UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2023

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __________ to __________

Commission file number 001-40399

Enact Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	46-1579166
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

8325 Six Forks Road
Raleigh, North Carolina 27615
(Address of principal executive offices, including zip code)
(919) 846-4100
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	ACT	The Nasdaq Stock Market

Securities registered pursuant to Section 12(g) of the Act:

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common equity (based on the closing price of the Common Stock on the Nasdaq Stock Market) held by non-affiliates of the registrant on June 30, 2023, was approximately $739 million. All executive officers and directors of the registrant have been deemed, solely for the purpose of the foregoing calculation, to be "affiliates" of the registrant.

As of February 26, 2024, there were 159,108,759 shares of Common Stock, par value $0.01 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's definitive proxy statement pursuant to Regulation 14A of the Securities Exchange Act of 1934 in connection with the 2023 annual meeting of the registrant's stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

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Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K, including Management's Discussion and Analysis of Financial Condition and Results of Operations, contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements may address, among other things, our expected financial and operational results, the related assumptions underlying our expected results and the quotations of management. These forward-looking statements are distinguished by use of words such as "will," "would," "anticipate," "expect," "believe," "designed," "plan," or "intend," the negative of these terms and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. Our forward-looking statements contained herein speak only as of the date of this annual report. "Item 1A. Risk Factors" in this Annual Report and contained in our other filings with the Securities and Exchange Commission, may cause our actual results to differ from those expressed in forward-looking statements. Although Enact believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be achieved and it undertakes no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise, except as required by applicable law.

PART I

Item 1. Business

Overview

We are a leading private mortgage insurance company serving the United States housing finance market since 1981 with a mission to help people buy a house and keep it their home. We operate in all 50 states and the District of Columbia. Our principal mortgage insurance customers are originators of residential mortgage loans who typically determine which mortgage insurer or insurers they will use for the placement of mortgage insurance written on loans they originate.

As a private mortgage insurer, we play a critical role in the United States housing finance system. We are engaged in the business of writing and assuming residential mortgage guaranty insurance. The insurance covers a portion of the unpaid principal balance of Low Down Payment Loans (mortgage loans where the loan amount exceeds 80% of the value of the home) and protects lenders and investors against certain losses resulting from nonpayment of loans secured by mortgages, deeds of trust, or other instruments constituting a first lien on residential real estate. We facilitate the sale of mortgages to the secondary market, including to private investors as well as the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). Fannie Mae and Freddie Mac are government-sponsored enterprises (collectively referred to as the "GSEs"). Credit protection and liquidity through secondary market sales allow mortgage lenders to increase their lending capacity, manage risk and expand financing access to prospective homeowners, many of whom are first time home buyers ("FTHBs").

We have a large and diverse customer base and maintain enduring relationships across the mortgage origination market, including with national banks, non-bank mortgage lenders, local mortgage bankers, community banks and credit unions. In 2023, we provided new insurance coverage to over 1,700 customers. For the full years ended December 31, 2023, 2022 and 2021 we generated new insurance written ("NIW") of $53.1 billion, $66.5 billion and $97.0 billion, respectively. Net income was $666 million, $704 million and $547 million in 2023, 2022 and 2021, respectively. Adjusted operating income was $676 million, $708 million and $551 million for 2023, 2022 and 2021, respectively.

We have a rigorous approach to writing new insurance risk based on decades of loan-level data and experience in the mortgage insurance industry. We believe our balance sheet is well capitalized to manage through macroeconomic uncertainty and maintain compliance with private mortgage insurer eligibility requirements ("PMIERs") and state regulatory standards of compliance. We utilize our credit risk transfer ("CRT") program to mitigate future loss volatility and drive efficient capital management. Our CRT program is a material component of our strategy, and we believe it helps to protect future business performance and stockholder capital under stress scenarios by transferring risk from our balance sheet to highly rated counterparties or to investors through collateralized transactions. As of December 31, 2023, we had a PMIERs sufficiency ratio of 161%, representing $1,887 million of available assets above the PMIERs requirement and approximately 90% of our insured portfolio was covered by our CRT program.

Our Corporate Information

Enact Holdings, Inc. ("EHI," together with its subsidiaries, the "Company," "we," "us," or "our") was a wholly owned subsidiary of Genworth Financial, Inc. ("Genworth") since EHI's incorporation in Delaware in 2012 until our initial public offering on September 20, 2021.

On May 3, 2021, EHI amended its certificate of incorporation to change its name from Genworth Mortgage Holdings, Inc. This amendment also authorized EHI to issue 600,000,000 shares of common stock, each having a par value of $0.01 per share. Concurrently, we entered into a share exchange agreement with Genworth Holdings, Inc. ("Genworth Holdings"), pursuant to which Genworth Holdings exchanged the 100 shares of our common stock owned by it, representing all of our issued and outstanding capital stock, for 162,840,000 newly issued shares of common stock, par value $0.01, of EHI.

On September 15, 2021, we priced our initial public offering (“IPO”) of common stock, which resulted in the issuance and sale of 13,310,400 shares of common stock at the IPO price of $19.00 per common share. All shares were offered by the selling stockholder, our parent company, Genworth Holdings. In addition to the shares sold in the IPO, 14,655,600 common shares were sold in a concurrent private sale (“Private Sale”) at a price per share of $17.86, which is equal to the IPO price less the underwriting discount share. Genworth Holdings also granted the underwriters a 30-day option to purchase up to an additional 1,996,560 common shares (“Over-Allotment Option”) at the IPO price less the underwriting discount. On September 16, 2021, the underwriters exercised their option to purchase all 1,996,560 common shares permitted under the terms of the underwriting agreement. The IPO, Private Sale, and Over-Allotment Option (collectively the “Offering”) closed on September 20, 2021, and Genworth Holdings retained all net proceeds from the Offering.

We operate a majority of our business through our primary insurance subsidiary, Enact Mortgage Insurance Corporation (“EMICO”). EMICO is an approved insurer by the GSEs. EMICO was renamed from Genworth Mortgage Insurance Corporation effective February 7, 2022.

We also offer mortgage-related insurance and reinsurance through our wholly owned Bermuda-based subsidiary, Enact Re Ltd. ("Enact Re"). We contributed $250 million into Enact Re in May 2023 and an additional $250 million in November 2023. As of December 31, 2023, Enact Re provided excess-of-loss reinsurance relating to GSE risk share and reinsured EMICO’s new and existing insurance in-force under quota share reinsurance agreements.

Our operations also include a run-off insurance block with reference properties in Mexico (“run-off business”), which is immaterial to our results.

Our Strategy

Our objective is to support our mission to help people buy a house and keep it their home, while leveraging our competitive strengths to maximize value for our stockholders. This strategy is based on the following priorities:

Differentiate Enact from competitors

- Strive to deliver best-in-class underwriting to a well-established, deep and diversified customer base.
- Invest to increase differentiation, drive efficiencies, and enhance decision-making.

Maintain strong capital levels and earnings profile

- Seek to maintain a strong capital position supported by robust underwriting standards, comprehensive stress testing, a conservative leverage ratio and a diversified CRT program.
- Aim to optimize cost of capital and forward capacity across CRT channels to manage volatility, protect the balance sheet and enhance return on equity.

Deliver attractive risk-adjusted returns

- Write profitable new business that delivers attractive risk-adjusted returns.
- Strive to maximize stockholder value through a disciplined capital allocation policy that supports existing policyholders, invests in attractive new business opportunities and returns excess capital to stockholders.

Our Industry

United States Mortgage Market

The United States residential mortgage market is one of the largest in the world and includes a range of private and government-sponsored participants. Private industry participants include mortgage banks, mortgage brokers, commercial, regional and investment banks, savings institutions, credit unions, real estate investment trusts, mortgage insurers and the GSEs. The overall United States residential mortgage market encompasses both primary and secondary markets. The primary market consists of lenders originating home loans to borrowers to support home purchases, which are referred to as purchase originations, and loans made to refinance existing mortgages, which are referred to as refinancing originations. The secondary market includes institutions buying and selling mortgages in the form of whole loans or securitized assets, such as mortgage-backed securities (“MBS”).

GSEs

The GSEs are the largest participants in the secondary mortgage market, buying residential mortgages from banks and other primary lenders as part of their government mandate to provide access, liquidity and stability in the United States housing finance system. According to the earnings reports of the GSEs, the GSEs held or guaranteed approximately $7.7 trillion as of September 30, 2023, or around 55%, of total United States 1-4 family residential mortgage debt according to most recent data from the Federal Reserve. The GSE charters generally require credit enhancement for Low Down Payment Loans to be eligible for purchase by the GSEs. Such credit enhancement can be satisfied if a loan is insured by a GSE-qualified insurer, the mortgage seller retains at least a 10% participation in the loan, or the seller agrees to repurchase or replace the loan in the event of a default. Private mortgage insurance satisfies the GSEs’ credit enhancement requirement and, historically, has been the preferred method lenders have utilized to meet this GSE charter requirement. As a result, the nature of the private mortgage insurance industry in the United States is driven in large part by the business practices and mortgage insurance requirements of the GSEs. In furtherance of their respective charter requirements, each GSE maintains private mortgage insurer eligibility criteria, known as PMIERs, to establish when a mortgage insurer is qualified to issue coverage that will be acceptable to the GSEs for their portfolio. For more information about the financial and other requirements of the GSEs, see “Item 1A. Risk Factors—Risks Relating to Our Business—If we are unable to continue to meet the requirements mandated by PMIERs, or any additional restrictions which may be imposed on us by the GSEs, we may not be eligible to write new insurance on loans acquired by the GSEs, which would have a material adverse effect on our business, results of operations and financial condition.”

Private Mortgage Insurance

Private mortgage insurance plays a critical role in the United States residential mortgage market by facilitating secondary market sales, particularly for Low Down Payment Loans. This credit protection and the resulting liquidity it provides through secondary market sales allows mortgage lenders to increase their lending capacity, manage risk and expand prospective homeowners’ access to financing, many of whom are FTHBs. Mortgage insurance also provides lenders and investors a means to diversify their exposures, mitigate mortgage credit risk and may offer credit against regulatory capital requirements to certain financial institutions that portfolio Low Down Payment Loans. Today, mortgage insurance products are primarily geared towards GSE secondary market sales. The increase in penetration of private mortgage insurance in the mortgage market can be attributed to both the introduction of new GSE products designed to serve Low Down Payment Loan borrowers and more competitive pricing by private mortgage insurers relative to the Federal Housing Administration (“FHA”). In addition, there are potential opportunities for the demand for and use of mortgage insurance to the extent that the private label securitization market expands in the future.

