

# One Community

Sustainability  
Report  
2024



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## About this Report

This report covers the period of our fiscal year from January 1, 2024, to December 31, 2024. It is guided by a formal Materiality Assessment that was completed in the fourth quarter of 2022 and reviewed again in the fourth quarters of 2023 and 2024.<sup>†</sup> Our assessments included a review of leading sustainability frameworks and standards, the mortgage industry regulatory environment, and input from both internal and external stakeholders. In preparing this report, we also conducted a review of our Environmental, Human Rights, and Health and Safety policies, as well as our Code of Ethics.

<sup>†</sup> This report uses certain terms, including those that SASB or TCFD refer to as “material,” to reflect the key issues or priorities of Enact or its stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the terms “material,” “materially,” and “materiality” as defined by or construed in accordance with filings with the Securities and Exchange Commission or other laws or as used in the context of financial statements and reporting.



# Letter from Our CEO

**It is my privilege to present Enact’s annual Sustainability Report, which details the progress our company is making in areas vital to our long-term success, including strengthening the communities where we live and work, empowering our employees, and maintaining exemplary corporate governance.**

This report reflects a collective effort across the company, which is guided by our Sustainability Council, supported by meaningful contributions from every department, and approved by our senior leadership.

The theme of this year’s report, “One Community,” reflects our commitment to help build stronger communities through increased homeownership, philanthropy, and volunteerism.

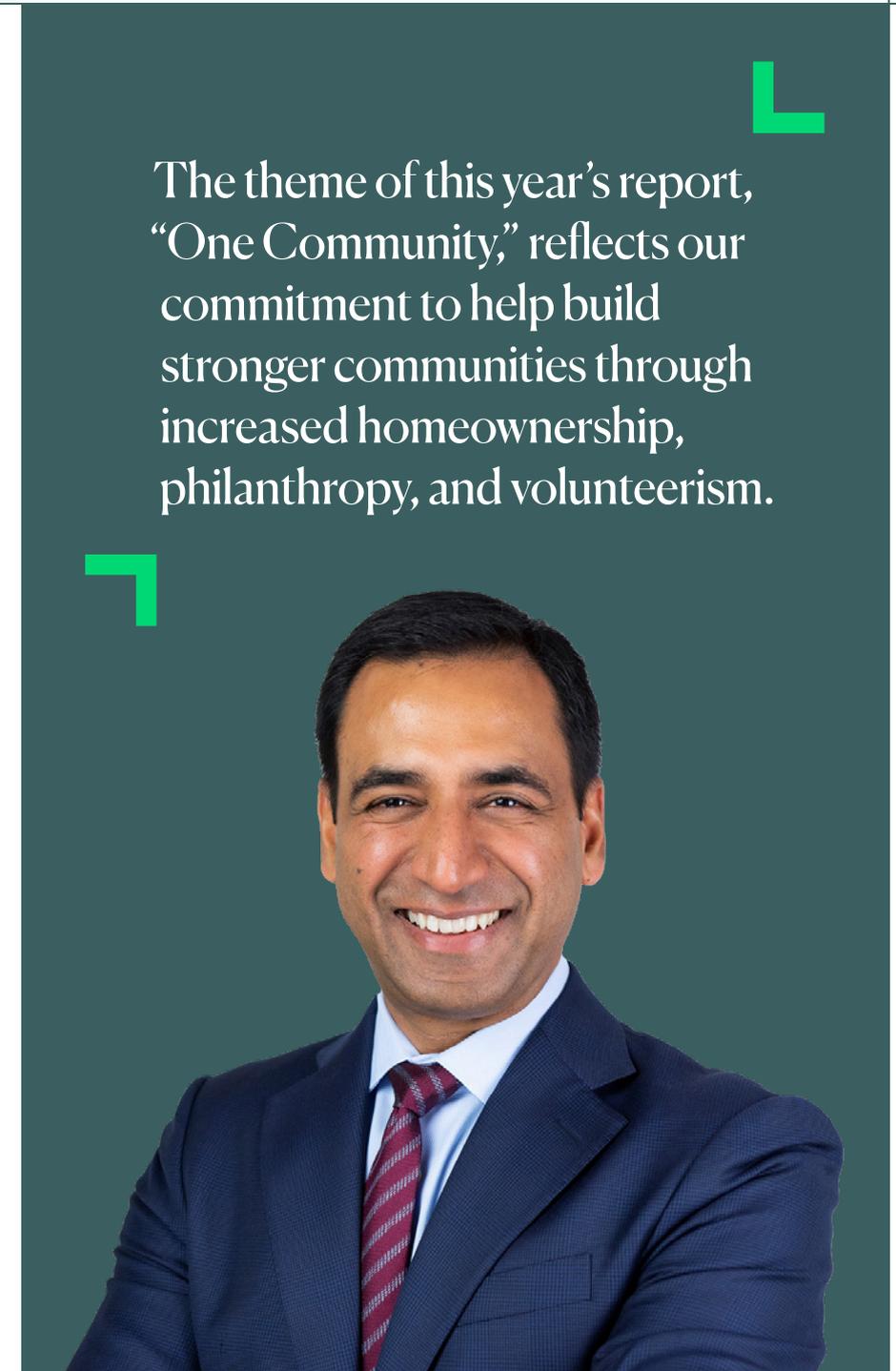
Homeownership allows families to build wealth more quickly, and research shows that neighborhoods with higher rates of homeownership have less crime and higher civic engagement. Because housing affordability continues to be a major challenge for many families, our company’s mission—to help people buy a house and keep it their home—is more important than ever, and this dovetails naturally with our sustainability strategies.

It is our belief that delivering responsibly underwritten mortgage insurance to our trusted mortgage lending partners, combined with exceptional customer service and innovative products, enables us to make a meaningful difference in the housing market and in the communities we serve.

Our contributions to nonprofits—along with our employees’ passion for volunteerism and giving back—further demonstrate our company’s commitment to our community.

We also believe that strengthening employee engagement, and providing an inclusive environment for our employees, allows them to thrive and perform at their best.

Finally, our highly independent Board of Directors and robust corporate governance policies and procedures ensure that we maintain a prudent risk profile and effective oversight.





**In 2024, we made substantial progress addressing key sustainability priorities. Among other accomplishments, we have:**

- Helped nearly 140,000 households buy and stay in homes, and responsibly expanded access to mortgage refinancing by taking a comprehensive approach to credit scoring
- Been honored as a “Best Place to Work” by multiple publications
- Received a Silver award for our achievements in environmental, social, and governance (ESG) issues from the Stevie® American Business Awards
- Actively supported volunteerism, providing paid time off for employees so they can donate their time to charitable organizations of their choice, with our employees volunteering over 3,400 hours of their time
- Donated \$10,000 to Hurricane Helene recovery efforts, and continued the Enact Foundation’s annual grant process, awarding over \$750,000 to 18 nonprofits since its launch in 2022
- Been named to the *Triangle Business Journal* list of “Largest Corporate Philanthropists” for the third year in a row

When I think about “Our Community,” we cannot discuss 2024 without thinking about the particularly challenging year in the southeastern United States—especially in our home state of North Carolina, with hurricanes Debby and Helene destroying thousands of homes and resulting in the loss of life for more than 100 North Carolinians. In the face of such tragedies, I was immensely proud of our employees’ response to these natural disasters—donating money, food, and supplies, and, most

importantly, volunteering their time to help their neighbors. It is a testament to the character of our team, as well as to Enact’s culture of service.

And in a demonstration of our commitment to providing an exceptional employee experience and fostering an inclusive, positive workplace culture, for the third year running, we conducted an employee survey to take the pulse of our team members. Conducted by Gallup in 2024, 91% of our employees participated in the annual survey.

Overall, we scored in the 94th percentile in employee engagement when compared to all the companies that Gallup has surveyed. We are very pleased with our company-level results and remain dedicated to empowering our leaders to help Enact become an even more engaging and rewarding place to work. You can read more about our survey results later in this report.

We know that our continued growth and profitability are contingent in part on our continued focus on sustainability. In the following pages, you will have the opportunity to learn more about our approach, what we’ve achieved, and our outlook for the future.

Thank you for your interest in Enact, and in our sustainability strategy and progress.

**Rohit Gupta**  
President, Chief Executive Officer, and Director at Enact



# About Enact

## Who We Are

Enact<sup>1</sup> (NASDAQ: ACT), through its subsidiaries, is a leading U.S. private mortgage insurance provider offering borrower-centric products that enable lenders and other partners across the U.S. to help people responsibly achieve and maintain the dream of homeownership. We take pride in our culture, where employees are respected, heard, and empowered to do their best work. We enjoy working hard, learning as a team, and celebrating our successes. Enact is headquartered in Raleigh, North Carolina.

## What We Do

Building on a deep understanding of lenders' businesses and a legacy of financial strength, we partner with lenders to bring best-in-class service, leading underwriting expertise, and extensive risk and capital management to the mortgage process—helping to put more people in homes and enabling them to stay in their homes.

We operate in all 50 states and the District of Columbia. We have long-tenured customer relationships with mortgage lenders and are focused on responsible underwriting and prudent risk and capital management practices. We believe that our operating and technological capabilities provide an exceptional customer experience while driving new business volume at attractive risk-adjusted returns.

## Why We Do It

At Enact, we live our values of Excellence, Improvement, and Connection in all that we do. Our mission to help people get into and stay in their homes has a positive impact on our world and inspires us to go the extra mile. We look at the bigger picture, always considering our customers' processes and their borrowers' experience. By empowering customers and their borrowers, we seek to positively impact the lives of those in the communities in which we serve in a sustainable way.

