Genworth

2022 Task Force for Climate-Related Financial Disclosures (TCFD) Report

Third Quarter 2023 Update

About Genworth

Genworth Financial, Inc ("Genworth") (NYSE: GNW) is a Fortune 500 company focused on empowering families to navigate the aging journey with confidence, now and in the future. We provide guidance, products, and services that help people understand their caregiving options and fund their long-term care needs. Headquartered in Richmond, VA, Genworth traces its roots back to 1871 and became a public company in 2004. In September 2021, Genworth completed an initial public offering of Enact Holdings, Inc. ("Enact") (NASDAQ: ACT), a leading provider of private mortgage insurance to lenders. As of the publication of this report, Genworth's ownership interest in Enact's common shares is approximately 81.6%. Enact is included within Genworth's reporting boundary.

About This Report

Genworth is providing this third quarter update to our TCFD disclosures to include our 2022 Scope 3 emissions and to reflect additional information included in our 2022 CDP submission.

Governance

Describe the board's oversight of climate-related risks and opportunities (CDP C1.1a, C1.1b, C1.1d)

Board governance occurs at the holding company level, or Genworth, while risk exposures are assessed and managed at the entity level. (Enact has its own Board governance structure).[1] The Nominating and Corporate Governance Committee (NCGC) of the Genworth Board of Directors oversees the Company's environmental, social, and governance (ESG) programs and has general oversight of climate-related issues. This committee periodically reviews the Company's environmental policy and practices during at

[1] For additional information on Genworth's board governance structure, see Genworth's 2022 Sustainability Report. For additional information on Enact's board governance structure, see Enact's 2022 ESG Report.

least one of its scheduled meetings and receives regular updates on the Company's ESG initiatives (at least annually) during its meetings. The NCGC may, and often does, receive sustainability/ESG updates and raise or consider these matters during other scheduled meetings. The NCGC oversees ESG policies and initiatives and, from time to time, oversees the implementation of new procedures and reporting metrics. Four of the Genworth Board's eight independent directors serve on this committee.

The Risk Committee of Genworth's Board is responsible for oversight of both climate-related risks and Genworth's investment portfolio and strategy. This committee considers climate-related risks in its assessments of standard operational risks, which also include risks related to the regulatory environment, technology, and Genworth's reputation. Enact reports potential risks associated with mortgage loan delinquencies as well as risk mitigation actions following natural disasters to the Genworth Board's Risk Committee. Four of the Genworth Board's eight independent directors serve on the Risk Committee.

The NCGC's oversight has extended to enhanced environmental disclosures, including the publication of Genworth's inaugural sustainability report in 2021. In addition, the NCGC reviewed an update of Genworth's environmental policy, which was formally adopted in 2022. The Board's Risk Committee has received reports related to (1) adoption in 2021 of Genworth's Investments ESG Policy Statement, (2) formation of the Company's Investments ESG Committee, and (3) implementation of an ESG sensitive sector strategy and an ESG scoring system applied to Genworth's corporate and municipal bond holdings. In 2022, the Board's Risk Committee reviewed the risk framework management developed to assess qualitative and quantitative climate risk exposures.

Four new directors joined the Genworth Board in 2021 and participated in an educational ESG orientation session conducted by management. (Three of the directors who joined the Genworth Board in 2021 currently serve on the Board's Risk Committee). In 2022, management conducted an educational orientation session for the new Chair of the Board's Risk Committee that included a review of a preliminary qualitative risk assessment completed for the inforce business (liabilities only) in Genworth's U.S. Life Insurance companies. In addition, all Genworth Board members participated in an in-depth ESG educational session in 2022.

The Genworth Board includes directors who bring relevant experience and competence on climate-related issues.

Describe management's role in assessing and managing risks and opportunities (CDP C1.2)

At the management level, Genworth's Executive Council, which is led by the Company's Chief Executive Officer (CEO) and comprised of senior management, provides enterprise oversight, including the management of climate risks. Genworth's CEO is a member of the Genworth Board and generally participates in all meetings of the Genworth Board's NCGC in addition to its Risk Committee, where climate risks are discussed as a standing agenda item at least annually. Genworth's CEO also is a member of Enact's Board of Directors.

