Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Genworth Financial, Inc. (NYSE: GNW) ("Genworth") is a Fortune 500 insurance holding company committed to helping families achieve the dream of homeownership and address the financial challenges of aging through its leadership positions in mortgage insurance and long-term care insurance. Headquartered in Richmond, Virginia, Genworth traces its roots back to 1871 and became a public company in 2004.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2020	December 31, 2020	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Investing (Asset owner)

Insurance underwriting (Insurance company)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Nominating and Corporate Governance Committee of the Genworth Board of Directors is responsible for climate-related issues. This Committee oversees the Company's environmental, social and governance programs. This Committee periodically reviews the Company's environmental policy and practices during its scheduled meetings. Three of the Genworth Board's eight independent directors serve on this Committee. The Committee is keenly focused on Genworth's ESG initiatives. In 2020 the Committee-encouraged efforts further to incorporate ESG considerations in to investment review processes, including climate-related themes. As an example of a climate-related decision, the Committee increased climate-related disclosures through the development of Genworth's inaugural sustainability report, covering significant data for 2020, which was made publicly available in 2021.
Chief Executive Officer (CEO)	The Chief Executive Officer attends meetings of the Nominating and Corporate Governance (NCGC) Committee of Genworth's Board of Directors. While the CEO is not an official member of the NCGC, he serves on the Genworth board and actively participates in all NCGC discussions that involve climate-related issues. The CEO has encouraged the Company's continued focus on and advancement of ESG issues in general and climate-related issues in particular.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities The impact of our own operations on the climate The impact of our investing activities on the climate	During one scheduled of its scheduled quarterly meeting, the Nominating and Corporate Governance Committee (NCGC) reviews and directs the strategy of the Company's environmental, social and governance practices, which includes the Company's environmental policy and implementing procedures. As was the case in 2020, the NCGC may raise or consider sustainability and other ESG-related matters during other scheduled meetings. The NCGC evaluates the Company's progress and objectives toward reducing Company environmental impacts and oversees, in conjunction with the Board's Risk Committee, the risk management strategies, policies, and implementation processes that incorporate climate-related issues. The Board's Risk Committee regularly receives updates on topics identified using Genworth's Risk Framework assessments. Climate-related risks are incorporated into the Risk Committee's assessments of standard operational risks related to the regulatory environment, technology, and reputation. In addition, in its reporting to the Board's Risk Committee, Genworth's Mortgage Insurance business segment, which is more directly affected by climate-related natural disasters, includes information on potential risks associated with mortgage loan delinquencies and risk mitigation actions following natural disasters.

Sporadic - as important matters arise	Reviewing and guiding strategy Reviewing and guiding risk management policies Reviewing and guiding business plans	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities The impact of our own operations on the climate The impact of our investing activities on the climate The impact of our insurance underwriting activities on the climate	Genworth's Chief Executive Officer, who is a member of the board, attends both the NCGC and Risk Committee quarterly meetings. He is well-engaged in the discussions in both Committee meetings including the NCGC's ESG topics, and has encouraged the Company's continued focus and advancement in this area in general, and climate-related matters in particular.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Chief of Staff	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our own operations	Annually
Sustainability committee	Other, please specify Directed by the Chief of staff who is in CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our own operations	Not reported to the board

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Chief of Staff is a direct report to Genworth's Chief Executive Officer and is responsible for Sustainability, Government Relations and External Affairs, among other things. Accordingly, the Chief of Staff, as a member of the Company's Executive Council, has direct oversight of the Sustainability Committee and is responsible for managing activities implemented by the Committee and conducting the final review of environmental reporting, such as CDP.

The Committee is comprised of representatives from the facilities, investments, travel, sourcing, risk, and corporate social responsibility functions. Each member of the Committee reports to management through the organizational line of accountability applicable to their functional expertise. The Committee is responsible for reducing the Company's environmental impact through implementing sustainability activities, such as energy and water conservation, waste reduction and recycling. The Committee is also responsible for educating employees about reducing environmental impacts at work, tracking greenhouse gas (GHG) emissions1 and environmental external reporting outcomes and scores, including CDP.

The Committee leverages the functional expertise of its members:

The Facilities team monitors energy metrics, implements emissions-reduction projects and coordinates the environmental interface with vendors that supply product and services related to the operation of our primary work locations. The Investments team is establishing ESG-related investment policies and strategies. The Sourcing team conducts an annual review of Genworth's primary third-party service suppliers 1) to ensure that they have implemented business continuity/disaster recovery plans and comply with applicable environmental laws/regulations, and 2) to assess their Environmental, Social and Governance (ESG) platforms. The Risk Team assesses, monitors, and reports on risks and mitigants across the enterprise, including those that are climate-related. The Corporate Social Responsibility team manages the company's community engagement platform, including projects and employee-initiatives that promote sustainability.

The Chief of Staff and the Committee are tasked with implementing the Genworth's Environmental Policy, which clearly sets forth the guiding principle that directs the Company's sustainability efforts – "Sustainability of lifestyle—through financial security provided by Genworth, requires a sustainable environment in which to live that lifestyle in a healthy, safe manner." Climate-related initiatives include ensuring compliance with environmental regulations, educating employees on reducing environmental impacts both at home and in the workplace, and tracking the Company's greenhouse gas emissions. On an annual basis, or as developments occur, the Chief of Staff reports to the Nominating and Corporate Governance Committee to review the Company's commitment to and progress towards reducing environmental impacts.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
All employees	Non-monetary reward	Other (please specify) Volunteerism	All Genworth employees receive 40 hours of volunteer time-off annually to support the non-profit organizations of their choosing, including organizations focused on environmental improvements. In 2020, Genworth's employees volunteered over 3,500 hours collectively. In addition to the volunteer time-off, Genworth's Corporate Social Responsibility team identifies and organizes volunteer opportunities specifically for Genworth employees, which can be environmentally focused. In 2020, Genworth employees volunteered over 150 hours to work on environmentally-focused initiatives that addressed education, conservation, protection, beautification and environmental quality.
All employees	Non-monetary reward	Other (please specify) Matching Gifts	The Genworth Foundation Matching Gifts program encourages employees to contribute to qualifying charitable organizations to improve the communities in which they live and work. Employees are eligible for a 50% matching gift on any qualified donation up to $5,000 per calendar year ($10,000 for Genworth officers and the Genworth Financial Board of Directors). In 2020 Genworth employees donated over $1.4 million including Foundation matching gifts and volunteer awards, supporting over 100 non-profit organizations around the world. An estimated $198,500 was donated to organizations aligned with employee interests and engagements, which include environmental organizations.

			Additionally, in 2020, the Genworth Foundation offered special giving opportunities, with a 100% match of employee contributions to The American Red Cross and The World Central Kitchen for disaster relief. Genworth also contributed over $165,000 towards assisting wildfire relief in the Western U.S. and flooding in the Gulf Coast, through employee and the Genworth Foundation matching gifts.
Facilities manager	Monetary reward	Behavior change related indicator	Genworth encourages its employees to cultivate recycling best practices and make a conscious effort towards waste reduction. Genworth Facility Managers were encouraged to increase recycling efforts across several recycling streams, such as plastics, brass, among other materials. Funds raised by selling recyclable materials were available for discretionary spending at the site level.
Other, please specify Employees in specific locations	Non-monetary reward	Emissions reduction project	Employees at the Genworth Richmond, Virginia, Lynchburg, Virginia and Raleigh, North Carolina locations who own a hybrid vehicle are provided access to charging stations while at work at no additional charge or fee.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	No	

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	We evaluate risks related to climate-related incidents, such as flooding, tornados, hurricanes, wildfires, and snow. We may also consider the risk of fire at facilities during droughts, as well as railway ground erosion due to droughts or flooding.
Medium-term	1	3	We evaluate risks related to climate-related incidents, such as flooding, tornados, hurricanes, wildfires, and snow. We may also consider the risk of fire at facilities during droughts, as well as railway ground erosion due to droughts or flooding. Climate-related issues associated with coal, nuclear, gas, etc. could affect our businesses if individuals experience job lost as a result and are unable to make insurance payments (Life, LTC, or mortgage).
Long-term	3	15	We evaluate risks related to climate-related incidents, such as flooding, tornados, hurricanes, wildfires, and snow. We may consider the risk of fire at facilities during droughts, as well as railway ground erosion due to droughts or flooding. Climate-related issues associated with coal, nuclear, gas, etc. could affect our businesses if individuals experience job lost as a result and are unable to make insurance payments (Life, LTC, or mortgage).

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

When identifying and assessing climate-related risks, Genworth defines substantive or strategic impact on our business as an impact to net income over $5MM. Amounts over $5MM would have a penny or more impact to Genworth earnings per share and may raise stakeholder concern.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Genworth has developed a comprehensive, multi-disciplined enterprise risk management program which includes assessments of risk appetite, risk tolerance limits, along with risk identification, quantification, governance processes and applicable policies and procedures. The assessment evaluates our direct operations as well as inputs and impacts up and down stream.

Identification, Assessment and Mitigation:
During the risk identification process, we evaluate, as applicable, markets, consumers and consumer behavior, macroeconomic and environmental conditions, catastrophic occurrences and potential changing paradigms that are publicly available or otherwise accessible, among other things. This assessment is made 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. On an ongoing basis, we regularly review our risk management programs to ensure that they are aligned with evolving global best market practices.

Climate-related risks identified through this process are prioritized based on the following criteria: the likelihood of the risks occurring, the severity of the potential impact, and the resources required to appropriately mitigate and manage the risks. Genworth considers as substantive those risks that potentially could result in an impact to net income of over $5MM, which equates to a ~$0.01 earnings per share impact. 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 Global Mortgage Insurance business segment and are subject to a specific risk identification, assessment, and management process. Specific to U.S Mortgage Insurance s (USMI-name changed to Enact in 2021), when a climate related event occurs, the actuarial team estimates the impact of the event by analyzing performance of cures and claims from similar events that occurred previously.

