaction and the department executing other transactions with the customer involved in the relevant transaction.
 - 2) A method that changes the conditions or methods of the relevant transaction or of other transactions with the customer involved in the relevant transaction.
 - 3) A method that properly discloses to the customer involved in the relevant transaction that there is the potential that the customer's interests will be unduly harmed along with the execution of the relevant transaction.
 - 4) A method that obtains the consent of the customer concerned for the use of customer information held by Tokio Marine Holdings and Tokio Marine Group companies along with the executing of the relevant transaction.
 - 5) A method that suspends the relevant transaction or other transactions with the customer involved in the relevant transaction.
 - 6) Any other method recognized by Tokio Marine Holdings as being necessary and appropriate.

4. Verification of Management Structure for Transactions Involving Conflicts of Interest

Tokio Marine Holdings shall periodically verify the appropriateness and effectiveness of Tokio Marine Group's structure for managing conflict-of-interest transactions.



Internal Control Systems

Respect for Human Rights

Basic Approach

In implementing our Corporate Philosophy, we have formulated the Tokio Marine Group CSR Charter as principles of conduct required from the perspective of social responsibility and we strive to respect and promote the recognition of human rights for all people, including customers, agents/business partners, employees, society and shareholders.

Tokio Marine Holdings supports and respects the Universal Declaration of Human Rights, the ILO Core Labour Standards as well as the OECD Guidelines for Multinational Enterprises and has signed the United Nations Global Compact. Tokio Marine Group sufficiently understands international action principles and guidelines concerning human rights and participates in and contributes to initiatives concerning social responsibility, and by doing so, fulfills its role toward realizing a sustainable society.

Tokio Marine Group CSR Charter (excerpt)

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:

■ 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 training and education of our employees.
- We respect the right to privacy and strive to enforce this right through the management of personal information.

We express the following in the Tokio Marine Group Code of Conduct, which summarizes important matters given the highest priority in our day-to-day business. Under the code, directors, officers and employees conduct fair and equitable business activities in conformity with laws and social norms and the Group undertakes equitable business activities.

Tokio Marine Group Code of Conduct (Scope of application: Tokio Marine Group directors, officers and employees of Tokio Marine Group companies (includes dispatched employees))

In the event of a violation of this Code of Conduct, laws, regulations and internal rules, the companies of Tokio Marine Group shall take necessary measures in accordance with internal rules, which includes investigating the facts, formulating countermeasures, submitting reports to supervisory authorities, taking disciplinary measures against the involved parties and formulating measures to prevent recurrences.

■ **Respect for Human Rights**

We shall respect the human rights of our customers, directors, officers, employees and all other people.

- Anti-discrimination

Human rights are values widely recognized around the world, and any discrimination on the grounds of gender, age, profession, nationality, race, thought, creed, religion, social status or birth as well as any act constituting an infringement of human rights should never be tolerated.

- Anti-harassment

Sexual or any other kind of harassment or intimidation should never be tolerated.

- Private Information

In compliance with applicable laws, rules and regulations as well as the Tokio Marine Group Privacy Policy, we shall safeguard private information, including customers' information, and we shall not use such information except on a need basis to carry out our business operations in order to avoid any breach of privacy.

Tokio Marine Global HR Policy

Amid the growing importance of global business in recent years, 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.

In December 2010, we established the Tokio Marine Global HR Policy as a universal philosophy and concept for human resources management to be shared in respective countries and regions worldwide. We are working to share the thinking and values of 1) "human resources being our largest assets," 2) "respect diversity" and 3) "provision of fair and equal opportunities" and will promote various personnel affairs measures, including employee training and support.

We believe that our people are the most important contributor to our company's success. We aim to attract and retain the best talent in every aspect of our business.

We value diversity and inclusion as we strive for global excellence, and we work hard to create a business environment where our people can achieve their full potential.

We have a transparent relationship with our people. For those who have both a passion and a challenging spirit, we encourage career development and personal growth.



Management Stance concerning Respect for Human Rights and Various Initiatives

Tokio Marine Holdings regularly carries out monitoring of initiatives for human rights, compliance and risk management in the business operations of Group companies. At the same time, Group companies are implementing various initiatives related to respect for human rights.

At Tokio Marine & Nichido, a dedicated department (Human Rights Enlightenment Office, Human Resources Planning Department) formulates Basic Policies and Measures Concerning Human Rights every year and is implementing measures concerning human rights in all departments.

Principal Initiatives

- Human Rights Training (target: training attended by all employees), fair hiring selection, realization of internal normalization
- Promotion of employment of persons with disabilities, prevention of and education on sexual harassment and other types of harassment and appropriate responses to harassment, execution of daily business operations with an awareness of human rights

From the perspective of social responsibility, the Company distributes the Principle of Transactions to its business partners (suppliers and business consignees) and requests them to promote initiatives that encompass human rights domains in the areas of "compliance with laws, regulations and social norms", "promoting fair and honest transactions", "thorough information management" and "consideration for the environment."

Every year, each member company of 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 working to achieve more 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.

Human rights training participants (domestic consolidated companies as of March 31, 2013)

Fiscal 2010	Fiscal 2011	Fiscal 2012
99.9%	99.9%	99.6%

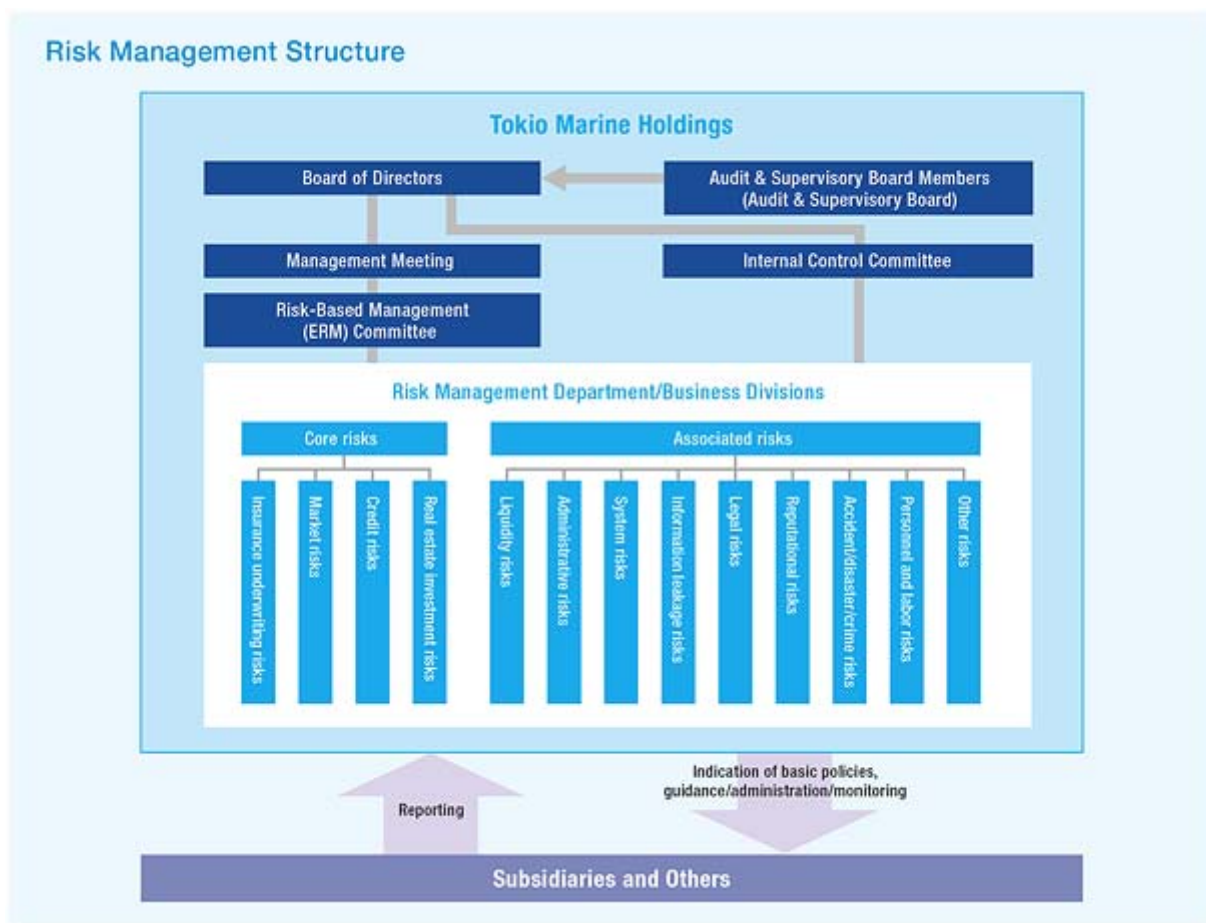
Internal Control Systems
Risk Management

Risk Management System of Tokio Marine Group

Tokio Marine Holdings formulates basic policies concerning risk management for the entire Tokio Marine Group and ascertains the state of risks for the Group. Subsidiaries and others conduct their own risk management in accordance with these basic policies. Among the various risks, the Company recognizes that insurance underwriting risks and asset management risks are core risks that must be managed in sources of earnings. The Company therefore controls these risks considering the balance between risk and return.

Tokio Marine Holdings 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. Through the above measures, we work to execute proper risk management and ensure stable business operations of the entire Group.

Tokio Marine Group Risk Management Organizational Chart



(1) Roles of Tokio Marine Holdings

Tokio Marine Holdings develops basic policies for risk management of 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 Tokio Marine Group.

Basic Policies for Risk Management

Tokio Marine Group has established the basic policies relating to risk management described below. Tokio Marine Holdings and 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 set 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 to Tokio Marine Holdings. Subsidiaries and others conduct risk management based on these policies.

(2) Basic Policies for Integrated Risk Management

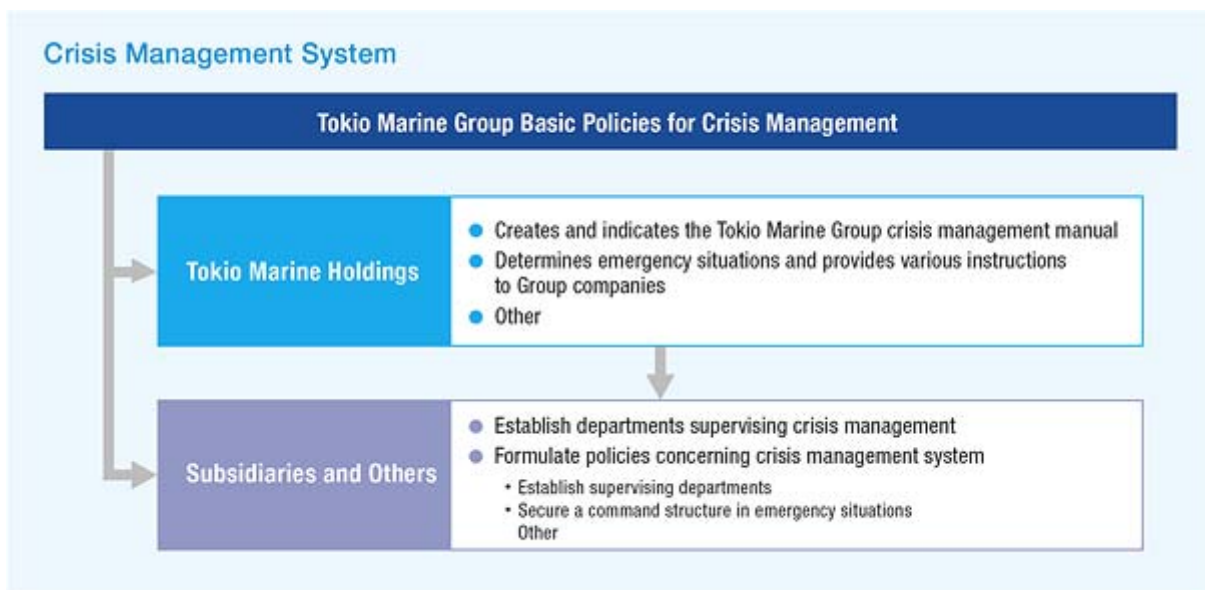
Tokio Marine Group has developed the Basic Policies for Integrated Risk Management, which establish fundamental matters concerning the quantitative risk management of the entire Group, the definition of risks and returns, and the process for evaluating and monitoring capital allocation plans.

(3) Basic Policies for Crisis Management

Tokio Marine Group has developed the Basic Policies for Crisis Management of the entire Group. In an emergency, the policies clarify the action principles related to the measures to be taken to minimize losses and recover ordinary business operations and the crisis management systems that should be established by subsidiaries and others.

Therefore, Tokio Marine Holdings has created the Tokio Marine Group crisis management manual and enhanced its crisis management structure by formulating policies and regulations, establishing organizational systems and undertaking evaluation and improving activities that are necessary for subsidiaries and others to execute their respective roles. In addition, Tokio Marine Holdings determines whether a certain situation is deemed to be an emergency situation, decides the necessary actions and steps to minimize economic damage to the entire Tokio Marine Group and to quickly resume normal business operations as quickly as possible, and provides instructions to subsidiaries and others.

Subsidiaries and others formulates policies concerning a crisis management system that includes the establishment of a department supervising crisis management to determine the emergency situation and to secure a command structure. Moreover, departments supervising crisis management enhance the crisis management system during ordinary times in addition to functioning as an executive office to take action when an emergency occurs.



Basic Policy for Responding to Disasters

In the event of a natural disaster such as an earthquake or a typhoon, Tokio Marine & Nichido has a crucial social mission of ensuring that it can continue its important business operations as a non-life insurer such as receiving accident notices, paying on claims, maturity refunds and other payables, and concluding policies in both the disaster-stricken area and elsewhere.

Therefore, Tokio Marine & Nichido has prescribed the following two points as its Basic Policies of the Business Continuity Plan for Disasters and formulated a Business Continuity Plan (BCP).

- ▶ [Tokio Marine & Nichido Basic Policy for Responding to Disasters \(in Japanese\)](#)

Basic Policies of the Business Continuity Plan for Disasters

1. Principles of employees' conduct in times of disasters

The priority order for employees' conduct in times of disasters is as follows.

- Assure the safety of human life
- Cooperate in securing the safety of local communities
- Continue important operations (business continuity)

In other words, the principle of employees' conduct is to give precedence to "assure the safety of human life" and "cooperate in securing the safety of local communities" before conduct related to "business continuity."

2. Basic policy for business continuity

The following three business operations shall be regarded as important business operations during a disaster, management resources (personnel, funds) shall be transferred as needed and top priority shall be given to the continuation of these important business operations.

- Receiving of accident notices
- Payment of claims, maturity refunds and other payables
- Conclusion of insurance contracts

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

Should the Head Office facilities in particular become unusable because of a disaster such as a major earthquake striking the metropolitan area, a backup office shall be established within the Kansai Backup Headquarters and claims payment services shall be undertaken for earthquake claims cases, including for residential earthquake insurance. Non-earthquake regular claims cases shall be allocated to and handled by claims service bases throughout Japan.