The overall new business opportunity in the private mortgage insurance market is also reflective of the mix between purchase and refinancing originations. Historically, due to the higher prevalence of Low

Down Payment Loans in purchase originations, mortgage insurance utilization has been meaningfully higher for purchase originations than for refinances.

Competition

Our principal sources of competition are government (federal, state and local) agencies, such as the FHA and the United States Department of Veterans Affairs ("VA") and other private mortgage insurers. We also compete with mortgage lenders and other investors, the GSEs, portfolio lenders who self-insure, reinsurers and other capital markets participants who may utilize financial instruments designed to mitigate risk.

Federal, State and Local Government Agencies

Private mortgage insurers, including the Company, compete for mortgage insurance business directly with federal government agencies, principally the FHA and the VA, and, to a lesser extent, state and local housing finance agencies. According to *Inside Mortgage Finance*, for the first three quarters of 2023, the FHA had a 32% share, and the VA a 22% share, of the mortgage insurance market. Our competition with government agencies is principally on the basis of price and underwriting guidelines. In contrast to private mortgage insurers, government agencies generally have less restrictive guidelines and apply a flat pricing structure regardless of an individual borrower's credit profile. As a result, we believe borrowers with lower Fair Isaac Company ("FICO") scores are more likely to secure mortgage loans with coverage by public agencies and borrowers with higher FICO scores are more likely to secure mortgage loans with coverage by private mortgage insurers. Mortgage insurance policies from government agencies are also generally non-cancellable, meaning that borrowers are obligated to pay for coverage through the life of their loan, whereas policies from private mortgage insurers are cancellable in certain circumstances as provided by the Homeowners Protection Act ("HOPA"), and under GSE guidelines when the loan-to-value ("LTV") ratio of an underlying mortgage falls below 80%. Private mortgage insurers also face limited competition from certain local and state housing finance agencies.

Private Mortgage Insurers

The United States private mortgage insurance industry is highly competitive. We compete on pricing, underwriting guidelines, customer relationships, service levels, policy terms, loss mitigation practices, perceived financial strength (including comparative credit ratings), reputation, strength of management, product features and effective use and ease of technology. There are currently six active mortgage insurers, including us. Private mortgage insurance competitors include Arch Capital Group Ltd., Essent Group Ltd., MGIC Investment Corporation, NMI Holdings, Inc. and Radian Group Inc. (public holding companies of competitors listed). Since 2012, we have maintained between a 12.0% and 20.4% per quarter share of the private mortgage insurance market by per annum NIW, based on data from *Inside Mortgage Finance*.

GSEs, Portfolio Lenders, Reinsurers and Other Capital Markets Participants

We have also experienced competition in recent years from various participants in the mortgage finance industry including the GSEs, portfolio lenders, reinsurers and other participants in the capital markets. We compete with these participants primarily based on pricing, policy terms and perceived financial strength. The GSEs enter into risk sharing transactions with financial institutions designed to reduce the risk of their mortgage portfolios. Competition also comes from portfolio lenders that are willing to hold credit risk on their balance sheets without credit enhancement. In addition, investors can make use of risk-sharing structures designed to mitigate the impact of mortgage defaults in place of private mortgage insurance. Finally, although their presence is a fraction of what it was in the past, there are products designed to eliminate the need for private mortgage insurance, such as "simultaneous seconds," which combine a first lien loan with a second lien loan in order to meet the 80% LTV threshold required for sale to the GSEs without certain credit protections.

Our Products and Services

In general, there are two types of private mortgage insurance: primary and pool.

Primary Mortgage Insurance

Substantially all of our policies are primary mortgage insurance, which provides protection on individual loans at specified coverage percentages. Primary mortgage insurance is placed on individual loans at the time of origination and are typically delivered to us on a loan-by-loan basis. Primary mortgage insurance can also be delivered to us on an aggregated basis, whereby each mortgage in a given loan portfolio is insured in a single transaction after the point of origination.

Customers who purchase our primary mortgage insurance select a specific coverage level for each insured loan. To be eligible for purchase by a GSE, a Low Down Payment Loan must comply with the coverage percentages established by that particular GSE. For loans not sold to the GSEs, the customer determines its desired coverage percentage. Generally, our risk across all policies written is approximately 25% of the underlying primary insurance in-force ("IIF"), but may vary from policy to policy, typically between 6% and 35% coverage.

We file our premium rates, as required, with insurance departments of U.S. States and the District of Columbia. Premium rates cannot be changed after the issuance of coverage. Premium payments for primary mortgage insurance coverage are typically made by the borrower and are referred to as borrower-paid mortgage insurance. Loans for which premiums are paid by the lender are referred to as lender-paid mortgage insurance. In either case, the payment of premium to us is generally the responsibility of the insured.

Premiums are generally calculated as a percentage of the original principal balance and may be paid as follows:

- Monthly, where premiums are paid on a monthly basis over the life of the policy;
- Single, where the entire premium is paid upfront at the time the mortgage loan is originated;
- Annually, where premiums are paid annually in advance for the subsequent 12 months; or
- Split, where an initial lump sum premium is paid upfront at the time the mortgage is originated along with subsequent monthly payments.

In general, we may not terminate mortgage insurance coverage except in the event of non-payment of premiums or certain material violations of our mortgage insurance policies. The insured may cancel mortgage insurance coverage at any time at their option or upon mortgage repayment, which is accelerated in the event of a refinancing. However, in the case of loans sold to the GSEs, lender cancellation of a policy not eligible for cancellation under GSE guidelines may be in violation of the GSEs' respective charters. GSE guidelines generally provide that a borrower meeting certain conditions may require the mortgage servicer to cancel mortgage insurance coverage upon the borrower's request when the principal balance of the loan is 80% or less of the property's current value. In addition to the GSE guidelines, HOPA provides an obligation for lenders to automatically terminate a borrower's obligation to pay for mortgage insurance coverage once the LTV ratio reaches 78% of the original value, and also provides that a borrower may request cancellation of their obligation to pay for mortgage insurance when the LTV ratio reaches 80% of the original value. In addition, some states impose their own mortgage insurance notice and cancellation requirements on mortgage loan servicers.

Pool Mortgage Insurance

Pool mortgage insurance transactions provide coverage on a finite set of individual loans identified by the pool policy. Pool policies contain coverage percentages and provisions limiting the insurer's obligation to pay claims until a threshold amount is reached (known as a "deductible") or capping the insurer's

potential aggregate liability for claims payments (known as a “stop loss”) or a combination of both provisions. Pool mortgage insurance is typically used to provide additional credit enhancement for certain secondary market mortgage transactions. Pool insurance generally covers the excess of the loss on a defaulted mortgage loan that exceeds the claim payment under the primary coverage, if such loan has primary coverage, as well as the total loss on a defaulted mortgage loan that did not have primary coverage. In another variation, generally referred to as modified pool insurance, policies are structured to include both an exposure limit for each individual loan, as well as an aggregate loss limit or a deductible for the entire pool. Currently, we have an insignificant amount of pool IIF.

Contract Underwriting Services

We also perform fee-based contract underwriting services for our customers. Contract underwriting provides our customers outsourced scalable capacity to underwrite mortgage loans. Our underwriters can underwrite the loan on behalf of our customers for both investor compliance and mortgage insurance, thus reducing duplicative activities and increasing our ability to write mortgage insurance for these loans. Under the terms of our contract underwriting agreements, we indemnify our customer against losses incurred in the event we make material errors in determining whether loans underwritten by our contract underwriters meet specified underwriting or purchase criteria, subject to contractual limitations on liability.

Our Mortgage Insurance Portfolio

We believe that our portfolio is of significant scale and aligns with our appetite for risk and return. The majority of our in-force exposures and all of our NIW is considered primary insurance, meaning we insure the loss on each loan up to the coverage amount without any stop loss or deductible for that loss. Our remaining pool exposures are significantly seasoned and represent only 0.1% of total risk in-force (“RIF”).

Our primary insurance portfolio is diversified through time. The distribution of our exposure by book year is influenced by market size opportunities, our commercial strategies and the persistency of our in-force policies. In 2021 and 2020, our portfolio was impacted by low persistency, a large origination market and commercial success in the market. A period of higher persistency in 2022 and 2023 followed, leading to a more balanced concentration of IIF in recent years as the 2023, 2022 and 2021 book years represent 19%, 23% and 27%, respectively, of our primary IIF. Our primary exposures from legacy books originated prior to 2009 continue to resolve in an orderly fashion and represented 2% of both our primary IIF and primary RIF as of December 31, 2023.

We measure the credit characteristics of our portfolio as represented in the original commitment for insurance. We support a growing FTHB segment that generally has little down payment saved for their first home and therefore higher LTV ratios. Generally, a higher LTV ratio has a higher likelihood of claim than a lower LTV loan, absent other mitigating loan characteristics, which we consider in our underwriting and pricing. The weighted average LTV of our IIF as of December 31, 2023 was 93% and the weighted average LTV of our NIW was 93% in 2023 and 92% in 2022.

The credit profile of our portfolio as represented by FICO score remains strong. Generally, a borrower with a higher FICO score has a lower likelihood of claim than one with a lower FICO score. The weighted average FICO score of our IIF as of December 31, 2023 was 744 and the weighted average FICO score of our NIW was 749 in 2023 and 748 in 2022.

Our portfolio is diverse and representative of the United States origination market. We actively monitor our portfolio for concentrations at the state, metropolitan statistical area and metropolitan division level in addition to economic and performance trends in these markets. As of December 31, 2023, our largest state concentration was in California, which represented 13% of primary RIF. Our largest Metropolitan Statistical Area (“MSA”) or Metro Division (“MD”) is the Phoenix, AZ, MSA, which represents 3% of primary RIF.

