

## CLIMATE RISK SURVEY FORM

### Governance - narrative

1. Disclose the insurer's governance around climate-related risks and opportunities.

In disclosing the insurer's governance around climate-related risks and opportunities insurers should consider including the following:

- Identify and include any publicly stated goals on climate-related risks and opportunities.
- Describe where climate-related disclosure is handled within the insurer's structure; e.g., at a group level, entry level

- A. Describe the board and/or committee responsible for the oversight of climate-related risks and opportunities.

In describing the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks, insurers should consider including the following:

- Describe the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks.

- B. Describe management's role in assessing and managing climate-related risks and opportunities.

### Governance – closed ended questions answered in addition to the narrative (optional in 2023)

- Does the insurer have publicly stated goals on climate-related risks and opportunities? (Y/N)
- Does your board have a member, members, a committee, or committees responsible for the oversight of managing the climate-related financial risk? (Y/N)
- Does management have a role in assessing climate-related risks and opportunities? (Y/N)
- Does management have a role in managing climate-related risks and opportunities? (Y/N)

### Response to Governance - narrative

#### SNCC

SNCC established its Environmental, Social, and Governance (ESG) Committee (ESGC) to support the execution of initiatives in furtherance of SNCC's ESG strategy. SNCC's ESG efforts are aligned with our core business principles, guided by Our Core Values, Vision and Good Company philosophy. The ESGC acts as a vital link in the chain of successful enterprise-wide ESG efforts. This committee is a cross-functional team with a formal organizational structure, defined tasks, roles, responsibilities and processes for supporting and promoting methodical adoption and effective use of continuous improvement across the organization.

The ESGC continuously monitors the relevance and importance of our ESG strategy and is committed to continuing the integration of ESG concepts into our business strategies including guiding and developing a communication strategy for internal and external stakeholders. Our ESG strategy will continue to be influenced by our parent's, Tokio Marine Holdings (TMHD), evolving ESG Process.

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

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The ESG Committee reports to and is directed by SNCC's Executive Sponsors.

Climate-related disclosures are handled at the TMHD Group Company (GC) level.

### **TMHD**

Please refer to TMHD's 2023 TCFD Report.

Various initiatives related to climate action are reported to the Board of Directors after the execution level discussion at Sustainability Committee and Management Meeting. In Tokio Marine Holding's governance structure, each relevant execution body voluntarily promotes initiatives under the supervision of the Board of Directors. Key related bodies and their roles are as follows.

### **Supervisory and Execution Structure for Responding to Climate Change**

#### **[Board of Directors]**

The Board of Directors recognizes responding to climate change as a material management issue and assumes the role of supervising Tokio Marine Holdings' entire sustainability promotion scheme. The Board deliberates the Group's sustainability policies encompassing climate action, as well as evaluates and determines mid-term and single-year plans. In monitoring the implementation status of sustainability initiatives, it receives reports from the Sustainability Committee every quarter in principle and provides instructions as necessary. In addition, the Board of Directors holds deliberation on corporate strategy on the themes of the management environment and management issues, including climate action, to fully utilize the knowledge of outside directors and outside Audit & Supervisory Board members.

#### **[Group Chief Sustainability Officer (CSUO)]**

Tokio Marine Holdings (TMHD) established the new position of CSUO in April 2021 to accelerate the promotion of sustainability strategy, including climate action, across the entire Group. The CSUO, a Director, oversees the promotion and permeation of the sustainability strategy, presents related policies to the Board of Directors and the Management Meeting for discussion and takes the role of reporting the progress to these bodies.

#### **[Sustainability Committee]**

TMHD established the Sustainability Committee in April 2021 to accelerate our sustainability strategy, including climate action, across the entire Group. Chaired by the CSUO and comprising such members as the CEO, chief officers and management of overseas Group companies, the Sustainability Committee deliberates on details of our sustainability initiatives and policies on a global basis and monitors the progress of each initiative. The committee met four times in fiscal 2022 to promote and execute the sustainability strategy, formulate medium- to long-term targets (KPIs) related to sustainability, formulate, and review annual plans and deliberate on other items.