Genworth's Chief Risk Officer (CRO) reports to the CEO and Board Risk Committee. The CRO is responsible for ensuring that climate risk exposure materiality is assessed and reported, and that appropriate mitigation plans are in place where needed. Enact also has a Chief Risk Officer who functionally reports to Genworth's CRO.

Climate-related risks are managed through our existing enterprise risk management (ERM) function and framework, which is directed by the Company's CRO. Our risk, legal, and compliance functions align to review and assess risks and controls. The Leader of ERM and Reporting Risk is responsible for assessing our exposure to climate change risks across the enterprise. Additionally, Genworth has assigned risk managers, dedicated to Credit Risk, Market Risk, Insurance Risk, and Operational Risk, all of whom report directly to Genworth's CRO. These risk managers are responsible for identifying, analyzing, mitigating, and reporting all risks in their respective risk domains.

Genworth's Chief Investments Officer (CIO) is responsible for oversight of the Company's Investments ESG policy and its incorporation into investment guidelines and practices.

The CIO provides ESG investment performance updates to the Board's Risk Committee on a regular basis.

Genworth's Executive Vice President (EVP)/ Chief of Staff, with input from the Board, manages the Company's ESG program, including general oversight of the assessment and management of climate-related risks and opportunities. The EVP/Chief of Staff leads our Sustainability Committee, which supports work to assess and manage climate-related risks and opportunities. Genworth's Investments ESG Committee assists in reviewing ESG-related investment strategies, risks, and opportunities to guide investment decision-making.

See Figure 1 below for an illustration of our governance structure for climate risk.

Governance Forum	Key Function
Genworth Board Risk Committee (Inform to Legal Entity Boards)	– Risk oversight and governance – Feedback
Executive Council	– Ongoing review of key risks – Risk review and acceptance
Sustainability Committee	– Sustainability oversight – Climate related Disclosures (CDP)
Division Risk Committees	– Risk oversight and Inform to stakeholders – Reporting
Business Working Groups e.g. Investments ESG Committee	– Own and assess risk – Monitor and respond

Figure 1. Climate Risk Governance Structure

Strategy

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long-term (CDP 2.1a, C2.3, C2.3a, C2.4, C2.4a)

Genworth recognizes that climate change poses significant potential risks to the environment, the global economy, and to human health and well-being. The Company has chosen to align its definition of applicable time horizons with those identified in the New York Department of Financial Services (DFS) guidance, which defines short-term as zero to five years, medium-term as five to 10 years, and long-term as 10 to 30 years.

Physical Risk

Operational Risk: Increased severity of extreme weather events, such as hurricanes, may have the potential to cause operational disruptions at our facilities, reputational risks, increased capital costs related to the restoration of damaged property, and employee benefit costs associated with the increased risk of injury in the short-term. To mitigate these potential risks, in 2020, Genworth invested approximately $570,000 to implement Business Continuity Plans and remote work capabilities, including a "Work From Home" Policy. We invest approximately $550,000 every five (5) years ($110,000 per year) to enable employees to log into our systems from home. As a result of these efforts, our employees are able to work remotely should we encounter extreme weather-related events. When the primary cause of borrower default is physical damage, mortgage insurance providers are subject to policy protections that defer potential claim payments until a property is restored to its original condition. In 2022, we engaged an independent consultant to assist us in completing a physical risk assessment of Genworth's Operations portfolio. A more detailed discussion of the physical risk scenario analysis is included in the *Financial Planning* section below.

Underwriting Risk

Acute Risk: A natural disaster, such as a hurricane, could lead to unexpected changes in persistency rates if policyholders and contract holders who are affected by the disaster are unable to satisfy their contractual obligations, such as payment of premiums on our insurance policies, deposits into our investment products, and mortgage payments on loans insured by our mortgage insurance policies. A natural disaster could also significantly increase our mortality and morbidity experience in the affected region, exceeding assumptions that supported the pricing for our insurance and investment products previously sold through our U.S. Life insurance division. In 2022, we engaged an independent consultant to assist us in completing a quantitative hypothetical scenario analysis of the U.S. Life Insurance business' traditional life and long-term care ("LTC") insurance inforce liability portfolios. A more detailed discussion of this analysis is included in the *Financial Planning* section below.