Customers

Our long-standing industry presence has enabled us to build active customer relationships with over 1,700 mortgage lenders across the United States. Our customers are broadly diversified by size, type and geography and include large money center banks, non-bank lenders, national and local mortgage bankers, community banks and credit unions. Our largest customer accounted for 19% of total NIW and 10% of our total revenues for the year ended December 31, 2023. No other customer accounted for 10% or more of total revenues or NIW for the year ended December 31, 2023. This customer also accounted for 18% and 14% of our total NIW during the years ended December 31, 2022 and 2021, respectively. No customer accounted for more than 10% of our total revenues and no other customer accounted for more than 10% of NIW for the years ended December 31, 2022 or 2021. Our top five customers generated 33% of our NIW in 2023.

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.

Sales and Marketing

Our sales and marketing efforts are designed to help us establish and maintain in-depth, quality customer relationships. We distribute our mortgage insurance products through a dedicated sales force located throughout the United States, our home-based in-house sales representatives and a digital marketing program designed to expand our reach beyond our sales force. Our sales force strives to build strong relationships across all areas of our customers' operations to include loan origination, loan processing, underwriting, product development, secondary marketing, risk management, compliance, information technology and C-suite executives. With a vast database of established individual contacts, the breadth and depth of relationships not only serves as a differentiator for our mortgage insurance platform but also enables us to form strategic partnerships with other mortgage service providers seeking to expand their distribution reach.

We support our sales force and improve their effectiveness in acquiring new customers by raising our brand awareness through advertising and marketing campaigns, website enhancements, digital communication strategies and sponsorship of industry and educational events. Our digital marketing capabilities position us to serve our decentralized market with targeted, personalized messages that help drive a preference for our offering. Additionally, our marketing efforts include differentiators targeted to the needs of customers, in order to increase our brand affinity. Finally, our consulting services provide customers with strategy and process consulting to help improve quality, reduce costs and grow their business.

We also offer a separate mortgage insurance policy underwritten by our wholly owned subsidiary, Enact Mortgage Insurance Corporation of North Carolina ("EMIC-NC"), to insure primary individually underwritten residential mortgage loans as well as portfolios of residential mortgage loans at or after origination that are not intended for sale to the GSEs. Given that EMIC-NC is not a GSE approved insurer, it is not subject to the requirements mandated by PMIERs. Accordingly, we are able to utilize EMIC-NC in a manner that provides us with greater flexibility with our master policies and in our ability to efficiently use the capital of our subsidiaries, each with customers who retain loans in their own portfolio. We also believe utilizing EMIC-NC in this manner provides us strategic optionality if the private label MBS market increases.

Technology that supports connectivity with our customers is critical. As an established private mortgage insurance provider, we have long-standing relationships with our customers' technology organizations, as well as with the key pricing and loan origination/servicing platform providers. In addition,

we have an experienced technology integration team that allows us to quickly customize loan delivery solutions for our customers. By providing customers an easy way to quote and order our mortgage insurance products, either through our award-winning ordering and rate quote website or directly within customers’ systems, we believe we make the transaction easy, allowing us to drive repeat volume.

Risk Management and Oversight

Strong risk management is a critical part of our business. The Risk Committee of our Board of Directors is responsible for oversight and review of our enterprise risk management policies and related risk profile. We believe our risk management framework is appropriately designed to manage volatility in our business performance and protect our balance sheet. We believe this framework encompasses all major risks to which we are exposed, including credit risk, market risk, insurance risk, housing risk, operational risk, model risk, IT risk, including cybersecurity risk, and any other risk that poses a material threat to the viability of the Company.

Our risk management philosophy is designed to ensure all relevant risks are routinely identified, assessed, managed, monitored and addressed. We rely upon a strong organizational risk culture and governance process, ensuring that the risks we take are transparent and quantifiable, and that we can monitor the changing nature of those risks over time. We proactively work towards mitigating exposures outside of the risk appetite, limits and tolerances that we set and review annually. Our risk profile, top risks and any emerging risks are regularly reviewed in our senior management risk committee, chaired by our Chief Risk Officer who has direct reporting obligations to the Risk Committee of our Board.

Modeling and Analytics

We use our proprietary risk modeling platform to evaluate returns and volatility through both an external regulatory lens and an economic capital framework that is sensitive to the economic cycle and current housing market conditions. This risk model utilizes numerous predictive variables and leverages our unique data set, which contains experience of over two decades of mortgage performance across all market conditions, to develop quantitative assessments of default probability, severity of loss, prepayment and expected volatility on each insured loan. Our model is used to assess the performance of new business and our in-force portfolio under expected and stress scenarios. The results of these analyses inform our risk appetite, credit policy, pricing and targeted risk selection strategies. In addition, the results of these stress tests and our desire to reduce loss volatility inform our CRT strategy.

Customer Qualification

Customers applying for a new master policy undergo a process that reviews their business and financial profile, licensing, management experience and track record of originating quality mortgages. Customers applying for delegated underwriting authority receive training and are reviewed on initial and ongoing submissions for compliance to our guidelines.

Policy Acquisition

Loans delivered to us for insurance must meet our underwriting and eligibility guidelines. Our underwriting principles require borrowers to have a verified capacity and willingness to support the obligation and a well-supported valuation of the collateral. Loans are underwritten on either a delegated or non-delegated basis, but all loans pass through our eligibility rules engine to screen out those outside of our guidelines. We regularly monitor national and local market conditions, the performance of our products and the performance of our customers against our expectations for mix and profitability. We adjust our underwriting, pricing and risk selection strategies on a regular basis to ensure that our products remain competitive and consistent with our risk and profitability objectives.

Quality Assurance

We have an independent quality assurance function that conducts pre- and post-closing underwriting reviews. We review statistically significant samples of loan files from individual customers and across our delegated and non-delegated underwriting channels to identify adverse trends and provide our underwriters and customers with timely feedback and training that fosters high quality loan production. Within our delegated channel, the frequency of our lender specific reviews is directly related to an account's activity, that is larger accounts will receive more frequent reviews. The results of these reviews also allow for adjustments to underwriting processes and credit policy. Finally, our quality assurance team conducts independent reviews on key operational processes and critically important vendor activities.

Portfolio Management

We regularly monitor the characteristics and performance of our overall mortgage insurance portfolio. We monitor concentrations across a range of metrics including lender, geography and policy year. Through stress testing, we evaluate the performance of the portfolio and identify risks to our strategic plan caused by its makeup in adverse economic scenarios. We also monitor performance against expected loss development from time of origination. Variations identified by product, performance, geography or otherwise inform adjustments to our guidelines and pricing strategies.

Business Continuity

We have a robust business continuity program to prepare for and manage through business interruptions. Maintenance and execution of our 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 test the plan regularly through tabletop exercises. While we instituted a hybrid return to office staffing model in March 2022, we previously implemented a business continuity plan in response to COVID-19 and operated successfully with a remote workforce from March 2020 through March 2022. We have used a decentralized team of underwriters and other key functional employees for many years and all employees are capable and equipped to work remotely so that we can continue providing service to our customers through prolonged absences from the office.

Underwriting

We establish and maintain underwriting guidelines based on our risk appetite. Our guidelines require borrowers to have a verified capacity and willingness to support their obligation and a well-supported valuation of the collateral. Our underwriting guidelines incorporate credit eligibility requirements that, among other things, limit our coverage to mortgages that meet our thresholds with respect to borrower FICO scores, maximum LTVs, documentation requirements and maximum Debt-to-Income ("DTI") Ratio. All loans must pass through our eligibility rules engine to screen out those outside of our guidelines.

At present, our underwriting guidelines are largely consistent with those of the GSEs. Many of our customers use the GSEs' automated loan underwriting systems, Desktop Underwriter and Loan Product Advisor, for making credit determinations. We generally accept the underwriting decisions and documentation requirements made by the GSEs' underwriting systems, subject to our review as well as certain limitations and requirements.

Over the past few years, more customers have requested expedited underwriting services. To meet customer demand, we invested in technologies, automation, data science and analytics to develop our proprietary mortgage insurance underwriting system. Our mortgage insurance underwriting system enables the capability to meet customer demand in a timely manner without sacrificing the accuracy of our underwriting decisions. Specifically, it has contributed to a substantial increase in our underwriters' productivity, more than doubling the number of loans our underwriters have processed on a daily basis since 2015, while remaining within our quality control tolerances. We believe our mortgage insurance underwriting system also differentiates us from the competition by allowing us to efficiently provide

customized turn times from submission of a loan package to an underwriting decision for our customers and perform fee-based contract underwriting services.

Our policies are issued through one of two underwriting programs:

Non-Delegated Underwriting

For non-delegated underwriting, customers submit loan files to us, and we individually underwrite each application to determine whether we will insure the loan. We use our mortgage insurance underwriting system to perform our non-delegated underwriting evaluations. Our underwriting staff is dispersed throughout the United States, and we believe this allows us to make prompt, geographically based underwriting determinations across different time zones in a timely manner to best serve our diverse customer base. In addition to our employees, we use domestically based, contract underwriters, as needed, to assist with underwriting capacity and drive efficiency.

Delegated Underwriting

We delegate to eligible lender customers the ability to underwrite mortgage insurance based on our delegated underwriting guidelines. To perform delegated underwriting, customers must be approved by our risk management team. Some customers prefer to assume underwriting responsibility because it is more efficient within their loan origination process, and they are comfortable attesting that the data submitted is true and correct when making our insurance decision. We regularly perform quality assurance reviews on a statistically significant sample of delegated loans to assess compliance with our guidelines.

We also offer a post-closing underwriting review when requested by customers for both non-delegated and delegated loans. Upon satisfactory completion of this review, we agree to waive our right to rescind coverage under certain circumstances. For the years ended December 31, 2023 and 2022, approximately 70% and 71%, respectively, of our NIW by loan count went through our delegated underwriting services.

Pricing

Pricing is highly competitive in the mortgage insurance industry, with industry participants competing for market share, customer relationships and overall value. To appropriately align price and risk, dynamic pricing engines utilize granular pricing models based on a number of loan, borrower, lender and property risk attributes. Our risk-based pricing engine was developed to evaluate returns and volatility under both the PMIERs capital framework and our internal economic capital framework, which is sensitive to economic cycles and current housing market conditions. The model assesses the performance of new business under expected and stress scenarios on an individualized loan basis, which is used to determine pricing and inform our risk selection strategy that optimizes economic value by balancing return and volatility.

Our policy has been to set and charge premium rates commensurate with the underlying risk of each loan we insure. Our proprietary pricing platform, however, provides us with a more flexible, granular and analytical approach to selecting and pricing risk. Using our platform, we can quickly change price to modify our risk selection levels in response to changing economic conditions, new analytical insights or industry pricing trends.