If the Metropolitan area is struck by the disaster, a Claims Service Headquarters would be set up within the Head Office Disaster Response Headquarters. At the same time, a satellite office centering on the Claims Service Dept. in charge of Tokyo and Chiba, Saitama and Kanagawa prefectures shall be set up and will accept support personnel from throughout Japan and provide claims services that include on-site claims assessments.

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 backup office and satellite office would be established. Also, we have established a scheme for dispatching support personnel as needed from branch offices across the entire Company.

Response to the Great East Japan Earthquake

▶ [Click here for details](#)



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. We also assume scenarios with an enormous impact despite having a low frequency, such as a massive natural catastrophe or turmoil in financial markets, and implement stress tests to evaluate and analyze the impacts of such scenarios.

(1) Risk quantification

Tokio Marine Group quantifies potential losses on all risks held that could arise within the given time horizons (1 year) and that could exceed the given probability levels (99.95%). The risk quantification method used is a risk indicator called "value at risk" (VaR).

(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 parameters for Tokio Marine Group as a whole have been defined in terms of an upper limit on the entire quantity of risk. Tokio Marine Group determines the allowable risk parameters semiannually and properly manages operations so that risk quantity does not exceed this.

(3) Evaluation and monitoring of capital allocation plans

The Company 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 equity capital. Moreover, the status of the risk volume is periodically monitored.



Internal Control Systems

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, 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

■ Tokio Marine Group Privacy Policy

Tokio Marine Group is committed to the continuous enhancement of corporate value, with "customer trust at the foundation of all its activities." Guided by this Corporate Philosophy, we, the Tokio Marine Group, shall comply with laws, rules, regulations and guidelines related to the protection of personal information, appropriately manage personal information as described below and implement other appropriate security measures for the protection of personal information of our customers.

1. We shall acquire personal information of our customers in a manner that is both legal and fair. Unless prescribed by law, rule or regulation, we shall notify or publicize the purposes for using personal information of our customers and shall use such information within these limits.
2. Unless prescribed by law, rule or regulation, we shall not provide personal information of our customers to third parties without prior consent of each such customer.

3. We will strive to prevent the divulgence, destruction, impairment and unauthorized access of personal information of our customers. When we contract out the management of personal information of our customers to an outside service provider, we shall supervise the service provider appropriately, as needed.
4. Whenever we receive requests from our customers to view or update their personal information we hold, we shall respond promptly in accordance with laws, rules and regulations. We also welcome comments and questions regarding the management of personal information of our customers.
5. We shall provide comprehensive supervision, instructions and education to our employees who handle personal information of our customers to ensure that such information is managed appropriately.
6. We will continue to revise and aim to improve our internal systems and procedures to protect personal information of our customers.

Adopted on February 7, 2005

Revised on July 1, 2008

■ Tokio Marine Holdings Privacy Policy

With "customer trust as the foundation of all its activities," the Company aims to commit to the continuous enhancement of corporate value through strategic planning of the entire Tokio Marine Group and managing the subsidiaries of Tokio Marine Group companies. The Company will properly handle personal information as described below in compliance with the Personal Information Protection Law (the Privacy Law), other relevant laws, ordinances and guidelines, and the Tokio Marine Group Privacy Policy, and will take appropriate measures to ensure that personal information is secure. The Company will make an effort to conduct training and education of the Company's employees so that personal information will be properly handled.

The Company will review and improve the contents described below from time to time.

1. Collection of Personal Information

The Company will collect personal (including for shareholders, the same shall apply hereinafter) information in a lawful and proper manner to the extent necessary for its business.

2. Purpose of Use of Personal Information

The Company shall use information received from customers for the purposes (hereinafter referred to as "Purpose of Use") of undertaking the following business operations. The Purpose of Use shall be specifically prescribed for clarification for customers and disclosed on our website as stated below. Moreover, depending on the situation in which the information is obtained, we shall make efforts to limit the Purpose of Use.

- (1) Business administration of Group companies*
- (2) Contacting shareholders, providing them with various information and undertaking shareholder management
- (3) Exercising the Company's rights or fulfilling its obligations in accordance with the Companies Act of Japan and the Enforcement Regulations of the Companies Act of Japan
- (4) Responses to customer inquiries, requests, others
- (5) Undertaking other operations incidental to those stated in the above (1) to (4) as well as operations for ensuring the proper and smooth execution of the Company's business operations

When handling personal information that transcends the scope needed to attain the Purpose of Use, the consent of the relevant person shall be obtained except in the cases stipulated in Article 16-3 of the Act on the Protection of Personal Information.

* For details on the scope of Group Companies, refer to "10. Company List."

3. Provision of Personal Data to Third Parties

With the exception the following cases, the Company shall not provide personal data to third parties without obtaining the consent of the relevant individual.

- In the case this is in accordance with laws and regulations
- In the case data is provided to consignees within the scope necessary for the Company to execute its business activities (refer to the following "4. Consigning the Handling of Personal Data")
- In the case of joint use between the Company's Group companies and business partners (Refer to the following "5. Joint Use with the Company's Group Companies and Business Partners")

4. Consigning the Handling of Personal Data

There are cases in which the Company consigns the handling of personal data to outside parties within the necessary scope for attaining the Purpose of Use. In the event the handling of personal data is consigned to outside parties, the Company shall prescribe standards for selecting a consignee and carry out necessary and appropriate supervision that includes confirming the consignee's information management structure beforehand. The Company consigns the handling of personal data, for example, in cases such as the following.

- Consigning the management of the shareholders' register

5. Joint Use with the Company's Group Companies and Business Partners

To attain the Purpose of Use shown above in 2. (1) - (5), personal data is used jointly among the Company, Group companies and business partners* as described below.

(1) Personal Data Items

- a. Data on shareholders (Address, name, situation regarding holding of Company stock, etc.)
- b. Personal data held by Group companies (information related to transactions such as details of accident notices and details of contracts listed on application forms that include address, name, telephone number, gender, date of birth and other items)
- c. Personal data from persons making inquiries and requests of the Company (name, contact information, details of inquiry/request, etc.)

(2) Party responsible for managing personal data: Tokio Marine Holdings Co., Ltd.

*For details on the scope of Group companies, refer to "10. Company List."

At present, there is no joint use of personal data with business partners.

6. Handling of Sensitive Information

The Company will not collect, use or provide to a third party Sensitive Information, *including, but not limited to information regarding healthcare or case history, except for cases provided by the Act on the Protection of Personal Information, other relevant laws, ordinances and guidelines.

* "Sensitive Information" refers to sensitive information set forth in Article 6 of the Guidelines for Personal Information Protection in the Financial Field.



7. Notice of Matters, Disclosure, Amendment or Suspension of Use of Personal Data Held by the Company under the Act on the Protection of Personal Information

In accordance with the Act on the Protection of Personal Information, the Company makes efforts to respond appropriately and promptly to requests concerning notice of matters, disclosure, amendment or suspension of use of personal data.

For details on specific requests, please direct requests as shown below in "9. Contact Information." While confirming that the person making the request is the actual relevant person, procedures will be undertaken after filling out the Company's designated forms and, in principle, the Company will respond in writing at a later date. The Company shall receive its self-prescribed service fee for responding to disclosure requests.

[Procedures for requesting disclosure, etc. \(in Japanese\)](#)

8. Management of Personal Data

To prevent divulgence, loss or damage of personal data and ensure safety management of other personal data, the Company implements adequate security measures while working to assure the accuracy and recentness of data needed to attain the Purpose of Use.

9. Contact Information

The Company responds appropriately and quickly to complaints and consultations regarding the handling of personal information. For referrals and consultations concerning the Company's handling of personal information or personal data, please make inquiries as follows.

Point of contact: Tokio Marine Holdings Internal Control Department

Telephone: +81-120-789-967

Business hours: 9am - 5pm, excluding Saturdays, Sundays, holidays and year-end and New Year holidays

10. Company List

The Company's Group companies and business partners mentioned in "2. Purpose of Use of Personal Information" and in "5. Joint Use with the Company's Group companies and Business Partners" are indicated below.

(1) Group Companies: [Tokio Marine Group](#)

(2) Business partners: There are no business partners to which the Company provides personal data.

Note: Personal information of employees of the Company shall not necessarily be treated in accordance with this policy.

Adopted on March 7, 2005
Revised on August 11, 2011



Acquisition of External Certification

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 Month and Year	Certification Acquired
Tokio Marine & Nichido Communications	March 2006	ISMS
Tokio Marine & Nichido Systems	August 2006 December 2006	ISMS ITSMS*
Tokio Marine & Nichido Risk Consulting	June 2007	Privacy Mark
Millea Mondial	August 2007	Privacy Mark
Tokio Marine & Nichido Medical Service (Health Promotion Dept.)	September 2007	ISMS

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



Internal Control Systems

Information Disclosure

We make every effort to disclose information about 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 Tokio Marine Group

We aim to disclose meaningful information regarding 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 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



Disclosure Materials

Tokio Marine Holdings and its domestic insurance business companies prepare and strive to enhance the content of disclosure materials.

- ▶ [IR Library](#)

Website

Please refer to the following for information disclosure concerning Tokio Marine Holdings and each insurance business company.

- ▶ [Tokio Marine Holdings](#)
- ▶ [Tokio Marine & Nichido Fire Insurance](#)
- ▶ [Nissin Fire & Marine Insurance \(in Japanese\)](#)
- ▶ [E. design Insurance \(in Japanese\)](#)
- ▶ [Tokio Marine Millea SAST Insurance \(in Japanese\)](#)
- ▶ [Tokio Marine & Nichido Life Insurance \(in Japanese\)](#)

Rating Information

Please refer below for rating information for Tokio Marine Group companies.

- ▶ [Rating Information](#)

Sustainability Report 2013

Relations with Stakeholders

- Relations with Customers
- Relations with Shareholders and Investors
- Relations with Insurance Agents
- Relations with Employees
- Relations with Business Partners
- Relations with Local Communities and Society

Relations with Stakeholders

Tokio Marine Group believes that building a relationship of trust through dialogues and cooperation with all stakeholders, including customers, is important for implementing high-quality CSR management.



Relations with Customers

Tokio Marine Group values feedback from its customers and carries out daily initiatives to enhance quality in order to earn customer trust.

Relations with Shareholders and Investors

Tokio Marine Group works to realize sound and highly transparent corporate governance through the promotion of information disclosure and the exchange of opinions in a timely and appropriate manner.

Relations with Insurance Agents

Tokio Marine Group builds trustworthy partnerships and undertakes collective efforts to truly enhance operational quality from a customer standpoint.

Relations with Employees

Tokio Marine Group will continuously build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential.

Relations with Business Partners

Tokio Marine Group aims to realize sustainable development and fulfill its social responsibility together with all its business partners.

Relations with Local Communities and Society

Business activities are realized with the support of everyone in local communities. With this in mind, Tokio Marine Group conducts various activities in respective regions worldwide.

*Linked with "Local Community and Social Contribution Activities" pages.



Relations with Customers

Basic Policies for Protection of Customers' Interests

Tokio Marine Group establishes basic policies for the protection of customers' interests and develops a system to thoroughly promote being customer-oriented and to pursue various aspects including customer protection.

Quality Improvement Initiatives

Tokio Marine Group continuously promotes initiatives to enhance quality from a customer standpoint in accordance with the Group's Corporate Philosophy: "Through the provision of the highest quality products and services, Tokio Marine Group aims to deliver safety and security to all its customers."

Response to Customer Feedback

Based on the Group's common standards related to customer comments, each company of Tokio Marine Group has formulated a response policy in order to develop a structure to utilize customer feedback for improving products and services.



Relations with Customers

Basic Policies for Protection of Customers' Interests

Tokio Marine Group establishes basic policies for the protection of customers' interests and develops a system to thoroughly promote being customer-oriented and pursue various aspects including customer protection.

Additionally, we have formulated the Tokio Marine Group Policies for Managing Transactions involving conflict of interest and, through compliance with these policies by directors, officers and employees, work to manage transactions involving conflict of interest to ensure that clients' interests are not unduly harmed.



Relations with Customers

Quality Improvement Initiatives

Tokio Marine Group's Approach to Quality Improvement

Tokio Marine Group has earned high regard from its customers by providing products and services that are ahead of the times in accordance with the Group's Corporate Philosophy: "Through the provision of the highest quality products and services, 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, Tokio Marine Group will combine the capabilities of all Group 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 ("Reassuring") Quality and Business Renovation Project

Tokio Marine & Nichido defines Anshin Quality as specific quality standards that are indispensable for the products and services the company provides to customers and is promoting an array of initiatives to realize this.

Specifically, we are promoting the Business Renovation Project throughout the Company to integrate the improvement of the quality of products and services with enhancement of the comfort of the business processes in which we provide those products and services to customers.

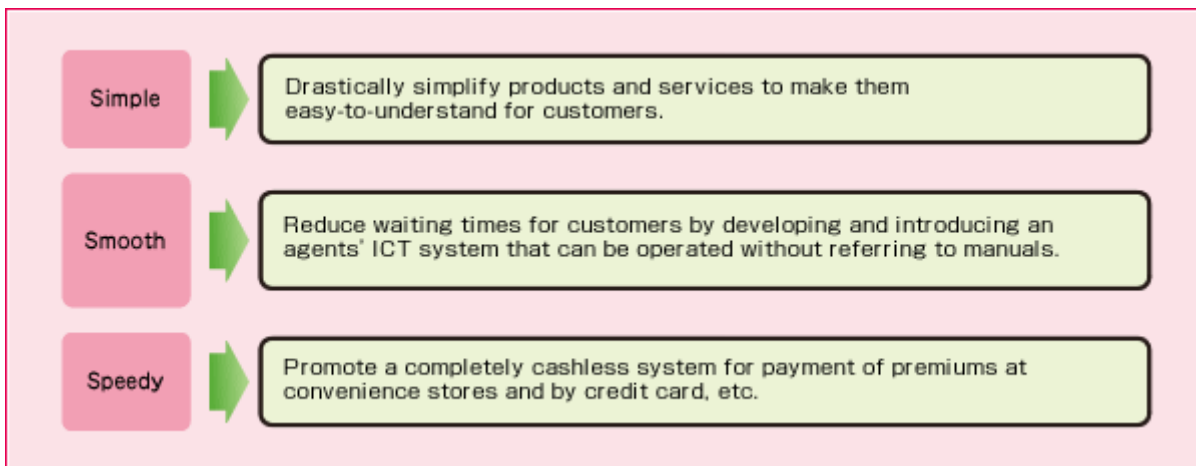
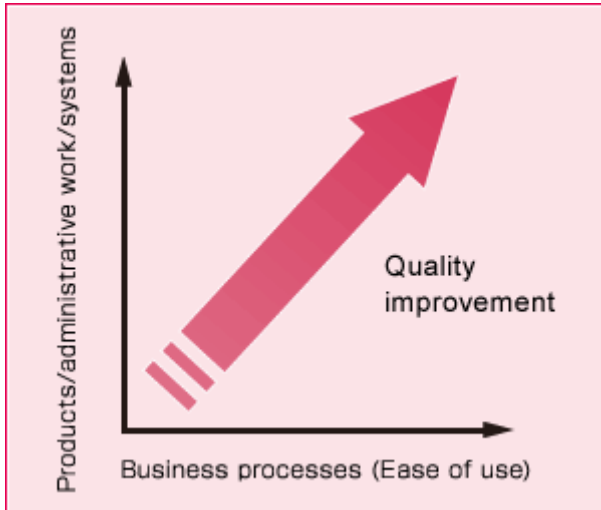
This project is aimed at changing the way our employees and agents do business in all processes from the signing of contracts to payment of claims to make those processes more comfortable for customers.