Should a natural disaster trigger an economic downturn in the geographic areas affected directly or indirectly, Enact, our majority-owned Mortgage insurance subsidiary, could, among other things, experience a decline in business and/or increase in delinquencies in those areas, which potentially could lead to increased incurred loss experience and/or the need for reserve adjustments. Enact's experience with local natural disasters shows improved delinquency performance due to economic stimulus provided by rebuilding efforts. Therefore, Enact has not experienced material losses attributable to natural catastrophes. Disasters also could disrupt public and private infrastructure, including communications and financial services, which may impact our normal business operations.

Chronic Risk: Longer term shifts in climate patterns, such as rising temperatures and sea level rise, could have a significant impact on our business. Since we rely on historical results to price future liabilities in our U.S. Life insurance division, a longer-term shift in climate patterns could lead to an increase in our mortality and morbidity experience in life and LTC, exceeding the assumptions we used in pricing these insurance products. In 2022, we engaged an independent consultant to assist us in completing quantitative hypothetical scenario analyses of Genworth's physical operations and the U.S. Life Insurance business' traditional life and LTC insurance inforce liability portfolios. A more detailed discussion of this work is included in the *Financial Planning* section below.

A longer-term shift in climate patterns could also disrupt investment in business, housing, and infrastructure and lead to changes in demographics, family formation, and consumer behavior – the exact results of which are being assessed and evaluated as an Emerging Risk.

In the shorter term (as noted above), climate-related risks could lead to unexpected changes in persistency rates, as policyholders affected by a natural disaster may be unable to satisfy their contractual obligations, such as payment of premiums. Increased coastal hurricane activity, for example, could gradually, but steadily, result in economic deterioration: home price depreciation, lower origination, and lower tax revenues in areas where we have mortgage insurance exposure. Consequently, among other things, we could experience a decline in business and increase in claims in those areas which may lead to increased loss experience in Enact and/or the need for reserve adjustments. Policy protections allow a mortgage insurance provider to deny a claim until the property is restored to its original condition if the primary cause of a borrower default is property damage. In 2022, Enact analyzed its inforce portfolio's climate risk exposure based on climate data related to physical risks. A more detailed discussion of this analysis is included in the *Financial Planning* section below.

Credit Risk: Physical risks may also impact the credit risk of both Genworth's and Enact's investment portfolios, if extreme weather events impact the facilities of companies we hold.

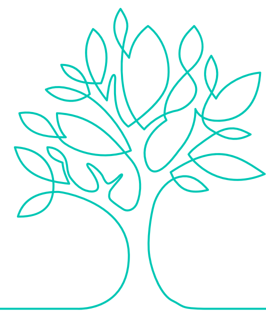
Transition Risk

Reputation Risk: Certain ESG-sensitive exposures in our investment portfolio potentially could cause reputational damage to Genworth. In 2021, we adopted an ESG policy and formed an Investments ESG Committee to consider the impact of ESG criteria as we seek to continue to manage our investment portfolio prudently. We also began the implementation of an internal Investments ESG scoring system to assess our portfolio and to ensure that we are not overly exposed to high-risk assets in this regard. The Investments team began the initial build of a platform in 2020 to track and analyze these exposures which was implemented in 2021. The platform was used to score the portfolio and perform benchmarking against Genworth's peers in 2021. In 2022, the Investments team conducted internal carbon scoring that evaluated both gross emissions and carbon intensity for 70% of our public corporate holdings. A more detailed discussion of this work is included in the *Risk Management* section below.

Credit Risk: Genworth's investment portfolio is subject to transition risks as climate regulations may impact the profitability of certain industries. Our Investments team continues to undertake ESG initiatives that enable us to assess these risks, determine materiality, and consider potential mitigation where appropriate. Genworth has identified the imposition of a carbon pricing mechanism that affects our public energy portfolio as a transition risk that could negatively affect credit risk. After conducting an analysis of Greenhouse Gas emissions data associated with our public energy portfolio, we concluded that the credit impacts due to carbon pricing on this portfolio are immaterial. We plan to conduct a scenario analysis on our investments portfolio in 2023. A more detailed discussion of this planned work is included in the *Financial Planning* section below.