Credit Risk Transfer

Our risk management framework and analytics inform our CRT strategy, which is designed to reduce the loss volatility of our in-force portfolio during stress scenarios by transferring risk from our balance sheet to highly rated counterparties or to investors through collateralized transactions. Our CRT program also provides capital relief under PMIERs and state insurance capital requirements. In normal market conditions, we believe our CRT program also enhances our return profile. Given the volatility protection

and capital relief at attractive terms, CRT enables us to employ an “acquire, manage and distribute” strategy. We believe our CRT program is a material component of our strategy and helps to protect future business performance and stockholder capital under stress scenarios.

Our CRT program distributes risk to both highly rated counterparties through our traditional reinsurance program, as well as to insurance-linked note (“ILN”) investors via fully collateralized special purpose reinsurance vehicles. Our traditional reinsurance program utilizes excess-of-loss (“XOL”) and quota share insurance coverage.

Our XOL reinsurance transactions generally cover a subset of loans in a given book year where typically both the attachment and detachment points of the ceded risk tier are within the PMIERs capital requirements at inception, providing both loss volatility protection and PMIERs capital credit. Each reinsurance treaty has a term of ten years or more and provides a unilateral right to commute prior to the full term, subject to certain performance triggers. We select the type and structure of our CRT transactions based on a variety of factors including, but not limited to, capacity, cost, flexibility, sustainability and diversification. Under our quota share reinsurance agreements, the reinsurer receives a premium in exchange for covering an agreed-upon portion of incurred losses.

Since 2015 and through December 31, 2023, we have executed $5.0 billion of excess of loss transactions across both traditional reinsurance arrangements and ILN transactions and $1.9 billion of ceded RIF through quota share transactions. Our CRT program provided an estimated aggregate of $1.7 billion of PMIERs capital credit as of December 31, 2023.

The Company’s traditional reinsurance coverage is provided by a panel of reinsurance partners each currently rated “A-” or better by Moody’s, Standard & Poor’s (“S&P”) or A.M. Best Company, Inc. These reinsurers are contractually required to collateralize a portion (typically 20 to 30%) of the reinsurance exposures consistent with PMIERs.

Delinquencies, Loss Management and Claims

The delinquency and claim cycle generally begins with our receipt of a delinquency notice on an insured loan from the related servicer. We consider a loan to be delinquent when it is two or more mortgage payments past due. The incidence of delinquency is affected by a variety of factors, including housing price appreciation or depreciation, unemployment, the level of borrower income, divorce, illness, interest rate levels, general borrower creditworthiness and macroeconomic conditions. See “1A. Risk Factors—Risks Relating to Our Business—A deterioration in economic conditions, a severe recession or a decline in home prices may adversely affect our loss experience.” Delinquencies that are not cured result in a claim.

Our loss mitigation and claims area is led by seasoned personnel who are supported by default tracking and claims processing capabilities within our integrated platform. Our loss mitigation staff is also actively engaged with the GSEs and servicers regarding appropriate servicing and loss mitigation practices. We have granted loss mitigation delegation to the GSEs and servicers, whereby they perform certain loss mitigation efforts on our behalf. Moreover, the Consumer Financial Protection Bureau (“CFPB”) servicing rule obligates servicers to engage in early intervention and loss mitigation efforts with a borrower prior to foreclosure. These efforts have traditionally involved loan modifications intended to enable qualified borrowers to make restructured loan payments or efforts to sell the property, thereby potentially reducing claim amounts. With the COVID-19 pandemic, we experienced unprecedented use of forbearance plans nationwide to assist borrowers including the ability to extend forbearance beyond 12 months. Historically, the use of forbearance plans was limited to 12 months and used for a natural disaster that impacted a region of the country. At the conclusion of the forbearance term, a borrower could either bring the borrower’s loan current, defer any missed payments until the end of their loan, or the loan can be modified through a repayment plan or extension of the mortgage term. Given the relative success of COVID-19 related forbearance plans, the industry has explored expanding forbearance as a

loss mitigation strategy. In 2023, the GSEs announced and implemented new loss mitigation programs that allow for six-month payment deferrals for borrowers facing financial hardship.

Our goal is to keep borrowers in their homes. If a loan becomes delinquent, we work closely with customers, investors and servicers to attempt to cure the delinquency and allow the homeowner to retain ownership of their property.

Claims result from delinquencies that are not cured, or from losses on short sales, other third-party sales or deeds-in-lieu of foreclosure that we approve. Various factors affect the frequency and severity of claims, including LTV at the time of foreclosure, size and coverage percentage of a loan, property values, employment levels and interest rates. Any delays in foreclosure, including foreclosure moratoriums imposed by state and local governments and the GSEs, such as those due to COVID-19, could cause our losses to increase as expenses accrue for longer periods or if the value of foreclosed homes decline during such foreclosure delays. For loans insured on or after October 1, 2014, our mortgage insurance policies limit the number of months of unpaid interest and associated expenses that are included in the mortgage insurance claim amount to a maximum of 36 months.

Under the terms of our primary insurance master policy, customers are required to file claims within 60 days of the earliest of (i) the date they have acquired title to the underlying property (typically through foreclosure), (ii) the date of an approved short sale or other third-party sale of the underlying property or (iii) the date a request is made by us to file a claim.

Upon review and determination that a filed claim is valid, we generally have the following three settlement options:

- Percentage option—determined by multiplying the claim amount by the applicable coverage percentage, with the customer retaining title to the property. The claim amount generally consists of the unpaid loan principal as of the date of default, plus delinquent interest and certain expenses associated with the default;

- Third-party sale option—pay the amount of the claim required to make the customer whole, commonly referred to as the “actual loss amount,” following an approved sale; or

- Acquisition option—pay the full claim amount and acquire title to the property.

In 2023 and 2022, we settled over half of our claims through the third-party sale or acquisition options due largely to embedded home price appreciation.

Claim activity is not evenly spread across the coverage period of loans we insure. The number of delinquencies may not correlate directly with the number of claims received because the rate at which delinquencies are cured is influenced by borrowers’ financial resources and circumstances, as well as regional economic differences. For those loans that fail to cure, whether delinquency leads to a claim principally depends upon the borrower’s equity at the time of delinquency and the borrower’s or the insured’s ability to sell the home for an amount sufficient to satisfy all amounts due under the mortgage loan.

When claim notices are received, we review loan and servicing files to determine the appropriateness of a claim amount. Failure to deliver required documentation or our review of such documentation may result in rescission, cancellation or claims denial. Our insurance policies provide that we can reduce or deny claims if the servicer does not materially comply with its obligations under our policies, including the requirement to pursue reasonable loss mitigation actions. We also periodically receive claim notices that request coverage for costs and expenses associated with items not covered under our policies, such as losses resulting from property damage to a covered home. We actively review claim notices to ensure we pay only for covered expenses. We deem a reduction in the claim amount paid relative to the amount requested in the claim notice to be a curtailment.

When reviewing loan and servicing files in connection with the delinquency or claims process, we may also decide to rescind coverage of the underlying mortgages or deny payment of claims. Our ability to rescind coverage is limited by the terms of our master policies. We may rescind coverage in situations where, among other things, (i) fraudulent misrepresentations were made or materially inaccurate information was provided regarding a borrower's income, debts, intention to occupy a property or property value or (ii) a loan was originated in material violation of our underwriting guidelines.

We will consider an insured's appeal of our decision and, if we agree with the appeal, we take the necessary steps to reinstate our insurance coverage and reactivate the loan certificate or otherwise address the issues raised in the appeal. If the parties are unable to agree on the outcome of the appeal, the insured may choose to pursue arbitration or litigation under the terms of the applicable master policy and challenge the results. Subject to applicable limitations in our policies and state law, legal challenges to our actions may be brought several years after we dispose of a claim.

From time to time, we enter into agreements with policyholders to accelerate claims and negotiate an agreed-upon payment amount for claims on an identified group of delinquent loans. In exchange for our accelerated claim payment, mortgage insurance is canceled, and we are discharged from any further liability on the identified loans.

Information Technology

We develop and invest in technology in order to drive operational excellence, ensure a superior customer experience and support our overall business objectives. Our business heavily relies upon information technology and a number of critical aspects are highly automated. We accept insurance applications, issue approvals, process claims and reconcile premium remittance through electronic submission. In order to facilitate these processes, we have established direct connections to many industry leading origination and servicing systems so that our customers and servicers can select our mortgage insurance products and communicate with us directly from within their own technology platform. We also provide our customers secure access to our web-based portals to facilitate transactions and provide customers with access to their account information.

We are regularly upgrading and enhancing our systems and technology, with an eye towards expanding our capabilities, improving productivity and enhancing our customer experience, including:

- Policy administration, billing, delinquency and claims processes and systems;
- Enhancing the speed and efficiency of our pricing and auto-decisioning capabilities;
- Ensuring optimal integration capabilities to our customers' loan origination and mortgage insurance ordering and rate quoting processes; and
- Artificial intelligence and machine learning in the areas of risk and portfolio management.

We have also implemented an overarching technology strategy that utilizes Cloud, Software as a Service, commercial software and in some cases proprietary technology to provide scalability, flexibility and an enhanced security posture. Technology costs are managed by the continued automation of key business processes, reducing our application portfolio and using contract employees to scale resource capacity as needed. In addition, we have a dedicated "AI, Innovation & Automation" team to ensure that we focus on using the latest technologies to further automate our business and differentiate our products and services.

Ratings

Ratings with respect to the financial strength of operating subsidiaries are an important factor in establishing the competitive position of insurance companies. Ratings are important to maintaining public confidence in us and our ability to market our products. Rating organizations review the financial

performance and condition of most insurers and provide opinions regarding financial strength, operating performance and ability to meet obligations to policyholders.

As of February 29, 2024, EMICO, our principal U.S. mortgage insurance subsidiary, was rated “A-” by S&P, “A3” by Moody’s, “A-” by Fitch Ratings, Inc. (“Fitch”), and “A-” by A.M. Best in terms of financial strength.

