

16 JUNE 2022

Investor Day

Agenda

| Time | Topic | Speakers |
|-------|--------------------------------|-------------------------|
| 08:45 | Introduction | Pauline Blight-Johnston |
| 09:00 | Marketplace | Pauline Blight-Johnston |
| 09:15 | Strategy | Lisa Griffin |
| 09:45 | Q&A | |
| 09:55 | Underwriting & risk management | Andrew Cormack |
| 10:25 | Q&A | |
| 10:35 | Morning tea | |
| 10:50 | Key financial drivers | Michael Cant |
| 11:20 | Investment portfolio | Michael Cant |
| 11:35 | Capital | Michael Cant |
| 11:50 | Outlook | Pauline Blight-Johnston |
| 12:05 | Q&A | |
| 12:15 | Wrap up | Pauline Blight-Johnston |

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Introduction

Pauline Blight-Johnston

Accelerating financial wellbeing through homeownership



Australia's leading LMI provider



Large and growing addressable market



Positioned for profitable growth



Ongoing capital management



Delivering strong TSR

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Leadership – blending experience and innovation



Pauline Blight-Johnston
CEO & Managing Director



Michael Cant
Chief Financial Officer



Andrew Cornack
Chief Risk Officer



Brad Dean
Chief of Staff



Jeremy Francis
Chief Operating Officer



Lisa Griffin
Chief Commercial
Officer – New Ventures

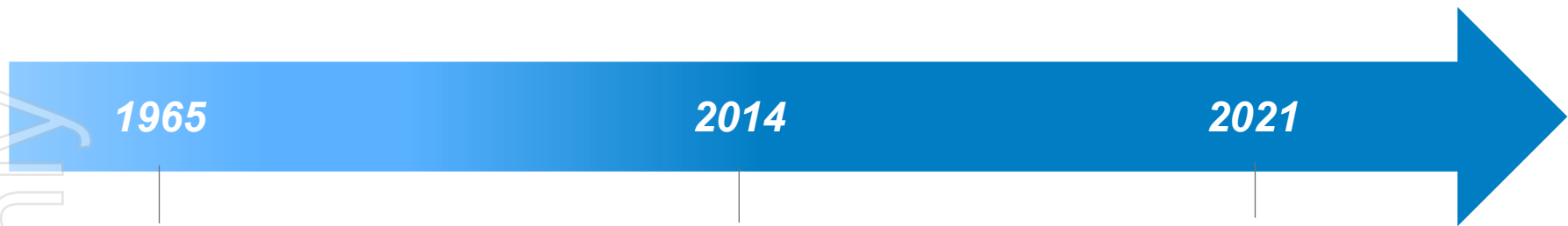


Nicole Lang
Chief People and
Culture Officer



Prudence Milne
General Counsel and
Company Secretary

Australia's leading LMI provider



1965

Australian Government established HLIC

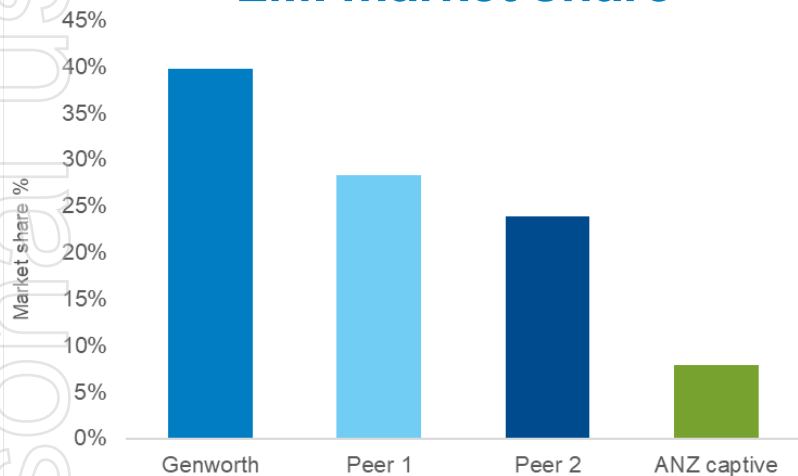
2014

IPO
GFI retains majority stake

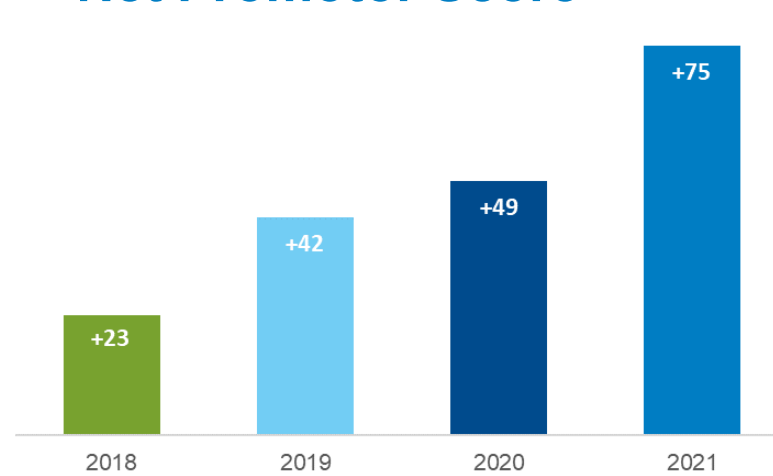
2021

GFI sells all shares

LMI market share¹



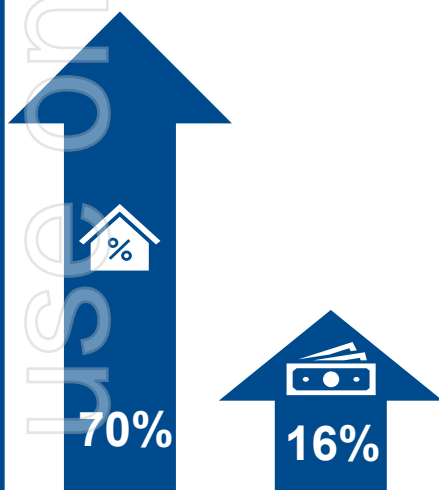
Net Promotor Score²



1. APRA quarterly general insurance institution – level statistics for the 12 months to 31 March 2022
 2. Genworth

A large and growing market

Since 2010



Prices¹ vs income²

Time to
save 20%
deposit

11.4
yrs³

Bank of
Mum and
Dad

\$34b⁴

~ 1.1m
home
buyers p.a

38%
first home
buyers⁵

1. CoreLogic Hedonic Home Value Index
2. Australian Bureau of Statistics (June 2021)
3. ANZ / CoreLogic Housing Affordability Report (May 2022)
4. Australian Financial Review (19 March 2021)
5. Australian Bureau of Statistics (May 2022)

Positioned for profitable growth



Improve the efficiency and competitiveness of LMI



Reimagine LMI for a new generation of home buyers



Leverage our core capabilities into complementary offerings

Ongoing capital management

Track record

\$2.57 aggregate dividends per share¹
\$707m capital returned²

Self-sustaining

In-force run-off funds new business

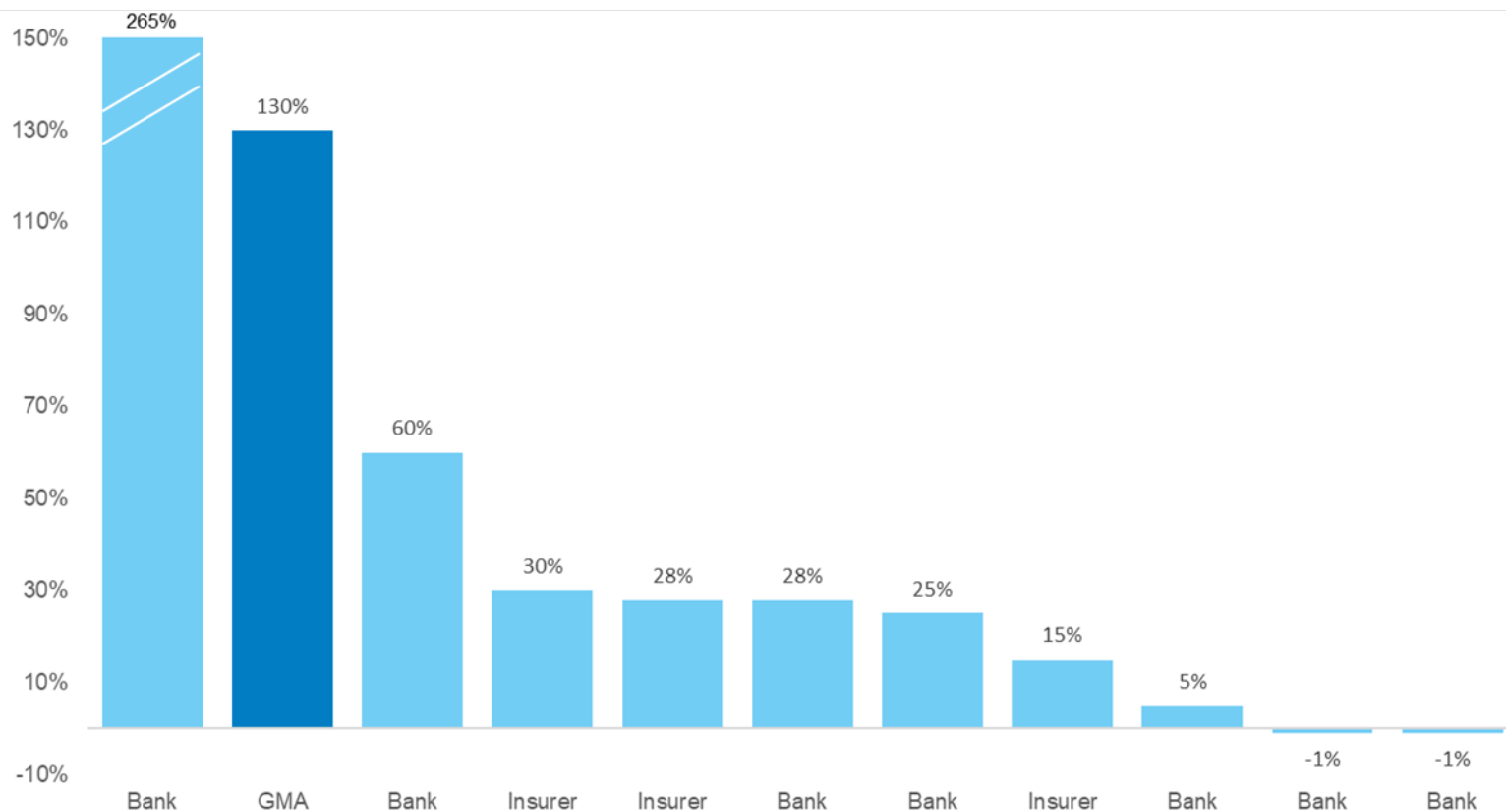
Excess capital

\$341m above target range³
Plan to be in target range within two years

1. Ordinary and special dividends since listing
2. Cumulative amount of capital returns and on-market buybacks since listing (until 10 June 2022)
3. Using pro-forma PCA of 1.84x at FY21 and midpoint of new board target range of 1.4-1.6x PCA

Delivering strong Total Shareholder Return

Total Shareholder Return May 2014 to 10 June 2022¹



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¹ iress

Sustainably contributing to Australia

Genworth ESG Pillars

Driving financial wellbeing and housing access

Enhancing climate resilience

Demonstrating good corporate citizenship

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Marketplace

Pauline Blight-Johnston

Enabling Australians to buy property sooner

No LMI

**20%
Deposit**

vs

LMI

**5%
Deposit**

Typical
cost
1%-2% of
loan¹



Buy a home now and
stop paying rent



Buy a property with the
deposit available now



Build financial
wellbeing and security

Insures lender

**Borrower pays the cost
of LMI**

1. Genworth

Homeownership – an issue of national significance

Working with government for greatest impact

Political and social drivers:

- Housing accessibility critical social issue
- Intergenerational equity
- Housing wealth critical to economy

Government

First home guarantee
Shared equity
Capped
First home buyers
Low-income earners

Genworth

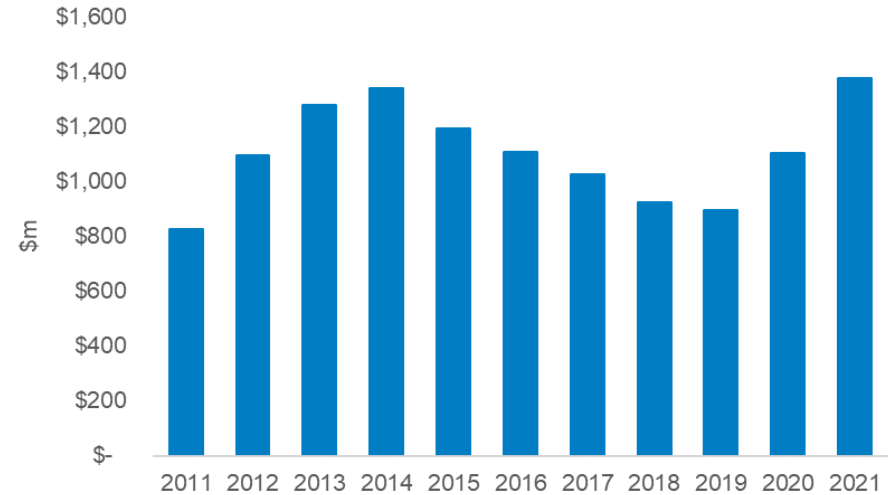
Supports whole market
Upgraders
Investors
Alternative pathways
Capacity