Genworth has identified "Cap and Trade" systems as an example of a climate transition risk, and the California Cap-and-Trade Program specifically would be classified under our Risk Framework assessments as a credit risk. The California Cap-and-Trade regulation would not directly impact Genworth as we are not considered a significant Greenhouse Gas (GHG) emitter. However, it may indirectly result in greater credit risk if high-emitting companies in our portfolio are adversely affected by their inability to comply with cap-and-trade requirements.

Technology Risk: Genworth considers mandates implemented by governments and regulators that require the use of renewable resources or energy efficiency equipment (those with minimum energy efficiency ratings) as a relevant transition-related technology risk. These additional requirements could increase our capital costs associated with the installation of renewable resources or energy efficient equipment replacements, although these costs are likely to be at least partially offset by associated long-term cost savings.



Climate-Related Opportunities

Genworth recognizes the opportunities stemming from prudent climate action, such as potential reputational benefits and reduced operational and credit risks. In 2022, for the fourth year in a row, we were awarded a Management "B" score for our CDP assessment. In fulfilling Genworth's commitment to climate action, we made several energy efficient upgrades to our facilities. By improving heat, ventilation, and air conditioning systems in 2020, we saw a decrease of almost 300 metric tons in our Scope 1 and Scope 2 CO_2 emissions – equal to a 6.34% drop in intensity. We acknowledge that a significant driver of the decrease resulted from the pandemic's physical office closures. However, following the physical office closures resulting from the pandemic, we temporarily relocated our Richmond, VA operations, consolidating four buildings to one. In 2022, we announced plans to relocate to a permanent existing facility, as opposed to constructing from the ground up, and will seek to incorporate energy and water efficiencies in our new Richmond location.

Genworth has identified opportunities to position our investment portfolio for the climate transition. We believe incorporation of sustainable investing practices improves risk-adjusted returns and enhances the long-term value of our investments. Accordingly, we pursue investment opportunities that we deem supportive of ESG considerations yet also fall within our core investment parameters and provide sustainable market returns.

When we purchase a security or issue a commercial real estate loan, we evaluate the investment for ESG considerations. Once a security is in the portfolio, our Investments team performs regular ESG assessments. We also conduct periodic reviews of the ESG policies of our external managers and independent advisors working in emerging markets, alternative assets, and middle market loans. All of our external asset managers are UN PRI signatories and have ESG policies.

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning (CDP 2.3a, C2.4a, C3.1, C3.2a, C3.2b, C3.3, C3.4, C-FS3.7, C-FS3.7a)

Recognizing and incorporating climate risks and opportunities into our business strategy will drive financial benefits as our organization's resiliency to climate-related risks continues to improve. We are utilizing our Enterprise Risk Management framework to assess climate impact on our existing risks. We initiated a multi-phase climate risk management process – in 2022, we began work on a series of risk assessments and scenario analyses, the first of which was performed in our mortgage insurance subsidiary, Enact, and is detailed in the section below.

In early 2023, we completed work on the quantitative hypothetical scenario analyses with the assistance of an independent consultant. We assessed Genworth's physical operations and the U.S. Life Insurance business' traditional life and LTC insurance inforce liability portfolios to test resilience to the potential impact of climate change. A more detailed discussion of these analyses is included in the *Financial Planning* section below.

Products and Services

Climate-related risks and opportunities have informed our strategy when evaluating the products and services offered by our mortgage insurance subsidiary as extreme weather events, such as hurricanes, have the potential to lead to increased insurance claims liability for Enact. Enact accounts for a potential spike in delinquencies and hardships during natural disasters, such as hurricanes, by posting appropriate reserves in the event of job loss resulting from the disaster event, which may lead to default and, ultimately, claims on our mortgage insurance policies. Enact's experience with local natural disasters shows improved delinquency performance due to economic stimulus provided by rebuilding efforts. The Enact actuarial team estimates the impact of the event by analyzing performance of cures (i.e., a borrower becoming current on a loan by repaying all delinquent payments) and claims from similar events that occurred previously. In 2022, Enact analyzed its inforce portfolio's climate risk exposure based on climate data related to physical risks. A more detailed discussion of this analysis is included in the *Financial Planning* section below.

New business insurance volumes may shift permanently in geographies impacted by climate change events as those locations become less desirable for employers and home buyers. However, we have observed only temporary interruptions in this regard, followed by slightly higher economic activity due to rebuilding efforts. Over the long-term, home prices can be permanently impacted as locations often affected by climate-related events become unaffordable due to excessive property & casualty (P&C) premiums. While we have not observed any such permanent pricing anomalies, we continue to monitor.