Investment Portfolio

The investment portfolios of our insurance subsidiaries are directed by the Enact Investment Committee, a management-level committee, with Genworth serving as the investment manager. Under the terms of our investment management agreement, the Company is charged an investment management fee by Genworth. The total investment expenses paid to Genworth were $5.7 million and $5.5 million for the years ended December 31, 2023 and 2022, respectively. See Note 11 to our audited consolidated financial statements for further information.

The investment portfolio of EHI is directed by a separate management-level EHI Investment Committee with a third-party investment manager. In addition, for certain asset classes, we utilize external asset management. In the future, we may choose to more broadly engage external asset managers. Our senior management team, along with our board of directors, reviews investment performance and strategy on a periodic basis. As of December 31, 2023, the fair value of our investment portfolio was $5.3 billion of fixed maturity assets, of which 98% was rated as investment grade. We also had an additional $616 million of cash and cash equivalents as of December 31, 2023. The primary objectives of managing the investment portfolio are to preserve capital, generate investment income and maintain sufficient liquidity to cover our operating expenses and pay future insurance claims. Investment strategies are implemented emphasizing fixed income, low volatility, highly liquid assets to meet expected and unexpected financial obligations while enhancing risk adjusted, after-tax yields. See “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Investment Portfolio.”

Our board-approved investment policy utilizes defined investment guidelines such as, but not limited to, asset sector, single issuer concentration and credit ratings to ensure compliance with risk management limits, regulatory requirements and applicable laws. Further, the policy seeks to restrict assets correlated with the residential mortgage market. Asset class mix and risks are regularly evaluated in the context of current and future capital market conditions, liability profiles and return objectives. The investment portfolio is regularly stress tested to evaluate its ability to meet unexpected liquidity needs due to elevated liabilities. Our investment policies and strategies are subject to change depending on regulatory, economic and market conditions, as well as our prevailing operating objectives.

For more information regarding our investment portfolio, see “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations and Key Metrics—Investment Portfolio.”

Human Capital Management and Employees

We take a holistic approach to human capital management, including attracting and retaining talent with comprehensive benefits and compensation packages, providing professional development and learning opportunities, facilitating access to dedicated resources that foster an equitable and inclusive environment and encouraging a sincere commitment to community service and involvement. As of December 31, 2023, we had 465 full-time employees, all of whom work in the United States. Our employee population is made up of 54% women and 28% people of color. Of our employees, 50% work in our Raleigh, North Carolina office and the remaining 50% are in the field, predominantly working in sales and underwriting. We supplement our workforce, as needed, with independent contractors. Our employees and contractors are all equipped to work on a remote basis. None of our employees are represented by a union or subject to a collective servicing agreement and management believes that our relationship with our employees is good.

Some of our key areas of focus include:

- Our compensation package, including salary, incentive bonus and long-term incentives, aligns employee and stockholder interests, as well as rewards our employees for serving all of our current and future customers.

- In addition to a competitive compensation program, we offer our employees benefits such as life and health insurance, paid time off, paid parental leave, childcare subsidies, retirement savings plans, financial planning services, an Employee Assistance Program and a broad fitness reimbursement program to support physical and mental health. Our office building also houses an employee fitness center providing equipment, virtual classes, and massage therapy options on-site.

- We offer a multitude of professional development and career enrichment courses, including in the areas of leadership, professional skills, and industry-specific matters, as well as a mentor program and an extensive training program for future senior leaders. We also offer tuition reimbursement benefits and student loan repayment options to aid career progression. We routinely assess talent, engage in deep succession planning at all levels of the organization and provide feedback to our employees through a performance review process.

- Our employee-led Diversity, Equity & Inclusion Council helps to build an inclusive culture through company-wide events, participation in our recruitment efforts and by educating our employees on the experiences and perspectives of others. We continue to focus on building a pipeline of talent to create more opportunities for workplace diversity and to support greater representation within our Company. In addition to our internally focused efforts, we have a number of employee-led externally focused diversity, equity and inclusion initiatives.

- We champion civic engagement through paid volunteer time for employees, event sponsorship programs, employee-directed charitable gifts with a 100% company match, and through our commitment to environmental sustainability.

- We empower employees to share their unique perspectives by promoting initiatives that increase access to our Senior Leadership Team and encouraging open-door policies. We value the voice of our employees and use a best-in-class third party approach to gather employee feedback.

- We celebrate our talent by showcasing employee achievements and expertise in industry publications, at events and conferences, and on social media. Enact was recognized as an award winner by external organizations on five occasions throughout 2023.

As the severity of COVID-19 started to unfold at the beginning of 2020, our response included the implementation of policies to protect our employees. In early March 2020, we closed our offices and implemented a complete work from home policy through March 2022, as well as providing additional financial, health and wellness resources. We instituted a return to office plan in March 2022 that continues to operate as a hybrid working model for a majority of our Raleigh-based employees.

Regulation

General

Our insurance operations are generally subject to extensive oversight and a wide variety of laws and regulations. State insurance laws and regulations govern most aspects of our insurance business and are enforced by the insurance departments of each jurisdiction in which our insurers are licensed, with the North Carolina Department of Insurance (“NCDOI”) being the lead regulator for our North Carolina domiciled insurers. Our insurance products and business also are affected by federal, state and local laws, including tax laws. Our Bermuda domiciled insurer, Enact Re, is subject to Bermuda law and is subject to regulation by the Bermuda Monetary Authority (“BMA”).

The primary purpose of the U.S. and Bermudian insurance laws and regulations regulating our insurance business is to protect our insureds, not our stockholders. These laws and regulations are regularly re-examined by insurance regulators and any changes to these laws or new laws may be more restrictive or otherwise adversely affect our operations.

Insurance and other regulatory authorities (including state law enforcement agencies and attorneys general and the BMA) may make inquiries regarding compliance with insurance, securities and other laws and regulations, and we cooperate with such inquiries and take corrective action when warranted.

Insurance Company Regulation

Our insurance subsidiaries are licensed and regulated in all jurisdictions in which they conduct insurance business. The extent of this regulation varies, but state insurance laws and regulations generally grant both broad and specific regulatory powers to agencies or officials to examine the affairs of our insurance subsidiaries and to enforce statutes and administrative rules or exercise discretion affecting almost every aspect of their businesses. For example, state insurance laws and regulations typically govern the financial condition of insurers, including standards for solvency, types and concentrations of permissible investments, establishment and maintenance of reserves, credit for reinsurance, requirements for capital adequacy, and the business conduct of insurers, including marketing, sales practices and claims handling. State insurance laws and regulations also usually require the licensing of insurers and agents, and the approval of policy forms and rates. In addition, states may require actuarial justification of rates on the basis of the insurer’s loss experience, expenses and future projections. Enact Re is subject to a similar Bermudian regulatory regime.

Mortgage guaranty insurance premium rates and policy forms are subject to regulation in every jurisdiction in which our insurance subsidiaries are licensed to transact business in order to protect policyholders against the adverse effects of excessive, inadequate or unfairly discriminatory rates. In most jurisdictions, premium rates and policy forms must be filed prior to their use. In some states, such rates and forms must also be approved prior to use. Changes in premium rates are often subject to justification, generally on the basis of loss experience, expenses and future trend analysis. In addition, jurisdictions may consider general default experience in the mortgage insurance industry in assessing the premium rates charged by mortgage guaranty insurers. The state insurance laws and regulations of general applicability, along with certain additional state insurance laws and regulations that are applicable specifically to mortgage guaranty insurers, are described below.

Insurance Holding Company Regulation

Certain of our insurance subsidiaries are subject to the Insurance Holding Company Act in North Carolina and are required to furnish various types of information concerning the operations of, and the interrelationships and transactions among, companies within our holding company system that may affect the operations, management or financial condition of the insurers within such holding company system. Under state insurance laws and regulations, our insurance subsidiaries must file reports, including detailed annual and quarterly financial statements, with the insurance regulator in North Carolina and the National Association of Insurance Commissioners (“NAIC”), and our operations and accounts are subject to periodic or target examination by any insurance regulator of a jurisdiction in which we conduct business. Mortgage guaranty insurers generally are limited by state insurance laws and regulations to directly writing only mortgage guaranty insurance business to the exclusion of other types of insurance.

State insurance laws and regulations also regulate transactions between insurers and their affiliates, sometimes mandating prior notice to the regulator and/or regulatory approval. Generally, state insurance laws and regulations require that all transactions between an insurer and an affiliate be fair and reasonable, and that the insurer’s statutory surplus following such transaction be reasonable in relation to its outstanding liabilities and adequate to its financial needs. Certain transactions may not be entered into unless the applicable regulator is given 30 days’ prior notification and does not disapprove the transaction during such 30-day period.

State insurance laws and regulations also require that an insurance holding company system's ultimate controlling person submit annually to its lead state insurance regulator an "enterprise risk report" that identifies activities, circumstances or events involving one or more affiliates of an insurer that, if not remedied properly, are likely to have a material adverse effect upon the financial condition or liquidity of the insurer or its insurance holding company system as a whole. Finally, most jurisdictions have adopted insurance laws or regulations setting forth detailed requirements for cost sharing and management agreements between an insurer and its affiliates.

State insurance laws and regulations require that a person obtain the approval of the insurance commissioner of an insurer's domiciliary jurisdiction prior to acquiring control of such insurer. Control of an insurer is generally presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, 10% or more of the voting securities of the insurer or any parent entity; although such presumption may be rebutted. In considering an application to acquire control of an insurer, the insurance commissioner generally considers factors such as the experience, competence and financial strength of the applicant, the integrity of the applicant's board of directors and executive officers, the acquirer's plans for the management and operation of the insurer, and any anti-competitive results that may arise from the acquisition. Most jurisdictions also now require a person seeking to acquire control of an insurer licensed but not domiciled in that jurisdiction to make a filing prior to completing an acquisition if the acquirer and its affiliates and the target insurer and its affiliates have specified market shares in the same lines of insurance in that jurisdiction. These provisions may not require acquisition approval but can lead to imposition of conditions on an acquisition that could delay or prevent its consummation. In certain situations, state insurance laws and regulations also require that a controlling person of an insurer submit prior notice to the insurer's domiciliary insurance regulator of a divestiture of control. Similarly, with respect to our contract underwriting entity, Enact Financial Services, Inc., prior approval from state banking commissioners is required in some jurisdictions prior to acquiring control of our contract underwriting entity, which is licensed or has an approved license exemption in most states.

