

November 12, 2007

The Tokio Marine & Nichido Fire Insurance Co., Ltd.

## **Tokio Marine Nichido Group's Comprehensive Program concerning Global Warming**

With “the protection of global environment” as a corporate philosophy, we, Tokio Marine & Nichido Fire Insurance Co., Ltd. (President: Shuzo Sumi), have been carrying out various initiatives for putting the philosophy into practice, on the understanding that global warming is one of the serious risks common to all human beings.

In order to proceed more aggressively with our initiatives against global warming, we have this time formulated “a comprehensive program concerning global warming”. Under this comprehensive program, we are going to make firmer and more extensive efforts through the activities of the insurance business itself, environmental enlightenment and social contribution, in addition to the continuous efforts toward the reduction of the environmental load resulting from our own business activities.

In the field of automobile insurance, amongst others, we will introduce an entirely new system in which customers themselves, our company and our agents can participate together.

This program has been conceived as the first step to getting grips with the problem of global warming in a comprehensive way. As a non-life insurance company which offers "safety and security" and also as one of the corporate citizens, we are determined to play an active role for the protection and reduction of global warming, by taking into account also future trends in the world in measures against global warming.

### **< Outline of the comprehensive program concerning global warming >**

#### **I. Measures against global warming through the insurance business**

1. Projection of loss or damage due to natural disasters, based on industry-university collaboration

We have been conducting joint researches with the Climate System Research Center of the University of Tokyo with financial support from us<sup>(Note 1)</sup>, in cooperation with the Tokio Marine Research Institute (President: Shuzo Sumi). Joint researches with the Hydrospheric Atmospheric Research Center of Nagoya University have also been under way, and we are now going to make full-scale researches into the effects of global warming on typhoons and other natural disasters with the concerted efforts of all our group companies including Tokio Marine and Nichido Risk Consulting Co., Ltd. (President: Tomohisa Yamada)

We are determined to continue efforts to make use of the results of these researches for social and economic purposes through the insurance business, and contribute further to the progress of the study of the climate system.

(Note 1) The financial support for the University of Tokyo we have in mind is Yen 50 million in total for five years from this year to fiscal 2011 (Yen 10 million annually).

## 2. Offer of eco-friendly automobile insurance of a customer participation type through automobile insurance on the website

- (1) We will introduce a new system of automobile insurance under which the clauses are shown on the homepage of our company (hereinafter referred to as "the web clauses"), and under which the understanding of the clauses is made much easier by means of the incorporated link and terminology search functions. (Scheduled to be provided in May, 2008)
- (2) When a customer effects an automobile insurance contract with us, it has been customary for us to send an insurance policy and clauses in paper to him/her. However, we are going to construct a system under which customers will be led to say that "insurance policies and clauses in paper are no longer necessary" .( Note 2) because of the easiness to understand and convenience they will really feel toward the web clauses. (With effect from renewals in July 2008 and thereafter) If customers agree with doing without paper, we can expect a large-scale reduction in the use of paper and also it is our intention to make contributions to the mangrove reforestation project, etc. in proportion to the number of cases opted for the web clauses.
- (3) We have been carrying on the mangrove reforestation project since fiscal 1999, and our attempt this time is to promote the project by way of planting two mangrove trees each time a customer opts for the web clauses.(Note 3)
- (4) This attempt, the first in the Japanese non-life industry, tackles the problem of global warming by the joint efforts of customers, agents and our company in the area of automobile insurance which is most familiar to our customers, and we will make every effort to get the support of a larger number of customers.

### 3. Development and sale of a new environment fund (an investment trust product)

Tokio Marine Asset Management Co., Ltd. (President: Youichiro Iwama) is going to introduce a new investment-related fund (an equity investment trust) focused on the three themes of "environment", "water and foodstuffs" and "medical care and health".

These themes have attracted worldwide attention against the background of global warming, worldwide economic progress and increasing population. The fund now under study is intended to support initiatives through investments in corporations in the world which are engaged in business activities related to those themes and are expected to make sustained growth in their respective fields.

## II Reduction of environmental load accompanying business activities

### 1. Medium-term target concerning the reduction of an environmental load accompanying business activities

With self-help efforts to reduce the environmental load and the purchase of green electricity, we aim at reducing the volume of CO<sub>2</sub> discharge by 6% off the level in fiscal 2006 within 5 years from 2008 to 2012 (the first promised period in the Kyoto Protocol). Also, through the continuation of the mangrove forestation project, we aim at the accomplishment of "carbon minus"(Note 4)

### 2. "Declaration of Mangrove Reforestation for 100 Years"

We have been planting mangroves in areas centered on South East Asia since 1999, and we now declare our intention to continue the project for 100 years.

Mangroves are known for the capabilities of not only protecting global warming by absorbing a lot of CO<sub>2</sub> but also mitigating damage from tsunamis. On the strength of our experience in the mangrove reforestation project, we have made "Green Lessons ~ Mangrove Story ~" and it is our intention to continue active efforts for environmental education and enlightenment activities.

(Note2) To customers who opted for the web clauses, we will send insurance policies and clauses in paper. as usual at the beginning. We will stop sending paper documents from the time of renewal in July, 2009 and thereafter.

(Note 3) We have in mind a donation of money larger than the sum corresponding to two seedlings per contract. The total volume of CO<sub>2</sub> which two seedlings absorb in their lifetime is almost equal to the volume of CO<sub>2</sub> an ordinary automobile discharges in covering 1,000 km the average running distance per month.)

In other words, the CO<sub>2</sub> discharged from a customer's automobile will be set off partially. (For calculation purposes, the volume of CO<sub>2</sub> discharged from an individual's daily life or business activities, less the volume of CO<sub>2</sub> which can be reduced by the individual's or the company's forestation activities, use of natural energy, acquisition of the right to emit, etc.)

(Note 4) "Carbon minus" means the state where the absorption of CO<sub>2</sub> by the forestation project which the company carries out, its use of natural energy, its acquisition of the right to emit CO<sub>2</sub>, etc surpasses the volume of CO<sub>2</sub> discharged by the company as a result of its business activities.

### **III Environmental enlightenment and social contribution**

"Creation of Tokio Marine Nichido Environmental Grand Prize for Children (a provisional name)"

We will newly create an Environment Prize for raising the environmental awareness among children, who will bear the future of Japan, and their parents. Our intention is to collect essays, illustrated diaries, etc. on the theme of global warming or global environment and publish works which were awarded prizes and send them to primary schools, beginning with the year 2009.