In line with this objective, we are creating a framework that facilitates customer-friendly processes by making drastic revisions to provide simple and easy-to-understand products to customers, easy-to-operate systems for agents and quick administrative procedures in response to customers' needs. At the same time, we are steadily reforming business processes by initiating such arrangements as the cashless payment of premiums and early notices of renewal.

Going forward, we will work to provide a more comfortable experience for customers by changing to a new business model that utilizes tablet devices and smartphones to achieve growth by securing stable product quality and improving quality.

**Improving quality =
Administrative procedures and systems × Business processes with comfort and accuracy**

- Image of quality improvement that Tokio Marine & Nichido is aiming for



Ensuring Customers Have a Clear Understanding of Insurance Products

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) without explanation. Forms that have been created from March 2007 onwards are based on these rules.

Examples of Initiatives with the Next-Generation Model

In April 2012, Tokio Marine & Nichido adopted a next-generation model using tablet computers and other devices as part of its efforts to enhance comfort and convenience for customers. For *Super Insurance*, auto insurance and fire insurance, our main products for individual customers, we introduced "Raku Raku Tetsuzuki (Quick and Easy Online Procedures)," which allows customers to request a premium estimate, view product descriptions and apply for insurance on their tablet computers or other devices. (We plan to make online procedures available in October 2013 for enrollment in life insurance and by the end of fiscal 2013 for personal injury insurance.) The use of tablet computers and other electronic devices allows us to provide easy-to-understand product descriptions with videos and electronic pamphlets. We have also introduced "Your Enrollment at a Glance," which enables customers to visually check their family's insurance enrollment status on their tablet computers or other electronic devices.

Screen image of "Raku Raku Tetsuzuki" contract procedure



Providing Anshin Quality of Claims Services to Customers

Tokio Marine & Nichido designates specific quality standards that are indispensable for products and services provided to customers in terms of "Anshin Quality," and the company and agents have been making concerted efforts to thoroughly promote initiatives toward the realization of Anshin Quality. When we receive accident notices, we utilize a system that verifies whether such an accident is covered under any other contracts that will allow payment for that accident, thereby providing claimants with information about the payment of claims. Specifically, in terms of auto insurance, we have introduced a system that has various criteria 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 are 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 that not only verifies the amount but also provides a detailed breakdown.

When insurance claims cannot be paid, we 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 from 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 agree 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 Re-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 in written form.

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

Resolution Capabilities of Team Expert

The true value of an insurance company is put to the test when a customer is involved in an accident. We consider it our mission to provide the highest quality claims services in such an eventuality. In auto insurance, this requires that our highly specialized and experienced staff members resolve claims using a team approach aimed at a smooth resolution.

At Tokio Marine & Nichido, our experienced claims service staff of approximately 8,300 people puts together optimal teams with our network of highly specialized experts including approximately 1,500 adjusters, approximately 455 lawyers and approximately 100 consulting physicians throughout Japan to provide the resolution capabilities of Team Expert. This allows us to protect our customers in the event of an accident. In addition to our reliable and extensive network of 240 service bases nationwide, we satisfy 93.9% of customers who use their insurance by exercising our sophisticated negotiating power backed by our industry dominance with more than around 2.72 million accident settlements per year.

■ Shared Value for Caring for Customers as Our First Priority

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 our human values. There is no end to the cultivation of human values."

- "Face to face with a person who needs your help, as a fellow human being, what does your heart tell you? Everything starts from here. I want to help because he needs my help. This strength of emotion, is our *raison d'être*."

▶ [My relations with CSR – Providing Insurance Claims Services by Caring for Customers](#)



Further Enhancing 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 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 July 2013)

	Tokio Marine & Nichido	Nisshin Fire
Number of service bases	240	88
Claims service staff and adjusters	Approx. 9,800 (As of July 2012)	1,150
Lawyers	455	51
Consultant doctors	Approx. 100	12
Tax accountants/Accountants	Approx. 65	-
Number of automobile accident settlements (Annual)	Approx. 2.72 million	Approx. 0.21 million



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 feedback, each company of Tokio Marine Group has formulated a response policy in order to develop a structure to utilize customer opinions for improving products and services.

Customer Feedback Response Policy

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 feedbacks, 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

Customer surveys and feedback received directly from customers by employees and agents lead to improvements in products and services. For example, Tokio Marine & Nichido, Nisshin Fire and Tokio Marine & Nichido Life enter such feedback into a unified management system that is set up on their respective intranets in order to analyze it. This feedback is then utilized to improve products and services. Additionally, Tokio Marine & Nichido conducts regular meetings with consumer advisors in order to receive advice from the perspective of consumers. In these ways, such activities are helping to enhance the ease of understanding of the details of documents.

Self-Declaration of Compliance with the ISO 10002 Standard

As a means of standardizing the response to customer feedback Company-wide, Tokio Marine & Nichido and Tokio Marine & Nichido Life have reviewed operation systems in conformity with standard, the international complaint handling management system ISO 10002. Additionally, these two companies were the first in the domestic financial industry to verify compliance with the ISO 10002 standard in June 2007 and subsequently made an external announcement in July. From this position, 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 (in Japanese)

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

Listening to Customer Feedback

Each Tokio Marine Group company actively listens to customer feedback through various means such as customer surveys, telephone calls from customers, company websites, and 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 of customers in relation to auto insurance, fire insurance and *Super Insurance*. The aim is to validate whether the company is appropriately providing explanations regarding matters such as details of coverage, premiums payments and explanations to rider services as well as important terms.

Even when there is an accident, Tokio Marine & Nichido asks for cooperation in surveys after paying insurance claims to customers in order to obtain a wider range of opinions. The company is constantly making efforts to improve by repeating a cycle of implementation, verification and improvement based on this customer feedback.

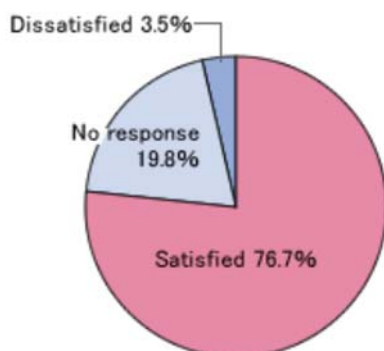
Nisshin Fire is obtaining evaluations on the level of satisfaction toward the company or agents from 3,000 customers who are randomly selected from among auto insurance policyholders. In fiscal 2012, 665 customers responded and opinions received are being utilized to enhance the quality of products and customer response. Additionally, initiatives are 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. A total of approximately 31,000 customers responded in fiscal 2012.

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.

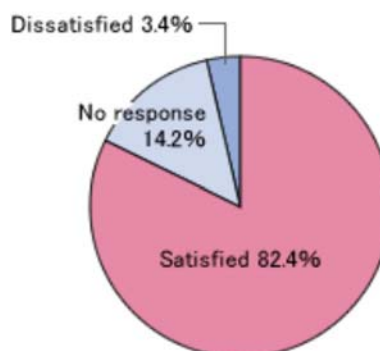
Customer Satisfaction (Fiscal 2012)

■ Tokio Marine & Nichido

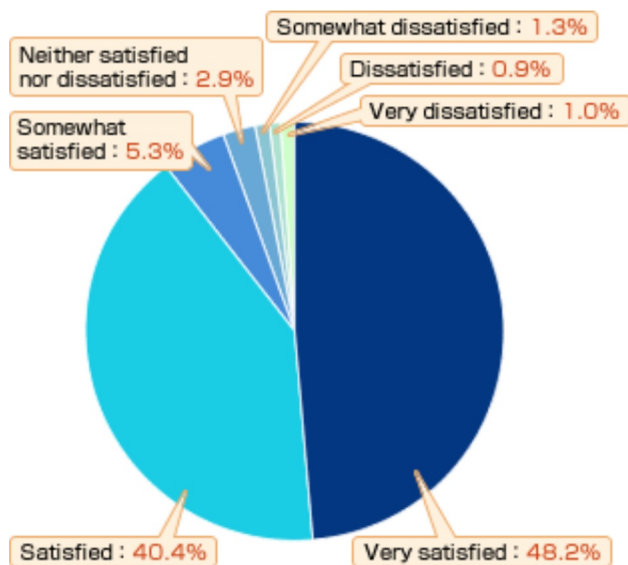
Overall Level of Satisfaction regarding Products and Services



Overall Level of Satisfaction regarding Contract Procedures



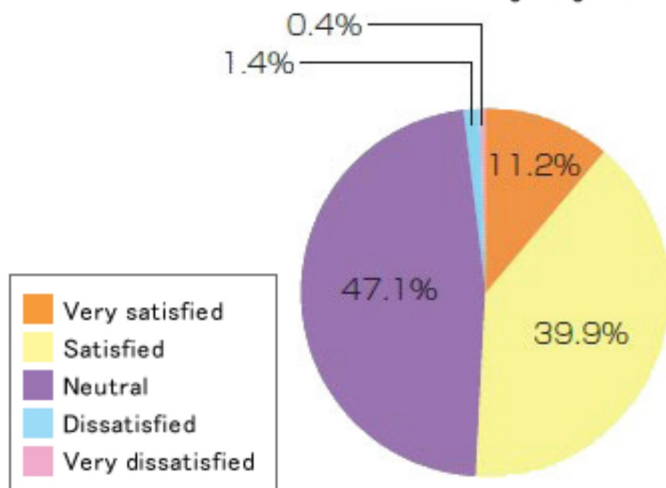
Results of Auto Insurance Survey: Level of Satisfaction regarding Overall Claims Services 93.9%



■ Tokio Marine & Nichido Life

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

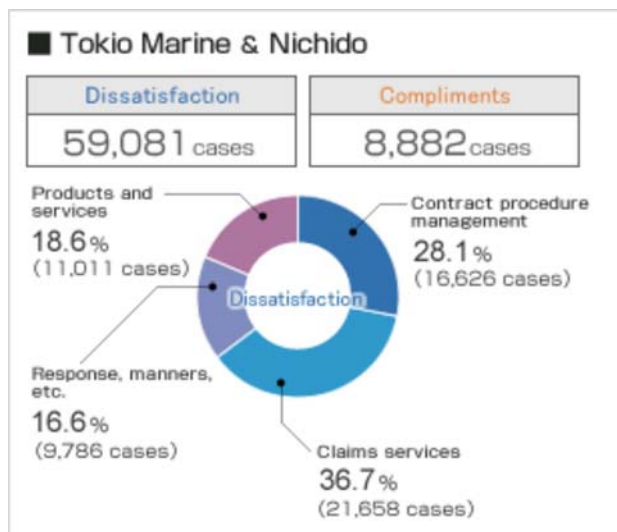
(Survey conducted June-September 2012)
Survey enclosed with
"Notice regarding Contract Details"



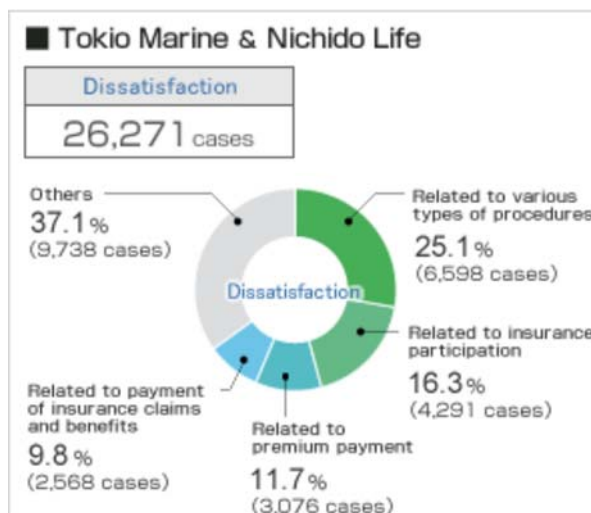
The survey enclosed with the "Notice regarding Contract Details" to which 26,427 people responded by the end of September 2012 was analyzed.

Dissatisfaction Feedback

■ Tokio Marine & Nichido



■ Tokio Marine & Nichido Life



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

- ▶ [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 2012)

Customer feedback

"The cover of the pamphlet and explanation of important matters for the *Total Assist* auto insurance reads, "Pamphlet and Explanation of Important Matters," but it was hard to know which part was the explanation of important matters. I would like it improved to make that clearer."

Details of improvement

We divided the pamphlet and explanation of important matters into an "Explanation of Product Details" and an "Explanation of Important Matters," and added an index of the pamphlet's structure on the two-page spread at the beginning. We also added the title "Explanation of Important Matters" at the beginning of the explanation of important matters pages.

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

- ▶ [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](#)



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.

Enhancing 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 adjusted earnings, excluding embedded value (EV). In fiscal 2012, the amount of total annual cash dividends was 55 yen per share with a dividend payout ratio of 50% versus average adjusted earnings (excluding EV).

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.

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



Information Disclosure and Investor Relations

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 Tokio Marine Group and future business development.

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1. Disclosure Policy

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3. Disclaimer

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Adopted on November 30, 2004

Revised on September 29, 2010

Proactive IR Activities

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

In fiscal 2012, in addition to two briefings for institutional investors, Tokio Marine Holdings held individual meetings for 165 overseas institutional investors and analysts in the United States, Europe and Asia by the president and IR officers. Additionally, briefings were 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 management.



Briefing for individual investors

Briefings for individual investors	Held a briefing for individual investors by President Sumi on the theme of Tokio Marine Group's corporate strategy. Also held briefings for individual investors by the IR officer as needed, mainly at securities companies.
Briefings for analysts and institutional investors	Held an IR conference on the new mid-term business plan "Innovation & Execution 2014" in May 2012. Also held an interim IR conference on the progress of the fiscal 2012 business plan based on this mid-term plan in November 2012. IR division representatives held quarterly results conference calls for analysts and institutional investors.
Briefings for overseas investors	Held individual meetings for 165 overseas institutional investors and analysts by the president and IR officer in the United States, Europe and Asia, and explained the Group's business results, business plan, operating environment and other conditions.
Posting IR materials on website	Post information of financial results and disclosure materials besides financial results on the Company website in an appropriate and timely manner, as well as annual securities reports, IR briefing videos, and explanations of preliminary reports regarding the monthly business results of principal subsidiaries.