Our U.S. domiciled insurance subsidiaries' payment of dividends or other distributions to our holding company is regulated by the state insurance laws and regulations of their respective domiciliary states. Our insurance subsidiaries must deliver notice to the Commissioner of any dividend or distribution within 5 business days after declaration of the dividend or distribution, and at least 30 days before payment thereof. Any distribution, regardless of amount, requires that same 30-day notice to the Commissioner, but also requires the Commissioner's affirmative approval before being paid.

Under the insurance laws of the State of North Carolina, an "extraordinary" dividend or distribution is defined as a dividend or distribution that, together with other dividends and distributions made within the preceding 12 months, exceeds the greater of: (i) 10% of the insurer's statutory surplus as of the immediately prior year end; or (ii) the statutory net income (loss) during the prior calendar year.

In addition, insurance regulators may prohibit the payment of ordinary dividends and distributions or other payments by our insurers (such as a payment under a tax sharing agreement, for employment or other services) if they determine that such payment could be adverse to our policyholders or would not be fair and reasonable to the insurer.

Enact Re's payment of dividends and distributions is subject to Bermudian law and oversight by the BMA.

National Association of Insurance Commissioners

The NAIC's mandate is to benefit state insurance regulatory authorities and consumers by promulgating model insurance laws and regulations for adoption by the states. The NAIC also provides standardized insurance industry accounting and reporting guidance through the NAIC Accounting Manual. However, model insurance laws and regulations are only effective when adopted by the states, and NAIC Statutory Accounting Principles ("SAP") may be superseded by individual state laws,

regulations and permitted practices. Changes to the NAIC Accounting Manual or modifications by the various state insurance departments may affect the statutory capital and surplus of our insurance subsidiaries.

The NAIC adopted the Risk Management and Own Risk and Solvency Assessment Model Act (the "ORSA Model Act"). The ORSA Model Act requires an insurance holding company to regularly, and no less than annually, assess the adequacy of our insurance subsidiaries' risk management framework and current and estimated projected future solvency position; internally document the process and results of the assessment; and provide a confidential high-level report annually to the lead state commissioner.

Examinations

State insurance laws and regulations govern the marketplace for U.S. domiciled insurers, affecting the form and content of disclosure to insureds, advertising, sales and underwriting practices and complaint and claims handling, and these provisions are generally enforced through periodic or target market conduct examinations. State insurance departments may conduct periodic or target detailed examinations of the books, records, accounts and business practices of insurers licensed in their states. These examinations are sometimes conducted in cooperation with insurance departments of multiple other states or jurisdictions representing each of the NAIC zones, under guidelines promulgated by the NAIC.

Accounting Principles

State insurance regulators developed SAP as a basis of accounting used to monitor and regulate the solvency of insurers. Since insurance regulators are primarily concerned with ensuring an insurer's ability to pay its current and future obligations to policyholders, statutory accounting conservatively values the assets and liabilities of insurers, generally in accordance with standards specified by such insurer's domiciliary jurisdiction. Uniform statutory accounting practices are established by the NAIC and are generally adopted by regulators in the various state jurisdictions. Due to differences in methodology between SAP and United States generally accepted accounting principles ("U.S. GAAP"), the values for assets, liabilities and equity reflected in financial statements prepared in accordance with U.S. GAAP are often materially different from those reflected in financial statements prepared under SAP. Enact Re abides by Bermudian statutory accounting.

Market Conduct

State insurance laws and regulations govern the marketplace activities of insurers, affecting the form and content of disclosure to consumers, advertising, product replacement, sales and underwriting practices and complaint and claims handling, and these provisions are generally enforced through periodic market conduct examinations. Our insurance subsidiaries are not currently undergoing market conduct reviews in any states or other jurisdictions.

Investments

State insurance laws and regulations require diversification of our insurance subsidiaries' investment portfolio and limit the proportion of, or in some cases totally prohibit, investments our insurance subsidiaries may hold in different asset categories. Assets invested contrary to such regulatory limitations must be treated as non-admitted assets for assessing an insurer's solvency unless a waiver is given by the insurer's domestic insurance regulator, and, in some instances, regulations require divestiture of such non-complying investments. We believe our insurance subsidiaries' investments are in compliance with these state insurance laws and regulations or are subject to any applicable waivers. Enact Re's investments are in compliance with Bermudian law.

Capital and Surplus Requirements

Insurance regulators have the discretionary authority, in connection with maintaining the licensing of our insurance subsidiaries, to limit or restrict insurers from issuing new policies, or to take other actions, if, in the regulators' judgment, the insurer is not maintaining a sufficient amount of surplus or reserves, or is in a hazardous financial condition. We seek to maintain new business and capital management strategies to support meeting related regulatory requirements. Enact Re is subject to Bermuda's capital regime.

Mortgage Guaranty Insurance Capital and Surplus Requirements. Mortgage guaranty insurers are not subject to the NAIC's risk-based capital ("RBC") requirements, but certain states impose other forms of capital requirements on mortgage guaranty insurers, requiring maintenance of a risk-to-capital ("RTC") ratio not to exceed 25:1. Policyholder position is defined as surplus as regards policyholders plus contingency reserves, less ceded reinsurance. In this Annual Report, we show policyholder position as statutory capital.

In August 2023, the NAIC adopted amendments to the Mortgage Guaranty Insurance Model Act (the "MGI Model") and is in the process of making conforming revisions to Statement of Statutory Accounting Principles No. 58—Mortgage Guaranty Insurance. The revisions to the MGI Model are extensive, including with respect to the risk concentration limits, capital and reserve requirements, reinsurance, underwriting practices and quality assurance. At this time, we cannot predict (i) which states, if any, may adopt the MGI Model; (ii) the effect changes in the MGI Model may have on the mortgage guaranty insurance market generally, or on our business specifically; (iii) the additional costs associated with compliance with any such changes; or (iv) any changes to our operations that may be necessary to comply, any of which could have a material adverse effect on our business, results of operations and financial condition. We also cannot predict whether other regulatory initiatives will be adopted and what impact, if any, such initiatives, if adopted as laws, may have on our business, results of operations and financial condition.

Group Capital Requirements. The NAIC has developed a group capital calculation ("GCC") tool using an RBC aggregation methodology for all entities within the insurance holding company system, including non-U.S. entities. The GCC provides regulators with an additional tool for conducting group-wide supervision and enhances transparency into how capital is allocated. In December 2020, the NAIC adopted amendments to the Holding Company System Model Act and Regulation. The amendments adopt a Group Capital Calculation Template and Instructions ("GCC Template and Instructions") as well as an annual filing requirement for the GCC. The amendments were adopted by Virginia, Genworth's insurance holding company group's lead state, in 2022.

In May 2022, the Group Capital Calculation Working Group of the NAIC adopted the 2022 GCC Instructions and Template, which is used by a number of states, including Delaware and Virginia, for year end 2022 filings. The GCC also adopted guidance for insurance regulators to use in reviewing GCC submissions in the form of changes to the NAIC Financial Analysis Handbook. It is unclear how the development of group capital measures by the NAIC will interact with existing capital requirements for U.S. insurance companies.

Reserves

State insurance laws and regulations require our U.S. mortgage insurance subsidiaries to establish a special statutory contingency reserve reflected in their statutory financial statements to provide for payable claims and other expenses and purposes in the event of significant economic declines. Annual additions to the statutory contingency reserve must be at least 50% of net earned premiums as defined by state insurance laws and regulations. These contingency reserves generally are held until the earlier of (i) 10 years after which such amounts can be released into surplus or (ii) when loss ratios exceed 35% in which case, the amount above 35% can be released under certain circumstances, although regulators have granted discretionary releases from time to time. However, approval by the NCDOI is required for contingency reserve releases when loss ratios exceed 35%. The establishment of the statutory

contingency reserve is funded by premiums that would otherwise generate net earnings that would be reflected in policyholder surplus. This deferral of premiums into the contingency reserve limits our mortgage insurance subsidiaries' ability to pay dividends to stockholders until those contingency reserves are released back into surplus. Our mortgage insurance subsidiaries' statutory contingency reserve was approximately $3,960 million and $3,551 million as of December 31, 2023 and 2022, respectively.

Dodd-Frank Act

Although the federal government generally does not directly regulate the insurance business, federal initiatives often have an impact on our business in a variety of ways. From time to time, federal measures are proposed that may significantly affect the insurance business. These areas include financial services regulation, securities regulation, derivatives regulation, money laundering, privacy regulation and taxation. In addition, various forms of direct federal regulation of insurance have been proposed in recent years.

The Dodd-Frank Act made extensive changes to the laws regulating financial services firms and required various federal agencies to adopt a broad range of new implementing rules and regulations.

The Dodd-Frank Act prohibits a creditor from making a residential mortgage loan unless the creditor makes a reasonable and good faith determination that, at the time the loan is consummated, the consumer has a reasonable ability to repay the loan. In addition, the Dodd-Frank Act created the CFPB, which regulates certain aspects of the offering and provision of consumer financial products or services but not the business of insurance. Certain rules and regulations established by the CFPB require mortgage lenders to demonstrate that they have effectively considered the consumer's ability to repay a mortgage loan, establish when a mortgage may be classified as a Qualified Mortgage ("QM") and determine when a lender is eligible for a safe harbor as a presumption that the lender has complied with the ability-to-repay requirements.

Agency Qualification Requirements

As the largest purchasers of conventional mortgage loans, and therefore, the main beneficiaries of private mortgage insurance, the GSEs impose eligibility requirements that private mortgage insurers must satisfy in order to be approved to insure loans purchased by the GSEs. Effective December 31, 2015, each GSE adopted the original PMIERs, which set forth operational and financial requirements that mortgage insurers must meet in order to remain eligible. On September 27, 2018, the GSEs issued revisions to the PMIERs, which became effective March 31, 2019. The PMIERs aim to ensure that approved insurers possess the financial and operational capacity to serve as strong counterparties to the GSEs throughout various market conditions. The PMIERs are comprehensive, covering virtually all aspects of the business and operations of a private mortgage insurer of GSE loans, including internal risk management and quality controls, underwriting, claim processing and loss mitigation, among others. In addition, the PMIERs require private mortgage insurers to obtain the prior consent of the GSEs before taking certain actions, which may include entering into various intercompany agreements and commuting or reinsuring risk, among others. As of December 31, 2023, we met the PMIERs financial and operational requirements and currently hold capital in excess of the financial requirements.