#### **[Division Dedicated to Promoting Sustainability]**

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

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TMHD has a division dedicated to the promotion of the Group's sustainability including climate action (Sustainability Division, Corporate Planning Department), which identifies major challenges related to sustainability as well as formulates and implements related Group-wide strategies and conducts monitoring.

### **Compensation System for Directors and Executive Officers**

In fiscal 2022, TMHD started incorporating non-financial indicators concerning the tasks on climate action and other key issues in our sustainability strategy into the performance-linked compensation for Directors and Executive Officers. TMHD uses the progress of each task toward our vision as an indicator, and after performing the first assessment of compensation amounts at the Sustainability Committee, hold a deliberation and give a final decision at the Compensation Committee.

*Tokio Marine Holdings, Inc. 2022 TCFD Report P.7*

## CLIMATE RISK SURVEY FORM

### Strategy - narrative

2. Disclose the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy, and financial planning where such information is material.

In disclosing the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy and financial planning, insurers should consider including the following:

- Describe the steps the insurer has taken to engage key constituencies on the topic of climate risk and resiliency.
- Describe the insurer's plan to assess, reduce, or mitigate its greenhouse gas emissions in its operations or organizations.

- A. Describe the climate-related risks and opportunities the insurer has identified over the short, medium, and long term.

In describing the climate-related risks and opportunities the insurer has identified over the short, medium, and long term, insurers should consider including the following:

- Define short, medium, and long-term, if different than 1-5 years as short term, 5-10 years as medium term, and 10-30 years as long term.

- B. Describe the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning.

In describing the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning, insurers should consider the following:

- Discuss if and how the insurer provides products or services to support the transition to a low carbon economy or helps customers adapt to climate-related risk.
- Discuss if and how the insurer makes investments to support the transition to a low carbon economy.

- C. Describe the resilience of the insurer's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.

### Strategy – closed ended questions answered in addition to narrative (optional in 2023)

- Has the insurer taken steps to engage key constituencies on the topic of climate risk and resiliency? (Y/N) \*
- Does the insurer provide products or services to support the transition to a low carbon economy or help customers adapt to climate risk? (Y/N)
- Does the insurer make investments to support the transition to a low carbon economy? (Y/N)
- Does the insurer have a plan to assess, reduce or mitigate its greenhouse gas emissions in its operations or organizations? (Y/N)\*

### Response to Strategy - narrative

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

## CLIMATE RISK SURVEY FORM

### **SNCC**

SNCC does not specifically have a plan for the potential impacts of climate-related risks and opportunities that have been identified on our business, strategy, and financial planning as it is not material over the short, medium, or long-term. In addition, no specific strategy is in place taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.

SNCC's major constituencies are public entities already engaged on the topic of climate-related risks.

SNCC's products are excess policies, generally written over self-insured risks. Within the underwriting review process and natural catastrophe modeling process, the insured's risk management policies and procedures, including any climate-related information or how customers adapt to climate-related risk, is available for review. If there is significant exposure to climate-related risks, this is factored into the review.

SNCC does not specifically have a plan for the assessment, reduction or mitigation of emissions. However, SNCC's two buildings (located in St. Louis, Missouri and completed in 2008 & 2021), which house 98% of employees, were built with the latest environmentally friendly features such as heat-reflecting roofing materials, solar panels to support power requirements for the buildings, a unique, looped air system allowing for a reduction in total overall HVAC units for the heating and cooling of its facility and energy efficient lighting controls that disable lighting when spaces are not occupied (motion sensitive). SNCC's newer facility has added energy efficient structural glass components to minimize heating and cooling requirements for workspace, creating an even more energy efficient workspace. Both buildings are outfitted with procedures and facilities to meet clean water standards and SNCC only utilizes green practices and chemicals for maintenance and cleaning. Finally, the pond on the property includes an aquatic bench and plants that provide natural filtering in addition to aesthetic beauty. SNCC does not own facilities outside of St. Louis, Missouri and operates under lease agreements with local property owners for its non-Missouri facilities.