Market has strong growth, with cyclical peaks

New Housing Loan Commitments¹



LMI Industry Gross Written Premium²



- Housing lending market is large with long term growth
- LMI premium volume driven by HLVR lending (20-40% of total)
- LMI GWP also impacted by
 - Use of self insurance
 - Mix. eg shift away from high risk loans (> 90% LVR)

1. APRA Quarterly authorized deposit-taking institution property exposures statistics – 15 March 2022

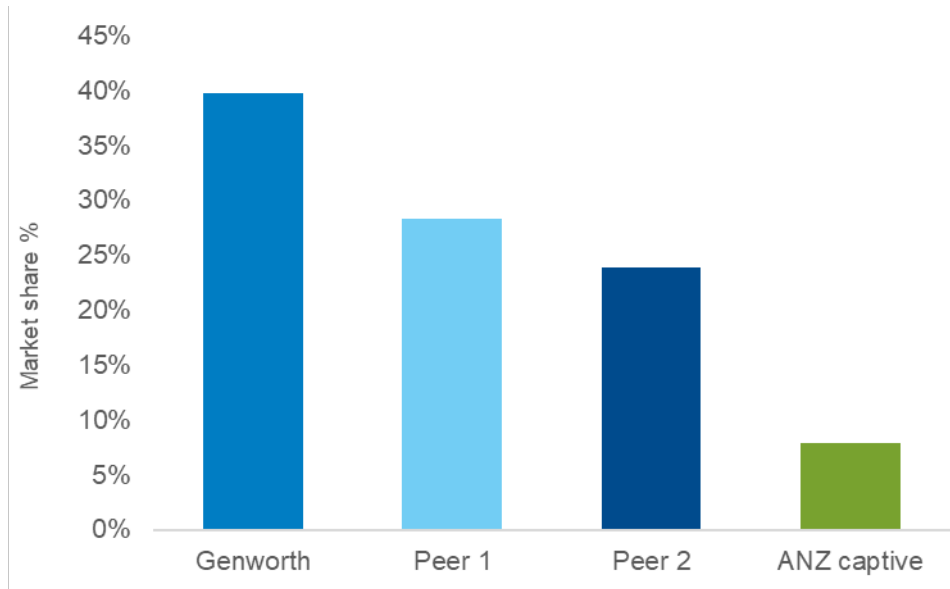
2. APRA Quarterly general insurance performance statistics – 26 May 2022

Leading market position

Top 10 Home Lenders¹

| | | |
|----|--------|----------|
| 1 | CBA | Genworth |
| 2 | WBC | Peer 2 |
| 3 | NAB | Peer 1 |
| 4 | ANZ | Captive |
| 5 | MQG | Captive |
| 6 | BOQ/ME | Genworth |
| 7 | BEN | Dual |
| 8 | ING | Genworth |
| 9 | SUN | Peer 1 |
| 10 | HSBC | Peer 1 |

Market Share 2021 Gross Written Premium²



1. APRA monthly authorised deposit taking institution statistics 31 May 2022

2. APRA quarterly general insurance institution – level statistics for the 12 months to 31 March 2022

A rational industry

Average gross loss ratio¹

27%

Average return on net assets¹

10.2%

- 2020 and 2021 impacted by COVID-19
- A significant portion of premium relates to servicing capital
- Long-term profitability driven by loss ratios and investment returns
- Fluctuations in claims cause year-to-year volatility
- Recent investment returns negative but rising investment rates will lift ongoing returns and profitability

1. APRA Quarterly general insurance performance statistics 2014 to 2021 (released 26 May 2022)

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Strategy

Lisa Griffin

Purpose and vision

Our purpose

Accelerate financial wellbeing through home ownership, now and for the future

Our vision

The leading choice for flexible home ownership solutions

2022 Strategic priorities



- Win new customers
- Deepen customer relationships

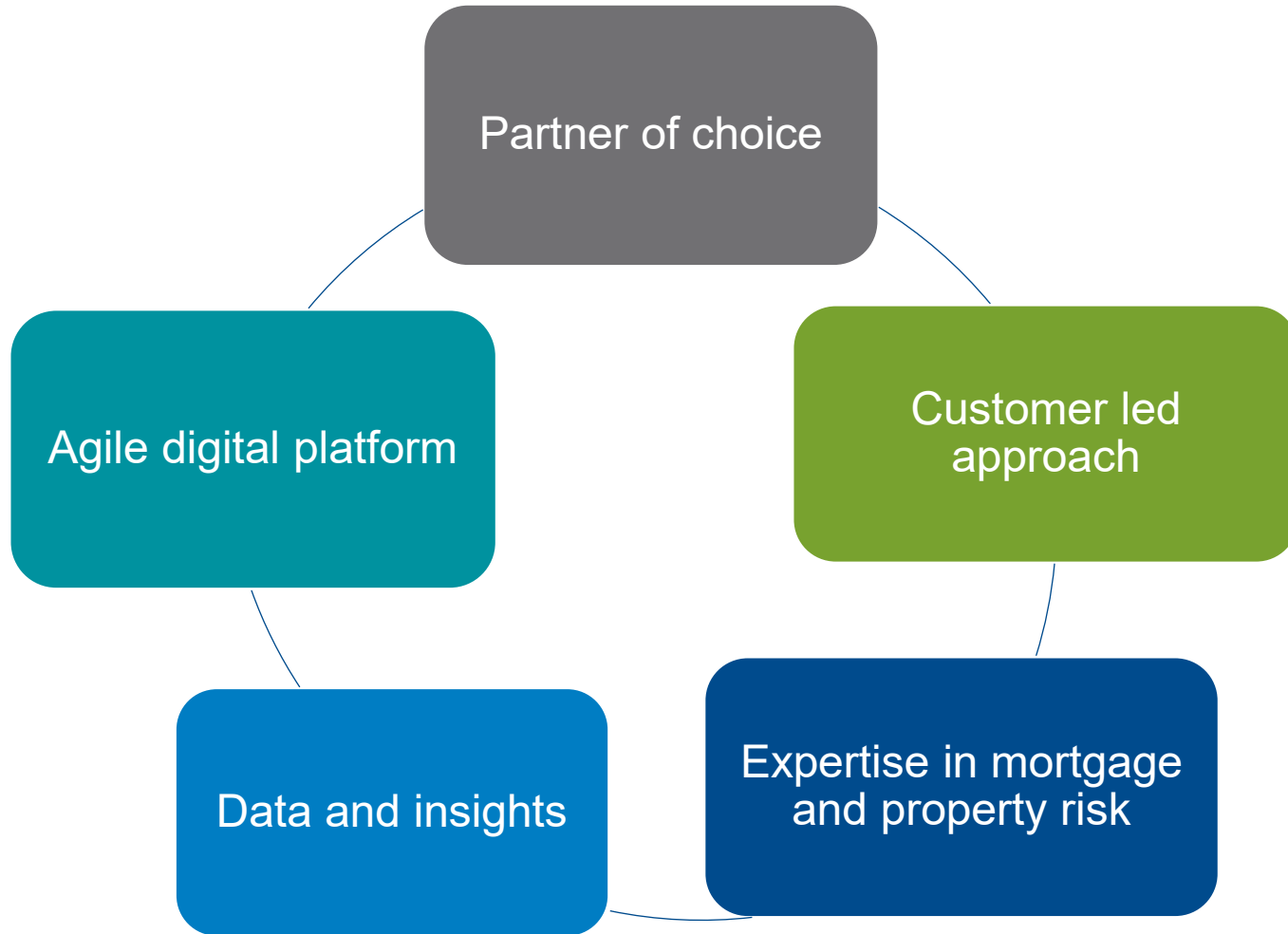


- Innovative new LMI offerings



- New products and services
- Diversified revenue streams

Key enablers of success



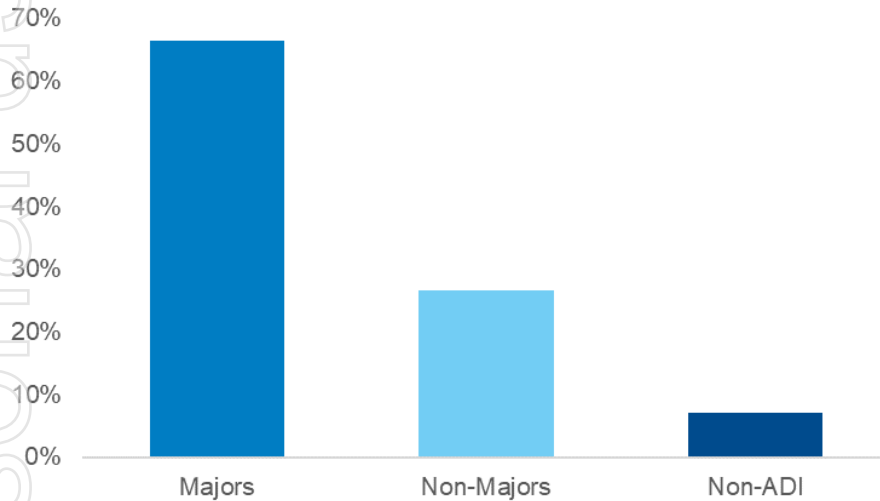
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100% renewal rate over the past 18 months

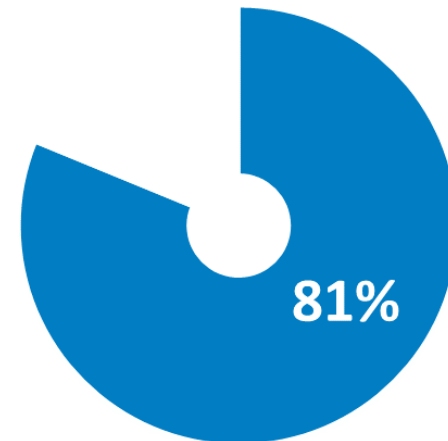
Recent wins

- CBA² – renewal
- ING – renewal
- BOQ – renewal (incl. ME Bank)
- Gateway – renewal
- Resimac – renewal

GWP split by lender category¹



2021 and 2022 customer renewals^{1,2} by GWP



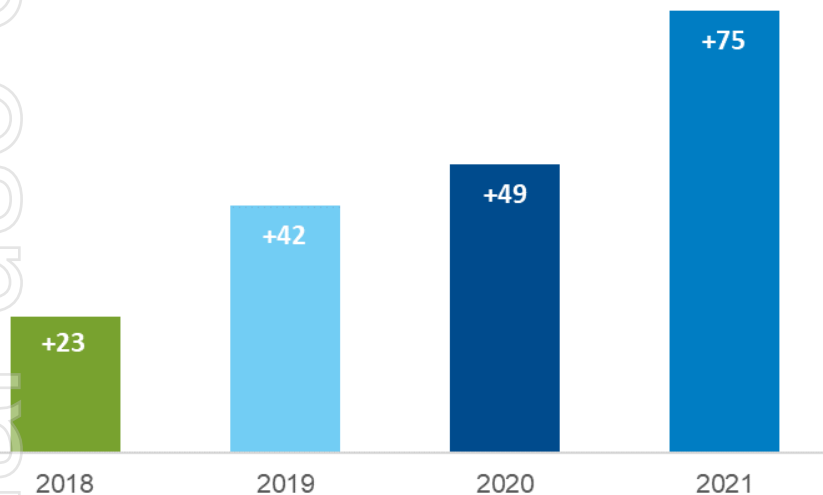
1. Genworth (flow volumes only)
 2. CBA subject to agreeing contractual terms

Reducing pain points and improving NPS

Enhance

Improve the efficiency and competitiveness of LMI

Net Promotor Score (NPS)¹



- Improving our speed to 'yes'
- Increased auto-decisioning
- Digital API integration

1. Genworth

Market education and product innovation

Evolve

Reimagine LMI for a new generation of home buyers

2021 – Market Education

- Sales support material and borrower education
- Deposit options calculator
- Focused marketing

2021 – Family Assistance LMI product

- For family / friends to provide support – paid upfront
- 15% LMI premium reduction

2022 – Next phase innovations

- Product enhancements to address lender and borrower pain points
- Variations of the LMI product for new and underserved markets

Exploring adjacent growth opportunities

Extend

Leverage our core capabilities into complementary offerings

- Home Access solutions – alternative pathways to home ownership



Who is OSQO?

- Pre-revenue technology start-up
- Built on blockchain technology

What is the offering?