The PMIERs include financial requirements for mortgage insurers under which a mortgage insurer's "Available Assets" (generally only the most liquid assets of an insurer) must meet or exceed "Minimum Required Assets" (which are based on an insurer's RIF and are calculated from tables of factors with several risk dimensions and are subject to a floor amount) and otherwise generally establish when a mortgage insurer is qualified to issue coverage that will be acceptable to the respective GSE for acquisition of high LTV mortgages. The GSEs may amend or waive PMIERs at their discretion, impose additional conditions or restrictions on us and also have broad discretion to interpret PMIERs, which could impact the calculation of our "Available Assets" and/or "Minimum Required Assets."

The operational PMIERs requirements include standards that govern the relationship between the GSEs and approved insurers and are designed to ensure that approved insurers operate under uniform guidelines, such as claim processing timelines. They include quality control requirements that are

designed to ensure that approved insurers have a strong internal risk management infrastructure and senior management oversight.

During 2020 and 2021, the GSEs issued several amendments to PMIERs. Many of the provisions are no longer applicable but for loans that became non-performing due to a COVID-19 hardship, PMIERs was temporarily amended with respect to each non-performing loan that (i) had an initial missed monthly payment occurring on or after March 1, 2020 and prior to April 1, 2021 or (ii) is subject to a forbearance plan granted in response to a financial hardship related to COVID-19, the terms of which are materially consistent with terms of forbearance plans offered by the GSEs. The risk-based required asset amount factor for the non-performing loan is the greater of (a) the applicable risk-based required asset amount factor for a performing loan were it not delinquent, and (b) the product of a 0.30 multiplier and the applicable risk-based required asset amount factor for a non-performing loan. In the case of (i) above, absent the loan being subject to a forbearance plan described in (ii) above, the 0.30 multiplier is applicable for no longer than three calendar months beginning with the month in which the loan became a non-performing loan due to having missed two monthly payments. Loans subject to a forbearance plan described in (ii) above include those that are either in a repayment plan or loan modification trial period following the forbearance plan unless reported to the approved insurer that the loan is no longer in such forbearance plan, repayment plan, or loan modification trial period. In addition, the PMIERs Amendment made permanent revisions to the risk-based required asset amount factor for non-performing loans for properties located in future Federal Emergency Management Agency (“FEMA”) Declared Major Disaster Areas eligible for individual assistance.

Under PMIERs, we are subject to these operational and financial requirements. Each approved mortgage insurer is required to provide the GSEs with an annual certification and a quarterly report as to its compliance with PMIERs.

In their respective letters approving credit for reinsurance against PMIERs financial requirements, the GSEs require our mortgage insurance subsidiary not to exceed a maximum statutory RTC ratio of 18:1 or they reserve the right to reevaluate the amount of PMIERs credit for reinsurance and other CRT transactions available under PMIERs indicated in their approval letters. Freddie Mac has also imposed additional requirements on our option to commute these reinsurance agreements. Both GSEs reserved the right to periodically review the reinsurance transactions for treatment under PMIERs.

In September 2020, subsequent to the issuance of our 2025 Senior Notes, the GSEs imposed incremental restrictions (“GSE Restrictions”) with respect to capital on our business. In May 2021, in connection with their conditional approval of the consummation of our IPO, the GSEs confirmed the GSE Restrictions would remain in effect until certain conditions (“GSE Conditions”) were met. These conditions included required upgrades in EMICO’s ratings, certain liquidity requirements, restrictions on debt issuance and the use of proceeds from our debt, and limitations on dividends and distributions. EMICO was also required to maintain 115% of PMIERs Minimum Required Assets through 2021, 120% during 2022 and 125% thereafter.

EMICO maintained the requisite ratings for two consecutive quarters prior to the end of 2022. Beginning in 2023, we are no longer subject to the GSE Restrictions and Conditions.

As of December 31, 2023, we had estimated available assets of $5,006 million against $3,119 million net required assets under PMIERs compared to available assets of $5,206 million against $3,156 million net required assets as of December 31, 2022. The sufficiency ratio as of December 31, 2023, was 161% or $1,887 million above the published PMIERs requirements, compared to 165% or $2,050 million above the published PMIERs requirements as of December 31, 2022. Sufficiency was above the requirements imposed by the incremental GSE Restrictions that required us to maintain a PMIERs sufficiency ratio of 120% in 2022 and 115% in 2021.

In addition, our PMIERs required assets as of December 31, 2023, benefited from the application of a 0.30 multiplier applied to the risk-based required asset amount factor for certain non-performing loans.

Other Federal Regulation

We and other private mortgage insurers are impacted by federal regulation of residential mortgage transactions with respect to mortgage originators and lenders, purchasers of mortgage loans such as Fannie Mae and Freddie Mac and governmental insurers such as the FHA and the VA. Mortgage origination and servicing transactions are subject to compliance with various state and federal laws, including the Real Estate Settlement Procedures Act of 1974 (“RESPA”), HOPA, Fair Credit Reporting Act (“FCRA”), the Fair Housing Act, the Truth In Lending Act, the Gramm-Leach-Bliley Act of 1999 (the “GLB Act”), the Dodd-Frank Act and others, including those discussed in this section. Among other things, these laws and their implementing regulations prohibit payments for referrals of settlement service business, require fairness and non-discrimination in granting or facilitating the granting of insurance, govern the circumstances under which companies may obtain and use consumer credit information, and provide for other consumer protections. Additionally, changes in federal housing legislation and other laws and regulations that affect the demand for private mortgage insurance may have a material effect on private mortgage insurers. For example, in December 2020, the Federal Housing Finance Agency (“FHFA”) promulgated the Enterprise Capital Framework that imposes a new capital framework on the GSEs, including risk-based and leverage capital requirements and buffers in excess of regulatory minimums that can be drawn down in periods of financial stress. This rule is part of the process to potentially end the conservatorships of the GSEs. The final rule could cause the GSEs to increase their guarantee pricing in order to meet the new capital requirements.

Federal Laws

RESPA applies to most residential mortgages insured by private mortgage insurers. Mortgage insurance is considered a “settlement service” for purposes of loans subject to RESPA. Subject to limited exceptions, RESPA precludes us from providing services to mortgage lenders or other settlement service providers free of charge, charging fees for services that are lower than their reasonable or fair market value and paying fees for services that others provide that are higher than their reasonable or fair market value. In addition, RESPA prohibits persons from giving or accepting any portion or percentage of a charge for a real estate settlement service, other than for services actually performed. Although many states prohibit mortgage insurers from giving rebates, RESPA has been interpreted to cover many non-fee services as well. Mortgage insurers and their customers are subject to the possible sanctions of this law, which may be enforced by the CFPB, state insurance departments, state attorneys general and other enforcement authorities.

HOPA provides for the automatic termination, or cancellation upon a borrower’s request, of the borrower’s obligation to pay for private mortgage insurance upon satisfaction of certain conditions. HOPA applies to owner-occupied residential mortgage loans regardless of lien priority and to borrower-paid mortgage insurance closed after July 29, 1999. HOPA requires lenders to automatically terminate a borrower’s obligation to pay for mortgage insurance coverage once the LTV ratio reaches 78% of the original value. A borrower generally may also request cancellation of mortgage insurance from their lender once the actual payments reduce the loan balance to 80% of the home’s original value. For borrower-initiated cancellation of mortgage insurance, the borrower must have a “good payment history” as defined by HOPA.

FCRA imposes restrictions on the permissible use of credit report information and requires mortgage insurance companies to provide “adverse action” notices to consumers in the event an application for mortgage insurance is declined or offered at less than the best available rate for the loan program applied for due to information contained in a consumer’s credit report. There has been past class action litigation over these FCRA adverse action notices involving the mortgage insurance industry, including court-approved settlements.

The Fair Housing Act generally prohibits discrimination in the terms, conditions or privileges in residential real estate-related transactions on the basis of race, color, religion, sex, familial status, or national origin. Numerous courts have held that the Fair Housing Act prohibits discriminatory insurance

practices. In addition, both the Department of Justice (the “DOJ”) and the CFPB have pursued claims under the Fair Housing Act on a disparate impact theory as well. There has been litigation over the Fair Housing Act involving other mortgage insurers, resulting in some cases in court-approved settlements.

Mortgage Servicing Rules

The CFPB Servicing Rule established servicer requirements for handling loans that are in default, handling escrow accounts, responding to borrower assertions of error and loss mitigation in the event that a borrower defaults. A provision of the required loss mitigation procedures prohibits a loan holder or servicers from commencing foreclosure until 120 days after the borrower’s delinquency. Since 2014, the CFPB has clarified those rules through subsequent rule makings and provided guidance on how servicers must apply them in certain circumstances, including recent clarifications as a result of COVID-19.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law. On April 3, 2020, the CFPB, the National Credit Union Administration, the Federal Banking Agencies and the Conference of State Bank Supervisors issued a joint statement to clarify existing flexibility in the mortgage servicing rules that services can use to help consumers during the COVID-19 emergency, including those applicable to mortgage forbearance options under the CARES Act. The joint statement addressed flexibility around required notices from servicers and the existing requirements related to continuity of contact and reasonable diligence steps required when the forbearance ends. This guidance could reduce claims and mitigate losses but may also contribute to delays in foreclosure and have an adverse impact on resolution of claims with respect to the servicing of mortgage loans covered by our insurance policies.

The CARES Act provided financial assistance for businesses and individuals and targeted regulatory relief for financial institutions. Among many other things, for up to 120 days after the termination date of the national emergency concerning COVID-19 declared by the Trump Administration on March 13, 2020 under the National Emergencies Act, the CARES Act required mortgage servicers to provide up to 180 days of forbearance for borrowers with a federally backed mortgage loan who asserted they had experienced a financial hardship related to COVID-19. The forbearance could be extended for an additional 180 days, up to a year in total, or shortened at the request of the borrower. In addition, on February 25, 2021, the FHFA announced that borrowers with a mortgage backed by the GSEs who were in an active COVID-19 forbearance plan as of February 28, 2021, could request up to two additional forbearance extensions for a maximum of 18 months of total forbearance relief. In addition, the CARES Act provided that furnishers of credit reporting information, including servicers, should report a loan as current to credit reporting agencies if the loan is subject to a payment accommodation, such as forbearance, so long as the borrower abided by the terms of the accommodation. Many servicers updated and improved their reporting to private mortgage insurers for when a loan is covered by forbearance. The Biden Administration ended the national emergency for COVID-19 in April 2023, so the deadline for requesting a COVID-19 related forbearance under the CARES Act ended in August of 2023.