For example, when Harvey and Irma occurred in 2017, USMI used previous hurricane experience to forecast the likelihood of loan status moving from “delinquency” to “claim” along with the associated impact to USMI's financial statements. This information was used to set appropriate reserves, resulting in a reserve increase of 3%. We also have tracked loans impacted by wildfires; however, reserve adjustments have not been required in these instances since the number of impacted loans was immaterial.

USMI 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 all delinquent loans in a FEMA designated disaster area.

The provisions included in our Master Policy serve as an additional risk mitigant for loan delinquencies resulting from damage to the home. The mortgage insurance industry only insures for credit risk. Therefore, our master policy permits us to deny a claim if the main cause of a delinquency is home damage. The borrower must restore the home to the original condition, less normal wear and tear. Generally, this damage is covered by property and casualty insurance.

Risks associated with climate-related events may potentially affect operations beyond the USMI business segment. Under our current prioritization process, we have classified the likelihood of these risks as 'about as likely as not' of occurring within a 1- to 3-year (medium) time horizon. Increased severity of extreme weather events, such as hurricanes, may have the potential to cause operational disruptions, reputational risks, increased capital costs related to the restoration of damaged property, and employee benefit costs related to the increased risk of injury. In order to mitigate these potential risks, in 2020, Genworth invested $570,000 to implement Business Continuity Plans and remote capabilities, including a Work From Home Policy, for all employees to allow them to work remotely should we encounter extreme weather-related events.

We also have assessed the potential impact of an operational disruption incurred by one of our third-party suppliers, particularly those with whom we contract to provide services directly to our policyholders. These operational disruptions potentially could impede our ability to serve our customers including our ability to process claim payments, which could lead to significant fines. To mitigate this particular risk, Genworth's Sourcing Team conducts periodic reviews of select third-party service providers, who are identified using risk-based criteria. These suppliers represent 74% of our annual procurement spend and also must comply with our requirement to have a business continuity/disaster recovery plan. While third-party suppliers are required to make affirmative representations about their compliance with environmental laws and regulations at the time of contract, we attempt to assess their environmental efforts during our periodic reviews. Genworth also mobilizes the Enterprise Risk Management team to receive and analyze feedback from customers, who directly influence the reputation and perception of the company.

Responsibility for climate-related opportunities associated with our work facilities is decentralized and managed at each work site. For example, the various facility managers have ownership over climate-sensitive building improvements, such as LED lighting replacements, for the buildings they oversee. New energy-efficient equipment replacements are implemented when the older equipment becomes obsolete or is no longer being supported by the suppliers.

The operations teams in our respective businesses lead our efforts to identify climate-related process opportunities, such as the development of online platforms like MyGenworth that permit customers to engage with us in a paperless environment and reduce our overall carbon footprint.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, sometimes included	Our insurance operations are subject to a wide variety of laws and regulations and extensive regulatory oversight. Genworth's Risk Framework considers risks that pose a material threat to the viability of the Corporation, which includes current requirements imposed by, and potential changes to, the regulatory environment in which we operate. State insurance laws regulate most aspects of our U.S. insurance businesses. Our insurance subsidiaries are regulated by the insurance departments of the states in which they are domiciled and licensed. US Mortgage insurance is subject to a Master Policy Agreement with the Government-sponsored Entities (GSEs). Changes in the Master Policy regarding Property and Casualty insurance, as well as capital calculations based on FEMA disaster areas, can impact our competitiveness. The Australia mortgage insurance business is subject to APRA's climate reporting requirements. "Cap and Trade" systems represent an example of another climate regulation. Specifically, the California Cap-and-Trade Program 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 GHG emitter. However, it may indirectly result in reduced revenues from lower sales output if our large GHG emitting customers are unable to satisfy their contractual obligations.
Emerging regulation	Relevant, sometimes included	Genworth's Risk Framework considers risks that pose a material threat to the viability of the Corporation, including emerging regulations. An example of an emerging regulation that is included in our climate-related risk assessment is the "Cap and Trade" systems; under our Risk Framework assessments, this regulation would be classified as a Credit Risk. The California Cap-and-Trade Regulation would not directly impact Genworth as we are not considered a significant GHG

		emitter. However, it may indirectly result in reduced revenues from lower sales output if our large GHG emitting customers are unable to satisfy their contractual obligations.
Technology	Relevant, sometimes included	Technology risks are included in our Risk Framework assessments. We believe it is important to reduce the environmental impacts associated with our business activities and to work towards environmental sustainability. Under our Risk Framework, we consider climate-related technology risks as Operational Risks. An example of a technology risk would be mandates implemented by governments and regulators requiring the use of renewable resources or energy efficiency equipment with minimum energy efficiency ratings. These additional requirements may increase our capital costs related to installation of renewable resources or energy efficient equipment replacements. In both our Mortgage Insurance and U.S. Life businesses, we have enabled a significant transition away from paper to digital processing reducing the overall carbon footprint.
Legal	Relevant, sometimes included	As an owner and operator of real property, we are subject to extensive U.S. federal and state environmental laws and regulations. Legal risks are assessed through our Risk Framework, and classified under various risk types, such as Insurance, Property and Operational Risks. Potential environmental liabilities and costs in connection with any required remediation of our properties is also an inherent risk in property ownership and operation. For example, the increased severity of extreme weather events, such as severe snowstorms, may potentially affect our Richmond, Virginia and Lynchburg, Virginia work sites, causing potential increases in capital costs and operating costs related to equipment replacement and insurance costs. In addition, we hold equity interests in companies, and have made loans secured by properties, that could potentially be subject to environmental liabilities. We routinely conduct environmental assessments during diligence for real estate we are planning to acquire for investment purposes as well as real property to be acquired through foreclosure. We cannot provide assurance that unexpected environmental liabilities will not arise. However, based upon information currently available to us, we believe that any costs associated with compliance with environmental laws and regulations, or any remediation of such properties, will not have a material adverse effect on our business, financial condition or operational results.
Market	Relevant, sometimes included	We regularly consider and assess Market Risks through our Risk Framework. These risks are generally classified under the Market/Liquidity Risk type. Genworth partners with third-party service providers who may be directly impacted by negative climate-related developments. Our reputation as a leading financial long-term care insurance organization and the value of our market share may be indirectly impacted if our third-party suppliers are found to engage in

		poor environmental practices, especially as consumer preferences shift toward environmentally-friendly products and services. Accordingly, Genworth conducts annual reviews of our top third-party suppliers who are classified as “high risk according to a risk-based assessment that considers the content, scope, and terms of the supplier engagement, and biennially for those classified as “medium risk.” These reviews help us ensure that we partner with suppliers who are compliant with environmental practices. Investments in certain industry segments, specifically oil and gas, are periodically impacted by natural disasters attributed to climate change. The investments group has clearly defined triggers which alert them to the need to consider potential asset reallocation decisions to lower the risk of holding investments negatively impacted by these climate-related incidents.
Reputation	Relevant, sometimes included	Our relationships with our customers may influence the amount of business they conduct directly with us. Banks and mortgage lenders are the primary customers of our Mortgage Insurance business, so their willingness to continue to approve us as a mortgage insurance provider for loans that they purchase is critically important to our continued success. The loss of current business from significant customers could adversely affect our ability to write new business and, consequently, our financial condition and operational results. As part of our climate-related risk assessment, we consider reputational risks to be classified under Market Risks. Genworth sometimes contracts with third-party service providers who may be directly impacted by negative climate-related developments. Our reputation as a leading financial long term care insurance organization, and the value of our market share, may be indirectly impacted if we engage third-party suppliers who do not have robust environmental practices. Investment holdings of ESG -sensitive exposures also may cause reputational damage to Genworth. The investments team began to build a platform in 2020 to track and analyze these exposures starting in 2021.
Acute physical	Relevant, sometimes included	We assess acute physical risks through our Risk Framework and classify them under Operational Risks. Genworth is exposed to various risks arising from natural disasters, including earthquakes, hurricanes, floods and tornadoes. For example, a natural disaster, such as a hurricane, could disrupt our computer systems and our ability to conduct or process business. It also could lead to unexpected changes in persistency rates as policyholders and contract holders who are affected by the disaster may be unable to meet 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. They could also significantly increase our mortality and morbidity experience above the assumptions we used in pricing our insurance and investment

		products. A natural disaster could trigger an economic downturn in the geographic areas directly or indirectly affected by the disaster. These consequences could, among other things, result in a decline in business and increase in delinquencies from those areas, leading to increased incurred loss experience in our mortgage insurance businesses and/or the need for reserve adjustments. Disasters also could disrupt public and private infrastructure, including communications and financial services, which may impact our normal business operations.
Chronic physical	Relevant, sometimes included	We assess chronic physical risks through our Risk Framework and classify them under Emerging Risks. Genworth could be exposed to a longer-term shift in climate patterns: global warming, changes in sea levels, persistent drought, and increased frequency of natural disasters. As a long-term care insurance company, Genworth assumes long-tail risk. Longer term shifts in climate patterns, such as rising temperatures and sea level rise, could have a significant impact on this business. Since we rely on historical results to price future liabilities, a longer-term shift in climate patterns could lead to an increase in our mortality and morbidity experience in life and long-term care, above the assumptions we used in pricing our insurance products - health impacts associated with climate change could affect mortality and morbidity trends. This occurrence could impact our business results. In the shorter term, climate-related risks also 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, we could, among other things, experience a decline in business and increase in claims from those areas which could lead to increased loss experience in our mortgage insurance businesses and/or the need for reserve adjustments. A longer-term shift in climate patterns could also disrupt investment in business, housing, and infrastructure resulting in changes in demographics, family formation and consumer behavior – the exact results of which are being assessed and evaluated as an Emerging Risk.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain

Investing (Asset owner)	Yes	Climate-related information is currently evaluated in the diligence process by our external advisors for the alternative assets, middle market loans, and commercial real estate holdings in our investment portfolio. 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, specifically oil and gas, are periodically impacted by natural disasters attributed to climate change. The Investments group has clearly defined triggers which alert them to the need to consider potential asset reallocation decisions to lower risk of holding investments negatively impacted by these climate-related incidents.
Insurance underwriting (Insurance company)	Yes	Climate-related liability risks are most directly applicable to our Mortgage Insurance business segment and are subject to a specific risk identification, assessment, and management process. Specific to the USMI, when a climate related event occurs, the actuarial team estimates the impact of the event by analyzing performance of cures and claims from similar events that occurred previously. For example, when Harvey and Irma occurred in 2017, USMI used previous hurricane experience to forecast the likelihood of loan status moving from “delinquency” to “claim” along with the associated impact to USMI’s financial statements. This information was used to set appropriate reserves, resulting in a reserve increase of 3%. We also have tracked loans impacted by wildfires; however, reserve adjustments have not been required in these instances since the number of impacted loans was immaterial. USMI 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 all delinquent loans in a FEMA designated disaster area. As a long term care insurance company, Genworth is subject to long-tail risks with our long term care insurance company. Therefore, longer term shifts in climate patterns could impact this business. Since we rely on historical results to price future liabilities, a longer-term shift in climate patterns could impact our mortality and morbidity experience in life and long-term care, causing then to vary from assumptions used in pricing our insurance products. Health impacts associated with climate change also could affect mortality and morbidity trends. These

		occurrences could significantly impact our business results. In the shorter term, climate-related risks also 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 premium payments. Our assumptions are evaluated annually by an Assumption Governance Committee that includes actuarial leaders, business leaders, and the Enterprise CRO and CFO, to determine if modifications are required.
Other products and services, please specify	Not applicable	

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Investing (Asset owner)	Minority of the portfolio	Qualitative	Genworth identifies and assesses climate-related risks primarily in Alternative Assets and Middle Market Loans as well as vulnerable sectors such as Utilities and Energy, representing approximately 17% of our asset portfolio. Climate-related risks are currently evaluated in the diligence process by our external advisors for our investment portfolio in the following areas: Alternative Assets – Advisors incorporate ESG analysis into diligence and investment decisions and work with private equity managers and portfolio companies to improve ESG metrics; and Middle Market Loans – Genworth's advisor evaluates the current and potential future impact of ESG factors on a company's creditworthiness. We also closely monitor trends specific to the Utility (i.e. shifts in energy sources) and Energy sectors (i.e. regulatory impacts). Investments in certain industry segments, specifically Utilities, are periodically impacted by natural disasters attributed to climate change. The Investments group

			closely tracks natural disasters and when appropriate takes action to lower exposure on investments negatively impacted by these climate-related incidents. The Company has several long-tail liabilities associated with insurance products in its U.S. Life Insurance business and plans to continue to employ appropriate investment strategies to pursue optimal asset/liability matching.
Insurance underwriting (Insurance company)	Majority of the portfolio	Qualitative and quantitative	While the insurance underwriting portfolio of Genworth's Global Mortgage Insurance (GMI) platform is most susceptible to climate-related risks and opportunities, our U.S. Life Insurance businesses portfolio also has exposure. These businesses together represent all of Genworth's insurance underwriting portfolio, with the exclusion of its runoff business (life and annuity policies, which Genworth no longer sells). Genworth's 2020 earnings were primarily driven by our global mortgage business platform, where the majority of our climate-related risk resides. For the mortgage insurance business, there are three levels of climate related risk assessments: (i) Primary: The provisions included in our master policy serve as an additional risk mitigant for loan delinquencies resulting from damage to the home. Since the mortgage insurance industry only insures for credit risk, our master policy contractually requires that P&C insurance cover property value loss due to natural disasters. Our master policy permits us to deny a claim if the main cause of a delinquency is home damage. Additionally, we account for a potential spike in delinquencies and hardships during natural disasters, which often result in job loss, by posting appropriate reserves for the possibility of default and, ultimately, claims on our mortgage insurance policies. When a climate related event occurs, the actuarial team estimates the impact of the event by analyzing performance of cures and claims from similar events that occurred previously.

			For example, when Harvey and Irma occurred in 2017, USMI used previous hurricane experience to forecast the likelihood of loan status moving from delinquency to claim along with the associated impact to USMI's financial statements. This information was used to set appropriate reserves, resulting in a reserve increase of 3%. USMI also tracks all loans in Federal Emergency Management Agency ("FEMA") disaster areas, which enables the business to receive Private Mortgage Insurer Eligibility Requirement ("PMIERs) capital credit for all delinquent loans in a FEMA designated disaster area. These risks are discussed at various forums, including the annual in-force reviews that occur at the GMI Risk Committee meetings attended by the GMI CEO, CFO, CRO, General Counsel, and the CEOs of our Mortgage Insurance businesses in the U.S. and Australia. In addition, key metrics (new business, delinquencies, etc.) are monitored at monthly meetings of this Committee. ii) Secondary: New insurance volumes potentially could shift permanently in geographies often affected by climate change events as those locations become less desirable for employers and homebuyers. (iii) Tertiary: Home-prices can be permanently impacted as locations often affected by climate-related events become unaffordable due to excessive P&C premiums. As a long term care insurance company, Genworth is subject to long-tail risks with our long term care insurance company. Therefore, longer term shifts in climate patterns could impact this business. Since we rely on historical results to price future liabilities, a longer-term shift in climate patterns could impact our mortality and morbidity experience in life and long-term care, causing then to vary from assumptions used in pricing our insurance products. Health impacts associated with climate change also could affect mortality and morbidity trends. These occurrences could significantly impact our business results. In the shorter term, climate-related risks also 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 premium payments. Our assumptions are evaluated annually by an Assumption Governance Committee that includes actuarial leaders, business leaders, and the Enterprise CRO and CFO, to determine if modifications are required.

C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Investing (Asset owner)	Yes	Minority of the portfolio	Water-related risks are currently evaluated in the diligence process by our external advisors for our investment portfolio in the following areas: Alternative Assets – Advisors incorporate ESG analysis into diligence and investment decisions and work with private equity managers and portfolio companies to improve ESG metrics; and Middle Market Loans – Genworth's advisor evaluates the current and potential future impact of ESG factors on a company's creditworthiness. We also closely monitor trends specific to the Utility (i.e. shifts in energy sources) and Energy sectors (i.e. regulatory impacts). Investments in certain industry segments, specifically Utilities, are periodically impacted by natural disasters attributed to climate change. The Investments group closely tracks natural disasters and when appropriate takes action to lower exposure on investments negatively impacted by these climate-related incidents. The Company has several long-tail liabilities associated with insurance products in its U.S. Life Insurance business and plans to continue to employ appropriate

			investment strategies to pursue optimal asset/liability matching.
Insurance underwriting (Insurance company)	Yes	Majority of the portfolio	Genworth's 2020 earnings were primarily driven by our global mortgage business platform, where the majority of our climate-related risk resides: (i) Primary: Since the mortgage insurance industry only insures for credit risk, our master policy permits us to deny a claim if the main cause of a delinquency is home damage. We account for a potential spike in delinquencies and hardships during natural disasters by posting appropriate reserves for the possibility of default and, ultimately, claims on our mortgage insurance policies. The actuarial team estimates the impact of the event by analyzing performance of cures and claims from similar events that occurred previously. When Harvey and Irma occurred in 2017, USMI used previous hurricane experience to forecast the likelihood of loan status moving from delinquency to claim along with the associated impact to USMI's financial statements. This information was used to set appropriate reserves, resulting in a reserve increase of 3%. Risks are discussed at various forums, including the annual in-force reviews that occur at the GMI Risk Committee meetings attended by segments executive leadership. Key metrics (delinquencies) are monitored at monthly meetings of this Committee. ii) Secondary: New insurance volumes potentially could shift permanently in geographies often affected by climate change events as those locations become less desirable for employers and homebuyers. Genworth is subject to long-tail risks with our long term care insurance company. Therefore, longer term shifts in climate patterns could impact this business. Since we rely on historical results to price future liabilities, a longer-term shift in climate patterns could impact our mortality and morbidity experience in life and long-term care, causing then to vary from assumptions used in pricing our insurance products. In the shorter term, climate-related risks also 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 premium payments. Our assumptions are evaluated annually by an Assumption Governance Committee that includes actuarial leaders, business leaders, and the Enterprise CRO and CFO, to determine if modifications are required.
Other products and services, please specify	Not applicable		

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Investing (Asset owner)	Yes	Minority of the portfolio	Forest-related risks are currently evaluated in the diligence process by our external advisors for our investment portfolio in the following areas: Alternative Assets – Advisors incorporate ESG analysis into diligence and investment decisions and work with private equity managers and portfolio companies to improve ESG metrics; and Middle Market Loans – Genworth's advisor evaluates the current and potential future impact of ESG factors on a company's creditworthiness. We also closely monitor trends specific to the Utility (i.e. shifts in energy sources) and Energy sectors (i.e. regulatory impacts). Investments in certain industry segments, specifically Utilities, are periodically impacted by natural disasters attributed to climate change. The Investments group closely tracks natural disasters and when appropriate takes action to lower exposure on investments negatively impacted by these climate-related incidents. The Company has several long-tail liabilities associated

			with insurance products in its U.S. Life Insurance business and plans to continue to employ appropriate investment strategies to pursue optimal asset/liability matching.
Insurance underwriting (Insurance company)	Yes	Majority of the portfolio	Genworth's 2020 earnings were primarily driven by our global mortgage business platform, where the majority of our climate-related risk resides: (i) Primary: Since the mortgage insurance industry only insures for credit risk, our master policy permits us to deny a claim if the main cause of a delinquency is home damage. We account for a potential spike in delinquencies and hardships during natural disasters by posting appropriate reserves for the possibility of default and, ultimately, claims on our mortgage insurance policies. The actuarial team estimates the impact of the event by analyzing performance of cures and claims from similar events that occurred previously. When Harvey and Irma occurred in 2017, USMI used previous hurricane experience to forecast the likelihood of loan status moving from delinquency to claim along with the associated impact to USMI's financial statements. This information was used to set appropriate reserves, resulting in a reserve increase of 3%. Risks are discussed at various forums, including the annual in-force reviews that occur at the GMI Risk Committee meetings attended by segments executive leadership. Key metrics (delinquencies) are monitored at monthly meetings of this Committee. ii) Secondary: New insurance volumes potentially could shift permanently in geographies often affected by climate change events as those locations become less desirable for employers and homebuyers. Genworth is subject to long-tail risks with our long term care insurance company. Therefore, longer term shifts in climate patterns could impact this business. Since we rely on historical results to price future liabilities, a longer-term shift in climate patterns could impact our mortality and morbidity experience in life and long-term care, causing then to vary from assumptions used in

			pricing our insurance products. In the shorter term, climate-related risks also 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 premium payments. Our assumptions are evaluated annually by an Assumption Governance Committee that includes actuarial leaders, business leaders, and the Enterprise CRO and CFO, to determine if modifications are required.
Other products and services, please specify	Not applicable		