Risks are discussed at various forums, including the annual inforce reviews that occur at the Enact Risk Review Committee meetings attended by the subsidiary's executive leadership. Key metrics (delinquencies, etc.) are monitored at monthly meetings of this committee.

Overall, Genworth considers climate-related risks associated with our products and services to have a medium-term time horizon.

Value Chain

We have considered the possibility that climate-related risks, such as a severe weather event, could cause an operational disruption for one of our third-party suppliers, particularly where we contract to provide services directly to our policyholders. To mitigate this particular risk, Genworth's Supplier Management team conducted reviews of 234 third-party service providers in 2022, who were identified using risk-based criteria (suppliers identified as "high risk" are reviewed annually; suppliers identified as "medium risk" are reviewed biennially). High and medium risk suppliers represent 65% of our annual procurement spend and many must comply with our requirement to have a business continuity/ disaster recovery plan. During the review process, the Supplier Management team did not identify any material issues with the business continuity/disaster recovery plans for the select providers who were required to have them.

While third-party suppliers are required to make affirmative representations at the time of contract about their compliance with applicable laws and regulations, including those related to the environment, we attempt to assess their environmental efforts during our periodic reviews. We also assess the continued feasibility of outsourcing arrangements, considering a full spectrum of risks, in order to make informed choices that align with our strategic direction.

Genworth considers climate-related risks associated with our supply chain and/or value chain to have a medium-term time horizon.

Operations

Prior to the COVID-19 pandemic, Genworth identified alternative work sites as part of our Business Continuity Planning (BCP) and conducted tests to assess readiness for all employees to work from home. The COVID-19 pandemic further tested and confirmed the capability for all associates to work remotely and expanded the geographic dispersion of our associates. Hiring practices continue to support this geographic diversification of our workforce which will help to mitigate climate-related risks. In some locations, we plan to continue a hybrid approach to allow certain employees to continue to work from home for some period of time during the work week, which also will reduce commute times and result tin lower auto emissions.

Genworth is currently exploring Cloud solutions which will diminish the dependence on physical data centers and expand the geographic diversification of our data centers.

To reduce our GHG emissions, Genworth has improved our heat, ventilation, and air conditioning systems, decreasing our Scopes 1 and 2 emissions by approximately 300 metric tons (6.34% drop in intensity). Enact's Raleigh, NC headquarters is Gold LEED certified, using 30% less water than comparable buildings, in addition to other efficiencies.

In both our U.S. Life insurance division and Enact subsidiary, we have enabled a significant transition away from paper to digital processing, reducing the overall carbon footprint. In 2018, we created a platform, MyGenworth, which permits customers to access their information and transfer documents electronically. Prior to 2018, we implemented DocuSign, an automated tool that permits policyholders to affix a digital signature to a form instead of a traditional ink signature (this process eliminated the previous requirement for paper transmission between Genworth and our U.S. Life Insurance companies' policyholders).

In 2022, we offered policyholders even greater flexibility in their ability to conduct transactions electronically, reducing the need for paper. 146,210 transactions were completed online, and more than 13,600 documents were uploaded using a special submission feature. Policyholders submitted over 292,400 payments electronically, eliminating the need to mail paper checks or place calls to our customer service center. An additional 26,602 customers enrolled in paperless options in 2022, which enabled them to conduct certain transactions electronically.

Investments

Climate-related risks are assessed in the diligence process for our investments in the following areas:

- Corporate/Municipal Bonds – Genworth assesses the risk related to ESG factors as part of its underwriting process;
- Alternative Assets/Middle Market Loans – Advisors consider ESG factors when evaluating investments; and
- Commercial Real Estate – We routinely conduct environmental assessments during the diligence process for real estate we are planning to lend against for investment purposes as well as real property to be acquired through foreclosure.

We also closely monitor trends specific to the utilities (i.e., shifts in energy sources) and energy sectors (i.e., regulatory impacts).

Investments in certain industry segments are periodically impacted by natural disasters attributed to climate change. The Investments team will closely monitor the impact to a company's creditworthiness resulting from a climate-related incident and will consider reducing exposure when warranted to lower risk.

