

August 10, 2010

Tokio Marine & Nichido Fire Insurance Co., Ltd.

Achievement of carbon neutral status in domestic business operations in fiscal 2009

Tokio Marine & Nichido Fire Insurance Co., Ltd. ("TMNF," president: Shuzo Sumi) became carbon neutral\* in its domestic business operations in fiscal 2009.

TMNF's Carbon Neutral initiative of planting mangroves to absorb and stabilize CO<sub>2</sub> is a spearheading endeavor not only in Japan but also across the world.

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

TMNF's Initiatives to Reduce Environmental Impact

Climate change and global warming are risks that can seriously impact the business of insurance companies along with people in the next generation. We are striving to reduce environmental impact through initiatives including refurbishing buildings and facilities to make them more energy efficient, reducing the use of electricity and gasoline, and switching to paperless operations under the Comprehensive Program concerning Global Warming\*, formulated in November 2007. At the same time, aiming for the sustainable growth of the whole of society including us, we have been striving to become carbon neutral, which means that we emit almost no CO<sub>2</sub> emissions associated with our business activities.

1. Points in TMNF's Initiative for Going Carbon Neutral

To make efforts for our carbon offset initiative, we:

- 1) Promote energy-saving and energy efficiency
- 2) Utilize renewable energy including green electricity
- 3) Purchase carbon credits

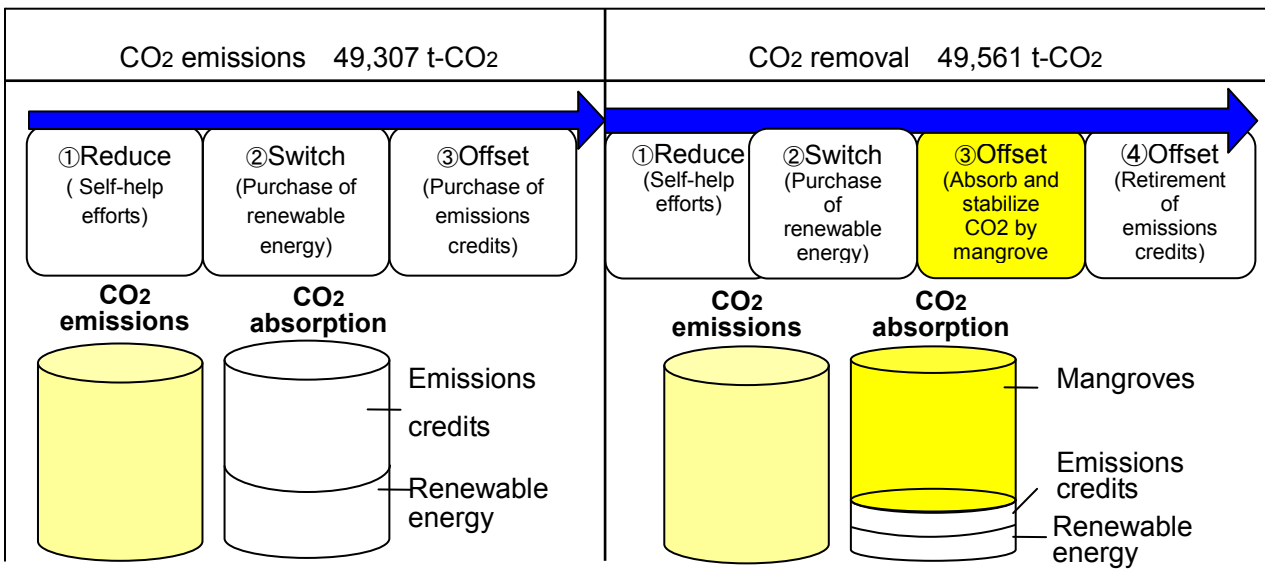
In addition, TMNF is going to:

- 4) Absorb and stabilize CO<sub>2</sub> by mangrove planting

Our efforts, centered on mangrove planting, for becoming carbon neutral are cutting-edge and unique, not only in Japan but also across the world.



(Mangrove planting in Thailand, February 2008)



TMNF began planting mangroves in 1999 in seven countries across South East Asia, India and the nation of Fiji in the South Pacific Ocean, as a part of an event to commemorate 120 years of the company. We planted mangroves over 6,293 hectares in fiscal 2009 (ended in March 2010).

Mangrove trees are not only essential for helping to prevent or ease global warming by absorbing and stabilizing CO<sub>2</sub>, but they also serve as a bulwark against tsunamis and other natural disasters. In 2007, TMNF declared its commitment to “A hundred years of Mangrove planting,” aiming to continue with its Mangrove Planting Project for more than a hundred years.

### 3. Outline of TMNF's Carbon Neutral Initiative

Presented below are actual figures of TMNF's environmental data in fiscal 2009 (from April 2009 to March 2010).

- 1) Scope: Our overall domestic business activities
- 2) Activities: Use of energy including electricity and gas in facilities, use of cars and air travel for business activities
- 3) Carbon Neutral:  $\text{CO}_2 \text{ emissions } 49,307 \text{ t-CO}_2 < \text{CO}_2 \text{ removal } 49,561 \text{ t-CO}_2$

CO <sub>2</sub> emissions 49,307 t-CO <sub>2</sub>			
Scope 1	Direct	Gas and others	2,447 t-CO <sub>2</sub>
Scope 2	In-direct	Electricity and others	37,148 t-CO <sub>2</sub>
Scope 3	Others	Business travel (use of gasoline-powered cars and air travel)	9,712 t-CO <sub>2</sub>

CO <sub>2</sub> removal 49,561 t-CO <sub>2</sub>	
CO <sub>2</sub> removal by mangrove planting	44,000 t-CO <sub>2</sub>
Retirement of emission credits	5,000 t-CO <sub>2</sub>
Purchase of renewable energy (green electricity)	561 t-CO <sub>2</sub>

### 3. Going Carbon Neutral all across the Tokio Marine Group

The Tokio Marine Group endeavors to become carbon neutral all across the group, both domestically and internationally, while striving to continuously reduce the environmental impact of the whole group.

#### Notes:

- We at TMNF performed our own verification on the amount of CO<sub>2</sub> emissions, CO<sub>2</sub> absorption by mangrove afforestation, CO<sub>2</sub> removal by use of renewable energy and retirement of emissions credits during fiscal 2009 (beginning on April 1, 2009 and ending on March 31, 2010). We also had a third-party organ (Ernst & Young ShinNihon Sustainability Institute Co., Ltd.) verify our quantification results by following The Agreed Procedures.
- Organizational boundaries, activities boundaries, method of calculation and CO<sub>2</sub> emission factors refer to “ISO 14064-1” and the “Mandatory Greenhouse Gas Accounting and Reporting System” based on the “Act on the Promotion of Global Warming Countermeasures.” “Removal by mangroves” refers to the clean development mechanism of using forest sinks to store CO<sub>2</sub>.
- We are currently taking procedures to retire Kyoto credits into the Retirement Account of the Japanese government.

#### (Reference)

Our contributions on Promoting Global Warming Countermeasures are introduced on the following web sites.

•Comprehensive Program concerning Global Warming:

<http://www.tokiomarine-nichido.co.jp/en/new/pdf/0711121.pdf>

•Mangrove Planting Project:

[http://www.tokiomarinehd.com/en/social\\_respon/contribute/environment02.html](http://www.tokiomarinehd.com/en/social_respon/contribute/environment02.html)

•Green Gift Project:

[http://www.tokiomarinehd.com/en/social\\_respon/contribute/environment01.html](http://www.tokiomarinehd.com/en/social_respon/contribute/environment01.html)

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