Additionally, we proactively disclose information on our website with regard to financial results, Group structure, management strategies and CSR activities. Through our website, we are striving to promote "visible IR" that familiarizes people with the Group and gives them a sense of trust. In recognition of these initiatives, the Company website was number one in the insurance industry for the third consecutive year on Gomez Consulting's "Investor Relations Site Ranking 2012." It was also selected for an award for excellence (the top ranking by industry) in the fiscal 2012 Internet IR Awards given by Daiwa Investor Relations.



Relations with Insurance Agents

▶ Working Together with Agents to Enhance Quality

Tokio Marine Group endeavors to build partnerships based on trust and improve the quality of operations through smooth communication 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 confidence, each Tokio Marine Group company develops various measures, including educational programs and training systems for agents.



Relations with Insurance 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 Role of Agents in Tokio Marine Group

In auto insurance and life insurance, for example, the role of agents in Tokio Marine Group is 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, each Tokio Marine Group company 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 defines Anshin ("Reassuring") Quality as basic standards that are indispensable in terms of products and services provided to customers, and works together with agents to improve quality. In addition, with regard to an agent commission system, we conduct assessments using various factors that include quality items, growth items (scale, revenue increase rate, claims ratio) and partnership items (including consulting capability, quality of agent management and claims service response capability). By doing so, we have established an incentive system that supports agents that are achieving growth by being selected by customers in terms of quality. Going forward, we will promote reforms toward a new business model utilizing tablet computers and smartphones to realize an even more comfortable experience for customers. In this respect, insurance companies and agents will work hand-in-hand to deliver quality to all customers and strive to expand customer support.

Nisshin Fire has also established its Customer Standards for agent operations such as procedures for binding 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 the 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 April 2012, TNet, which previously could only be accessed from the personal computers of agent offices, was given multi-device compatibility. As a result, it is now accessible from tablet computers and other devices, allowing agents to conduct business anywhere, at any time. Additionally, as a means of enhancing the quality of customer response, we 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 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.

Relations with Insurance 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 general tests for salespersons of property and casualty insurance (basic units/product units) operated by the General Insurance Association of Japan, the company has been making efforts to improve the quality of sales activities by having salespersons obtain qualifications and complete training as designated for individual products. To provide a foundation for supporting these systems, we are also building a New Salesperson Management System (BOSS) to manage sales qualifications, training records and other relevant matters according to each salesperson, and 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 animation and videos that enable agents and salespersons to picture actual business scenes, as well as case studies and tests to check on what has been learned.

This program is available via TNet.



Screen shot of Tokio Marine & Nichido Academy

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 this content 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 six 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 website 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 website

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 2013, 991 persons participated in the system of Tokio Marine & Nichido, obtaining highly professional knowledge and skills in areas such as insurance products and sales techniques over a maximum period of 38 months. In addition to this group training across all outlets, practical education is conducted through training by advisors in the workplace and on-the-job training as a means of nurturing excellent insurance planners.

Nisshin Fire also has established the Risk Advisor Employee System for acquiring various knowledge and practical work experience that are necessary for selling insurance while being engaged in soliciting contracts and related work for a certain period.

- ▶ [Tokio Marine & Nichido Insurance Planner System \(in Japanese\)](#)

Relations with Employees

Fair and Honest Personnel Affairs

We aim to enhance employees' work 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.

Development of Human Resources

Tokio Marine Group considers its employees to be its most valuable assets. With this in mind, Tokio Marine Group is creating "a corporate culture that encourages self-cultivation and the development of human resources" through comprehensive employee training centered on on-the-job (OJT) training and ongoing support for self-development.

Utilizing Diverse Human Resources

Tokio Marine Group promotes diversity throughout the Group by progressively moving forward in promoting the employment of persons with disabilities, encouraging female employees to take active roles and creating a workplace in which older employees with a wealth of knowledge and experience can take active roles.

Work/Life Balance

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

Health Management

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

Communication with Employees

Tokio Marine Group works to enhance communication with employees through various initiatives such as direct dialogue between employees and executives, building sound labor-management relations and holding Family Day for employee families to gain an understanding of employees' work.



Relations with Employees

Fair and Honest Personnel Affairs

Tokio Marine Group aims to enhance employee motivation by 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

Tokio Marine Group respects human rights and accepts diversity of nationality, gender, age and other attributes based on the Tokio Marine Group Corporate Philosophy to "continuously build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential." Moreover, Tokio Marine Group maintains a transparent and fair personnel system and fully implements a performance-based pay system in an effort to enhance employees' job satisfaction and motivation in order to increase productivity and corporate value through response to changes in the environment and appropriate management of personnel and labor risks.

Basic Data

■ Number of employees (Tokio Marine Group consolidated subsidiaries as of March 31, 2013)

Total number of employees	33,006
Domestic Group companies	24,319
Overseas Group companies	8,687 (Asia: 2,468; North and central America: 5,666; Europe: 553)

■ Basic employee data (Tokio Marine & Nichido as of March 31, 2013)

Average age	41.2
Average years continuously employed	10.8
Average salary	Approx. 7,630 thousand yen



Relations with Employees

Development of Human Resources

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, Tokio Marine Group has been undertaking efforts to become a group truly trusted and supported by customers through by creating "a corporate culture that encourages self-cultivation and the development of human resources." This is accomplished through comprehensive employee training centered on on-the-job training (OJT) and ongoing support for self-development.

Development of Human Resources as Professionals

We are working to leverage the "Human Ability" * of employees, which is a very important quality in providing value to customers when 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 considering in the other party's standpoint

The three elements that make up "Human Ability"

1. Abilities as professionals
2. Energies
3. Always think and act by considering in the other party's standpoint

Each of the Tokio Marine Group company 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's 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. On the basis of assigning roles that utilize each person's strengths, career planning is undertaken in combination with 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, the company actively sends young employees to short-term overseas training programs and to business schools and law schools in Japan and abroad, universities in non-English-speaking countries, and other institutions 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.

- ▶ [Global training](#)
- ▶ [Global Job Rotation](#)

Human Resources Development Cycle (Tokio Marine & Nichido)



Job Request System

Tokio Marine & Nichido provides employees with opportunities to choose their jobs to realize their own career vision. The company has introduced the Job Request System to support employees in building their careers and to help strengthen the independence of employees based on choice and self-responsibility. Ordinary companies order staff reassignments, but this system allows employees themselves to apply for jobs that they want to try in order to achieve their career visions. It is therefore a key personnel system for maintaining and expanding the energy of employees. In particular, locally based employees in jobs not subject to relocation can take on the challenge of a new job in a different location, or continue working after changing localities due to reasons such as marriage or a spouse's relocation, by applying through the Job Request System (U-turn and I-turn transfers*). In addition to the Job Request System, the company offers employees the opportunity to declare their wishes regarding job transfers and their future career visions from the perspective of putting the right people in the right jobs based on their career visions and transfer wishes.

*U-turn and I-turn Transfers

U-turn transfers	A transfer in which locally based employees in jobs not subject to relocation can be relocated temporarily to take on the challenge of utilizing their aptitudes in jobs not available in their own localities, on the condition that they must return to their original localities after the temporary relocation. This provides employees an opportunity to take on the challenge of new jobs outside the traditional framework.
I-turn transfers	A transfer in which employees in jobs not subject to relocation can continue working after changing localities due to reasons such as marriage or a spouse's relocation. Allowing employees to relocate while maintaining their position in the company at the same level of compensation is also considered.

Note: Not all employee relocation requests are approved.

Job Request System (Tokio Marine & Nichido as of August 1, 2013)

Fiscal year	Applicants	Approval
Fiscal 2011	303	127
Fiscal 2012	342	117

Note: Transfers take effect in the fiscal year after that of the application.



Relations with Employees

Utilizing Diverse Human Resources

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 pertaining to the promotion of diversity Group-wide include promoting the employment of persons with disabilities, encouraging female employees to take active roles, and creating a workplace in which older employees with a wealth of knowledge and experience can take active roles.

Promoting Diversity

Based on the Tokio Marine Group Corporate Philosophy of "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", every company in the Group respects human rights and encourages diversity in nationality, gender and age. The Group also welcomes individuals with diverse values to bring them together to achieve even greater results.



Promoting the Employment of Persons with Disabilities

Aiming to broadly accept persons with disabilities and exceed the statutory employment rate to become a corporate group in which diverse personnel work enthusiastically, Tokio Marine Group is promoting the employment of persons with disabilities at Group companies and working to raise consciousness around normalization. Tokio Marine Business Support Co., Ltd., a special subsidiary based on the Disabled Persons Employment Promotion Law, is representative. The company supports Group development by providing services that include administrative support, printing and logistics.

Promoting the Employment of Persons with Disabilities through a Special Subsidiary

In January 2010, we established Tokio Marine Business Support with the aim of promoting the employment of persons with intellectual and developmental disabilities and in March 2010, the company was the first in the non-life insurance industry to be approved as a special subsidiary. The company hires employees centering on persons with intellectual and developmental disabilities who are considered to have fewer 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 that include sales of office supplies. As of August 1, 2013, 241 people (including 87 persons with disabilities) are working at bases in Tokyo, Osaka, Nagoya and Fukuoka.

Based on its corporate 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 by 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.

▶ [Tokio Marine Business Support \(in Japanese\)](#)

Aiming to Be a Company Where People Respect and Support Each Other

Tokio Marine & Nichido Systems Co., Ltd. is actively taking measures to employ persons with disabilities, such as by making offices barrier-free and hiring physically challenged persons as system engineers. In 2008, we hired visually impaired persons and commenced in-house 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. Smile Cafe is used by about 300 people every day, and is a place where employees can relax. Smile Office Service is also expanding the types of work it handles, and has gained the trust of employees. By having general employees and persons with disabilities work together, synergetic effects are being created in terms of gaining strength from each other and enhancing work satisfaction.



In June 2013, the company's normalization measures were introduced as part of the Job Coach* Training program in Tokyo at the request of the Tokyo Foundation for Employment Services.

*A job coach helps persons with disabilities become established in the workplace by providing support for workplace environment adjustments, communication assistance, adaptation to work and commuting to and from work.

▶ [Tokio Marine & Nichido Systems \(in Japanese\)](#)

Empowering Female Employees

Women account for more than 40 percent of the employees at Tokio Marine Group companies in Japan. We cannot grow if we do not empower female employees. We therefore provide various opportunities that give female employees a clear vision for building their careers to empower them in a wide range of fields. For example, Tokio Marine & Nichido gives female employees responsibilities based on their individual career vision to continuously develop female executives, supporting their careers with rotating assignments among divisions as part of a larger environment that allows women to take on challenges according to their intentions and abilities.



■ Number of Officers and Managers (domestic consolidated companies as of March 31, 2013)

	Male	Female	Total
Officers	148	5	153
Managers	3,381	212	3,593

■ Number of Female Managers (domestic consolidated companies as of March 31, 2013)

Tokio Marine & Nichido	115
Nisshin Fire	13
Tokio Marine & Nichido Life	9
Tokio Marine & Nichido Financial Life	14
Tokio Marine Millea SAST Insurance	5
E. design Insurance	2
Other	54
Total	212

Creating a Corporate Culture That Empowers All Employees

Tokio Marine Group seeks to create a corporate culture that empowers all employees, including women. Since 2005, we have therefore held annual forums that provide opportunities for employees to take the initiative in refining their career vision and organizational skills. While Tokio Marine & Nichido initiated this forum, numerous employees from Group companies participate. Irrespective of position or gender, participants representing their workplaces discuss topics such as personnel development and corporate culture, subsequently sharing the discussion with their workplace colleagues to raise the consciousness of all employees and identify behaviors that support achievement.



System for Continued Employment for Older Employees

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 experience and strengths to generate new added value while maintaining high levels of motivation.

■ Numbers of employees using the system for continued employment (domestic consolidated companies as of March 3, 2013)

Tokio Marine & Nichido	585
Nisshin Fire	22
Tokio Marine & Nichido Life	20
Tokio Marine & Nichido Financial Life	5
Other	57
Total	689

Implementing a Global Human Resources Strategy

Amid the growing importance of overseas business, Tokio Marine Group considers it essential to implement a global human resources strategy to build a human resource base that supports development into a Japan-based global insurance group. This strategy entails hiring and developing diverse human resources at Group companies around the world regardless of nationality, age or gender.

In July 2010, Tokio Marine Holdings established the Global Human Resources Group as a specialized unit to plan and implement a global human resources strategy.

The Company regularly holds the Global Human Resources Meeting by gathering the human resources department managers of major Group companies to discuss measures to strengthen cooperation among human resource departments of Group companies and human resource development common to the Group, personnel strategies and other matters. The Tokio Marine HR Policy, the foundation for personnel policies of the overseas insurance business, was formulated in 2011 based on discussions at this meeting.

The Company will continue to carry out a global human resources strategy by developing concrete measures such as global human resources training and rotation while actively incorporating the opinions and requests of Group companies around the world.

Developing Global Human Resources

Since fiscal 2012, Tokio Marine Group has been implementing a global human resources strategy that revolves around the following three points in order to build a human resource base that supports development into a global insurance group.

- (1) Expand the base of the global talent pool
- (2) Develop Global Leaders
- (3) Share the Group's Corporate Philosophy

Based on this strategy, Tokio Marine & Nichido began sending third-year employees throughout Japan to short-term overseas training programs, aiming to expand the base of the global talent pool for the Group's globalization. The Group has also upgraded programs to develop Global Leaders by providing the Senior Global Leadership Development Program, where senior leaders selected from Group companies in Japan and overseas can learn and strengthen their global leadership skills.





Global Training

In 2012, Tokio Marine Group launched the Senior Global Leadership Development Program (SGL), a training program for overseas local employee managers aimed at nurturing various human resources in respective countries worldwide regardless of nationality, age or gender. For this program, top executives gather from respective countries around the world to participate in programs that are conducted over a five-month period, including group training held on three occasions.

Through the SGL, participants aim to achieve the following two objectives necessary for Global Leaders:

- (1) Gain a deep understanding of and practice the Tokio Marine Group's Corporate Philosophy, values and vision
- (2) Build the mindset and skills of Global Leaders

Participants are divided into teams to work on action learning. At the first group training in 2013, participants visited the Tohoku disaster area and talked with agents and employees there to deepen their understanding of the Tokio Marine Group's Corporate Philosophy, values and vision. At the second group training, they visited New York and Philadelphia, where they engaged in discussions with the managers of Group companies, and deepened their understanding of business strategies and built their mindset and skills as Global Leaders through participation in a joint development program with the Wharton School of the University of Pennsylvania. Going forward, the participants will continue action learning as they interact with other diverse group members and experience interactive sessions on leadership skills. At the third group training, each team will make proposals to management and engage in active discussions.