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate-related information	Please explain
Investing (Asset owner)	Yes	Genworth identifies and assesses climate-related risks primarily in Alternative Assets and Middle Market Loans as well as vulnerable sectors such as Utilities and Energy, representing approximately 17% of our asset portfolio. Climate-related risks are currently evaluated in the diligence process by our external advisors for our investment portfolio in the following areas: Alternative Assets – Advisors incorporate ESG analysis into diligence and investment decisions and work with private equity managers and portfolio companies to improve ESG metrics; and Middle Market Loans – Genworth's advisor evaluates the current and potential future impact of ESG factors on a company's creditworthiness. We also closely monitor trends specific to the Utility (i.e. shifts in energy sources) and Energy sectors (i.e. regulatory impacts).

Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	The primary customers of our Mortgage Insurance business are banks and mortgage lenders. We will evaluate how to seek this information in this context.
Other products and services, please specify	Not applicable	

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Legal

Other, please specify

Policy and legal: Increased pricing of GHG emissions

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

GHG emissions regulations are in various stages of development in both the US and elsewhere in markets in which Genworth operates, including our Richmond, Virginia headquarters as well as Lynchburg, Virginia, where one of our Customer Service Center is located (the locations are our two largest work sites). Governments and regulators are considering actions to reduce climate change impacts, such as regulating GHG emission; promoting energy efficiency and use of renewable resources; and implementing carbon taxation, "cap and trade" systems, or other measures. Actions such as these could have an indirect financial impact on Genworth, resulting in higher operating expenses, including higher facility costs, increased travel expenses, and higher insurance expenses. As we are a financial services company, regulations of this nature would not directly impact our business operations or revenue.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

5,000,000

Explanation of financial impact figure

The estimated increased operating cost range of $1,000,000-$5,000,000 is calculated based on the combination of costs including higher facility costs, increased travel expenses, and higher insurance expenses. These expenses represent ~60%, ~5%, and ~30% respectively of the potential financial impact range. The estimated range includes 5% margin to account for higher or unanticipated expenses, given the variability in circumstances and potential costs. The financial impact depends on the climatic sensitivity of the business, its location, and the management practices the business has in place.

Cost of response to risk

21,000

Description of response and explanation of cost calculation

To manage the risks of increased pricing of GHG emissions, Genworth has focused on implementing a variety of building energy efficiency initiatives. For example, Genworth has installed more energy efficient chillers, all LED lights in our facilities, a more energy efficient roofing system in our Lynchburg office and changed the process to an automated process for managing the climate levels inside our buildings (how we heat and cool the facility) resulting in significant savings of kilowatt hours used for each of the past 10 years. The $21,000 cost of management reflects the 2020 expense to upgrade light bulbs in 912 light fixtures in building 2 of our Lynchburg campus. (There was a total bulb replacement of 3500 bulbs at $6 per bulb or $21,000).

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Genworth's ability to deliver on our commitment to policyholders is heavily dependent on consistent operation of our Customer Service Centers. The two hubs for these operations are located in Richmond, Virginia, and Lynchburg, Virginia, which are approximately 110 miles apart and sometimes are affected by similar weather conditions. Recently, these geographical locations have been subject to more frequent tornados and other severe weather events. A further increase in the frequency or severity of catastrophic weather or other natural events, resulting in large part from climate change, could cause us to encounter operational disruptions, reputational risks, increased capital costs related to the restoration of damaged property, and employee benefit costs related to the increased risk of injury. Although Genworth properties did not experience any damage from natural disasters, extreme weather events such as tornadoes may also impact river flooding and employee access to sites in worst case scenarios.

Specifically, the business could experience an interruption in new business processing, claims processing and other customer service-related activities for our U.S. Life Insurance business operations. Our mail facilities also are located in these two sites for this business segment, which could result in limited access to mail or other vital information critical to our ability to transact business. The company may also incur increased capital expenditures to repair or replace facilities or equipment in addition to other increases in operating expenses, including higher (1) property insurance, (2) energy costs, or (3) employee benefits insurance costs associated with the increased risk to employees on our campuses and otherwise.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

5,000,000

Explanation of financial impact figure

The estimated financial impact ranges from $1,000,000-$5,000,000 and is calculated based on the outcome of our risk assessment, which includes an assessment of the likelihood of occurrence of a particular risk and the severity of its financial impact. Specifically, the company may incur increased capital expenditures to repair or replace facilities or equipment (~40% of the potential financial impact range) in addition to other increases in operating expenses, including higher (1) property insurance, (2) energy costs, or (3) employee benefits insurance costs associated with the increased risk to employees on our campuses and otherwise. These costs represent ~30%, ~20%, and ~3% respectively of the potential financial impact range. The estimated range includes ~7% margin to account for higher or unanticipated expenses, given the variability in both circumstances and potential costs.

Cost of response to risk

570,000

Description of response and explanation of cost calculation

To manage the impact of these events, Genworth has implemented programs and policies, such as the Work from Home Policy and the Safety Training, for all associates. As it pertains to fire related incidents, Genworth invests $550,000 every 5 years ($110,000.00 per year) to enable employees to log into our systems from home. We also provide stipends for many of our employees who primarily work remotely to cover internet costs (roughly $325,000 per year) as well as network enabled phones to take calls (an additional $135,000) to mitigate risks associated with weather-related incidents.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation

Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Other, please specify

Reduced stock price (market valuation)

Climate risk type mapped to traditional financial services industry risk classification

Reputational risk

Company-specific description

Genworth partners with several third-party service providers in the normal course of business that often are more directly impacted by the potential for climate-related developments. Some are engaged as third-party administrators and provide services directly to our customers on Genworth's behalf.

Beyond the operational risks, which should be mitigated by the business continuity/disaster recovery plans that we evaluate for select suppliers, potential affiliation with suppliers who do not have robust environmental practices may result in (1) the need to transition these services to other providers or to bring them inhouse, or (2) negative publicity for Genworth, both of which present significant reputational risk. Under these circumstances, Genworth could incur considerable expense to manage a service transition, and our stock price and overall market valuation may decrease, or otherwise be impacted by an increase in volatility. The amount of additional expense, or extent of any potential stock price variation, would depend on the specific circumstances surrounding the event.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

5,000,000

Explanation of financial impact figure

For select suppliers, we consistently monitor activity to stay informed about their business operations. Should an environmental issue arise that is highlighted publicly, we will evaluate the circumstances and take appropriate action to mitigate the impact.

We have based our financial estimates on the outcome of our risk assessment, which includes an assessment of the likelihood of occurrence of a particular risk and the severity of its financial impact. We use a five-point scale for both likelihood and severity. Genworth developed its severity criteria, and the related financial impact ranges, for each scale (low through severe) after considering the impact of the risk to Genworth's reputation, operations, data integrity, information security and compliance. Given this criterion, we rated this risk as 'Medium' with a financial impact between $1,000,000-$5,000,000.

We have considered the costs associated with managing a service transition, and the fact that our stock price and overall market valuation may decrease, or otherwise be impacted by an increase in volatility related to the reputational risk contemplated. The amount of additional expense, or extent of any potential stock price variation, would depend on the specific circumstances surrounding the event. The financial impact range we have assigned relates to potential transitional expenses associated with a disruption in third-party servicing and the associated mitigation. However, we recognize that an incident of this kind could result in stock price variation in the range of potentially 0 to 10%, depending on the circumstances and the scope/materiality of the third-party service provider's engagement. (At the end of 2020, Genworth's stock was valued at approximately $3.78 per share)2. Due to mitigation efforts, we do not believe an incident of this kind would result in a permanent decrease in valuation, and therefore have not accounted for this in the financial impact figures.

Cost of response to risk

1,535,000

Description of response and explanation of cost calculation

While the impact from an event of this kind is largely reputational, as opposed to financial, we consider a supplier's environmental practices and disaster recovery capabilities as part of our review process during supplier selection. We consider the absence of a clear position or an unsatisfactory finding in this area as we assess potential suppliers. We require select third-party service providers to have a business continuity/disaster recovery plan, and we conduct annual reviews of our top third-party suppliers who are classified as "high risk" according to a risk-based assessment that considers the content, scope, and terms of the supplier engagement, and biennially for those classified as "medium risk." . The "cost of response to risk" figure ($1,535,000) represents the resources used to conduct, compile, and complete the annual business reviews for select third party service providers. In 2020 we completed a total of 655 risk, business and security assessments using 141 supplier relationship managers and our Sourcing team.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Resource substitutes/diversification

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Regulatory changes may foster development of new investment instruments that we can add to our investment portfolios to enhance returns and asset-liability management activities. Regulation that promotes the development of cost-effective renewable energy sources or funnels research funds to identify break-through sustainable energy technologies someday may result in lower future operating costs, reduced GHG emissions and additional technology-driven advances in data processing. For example, we have the opportunity to provide solar electricity at our Richmond, Virginia facility. We currently have reduced our electricity consumption in Richmond from 11.3mm kWh in 2015 to 8.0 mm kWh in 2020, totaling a 3.3 mm kWh reduction. Potential developments in cost-effective renewable energy at our Richmond facility may result in further reductions in electricity consumption and reduce our operating costs.