1. Enact Holdings, Inc., operates principally through its wholly-owned subsidiary Enact Mortgage Insurance Corporation to provide private mortgage insurance (PMI) to mortgage lenders in the United States.



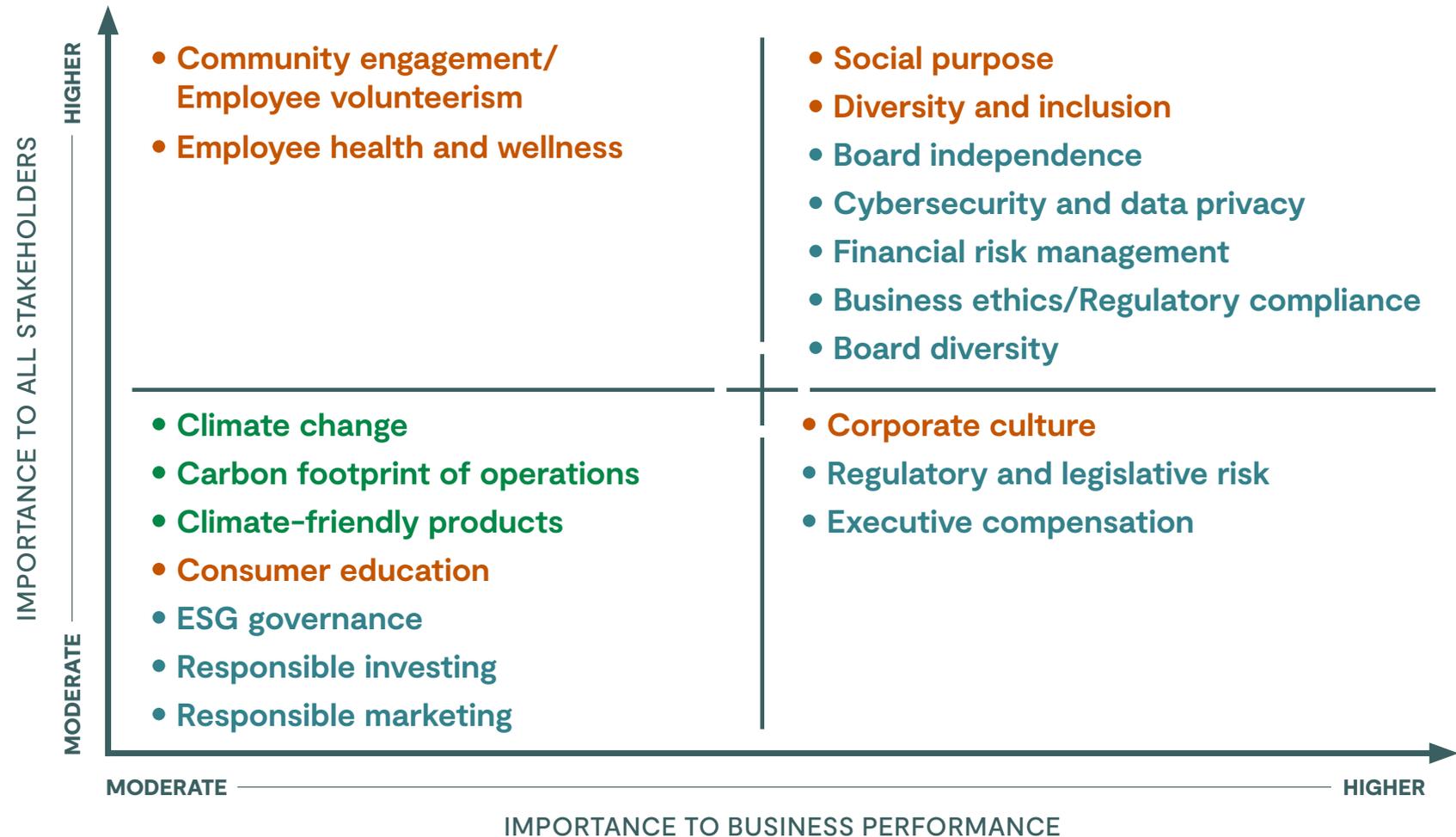
# Sustainability Materiality Matrix and Stakeholder Engagement

For the past three years, we have engaged a third-party consultancy to help assess our sustainability disclosures. In 2022, we conducted a formal Materiality Assessment and solicited the perspectives of our key internal and external stakeholders—including employees, Board members, customers, and shareholders. Based on this feedback and the deliberations of our Sustainability Council, Senior Leadership Team, and members of our Board, we identified and ranked the ESG issues that are most important to our business and to our stakeholders.

Our 2024 stakeholder engagement program included proactive engagements with a variety of stakeholders, including investors, employees, Board directors, customers, regulators, and community organizations. Principal topics of engagement included sustainability’s role in our business strategy, along with corporate governance, diversity and inclusion, risk, and cybersecurity. We also continued monitoring sustainability developments at the macro level in 2024, including evolving global regulation of sustainability disclosures. As a result of our engagement, there were no changes to our Materiality Matrix in 2024. We value the views of all our stakeholders and plan to conduct another full materiality assessment in 2025.

## Materiality Matrix & Issues Ranking

● Environmental ● Social ● Governance





# Our Sustainability Pillars

Our sustainability objectives are prioritized into three “pillars” upon which our strategy is based, focusing on the areas that are most germane to our business:



## Strengthening Our Communities

Enact remains deeply engaged with the communities we serve by enabling more families to responsibly achieve the dream of homeownership and to create wealth, while also delivering on our commitment to employee volunteerism, philanthropy, and environmental responsibility.



## Supporting Our People & Driving an Inclusive Culture

Enact encourages and incorporates varied perspectives at every level of the organization in a supportive and inclusive environment to create innovative products and services that are responsive to the diverse needs of our customers and prospective homeowners.



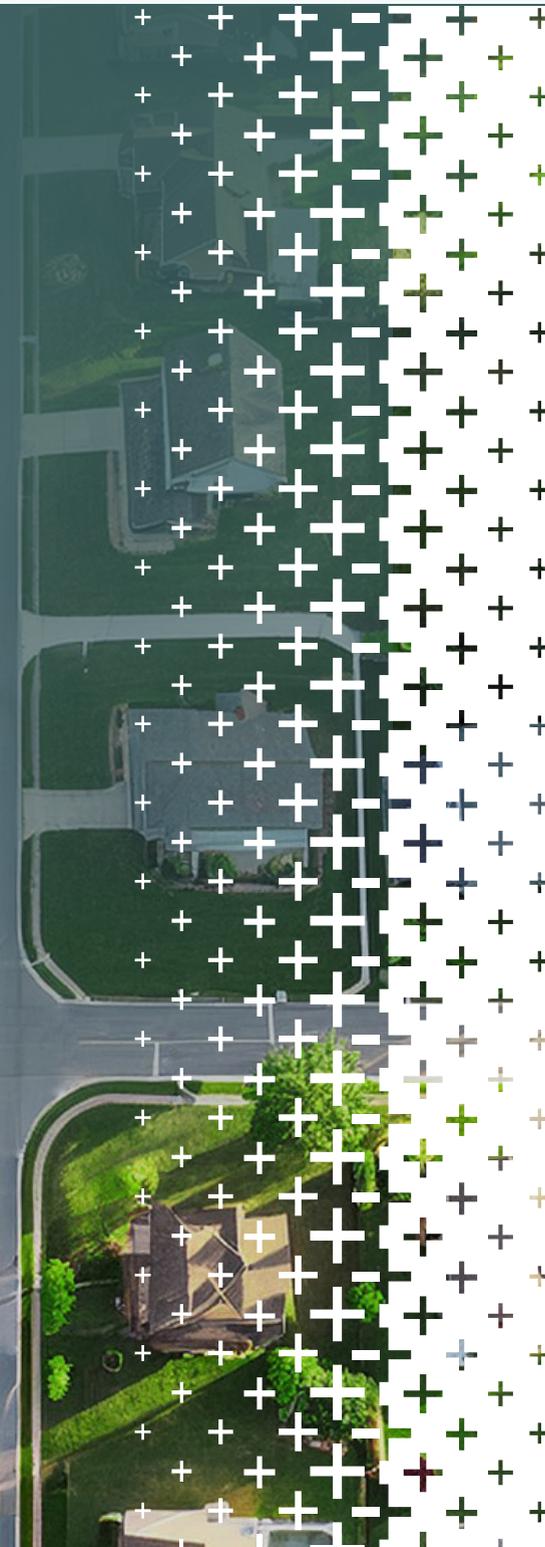
## A Focus on Responsible Business Practices & Sound Corporate Governance

Enact focuses on underwriting excellence, prudent risk and capital management, data privacy and cybersecurity, and regulatory compliance—all overseen by a diverse, experienced, and majority-independent Board.



# 2024 Sustainability Highlights

This year, we upheld our goal to expand responsible homeownership opportunities for more borrowers. At the same time, we stayed dedicated to fostering an inclusive and supportive workplace where employees are empowered to excel. We also remained focused on good corporate governance and risk management—exemplified by our highly independent Board of Directors.



## 94th percentile

Enact scored in the 94th percentile in Gallup’s overall Engagement Index, compared to all companies in Gallup’s database

## 1.2 million

households have achieved the dream of homeownership over the past five years with Enact’s help

## 60%

of Board committee chairpersons are female

## 100%

of Board chairpersons are independent

## 3,400+

employee volunteer hours contributed



# Our Alignment with U.N. Sustainable Development Goals

Enact indexes its business activities with the most relevant United Nations (U.N.) Sustainable Development Goals (SDGs). While advocating for improved and expanded housing opportunities for Americans, we acknowledge the importance of responsible growth across all organizations in the housing value chain. By sharing our alignment with the U.N. Sustainable Development Goals, we aim to increase transparency around our efforts, both through our company’s initiatives and our philanthropic endeavors.