Global Job Rotation

Tokio Marine Group started the Global Job Rotation Program from fiscal 2011 as part of its global human resources strategy in order to actively utilize overseas local employees with enthusiasm and ability. The four main objectives of the Global Job Rotation Program are as follows.

- (1) Support effective implementation of global strategies through assignment of the right people to the right jobs.
- (2) Utilize employees who have knowledge and experience in Tokio Marine Group to raise the level of the know-how and ability of the Group as a whole.
- (3) Provide overseas local employees with opportunities to advance their careers to boost their motivation.
- (4) Create richly diverse workplace environments with people of different racial backgrounds, nationalities, ages and genders to transform the corporate culture and promote globalization.

Since the program was launched in fiscal 2011, the Head Office in Japan has been accepting approximately 20 local employees from countries overseas over periods from a few weeks to several months, in which they work together with Japanese employees in various departments, including the human resources, IT and reinsurance departments. In fiscal 2013, the Head Office plans to begin accepting employees for longer terms of more than six months. We aim to achieve the objectives listed above through this program.



Relations with Employees

Work/Life Balance

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

Diverse and Flexible Working Styles

To support diverse and flexible working styles, Tokio Marine Group companies have established a range of systems including nursing care leave and volunteer work leave, as well as the ability to flexibly change daily working hours and plan-based flex-time. The I-turn transfers 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. Tokio Marine Group supports the balance between work and childcare.

■ Number of Employees Who Used the Systems (domestic consolidated companies)

	Fiscal 2011	Fiscal 2012
Nursing care leave	4	6
Volunteer work leave*	151	114

* Results of Tokio Marine & Nichido only

Support for Balancing Work and Childcare



Each Tokio Marine Group company supports the balance between work and childcare.

Tokio Marine & Nichido supports both work and childcare according to a basic philosophy of offering maximum support before and during childcare leave and after the return to work by providing eight packages of full childcare support. The company has a childcare leave system that allows up to two years of leave in special situations, and has also established programs such as the Short Working Hours System, which is available to employees from pregnancy through the end of the fiscal year corresponding to the child's third year of elementary school. In addition, the Group has enhanced systems that support the return to work with channels that include dialogue between employees who use the system and their supervisors and meetings to exchange opinions to enable employees who use the system to return to work smoothly.

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 Award in the "equality promotion company section" and the "family-friendly company section" of the Director of the Tokyo Labor Bureau at the 2010 Equality/Balance Promotion Company Commendation, which is hosted by Japan's Ministry of Health, Labour 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; and in January 2012, the company won the Excellent Award under the system of approving and awarding companies promoting the active participation of women in Nagoya City in fiscal 2011.

At the same time, Tokio Marine & Nichido Life has been promoting the upgrade of systems such as those 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 Labor Bureau.

■ Number of Employees who Used the Childcare Leave System (domestic consolidated companies as of March 31, 2013)

	Male	Female	Total
Employees	13,427	10,892	24,319
Childcare leave system users	13	694	707



■ Number of Employees Who Used the Systems (domestic consolidated companies as of March 31, 2013)

Systems	Fiscal 2011	Fiscal 2012
(1) Retiree Rehiring System	26	7
(2) Maternity Leave System	405	438
(3) Childcare Leave System	630 (incl. 17 male employees)	707 (incl. 13 male employees)
(4) Short Working Hours System	501	631

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

Health Management

Each Tokio Marine Group company has established Health Management Offices and Health Consultation Offices with industrial physicians and nursing staff at main bases and carries out various activities such as measures to counter metabolic syndrome and help people to stop smoking.

■ Percentage of Employees Who Received Health Checks (domestic consolidated companies)

	Fiscal 2011	Fiscal 2012
	99.6%	99.4%

■ Industrial Accidents (domestic consolidated companies)

	Fiscal 2011	Fiscal 2012
Occupational accidents	58	64
Commuting accidents	48	60

Mental Health Care

Each Tokio Marine Group company has established the Basic Policy on Mental Health Measures and actively promotes mental health measures by recognizing the importance of pursuing the maintenance and improvement of employees' mental health in terms of corporate management.

As a measure to maintain good mental health, Tokio Marine & Nichido posts information related to mental health on the company's intranet to promote self-management and line care. At the same time, initiatives are undertaken to maintain a good workplace environment by posting stress check tools for measuring the level of mental health in the organization. Additional support includes setting up a mental health counseling desk with nursing staff and counselors and providing assistance from specialists both internally and externally for employees who are on leave in resuming work.

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



Relations with Employees

Communication with Employees

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 set up opportunities for dialogue. In fiscal 2012, a Dialogue with Executives was held 14 times at branch offices across the entire company, with 271 employees taking part in a frank exchange of opinions with executives. A total of 120 dialogue forums have been held since fiscal 2006.

Feedback from participants was positive, and comments received included, "It was a good opportunity to hear about the direction of the company first-hand" and "My motivation really increased."



Sound Labor-Management Relations

In Tokio Marine Group, Tokio Marine & Nichido and other Group companies conduct good-faith negotiations and consultations with labor unions on a wide range of topics, from payroll and human resources systems and workplace health and safety to management policies, to maintain and improve the sound development of the company and the working conditions of union members.

■ Labor Union Participation Rate (domestic consolidated companies)

Fiscal 2011	Fiscal 2012
79.8%	80.7%

Holding CSR Communication Meetings

Tokio Marine & Nichido holds 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 implementing these initiatives throughout the organization as well as reflecting these opinions in future CSR initiatives and measures. These meetings feature a straightforward exchange of opinions on Tokio Marine Group's CSR initiatives and CSR activities conducted in respective workplaces. Comments received from participants included, "Understanding the significance and purpose of CSR activities and 'CSR through our core businesses' has led to increased motivation."

CSR Training

Tokio Marine & Nichido conducts CSR training in the form of e-Learning for all employees once a year to promote understanding and sharing of the philosophy behind the company's CSR activities. In addition to affirmation of the CSR Charter, the training includes topics such as confirmation of environmental impact reduction targets and the environmental management system and confirmation of the company's community and social contribution initiatives. Key persons in each workplace promote participation in the training.

Family Day for Families to Understand Employees' Work

Each Tokio Marine Group company holds Family Day, in which employee families are invited to the company to deepen their understanding about the company and work tasks. Tokio Marine & Nichido provides opportunities for children to learn the relevance of insurance for handling various troubles such as traffic accidents through a puppet show and games. The Tokio Marine & Nichido Life Head Office and Shinjuku Building also provided an opportunity to enjoy experiencing the workplace through a name card exchange and issuing insurance certificates.

Comments received from family members who participated in the event included, "It was a good opportunity for the children to think about their parents' work."





Relations with Business Partners

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

Tokio Marine & Nichido Group Principle of Transactions

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

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

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

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

4. Consideration for the environment

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

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.



Outsourcing Management

Tokio Marine Group has established the Tokio Marine Group Policies for Outsourcing Management in order to protect customers, enhance convenience and ensure the soundness and appropriateness of its operations in the event of outsourcing a portion or all of its operations.

Based on this policy, Tokio Marine & Nichido selects its contractors according to the standard for selecting outsourcing contractors and information security management system standard. At the same time, each year the company conducts investigations of the actual status of outsourcing contractors based on the regulations related to outsourcing contractor management, which stipulates the management system for outsourcing contractors.

Sustainability Report 2013
Management Information



Management Information

We Introduce Tokio Marine Holdings' management information.

Corporate Profile

Company name: Tokio Marine Holdings, Inc.

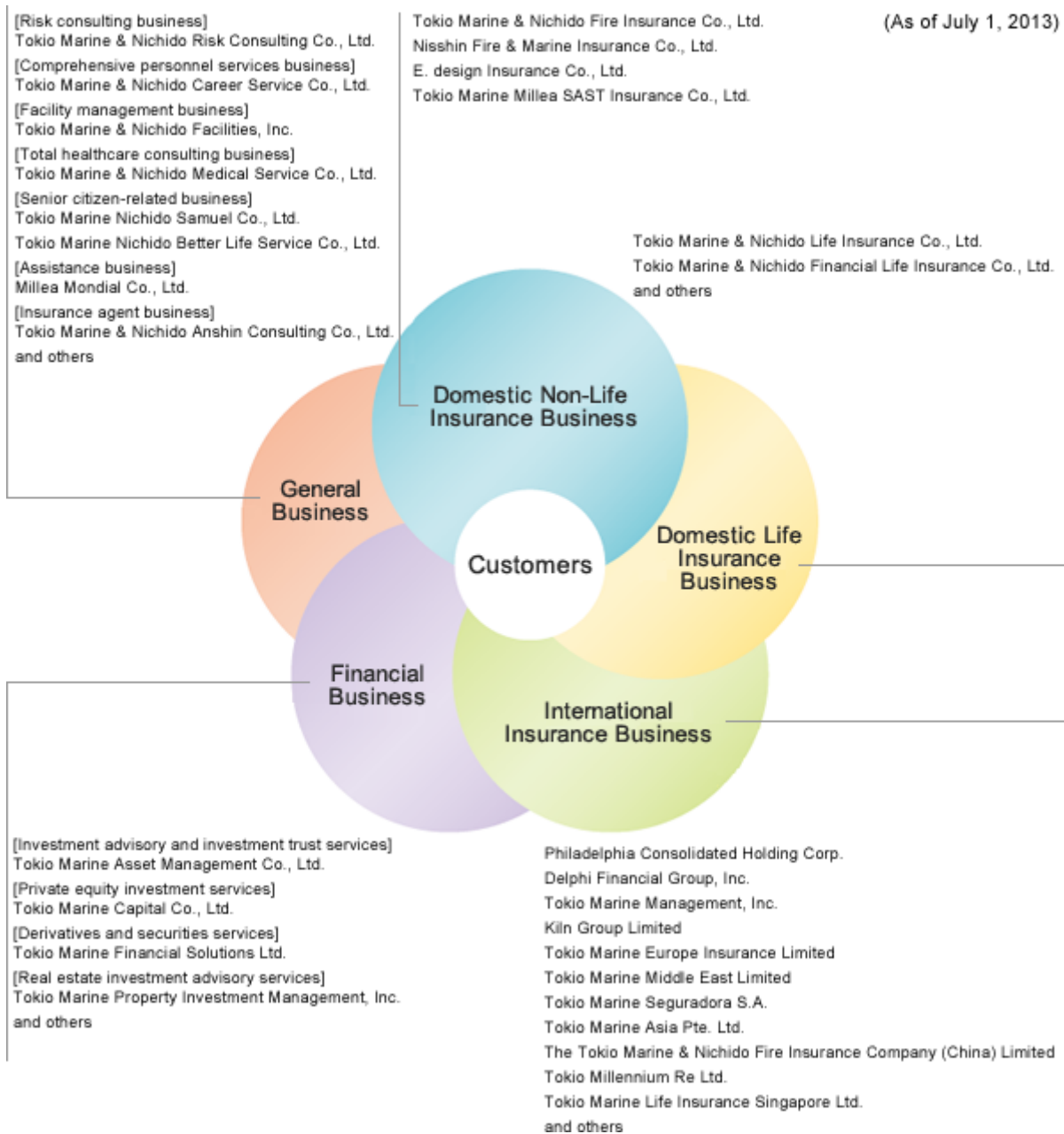
Headquarters: Tokio Marine Nichido Building Shinkan, 1-2-1 Marunouchi,
Chiyoda-ku, Tokyo 100-0005, Japan

Telephone: +81-3-6212-3333

[▶ Access Map](#)



Business Domains of Tokio Marine Group and Major Group Companies





Major Insurance Business Companies

Domestic Non-Life Insurance Business

Tokio Marine & Nichido Fire Insurance Co., Ltd.

Established: August 1, 1879

Capital: 101.9 billion yen

Net premiums written: 1,869.6 billion yen

Total assets: 8,292.1 billion yen

Number of employees: 17,284

Headquarters: 1-2-1 Marunouchi,

Chiyoda-ku, Tokyo, Japan

(As of March 31, 2013)



Nisshin Fire & Marine Insurance Co., Ltd.

Established: June 10, 1908

Capital: 20.3 billion yen

Net premiums written: 138.7 billion yen

Total assets: 410.9 billion yen

Number of employees: 2,560

Headquarters: 2-3 Kanda

Surugadai, Chiyoda-ku, Tokyo,

Japan

(As of March 31, 2013)



Domestic Life Insurance Business

Tokio Marine & Nichido Life Insurance Co., Ltd.

Established: August 6, 1996

Capital: 55.0 billion yen

In-force policies (individual insurance + individual annuity):

21,480.5 billion yen

Total assets: 4,598.5 billion yen

Number of employees: 2,312

Headquarters: Tokio Marine

Nichido Building Shinkan, 1-2-1

Marunouchi, Chiyoda-ku, Tokyo,

Japan

(As of March 31, 2013)



Tokio Marine & Nichido Financial Life Insurance Co., Ltd.

Established: August 13, 1996

Capital: 68.0 billion yen

In-force policies (individual insurance + individual annuity):

2,613.7 billion yen

Total assets: 2,349.2 billion yen

Number of employees: 125

Headquarters: 1-2-1 Kamiogi,

Suginami-ku, Tokyo, Japan

(As of March 31, 2013)





International Insurance Business Companies

Philadelphia Consolidated

Holding Corp.

Philadelphia Consolidated Holding Corp.

Established: 1962

Net premiums written: USD 2,236 million

Total assets: USD 8,084 million

Number of employees: 1,532

Headquarters: Bala Cynwyd, Pennsylvania, USA

(As of December 31, 2012, local financial accounting basis, number of employees as of March 31, 2013)



Kiln Group Limited

Established: 1962

Net premiums written: GBP 514 million

Total assets: GBP 1,383 million

Number of employees: 344

Headquarters: London, United Kingdom

(As of December 31, 2012, local financial accounting basis, number of employees as of March 31, 2013)



Delphi Financial Group, Inc.

Established: 1987

Insurance premiums and fee income: USD 1,727 million

Total assets: USD 10,199 million

Number of employees: 2,052

Headquarters: Wilmington, Delaware, USA

(As of December 31, 2012, local financial accounting basis, number of employees as of March 31, 2013)



Overseas Network

Overseas bases: 456 cities in 37 countries and regions

Expatriate staff: 218

Local staff: Approx. 27,000

Claims agents: Approx. 250 (including sub-agents)

(As of March 31, 2013)

About Tokio Marine Holdings

▶ Message from the President

Message from our President, Tsuyoshi Nagano.




▶ Company Profile

Our company profile (common stock, date of establishment, etc.) is outlined.



▶ Corporate Philosophy

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



▶ Directors, Audit & Supervisory Board Members and Executive Officers

List of Directors, Audit & Supervisory Board Members and Executive Officers

▶ Compliance

Tokio Marine Group Code of Conduct



▶ Basic Policies for Internal Controls

Tokio Marine Holdings establishes basic policies for internal controls under Companies Act and Ordinance for Enforcement of the Companies Act.