- A shared equity deposit bond
- Co-investment to fund a 20% deposit
- Funding from either direct sources or pooled investors



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Q&A

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Underwriting risk management

Andrew Cormack

Strong 2021 recovery but changing cycle

Strong post-COVID recovery

- GDP growth $>3\%$ ¹ (March 2022)
- 2021 National HPA $\sim 22\%$ ²
- Unemployment $<4\%$ ³

Economic cycle changing

- Global inflation (demand and supply)
- Interest rates rising
- Housing prices moderating

Strong in-force portfolio position

- Substantial house price buffers
- Strong underwriting settings
- Diverse and seasoned portfolio
- Portfolio underweight key risks
- Low delinquencies

1. Australian Bureau of Statistics March 2022
2. Corelogic
3. Australian Bureau of Statistics April 2022

Strongly aligned credit risk frameworks and policies

Delegated underwriting authority (DUA) ~ 80% of 2021 New Business

- Upfront lender due diligence
- Aligned underwriting policy
- Continual senior level discussions on policy
- Material changes require approval
- Significant and regular interactions with lenders

Genworth underwriting (Flow) ~ 20% of 2021 New Business

- All loans underwritten by Genworth through either auto-approval or through referral to underwriters

Quality assurance

- Assurance reviews on lender data and compliance with underwriting policy
- Review of all claims for underwriting and loan servicing

Reducing underwriting risk

Historic product / underwriting changes

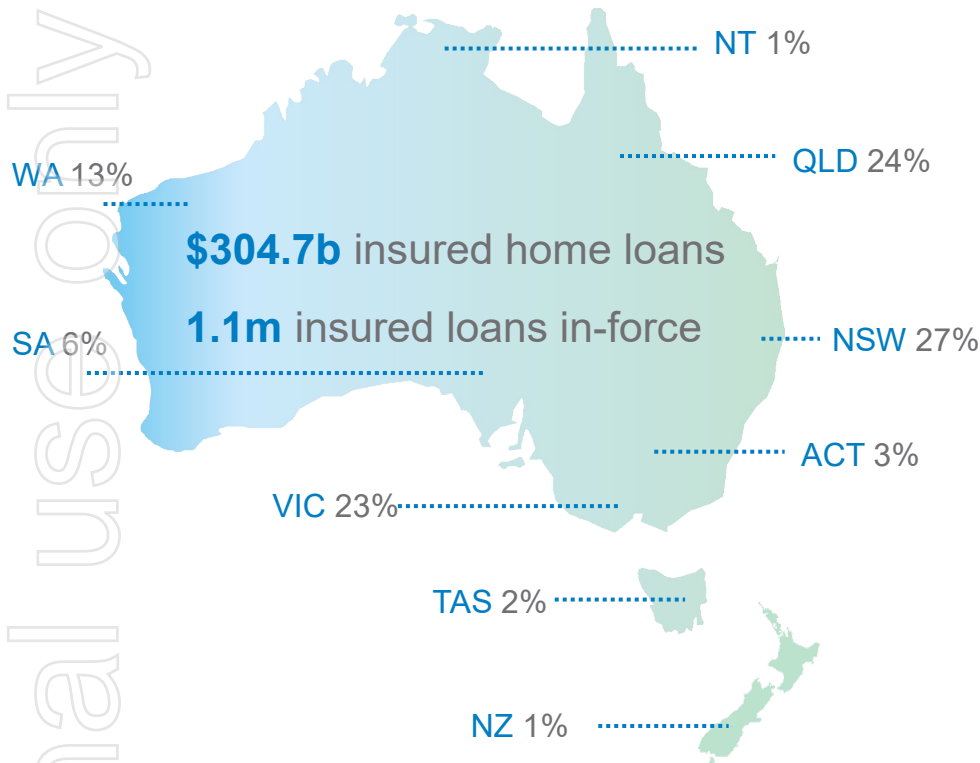
| Date | Action |
|------|--|
| 2009 | No appetite for Low Doc |
| 2013 | Premium loaders for investor, refinance, self-employed and non-genuine saving loans |
| 2015 | Enhanced serviceability calculators and verification of income, expenses and liabilities |
| 2016 | Established high risk postcodes controls including referral to Genworth underwriters |
| 2019 | Reduced appetite for Investor and Refi/Cashout loans > 90% LVR |
| 2021 | Regional location changes – LVRs restricted to 80% or 90% in selected postcodes |

Serviceability changes

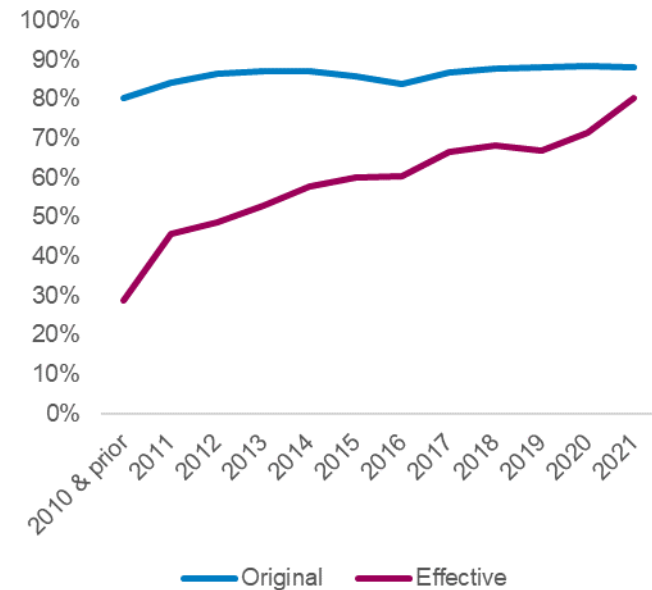
| Date | Action |
|----------|---|
| Jul 2021 | Continued tightening of Debt to Income (DTI) limits |
| Aug 2021 | Increased serviceability assessment floor rate to 5.25% |
| Oct 2021 | Interest rate buffer increased to 3.0% from 2.5% |

Diverse and seasoned portfolio

Insurance in-force by state¹



Original and effective LVR by book year¹

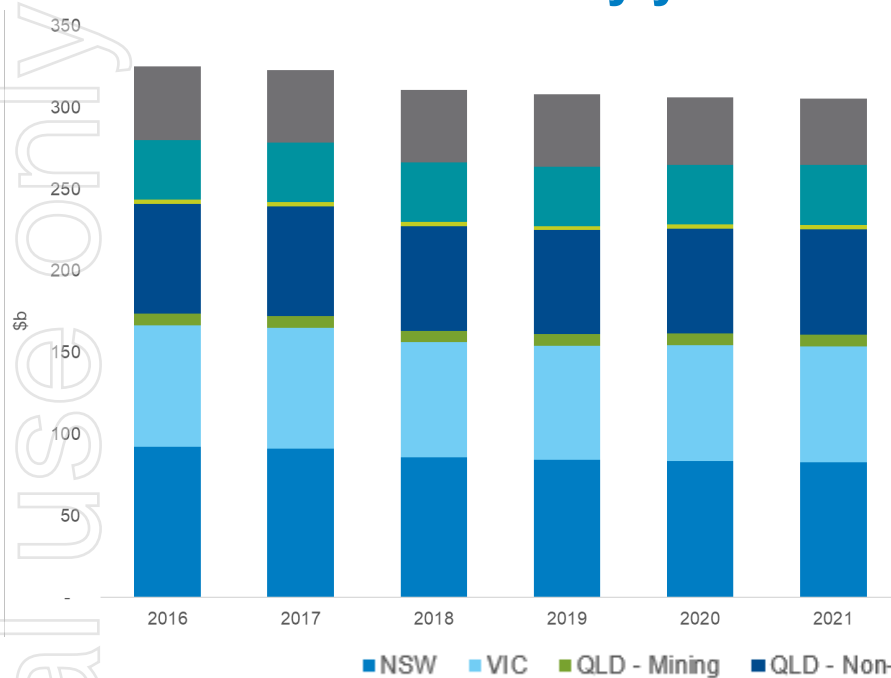


- Nationally diverse in-force portfolio, capital cities (70%) and regional (30%)
- Seasoned in-force portfolio with significant loan amortisation and house price appreciation (effective LVR of 46.5% vs. original LVR of 81.6%)

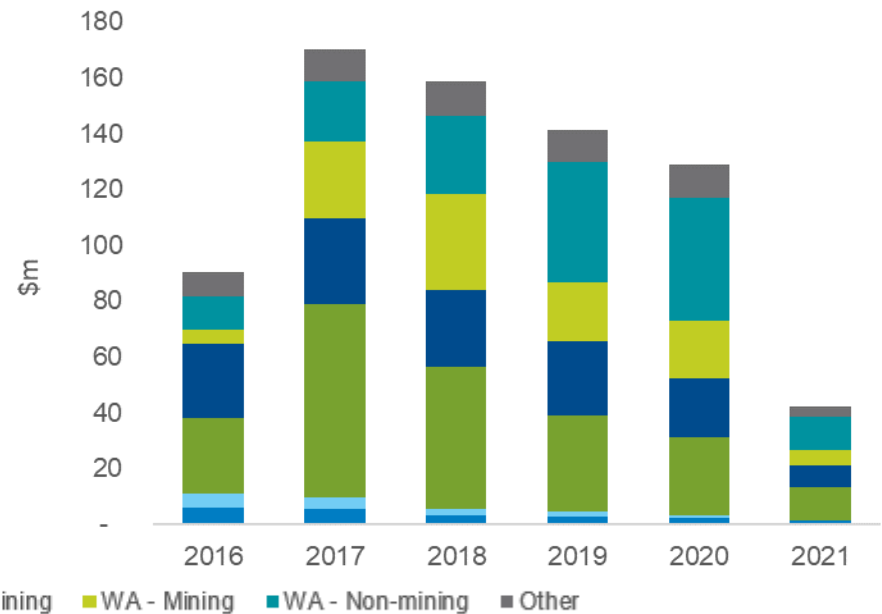
1. Genworth - Data as at 31 December 2021

Consistent nationwide risk diversity

Risk in-force by year¹



Claims paid by year¹



- Mining claims have had a long tail, but are declining in size and number
- Regional house price growth reducing negative equity in past problem areas
- Tighter underwriting in higher risk locations

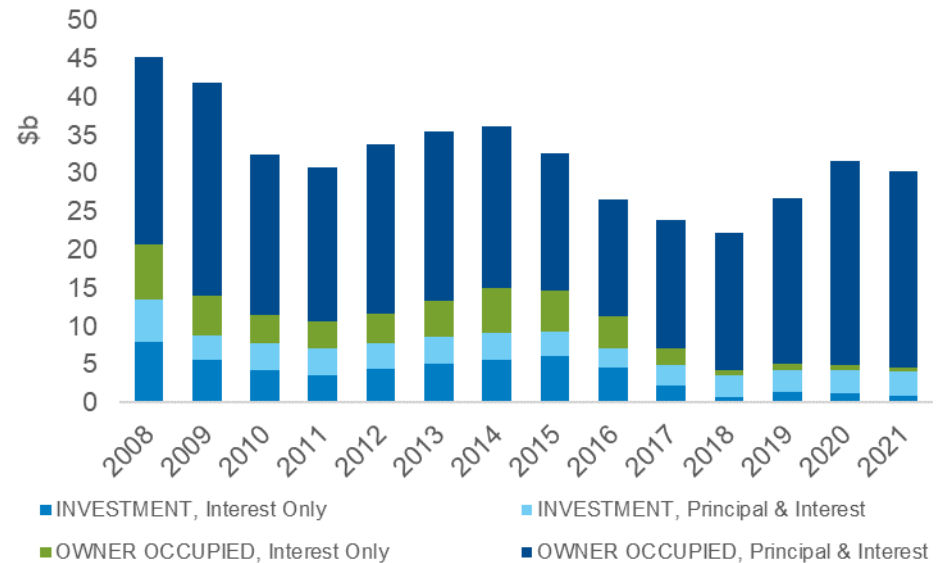
1. Genworth - Data as at 31 December 2021

Higher risk segments have been managed

New Insurance Written by book year (by LVR) ¹



New insurance written by book year (by purpose) ¹

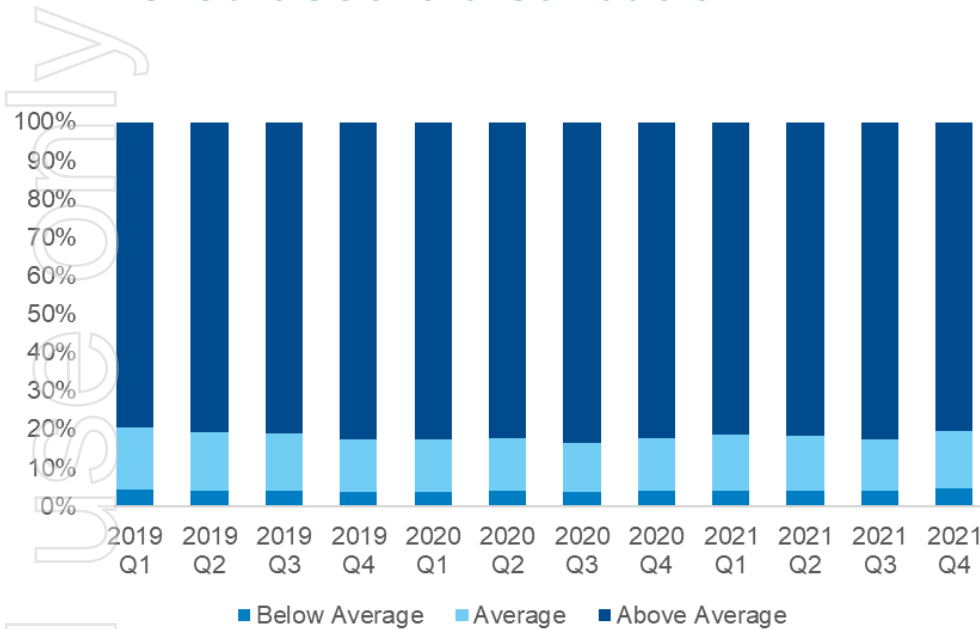


- >90% LVR remains a small proportion of new business
- Significant reduction in mix of investor loans (underweight market)
- Interest-only loans are now negligible