Time horizon
Long-term

Likelihood
About as likely as not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
411,517

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
Development of new investment instruments and resource substitutes, such as renewable energy, may result in lower operating costs. 411,517 is representative of the total cumulative electricity savings resulting from reducing our electricity consumption in Richmond from 11.3 kWh in 2015 to 8.0mm kWh in 2020.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Genworth's Legal, Compliance and Government Relations departments continually monitor regulatory changes as part of normal business procedures to identify proposed, pending, and adopted regulations that impact our businesses.

Comment
We currently do not have available calculations for the cost to realize opportunity, therefore the information provided is 0.

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resilience

Primary climate-related opportunity driver

Other, please specify
Reduced auto emissions of employees

Primary potential financial impact

Other, please specify
Overall employee carbon reduction with less use of gas

Company-specific description

A hybrid approach to allowing employees to continue to work from home for some period of time during the work week, or permanently, can reduce commute times and result in lower auto emissions. Assuming a 25% reduction in overall commuting across the company, we estimate an annual reduction of 1,378 MT CO2e.

The associated benefits are greater employee satisfaction and an increase in both productivity and employee engagement.

We estimated associates work days in a year and their commuting distance to their office location. We assumed a 25% reduction in the annual round trip mileage and applied fuel usage at 25 MPG. We further assumed EPA's 8.78KG CO2 per gallon used.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

75,927.8

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The Environmental Defense Fund has estimated the social cost of one ton of carbon at over $50/ton (current central estimate). This a measure of the economic harm from those impacts, expressed as the dollar value of the total damages from emitting one ton of carbon dioxide into the atmosphere. The annual impact of reducing emissions by 1,378 MT CO2e is estimated at $75,927.80. ($50/ton * 1.102 ton conversion to MT * 1,378 MT CO2e).

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

To achieve this opportunity Genworth would need to develop a policy to allow employees to work remotely on a more frequent basis than existed pre-pandemic. Since Genworth has been successfully working from home since mid-March 2020, we believe many associates will avail themselves of the opportunity to work from home for some portion of their workweek. This has no additional costs, as work from home protocols are already embedded into existing business operations.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Other, please specify

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Genworth is committed to developing programs designed to assist customers in reducing environmental impacts, such as paper use. For example, we developed the MyGenworth online platform in 2018, 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 policyholders).

Through the MyGenworth platform, a total of 700,899 and documents have been uploaded, rather than printed and mailed, to date. During 2020, 205,388 documents were submitted either through the MyGenworth platform or DocuSign that otherwise would have been printed and mailed to Genworth. In 2020, we automated several customer service transactions which eliminated the need to download forms. As a result of these enhanced technologies, the number of paper submissions during 2020 declined slightly from the 289,032 we received in 2019.

These online platforms likely will continue to enhance our competitive position as they align with the preferences of those consumers who are environmentally-minded and are seeking eco-friendly, paperless options. Accordingly, they potentially could result in increased revenues.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The development of new products and services may indirectly result in increased revenues. We are unable to calculate any financial impact figures currently.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Genworth Financial has been investing in the development of online platforms, such as MyGenworth, which permits customers to access their information and transfer documents electronically and DocuSign, an automated tool that permits policyholders to affix a digital signature to a form instead of a traditional ink signature.

Through the MyGenworth platform, a total of 700,899 and documents have been uploaded, rather than printed and mailed, to date. During 2020, 205,388 documents were submitted either through the MyGenworth platform or DocuSign that otherwise would have been printed and mailed to Genworth. In 2020, we automated several customer service transactions which eliminated the need to download forms. As a result of these enhanced technologies, the number of paper submissions during 2020 declined slightly from the 289,032 we received in 2019.

Through these platforms, we have helped our customers reduce their paper usage. Moreover, they likely will continue to enhance our competitive position as they align with the preferences of those consumers who are environmentally-minded and are seeking eco-friendly, paperless options.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Comment
Row 1	No, we do not intend to publish a low-carbon transition plan in the next two years	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

As an insurance holding company committed to helping families achieve the dream of homeownership and address the financial challenges of aging through its leadership positions in mortgage insurance and long-term care insurance, Genworth does not generate significant greenhouse emissions. Additionally, the risks of impact to our service offerings, associated with climate change scenarios, is less significant. The Sustainability Accounting Standards Board (SASB) considers environmental risks to Financial Services companies to be immaterial. However, we plan to include elements of climate-related scenario analysis in our strategic considerations within the next two years. As part of our global macroeconomic assumptions, Genworth does consider GDP growth, core inflation, unemployment rate, and home price appreciation in business strategy scenario analysis, all of which are impacted by climate-related factors.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate-related risks and opportunities have influenced our strategy when evaluating products and services in our mortgage insurance business as extreme weather events, such as hurricanes, have the potential to lead to increased insurance claims liability for Genworth. We account for a potential spike in delinquencies and hardships during natural disasters, such as hurricanes, by posting appropriate reserves in case there is job loss as a result of the disaster event, which may lead to default and, ultimately, claims on our mortgage insurance policies. The actuarial team estimates the impact of the event by analyzing performance of cures and claims from similar events that occurred previously. When Harvey and Irma occurred in 2017, USMI used previous hurricane experience to forecast the likelihood of loan status moving from delinquency to claim along with the associated impact to USMI's financial statements. This information was used to set appropriate reserves, resulting in a 3% increase. We have tracked loans impacted by wildfires; however, reserve adjustments were not required in these instances since the number of impacted loans was immaterial. USMI tracks all loans in Federal Emergency Management Agency ("FEMA") disaster areas, which enables the business to receive Private Mortgage Insurer Eligibility Requirement ("PMIERs) capital credit for all delinquent loans in a FEMA designated disaster area. Risks are discussed at various forums, including the annual in-force reviews that occur at the GMI Risk Committee meetings attended by the segment's executive leadership. Key metrics (delinquencies etc.) are monitored at monthly meetings of this Committee. 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 P&C premiums. We have not observed any such permanent pricing anomalies, but we continue to monitor. Overall, Genworth considers climate-related risks associated with our products and services to have a medium-term time horizon.
Supply chain and/or value chain	Yes	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 those with whom we contract to provide services directly to our policyholders. To mitigate this particular risk, Genworth's Sourcing Team conducted reviews of 209 third-party service providers in 2020, who were identified using risk-based criteria (Suppliers identified as "high risk" are reviewed annually; suppliers identified as "medium risk" are reviewed biennially). These suppliers represent 74% of our annual procurement spend and also must comply with our requirement to have a business continuity/disaster recovery plan. During these reviews, the team did not identify any issues with the business continuity/disaster recovery plans for the select providers who are required to have them. While third-party suppliers are required to make affirmative representations about their compliance with applicable laws and regulations, including those related to the environment, at the time of contract, 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 risk, 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.
Investment in R&D	No	As an insurance holding company committed to helping families achieve the dream of homeownership and address

		the financial challenges of aging through its leadership positions in mortgage insurance and long-term care insurance, our investment in classic research and development is not as substantial as that of other companies in product-focused industries. As we look potentially to expand service offerings in our U.S. Life Insurance business, we will consider how climate-related events, particularly severe weather conditions, might disrupt the delivery of long-term care services and supports to those in need of these services.
Operations	Yes	In 2018, we created a platform, called 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 policyholders). Through the MyGenworth platform, a total of 700,899 documents have been uploaded, rather than printed and mailed, to date. During 2020, 205,388 documents were submitted either through the MyGenworth platform or DocuSign that otherwise would have been printed and mailed to Genworth. In 2020, we automated several customer service transactions which eliminated the need to download forms. As a result of these enhanced technologies, the number of paper submissions during 2020 declined slightly from the 289,032 we received in 2019. Genworth also converted to the use of recyclable containers in our Richmond, Virginia and Lynchburg, Virginia cafeterias and changed default print setting to black and white to avoid unnecessary color printing. In our Raleigh, North Carolina site, the number of printers per floor of the building was reduced from 4 to 2 and recycle bins were added to all employee breakrooms (recycle bins already were in use in our Richmond, Virginia and Lynchburg, Virginia sites).

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Capital expenditures Liabilities Claims reserves	Revenues: Genworth acknowledges that disasters, whether natural or man-made, may have a potential indirect impact on our future business operations, negatively impacting our revenues. For climate-related risks, primarily applicable to our Mortgage Insurance business, a potential spike in delinquencies and hardships during natural disasters, often resulting from job loss, may lead to default and claims on our mortgage insurance policies, which will impact operating income. Past natural disasters such as Hurricanes Katrina (2005), Harvey (2017), and Irma (2017) have resulted in a 5-15 times higher delinquencies than normal rates in those geographies. These risks are discussed at various forums including the annual in-force reviews that occur at the GMI Risk Committee meetings attended by the GMI CEO, CFO, CRO, General Counsel, and the CEOs of our Mortgage Insurance businesses in the U.S. and Australia. In addition, key metrics (new business, delinquencies, etc.) are monitored at monthly meetings of this Committee. The incremental losses resulting from these natural disasters have not been material due to the nature of the mortgage insurance claims. We also could adjust new business pricing accordingly if required. New business insurance volumes may shift permanently in geographies often affected by climate change events as those locations become less desirable for employers and home-buyers. However, we have observed only temporary interruptions in new business in geographies affected by natural disasters 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 P&C premiums. We have not observed any such permanent pricing anomalies, but we continue to monitor these. We would consider adjusting new business pricing accordingly. We anticipate that the identified risks and opportunities potentially could impact our products and services within a 5-10-year timeframe. Capital expenditures: Genworth has focused on implementing a variety of building energy efficiency initiatives. For example, Genworth has installed more energy efficient chillers, all LED lights in our facilities, a more energy efficient roofing system in our Lynchburg office and changed to an automated process for managing the climate levels inside our buildings (how we heat and cool the facility) resulting in significant savings of kilowatt hours used for each of the past 10 years. Our organization has replaced older energy-intensive equipment at our office