▶ Management of Transactions Involving Conflicts of Interest (in Japanese)

Tokio Marine Group strives to manage transactions involving conflicts of interest to ensure that clients interests are not unduly harmed.



▶ Corporate Strategy

Explanation of our mid-term corporate strategy "Innovation and Execution 2014".



▶ Headquarters Map

Map of the area around Tokio Marine Holdings headquarters



▶ Corporate History (in Japanese)

History of Tokio Marine Holdings and Tokio Marine Group companies is described here.



▶ Organizational Chart

Organizational chart of Tokio Marine Holdings is described here.



▶ Corporate Brand

Description of our corporate symbol and brand slogan "Tokio Marine Quality" is outlined.



Sustainability Report 2013 CSR Library

- [Editorial Policy](#)
- [Performance Data](#)
- [Download the Sustainability Report in PDF](#)
- [Third-Party Assurance](#)
- [GRI Content Index](#)
- [Recognition about ISO 26000](#)



CSR Library

▶ Editorial Policy

Our editorial policy is to report on the principal CSR activities of Tokio Marine Group in fiscal 2012 to all of our stakeholders.

▶ Performance Data

Principle quantitative data for the CSR activities of Tokio Marine Group.

▶ Download the Sustainability Report (PDF)

Tokio Marine Group sustainability report latest edition and archives.

▶ Third-Party Assurance

Tokio Marine Group has received assurance from a third-party institution for its sustainability report.

▶ GRI Content Index

CSR activities of Tokio Marine Group that have a high degree of importance and are highly relevant as topics.

▶ Recognition about ISO 26000

Tokio Marine Group is reviewing its CSR activities based on ISO 26000 standards to further improve its CSR.

Editorial Policy for the Tokio Marine Group Sustainability Report

This report is intended to report on the principal CSR activities of Tokio Marine Group in fiscal 2012 to customers and all other stakeholders.

We have positioned our web-based report on our CSR website as the full report, the Sustainability Report, which focuses mainly on the philosophy and direction of Tokio Marine Group's CSR as well as our activities based on three material issues (environmental, social and governance), and disclose detailed information on our initiatives for each of our stakeholders along with related data. This web-based report can also be viewed as a PDF file, the Tokio Marine Group Sustainability Report 2013. Additionally, this report is issued in conjunction with the CSR Booklet 2013: Caring for People, the intent of which is to report on Tokio Marine Group's CSR activities in an easier-to-understand manner.



Web-based Sustainability Report 2013



[PDF of Sustainability Report 2013](#)



[CSR Booklet 2013: Caring for People](#)

Financial information is reported in Tokio Marine Holdings Annual Report 2013.

▶ [Annual Report 2013](#)



Guidelines referred to in preparing this Report

Global Reporting Initiative (GRI), Sustainability Reporting Guidelines Version 3.0 (2006)

United Nations Global Compact, "Guidelines for Communication on Progress (COPs)"

ISO 26000 Guidance on Social Responsibility

Scope of this Report

- Reporting Organizations

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

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

- Reporting period

This report covers activities conducted primarily during fiscal 2012 (April 2012 - March 2013). 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 2012

- Current edition: September 2013

- Next edition: September 2014 (Scheduled)

For inquiries concerning the Sustainability Report, please contact:

CSR Division, Corporate Planning Department
Tokio Marine Holdings, Inc.
1-2-1, Marunouchi, Chiyoda-ku, Tokyo, 100-0005 Japan
Tel: +81-3-5223-1552
Fax: +81-3-5223-3025
E-mail: CSR@tokiomarinehd.com



Performance Data

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

Reporting organizations and Reporting Period

Reporting organizations: Group companies covered by consolidated accounting (Tokio Marine Holdings and domestic and overseas Group companies)

Reporting period: Report on results for fiscal 2012 (April 2012 - March 2013).

Corporate Governance

For details, please refer to "[Corporate Governance](#)" (as of June 28, 2013).

Items concerning organization composition and organization operation

Organization format	A company with auditors
---------------------	-------------------------

Relationship with Directors

Chairman of the Board of Directors	Chairman (except when concurrently serving as president)
Number of Directors	10
Status of appointment of Outside Directors	Appointed
Number of Outside Directors	3
Number of Outside Directors designated as Independent Directors	3



Relationship with Audit & Supervisory Board Members

Establishment of an Audit & Supervisory Board	Established
Number of Audit & Supervisory Board Members	5
Status of appointment of Audit & Supervisory Board Members	Appointed
Number of outside Audit & Supervisory Board Members	3
Number of outside Audit & Supervisory Board Members 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
---	--

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 Audit & Supervisory Board Members of Tokio Marine Holdings consists of one element: fixed compensation. The compensation system for Directors (including non-members of the Board) and Audit & Supervisory Board Members of the Company's principal business subsidiaries shall generally be identical to that applied to Directors (including non-members of the Board) and Audit & Supervisory Board Members of the Company.

Persons eligible for stock options	Internal Directors, Outside Directors, employees, Directors of subsidiaries, employees of subsidiaries
------------------------------------	--

Employees of the Company and its subsidiaries who are eligible for 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

The amount of compensation is disclosed individually for Directors whose total compensation, including consolidated compensation and others, is equal to or greater than 100 million yen. In fiscal 2012, this applied to President Shuzo Sumi.

Policies for determining compensation amounts and calculation method

Yes

Basic policies for determining compensation for Directors and Audit & Supervisory Board Members of the Company and its principal business subsidiaries are as follows:

- Ensure transparency, fairness and objectivity regarding compensation for Directors (including non-members of the Board) and Audit & Supervisory Board Members;
- 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 a compensation system linked to meeting the Company's performance indicators 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 Audit & Supervisory Board Members, the Company shall set the standard of compensation for each position, depending on the responsibilities of Directors (including non-members of the Board) and Audit & Supervisory Board Members, 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

11 times

Supplementary note: Outside Directors shall attend more than 80% of the Board meetings. Audit & Supervisory Board Members shall attend more than 90% of the Company's meetings of the Audit & Supervisory Board.



Investor Relations (IR) Related Information

IR information briefings for individual investors	Held a briefing for individual investors by President Sumi (at the time) on the theme of Tokio Marine Group's corporate strategy. Also held briefings for individual investors by the IR officer as needed, mainly at securities companies.
Information briefings for analysts and institutional investors	Held an IR conference on the new mid-term business plan "Innovation & Execution 2014" in May 2012. Also held an interim IR conference on the progress of the fiscal 2012 business plan based on this mid-term plan in November 2012. IR division representatives held quarterly results conference calls for analysts and institutional investors.
Information briefings for overseas investors	Held individual meetings for 165 overseas institutional investors and analysts by the President and IR officer in the United States, Europe and Asia, and explained the Group's business results, business plan, operating environment and other conditions.
Disclosure of IR materials on our website	Through our website , we provide information on our business results, the timely disclosure of materials other than business results, securities reports, IR information briefing materials and videos, commentary on flash reports of monthly business results of principal subsidiaries and other materials.

Compliance/Risk Management

Information Security

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

Acquisition of External Certifications for Information Security

Group member company	Certification date	Certification
Tokio Marine & Nichido Communications	March 2006	ISMS
Tokio Marine & Nichido Systems	August 2006 December 2006	ISMS ITSMS*
Tokio Marine & Nichido Risk Consulting	June 2007	Privacy Mark
Millea Mondial	August 2007	Privacy Mark
Tokio Marine & Nichido Medical Service (Health Promotion Dept.)	September 2007	ISMS

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

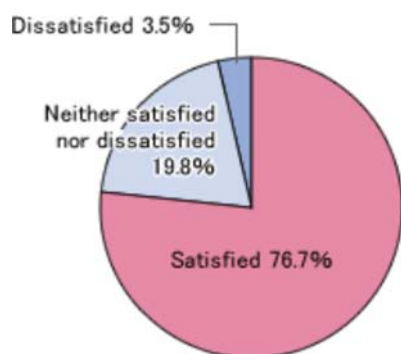
Response to Customers

Customer Survey (Fiscal 2012)

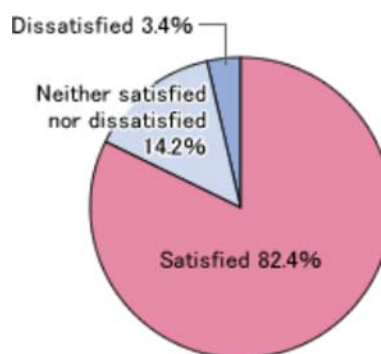
We implement surveys on a regular basis to ascertain customer satisfaction levels and gather customer opinions and requests. For reference purposes, we report on the results of surveys by Tokio Marine & Nichido and Tokio Marine & Nichido Life.

Tokio Marine & Nichido

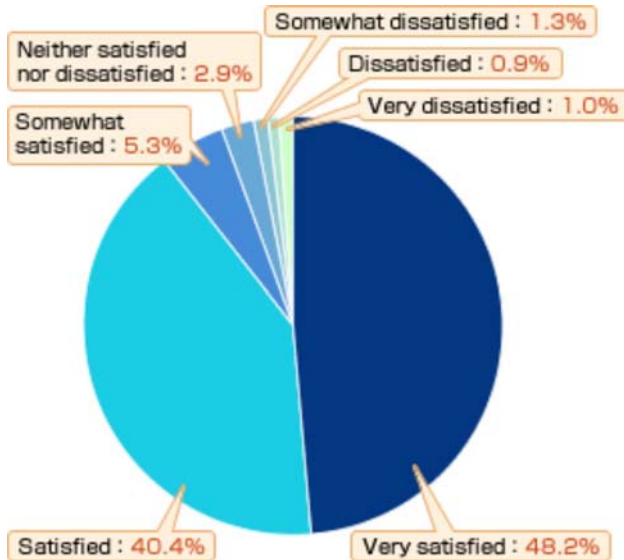
Overall Level of Satisfaction regarding Products and Services



Overall Level of Satisfaction regarding Contract Procedures

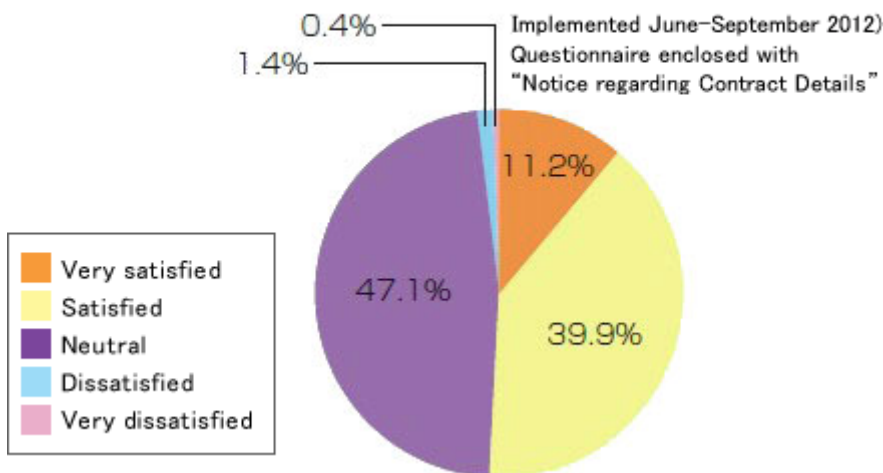


Results of Automobile Insurance Survey: Level of Satisfaction regarding Overall Claims Services 93.9%

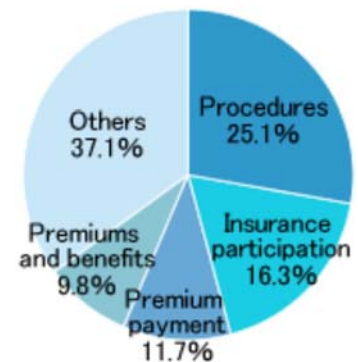


Tokio Marine & Nichido Life

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



Customer feedbacks
(Number of cases of dissatisfaction)
Tokio Marine & Nichido Life



Declaration of Conformity to Complaint Management System (ISO 10002* Customer Satisfaction Standard)

To standardize the process for responding to the opinions of customers, Tokio Marine & Nichido, Nisshin Fire and Tokio Marine & Nichido Life carry out business operations in conformance with ISO 10002, and each company is confirming that it is compliant with ISO 10002.

*ISO 10002: International standard concerning complaint management systems issued by the International Organization for Standardization (ISO).

Environment (Tokio Marine Group)
CO₂ Emissions from Energy Sources

Total CO₂ emissions by Tokio Marine Group in fiscal 2012 amounted to 93,311 tons, including 71,191 tons in Japan and 22,120 tons overseas, up 24.0% from the previous fiscal year. The major contributing factors were the expansion of the Group's overseas business operations and the increase in emission factors resulting from the shutdown of nuclear power plants in Japan. In fiscal 2013, Tokio Marine Group aims to maintain the fiscal 2012 level and is working toward achieving this goal.

(Unit: tons)	
Fiscal 2012 result	93,311
Fiscal 2013 target	To maintain fiscal 2012 level (±0% from the previous fiscal year)

	(Unit: tons)	Fiscal 2010	Fiscal 2011	Fiscal 2012
Scope 1	Direct (Gas, heavy oil, gasoline and others)	17,231 Domestic: 13,790 Overseas: 3,442	18,013 Domestic: 14,785 Overseas: 3,228	17,918 *1 Domestic: 14,371 Overseas: 3,547
Scope 2	Indirect (Electricity, cold/hot water and others)	52,147 Domestic: 43,800 Overseas: 8,347	52,665 Domestic: 42,139 Overseas: 10,526	70,969 *1 Domestic: 53,772 Overseas: 17,197
Scope 3	Other (Business travel (by air))	4,314 Domestic: 2,645 Overseas: 1,669	4,598 Domestic: 2,995 Overseas: 1,603	4,424 *2 Domestic: 3,048 Overseas: 1,376

*1 Coverage ratio: 90.8% (Percentage of employees)

*2 Coverage ratio: 67.8% (Percentage of employees)

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

	Units	Fiscal 2010	Fiscal 2011	Fiscal 2012
Electricity usage	1,000 kWh	138,196	133,527	144,660
Gas usage	1,000 m ³	1,861	1,688	1,791
Other fuel usage	GJ	42,495	35,271	31,905
Gasoline usage	kℓ	5,515	6,360	6,645
Business travel (by air)	1,000 km	29,686	39,482	44,969
Paper usage	t	10,637	9,132	9,781

Data calculation method

- The subject, activities and CO₂ emissions 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 67.8% of the entire Group (on the basis of the number of employees).

Environment (Tokio Marine & Nichido)

Environmental Burden Data (Tokio Marine & Nichido)

Reduction target of CO₂ 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)

	Units	Fiscal 2010	Fiscal 2011	Fiscal 2012
Electricity usage	1,000 kWh	96,365	88,159	87,777
Gas usage	1,000 m ³	1,199	1,003	1,003
Other fuel usage	GJ	39,551	34,967	31,610
Gasoline usage	kℓ	2,827	2,857	2,721
Business travel (by air)	1,000 km	5,825	3,670	5,726
Water usage	1,000 m ³	347	354	356
Paper usage	t	7,624	6,825	7,495
Waste	t	1,902	2,247	4,092
Recycling rate	%	66	69	62

Data calculation method

- The subject, activities and CO₂ emissions 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.
- The figure for waste changed significantly due to expansion of the scope of reporting.