## Support efforts to end poverty

Homeownership can contribute to financial well-being and wealth creation, as well as family and community stability. As such, by responsibly expanding access to home mortgages, Enact supports efforts to end poverty in the U.S. To learn more about how we benefit millions of individuals and families, please see [Pillar I: Strengthening Our Communities](#).



## Promote good health and well-being

We have taken strides to ensure the well-being of our workforce and to be responsive to the mental and physical health needs of our colleagues. In 2024, we provided several training offerings for managers that were focused on psychological well-being. Our benefits include generous time-off policies, free onsite flu and COVID vaccines, parental leave, an onsite gym, and more. For more details, please see [Pillar II: Supporting Our People & Driving an Inclusive Culture](#).



## Ensure gender equality

We remain committed to providing equal pay for equal work. We abide by all applicable employment laws as the starting point to ensure fair wage practices. We have an internally published, comprehensive compensation and job framework that sets clear wage guidelines for employees, and we routinely evaluate internal compensation for equity purposes. To learn more, please visit [Pillar II: Supporting Our People & Driving an Inclusive Culture](#).



## Offer decent work and economic growth

We believe that we provide a supportive and enriching workplace at Enact. We also believe that increasing the number of Americans who can own homes—part of our core mission—has positive effects on our economy and promotes growth. For more details, please visit [Pillar I: Strengthening Our Communities](#) and [Pillar II: Supporting Our People & Driving an Inclusive Culture](#).



## Reduce inequality within and among countries

Because homeownership is a primary wealth builder, we believe that we are contributing to the reduction of wealth inequality. We do this by providing homeownership opportunities to more people. Affordability and access are major issues—many individuals and families do not have the traditional 20% down payment to purchase a home. We do not believe that this should preclude them from the wealth-building benefits of owning a home. We also help enable increased access to affordable home loans and inclusive homeownership in India through our investment in the India Mortgage Guarantee Corporation (IMGC). For more information on this, please visit [Pillar I: Strengthening Our Communities](#).



## Make cities and human settlements inclusive, safe, resilient, and sustainable

Beyond addressing economic inequality, increased homeownership contributes to the development of vibrant communities composed of families and individuals invested in their futures. Studies indicate that areas with higher homeownership rates experience lower crime rates and greater civic engagement.<sup>2</sup> By providing more opportunities for people to own homes, we believe that we are making a powerful contribution to this important goal. For more information, please visit [Pillar I: Strengthening Our Communities](#).

2. Manturuk, K., Lindblad, M., and Quercia, R.G. "Homeownership and Local Voting in Disadvantaged Urban Neighborhoods." *Cityscape*, 2009, and McCabe, B.J. "Are Homeowners Better Citizens? Homeownership and Community Participation in the United States." *Social Forces*, 2013, via Habitat for Humanity International, Evidence Brief: "What are the Benefits of Homeownership?" <https://www.habitat.org/media/3356/download>



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# Strengthening Our Communities: At a Glance



Helped nearly

# 140,000

households achieve financially sustainable homeownership with mortgage insurance in 2024<sup>3</sup>

Recognized in the

*Triangle Business Journal* in its

## “2024 Largest Corporate Philanthropists” list

Enact ranked #5 for Volunteer Hours, #10 for Total Giving, and #11 for Triangle Giving

# 1,000+

hours spent volunteering in the local community during Enact’s Month of Service in June

# \$750,000+

total giving in grants awarded through the Enact Foundation

# 3,400+

total hours of volunteer service completed by Enact employees in 2024

3. With mortgage insurance for new mortgages and refinancing



# Our Social Purpose

We enable more households to buy and stay in their homes.

Enact’s three corporate values—Excellence, Improvement, and Connection—motivate us to support accessible pathways toward homeownership. They also guide our commitment to employee volunteerism, philanthropy, and environmental responsibility.

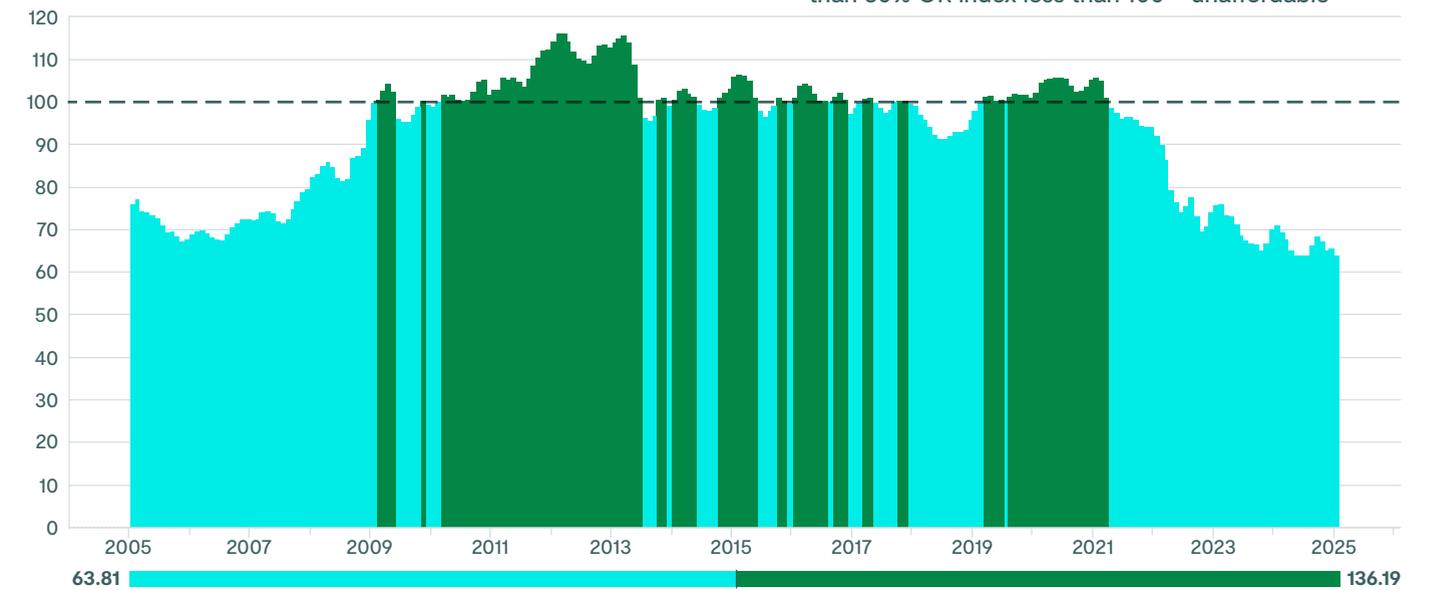
## Mortgage rates remain elevated, and housing affordability is a major challenge.

### Average Mortgage Rates in the United States



Source: Freddie Mac 30-year fixed-rate mortgage average, 12/31/2014 to 12/31/2024

### Affordability Index in the United States



Source: Federal Reserve Bank of America

### Enabling homeownership and wealth creation

From building individual equity to creating more vibrant and stable communities, the benefits of homeownership are undeniably far-reaching. Homeownership has long been considered a key step toward building wealth, especially over generations, with the children of homeowners reporting rates of homeownership 25 percentage points higher than the children of renters.<sup>4</sup>

Unfortunately, with home affordability near historic lows, homeownership may feel out of reach for many potential buyers. Our private mortgage insurance (PMI) provides a path to homeownership for people who, while able to reliably make mortgage payments, cannot make the traditional 20% down payment or lack the credit history to purchase a house.

4. [https://www.habitat.org/sites/default/files/Evidence-Brief\\_Wealth-building-for-homeowners.pdf](https://www.habitat.org/sites/default/files/Evidence-Brief_Wealth-building-for-homeowners.pdf)



Given current market conditions, creating products that allow our customers (mortgage lenders) to provide mortgages to borrowers who would not otherwise enjoy the benefits of homeownership has never been more important. By looking beyond credit scores and available income to determine creditworthiness, we can deepen the pool of potential homeowners, thereby strengthening our customers' business responsibly and sustainably.

**“Our mission and purpose are to put people in homes and help them stay in those homes during times of financial distress. In this environment, with the challenges of home affordability and a lack of inventory, it feels like our mission is more important than ever.”**

— **Rohit Gupta**  
President, CEO, and Director at Enact

In 2024, we helped nearly 140,000 families achieve homeownership through a purchase or a refinance transaction. We also helped over 14,000 families stay in their homes during times of financial distress through loan modifications and other programs.

### Helping underserved communities achieve homeownership

The minority homeownership gap is real, with every state in the U.S. reporting lower homeownership rates for Blacks, Hispanics, and Native Americans. The Joint Center for Housing Studies of Harvard University reported a 24.6% racial homeownership gap, with 71.7% of white households owning their homes compared to 47% of households of people of color.<sup>5</sup>

To help buyers achieve homeownership, Enact has focused on innovative solutions in mortgage insurance eligibility and pricing for nontraditional credit. In 2022, we introduced a nontraditional credit (NTC) product to help consumers without a valid credit score use other means to establish a credit history, such as rental or utility payments.

Typically, individuals without traditional credit scores would face higher prices for mortgage loans. But our award-winning NTC program allows us to price our products more appropriately for these consumers and to expand our guidelines, enhancing affordability.