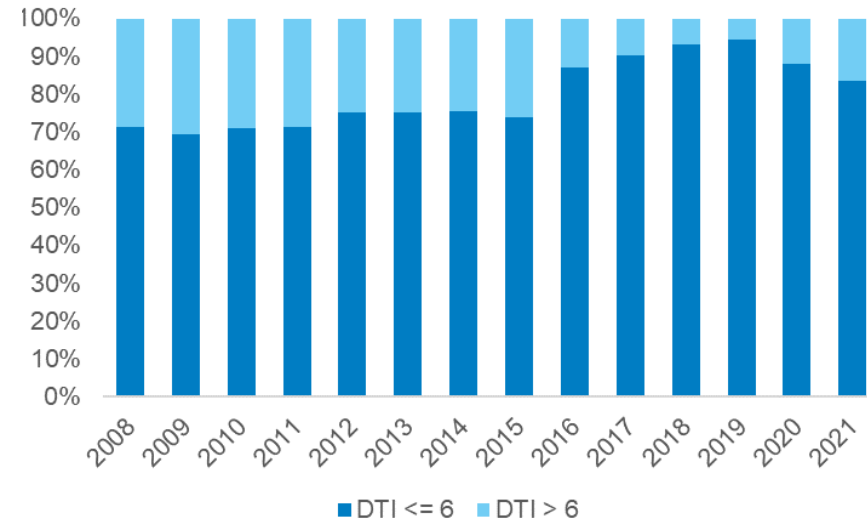
1. Genworth - Data as at 31 December 2021

Credit attributes stabilising

Credit score distribution^{1,2}



New Insurance Written by book year (by DTI)¹



• Credit scores continue to be the most reliable indicator of credit quality and probability of default (PD)

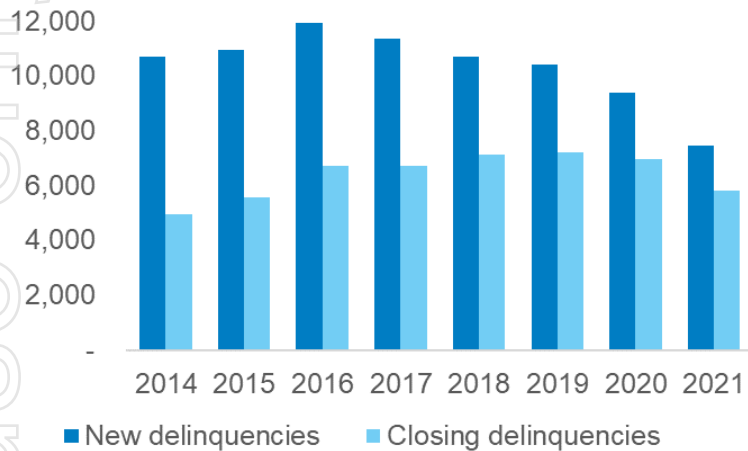
• DTI >6x at approximately half 2009 peak and reducing from 2H21 post serviceability and DTI caps changes

1. Genworth - Data as at 31 December 2021

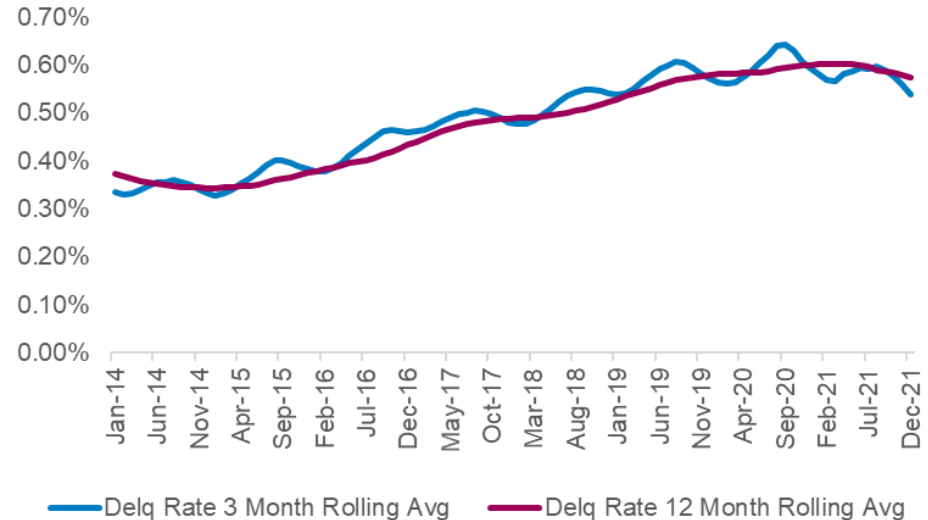
2. Genworth's assessment of Equifax score distributions associated with Genworth's portfolio and not verified by or sourced from Equifax

Current low levels of Delinquency

Delinquency time series¹



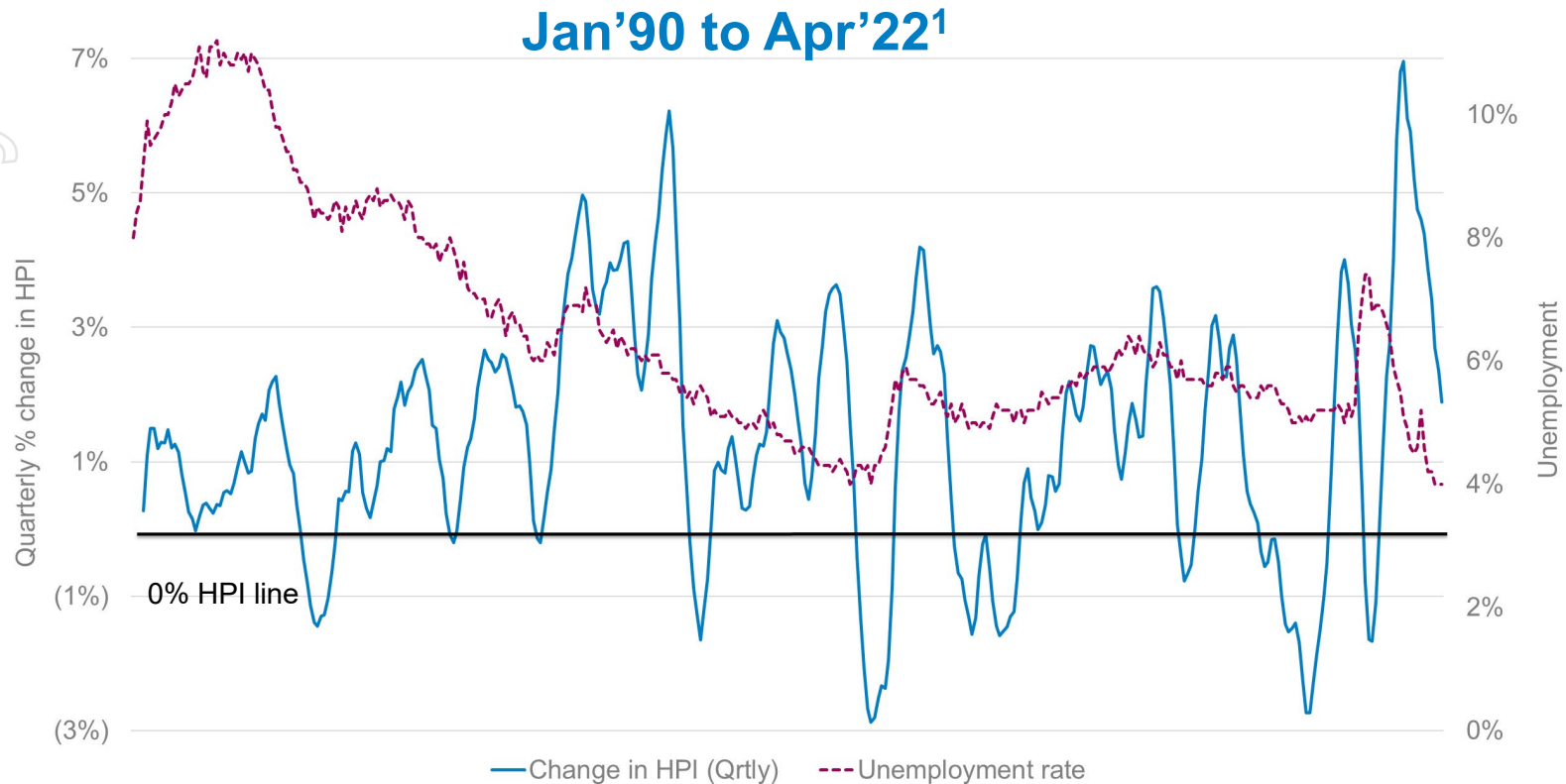
Portfolio delinquency rate¹



- Portfolio delinquency rate increase reflects run-off of in-force
- Improved delinquency and reflect improved borrower finances and house price appreciation

1. Genworth - Data as at 31 December 2021

Unemployment and HPD drive losses



- Unemployment drives delinquency whilst house prices drive proportion going to claim and severity of loss
- Past HPA has increased borrower equity and will act as a buffer in any future decline

1. CoreLogic HPI, ABS unemployment rates

Risk outlook

- Rising interest rates and moderating house prices through 2022/23 are expected to lead to higher delinquencies and claims
- Lender credit quality has improved through self regulation and responsible lending framework and Royal Commission findings
- Improved underwriting practices and portfolio diversity will help mitigate negative impact of economic headwinds
- Balance sheet remains strong to withstand changing economic cycle

Risk assessment

Status

| | | |
|---|---|------------|
| 1 | Borrower Credit Quality | Strong |
| 2 | Lender Underwriting Practices | Strong |
| 3 | Borrower serviceability / Indebtedness | Heightened |
| 4 | Product Concentration (Investor / Interest-only / High LVR's) | Strong |
| 5 | Geo-location risks (Mining / Regional / Metro units) | Heightened |



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Q&A



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Morning Tea

Back at 10:50

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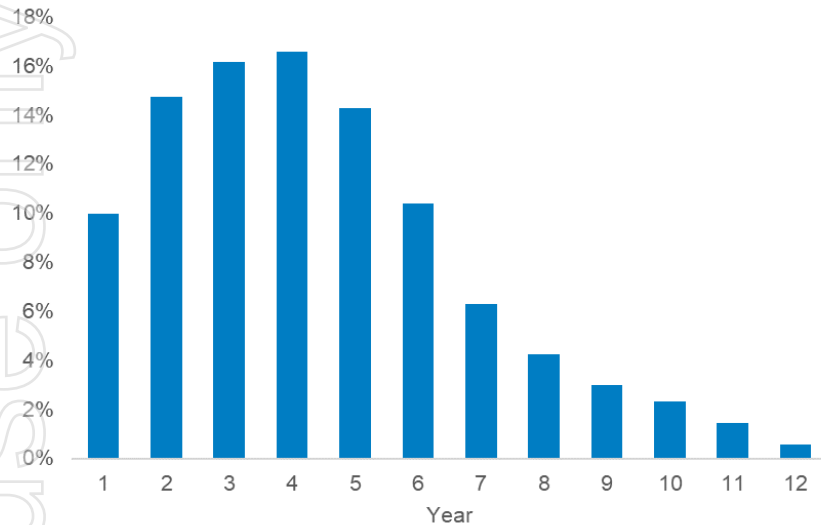


