

December 17, 2008

Tokio Marine & Nichido Fire Insurance Co., Ltd.

Going Carbon Neutral

Tokio Marine & Nichido Fire Insurance Co., Ltd. (President: Shuzo Sumi) has gone carbon neutral¹ at all of its domestic offices, and has concurrently had a third-party organ verify² the contents of its carbon neutrality. We are the first Japanese financial institution ever to go carbon neutral at all of our domestic offices and to have a third-party organ perform the said verification.

We will continue to not only make active efforts to reduce CO₂ emissions associated with our business activities but also protect the global environment through our insurance business (products and services), environmental awareness and social action programs.

Notes:

1. 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 afforestation, use of renewable energy, carbon credits and other carbon-absorbing or carbon-reducing activities. A state in which an equivalent amount of carbon sequestered or offset exceeds carbon emissions is referred to as being "carbon negative." As of the end of Fiscal 2007 (March 31, 2008), we went carbon neutral at all of our domestic offices.
2. On the occasion of going carbon neutral, we not only performed our own verification, but also had a third-party organ (Ernst & Young ShinNihon Sustainability Institute Co., Ltd.; a subsidiary of Ernst & Young ShinNihon LLC) perform verification (not an accounting audit) of greenhouse gas emissions, greenhouse gas absorption by afforestation, and carbon credits purchased during Fiscal 2007 (beginning on April 1, 2007 and ending on March 31, 2008).

1. Programs for Protecting the Global Environment

Upholding Protection of the Global Environment as our corporate philosophy, in November 2007 we formulated a Comprehensive Program concerning Global Warming and proclaimed that we would step up our efforts to protect the global environment through our insurance business (products and services), environmental awareness and social action programs in addition to its efforts aimed at reducing CO₂ emissions associated with our business activities.

We are implementing the following specific programs aimed at reducing CO₂ emissions:

- (1) To reduce carbon emissions by 6% from those of Fiscal 2006 over a period of five years between Fiscal 2008 and Fiscal 2012 by reducing CO₂ emissions through our independent efforts and by switching to green electricity; and
 - (2) To go carbon negative at all of the Tokio Marine & Nichido Group's domestic offices in Fiscal 2010 through continuous mangrove afforestation³
3. It is common practice to tackle the challenge of environmental protection by going through the stages of (i) reducing CO₂ emissions through independent corporate efforts, (ii) using alternative forms of energy including green electricity, and (iii) offsetting any shortfall in an equivalent amount of reduction in CO₂ emissions by purchasing carbon credits.

2. Going Carbon Neutral

At all of our domestic offices, we have gone carbon neutral by purchasing green electricity, conducting CO₂ sequestration through mangrove afforestation, and offsetting initiatives based on purchasing Kyoto credits, in addition to efforts to reduce CO₂ emissions associated with business activities, and have concurrently had a third-party organ verify the details of our carbon neutrality.

Also, the entire Tokio Marine Group aims to go carbon neutral globally by the end of Fiscal 2011.

3. Efforts to Reduce CO₂ Emissions (Reference)

- (1) Total CO₂ emissions at all of the domestic offices during Fiscal 2007 amounted to 65,401 t-CO₂. (See the table below for breakdown.)

Electricity used	Gas used	Other fuels used	Gasoline used	Sum total
49,063 t-CO ₂ (75%)	4,535 t-CO ₂ (7%)	4,492 t-CO ₂ (7%)	7,310 t-CO ₂ (11%)	65,401 t-CO ₂ (100%)

* The sum of individual items does not equal the sum total because of rounding errors. (The scope of calculation of CO₂ emissions is based on CO₂ emissions associated with use of energy including electricity and gas in facilities, and use of company cars. The relevant scope and method of calculation are in conformity with the "Mandatory Greenhouse Gas Accounting and Reporting System" based on the "Act on the Promotion of Global Warming Countermeasures.")

- (2) We have purchased green electricity including electricity generated by wind power since Fiscal 2002, and purchased an amount equivalent to one million kWh in Fiscal 2007.

- (3) In addition to the green electricity referred to in (2) above, we have taken into consideration the amount of CO₂ offset by the amount of CO₂ removals during Fiscal 2007 by the mangroves that we have planted and by retiring⁴ Kyoto credits from the wind power generation business in India, etc., that we have already purchased, into the Retirement Account of National Registry in Japan.
4. We are currently taking the procedure for retiring Kyoto credits into the Retirement Account of the Japanese government.
- (4) We have confirmed that the combined amount of offset as shown in (2) and (3) above exceeded CO₂ emissions as shown (1) above.

CO ₂ emissions associated with domestic business activities in Fiscal 2007	65,401 t-CO ₂
Green electricity purchased in Fiscal 2007	-555 t-CO ₂
CO ₂ removals by mangroves in Fiscal 2007	-30,000 t-CO ₂
CO ₂ offset by retirement of Kyoto credits	-35,000 t-CO ₂
Net Total	-154 t-CO ₂

About Ernst & Young ShinNihon Sustainability Institute Co., Ltd.

Ernst & Young ShinNihon Sustainability Institute Co., Ltd. is a subsidiary of Ernst & Young ShinNihon LLC, and primarily offers environment-related services, services related to measures to cope with climate change, and CSR-related services.