SNCC does not specifically provide products or services to support the transition to a low carbon economy. SNCC is part of the Delphi Financial Group (DFG), and is a member of the Group. All investment activities are handled by DFG to support the transition to a low carbon economy.

### **TMHD**

In responding to climate change, which poses a global social issue critical to human history and important for Tokio Marine Group, our Group promote initiatives toward achieving carbon neutrality by 2050 in keeping with the promise of the Sustainable Development Goals (SDGs) of leaving no one behind and based on constructive dialogue (engagement) with all of our stakeholders. As an insurance business operator (insurance products and services), institutional investor and asset manager, Tokio Marine Group provide support both in terms of mitigating and adapting to climate change and help customers and investment and financing recipients solve their respective issues. Efforts include providing insurance products and services to support the transition to a decarbonized society, such as those promoting the more widespread use of renewable energy; providing insurance to cover damages caused by natural disasters; services that will lead to prevention or reduction of damages; and undertaking sustainable investment and financing.

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As a global company, Tokio Marine Group also take climate action through collaboration and cooperation with international and other organizations. Tokio Marine Group intend to contribute to the mitigation and adaptation to climate change and seek growth together with our stakeholders. Social contribution activities are also key to climate action. As such activities, Tokio Marine Group plant mangroves and engage in research and educational activities to increase society's resilience, thereby contributing to climate action as a good corporate citizen in local communities.

### Recognition of Risks and Opportunities

In a strategy, recognizing inherent risks is essential. Tokio Marine Group assumes a rise in climate-related risks and accordingly identifies and evaluates their impact on our business. Climate-related risks include physical risks and transition risks. Physical risks arise from an increase in the frequency and intensity of natural disasters caused by climate change, while transition risks result from the impacts of the transition to a decarbonized society on the corporate value of investee companies and assets held by us. On the other hand, initiatives to mitigate and adapt to climate change also provide business opportunities for Tokio Marine Group. In the table below, we show examples of events for each risk and opportunity based on the TCFD recommendations and examples of risks and opportunities to the Group's business activities

Examples of events			Examples of risks to the Group's business activities	Time frame
Physical risks	Acute	Potential for growing frequency and scale of typhoons, floods, and other weather events	Impact on the calculation of claims payments	Short term or longer
	Chronic	Rise in temperature Other weather changes, such as droughts and heat waves Rising sea levels Impact on arthropod-borne infectious diseases	Impact on business continuity caused by damage to buildings and other facilities at bases	Medium to long term
Transition risks	Policies and regulations	Increase in carbon prices  Strengthening of environment-related regulations and standards  Increase in climate-related legislation	Decrease in the corporate value of investee companies and the value of the assets held by the Company assets due to higher carbon prices  Impact on liability insurance payments	Medium to long term
	Technology	Technological innovation toward the transition to a decarbonized society	Decrease in the corporate value of investee companies that have missed the transition to a decarbonized society and in the value of the assets held by the Company	Medium to long term
	Market	Changes in the demand for and supply of products and services	Decline in revenue due to technological innovation and inability to ascertain changes in customer needs	Short term or longer

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

## CLIMATE RISK SURVEY FORM

Examples of events			Examples of risks to the Group's business activities	Time frame
	<b>Reputation</b>	Changing customer and societal awareness of initiatives surrounding the transition to a decarbonized society	Reputational damage due to the Company's efforts being deemed inappropriate	Short term or longer
<b>Opportunities</b>	<b>Resource efficiency, energy sources, products and services, markets, and resilience</b>	Demand for products and services aligned with changes in energy sources and designed to increase resilience, changes in public awareness	<p>Drastic increase in the need for insurance for renewable energy projects</p> <p>Increase in investment and financing opportunities on the back of companies' increasing funding needs associated with response to decarbonization</p> <p>Increase in disaster prevention and mitigation needs toward increasing resilience against disasters</p>	Short term or longer