Key financial drivers

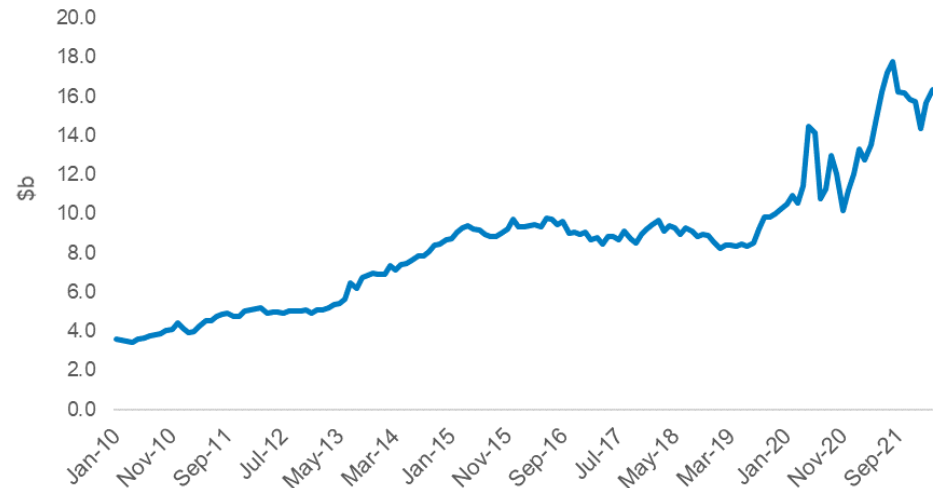
Michael Cant

Premium is recognised over a 12-year period

Earnings curve¹



Total refinancing of housing loan commitments²



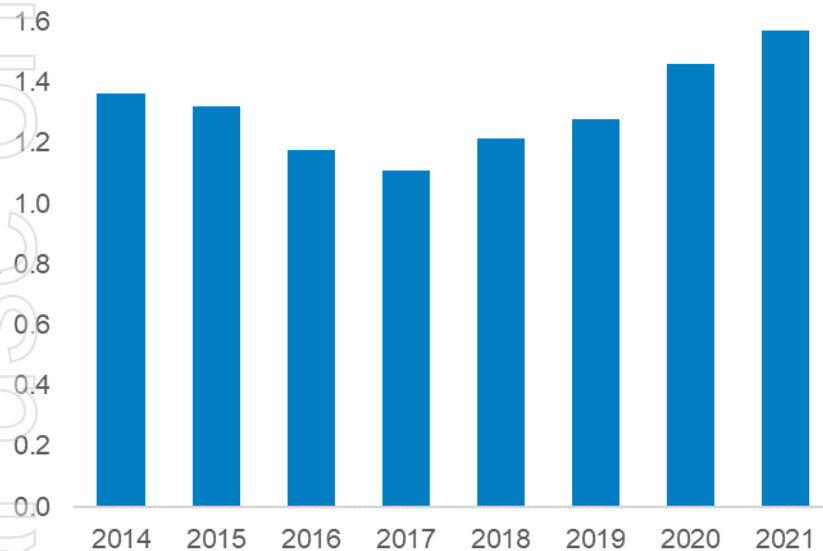
- NEP is driven by GWP 2-5 years earlier and cancellations
- Cancellations result in any unearned premium on that policy being recognised immediately
- High mortgage refinancing saw an unusually large release of UEP to NEP in FY21 (\$75.5m above FY20)
- Cancellations reduce future losses and favorably impact capital

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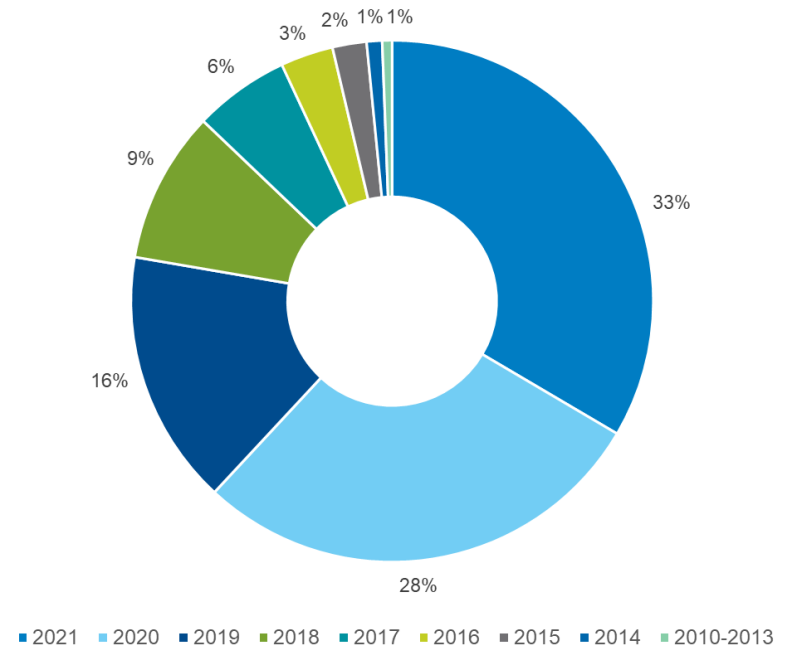
2. Australian Bureau of Statistics – lending indicators - 3 June 2022

Recent book year GWP will drive future NEP

Unearned premium reserve¹



Unearned premium by underwriting year¹

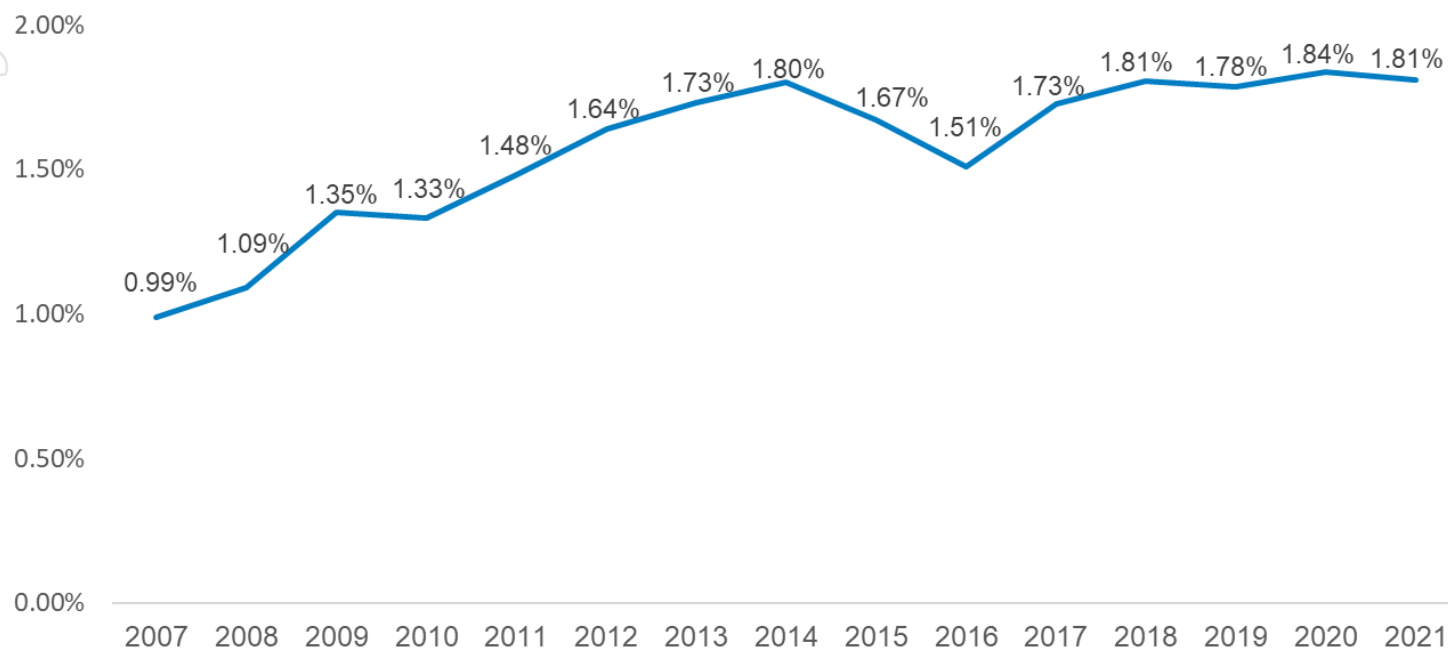


- Growing UEP will underpin future NEP
- Last two years GWP account for 61% of UPR

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Pricing has increased over time

Average price¹ of flow business



- Rates vary by
 - LVR, loan size, type of loan
 - Lender
- Average pricing driven by
 - price changes
 - mix of business

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Notes: Average price excludes excess of loss insurance and bulk transactions. GWP includes bulk and excess of loss

Delinquencies indicate potential future claims



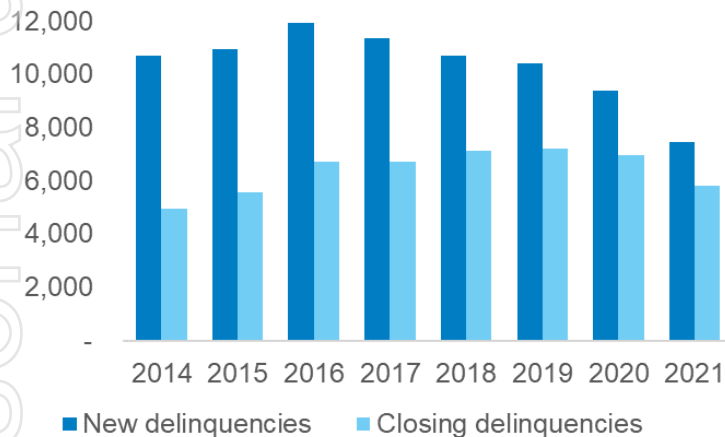
60+ Day Lender Reported Arrears

Lender Customers are obligated to report all accounts that are 60+ days in arrears by the 15th business day of the following month

What is a “Delinquency”?

Any accounts reported by our Lender Customers to be 90 days in arrears, are treated as delinquent accounts and a reserve is established

Delinquency time series¹



- Total delinquencies have steadily fallen in since 2020
- New delinquencies have been particularly low

1. Genworth

How our reserves work

Delinquent status

Reported (90 day+) Size of reserve based on number and age of delinquencies, amount of equity

Incurred but Not Reported (IBNR) For delinquencies not yet reported

Past delinquent (now healthy) These policies much more likely to become future claims

Unearned Premium Liability on balance sheet

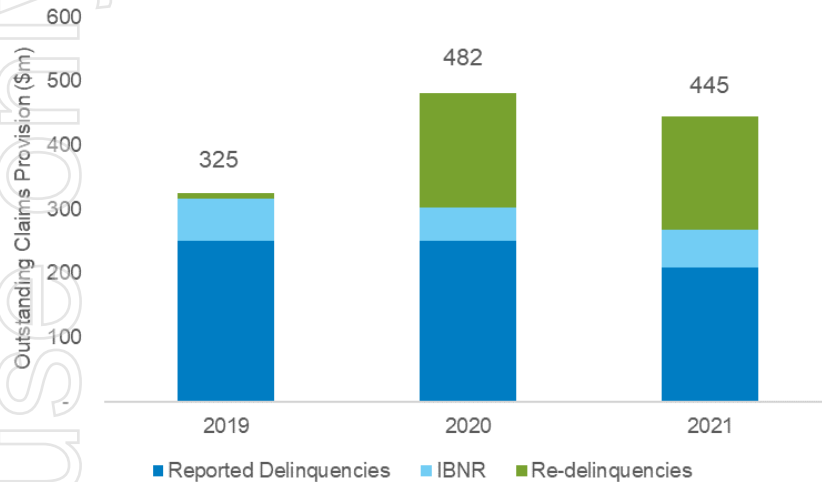
Healthy (never delinquent) Premium Liabilities represent claims from future delinquencies.

Premium Liabilities not on balance sheet but used in solvency calculation

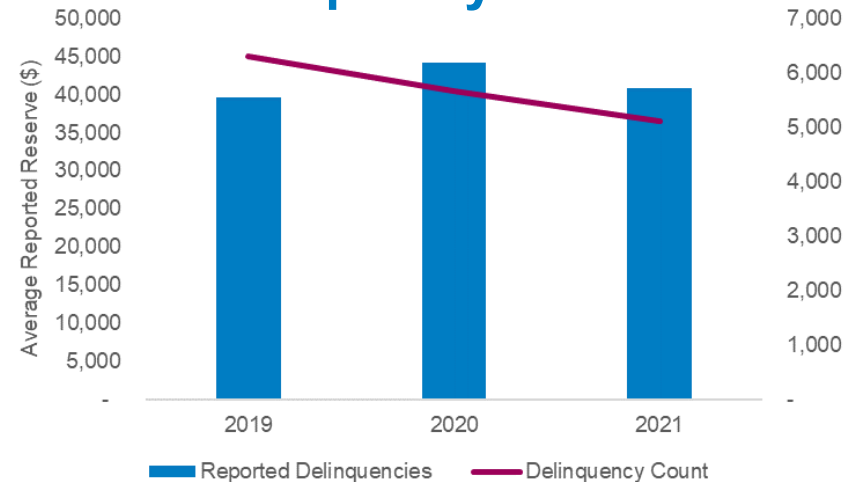
Source: Genworth

Recent reserve releases due to lower delqs and HPA

Outstanding Claims Reserve¹



Average Reported Delinquency Reserve



- 2020 increase incorporates re-delinquencies from cured policies
- Reserving basis reflects long term experience

- 2020 increase due to deferrals and moratoriums
- 2021 average reserve at pre-COVID levels

1. Gross Outstanding claims reserve for Australia portfolio

Source: Genworth

Loss experience linked to the economy

Economic and loss forecasting process

Economic outlook incorporating market consensus of various indicators

Long term economic trends and loss experience calibrated by Stochastic Economic Scenario Generator (ESG) using historical experience

Forecasts of Genworth's losses and liabilities are generated by the economic outlook and statistical modelling

Sensitivity of losses to key economic variables are regularly assessed and monitored

Economic stress scenarios are constructed, and impact assessed

Key economic metrics affecting Genworth's losses and liabilities



Property Price

Dwelling prices determine borrower equity



Mortgage Rates

Mortgage interest rates impact dwelling affordability.