The LGBTQ+ community also faces challenges in homeownership. Despite an estimated \$1.4 trillion in purchasing power, this group's homeownership rate is 19 percentage points below the national average.<sup>6,7</sup> Enact has taken an active role in educating mortgage lenders to help fight discrimination and close the homeownership gap. We are the only mortgage insurer that partners with the LGBTQ+ Real Estate Alliance, which offers educational resources and courses for industry professionals. They also offer a resource, LGBTQplusHomes, which community members can use to find housing professionals who are either part of the LGBTQ+ community or allies.

## National Association of Minority Mortgage Bankers of America

In July, Enact and the National Association of Minority Mortgage Bankers of America (NAMMBA) partnered to offer a free webinar that explored ways to help identify and engage underserved borrowers in local communities.

**Enact** + NAMMBA

Join our Upcoming Webinar on July 10th | 2pm-3pm EST

**Reimagining the American Dream:**  
*Strategies to Boost Social Impact Lending*

Gain insights from our experts to help you better support underserved borrowers in your local community.

**Register Today!**

**J. Tony Thompson, CMB**  
Founder & CEO of NAMMBA

**Amanda Richardson**  
Director, Customer Technology at Enact MI

5. Joint Center for Housing Studies of Harvard University 6. Purchasing Power: LGBT Capital 7. Homeownership rates: Federal Reserve Bank of St. Louis



### Borrower education and support

Enact understands the challenges that borrowers—including first-time homebuyers—can face, and connects them to the right support resources. The mortgage and homebuying process can be complicated, especially for those lacking previous experience with homeownership. It’s our belief that education is part of the solution, and that sustainable homeownership is enhanced by providing both our customers (mortgage lenders) and consumers (borrowers) with tools, benefits, and educational resources.

With multiple programs and resources available to our customers, we spent 2024 focused on optimizing our marketing to ensure that these materials reach customers efficiently and effectively. We have a dedicated page on our website that features educational materials for first-time homebuyers that we refreshed in 2024.

To help enable the success of our customers and consumers, the following are some of the programs that we provide for them:



#### Finally Home!

Our partnership with Finally Home!, a homebuyer education and counseling organization, offers invaluable information for first-time buyers to help ensure that their transition to homeownership is smooth and worry-free.



#### SpringFour

In August 2024, Enact teamed up with SpringFour, a top financial health fintech, to help borrowers facing financial difficulties. Through this partnership, Enact borrowers having difficulty making payments can access S4connect, SpringFour’s comprehensive self-service financial wellness platform, at no cost. The platform offers access to over 23,500 trusted, nonprofit, and governmental resources for things like home repairs, food assistance, utility savings, disaster relief, and more—helping borrowers to save money, get back on track with their mortgage payments, and stay in their homes.



#### NextJob

In addition, we partner with NextJob to provide career resources to delinquent unemployed and underemployed borrowers. Servicers can offer these resources at no cost to the borrower.



#### Home Suite Home®

To help give borrowers peace of mind, Enact’s Home Suite Home® program offers three benefits: an Appliance Home Warranty, Homeowners Insurance Deductible Reimbursement, or Identity Theft Reimbursement & Restoration Consulting Services—adding another layer of support as borrowers embark on their homeownership journey. Enact pays for these benefits and provides them at no cost to homeowners.

#### Homebuyer Privileges®

Homebuyer Privileges® is an exclusive Enact program that provides homeowners with discounts on products and services from top retailers in their area. There is no cost to participate in this program, and new homeowners can save up to \$8,500 for the things they need most for their new home.

#### Mortgage servicer education

We provide customized default management training for our mortgage servicers and delegate our right to the customary review and approval for assistance options to them to enable borrowers in need to receive relief more promptly.

**“At Enact, our mission drives everything we do. We are committed to promoting sustainable homeownership, whether by assisting borrowers in purchasing a home or by providing every possible resource to help delinquent borrowers keep their home. Our partnership with SpringFour reflects our dedication to offering diverse solutions to meet the unique needs of borrowers.”**

**— Brian Gould, Executive Vice President and Chief Operations Officer at Enact**



# Employee Volunteerism & Community Engagement

We further our mission of accessible homeownership through volunteerism focused on the communities in which we live and work.

Our core value of Connection has long driven Enact, extending our mission of service into the communities in which we live and work through volunteerism and philanthropy. Our employee-led ImpACT Council promotes volunteerism both in the Raleigh area and across the United States, offering a prime example of how volunteerism permeates through Enact’s company culture.

The *Triangle Business Journal* once again recognized Enact for our commitment to the community in its annual “Largest Corporate Philanthropies” list. We are proud to report that our ranking for the number of hours volunteered in the Triangle jumped from #7 to #5.

## Month of Service

With volunteerism deeply rooted in Enact’s corporate culture, our annual Month of Service is a time-honored tradition that employees look forward to each June. For Enact’s 2024 Month of Service, our employees spent over 1,000 hours in the community, volunteering for the causes that are most meaningful to them.

Our impact included sorting and packing over 62,000 meals, leading seven financial literacy classes for local elementary students, wrapping over 21,500 diapers, and clearing trash from an adopted shoreline.



# 3,400

Our volunteer hours increased by 36% year-over-year, with employees spending 3,400 hours volunteering in their local communities in 2024.



Spotlight

# Supporting Our Community in Response to Hurricane Helene

Hurricane Helene had a catastrophic impact on our home state of North Carolina, especially on our neighbors in the western Appalachian region, and across the Southeastern United States. There were over 100 deaths caused by the hurricane in our home state alone, with 879,000 families left without power, and whole neighborhoods destroyed by severe flooding. In the weeks and months following this destructive storm, our team sprang into action to help our fellow North Carolinians get back on their feet.

Our collective efforts included:

- A \$10,000 contribution, through the Enact Foundation, to AmeriCares’ Hurricane Helene relief efforts, which provided aid to communities in the hardest-hit areas of the East Coast; additionally, the Enact Foundation provided a list of reputable charities and nonprofits to employees who wished to contribute time, money, or supplies
- A volunteering effort by Enact’s senior leadership team with the Food Bank of Central & Eastern North Carolina, where they helped prepare food shipments for affected areas
- A partnership with a local nonprofit called Note in the Pocket, led by our colleague, Richard Weller, which included an onsite event that helped collect and sort cold-weather clothing for children in need
- An onsite donation drive in partnership with MANNA FoodBank, where our employees contributed non-perishable food items, as well as various pantry, toiletry, and hygiene items; our team member, Christine Wells, delivered our donations to MANNA FoodBank’s drop-off site near Asheville, North Carolina—a location severely impacted by the hurricane
- An onsite blood drive event, organized by Enact employee Jill Awe, in partnership with The Blood Connection





Since 2022, the Enact Foundation has distributed over \$750,000 in grants to over 18 nonprofit organizations, including:

- Boys & Girls Club of Wake County
- CASA NC
- Center for Volunteer Caregiving
- Clean Jordan Lake
- Food Bank of Central & Eastern North Carolina
- Habitat for Humanity of Wake County
- HomeFree USA
- InterAct
- Junior Achievement of Eastern North Carolina
- Learning Together, Inc.
- Meals on Wheels of Wake County
- Morrisville Community Emergency Response Team (CERT)
- Note in the Pocket
- Rebuilding Together of the Triangle
- Resources for Seniors
- Ronald McDonald House
- The Green Chair Project
- The Women’s Center of Wake County

Grant evaluation criteria include, but are not limited to:

- Alignment with Enact’s mission and business priorities (such as providing affordable housing, preventing homelessness, and closing the minority homeownership gap)
- Ability to generate sustainable and measurable outcomes
- Financial position and sources of income
- Engagement of Enact employees

The Enact Foundation funds the employee program called Dollars for Doers, in which employees can earn up to \$10 per hour served, up to \$400 annually, for volunteering. They may donate these funds to any nonprofit of their choice. The Enact Foundation also matches employee charitable donations (100% up to \$5,000) and Board member donations (up to \$10,000).

**“Volunteerism continues to carry a lot of importance at our company. We have three values: excellence, improvement, and connection. The value of connection is not only internal connection, but it also explicitly refers to our connection to the communities that we live and work in. And that has been one of our values for a long period of time, predating when I joined the company 20 years ago.”**

— Rohit Gupta, President, CEO, and Director at Enact





# Managing Our Carbon Footprint Responsibly

We believe all companies have a role to play in creating a more sustainable future.

**Given the size and nature of our business, Enact is not a major emitter of greenhouse gases. However, we firmly recognize a responsibility to mitigate our carbon footprint and to take as many steps as possible to minimize our environmental impact.**



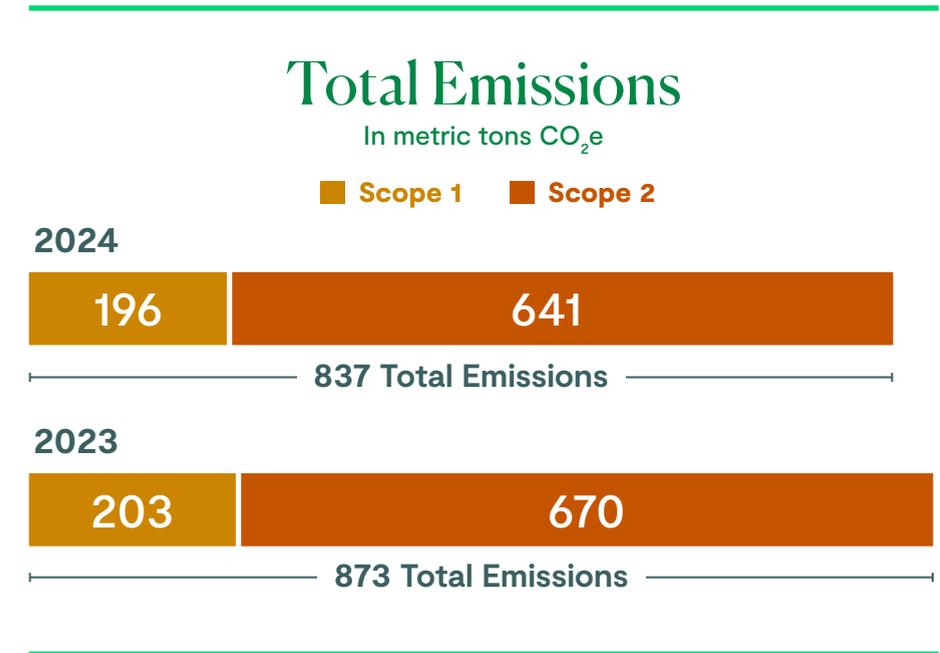
We continue to pursue opportunities to measure emissions, and we seek to limit these emissions at our two company facilities—our Raleigh-based headquarters and our Washington, D.C., office.