		buildings with equipment that is more energy-efficient. Over the past 7 years, we have reduced the energy consumption at our Lynchburg facility by 1,816,400 kWh, with a reduction of 222,400 kWh from 2018 to 2019. We expect these investments to continue to result in reduced operating costs associated with lower energy consumption. Assets: Climate-related risk are assessed as in the diligence process for our investments in the following areas: -Alternative Assets – Advisors analyse ESG platforms of private equity managers and portfolio companies; -Middle Market Loans – Genworth's advisor evaluates the current and potentially future ESG impact on a company's creditworthiness; and -Commercial Real Estate – We routinely conduct environmental assessments during diligence for real estate we are planning to acquire 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, specifically oil and gas, are periodically impacted by natural disasters attributed to climate change. The investments group has clearly defined triggers which alert them to the need to consider potential asset reallocation decisions to lower the risk of holding investments negatively impacted by these climate-related incidents. Liabilities: As a long-term care insurance company, Genworth assumes long-tail risk. Since we rely on historical results to price future liabilities, a longer-term shift in climate patterns could lead to an increase in our mortality and morbidity experience in life and long-term care, above the assumptions we used in pricing our insurance products - health impacts associated with climate change could affect mortality and morbidity trends. This occurrence could significantly impact our business results. In the shorter term, climate-related risks also 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. Our assumptions are evaluated annually by an Assumption Governance Committee that includes actuarial leaders, business leaders, the Enterprise CRO and CFO, to determine if modifications are required. Moreover, as an owner and operator of real property, we are subject to extensive U.S. federal and state and non-U.S. environmental laws and regulations. Potential environmental liabilities and costs in connection

		with any required remediation of our properties is also an inherent risk in property ownership and operation. In addition, we hold equity interests in companies and have issued loans, secured by properties, that could potentially be subject to environmental liabilities. We cannot provide assurance that unexpected environmental liabilities will not arise. However, based upon information currently available to us, we believe that any costs associated with compliance with environmental laws and regulations or any remediation of such properties will not have a material adverse effect on our business, financial condition or operational results. We anticipate that the identified risks and opportunities potentially could impact our products and services within a 5-10-year timeframe. Claims reserves: We account for a potential spike in delinquencies and hardships during natural disasters, often resulting from job loss, by posting appropriate reserves for the possibility of default and, ultimately, claims on our mortgage insurance policies. Past natural disasters such as Hurricanes Katrina (2005), Harvey (2017), and Irma (2017) have resulted in a 5-15 times higher delinquencies than normal rates in those geographies. These risks are discussed at various forums, including the annual in-force reviews that occur at the GMI Risk Committee meetings attended by the GMI CEO, CFO, CRO, General Counsel, and the CEOs of our Mortgage Insurance businesses in the U.S. and Australia. In addition, key metrics (new business, delinquencies, etc.) are monitored at monthly meetings of this Committee. The incremental losses resulting from these natural disasters have not been material due to the nature of the mortgage insurance claims.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

Genworth recognizes the importance of environmental, social and governance considerations, and we strive to conduct our business in a socially responsible manner, including integrating sustainability considerations into our business decisions. With the oversight of the Nominating and Corporate Governance Committee of Genworth's Board of Directors, we developed our Genworth Financial Environmental Policy, which focuses on reducing environmental impacts related to our business operations. Throughout 2020, as the company also was focused on a major transaction involving the pending acquisition of Genworth Financial, this Board Committee continued to reiterate its commitment to climate-related concerns and other ESG considerations. Regular updates to the NCGS on sustainability efforts continued during this period.

Genworth understands that a responsible approach to preserving the environment is critical to building trust and creating long term value for our stakeholders— including consumers, distribution partners, employees, and investors. This commitment is embedded in our business objective and strategy, and we continue to work toward implementing best practices to support environmental sustainability, including:

- Tracking and assessing our carbon footprint through development of greenhouse gas inventory and engagement in environmental metrics and reduction targets;
- Considering environmental factors in conducting business activities, with a focus on reducing impacts through energy efficiency and water and resource conservation; and
- Development of programs designed to educate and assist our employees, business partners, and other stakeholders in mitigating environmental impacts.

In 2020, Genworth established its "Green Team," a cross-functional group of employees promoting sustainable efforts. The team undertook a coordinated communication campaign to enhance employee awareness of climate-related issues and encourage environmentally friendly practices to help employees put embrace resource conservation efforts to reduce their environmental footprints. The team delivered virtual content that enabled employees to have access to information and resources, including links to video content on environmental issues, virtual tours of national parks, and detailed information on specific conversation tips. The team also coordinated a virtual celebration of "Earth Day" and contributed segments to bi-weekly employee communications. In June of 2020 Genworth celebrated a Virtual Month of Service, focusing each week on a specific environmental topic about land, water, wildfires, and air quality and culminating in an engaging "Bingo" challenge.

We have been making progress on our commitments to reduce our environmental impacts. Over a five-year period from 2014 to this reporting period, Genworth has made reductions in Scope I & II emissions by ~57% (in metric tons) and the following Scope III emissions:

- travel decreased by ~56%,
- paper use decreased by ~59%.

The most substantial business decision in this regard is related to our commitment to reduce environmental impacts through energy efficiency. In 2018, we replaced our chiller system at our Lynchburg, Virginia facility with a more energy-efficient system; this reduced our electricity consumption at the facility by 108,800 kWh or approximately 62 metric tons.

C-FS3.6

(C-FS3.6) Are climate-related issues considered in the policy framework of your organization?

No, but we plan to consider climate-related issues in our policy framework in the next two years

C-FS3.6c

(C-FS3.6c) Why are climate-related issues not considered in the policy framework of your organization?

Climate-related issues are not yet fully integrated into Genworth's policy framework relating to our financing activities. However, in 2020, we amended our sourcing policy to include ESG considerations. In addition, we updated our supplier selection process to include sustainability considerations by incorporating specific ESG items, including climate-related inquiries, into our

Standard Request for Proposal Templates. Internal supply review managers were trained to understand how to incorporate these templates and process changes into their assessments.

We also began to develop the framework, which will be continuously refined, to assess ESG considerations related to our investment portfolio, including climate impacts. Beginning in 2021, which is beyond the scope of our current reporting year, among other things, we will include an evaluation of our internal credit portfolio holdings to understand how each is managing and mitigating climate-related risks. We anticipate adding more extensive climate-related policies to our framework relating to financing activities in the next few years as there is a concerted effort by Genworth further to understand and evaluate climate-related and ESG issues facing Genworth and the Financial Services industry at large.

C-FS3.7

(C-FS3.7) Are climate-related issues factored into your external asset manager selection process?

Yes, for all assets managed externally

C-FS3.7a

(C-FS3.7a) How are climate-related issues factored into your external asset manager selection process?

	Process for factoring climate-related issues into external asset management selection	Comment
Row 1	Review asset manager's climate-related policies Other, please specify We look to determine whether an external asset manager incorporates ESG and climate-related risks into their assessments. Through our selection process we have discussions about how these risks are factored into their assessments.	All of our external asset managers had ESG policies in 2020 and either were UN PRI signatories, initiated the process to become one or comply with the Principles.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain

Row 1	Important but not an immediate business priority	We expect our emissions to continue to decline modestly over the next five years.	As an insurance holding company committed to helping families achieve the dream of homeownership and address the financial challenges of aging through its leadership positions in mortgage insurance and long-term care insurance, Genworth's operations do not generate significant greenhouse gas (GHG) emissions. Since our GHG emissions are modest, setting an emissions target is not a high priority concern currently, however, we are exploring GHG reduction efforts in the future. We expect our GHG emissions to decrease over the next 5 years through efforts, such as energy efficiency and water and resource conservation. We are exploring optimal business models and considering hybrid work arrangements combining office and remote working options. Consolidations and reductions in facility space at the site level are expected to translate into emissions reductions. For example, our site located in Richmond, Virginia, was consolidated from four separate units into a single building. We also reduced our footprint at our Lynchburg, Virginia site.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0

Implementation commenced*	0	0
Implemented*	2	1,695
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

145

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

18,378

Investment required (unit currency – as specified in C0.4)

21,000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

In Building 2 of our Lynchburg facility, we placed 912 light fixtures, most of which have 4 tubes (2 bulbs in the loading docks and café) for a total buld replacement of 3,500 bulbs at $6 per bulb.

Initiative category & Initiative type

Energy efficiency in buildings
Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

1,550

Scope(s)
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
19,873

Investment required (unit currency – as specified in C0.4)
134,600

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Genworth periodically runs employee awareness efforts to increase employee engagement with Genworth's environmental and GHG reduction efforts. In 2020, Genworth established its "Green Team," a cross-functional group of employees promoting sustainable efforts. The team undertook a coordinated communication campaign to enhance employee awareness of climate-related issues and encourage environmentally friendly practices to help employees embrace resource conservation efforts to reduce their environmental footprints. The team delivered virtual content that enabled employees to have access to information and resources, including links to video content on environmental issues, virtual tours of national parks, and detailed information on specific conversation tips. The team also coordinated a virtual celebration of "Earth Day" and contributed segments to bi-weekly employee communications. In June of 2020 Genworth celebrated a Virtual Month of Service, focusing each week on a specific environmental topic about land, water, wildfires, and air quality and culminating in an engaging "Bingo" challenge. Genworth launched a coordinated communication campaign to enhance employee awareness of climate-related issues and encourage environmentally friendly practices to help employees embrace resource conservation efforts to

	reduce their environmental footprints. The campaign included virtual content that enabled employees to have access to information and resources, including links to video content on environmental issues, virtual tours of national parks, and detailed information on specific conversation tips. In June of 2020 Genworth celebrated a Virtual Month of Service, focusing each week on a specific environmental topic about land, water, wildfires, and air quality and culminating in an engaging "Bingo" challenge. In 2020 Genworth employees donated over $1.4 million including Foundation matching gifts and volunteer awards, supporting over 10 0 non-profit organizations around the world. An estimated $198,500 was donated to organizations aligned with employee interests and engagements, which include environmental organizations.
Dedicated budget for energy efficiency	In 2020 Genworth completed two projects in line with our energy efficiency efforts. In Building 2 at our Lynchburg, Virginia site, fluorescent lights were replaced with LED technology, while the heating, ventilation, and air conditioning system was recommissioned for optimal use. We invested a total of $167,600, expecting annual monetary savings of $40,792.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2007

Base year end

December 31, 2007

Base year emissions (metric tons CO2e)

213

Comment

Scope 2 (location-based)

Base year start

January 1, 2007

Base year end

December 31, 2007

Base year emissions (metric tons CO2e)

16,618

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

532.46

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

3,775.37

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Small leased agents

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Genworth Financial has operational control over several small leased offices. As they make up less than 5% of total building square footage under operational control, we consider these emissions to be de minimis and, therefore we do not consider them to be relevant.