Unemployment Rates

Employment status and wage growth drive loan servicing



Household income

Reflects strength of the broader economy



GDP

Portfolio is in a healthy state

Impact on liabilities to changes in key variables¹

| Sensitivity change | 2021 | | | |
|--|----------------------------------|-----|-------------------------|-----|
| | Net outstanding claims liability | | Future claims liability | |
| | \$M | % | \$M | % |
| Base¹ | 389 | | 805 | |
| Ultimate loss ratio | | | | |
| Upside economics – 5% HPA, 1% reduction in unemployment rate | (19) | (5) | (62) | (8) |
| Downside economics – 5% HPD, 1% increase in unemployment rate | 20 | 5 | 96 | 12 |
| Downside economics – 10% HPD / 1% increase in unemployment rate | 30 | 8 | 143 | 18 |

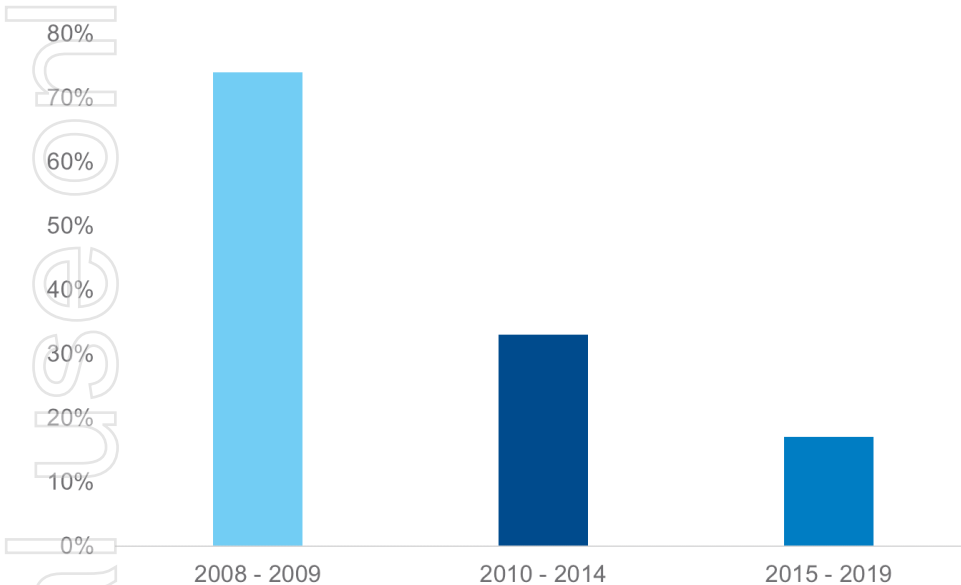
- Losses will increase as interest rates return to more normal levels and house prices moderate

1. Genworth (Note 4.8 2021 Annual Report)

Note: Net outstanding claims liability includes central estimate less non-reinsurance recoveries

Post 2015 cohorts have good profitability

Breakdown of Loss Ratios to date by cohort¹



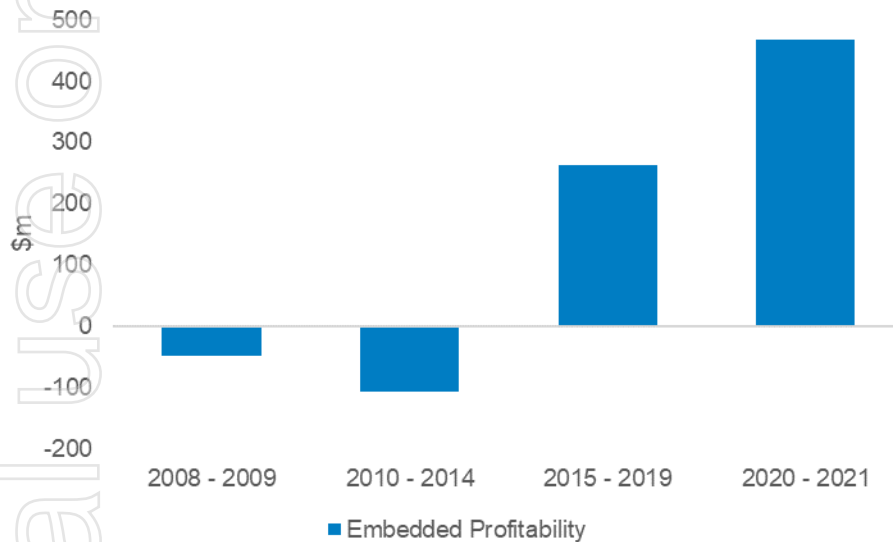
- 2008-09 book years are loss making
- 2010-14 book years generally good but impacted by mining claims
- 2015 onwards healthy and no major events
- Post 2015 cohorts expected to be a key driver of future profits

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Source: Genworth

Embedded profits in existing book

Embedded profitability by book year¹



- Premium Liabilities represent expected future claims incurred
- Excess of UEP over premium liabilities represents expected future profits
- Pre 2014 cohorts have negligible UEP, but still a tail of continuing losses
- Post 2014 cohorts have strong embedded profits

1. Genworth

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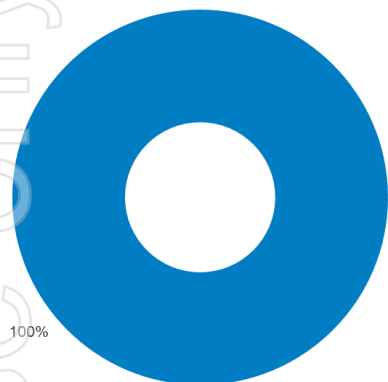
Investments

Michael Cant

Investments are conservatively managed

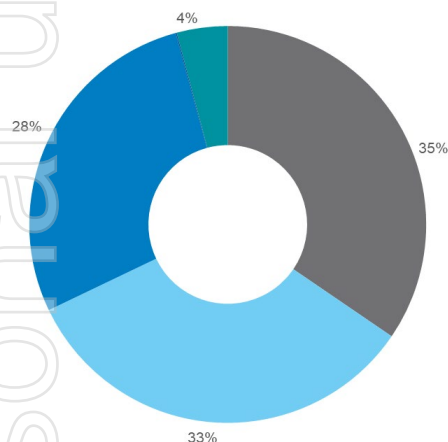
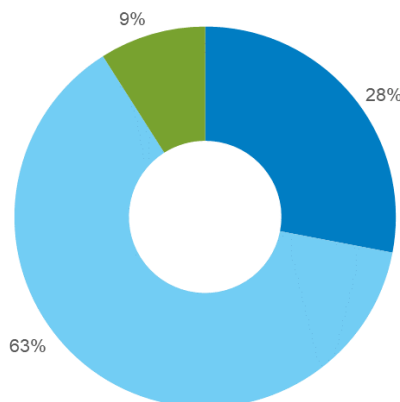
Portfolio by type

Technical funds ¹

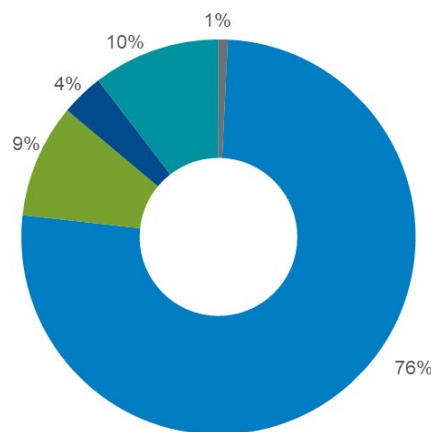


■ Fixed ■ Floating ■ Equities/Unit Trust/Derivatives

Shareholder funds ¹



■ C'wealth ■ State Gov't
 ■ Equities/Unit Trust ■ Cash
 ■ Derivatives



■ Corporate
 ■ Short-term deposits

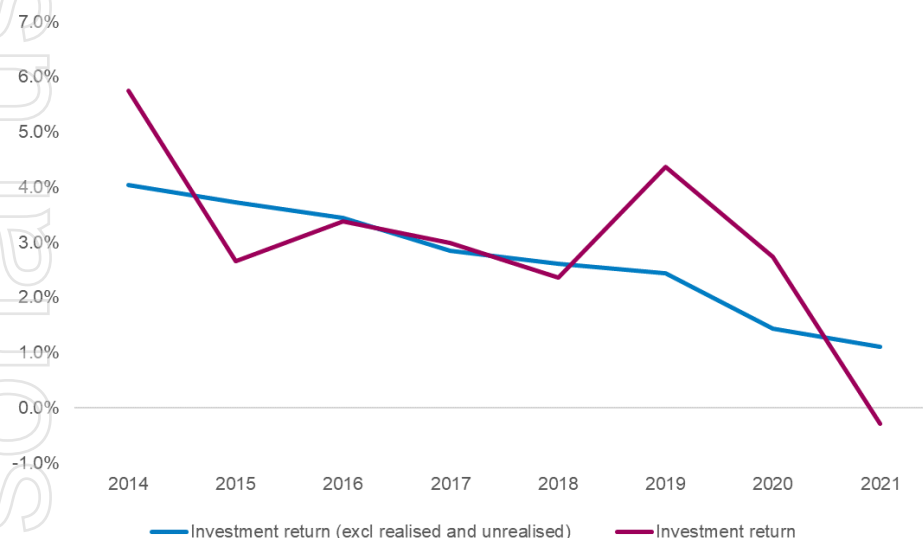
- Technical liabilities matched with fixed interest assets
- Matched bond portfolio is typically held to maturity
- Shareholder funds have a higher risk / return profile
- Have committed \$180m to unlisted infrastructure

¹ Genworth

Declining returns reflect low-rate environment

| (\$ millions) | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 |
|---|--------------|--------------|--------------|--------------|-------------|--------------|-------------|---------------|
| Net interest income and dividend income | 159.7 | 150.5 | 128.0 | 98.2 | 86.7 | 77.4 | 47.2 | 39.6 |
| Realised gains on investments | 3.5 | 9.8 | 11.0 | 36.4 | 17.4 | 28.6 | 47.5 | 5.7 |
| Unrealised gains / (losses) and net FX on investments | 63.7 | (52.7) | (12.9) | (31.5) | (26.1) | 33.0 | (4.7) | (55.8) |
| Total investment income | 226.9 | 107.6 | 126.1 | 103.1 | 77.9 | 139.1 | 89.9 | (10.6) |
| Investment return | 5.7% | 2.7% | 3.4% | 3.0% | 2.4% | 4.4% | 2.7% | (0.3%) |

Annual return on total investments¹



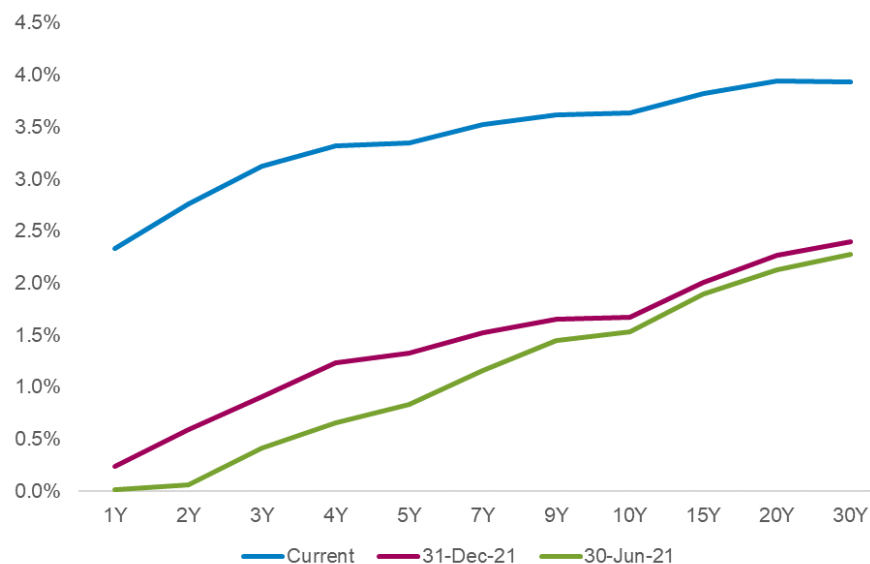
- Running yields very low in 2021 but are recovering rapidly

1. Genworth

Recent market losses, but higher ongoing yields

- Big increases in bond yields since 31/12 will negatively impact H1 investment returns
- Higher rates good for long term profitability

Risk free rates¹



1. Bloomberg

Rising yields reduce value of liabilities

- Assets in the technical fund are matched to the expected future claims liabilities
- Changes in interest rates have a similar impact on the value of assets and liabilities (in the technical fund)
- Matching duration of technical liabilities adds stability to solvency and economic value
- Profit does not reflect this change in value of future claims liabilities

Impact of 50bps increase in interest rates¹

| \$m | 2021 | |
|----------------------------|--------|----------|
| | Profit | Solvency |
| Total cash and investments | (33) | (33) |
| Liabilities | Nil | 26 |