We've integrated efficiencies within both of our facilities to ensure that we're continuing to reduce their environmental impact. Through a Building Management System (BMS), we've optimized our HVAC system and reduced our carbon dioxide (CO<sub>2</sub>) output. Our headquarters building is Gold LEED certified and uses 30% less water than buildings of a similar size. We also have LED lighting, and we offer electric vehicle charging stations and opt for electric heat instead of natural gas.

Outside of our own buildings and operations, we believe that we can make a significant impact on the environment through the programs and products that we pursue as a company. Whether it's Fannie Mae, Freddie Mac, or our lenders, we are highly supportive when they launch green products, such as environmentally friendly homes.

## 2024 Total Scope 1 and Scope 2 Emissions<sup>8</sup>

Our Scope 1 and Scope 2 emissions in 2024 were lower year-over-year. Of our overall emissions, approximately 77% was from electricity we purchased (Scope 2).<sup>9</sup> Of our Scope 1 emissions, the vast majority came from mobile sources (owned and leased vehicles).



8. Definitions: Scope 1 - GHG emissions from GHG sources owned or controlled by the organization; Scope 2 - GHG emissions that are a consequence of an organization's operations and activities, but that arise from GHG sources that are not owned or controlled by the organization.

9. Data reflects location-based combined emissions for Enact's Raleigh and Washington, D.C., offices.



# Pillar II: Supporting Our People & Driving an Inclusive Culture

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# Supporting Our People & Driving an Inclusive Culture: At a Glance



## Stevie® American Business Award winner

Silver, Insurance Company of the Year

# > 94th percentile

in Gallup's Overall Employee Engagement Index



## Best Places to Work Award winner

*Triangle Business Journal*



# Employee Engagement & Inclusiveness: Keys to Our Continued Success

At Enact, we strive to create a culture that encourages collaboration.

**At Enact, we firmly believe that a shared sense of purpose, a diversity of voices, and an inclusive working environment are drivers of our business performance and financial success.**

Enact prioritizes a corporate culture that celebrates and benefits from pluralism and a workforce that shares a common mission, and that is built upon a foundation that emphasizes fairness and merit-based advancement.

## Driving an inclusive culture

Enact believes that to properly serve our customers and their borrowers, our teams should reflect the communities we serve. We also believe that to do their best work, our employees need to have the ability to be themselves and to have the opportunity to learn from others with varied backgrounds. These principles drive our inclusion initiatives.



**~420 Employees**

Furthermore, our colleagues have ranked maintaining a diverse and inclusive environment as one of their top sustainability priorities. Therefore, to attract and retain the very best workforce, we need to ensure that our inclusion initiatives appropriately and responsibly reflect these priorities.





### Our employee-led Inclusion Council

Enact has an employee-led Inclusion Council that coordinates inclusion initiatives throughout the company. Open to all and comprising employees from various departments and at different levels of the company, this Council amplifies our value of connection through collaboration with employee advocates to:

#### Celebrate

Commemorating the cultures, talents, and contributions of the diverse populations in our employee and customer populations

#### Educate

Fostering a culture of diversity, fairness, and belonging

#### Advocate

Enhancing and supporting the communities we serve

The Inclusion Council also works closely with our ImpACT Volunteer Council to match programming with community volunteering opportunities.

### Seeking community through differences

At Enact, we actively seek and embrace diverse perspectives to enhance our outcomes. We continuously educate ourselves through the experiences and viewpoints of others, recognizing and celebrating our differences through special events and corporate programs.

### New series: 'The Surge'

The Inclusion Council launched a new limited series of talks (called "The Surge") addressing real-world challenges that our employees may be experiencing, along with how we support each other, and how to make space for personal experiences in a professional setting. Topics discussed included Antisemitism, Asian Hate in Real Estate, LGBTQ+ Discrimination, Islamophobia, and African Americans —Race & Justice.

### Recognizing our veterans

In November, the Enact Inclusion Council collaborated with the ImpACT Volunteer Council to host an event in honor of Veterans Day. This Learn & Serve event with Military Missions In Action (MMIA) allowed employees to learn about MMIA's history and mission, and to explore the three impactful programs that it supports. Since 2008, MMIA has proudly assisted over 130,000 veterans and their families through its Home for Healing, Operation Building Hope, and Fill the Footlocker initiatives. After this event, there was an opportunity to volunteer. Our onsite employees packed Homeless Veteran Stand-Down Kits. Additionally, our remote employees grabbed paper, pens, and other creative items and wrote "thank you" notes to include in care packages sent to military personnel currently serving overseas.





### Supporting LGBTQ+ equality

The Enact team continues to create space to encourage conversations around the challenges that others are facing. To recognize PRIDE month, Enact held the June installment of our anti-hate series and welcomed Jason Scott, from our partner LGBTQ+ Real Estate Alliance, who led a presentation on LGBTQ+ discrimination in the homebuying process.



### Honoring African Americans' contributions to the arts

As part of our Black History Month celebrations in February, our employee-led council hosted a dynamic and thought-provoking lunch-and-learn event, focusing on this year's theme: African Americans and the Arts. Following a TED Talk-style presentation, employees discussed how African Americans and their history are reflected in art.

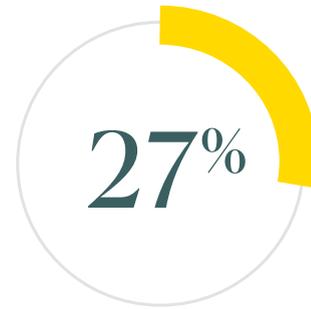




### Inclusiveness in leadership

We recognize the value of diverse perspectives and experiences on Enact’s Board as it relates to the success of our business. As of the end of 2024, 27% of our board members were female and 27% were racially or ethnically diverse. Also, 60% of our Board committee chairpersons were female, and 20% of the Board committee chairpersons were racially or ethnically diverse.

### Board Members



Female



Racially or Ethnically Diverse

### Board Committee Chairpersons



Female



Racially or Ethnically Diverse

### Developing our next generation of leaders

At Enact, we are dedicated to fostering the professional growth of our employees and to actively cultivating a pipeline of future leaders. We provide a robust array of learning opportunities, including structured development programs, instructor-led training, on-demand courses, and both internal and external workshops. These resources help employees enhance their performance, advance their careers, and refine their technical skills.

For managers, we offer a specialized curriculum designed to equip them with the tools and knowledge needed to build an engaged and productive workforce. Additionally, we support professional growth by sending employees and leaders to external executive programs when needed. Our mentorship programs further strengthen development by enabling senior leaders to share their expertise and insights with junior colleagues.

We also conduct an annual Succession Planning exercise, which is regularly reviewed and updated with input from the Compensation Committee, focusing on executive-level roles. By identifying and nurturing high-potential internal talent, we ensure a strong pipeline of qualified leaders ready to step into critical positions.



34

mentor/mentee matches made in 2024



### Enact's Evolve Professional Development Program

Our Evolve Professional Development Program has been designed to provide a structured, annual program with tailored sessions for our team members at any stage of their careers.

The program focuses on providing exclusive development opportunities centered around networking, business knowledge, and professional development. Members of Evolve attend networking and business knowledge sessions taught by Enact's experts on topics like reinsurance, investor relations, underwriting, and more.

Members also have the opportunity to expand their professional skillsets with sessions that explore the psychology of influence and persuasion, data literacy and data analytics, interpersonal relationships and having difficult conversations, and more.



### Spotlight

## Putting the Career Puzzle Pieces Together with Evolve

Grace Cary was part of the first-ever cohort in the Evolve program. As a relatively new member of the Enact team, she says that she has enjoyed the internal networking that is a key part of Evolve.



**Grace Cary**  
Financial Planning Analyst at Enact

"It's a very diverse group in terms of the people and all the departments they come from," Grace says. "The Evolve program has been great in giving opportunities to see all the different facets of the company. It adds context to the data that you are working with."

The Evolve program has already provided Grace an opportunity to advance. "We had one session called a Wisdom Council, which is an opportunity for everyone to discuss something that they're working through in their career," Grace says. "My issue was career mapping, along with deciding how to navigate that and find the next role that best suits my interests and skills. It can be a little uncomfortable to sit there and talk with your co-workers about problems that you're facing in your current role. But, in this case, it was nice because it gave everyone the chance to discuss similar experiences they have faced. Afterward, someone from my session reached out to me when their department posted a new role."

Grace applied for, and transitioned into, the new role, and is now helping prepare financial reports and models as a Financial Planning Analyst. In her new job, she says, she's "able to see how all the numbers flow up. It is really interesting and exciting ... I love seeing the overview of it all and how the puzzle pieces fit."



### Valuing, and measuring, employee sentiment

Understanding our employees’ perspectives about our corporate culture is a critical aspect of our commitment to maintaining an engaging work environment where our teams are at their best. For the last three years, we have partnered with the leading global analytics firm, Gallup, to measure employee engagement.