Genworth pursues investment opportunities that we deem supportive of ESG considerations that also fall within our core investment parameters and provide suitable market returns. As of 2022, Genworth and Enact together held $591 million in green, social, sustainability , and sustainability-linked bonds, with more than $248 million of investment in hydro, wind, solar, and energy-efficiency projects.

Financial Planning

Since we now have completed the scenario analyses described below, we are better positioned to gauge the potential impact of climate-related risks on financial performance and how they should be considered in future financial projections. In both the U.S. life insurance division as well as Enact, historical climate impacts are embedded in the experience used for pricing and reserving. In addition, ESG scoring is considered in evaluating the investment portfolio's risk and potential return.

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. (CDP C3.2, C3.2a, C3.2b)

In 2022, Enact analyzed its inforce portfolio's climate risk exposure based on climate data related to physical risks. While its master policy includes claim payment protections when the primary cause of borrower default is physical damage, Enact recognized the importance of a thorough assessment of potential transitionary climate-related risks to its business.

Enact used Moody's Investors Services' climate risk data to develop risk scores and exposure rankings, aggregated by ZIP code, based on projected average population distribution (2030-2040). This analysis considered both acute physical risks from hurricanes, floods and wildfires, and chronic climate risks from water stress, heat stress, and sea level rise. The results provided a view of relative risk scores across Enact's policies inforce. The scores ranged from a low of 'No Risk' (not exposed) to a high or 'Red Flag' risk, which indicated significant exposure to historical or projected risks and the potential for future negative impacts.

The analysis showed that Enact's insured portfolio has a relatively low level of risk related to climate change. The U.S. mortgage insurance industry protects lenders against credit risk as opposed to hazard risk. Therefore, Enact's master policy excludes claim payments resulting from defaults due to physical damage to the property. Enact will continue to monitor climate-related risks and perform additional analysis as its approach becomes more mature and additional data becomes available.

In early 2023, we completed work on the quantitative hypothetical scenario analyses with the assistance of an independent consultant. We assessed Genworth's physical operations and the U.S. Life Insurance business' traditional life and LTC insurance inforce liability portfolios to test resilience to the potential impact of climate change. We plan to use the results of these analyses to inform our thinking and decisioning related to these risks.

Methodology

These analyses utilized two Intergovernmental Panel on Climate Change (IPCC) scenarios – SSP 1-2.6 and SSP 5-8.5, which contemplate 1.8˚C and 4.4˚C surface temperature rises respectively by 2081-2100 (relative to preindustrial levels), to enable the widest range of results.

The operational assessment evaluated five perils, including both acute (flood, tropical cyclone, and wildfire) and chronic (drought and heat stress) risks over multiple time horizons through 2050, to provide insights on the present and future risk areas. The analysis included an evaluation of office and supplier locations, in addition to other location-specific considerations.

To conduct the quantitative scenario analysis of the traditional life and LTC insurance inforce liability portfolios, the independent consultant used the two IPCC scenarios noted above and key statistics from academic research focused on extreme heat and worsening air quality to generate stresses to some key mortality and morbidity assumptions. The stresses on these assumptions were evaluated through 2081, which aligns the timeframe contemplated by the analysis with the 60-year liability projection period for our traditional life and LTC products, to assess the potential net impact and financial materiality, given the hypothetical scenarios.

Initial Findings

The analysis of our inforce liability portfolios indicated that the potential aggregate impact from these stressed assumptions could be neutral or result in slight favorability to expected claims for our LTC insurance products, as morbidity and mortality stresses appear to partially offset each other. Because the peak claims years for our LTC legacy policies are expected to occur much sooner than 2081 (the ultimate long time horizon contemplated by the analysis), our book of business is less vulnerable to more severe climate change impacts based on the assumptions considered in this analysis.

Compared to our LTC legacy policies, our traditional life insurance business likely is more sensitive to the potential mortality impact associated with climate change risks, although the net impact indicated by the analysis appears to be modest.

Relative to Genworth's physical operations, the analysis identified, among other things, some suppliers located in areas more prone to heat stress or tropical cyclones. This assessment may be considered in the evaluation and selection of our third-party suppliers.

Next Steps

We are in the process of evaluating the results of these analyses to enhance our understanding of the organization's resilience to climate change and expect to consider their findings to inform our enterprise risk management and business strategy. We will update these analyses as our operations and business portfolios continue to evolve.