Paper Usage

Total paper usage of Tokio Marine Group in fiscal 2012 amounted to 9,781 tons, including 8,841 tons in Japan and 940 tons overseas, up 7.1% from the previous fiscal year.

For fiscal 2013, the Group has set a reduction target of 5% from the previous fiscal year.

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

Human Rights and Labor
Basic Data
- Number of employees (Tokio Marine Group and consolidated companies)

	Fiscal 2011	Fiscal 2012
Total number of employees	30,831	33,006
Domestic	24,624	24,319
Overseas	6,207 (Asia 2,229, North and Central Americas 3,414, Europe 564)	8,687 (Asia 2,468, North and Central Americas 5,666, Europe 553)

- Basic employee data (Tokio Marine & Nichido)

	Fiscal 2011	Fiscal 2012
Average age	41.0	41.2
Average years continuously employed	10.6	10.8
Average salary	Approx. 7,540 thousand yen	Approx. 7,630 thousand yen

- Number of female managers (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
182 (% of all managers: 4.6%)	196 (% of all managers: 5.3%)	212 * (% of all managers: 5.9%)

* Coverage ratio: 73.7% (Percentage of employees)

- Number of employees using the system for continued employment of older employees (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
414	408	689 *

* Coverage ratio: 73.7% (Percentage of employees)

- Rate of employment of persons with disabilities (domestic companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
2.09%	2.08%	2.15%

Protecting motherhood system
- Retiree rehiring system (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
26	26	7 *

* Coverage ratio: 73.7% (Percentage of employees)

- Maternity leave system (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
302	405	438 *

* Coverage ratio: 73.7% (Percentage of employees)

- Childcare leave system (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
505 (incl. 25 male employees)	630 (incl. 17 male employees)	707 (incl. 13 male employees) *

* Coverage ratio: 73.7% (Percentage of employees)

- Short working hours system (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
414	501	631 *

* Coverage ratio: 73.7% (Percentage of employees)

Others

- Percentage of employees who received health check (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
99.9%	99.6%	99.4% *

* Coverage ratio: 73.7% (Percentage of employees)

- Industrial accidents (domestic consolidated companies) (Occupational accidents)

Fiscal 2010	Fiscal 2011	Fiscal 2012
60	58	64 *

* Coverage ratio: 73.7% (Percentage of employees)

(Commuting accidents)

Fiscal 2010	Fiscal 2011	Fiscal 2012
52	48	60 *

* Coverage ratio: 73.7% (Percentage of employees)

- Nursing care leave system (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
9	4	6 *

* Coverage ratio: 73.7% (Percentage of employees)

- Labor union participation rate (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
81.1%	79.8%	80.7% *

* Coverage ratio: 73.7% (Percentage of employees)

- Human rights training participation rate (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
99.9%	99.9%	99.6% *

* Coverage ratio: 73.7% (Percentage of employees)

- Job request system (Tokio Marine & Nichido, as of August 1, 2013)

Fiscal 2010	Fiscal 2011	Fiscal 2012
Applicants 302 Approval 97	Applicants 303 Approval 127	Applicants 342 Approval 117

Note: Approved requests take effect in the fiscal year after that of the application.

- (Number of people using) Volunteer activity leave system (Tokio Marine & Nichido)

Fiscal 2010	Fiscal 2011	Fiscal 2012
152	151	114

Social Contribution Activities
- Employee participation rate in volunteer activities (domestic consolidated companies)

Fiscal 2010	Fiscal 2011	Fiscal 2012
55.5%	59.8%	83.9% *

* Coverage ratio: 73.7% (Percentage of employees)

- Donations (including monetary and in-kind donations by employees and agents)

Fiscal 2010	Fiscal 2011	Fiscal 2012
Approximately 722 million yen (includes disaster support of approximately 67 million yen)	Approximately 896 million yen (includes disaster support of approximately 183 million yen)	Approximately 743 million yen (includes disaster support of approximately 40 million yen) *

* Coverage ratio: 73.7% (Percentage of employees)



Download the Sustainability Report in PDF

The web-based Sustainability Report has been compiled and can be viewed as a PDF file. Archives of past Sustainability and CSR reports can also be viewed in the "Back Numbers" section.

2013

All Pages	PDF 12,874KB
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By Category

Message from the President	PDF 245KB
Tokio Marine Group's CSR	PDF 2,562KB
CSR Story	PDF 234KB
Environmental -Responding to Climate Change and Natural Disaster Risk-	PDF 3,015KB
Social -Contributing to Local Communities and Society-	PDF 2,207KB
Governance -Strengthening CSR Management-	PDF 1,409KB
Relations with Stakeholders	PDF 1,804KB
Management Information	PDF 436KB
CSR Library	PDF 1,134KB



CSR Booklet 2014: Caring for People

CSR Booklet 2014

PDF 8,943 KB

For inquiries concerning the Sustainability Report and CSR Booklet, please contact:

Tokio Marine Holdings, Inc.
 CSR Division, Corporate Planning Department
 1-2-1, Marunouchi, Chiyoda-ku, Tokyo, 100-0005 Japan
 Tel:+81-3-5223-1552
 Fax:+81-3-5223-3025
 E-mail: CSR@tokiomarinehd.com

Back Numbers

CSR Booklets

CSR Booklet 2013	PDF 7,048 KB
CSR Booklet 2012 (Japanese only)	PDF 8,360 KB
CSR Booklet 2011 (Japanese only)	PDF 3,850 KB

Sustainability and CSR Reports

Tokio Marine Group Sustainability Report 2012	PDF 6,644 KB
Tokio Marine Group e-CSR report 2011	PDF 5,248 KB
Tokio Marine Group CSR report 2010	PDF 5,596 KB
Tokio Marine Group CSR report 2009	PDF 2,949 KB
Tokio Marine Group CSR report 2008	PDF 1,980 KB
Millea Group CSR Report 2007	PDF 3,770 KB
Millea Group CSR Report 2006	PDF 1,846 KB
Millea Group CSR Report 2005	PDF 1,076 KB



Third-Party Assurance

Tokio Marine Group has received assurance from a third-party institution Tokio Marine Group Sustainability Report 2013 with the aim of further improving the level of communication with stakeholders.

By obtaining the external assurance, we will work to improve the quality of Tokio Marine Group sustainability reporting.

Note: The indicators covered by the assurance are Tokio Marine Group's CSR, Material Issue -Environmental-, Material Issue -Social-, Material Issue -Governance-, Relations with Stakeholders (Relations with Customers, Relations with Shareholders and Investors, Relations with Insurance Agents, Relations with Employees, Relations with Business Partners, Relations with Local Communities and Society) and insurance the indicators in the CSR Library (Performance Data).



Translation

The following is an English translation of an independent assurance statement prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

Independent Assurance Report

Date: September 3, 2013

To
Mr. Tsuyoshi Nagao
President
Tokio Marine Holdings, Inc.

Kenji Sawami
Representative Director
Ernst & Young Sustainability Co., Ltd.

1. Scope and Purpose of Assurance Engagement

We, Ernst & Young Sustainability Co., Ltd., have been commissioned by Tokio Marine Holdings, Inc. (hereafter the "Company") to provide limited assurance on the Company's Sustainability Report 2013 posted on the Company's Web site (hereafter the "Report").

The purpose of our assurance engagement is to perform the limited assurance work to determine whether the Key Sustainability Performance Indicators¹ (hereafter the "Indicators") of the Company and its major subsidiaries for the year ended March 31, 2013 included in the Report were measured, calculated and reported in accordance with the Company's Reporting Standards² and the Company's policies and standards, and were contained in all material respects as well as to determine whether the Company's self-declaration on the application level of the Global Reporting Initiative (hereafter the "GRI") conform to the criteria provided by the GRI and to express a conclusion based on the work performed.

The Company is responsible for the preparation of the Report. Our responsibility is limited to independently express a conclusion on the Indicators.

¹ "Indicators" means the information defined in Sustainability Reporting Assurance and Registration Criteria (Revised in February 2013 by The Japanese Association of Assurance Organizations for Sustainability Information).

² The Reporting Standards refer to the Environmental Reporting Guidelines 2012 (Published in April 2012 by Ministry of the Environment), Sustainability Reporting Guidelines Version 3.0 (Revised in October 2006 by Global Reporting Initiative), and the important information subject to disclosure are identified in accordance with the Sustainability Reporting Assurance and Registration Criteria.

2. Summary of Assurance Procedures Performed

We performed limited assurance procedures in accordance with the International Standard on Assurance Engagements - Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), revised in December 2003 by the International Federation of Accountants and Practical Guidelines for the Assurance of Sustainability Information, revised in December 2012 by the Japanese Association of Assurance Organizations for Sustainability Information. In a limited assurance engagement, assurance procedures are more limited than those of a reasonable assurance engagement conducted in accordance with ISAE3000. Therefore, the level of assurance provided is not as that provided by a reasonable assurance.

The summary of the procedures we performed for our assurance engagement is as follows:

- Reading relevant documents with regard to the Company's Reporting Standards and the Company's policies and standards and inquiring of personal responsible thereof;
- Reading relevant documents with regard to the design of the Company's internal control of the Indicators and inquiring of personal responsible thereof at the headquarters and the sites visited;
- Performing analytical procedures of the Indicators at the headquarters and the sites visited; and
- Agreeing to supporting documents and recalculating with part of the Indicators at the headquarters and the sites visited on a test basis;
- Reading relevant documents with regard to the Company's self-declaration on the GRI application level with the criteria provided by the GRI conforming to the criteria provided for by the GRI and inquiry of personal responsible thereof.

3. Conclusion

Based on the assurance procedures performed, nothing has come to our attention that caused us to believe that the Indicators for the year ended March 31, 2013 were not measured, calculated and reported in accordance with the Company's Reporting Standards and the Company's policies and standards and were not contained in all material respect as well as the self-declaration on the application level of GRI does not conform to the criteria provided by the GRI.

4. Independence

We have no conflict of interest relationships with Company that are specified in the Code of Ethics of the Japanese Association of Assurance Organizations for Sustainability Information.

Click on the image for an expanded view.

GRI Content Index

In Sustainability Report 2013, we provide information mainly about Tokio Marine Group's CSR activities that have a high degree of importance and that are highly relevant as topics.

- Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 3.0 (G3)
Application level: B+ (self-declared)

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. - Message from the President
1.2	Description of key impacts, risks, and opportunities. - Tokio Marine Group's Approach to CSR - CSR Material Issues of Tokio Marine Group - Plans and Results of CSR Initiatives - Tokio Marine Group CSR Promotion Structure
2. Organizational Profile	
2.1	Name of the organization. - Management Information (Corporate profile)
2.2	Primary brands, products, and/or services. - Management Information (Corporate profile)
2.3	Operational structure of the organization. - Annual Report (Corporate profile)
2.4	Location of organization's headquarters. - Management Information (Corporate profile)
2.5	Number and names of countries where the organization operates. - Annual Report (Worldwide Network of Tokio Marine Group)

	2.6	Nature of ownership and legal form.	- Management Information (Corporate profile)
	2.7	Markets served.	- Annual Report (Worldwide Network of Tokio Marine Group)
	2.8	Scale of the reporting organization.	- Annual Report
	2.9	Significant changes during the reporting period regarding size, structure, or ownership.	- Editorial Policy (Scope of Report)
	2.10	Awards received in the reporting period.	- External Evaluations and Awards

3. Report Parameters

	Report Profile		
	3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	- Editorial Policy (Scope of Report)
	3.2	Date of most recent previous report (if any).	- Editorial Policy (Scope of Report)
	3.3	Reporting cycle	- Editorial Policy (Scope of Report)
	3.4	Editorial Policy (Contact address)	- Editorial Policy (Contact address)
	Report Scope and Boundary		
	3.5	Process for defining report content.	- Tokio Marine Group's Approach to CSR - CSR Material Issues of Tokio Marine Group - Stakeholder Engagement
	3.6	Boundary of the report.	- Editorial Policy (Scope of Report)
	3.7	State any specific limitations on the scope or boundary of the report.	Not Applicable
	3.8	Basis for reporting on entities that can significantly affect comparability from period to period and/or between organizations.	Not Applicable
	3.9	Data measurement techniques and the bases of calculations.	- Reduction of Environmental Burden (Data calculation method)

	3.10	Reasons for any re-statements of information provided in earlier reports.	- Editorial Policy (Scope of Report)
	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.	- GRI Content Index - Tokio Marine Group's Corporate Social Responsibility - Management Information
	3.13	Policy and current practice with regard to seeking external assurance for the report.	- CSR Library (Third-Party Assurance)

4. Governance, Commitments and Engagement

	Governance		
	4.1	Governance structure of the organization.	- Corporate Governance
	4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	- Annual Report
	4.3	State the number and gender of members of the highest governance body that are independent and/or non-executive members.	- Corporate Governance (Corporate Governance Report) - Annual Report
	4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	- Relations with Shareholders and Investors - Shareholders' Meeting - Communication with Employees
	4.5	Linkage between compensation for management, and the organization's performance (including social and environmental performance).	- Corporate Governance (Compensation) - Plans and Results of CSR Initiatives
	4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	- Corporate Governance
	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.	- Corporate Governance (Nomination)
	4.8	Internally developed statements of mission or values, codes of conduct,	- Tokio Marine Group's Approach to CSR

	and principles relevant to economic, environmental, and social performance and the status of their implementation.	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance.	- CSR Material Issues of Tokio Marine Group - Tokio Marine Group CSR Promotion Structure - Stakeholder Engagement
4.10	Processes for evaluating the highest governance body's own performance.	- Tokio Marine Group CSR Promotion Structure
Commitments to External Initiatives		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	- Participation in External Initiatives (UNGC, UNEP FI) - Material Issue -Governance-Strengthening CSR Management
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	- Participation in External Initiatives (UNGC, UNEP FI, UN-PRI)
4.13	Memberships in associations and/or national/international advocacy organizations: Has positions in governance bodies; Participates in projects or committees; Provides substantive funding beyond routine membership dues; or Views membership as strategic.	- Participation in External Initiatives
Stakeholder Engagement		
4.14	List of stakeholder groups engaged by the organization.	- Tokio Marine Group's Approach to CSR - CSR DIALOGUE - External Evaluations and Awards
4.15	Basis for identification and selection of stakeholders with whom to engage.	- Tokio Marine Group's Approach to CSR
4.16	Approaches to stakeholder engagement.	- Tokio Marine Group's Approach to CSR - Stakeholder Engagement