Engaged employees, as defined by Gallup, are highly involved in, and enthusiastic about, their work and workplace. They are psychological “owners,” driving performance and innovation, and moving the organization forward.

Gallup defines “engagement” as the involvement and enthusiasm of employees in both their work and workplace. Employees confidentially responded to a 12-item survey assessing agreement in behaviorally predictive areas such as whether their opinions are heard, if their managers are supportive, if they receive appropriate recognition for their work, and if the company’s mission makes their job feel important.

### 2024 Gallup Employee Engagement Survey<sup>10</sup>

# 377 employees

participated (91% of Enact’s total workforce)

# 94th percentile

Enact’s score on Gallup’s Engagement Index, when compared to all companies that Gallup surveys

# 93rd percentile

Enact’s score related to the following survey statement: “There is someone at work who encourages my development.”

# 96th percentile

Enact’s score related to the following survey statement: “In the last six months, someone at work has talked to me about my progress.”

# 90th percentile

Enact’s score related to the following survey statement: “My manager provides meaningful feedback to me.”

All managers of the company have requested feedback from their teams on survey results and have formulated action plans to address at least one area where engagement can be improved. After communicating this goal to their teams, each manager tracks their progress in a formalized process.

Our employees are mission critical—they are how we differentiate ourselves in a competitive marketplace. By regularly soliciting their opinions, we hope to ensure that we create an open, dynamic, and rewarding workplace for our colleagues, and, in turn, that we are able to retain the very best.

10. For more about the methodology of Gallup’s Q12 Employee Engagement Survey, visit <https://www.gallup.com/q12/>



### Straight to the top: The President’s Advisory Council

Another way we ensure that our employees’ voices are heard is through the President’s Advisory Council. Each year, employees are selected to serve a two-year term on the Council, which meets quarterly with our President. The purpose of this Council is to bring forth sentiments of our employee base around a broad range of topics from organizational culture to company-wide initiatives, and to offer actionable feedback directly to leadership. The Council meetings provide a safe, candid, and private forum to discuss topics of interest directly with the President, and members are encouraged to gather formal and informal feedback to contribute to these discussions.

### Points-based peer recognition: One community of colleagues celebrating colleagues

In August 2022, we launched an innovative platform to help team members recognize their co-workers’ achievements in a meaningful way. Designed to feel like a social media platform, this intuitive online system allows employees to award points with real monetary value. These points can be redeemed for perks such as online retail purchases, gift cards, and more. Each employee receives a monthly point allowance to recognize colleagues who go above and beyond. Additionally, employees celebrating milestone work anniversaries receive a special award, complete with a public acknowledgment.

This recognition program has become a unifying element across the company, fostering a sense of connection and allowing recognition to flow seamlessly between departments and locations.

We’ve continued refining the program based on employee feedback. Managers now have additional points to reward their team members, and senior leaders are allocated even more points, ensuring broader recognition across the organization.

Since the platform’s launch (August 2022 to December 2024), Enact users have shared over 30,480 shoutouts and have awarded more than 2,575,875 points.



# 100%

We’re proud that 100% of employees with accounts have actively participated in giving shoutouts, highlighting the program’s success in building a culture of appreciation.

## Celebrating Colleagues Who Go Above and Beyond

Every year, during the first quarter, we recognize team members who go above and beyond and who exemplify our values of Excellence, Improvement, and Connection. Our Emerald, Spark, Sales MVP, and President’s Club awards are just one way that we show appreciation for our most vital asset, our employees.





### Empowering our employees

We recognize that our employees are our most important resource and our biggest differentiator. Therefore, we do as much as we can to allow them to be at their best, helping them achieve and maintain mental, physical, and financial well-being.

In addition to robust healthcare coverage, some of our notable benefits include:

- Generous choice time-off policy
- Twelve paid holidays
- Hybrid work schedule
- Forty hours of volunteer time off
- Time off to vote on election days
- Tuition reimbursement and student loan repayment
- Paid family leave and adoption assistance program
- Flexible spending accounts
- Personal financial counseling
- 401(k) with up to 5% company match
- Fitness and emotional wellness reimbursements, along with benefits such as an onsite gym

In 2024, Enact continued to offer inclusive care benefits to LGBTQ+ employees. These benefits included:

- Access to specially trained Health Educators, who, working with clinicians, can identify health professionals who are familiar and sensitive to the needs of LGBTQ+ individuals and can also help locate community programs and other resources for further support
- A searchable LGBTQ+ provider directory in which employees can find behavioral health professionals who have experience with LGBTQ+ issues





# Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance

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# Focusing on Responsible Business Practices & Sound Corporate Governance : At a Glance



# >167%

Private Mortgage Insurer Eligibility Requirements (PMIERS) sufficiency<sup>11</sup>

# A

Enact's credit rating from Fitch; our S&P Global rating and AM Best rating are both A- and our Moody's rating is A3<sup>12</sup>

# 73%

of our Board members are independent, including the chairperson

# 100%

of our Board committee chairpersons are independent

# \$190 million

in Enact-held bonds linked to green, social, and sustainability initiatives

11. As of December 31, 2024. Private Mortgage Insurer Eligibility Requirements (PMIERS) are set by government-sponsored entities Fannie Mae and Freddie Mac. For more information about PMIERS, see this [Fact Sheet](#) from the U.S. Mortgage Insurers Association, or this [Federal Housing Finance Agency](#) page.

12. Ratings are for Enact Mortgage Insurance Corporation.



**Enact is equally committed to our mission of helping individuals responsibly achieve the dream of homeownership and to our role of creating long-term value for stakeholders.**

Ethical and responsible corporate behavior underpins all aspects of our strategy and business operations, with a continuous focus on strong, independent governance and corporate behavior that aligns with our company’s Code of Ethics.

We are steadfast in assembling an experienced and highly independent Board, with directors who offer diverse qualifications and skills.

**“Against a dynamic market backdrop, we generated record insurance in-force, while prudently managing our risks, maintaining expense discipline, and returning capital to shareholders.”**

**— Rohit Gupta**  
President, CEO, and Director at Enact

**“Looking beyond the acronyms and the frameworks, you might ask, ‘What are we really doing?’ We’re running the business ethically and governing well. It’s good business and good governance, resulting in long-term sustainability and value creation, and that’s what makes the company successful long term.”**

**— Sheila Hooda**  
Board Member and Chairperson of the Nominating and Governance Committee at Enact

**Board of Directors**

Our highly experienced and independent Board delivers strong corporate governance to the benefit of all stakeholders.

Our Board is a beacon of strong corporate governance, setting standards for the company, serving as a fiduciary to shareholders, and overseeing the management of the company’s business.

As a controlled company, it is imperative that Enact’s directors are independent to ensure responsible oversight of our operations. Currently, eight of our 11 directors are independent—higher than in most controlled companies. Additionally, the chairperson and each committee chairperson are independent.

The diverse qualifications and skills of our Board members complement one another, bringing a wide range of experiences and expertise to ensure that the challenges facing our company are thoroughly examined from multiple perspectives. As illustrated in the chart on page 32, the Board demonstrates significant expertise in critical areas, such as risk management, government and public policy, and technology.

Enact recognizes that demographic and experiential diversity at the Board level enhances decision making by incorporating varied viewpoints. Currently, 60% of our Board chairpersons are female, and 20% are ethnically diverse. All of our directors have experience serving on other public company boards, and eight of our 11 directors have served as president or CEO of a publicly traded company, a significant operating segment of a public company with its own profit and loss (P&L), or a privately held company with revenues of over \$100 million.



# Our Board of Directors' Experience Matrix

## Skills

	Dominic J. Adesso	Michael A. Bless	John D. Fisk	Rohit Gupta	Sheila Hooda	Thomas J. McInerney	Robert P. Restrepo Jr.	Debra W. Still	Westley V. Thompson	Jerome T. Upton	Anne G. Waleski	
<b>President/CEO</b> President or CEO of a public company, a significant operating business segment of a public company with its own P&L, or a privately held company with annual revenues in excess of \$100M	●	●	●	●		●	●	●	●			8/11
<b>Accounting/Financial</b> An applicable degree (e.g., MBA, CPA) or significant experience with finance, public company financial reporting, financial statements and auditing processes	●	●	●	●	●	●	●	●	●	●	●	11/11
<b>Other Public Company Board Experience</b>	●	●	●	●	●	●	●	●	●	●	●	11/11
<b>Insurance/Re-Insurance</b> Managerial experience within the insurance industry, with insurance transactions, or insurance regulatory or accounting regimes	●		●	●	●	●	●	●	●	●	●	10/11
<b>Capital Markets/Investments</b> Managerial experience overseeing or executing capital market transactions and investment strategy	●	●	●	●	●	●	●	●		●	●	10/11
<b>Risk Management</b> Managerial or other public company board committee experience specific to risk, e.g., senior leadership role in a risk organization or a company engaged in managing risk as a primary business line, and/or other public company board risk committee service	●	●	●	●	●	●	●	●	●	●	●	11/11
<b>Government/Public Policy</b> Direct experience engaging with regulators, legislators; having a significant role within a trade or industry group directly involving public policy; or experience as a regulator or legislator	●	●	●	●		●	●	●	●	●	●	10/11
<b>Technology</b> Significant experience with technology strategy, transformation, security, or operations	●	●	●	●		●	●	●	●			8/11
<b>Mortgage/Financial Services</b> Managerial experience for a company within the mortgage and/or financial services industry	●		●	●	●	●	●	●		●		8/11
<b>Marketing</b> Operating experience with developing or executing on sales and marketing plans including digital marketing	●			●		●	●		●			5/11



# Sustainability Council

Our engaged, multidisciplinary team keeps sustainability issues as top-of-mind priorities within Enact.

