

Tokio Marine Kiln's Climate Policy

June 2023

TMK has a core strategic priority to **'be a Good Company'**

Our vision is to be recognised as a responsible and ethical insurer that is positively influencing our internal culture, our society, and the environment.

This means **doing the right thing**:

Internally...	Externally...
• By managing climate risks throughout our internal governance; • In our engagement with employees; • In reducing our own environmental footprint.	• Being part of the solution by utilising our expertise to help clients navigate the uncertainty of the changing business environment; • Focus our business toward driving the global transition to low carbon.

We are set up to **deliver this vision** through:

Our governance...	Our risk appetites...
• TMK's Environmental, Social, and Governance (ESG) Strategy includes a robust system of governance for managing climate alongside other ESG issues. • Our Climate Group oversees the embedding of action to manage climate risk across the business. • The Sustainability Committee challenges progress made and reports to the Board.	• TMK's Board has set risk appetites to manage climate risks. They cover Underwriting, Investments, Operations. • Specific sectors and projects are out of appetite due to climate and other ESG concerns related to our 'Good Company' vision as part of our sustainable underwriting approach

We have set **seven key goals** in our management of climate change:

1. **Develop business-wide Net Zero plans** (including underwriting, operations and investments) towards 2050 goal
2. **Evaluate how we can achieve a target of net zero** across our internal operations in 2025
3. **Climate risk management of policyholders** to be considered as part of our underwriting strategy.
4. **Make public disclosures** in line with Taskforce for Climate-related Financial Disclosure (TCFD) expectations.
5. **Embrace environmental opportunities** in underwriting strategy, product innovation, and investment strategy.
6. **Physical risks of climate change** are captured in exposure management, risk selection, and pricing.
7. **Support Tokio Marine Group Companies'** environmental goals by sharing our experience.