To evaluate our Investments portfolio, we will assess the impact of climate risks on our asset portfolio using the same two climate scenarios noted above, and then integrate both the asset and liability analyses to evaluate potential impacts and materiality.

Risk Management

Describe the organization's processes for identifying and assessing climate-related risks (CDP C2.1, C2.2, C2.2a, C-FS2.2b, C-FS2.2c, C-FS2.2d, C-FS2.2e)

Climate-related risks identified through our processes are prioritized based on the following criteria: the likelihood of the risks occurring, the severity of the potential impact, and the resources required to mitigate and manage the risks appropriately. Genworth currently considers as substantive those risks that potentially could result in an impact to operating earnings over $5MM, which could equate to a ~$0.01 earnings per share or more impact. Climate risks are evaluated at least annually as part of the Enterprise Risk Management process and may be evaluated more frequently if we determine there is a material need to do so. The Company's risk mitigation processes vary according to the risk type and the potential magnitude of the impacts.

Climate-related liability risks are most directly applicable to our Enact subsidiary and are subject to a specific risk identification, assessment, and management process. Specific to Enact, when a climate-related event occurs, the actuarial team estimates the impact of the event by analyzing the performance of cures and claims from similar events that previously occurred to determine if a reserve adjustment is required.

Enact also tracks all loans in Federal Emergency Management Agency (FEMA) disaster areas, which enables the business to receive Private Mortgage Insurer Eligibility Requirements (PMIERs) capital credit for delinquent loans in a FEMA designated disaster area.

In Investments, we have implemented an ESG framework to assess our portfolio that calculates a discrete ESG score for all our corporate and municipal bond holdings (covering approximately 80% of our total bond portfolio as of the fourth quarter 2022). The ESG score in high transition risk sectors is based on information collected on the companies we hold in our portfolio, such as emissions, energy usage, emissions reduction targets, climate transition plans, TCFD disclosures, etc. and is used to guide investment decisions.

In 2022, the Investments team conducted internal carbon scoring that evaluates both gross emissions and carbon intensity for 70% of our public corporate holdings. The scoring process leveraged existing data available in a portfolio management system we currently utilize. As additional public data becomes available and/or scoring methodologies on non-covered assets are standardized, particularly for municipal bonds and structured investments, we will consider other options for this assessment and update our disclosures accordingly.

Describe the organization's processes for managing climate-related risks (CDP C2.1, C2.2, C-FS2.2d, C-FS2.2e)

Genworth utilizes a "three lines of defense" risk management model. The first line of defense includes the Operations, Investments, and Facilities teams as they have primary accountability for the underlying risks. The first line is responsible for identifying, managing, and mitigating risks. The second line of defense is comprised of the Risk, Legal, and Compliance teams. These teams assist the first line in assessing exposure and in ensuring remediation plans and appropriate regulatory reporting is in place where required. The third line is our Internal Audit team which is responsible for reviewing processes and control effectiveness and reporting any material deficiencies to management.

Initial risk exposure assessments are conducted to identify the highest risk exposure areas based on impact and likelihood ratings along with the strength of existing mitigation activities and a qualitative consideration of current and emerging trends, enabling us to focus our risk management efforts in these areas. The materiality of a risk exposure also will be based upon, among other things, (1) the size of the dollar impact to the company's balance sheet and/or income statement, and (2) the degree of potential operational and/or reputational risk. Genworth has risk managers dedicated to Credit Risk, Market Risk, Insurance Risk, and Operational Risk who are responsible for identifying, analyzing, mitigating, and reporting all risks in their respective risk domains.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management (CDP C2.1, C2.2)

Climate-related risks are integrated into Genworth's multi-disciplinary, company-wide risk management program which includes assessments of risk appetite and risk tolerance limits, as well as risk identification, quantification, governance processes, and applicable policies and procedures. The assessments evaluate our direct operations along with inputs and impacts up and down stream.

During the risk identification process, we evaluate, among other things, markets, consumers and consumer behavior, macroeconomic and environmental conditions, catastrophic occurrences, and potential changing paradigms using information that is publicly available or otherwise accessible. This assessment occurs across a spectrum of standard risk categories and time horizons.