Formed after Enact’s initial public offering in 2021, our Sustainability Council is a diverse, cross-functional team focused on sustainability efforts within the company. The Sustainability Council includes representatives from key organizational functions, including human resources, risk and compliance, legal, finance, operations, information technology (IT), facilities, and customer solutions.

The Sustainability Council is a highly valued component of our organization, with routine visibility in front of management and the Board. The Board’s Nominating and Corporate Governance Committee receives quarterly updates on Sustainability Council activities, sustainability policies, developments, and risks. The entire Board receives regular updates on sustainability issues, as well.

Beyond the Sustainability Council, Enact has multiple touchpoints in place to address sustainability issues. These include the Inclusion Council, which collaborates closely with the Sustainability Council. Our Board of Directors also oversees human capital, culture, and inclusion initiatives through the Compensation Committee, along with risk management practices through the Risk Committee, and compliance with relevant legal and regulatory requirements through the Risk and Audit committees.

*Triangle Business Journal* honored Enact President and CEO, Rohit Gupta, as a 2024 Corporate Leadership Award winner.





# Risk Management

Risk management, which includes a close calibration of our risk appetite, is a central focus at Enact.

At Enact, refining our risk profile and effectively managing capital are key priorities. Our company’s approach to risk management is rooted in a comprehensive enterprise risk management (ERM) framework. This framework enables us to identify, assess, and mitigate risks across all aspects of our operations, ensuring our company’s resilience and sustainability.

With an organizational structure designed to support day-to-day risk management and a commitment to delivering risk-adjusted returns that protect our balance sheet, we seek to actively secure our business today and into the future.

We have a multi-pronged approach toward managing risk within Enact, ensuring that any new or emerging risks are identified and acted upon quickly and appropriately. Our Chief Risk Officer leads the Risk Management Team, which is responsible for overseeing risk across the company, and also directs the Governance, Risk, and Compliance (GRC) Council, a cross-functional subcommittee that supports these efforts. Additionally, Enact’s senior management regularly reviews our risk metrics and briefs our Board’s Risk Committee.

Because our investment portfolio is diversified, with high-quality fixed-income assets that provide ample liquidity under severe stress, we often go above and beyond what is legally required of mortgage insurance companies. Enact continues to maintain well over the Private Mortgage Insurer Eligibility Requirements (PMIERs) reserves required by Fannie Mae, Freddie Mac, and the Federal Housing Finance Agency. As of December 31, 2024, Enact had approximately 167% of the required assets under the PMIERs framework, representing approximately \$2.1 billion above the mandated thresholds.

Overall, 80% of our risk in force is being covered by credit risk transfers, as of December 31, 2024.

In the first quarter of 2024, we completed an excess of loss transaction as part of our Diversified Credit Risk Transfer (CRT) Program. This transaction provided approximately \$270 million of reinsurance coverage on a portion of new insurance written for the 2024 book year. In the second quarter of 2024, we completed an additional excess of loss transaction that provided approximately \$90 million of reinsurance coverage on a portion of existing mortgage insurance written from July 1, 2023, through December 31, 2023. In the fourth quarter of 2024, we entered into two quota share reinsurance agreements covering a portion of 2025 and 2026 new insurance written. We entered into these agreements with broad panels of highly rated reinsurers, further improving our risk profile and allowing us to confidently pursue high-quality new business.

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**“Changes made to the PMIERs, which were developed in collaboration with government-sponsored enterprises and the Federal Housing Finance Agency, will further strengthen the risk-based capital framework for the private mortgage insurance industry. Enact remains well positioned for continued prudent capital sufficiency in excess of these requirements, while continuing to execute on our capital allocation strategy.”**

**— Dean Mitchell**  
Executive Vice President, Chief Financial Officer, and Treasurer at Enact

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# A Sustainable and Responsible Portfolio

Our well-balanced approach to portfolio management prioritizes our fiduciary responsibility while considering factors that may affect long-term sustainability and profitability.

Fiduciary responsibility to policyholders is the guiding principle of our investment strategy and a core tenet of our sustainability platform. Sustainability considerations are integrated into our decision making to ensure long-term viability. Currently, we hold \$190 million in bonds linked to our green, social, and sustainability initiatives.

A proprietary scoring system that evaluates governance, market development, climate exposure, and regulatory requirements is instrumental in allowing our ESG Investment Council to make insights-driven decisions alongside our Investment Committee, Senior Leadership Team, and Board.



# \$190M+

Enact holds more than \$190 million of green, social, and sustainability linked bonds.

## Data Privacy

We are steadfast in our responsibility to protect borrowers' privacy.

**Generally, Enact relies upon borrower information that our customers (mortgage lenders) provide us, and does not obtain nonpublic personal information (NPI) from other sources, except from a consumer reporting agency to supplement and confirm the information that our customers have provided to us.**

Enact does not share borrowers' NPI with affiliated companies or third parties, except as permitted by applicable federal and state privacy laws and regulations, and as further described in our [Privacy and Security Policy](#). Enact's Privacy Program is overseen by the company's Chief Compliance Officer, who reports to the General Counsel.

Periodically, borrower data that is not personally identifiable may be shared with third parties, including consultants, regulators, and industry trade groups for risk management, industry reporting, or other analytical purposes. Additionally, we share borrowers' personal information as required by

applicable federal and state laws and regulations, including as required to comply with subpoenas, regulatory inquiries, or examinations. We may also share borrower data with Fannie Mae and Freddie Mac in the course of administering the insurance coverage for loans they hold in their respective portfolios where those entities are the beneficiaries of our insurance.

Borrowers have the right to obtain a copy of the personally identifiable information that we maintain concerning them, and they may request correction or deletion of any disputed information pursuant to a process described in the North Carolina Insurance Information and Privacy Protection Act or other applicable state privacy laws. Consumers may make a request to know the personal information that Enact has collected or maintains about them, or may request to delete their personal information, by using the online form on our [website](#) or by calling our ActionCenter®.



# Cybersecurity

Maintaining the trust of our customers and borrowers is of the utmost importance to Enact.

**We understand the importance of safeguarding our information resources. Enact’s information security program is risk-averse, yet pragmatic, featuring multiple lines of defense—from the technology itself to our internal governance structures.**

Recognizing the realities of today’s “work from anywhere” environment, Enact’s cybersecurity program is anchored in industry-standard frameworks to deliver a quality end-user experience without compromising business resiliency or data privacy. We take a “zero-trust” approach to ensure the confidentiality of customer and employee data in transit and at rest. These safeguards are reviewed regularly by internal and external parties, including, but not limited to, annual Sarbanes-Oxley (SOX) and System and Organization Controls 2 (SOC 2) audits focusing on security, confidentiality, and availability—ensuring that Enact’s practices align with industry-accepted standards, along with customer and regulatory requirements.

These proactive security measures are bolstered by a governance structure that acts as a second line of defense against cyber risk and breaches. Enact’s Chief Information Security Officer is responsible for raising information security issues to the Governance, Risk, and Compliance Council, which meets monthly to monitor changing risks to the business. Critical issues are reported to our Senior Leadership Team, and either to the Board’s Risk Committee or to the full Board, or both, as they are ultimately responsible for overseeing cybersecurity risks. The Risk Committee also receives quarterly updates on IT, data privacy, and cybersecurity.



**We take a “zero-trust” approach to ensure the confidentiality of customer and employee data in transit and at rest.**

# Business Continuity

We have a robust business continuity program to prepare for and manage through business interruptions.

Maintenance and execution of our business continuity plan is led by a crisis management leader reporting to our Chief Risk Officer. We update our plan no less than annually to accommodate changes in business processes and third-party providers, and we test the plan regularly through tabletop exercises.

In addition, all employees are capable and equipped to work remotely, so that we can continue providing services to our customers through any disruptions that require prolonged absences from the office.





# Climate Risk

While currently shielded from the most severe financial impacts of climate change, Enact is monitoring this area closely.



The reality is that extreme weather events are annually impacting Americans at increased rates. The National Centers for Environmental Information recently reported that the annual average of national climate disaster events with losses exceeding \$1 billion rose from 8.5 events between 1980–2023 to 20.4 events between 2019–2023.<sup>13</sup>

Climate change has been embedded into Enact’s risk management framework through ensuring that the risk and related exposures are assessed, managed, and reported. From an underwriting perspective, because Enact’s Master Policy Agreement protects the company from paying claims on defaults that occur due to physical damage from these events, our portfolio is relatively low-risk related to climate change.

For this reason, we continue to assess and address the climate-related risks to our business.

# Third-Party Risk Management

Effective third-party risk management is essential for safeguarding our operations, maintaining regulatory compliance, and ensuring the trust of our stakeholders.

**We maintain comprehensive third-party risk management practices to ensure that our partnerships align with our values and business goals while safeguarding against financial, operational, and reputational risks. These practices are designed to promote accountability and resilience across our supply chain.**

Leveraging advanced risk monitoring tools, we can gain deeper insights into multiple dimensions of our third parties, including regulatory compliance, financial stability, operational resilience, sustainability, and cyber maturity. These tools enable us to track key indicators and trends, providing valuable context for understanding the broader sustainability and risk landscape of our partnerships. Additionally, they allow us to act quickly in response to changes that might impact our operations, ensuring that we remain proactive and agile in managing risks.