Note: Short term: less than 3 years, Medium term: 3-10 years, Long term: 10 years or more

*Tokio Marine Holdings, Inc. 2022 TCFD Report P.9-10*

### Policies Concerning Insurance Underwriting as well as Investment and Financing

Tokio Marine Group's basic policy on climate change is to support the decarbonization of customers and local communities through insurance products and services as well as investments and financing while basing our activities on constructive dialogue with stakeholders. For investment and financing fields that could cause significant, negative impacts on the environment or society, Tokio Marine Group individually set up a policy on each transaction.

At the end of September 2020, Tokio Marine Group published our thoughts on climate change in "Tokio Marine: Our Climate Strategy," which we revised at the end of September 2021 and the end of September 2022. The following sections describe our policies concerning insurance underwriting as well as investment and financing to achieve the goals of the Paris Agreement.

### Insurance Underwriting

Tokio Marine Group has not provided new insurance underwriting capacities to coal-fired power generation projects since September 2020 or thermal coal mining projects since September 2021, regardless of whether they are newly constructed or not. However, Tokio Marine Group may grant exceptions for projects with innovative technologies and approaches, such as CCS/CCUS<sup>\*1</sup> and mixed combustion, aiming to achieve the goals of the Paris Agreement, after careful consideration.

Since September 2022, Tokio Marine Group has also strengthened its commitment by protecting the environment and supporting the transition to a decarbonized society by no longer providing new insurance underwriting capacities to oil and gas company extraction projects<sup>\*2</sup> in the Arctic Circle (all areas north of latitude 66°33', including the Arctic National Wildlife Refuge, ANWR) and oil sands mining.

<sup>\*1</sup> Carbon dioxide capture and storage/Carbon dioxide capture, utilization, and storage

<sup>\*2</sup> Exemptions for projects with decarbonization plans that are aligned with the Paris Agreement

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

## CLIMATE RISK SURVEY FORM

### **Investment and Financing**

With respect to investment and financing, Tokio Marine Group will not provide new financing for coal-fired power generation projects or thermal coal mining projects. However, as with our insurance underwriting policy, Tokio Marine Group may grant exceptions for projects with innovative technologies and approaches, such as CCS/CCUS and mixed combustion, aiming to achieve the goals of the Paris Agreement, after careful consideration.

In aligning with our insurance underwriting policy, Tokio Marine Group also no longer provide new financing for oil and gas extraction projects in the Arctic Circle (all areas north of latitude 66°33', including the ANWR) and oil sands mining and are stepping up our efforts to support the protection of the natural environment and transition to a decarbonized society

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## CLIMATE RISK SURVEY FORM

### Risk Management - narrative

#### 3. Disclose how the insurer identifies, assesses, and manages climate-related risks.

In disclosing how the insurer identifies, assesses, and manages climate-related risks, insurers should consider including the following:

- Describe how the insurer considers the impact of climate-related risks on its underwriting portfolio, and how the company is managing its underwriting exposure with respect to physical, transition and liability risk.
- Describe any steps the insurer has taken to encourage policyholders to manage their potential physical and transition climate-related risks, if applicable.
- Describe how the insurer has considered the impact of climate-related risks on its investment portfolio, including what investment classes have been considered.

#### A. Describe the insurers' processes for identifying and assessing of climate-related risks.

In describing the insurers' processes for identifying and assessing of climate-related risks, insurers should consider including the following:

- Discuss whether the process includes an assessment of financial implications and how frequently the process is completed.