		<ul style="list-style-type: none"> - Relations with Stakeholders (Relations with Customers) - Relations with Stakeholders (Relations with Shareholders and Investors) - Relations with Stakeholders (Relations with Employees)
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"> - CSR Material Issues of Tokio Marine Group - Stakeholder Engagement - Relations with Stakeholders (Relations with Customers)

5. Management Approach and Performance Indicators

Economic	Disclosure on Management Approach		
	Economic Performance	- Annual Report (Corporate Strategy)	
	Market Presence	- Annual Report (Corporate Strategy)	
	Indirect Economic Effects	- CSR Material Issues of Tokio Marine Group	
	Goals and Performance	- Plans and Results of CSR Initiatives	
	Policy	- Tokio Marine Group's Approach to CSR	
	Additional Contextual Information		
	Aspect: Economic Performance		
	EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	- Annual Report - Material Issue-Social-
	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	- Plans and Results of CSR Initiatives - Responding to Climate Change and Natural Disaster Risk
	EC3	Coverage of the organization's defined benefit plan obligations.	- Annual Report
	EC4	Significant financial assistance received from government.	Not Applicable

	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.	- Relations with Business Partners	
	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.	- Contributing to Local Communities and Societies - Mangrove Planting Project	
	EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	- Preservation of Biodiversity (Economic Benefits of Biodiversity and Ecosystems through Mangrove Planting)	
	ENVIRONMENTAL	Disclosure on Management Approach		
			Materials	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
		Energy	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)	
		Water	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)	
		Biodiversity	- Preservation of Biodiversity	
		Emissions, Effluent, and Waste	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)	
		Products and Services	- Responding to Climate Change and Natural Disaster Risk (Products and Services)	

	Compliance	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
	Transport	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
	Overall	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
	Goals and Performance	- Plans and Results of CSR Initiatives - Reduction of Environmental Burden (Environmental Burden Data)
	Policy	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
	Organizational Responsibility	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
	Training and Awareness	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
	Monitoring and Follow-Up	- Reduction of Environmental Burden (Becoming Carbon Neutral)
	Additional Contextual Information	- Reduction of Environmental Burden (Promotion of Environmental Management Systems)
Aspect: Materials		
EN1	Materials used by weight or volume.	- Reduction of Environmental Burden (Environmental Burden Data)
EN2	Percentage of materials used that are recycled input materials.	- Reduction of Environmental Burden (Environmental Burden Data)

Aspect: Energy		
EN3	Direct energy consumption by primary energy source.	- Reduction of Environmental Burden (Environmental Burden Data)
EN4	Indirect energy consumption by primary source.	- Reduction of Environmental Burden (Environmental Burden Data)
EN5	Energy saved due to conservation and efficiency improvements.	- Reduction of Environmental Burden (Environmental Burden Data)
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	- Responding to Climate Change and Natural Disaster Risk (Risk Research) - Responding to Climate Change and Natural Disaster Risk (Products and Services)
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	- Reduction of Environmental Burden
Aspect: Water		
EN8	Total water withdrawal by source	- Reduction of Environmental Burden (Environmental Burden Data)
EN9	Water sources significantly affected by withdrawal of water.	-
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.	- Preservation of Biodiversity - Creating Mangrove Forests - Responding to Climate Change and Natural Disaster Risk (Environmental Investment)
EN13	Habitats protected or restored.	- Creating Mangrove Forests
EN14	Strategies, current actions, and future plans for managing impacts	- Preservation of Biodiversity - Creating Mangrove Forests

	on biodiversity.	
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.	- Reduction of Environmental Burden (Environmental Burden Data)
EN17	Other relevant indirect greenhouse gas emissions by weight.	- Reduction of Environmental Burden (Environmental Burden Data)
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	- Reduction of Environmental Burden (Energy and Power Saving Efforts) - Reduction of Environmental Burden (Environmental Burden Data)
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.	- Reduction of Environmental Burden (Environmental Burden Data)
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.	- Preservation of Biodiversity - Mangrove Planting Project - Responding to Climate Change and Natural Disaster Risk (Products and Services)
	EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not Applicable
	Aspect: Compliance		
	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.	- Reduction of Environmental Burden (Environmental Burden Data)
	Aspect: Overall		
	EN30	Total environmental protection expenditures and investments by type.	-
	Labor Practices	Labor Practices and Decent Work	
Management Approach			
		Employment	- Relations with Employees (Fair and Honest Personnel Affairs)
		Labor/Management Relations	- Relations with Employees (Communication with Employees)
		Occupational Health and Safety	- Relations with Employees (Health Management)
		Training and Education	- Relations with Employees (Utilizing Diverse Human Resources) - Relations with Employees (Development of Human Resources)

	Diversity and Equal Opportunity	- Relations with Employees (Work/Life Balance)
	Equal Remuneration for Women and Men	- CSR Library (Management Information)
	Goals and Performance	- Plans and Results of CSR Initiatives
	Policies	- Relations with Employees (Fair and Honest Personnel Affairs) - Relations with Employees (Development of Human Resources) - Relations with Employees (Utilizing Diverse Human Resources) - Relations with Employees (Work/Life Balance) - Relations with Employees (Health Management) - Relations with Employees (Communication with Employees)
	Organizational Responsibility	- Relations with Employees - Annual Report
	Training and Awareness	- Relations with Employees (Utilizing Diverse Human Resources) - Relations with Employees (Development of Human Resources)
	Monitoring and Follow-Up	
	Additional Contextual Information	
Aspect: Employment		
LA1	Total workforce by employment type, employment contract, and region.	- CSR Library (Management Information)
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	-
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	- Relations with Employees (Work/Life Balance) - Annual Report - Performance Data (Human Rights and Labor)

Aspect: Labor/Management Relations		
LA4	Percentage of employees covered by collective bargaining agreements.	- Relations with Employees (Communication with Employees) - Management Information (Labor union participation rate)
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 safety committees that help monitor and advise on occupational health and safety programs.	- Relations with Employees (Health Management) - Management Information (Rate of employees who received health check)
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	- Relations with Employees (Health Management) - Management Information (Industrial Accidents)
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	- Relations with Employees (Health Management)
LA9	Health and safety topics covered in formal agreements with trade unions.	- Relations with Employees (Health Management)
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.	- Relations with Employees (Utilizing Diverse Human Resources) - Management Information
LA12	Percentage of employees receiving regular performance and career development reviews.	- Relations with Employees (Utilizing Diverse Human Resources)

	Aspect: Diversity and Equal Opportunity		
	LA13	Composition of governance bodies and breakdown of employees per category according to indicators of diversity.	- Relations with Employees (Utilizing Diverse Human Resources) - Management Information (Number of employees)
	LA14	Ratio of basic salary of men to women by employee category.	- Management Information (Number of employees)
Human Rights Performance Indicators	Human Rights Performance Indicators		
	Disclosure on Management Approach		
		Investment and Procurement Practices	- Participation in External Initiatives (UNGC, UNEP FI)
		Anti-discrimination	- Respect for Human Rights
		Freedom of Association, Collective Bargaining and Collective Agreements	- Relations with Employees (Communication with Employees) - Participation in External Initiatives (UNGC, UNEP FI)
		Abolition of Child Labor	- Respect for Human Rights - Participation in External Initiatives (UNGC, UNEP FI)
		Prevention of Forced and Compulsory Labor	- Respect for Human Rights - Participation in External Initiatives (UNGC, UNEP FI)
		Security Practices	- Respect for Human Rights
		Indigenous Rights	- Participation in External Initiatives (UNGC, UNEP FI)
		Assessment	- Respect for Human Rights
		Remediation	- Respect for Human Rights
		Goals and Performance	- Respect for Human Rights
		Policy	- Respect for Human Rights
		Organizational Risk Assessment	- Respect for Human Rights
		Impact Assessment	- Respect for Human Rights
	Organizational Responsibility	- Respect for Human Rights - Annual Report (Directors and Audit & Supervisory Board Members)	

	Training and Awareness	- Respect for Human Rights
	Monitoring, Follow-Up and Remediation	- Respect for Human Rights
	Additional Contextual Information	
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.	- Participation in External Initiatives (UNGC, UNEP FI)
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.	- Respect for Human Rights - Management Information (Rate of human rights training participants)
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	Not Applicable

	labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	
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	Society Performance Indicators	
	Disclosure on Management Approach	
	Local Communities	- Contributing to Local Communities and Societies
	Corruption	- Compliance
	Public Policy	- Contributing to Local Communities and Societies
	Anti-Competitive Behavior	- Compliance
	Compliance	- Compliance
	Goals and Performance	- Compliance
	Policy	- Compliance
	Organizational Responsibility	- Compliance
	Training and Awareness	- Compliance
	Additional Contextual Information	
	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.	- Compliance
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	Product Responsibility Performance Indicators	
	Disclosure on Management Approach	
	Customer Health and Safety	- Relations with Customers (Basic policies for protection of customers' interests) - Relations with Customers
	Product and Service Labeling	- Responding to Climate Change and Natural Disaster Risk (Provision of Insurance Products and Services) - Relations with Customers (Basic policies for protection of customers' interests) - Relations with Customers (Quality Improvement Initiatives)
	Marketing Communications	- Relations with Customers (Basic policies for protection of

		customers' interests - Relations with Customers (Quality Improvement Initiatives)
	Customer Privacy	- Compliance - Compliance
	Compliance	- Compliance
	Goals and Performance	- Plans and Results of CSR Initiatives
	Policy	- Relations with Customers (Basic policies for protection of customers' interests)
	Organizational Responsibility	- Relations with Customers
	Training and Awareness	- Relations with Customers (Quality Improvement Initiatives) - Relations with Insurance Agents
	Monitoring and Follow-Up	- Relations with Customers
	Additional Contextual Information	
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 noncompliance 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.	- Participation in External Initiatives (UNGC, UNEP FI) - Responding to Climate Change and Natural Disaster Risk (Risk Research) - Responding to Climate Change and Natural Disaster Risk (Products and Services) - Responding to Climate Change

		and Natural Disaster Risk (Environmental Investment) - Responding to Climate Change and Natural Disaster Risk (Consulting)
PR4	Total number of incidents of noncompliance 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.	- Relations with Customers
Aspect: Marketing Communications		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	- Relations with Customers
PR7	Total number of incidents of noncompliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not Applicable
Aspect: Customer Privacy		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	- Relations with Customers - Compliance (Information Security)
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
Financial Services Sector Supplement		
Item		Link
Disclosure on Management Approach		
	Audit	- Compliance

	Active Ownership	- Responding to Climate Change and Natural Disaster Risk (Products and Services)
	Compliance	- Compliance
	Goals and Performance	- Plans and Results of CSR Initiatives
	Policy	- Tokio Marine Group's Approach to CSR - Relations with Customers (Basic policies for protection of customers' interests)
	Organizational Responsibility	- Compliance (Internal Control Systems)
	Training and Awareness	- Relations with Customers - Relations with Insurance Agents - Relations with Insurance Agents - Relations with Insurance Agents
	Additional Contextual Information	-
Aspect: Product Portfolio		
FS1	Policies with specific environmental and social components applied to business lines.	- Tokio Marine Group's Corporate Social Responsibility - CSR Material Issues of Tokio Marine Group
FS2	Procedures for assessing and screening environmental and social risks in business lines.	- CSR Material Issues of Tokio Marine Group (The Process for Specifying Group CSR Material Issues) - Tokio Marine Group CSR Promotion Structure - Responding to Climate Change and Natural Disaster Risk (Risk Research) - Responding to Climate Change and Natural Disaster Risk (Environmental Investment)
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	- Relations with Business Partners - Relations with Customers - Compliance

	FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	-
	FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	- Tokio Marine Group's Approach to CSR - Relations with Shareholders and Investors - Relations with Customers - Relations with Business Partners
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	- Annual Report
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	- Challenging Social Issues (Providing Value through Our Core Businesses) - Challenging Social Issues (Healthcare) - Challenging Social Issues (Cancer) - Challenging Social Issues (Other)
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	- Responding to Climate Change and Natural Disaster Risk (Products and Services) - Responding to Climate Change and Natural Disaster Risk (Environmental Investment) - Responding to Climate Change and Natural Disaster Risk (Consulting)
Aspect: Audit			
	FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	- CSR Library (Third-Party Assurance)
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.	- Responding to Climate Change and Natural Disaster Risk (Products and Services) - Local Community and Social Contribution Activities: Other (Reducing World Poverty) - Local Community and Social Contribution Activities: Other (Providing "Safety and Security" to Customers in Islamic Nations)
	FS14	Initiatives to improve access to financial services for disadvantaged people.	- Responding to Climate Change and Natural Disaster Risk (Products & Services)
	Aspect: Product and Service Labeling		
	FS15	Policies for the fair design and sale of financial products and services.	- Relations with Customers - Tokio Marine & Nichido (Respond to customer trust)
	FS16	Initiatives to enhance financial literacy by type of beneficiary.	- Relations with Customers - Tokio Marine & Nichido (Respond to customer trust)

Recognition about ISO 26000

ISO 26000, the international standard concerning the social responsibility of organizations, was issued in November 2010.

By referring to the core subjects addressed in ISO 26000, specifically organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues and community involvement and development, Tokio Marine Group reviews the materiality of its CSR issues and makes efforts to improve them. Below are website links to the pages introducing Tokio Marine Group's initiatives for addressing issues described in the ISO 26000 standard.

The Seven Core Subjects of ISO 26000 and Tokio Marine Group's Initiatives

Core issues	Organizational governance	Link
		<ul style="list-style-type: none"> - CSR Promotion Structure - Corporate Governance - Internal Controls - Stakeholder Engagement
Core issues	Human rights	
Issue 1	Due diligence	<ul style="list-style-type: none"> - Tokio Marine Group's Approach to CSR - Participation in External Initiatives The United Nations Global Compact - Respect for Human Rights - Compliance - Fair and Honest Personnel Affairs
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	

Core issues	Labour practices	
Issue 1	Employment and employment relationships	- Relations with Employees
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	
Core issues	The environment	
Issue 1	Prevention of pollution	- Environmental - Local Community and Social Contribution Activities - Creating Mangrove Forests
Issue 2	Sustainable resource use	
Issue 3	Climate change mitigation and adaptation	
Issue 4	Protection of the environment, biodiversity and restoration of natural habitats	
Core issues	Fair operating practices	
Issue 1	Anti-corruption	Tokio Marine Group's Approach to CSR - Governance - Compliance - Relations with Customers - Relations with Business Partners
Issue 2	Responsible political involvement	
Issue 3	Fair competition	
Issue 4	Promoting social responsibility in the value chain	
Issue 5	Respect for property rights	



Core issues	Consumer issues	
Issue 1	Fair marketing, factual and unbiased information and fair contractual practices	- Compliance - Information Security - Relations with Customers - Relations with Insurance Agents
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	
Core issues	Community involvement and development	
Issue 1	Community involvement	- Local Community and Social Contribution Activities - Creating Mangrove Forests
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	



Memo



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