Key practices include:

### Risk Tiering

Prioritizing oversight based on the criticality of third parties to our operations

### Continuous Monitoring

Maintaining real-time awareness of risks and performance metrics, including sustainability considerations

### Collaborative Engagement

Partnering with third parties to address areas for improvement and promote shared goals

13. <https://www.ncei.noaa.gov/access/billions/>



# Looking Ahead

At Enact, our goal is to make the dream of homeownership real for more families. This mission animates everything we do and is why we are so passionate about our work.

As affordability remains a challenge for many aspiring homeowners, we are committed to exploring innovative solutions that enable more families to purchase homes responsibly. By making increased pathways to homeownership possible, we are helping families build wealth and stronger communities.

Sustainability is intertwined with this mission—whether it’s maintaining prudent risk management, recruiting and retaining top performers, supporting an inclusive environment that allows employees to do their best work, or volunteering to help our neighbors in need, we aim to build a vibrant community at Enact and beyond.

We also remain committed to listening to our stakeholders, and we look forward to continued engagement with them on the issues that matter most. In 2025, we plan to conduct a full sustainability materiality assessment to ensure that we are aligned with our employees, shareholders, and other key constituencies.

Thank you for your interest in Enact.





# Appendix

40 SASB Disclosures

43 TCFD Disclosures





# SASB Disclosures

The Sustainability Accounting Standards Board (SASB) provides a framework for companies to disclose relevant sustainability information that is “most likely to affect an entity’s cash flows, access to finance, and cost of capital over the short, medium, or long term, and the disclosure topics and metrics that are most likely to be useful to investors.” SASB has published 77 industry-specific standards; below are our disclosures pursuant to the SASB Insurance Industry framework (FN-IN).<sup>14</sup>

SASB Topic	Metrics	Code	Response
<b>Transparent Information &amp; Fair Advice for Customers</b>	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	FIN-IN-270a.1	We disclose material legal matters in our Annual Filing ( <a href="#">10K</a> ). In 2024, we did not incur any losses attributed to legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers.
	Complaints-to-claims ratio	FIN-IN-270a.2	We do not calculate a complaints-to-claims ratio. As a business-to-business company, our customers are banks, non-banks, credit unions, and other businesses and not individual consumers. In 2024, there were no complaints filed with state insurance departments.
	Customer retention rate	FIN-IN-270a.3	In 2024, the origination market saw a number of lenders decrease through consolidation or dissolution. Despite this contraction, we were able to add over 144 new customers in 2024 and achieved an 88% customer retention rate.
	Description of approach to informing customers about products	FIN-IN-270a.4	Our customers include banks, non-bank lenders, national and local mortgage bankers, and credit unions. We believe that our success in establishing strong, sustained relationships and our ability to capture new customers is attributable to our comprehensive value proposition. We offer customers a competitive price, along with differentiated offerings and services. Additionally, by maintaining an ongoing dialogue with our customers, we are able to develop an understanding of their needs, offer customized solutions for their challenges, advise them on portfolio composition and trends, share market perspectives and industry best practices, and provide product development support and training, as necessary. We distribute our mortgage insurance products through a dedicated sales force located throughout the United States and a digital marketing program designed to expand our reach beyond our sales force. We utilize these channels to ensure that our customers are informed of all aspects of our products, with our <a href="#">website</a> serving as a central point of access of resources related to our Master Policy, underwriting guidelines, credit policy bulletins, servicing guides, information related to our products and services, and on-demand training. Our sales teams and our ActionCenter <sup>®</sup> also work directly with customers to answer questions about different aspects of our products and have consultative discussions to propose ways our customers can best leverage our products and services to their benefit.

14. <https://sasb.org/about/>



SASB Topic	Metrics	Code	Response
<b>Incorporation of ESG Factors in Investment Management</b>	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	FIN-IN-410a.2	<p>The Enact Board delegates oversight for Enact’s investments to management-level committees. The Enact subsidiaries, EMICO, and Enact Mortgage Insurance Corporation of North Carolina have investment management agreements with Genworth for the management of their investment portfolios.</p> <p>The investments of our holding company, Enact Holdings, Inc., are managed under an investment management agreement with a non-affiliated third party. Our Parent’s investment team—with oversight from our Board of Directors, the companies’ Head of Investment Strategy, and senior management—is responsible for executing our investment strategy.</p> <p>Our approach to managing investments is aligned with our fiduciary responsibility to strive to fulfill promises to our policyholders to be there when they need us most—a core tenet of our sustainability platform. We have integrated environmental, social, and governance (ESG) factors into our overall investment strategy.</p> <p>The Enact Investment Committee reviews ESG-related investment risks, governance, market developments, and regulatory requirements to inform its decisions. Enact holds more than \$190 million in green, social, and sustainability-linked bonds. For more information, please see page 35 of this report. You can find additional investment information in our Annual Filing (10K, Footnote 3) and our Quarterly Financial Supplements (QFS) located on the <a href="#">Quarterly Results</a> page of our <a href="#">Investor Relations website</a>.</p>
<b>Policies Designed to Incentivize Responsible Behavior</b>	Net premiums written related to energy efficiency and low carbon technology	FIN-IN-410b.1	We do not collect net premiums written related to energy efficiency and low carbon technology, as we do not originate mortgages and only collect information relevant to the underwriting of mortgage insurance.
	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	FIN-IN-410b.2	As we do not originate mortgages, we do not have a discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors. We have policies and procedures and required training on fair lending to ensure that Enact fully complies with the Fair Housing Act, the Equal Credit Opportunity Act and related regulations, and state and local laws, and does not illegally discriminate in mortgage insurance decisions for pricing, underwriting, workout, credit policy, support, marketing, and other decisions throughout the life of the mortgage insurance.



SASB Topic	Metrics	Code	Response
<b>Physical Risk Exposure</b>	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FIN-IN-450a.1	We are not a hazard insurance company. Therefore, we do not calculate Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes. Additionally, we are not liable for physical damage per our Master Policy.
	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment net and gross of reinsurance	FIN-IN-450a.2	We are not a hazard insurance company. Therefore, we do not calculate the total amount of monetary losses attributable to insurance payouts from modeled natural catastrophes (net of reinsurance). Additionally, we are not liable for physical damage per our Master Policy.
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FIN-IN-450a.3	We are not a hazard insurance company. Therefore, we do not incorporate environmental risks into (1) the underwriting process for individual contracts, and (2) the management of firm-level risks and capital adequacy. Additionally, we are not liable for physical damage per our Master Policy.
<b>Systemic Risk Management</b>	Exposure to derivative instruments by category: (1) total exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse, and (3) total exposure to centrally cleared derivatives	FIN-IN-550a.1	Not applicable
	Total fair value of securities lending collateral assets	FIN-IN-550a.2	Not applicable
	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	FIN-IN-550a.3	Not applicable; we do not engage in systematic noninsurance activities.



# TCFD Disclosures

In 2015, the G20’s Financial Stability Board (FSB) appointed the Task Force on Climate-related Financial Disclosures (TCFD) to develop a framework for companies to provide investors and other stakeholders with relevant information about their climate-related risks and opportunities. Below, we have provided a table mapping TCFD’s disclosure recommendations to the relevant sections in this report.

In 2017, the TCFD created a framework for companies which was “designed to help companies provide better information to support market transparency and more informed capital allocation.”<sup>15</sup> In 2024, the TCFD, having completed this remit, was disbanded. Now that the framework is in place, company disclosures using the TCFD framework will be monitored by the International Sustainability Standards Board (ISSB). Below, we have utilized the TCFD framework to provide a roadmap to our climate-related disclosures in the preceding report.

Pillar	Recommended Disclosures	Report Disclosure Location
<b>Governance</b>	Describe the board’s oversight of climate-related risks and opportunities	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance: Sustainability Council on <a href="#">pg. 33</a> and Climate Risk on <a href="#">pg. 37</a> of this report.
	Describe management’s role in assessing and managing risks and opportunities	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance Risk Management on <a href="#">pg. 34</a> of this report.
<b>Strategy</b>	Describe the climate-related risk and opportunities the organization has identified over the short, medium, and long term	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance: Climate Risk on <a href="#">pg. 37</a> of this report.
	Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance: Climate Risk on <a href="#">pg. 37</a> of this report.
	Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance: Climate Risk on <a href="#">pg. 37</a> of this report.
<b>Risk Management</b>	Describe the organization’s processes for identifying and assessing climate-related risks	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance: Climate Risk on <a href="#">pg. 37</a> of this report.
	Describe the organization’s processes for managing climate-related risks	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance: Climate Risk on <a href="#">pg. 37</a> of this report.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	Please see Pillar III: Focusing on Responsible Business Practices & Sound Corporate Governance: Risk Management on <a href="#">pg. 34</a> and Climate Risk on <a href="#">pg. 37</a> of this report.

15. <https://www.fsb-tcfid.org/about/>



Pillar	Recommended Disclosures	Report Disclosure Location
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Not disclosed
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	Please see Pillar I: Strengthening Our Communities, Managing Our Carbon Footprint Responsibly on <a href="#">pg. 18</a> of this report.
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Not disclosed

Cautionary Note:

This report contains certain “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “will” or words of similar meaning and include, but are not limited to, statements regarding the outlook for future business and financial performance of Enact Holdings, Inc. (“Enact”) and its consolidated subsidiaries. Forward-looking statements are based on management’s current expectations and assumptions, which are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. Actual outcomes and results may differ materially due to global political, economic, business, competitive, market, regulatory, and other factors and risks, including those discussed at the end of this presentation, as well as in the risk factor section of Enact’s Annual Report on Form 10-K, filed with the United States Securities and Exchange Commission (SEC) on February 28, 2025. Enact undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments, or otherwise.



Thank you for reading our 2024 Sustainability Report.  
For more information, please visit our [website](#).