Source

Diesel fuel at the Lynchburg facility

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Diesel fuel presents an immaterial source of GHG emissions as we expect these emissions to comprise less than 5% of Genworth's total Scope 1 and 2 emissions. Therefore, was do not consider diesel fuel emissions for our Lynchburg, Virginia facility to be relevant.

Source

Refrigerants

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

GHG emissions related to the use of refrigerants for office HVAC purposes are expected to be immaterial and comprise of less than 5% of Genworth's total Scope 1 and 2 emissions.

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

4,069.52

Emissions calculation methodology

Emission factor source: Recycled content tool, RECON TOOL, developed by U.S. EPA using GHG methods specified by the UN Intergovernmental Panel on Climate Change, IPCC; Assumes all paper was equivalent to "office paper." Annual usage - 620,857 pounds of paper, 391.80
Metric tons of C02-e for 2019. For purchased I.T. equipment and furniture, the Quantis GHG Evaluator was used, which amounted to 3,677.72 MT CO2e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Purchased goods and services increased 3% over 2019, driven by an increase in spend associated with the purchase of additional IT equipment to support our work-from-home efforts due to the pandemic.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

Genworth does not require the use of capital goods in the development of its insurance and other financial products.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Please explain

All Fuel and Energy related activities are included in our Scope 1 and 2 calculations.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Genworth does not create a physical product that requires the purchase, delivery or distribution of outside components, during the development process.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Please explain

Genworth's development and offering of insurance and financial products does not require physical manufacturing or create a waste by-product.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

108.84

Emissions calculation methodology

Emission factor Source: U.S. EPA. Emission Factors for Greenhouse Gas Inventories. Last Modified: April 2021 https://www.epa.gov/sites/default/files/2021-04/documents/emission-factors_apr2021.pdf

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Air travel has decreased by 92% from 2019. Reimbursed miles have decreased by 88% from 2019. Rail travel decreased by 74% in 2019. These reductions were driven by the company's decision to discontinue all travel during the pandemic.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

876.82

Emissions calculation methodology

Employee commuting emissions were calculated using a distance calculator and the U.S. EPA. Emission Factors for Greenhouse Gas Inventories.

Last Modified: 26 March 2020. https://www.epa.gov/sites/production/files/2020-04/documents/ghg-emission-factors-hub.pdf.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Genworth's total employee commuting emissions would have been 4,402.44 MT CO2e. However, due to pandemic, we shifted to remote work starting on March 12, 2020. Therefore, the 876.82 MT CO2e is representative of employee commuting from January to March 12, 2020.

Upstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1,747.39

Emissions calculation methodology

Raleigh: Scope 2 = 504.53; Scope 1 = 0
Lynchburg (700 Main St): Scope 2 = 960.88; Scope 1 = 155.52
Stamford: Scope 2=126.46; Scope 1=51.39

Total Scope 3 emissions = 1,747.39

Source of emission factors: U.S. EPA. Emission Factors for Greenhouse Gas Inventories. Last Modified: 9 March 2020.
https://www.epa.gov/sites/production/files/2020-04/documents/ghg-emission-factors-hub.pdf

Source of raw data: invoices and intensity metrics

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This figure includes emissions from Genworth’s Raleigh, Lynchburg (700 Main St), and Stamford facilities.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

227.61

Emissions calculation methodology

Emission factors for downstream transportation and distribution (fleet) were sourced from: U.S. EPA. Emission Factors for Greenhouse Gas Inventories. Last Modified: 9 March 2020. https://www.epa.gov/sites/production/files/2020-04/documents/ghg-emission-factors-hub.pdf

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This figure represents the total annual usage of Genworth's fleet cars and decreased 51% from 2019 usage.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Genworth does not create a physical product for consumers.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Genworth does not create a physical product for consumers.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Genworth does not create a physical product for consumers.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Genworth does not sell a physical product and does not own or lease space to do so. Sales professionals are not company employees, and Genworth utilizes a third-party sales process in most cases.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Genworth does not utilize a franchise structure.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Scope III calculations are captured in the above categories.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

Scope III calculations are captured in the above categories.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00000532

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

4,307.83

Metric denominator

unit total revenue

Metric denominator: Unit total

8,096,000,000

Scope 2 figure used

Location-based

% change from previous year

6.34

Direction of change

Decreased

Reason for change

During 2020, Genworth implemented energy efficiency initiatives, particularly in upgrading lighting and heating, ventilation, and air conditioning systems, in its facilities, resulting in a decrease in our Scope 1 and Scope 2 emissions for the reporting year.

Our over all S1+S2 emissions have decreased almost 300 Mt CO2e from 4,600 Mt CO2e in 2019 to 4,307 Mt CO2e in 2020, resulting in a decrease in intensity of 6.34%.

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	We do not have any renewable energy consumption.
Other emissions reduction activities	1,695	Decreased	28.49	The decrease in emissions was attributed to LED lighting and HVAC boiler replacements. Change in Scope 1+2 emissions: 1,695 Previous year Scope 1+2 emissions: 5,948.55 1,695/5,948.55*100% = 28.49%
Divestment				
Acquisitions				
Mergers				

Change in output				
Change in methodology				
Change in boundary	177.85	Decreased	3	Genworth has included the Stamford facility under Upstream leased assets as these facility is not within our direct operational control (Scope 1 and 2 emissions). Previous year Scope 1+2 emissions: 5,948.55 3,098.21/5,813.07*100 = 53.3%
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year

Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	2,906.31	2,906.31
Consumption of purchased or acquired electricity		0	10,688.25	10,688.25
Total energy consumption		0	13,594.56	13,594.56

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Verification Report_Genworth Financial Inc_2020 GHG and Energy_ Final.pdf

DNV Verification Statement- Genworth_CDP template-7.27.21_Final.pdf

Page/ section reference

Verification Report: Pages 3 - 10
Verification Statement: Pages 1-2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Verification Report_Genworth Financial Inc_2020 GHG and Energy_ Final.pdf

DNV Verification Statement- Genworth_CDP template-7.27.21_Final.pdf

Page/ section reference

Verification Report: Pages 3 - 10
Verification Statement: Pages 1-2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism
Other, please specify
Business Review process on supplier sustainability initiatives

% of suppliers by number

3.71

% total procurement spend (direct and indirect)

74

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

In 2020, we updated our supplier selection process to include sustainability considerations by incorporating specific ESG items, including climate-related inquiries, into our Standard Request for Proposal Templates. Internal supply review managers were trained to understand how to incorporate these template and process changes into their assessments.

Our Code of Ethics for Suppliers specifically states that human rights and environmental sustainability concerns are key considerations when we assess supplier proposals and evaluate business relationships.

We have identified 209 suppliers out of 5,641 total suppliers (3.71%), representing 74% of our total procurement spend, as medium-to-high risk, based on a risk-based assessment that considers the content, scope, and terms of the supplier engagement. This group is subject to heightened scrutiny, including a comprehensive business review process with the supplier's senior leadership which includes sustainability initiatives. Suppliers identified as "high risk" are reviewed annually; suppliers identified as "medium risk" are reviewed biennially.

Impact of engagement, including measures of success

We determine the measure of success by if the vast majority of suppliers listed as medium-to-high risk comply with the contractual requirements, abide by applicable laws and regulations, have acceptable operational procedures, and embrace ESG principles, including those that are climate-related. In 2020, the vast majority of suppliers complied with the above requirements; therefore, we consider this engagement strategy a success.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Engagement & incentivization (changing customer behavior)

Details of engagement

Other, please specify

Encourage customers to engage in waste reduction activities

% of customers by number

80

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

Majority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

Through its Environmental Policy, Genworth is committed to developing programs designed to help customers reduce environmental impacts, including climate change. Our MyGenworth online platform provides paperless capabilities to our policyholders by permitting them to access and transfer information and documents electronically. Many of these initiatives are intended to enhance policyholder interactions with the company while reducing paper usage, and carbon emissions associated with the use and distribution of paper, while aslo promoting increasing comfort and acceptance among policyholders of a paperless environment.

Impact of engagement, including measures of success

By promoting the use of our online platform, we were able to encourage customers to utilize the paperless capabilities we have built.

In 2018, we created a platform, called 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 policyholders).

We measure the success of these initiatives by tracking the number of document submissions using the MyGenworth and DocuSign platforms, measured by the number of documents uploaded, as we look to reduce paper usage and promote increasing comfort and acceptance among policyholders of a paperless environment.