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Capital

Michael Cant

APRA capital requirements

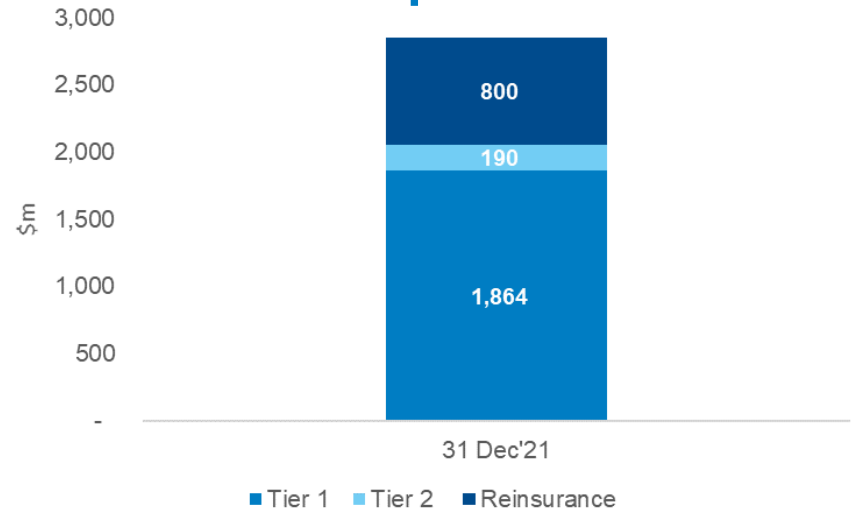
Mix

- Tier 1 – tangible net assets + “Unearned premium surplus”
- Tier 2 – rating agency requirements
- Reinsurance - 60% PML limit (currently ~45%)

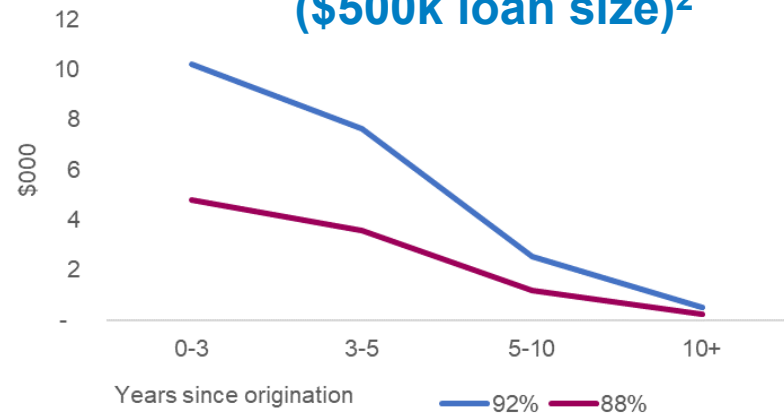
Drivers of PCA

- PML (Exposure, LVR, Seasoning, PD and loss given default (LGD))
- Asset risk charge - asset mix
- Amount of reinsurance
- Premium liabilities deduction

Capital mix¹



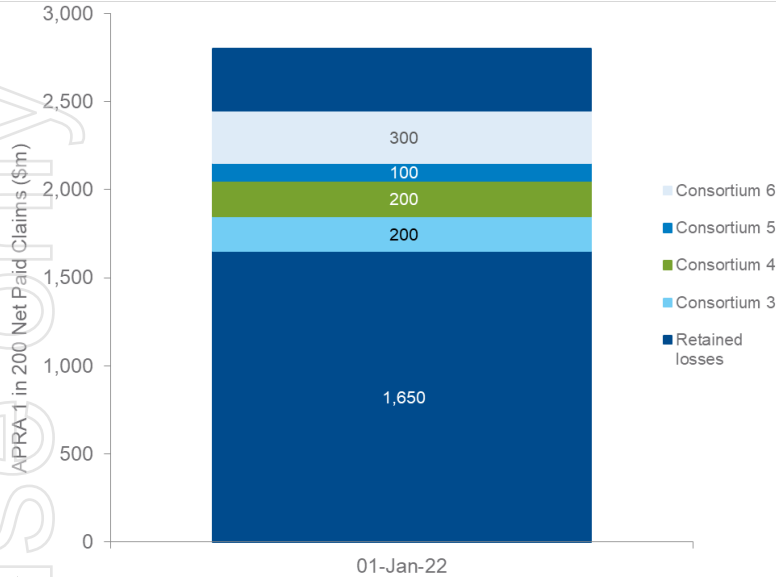
PML capital required (\$500k loan size)²



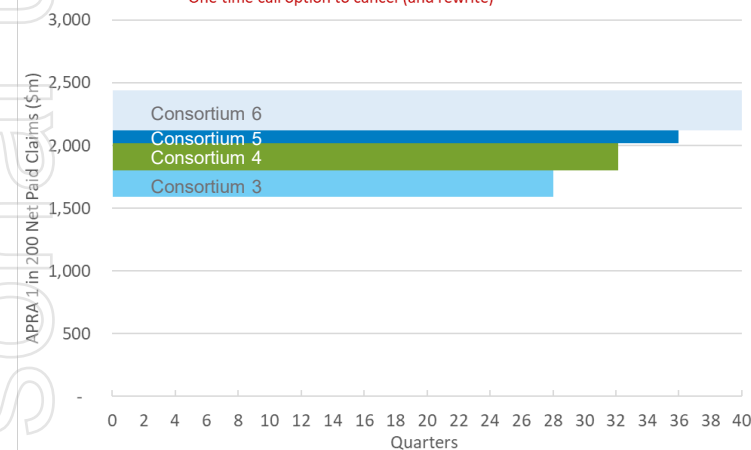
1. Genworth
2. Genworth applying APRA's GPS 116 PML Calculation

Reinsurance provides capital relief

2022 Reinsurance programme¹



One time call option to cancel (and rewrite)



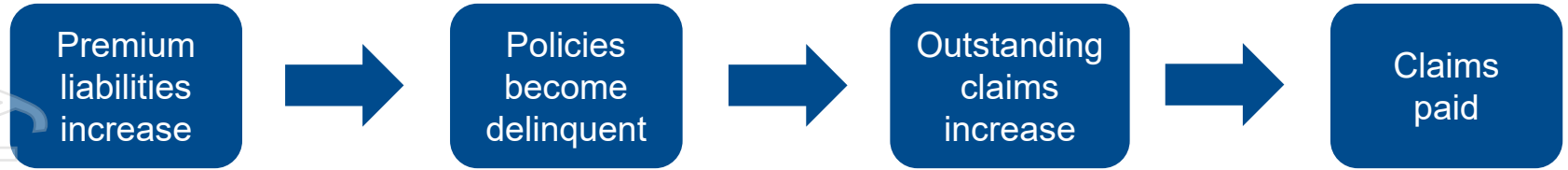
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Note: Note: Excludes reinsurance on excess of loss insurance. The insurance risk charge has been included in the APRA 1 in 200 net paid claims.

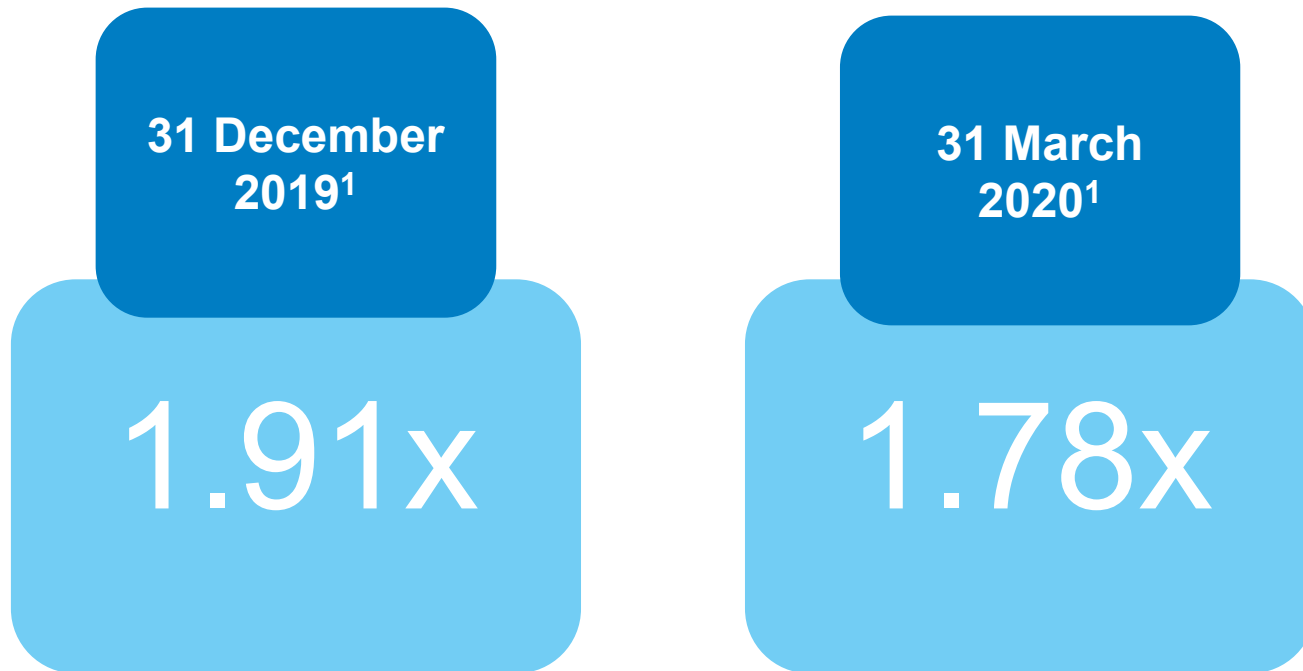
- Risk mitigation in severe stress
- Genworth retains the first \$1.65b of paid claims
- Excess of loss reinsurance cover of \$800m

- Paid claims basis, in-force policies plus two years of new insurance
- Cover is for one year, with extension option
- Highest paid claims year since listing was \$166m in 2017

Capital resilience during COVID-19



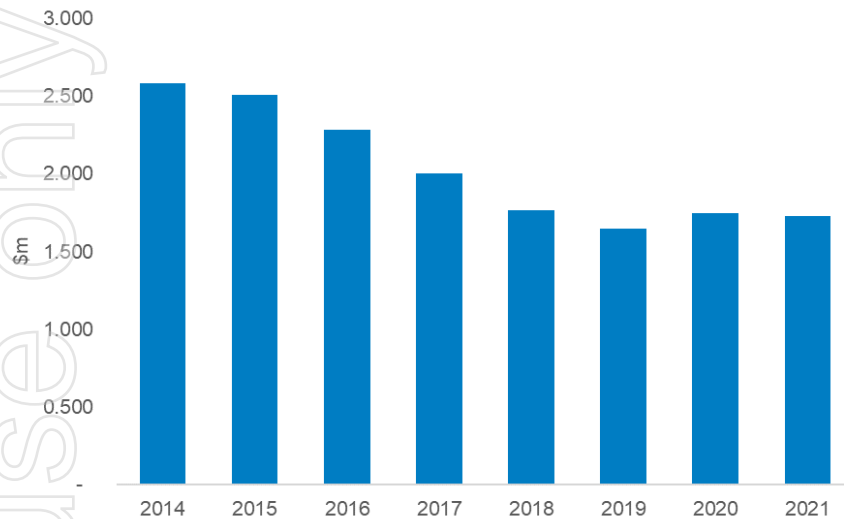
PCA ratio movement



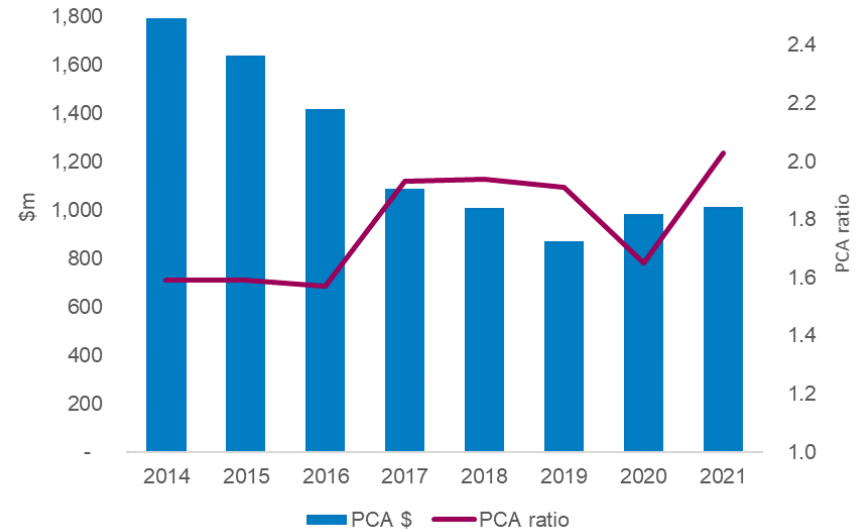
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Capital requirements have steadily fallen

Probable maximum loss¹



Prescribed Capital Amount¹



- Capital reduction driven by

- Run-off of old cohorts

- Improving business mix

- Release from old years exceeding capital needed for new business

- Build up of excess capital during COVID-19 period

- Proforma capital \$341m above midpoint of target range of 1.4-1.6x

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Strong history of capital returns