Genworth's enterprise risk management program also includes processes to monitor, measure, control, mitigate, and report the types of risks to which the Company is subject. We regularly review our risk management programs to ensure that they are aligned with evolving global best market practices.

Metrics & Targets

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process (CDP C4.2, C4.2a, C4.2b, C9.1)

Genworth monitors our energy use, Scope 1, Scope 2, and nearly all relevant Scope 3 GHG emission categories.

As noted in the *Risk Management* section above, we also have implemented a framework to assess our investment portfolio that includes a discrete ESG score for all our corporate and municipal bond holdings (covering approximately 80% of our total bond portfolio as of the fourth quarter 2022). This ESG score is based, where relevant, on information collected on the companies in our investment portfolio, such as emissions, energy usage, emissions reduction targets, climate transition plans, TCFD disclosures, etc.

In addition, the Investments team conducted internal carbon scoring in 2022 that evaluates both gross emissions and carbon intensity for 70% of our public corporate holdings. As additional public data is available and/or scoring methodologies on non-covered assets are standardized, particularly for municipal bonds and structured investments, we will consider other options for this assessment and update our disclosures accordingly.

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks (CDP 6.1, C6.3, C6.5, C6.5a, C-FS14.1, C-FS14.0)

Genworth and Enact GHG Emissions Inventory

Scope	Genworth & Enact Combined MT CO_2e (2021)	MT CO_2e (2022)	Genworth Only MT CO_2e (2022)	Enact Only MT CO_2e (2022)
Scope 1 Emissions	592.4	598	394	204
Scope 2 Emissions	5,679	3,812	3,118	694
Scope 3 Emissions	31,354	37,294	29,719	7,575
Purchased Good and Services	28,609	30,269	24,582	5,687
Capital Goods	1,075	4,096	2,662	1,434
Fuel-and-Energy-Related Activities*	14,845	1,127	1,127	-
Waste Generated in Operations	Not Calculated	188	183	5
Business Travel	133	555	542	13
Employee Commuting	52	1,058	622	436
Upstream Leased Assets	Not Applicable	1	1	Not Applicable

**For Fuel and Energy Related Activities, the entire emissions amount was attributed to Genworth as the combined data for this category could not be separated. We have not included Scope3, Category 15 (Investments) in our 2022 GHG Emissions Inventory.*

Genworth's Scope 2 emissions decreased by 1,867 MT CO_2e in 2022, driven by a reduction in electricity consumption in our Lynchburg, VA, data center where we made several technology improvements to our physical storage devices. Most of our older technology storage devices were replaced with state-of-the-art Solid-State Drives (SSD) in 2022. The new devices consume less power and generate less heat during operation.

Per the GHG Protocol Corporate Accounting and Reporting Standard, Genworth is not required to report emissions associated with employees working from home. However, since most of our employees continued to work from home in 2021, we were interested in estimating emissions associated with this work arrangement. While a widely accepted or recognized methodology for calculating emissions for home workers currently does not exist, we estimate 2021 emissions associated with work from home to be 6,982 MT CO_2e.

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets (CDP 4.1, C4.1a, C4.1b, C-FS4.1d, C4.2, C4.2a, C4.2b)

Genworth has not yet established targets relevant to the management of climate-related risks and opportunities. Following our physical office closure resulting from the pandemic, we temporarily relocated our Richmond, VA operations, consolidating four buildings to one, and recently announced plans to relocate to a permanent existing facility. These facility changes have impacted our consideration of a baseline year. We are currently assessing the feasibility of establishing a GHG reduction target in line with the Science Based Targets Initiative.

We have identified an existing structure to house our new Richmond, VA headquarters and business operations (as opposed to building from the ground up) and will seek to incorporate environmental efficiencies as we tailor the site to meet our needs. Following transition to this new worksite, we believe we will be poised to identify a credible baseline year that will enable us to set a meaningful emissions target.

Note: Our Scope 1, 2, and 3 emissions calcutions have been verified by a third-party reviewer who provided limited assurance that they conform with The GHG Protocol Corporate Accounting and Reporting Standard (revised edition).

Genworth®

Thank you for reviewing our 2022 Task Force for Climate-Related Financial Disclosures (TCFD) Report – Third Quarter 2023 Update.

We welcome your comments – please email us at GNWCommunityRelations@genworth.com.

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