During 2020, 205,388 documents were submitted either through the MyGenworth platform or DocuSign that otherwise would have been printed and mailed to Genworth. In 2020, we automated several customer service transactions which eliminate the need to download forms. As a result of these enhanced technologies, the number of paper submissions during in 2020 declined slightly from the 289,032 we received in 2019.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Genworth is committing to educating other partners in the value chain, namely our over 3,000 employees, about the roles they play in reducing environmental impacts both at home and at work. We encourage our employees to reduce the carbon impacts associated with their respective commutes by offering several commuting amenities. For example, at our Richmond, Virginia; Lynchburg, Virginia; and Raleigh, North Carolina locations, we offer electric vehicle charging stations for our employees to charge their vehicles at no additional charge or fee. We also offer bike racks at our Richmond, Virginia; Lynchburg, Virginia; and Stamford, Connecticut locations. In 2020, Genworth established its “Green Team,” a cross-functional group of employees promoting sustainable efforts. The team undertook a coordinated communication campaign to enhance employee awareness of climate-related issues and encourage environmentally friendly practices to help employees embrace resource conservation efforts to reduce their environmental footprints. The team delivered virtual content that enabled employees to have access to information and resources, including links to video content on environmental issues, virtual tours of national parks, and detailed information on specific conversation tips. The team also coordinated a virtual celebration of “Earth Day” and contributed segments to bi-weekly employee communications. In June of 2020 Genworth celebrated a Virtual Month of Service, focusing each week on a specific environmental topic about land, water, wildfires, and air quality and culminating in an engaging “Bingo” challenge.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Other

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

1. The Sustainability Committee is comprised of representatives from the facilities, investments, travel, sourcing, risk, and corporate social responsibility functions and is responsible for much of the decision-making related to matters concerning sustainability and our environmental impact as a company. This Committee also is responsible for implementing our Environmental Policy and building awareness among employees about the Company's environmental impact. Each member of the Committee reports to management through the organizational line of accountability applicable to their functional expertise. Genworth's Chief of Staff, who also is a member of the company's Executive Council, oversees these initiatives in addition to the Company's government relations activities and external affairs as a central point of contact and reports to a Committee of the Board of Directors at least annually to review the Environmental Policy, discuss other sustainability initiatives, including steps taken in building awareness, and any external reporting outcomes and scores, including the CDP score.

2. Genworth's employees receive 40 hours of volunteer time-off annually to support the non-profit organizations they care about most, including organizations focused on environmental improvements. In addition to the volunteer time-off, Genworth's Corporate Social Responsibility team identifies and organizes volunteer opportunities specifically for Genworth employees, some of which are environmentally focused.

In 2020, Genworth established its "Green Team," a cross-functional group of employees promoting sustainable efforts. The team undertook a coordinated communication campaign to enhance employee awareness of climate-related issues and encourage environmentally friendly practices to help employees embrace resource conservation efforts to reduce their environmental footprints. The team delivered virtual content that enabled employees to have access to information and resources, including links to video content on environmental issues, virtual tours of national parks, and detailed information on specific conversation tips. The team also coordinated a virtual celebration of "Earth Day" and contributed segments to bi-weekly employee communications. In June of 2020 Genworth celebrated a Virtual Month of Service, focusing each week on a specific environmental topic about land, water, wildfires, and air quality and culminating in an engaging "Bingo" challenge.

Genworth employee volunteers in our various work sites engaged in several environmentally-focused initiatives, logging over 150 hours in 2021 in support of these activities.

3. The Genworth Foundation Matching Gifts program encourages employees to contribute to qualified charitable organizations, which ultimately helps to improve the communities in which they live and work. Employees are eligible for a 50% matching gift on any qualified donation up

to $5,000 per calendar year ($10,000 for Genworth officers and the Genworth Financial Board of Directors). In 2020 Genworth employees donated over $1.4 million, including Foundation matching gifts and volunteer awards, and supported over 100 non-profit organizations around the world. An estimated $198,500 was donated to organizations aligned with employee interests and engagements, which include environmental organizations. Additionally, in 2020, the Genworth Foundation offered special giving opportunities, with a 100% match of employee contributions to The American Red Cross and The World Central Kitchen for disaster relief. Genworth also contributed over $165,000 towards assisting wildfire relief in the Western U.S. and flooding in the Gulf Coast, through employee and the Genworth Foundation matching gifts .

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

From a governance perspective, Genworth's Executive Council, comprised of the company's executive management, oversees the company's strategic direction, including our climate change strategy. The company's Investment Committee, which includes members of the Executive Council, leads decisioning related to the incorporation of ESG considerations into the management of the company's investment portfolio. The Sustainability Committee is comprised of representatives from the facilities, investments, travel, sourcing, risk, and corporate social responsibility functions and is responsible for much of the decision-making related to matters concerning sustainability and our environmental impact as a company. This Committee also is responsible for implementing our Environmental Policy and building employee awareness about environmental impacts. Each member of the Committee reports to management through the organizational line of accountability applicable to their functional expertise. Genworth's Chief of Staff, who also is a member of the company's Executive Council, oversees these initiatives in addition to the Company's government relations activities and external affairs as a central point of contact.

The coordination and alignment of activities and climate change strategy is evident in operational initiatives Genworth has embraced to promote paperless transactions with the policyholders in our U.S. Life Insurance business, including MyGenworth and DocuSign. These initiatives were intended to enhance policyholder interactions with the company while reducing paper usage and promoting increasing comfort and acceptance among policyholders of a paperless environment. The Company also converted to the use of recyclable containers in our Richmond, Virginia and Lynchburg, Virginia cafeterias and changed default print setting to black and white to avoid unnecessary color printing. In our Raleigh, North Carolina site, the number of printers per floor of the building was reduced from 4 to 2 and recycle bins were added to all employee breakrooms (the recycle bins already were in use in our Richmond, Virginia and Lynchburg, Virginia sites). In addition, Genworth has established eligibility requirements organizations must meet to receive donations from its Matching Gifts program. These organizations may include climate-related organizations.

From a Risk perspective, our Global Risk organization considers processes and activities across our global enterprise. We have aligned the Risk organization around a matrix structure of six risk types, two risk functions, and our existing business platforms. Aligning the organization in this way permits a comprehensive understanding and assessment of each type of risk, facilitates the sharing of - knowledge across the enterprise more effectively, enhances daily decision-making for the business, enables better management of risk, and maximizes risk/return for each business platform, investments, and the company as a whole. This structure, along with additional planned enhancements, will help ensure that our risk management processes align with evolving global best market practices and with converging global regulatory requirements and expectations of effective Enterprise Risk Management.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

Genworth Financial 2020 10-k.pdf

Page/Section reference

Pages 84 - 85

Content elements

Risks & opportunities

Comment

Year on year reductions in relevant Scope 3 emissions .

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Genworth Financial 2020 Sustainability Report.pdf

Page/Section reference

Page 16

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Other metrics

Comment

This is our first sustainability report, and details our environmental, social, and corporate governance (ESG) approach, in addition to our performance, progress, and achievements, with a particular focus on our results in 2020.

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Other, please specify	Genworth is evaluating reporting frameworks, industry initiatives and environmental commitments. In 2020, we provided additional disclosures aligning with the Sustainability Accounting Standards Board (SASB) Index. Our annual Sustainability Report includes disclosures on SASB metrics, such as the integration of environmental, social, and governance factors in investment management.
Industry initiative		
Commitment		

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Comment

Investing (Asset owner)	No	While Genworth does not currently analyze our portfolio's impacts on climate to a full extent, there is heightened interest of this topic. In 2020, we have begun to develop the framework to assess our investments portfolio, with immediate plans to (1) score all credit portfolio holdings (corporate and municipal bonds) from an ESG perspective in the near term, and (2) develop a customized index to track sensitive exposures.
Insurance underwriting (Insurance company)	No	Genworth continues to refine its processes for analyzing our portfolio's impacts on climate.. In 2020, we began to set the framework for increasing our engagement in assessments of climate-related risks related to our insurance underwriting portfolio.
Other products and services, please specify	Not applicable	

C-FS14.1c

(C-FS14.1c) Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 "Investments" emissions or alternative carbon footprinting and/or exposure metrics)

As of this reporting year, Genworth has not conducted an analysis of our Scope 3 portfolio impact. However, the company is planning to measure portfolio carbon emissions within the next two years. The Company has several long-tail liabilities associated with insurance products in its U.S. Life Insurance business and plans to continue to employ appropriate investment strategies to pursue optimal asset/liability matching.

Climate-related information is currently evaluated in the diligence process for our investment portfolio by our external advisors in the following areas:

- Alternative Assets – Advisors incorporate ESG analysis into diligence and investment decisions and work with private equity managers and portfolio companies to improve ESG metrics; and
- Middle Market Loans – Genworth's advisor evaluates the current and potential future impact of ESG factors on a company's creditworthiness

We note that all of our external asset managers had ESG policies in 2020 and either were UN PRI signatories, initiated the process to become one or comply with the Principles.

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, specifically Utilities, are periodically impacted by natural disasters attributed to climate change. The Investments group closely tracks natural disasters and when appropriate takes action to lower exposure on investments negatively impacted by these climate-related incidents. We are evaluating other ways to measure portfolio impacts, including plans to track and analyze sensitive exposures.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Investing (Asset owner)	No	As of 2020, Genworth I did not actively seek to align our portfolio to a well below 2-degree world. However, we began to develop the framework, which will be continuously refined, to assess ESG considerations related to our investment portfolio, including climate impacts. Genworth Financial recognizes the growing importance of financial companies aligning and managing their portfolios to a well below 2-degree world to mitigate climate-related risks. Our future ESG initiatives will include an evaluation of our internal credit portfolio holdings to understand how each is managing and mitigating climate-related risks. Among other things, this framework also includes submission of CDP's Financial Sector-Based Questionnaire.
Insurance underwriting (Insurance company)	No	As of 2020, Genworth Financial did not actively seek to align our insurance underwriting portfolio to a well below 2-degree world. In 2020, we continued to refine the framework for assessing more generally how our portfolio impacts the climate.
Other products and services, please specify	Not applicable	

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief of Staff (Other C-Suite Officer Equivalent)	Other C-Suite Officer

Submit your response

In which language are you submitting your response?

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response		Public

Please confirm below