#### B. Describe the insurer's processes for managing climate-related risks.

#### C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management.

In describing how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management, insurers should consider including the following:

- Discuss whether climate-related risks are addressed through the insurer's general enterprise-risk management process or a separate process and how frequently the process is completed.
- Discuss the climate scenarios utilized by the insurer to analyze its underwriting risks, including which risk factors the scenarios consider, what types of scenarios are used, and what timeframes are considered.
- Discuss the climate scenarios utilized by the insurer to analyze risks on its investments, including which risk factors are utilized, what types of scenarios are used, and what timeframes are considered.

### Risk Management – closed ended questions answered in addition to narrative (optional in 2023)

- Does the insurer have a process for identifying climate-related risks? (Y/N)
  - If yes, are climate-related risks addressed through the insurer's general enterprise-risk management process? (Y/N)

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

## CLIMATE RISK SURVEY FORM

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- Does the insurer have a process for assessing climate-related risks? (Y/N)
  - If yes, does the process include an assessment of financial implications? (Y/N)
- Does the insurer have a process for managing climate-related risks? (Y/N)
- Has the insurer considered the impact of climate-related risks on its underwriting portfolio? (Y/N/Not Applicable)\*
- Has the insurer taken steps to encourage policyholders to manage their potential climate-related risks? (Y/N)\*
- Has the insurer considered the impact of climate-related risks on its investment portfolio? (Y/N)\*
- Has the insurer utilized climate scenarios to analyze their underwriting risk? (Y/N)
- Has the insurer utilized climate scenarios to analyze their investment risk? (Y/N)

### Response to Risk Management - narrative

#### **SNCC**

SNCC's main products are excess policies over high self-insured retentions or deductibles. Only 1% of SNCC's premiums are directly exposed to climate-related risks and this percentage has not varied. Given the nature of SNCC's main products, climate-related risks are not anticipated to have any substantial impact at this time with respect to physical, transition and liability risk.

For SNCC's main exposure, workers' compensation, natural catastrophes are reviewed on every account when written and in the aggregate every quarter. The review is performed using computer models from major industry software developers. In addition, SNCC's risk services/loss control department works with insureds to reduce and mitigate potential losses, including those from climate-related risks. Given the nature of SNCC's main products, climate-related risks are not anticipated to have any substantial impact at this time including any assessment of financial implications.

SNCC is part of the Delphi Financial Group (DFG), and is a member of the Group. All investment activities are handled by DFG to support the transition to a low carbon economy.

SNCC's enterprise risk management process related to climate-related risks complies with the TMHD standard procedures described below.

#### **TMHD**

Managing Climate-Related Risk Based on Enterprise Risk Management (ERM)

TMHD conducts enterprise risk management (ERM), which includes the management of climate risks. Through the ERM cycle, TMHD comprehensively identify and assess climate-related risks, using both qualitative and quantitative approaches.

In the insurance business, which pursues profit through risk-taking, risk assessment is the foundation of Group's business. TMHD has been working for many years to increase the level of sophistication of its risk assessment for material risks (including those due to natural disasters) both quantitatively and qualitatively. Specific initiatives are as follows.

#### (1) Qualitative Risk Management

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

## CLIMATE RISK SURVEY FORM

TMHD identify all forms of risks comprehensively, including those for natural disasters such as major storms and emerging risks due to environmental changes. Of these risks, TMHD define risks that will have an extremely large impact on Group's financial soundness and business continuity as "material risks." TMHD include the risk of major wind and flooding disasters (including climate change physical risks) in the "material risks" category, which could become more frequent and severe due to the effects of climate change. For these material risks, TMHD also formulate control measures prior to risk emergence and response measures for after risks occur.

### (2) Quantitative Risk Management

For material risks, through measuring risk amounts and implementing stress tests as part of TMHD's quantitative risk management, TMHD perform a multifaceted review of the adequacy of capital relative to the risks held for the purpose of maintaining ratings and preventing bankruptcy.