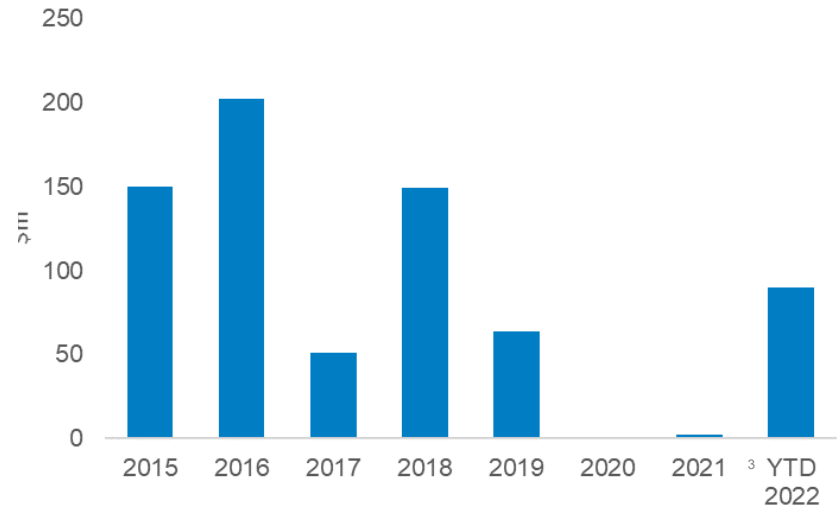
Ordinary and special dividends¹



\$2.57

Total dividends per share since listing

Buy-backs and capital reductions^{1,2}



\$707m

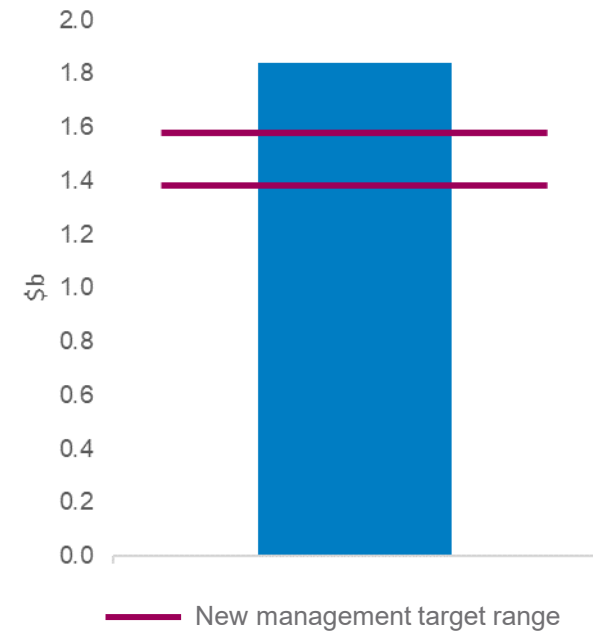
Shares purchased since listing

1. Genworth
2. Includes buybacks to 10 June 2022

Scope of ongoing capital management

- Objective of getting to target range within 2 years
- Current buy back largely complete (\$90m as at 10 June 2022)
- Form of capital return balances speed and efficiency
 - Fully franked ordinary dividends
 - Special dividends (preferably franked)
 - On-market buy back

Pro-forma PCA¹



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Outlook

Pauline Blight-Johnston

1H remaining strong, 2H expected to normalise

Changing economic environment

Unemployment
low

Cash rate
rising

Dwelling values
moderating

Implications for Genworth

GWP slowing
NEP remaining high

Claims low in H1 but
normalising in H2

Unrealised investment losses
Increased running yield

Well positioned for a less benign environment

Positioned for medium term profitable growth

| | |
|-----------------|---|
| Earnings | <p>FY20 and FY21 GWP underpins NEP</p> <p>Underlying dwelling and loan growth</p> <p>Customer acquisition and expansion opportunities</p> |
| Returns | <p>Run-off of low ROE book years</p> <p>Increased interest rates</p> <p>Increased capital efficiency</p> |
| Capital | <p>Aim to be 1.4 – 1.6x PCA in two years</p> <p>24cps annual dividend projected sustainable</p> |



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Q&A

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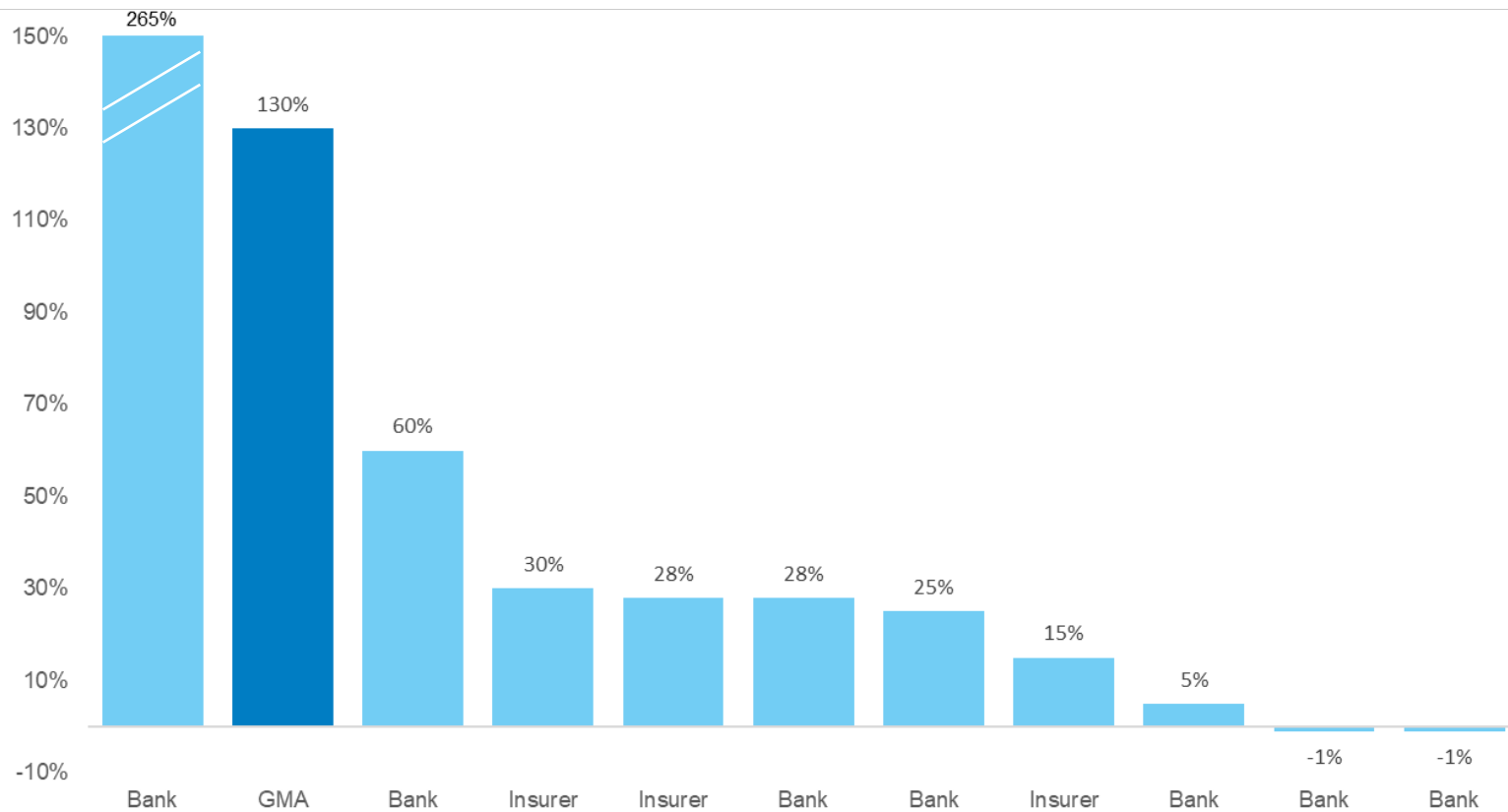


Wrap Up

Pauline Blight-Johnston

Delivering strong Total Shareholder Return

Total Shareholder Return May 2014 to 10 June 2022¹



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¹ iress

Accelerating financial wellbeing through homeownership



Australia's leading LMI provider



Large and growing addressable market



Positioned for profitable growth



Ongoing capital management



Delivering strong TSR

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Genworth



Glossary

| Term | Definition | Term | Definition |
|-------------------------------------|--|---------------------------|---|
| API | Application Programming Interface | Flow | Policies written by Genworth on a loan by loan basis at the time of origination by the lender customer |
| APRA | The Australian Prudential Regulation Authority | GEP | Gross earned premium - The earned premium for a given period prior to any outward reinsurance premium expense |
| ASX | Australian Stock Exchange | GFC | Global Financial Crisis |
| Book year | The calendar year an LMI policy is originated | GFI | Genworth Financial, Inc. (NYSE: GNW) |
| Capitalised premium | The cost of the LMI premium and related costs added to the loan balance(s) covered by the policy | GWP | Gross written premium |
| CBA | The Commonwealth Bank of Australia | HLIC | Housing Loans Insurance Corporation |
| Central estimate | The value of insurance liabilities which represents the average (i.e. statistical mean) of the estimated distribution of outcomes | HPA / HPD / HPI | House price appreciation / depreciation / index |
| Common equity tier 1 or CET1 | Consists of total accounting equity, adjustments for certain reserves and adjustments for certain other items, such as intangible assets, which are excluded from the capital base | IBNR | Incurred but not reported - Delinquent loans that have been incurred but not reported |
| COVID-19 | A disease caused by a new strain of coronavirus. 'CO' stands for corona, 'VI' for virus, and 'D' for disease | Insurance in-force | The original principal balance of all mortgage loans currently insured (excludes excess of loss insurance) |
| CPS | Cents Per Share | INV | Investment loans |
| Cures | A policy that either clears arrears to below 3 months of missed payments, or sells the underlying securities with enough equity in the property to clear the arrears | Investment return | Total investment income divided by the average balance of the opening and closing cash and investments balance for the period, annualised |
| DTI | Debt to income ratio: $(\text{Total liabilities} + \text{Mortgage Value}) / (\text{Total Gross Annual Income})$. Calculated at origination | IO | Interest Only loans |
| Delinquency | Any insured loan which is reported as three or more months of repayments in arrears | IPO | Initial Public Offering |
| Earnings curve | Is based on an analysis of claims incidence. This curve determines the proportion of the unearned premium that will be earned each quarter for the remaining life of the policy | LGD | Loss given default |
| ESG | Environmental Social Governance | LMI | Lenders mortgage insurance |
| Excess of loss | A type of insurance in which the insurer indemnifies the insured for losses that exceed a specified limit | Loss ratio | The loss ratio is calculated by dividing the net claims incurred by the net earned premium |
| FHLDS | First Home Loan Deposit Scheme | LVR / HLVR | Loan to value ratio High LVR – This LVR benchmark is commonly 80% Original LVR - Calculated using the base LVR at the time of settlement Effective LVR – Calculated using the (estimated current balance)/(approximate house price) of the loan. |

Glossary

| Term | Definition | Term | Definition |
|----------------------------|---|--------------------------------|--|
| NEP | Net earned premium - The earned premium for a given period less any outward reinsurance expense | Regulatory capital base | The regulatory capital base is the sum of Tier 1 Capital and Tier 2 Capital |
| NIW | New insurance written reflects the total loan amount that is insured in the relevant period. NIW for Genworth reporting purposes excludes excess of loss business written | Risk margin | An additional amount that is added to the central estimate loss forecast and reserves to reflect the inherent uncertainty in forecasting loss outcomes |
| NPS | Net Promoter Score | ROE | Return on equity – ROE is NPAT divided by the average of the opening and closing equity balance for a financial period |
| OO | Owner Occupied loans | Shareholder funds | The cash and investments in excess of the Technical funds |
| RBA | Reserve Bank of Australia | Statutory NPAT | Net profit after tax |
| Risk margin | An additional amount that is added to the central estimate loss forecast and reserves to reflect the inherent uncertainty in forecasting loss outcomes | Technical funds | The investments held to support premium liabilities and outstanding claims reserves |
| ROE | Return on equity – ROE is NPAT divided by the average of the opening and closing equity balance for a financial period | Tier 1 capital | As defined by APRA GPS 112, Tier 1 Capital comprises the highest quality components of capital that fully satisfy all of the following essential characteristics: (a) Provide a permanent and unrestricted commitment of funds; (b) Are freely available to absorb losses; (c) Do not impose any unavoidable servicing charge against earnings; and (d) Rank behind claims of policyholders and creditors in the event of winding up |
| PCA | Prescribed capital amount is an APRA formula (set out in Prudential Standard GPS 110) designed to ensure an insurer has adequate capital against risk | Tier 2 capital | As defined by APRA GPS 112, Tier 2 Capital comprises other components of capital that to varying degrees, fall short of the quality of Tier 1 Capital but nonetheless contribute to the overall strength of a regulated institution and its capacity to absorb losses |
| PCA coverage | The PCA coverage is calculated by dividing the regulatory capital base by the prescribed capital amount | TSR | Total share holder return |
| PD | Probability of default | Underlying NPAT | Underlying NPAT excludes the after-tax impact of unrealised gains/(losses) on the investment portfolio, the impact of foreign exchange rates on Genworth's investment portfolio and separation costs |
| P&I | Principal and Interest loans | Underlying ROE | The Underlying ROE is calculated by dividing Underlying NPAT by the average of the opening and closing Underlying Equity balance for a financial period |
| PML | Probable maximum loss - The largest cumulative loss due to a concentration of policies, determined by applying a formula specified by APRA for LMI with specific factors for probability of default and loss given default and other components | UEP | Unearned premium |
| Premium liabilities | Reflects the present value of (a) expected cash flows associated with anticipated future claims from policies not one or more months of repayments in arrears based on the net central estimate; and (b) risk margin; plus future policy administration expenses, premium refunds and reinsurance costs related to these policies | YTD | Year to date |

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