TMHD calculate risk amounts posed by natural disasters using a risk model (for Japan, a risk model developed in-house based on engineering theory and the latest knowledge of natural disasters, and for overseas, models provided by outside vendors for insurance companies). TMHD independently analyze changing trends of past tropical cyclones (typhoons in Japan and hurricanes in the United States) and torrential rains and incorporate this data as necessary in order to properly assess current weather phenomena.

Furthermore, within material risks, TMHD conduct stress tests based on scenarios in which extreme economic losses are expected and scenarios where multiple material risks occur at the same time. As for risks involving major wind and flooding disasters, for example, these scenarios assume typhoons and flooding on a much larger scale than the major typhoons that hit the Greater Tokyo Area in 2018 and 2019 causing extensive damages. TMHD update scenarios continuously while taking into account stress tests released by the regulatory authorities, the latest knowledge (including that of climate change) and the most recent case studies.

Appropriately Control Risk through Risk Diversification and Reinsurance, etc.

Natural disasters are inevitable in Japan, the Group's home market. For that reason, TMHD has sought to control risk capital by geographic, business, and product risk diversification through M&A overseas. In addition, reinsurance, as a hedge against risk, is also an effective way to protect the Group's capital and stabilize profits. The Group utilizes reinsurance to prepare for natural disasters (capital events) that occur once every few centuries, and TMHD determines earnings coverage from the standpoint of economic rationality and take necessary measures.

Acquisition of Knowledge (e.g., Industry-Academia Collaboration)

TMHD is deepening collaboration with both inside and outside experts to acquire knowledge about risks. Tokio Marine Research Institute collaborates with The University of Tokyo, Nagoya University, and Kyoto University, among others, to carry out impact analysis based on the possibility for increased insurance losses associated with natural disasters that are becoming more severe in nature. Moreover, Tokio Marine dR and a team of experts in natural disasters working in Atlanta, the United States, are leading efforts to upgrade natural disaster risk management across the entire Group, including various evaluations of natural disaster risk models.

*Tokio Marine Holdings, Inc. 2022 TCFD Report P.24-25*

## CLIMATE RISK SURVEY FORM

### Metric and Targets - narrative

4. Disclose the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material.

In disclosing the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material, insurers should consider including the following:

- Discuss how the insurer uses catastrophe modeling to manage the climate-related risks to your business. Please specify for which climate-related risks the insurer uses catastrophe models to assess, if any.
- A. Disclose the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process.

In disclosing the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process, insurers should consider including the following:

- In describing the metrics used by the insurer to assess and monitor climate risks, consider the amount of exposure to business lines, sectors, and geographies vulnerable to climate-related physical risks [answer in absolute amounts and percentages if possible], alignment with climate scenarios, [1 in 100 years probable maximum loss, Climate VaR, carbon intensity], and the amount of financed or underwritten carbon emissions.
- B. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
  - C. Describe the targets used by the insurer to manage climate-related risks and opportunities and performance against targets.

### Metrics and Targets – closed ended questions answered in addition to narrative (optional in 2023)

- Does the insurer use catastrophe modeling to manage your climate-related risks? (Y/N)
- Does the insurer use metrics to assess and monitor climate-related risks? (Y/N)
- Does the insurer have targets to manage climate-related risks and opportunities? (Y/N)
- Does the insurer have targets to manage climate-related performance? (Y/N)

### Response to Metric and Targets - narrative

#### SNCC

SNCC is following TMHD's plan for metrics and targets as described below.

## CLIMATE RISK SURVEY FORM

SNCC's exposure to natural catastrophes is reviewed on every account when written and in the aggregate every quarter. The review is performed using computer models from major industry software developers.

The following table shows are Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions.

The environmental data		Unit	Year Total
Energy Usage	Electricity	kWh	6,776,388
	Gas	m <sup>3</sup>	0
	Heavy Oil	ℓ	0
Mobile Combustion	Gasoline	ℓ	N/A
Paper Consumption	Office Paper Purchase	t	0
	Printer Paper Purchase	t	6
Water	Water Supply	m <sup>3</sup>	26,849
Waste	General Waste	kg	27,569
	Industrial Waste	t	0
	Paper Waste Recycled	kg	64,023
Air travel	Air Travel - Long (International)	km	N/A
	Air Travel - Short (Domestic)	km	N/A

### **TMHD**

#### **[Metrics and Targets for Fiscal 2050]**

- Reduction of GHG emissions**

Aiming to reduce GHG (CO<sub>2</sub>) emissions from Tokio Marine Group to net zero by fiscal 2050 for our own operations (including insurance customers and investment and financing recipients)\*<sup>1,\*2</sup>.

#### **[Metrics and Targets for Fiscal 2030]**

- Reduction of GHG emissions**

Reducing GHG emissions (CO<sub>2</sub>) for operations from Tokio Marine Group by 60% (vs 2015)\*<sup>3</sup>

- Renewable electricity use**

Using 100% of renewable electricity at Tokio Marine Group's major business facilities

\*<sup>1</sup> Medium-term targets still under consideration

\*<sup>2</sup> Scope 3, Category 15, based on the GHG Protocol standards

\*<sup>3</sup> Associated with our own business activities (Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions; Categories 1, 3, 5 and 6] based on the GHG Protocol standards)

Scope 3 includes categories of importance to the Group for which numerical values can be obtained.

\* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.

**GHG Emissions****[Emissions Associated with the Group's Business Activities and Achieving Carbon Neutrality]**

Each Tokio Marine Group company is working to reduce the environmental impact associated with its business activities, and at the same time, aims to achieve carbon neutrality on a global basis, in which the amount of GHG fixed and reduced through mangrove planting and the use of natural energy exceeds GHG (CO<sub>2</sub>) emissions from business activities.

**Achieving Carbon Neutrality in Fiscal 2021**

- **Reduction of GHG (CO<sub>2</sub>) emissions from Tokio Marine Group operations\*<sup>1</sup>: 83,483 tons (32% reduction vs 2015)**

**(Scope 1: 13,022 tons; Scope 2: 47,435 tons; Scope 3\*<sup>2</sup>: 23,026 tons)**

- **Amount of GHG (CO<sub>2</sub>) Fixed and Reduced: 130,003 tons**

Tokio Marine Group is working to reduce the environmental impact of the overall Group (domestic and overseas) and become carbon neutral by 1) conserving energy and using energy more efficiently, 2) planting mangroves to absorb and fix CO<sub>2</sub>, 3) using natural energy (such as by procuring green electricity) and 4) amortizing carbon credits. As a result of these efforts, in fiscal 2021 we achieved carbon neutrality for the ninth consecutive year (since fiscal 2013) thanks to absorption and fixation effects of mangrove planting and the use of carbon credits outperforming the CO<sub>2</sub> emissions generated by the Group's overall business activities. The value of ecosystem services generated through the Mangrove Planting Project over the past 20 years (from April 1999 to the end of March 2019) has reached approximately 118.5 billion yen. We expect the value to climb to 391.2 billion yen by the end of fiscal 2038\*<sup>3</sup>. As of March 31, 2023, we have planted a total area of 12,261 hectares of mangrove forest.

\*<sup>1</sup> Associated with our own business activities (Scope 1 [direct emissions] + Scope 2 [indirect emissions] + Scope 3 [other indirect emissions; Categories 1, 3, 5 and 6] based on the GHG Protocol standards)

\*<sup>2</sup> Amount of paper used, etc. (Categories 1, 3, 5 and 6)

\*<sup>3</sup> Survey contracted out to Mitsubishi Research Institute, Inc. and evaluated following internationally recognized methodologies

*Tokio Marine Holdings, Inc. 2022 TCFD Report P.27-28*