Regulation of Mortgage Origination

Private mortgage insurers are also indirectly impacted by federal law and regulation affecting mortgage originators and lenders, purchasers of mortgage loans and governmental insurers. Among the most significant of these laws and regulations are the Dodd-Frank Act QM and the ability-to-repay (“ATR”) Requirement and the qualified residential mortgage (“QRM”) securitization risk retention provisions.

ATR and QM Rules

In addition to the QM rules discussed above, the Dodd-Frank Act separately granted statutory authority to the United States Department of Housing and Urban Development (“HUD”) (for FHA-insured loans), the VA (for VA-guaranteed loans), the United States Department of Agriculture (“USDA”) and Rural Housing Service (“RHS”) to develop their own definitions of a QM in consultation with the CFPB. In December 2013, HUD adopted a separate definition of a QM for loans insured by the FHA. HUD’s QM definition is less restrictive than the CFPB QM Rule in certain respects. To the extent that other

government agencies guaranteeing residential mortgage loans may adopt definitions of a QM that are more favorable to lenders and mortgage holders than the CFPB QM Rule, our mortgage insurance business could also be negatively impacted.

The Dodd-Frank Act requires an originator or issuer to retain a specified percentage of the credit risk exposure on securitized mortgages that do not meet the definition of a QRM. As required by the Dodd-Frank Act, in 2015 the Federal Banking Agencies, the FHFA, the U.S. Securities and Exchange Commission ("SEC") and HUD adopted a joint final rule implementing the QRM rules that aligns the definition of a QRM with that of a QM. In December 2019, the Federal Banking Agencies initiated a review of certain provisions of the risk retention rule, including the QRM definition. Among other things, the review allows the Federal Banking Agencies to consider the QRM definition in light of any changes to the QM definition under the QM Rule adopted by the CFPB, which would include the final rule promulgated by the CFPB on December 29, 2020. If the QRM definition is changed in a manner that is unfavorable to us, such as to require a large down payment for a loan to qualify as a QRM, without giving consideration to mortgage insurance in computing LTV ratios, the attractiveness of originating and securitizing loans with lower down payments may be reduced, which may adversely affect the future demand for mortgage insurance.

Basel III

Since 1988, the Basel Committee has worked to develop international benchmarks for assessing banks' capital adequacy requirements. In 2005, the Basel Committee issued Basel II, which, among other things, sets forth capital treatment of mortgage insurance purchased and held on balance sheet by banks in respect of their origination and securitization activities (including in bank regulation, the standards for a prudentially underwritten mortgage, with 50% risk weighting for high loan-to-value mortgages covered with mortgage insurance). Following the financial crisis of 2008, the Basel Committee issued Basel III that established RBC and leverage capital requirements for most United States banking organizations (although banking organizations with less than $10 billion in total assets may now choose to comply with an alternative community bank leverage ratio framework established by the Federal Banking Agencies in 2019).

In 2013, the US federal banking regulators confirmed the role of mortgage insurance as a component of prudential bank regulation for high loan to value mortgages. More recently, in July of 2023, the Federal Reserve, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency proposed for comment the Basel III Endgame rule. Under the proposed rule, commercial banks with total assets greater than $100 billion would no longer receive the 50% capital relief for high loan-to-value portfolio loans with mortgage insurance. If adopted as proposed, this rule could decrease the demand for mortgage insurance. The federal banking regulators are currently in the review process, and it remains unclear whether there will be changes to the final rule ahead of its planned implementation in 2025.

Privacy of Consumer Information and Cybersecurity

Federal and state laws and regulations require financial institutions, including insurance companies, to protect the security and confidentiality of consumer financial information and to notify consumers about policies and practices relating to the collection, use, disclosure, security, and confidentiality of their personally identifiable information. Additionally, there are federal and state obligations to notify regulators and consumers in the event of certain data breaches affecting personal information.

Federal and state lawmakers and regulatory bodies may consider additional or more detailed regulations regarding these subjects and the privacy and security of nonpublic personal information, confidential business information, information security systems, and vendors and other third parties that may have access to sensitive data or systems. Furthermore, the issues surrounding data security and the safeguarding of consumers' protected information are under increasing regulatory scrutiny by state and federal regulators, particularly in light of the number and severity of recent United States companies' data breaches. The Federal Trade Commission, the DOJ, the New York State Department of Financial

Services (“NYDFS”), the SEC and the NAIC have undertaken various studies, reports and actions regarding privacy and data security for entities under their respective supervision. Several states have recently enacted new privacy and information security requirements and new insurance laws that require certain regulated entities to implement and maintain comprehensive information security programs to safeguard the personal information of insureds and enrollees.

The GLB Act and the FCRA impose privacy and information security requirements on financial institutions, including obligations to protect and safeguard consumers’ nonpublic personal information and creditworthiness information, respectively, and limitations on the use and sharing of such information. The GLB Act requires administrative, technical, and physical safeguards to ensure the security, confidentiality, integrity, and the proper disposal of nonpublic personal information, and the FCRA imposes similar information security requirements regarding the protection of creditworthiness information. The FCRA limits an entity’s ability to disclose creditworthiness information to affiliates and nonaffiliates unless certain notice requirements are met and the consumer does not elect to prevent or “opt out” of the disclosure, and it limits an entity’s ability to use creditworthiness information except for certain authorized purposes. The GLB Act limits a financial institution’s disclosure of nonpublic personal information to unaffiliated third parties unless certain notice requirements are met, and the consumer does not elect to prevent or “opt out” of the disclosure. The GLB Act requires that financial institutions provide privacy notices to their customers. With respect to our business, the GLB Act is enforced by the CFPB and state insurance regulators, and the FCRA is enforced by the CFPB. CFPB regulations implement certain sections of the GLB Act regarding privacy and information security, and state insurance regulations also implement certain sections of the GLB Act regarding privacy and information security, including requirements to notify individuals regarding certain data security incidents that affect their nonpublic personal information. Certain states have implemented certain requirements of the GLB Act, including North Carolina through the Consumer and Customer Information Privacy Act.

Many states have enacted privacy and data security laws that impose compliance obligations beyond those imposed by the GLB Act, including obligations to protect sensitive personal information. All fifty states also require entities to provide notification to affected state residents and, in certain instances, state regulators, such as state attorneys general or state insurance commissions, in the event of certain security breaches affecting personal information, though some of these laws include exemptions for entities regulated by the GLB Act.

The California Consumer Privacy Act of 2018 (the “CCPA”) was amended significantly by the California Privacy Rights Act of 2020 (“CPRA”). The CCPA, as amended by the CPRA, grants California residents the right to know what information a business has collected about them and the sourcing and sharing of that information, as well as the right to access and correct their personal information, and (subject to certain exemptions) the right to have a business delete their personal information. The CPRA created the California Privacy Protection Agency to enforce the CCPA and to promulgate regulations thereunder, imposed additional obligations regarding the privacy notice and service provider contracts, created new requirements around the protection of sensitive personal information and eliminated certain exemptions for personal information collected in employment or business-to-business contexts. The majority of the CPRA provisions went into effect on January 1, 2023. Failure to comply with the CCPA risks regulatory fines, and the law grants a private right of action for any unauthorized disclosure of certain personal information not subject to an exemption as a result of failure to maintain reasonable security procedures and practices.

Virginia, Colorado, Connecticut, and Utah enacted comprehensive data privacy laws that went into effect in 2023. These laws generally impose similar requirements as the CCPA but do not apply to employee or contractor data or business-to-business information. Each of these laws has entity-wide exemptions for financial institutions subject to the GLB Act. Additionally, other states have enacted privacy laws that will become effective in 2024 and beyond. Adapting our data privacy practices to forthcoming applicable laws and regulations may increase our compliance costs and increase the risk of noncompliance. Cybersecurity continues to be an area of significant and increasing focus of legislatures and regulators. The NYDFS amended its cybersecurity regulation effective November 1, 2023, which,

along with subsequent guidance, requires all banks, insurance companies, and other financial services institutions and licensees regulated by the NYDFS, including several of our subsidiaries, to establish a cybersecurity program. The NYDFS cybersecurity regulation includes specific technical safeguards as well as requirements regarding governance, incident planning, training, encryption of nonpublic information, data management, system testing and regulator notification in the event of certain cybersecurity events. The amendments expand requirements for notification to the NYDFS of cybersecurity events and expand technical requirements around system penetration testing, vulnerability assessments, risk assessments and audits. The amendments also add new requirements related to cybersecurity plans and expand cybersecurity governance requirements, among other things. We are required to file an annual certification of compliance with the NYDFS regarding our cybersecurity program.

In addition, the NAIC's Insurance Data Security Model Law establishes model standards for states to adopt regarding data security and notification of data breaches applicable to insurance licensees in states adopting such law, with provisions that are generally consistent with the NYDFS cybersecurity regulation discussed above. As with all NAIC model laws, this Insurance Data Security Model Law must be adopted by a state before becoming law in such state. A version of the Insurance Data Security Model Law has been adopted by over twenty states. North Carolina has not adopted a version of the Insurance Data Security Model Law. We anticipate that more states will begin adopting the Insurance Data Security Model Law, sometimes with state-specific modifications, in the near term, although it is not yet an accreditation standard. The NAIC has also adopted a guidance document that sets forth twelve principles for effective insurance regulation of cybersecurity risks based on similar regulatory guidance adopted by the Securities Industry and Financial Markets Association and the "Roadmap for Cybersecurity Consumer Protections," which describes the protections to which the NAIC believes consumers should be entitled from their insurance companies, agents and other businesses concerning the collection and maintenance of consumers' personal information, as well as what consumers should expect when such information has been involved in a data breach. We expect cybersecurity risk management, prioritization and reporting to continue to be an area of significant regulatory focus by such regulatory bodies and self-regulatory organizations.

As noted above, state governments, Congress, and federal and state agencies may consider and enact additional legislation or promulgate regulations governing privacy, cybersecurity, and data breach reporting requirements. We cannot predict whether such legislation will be enacted, or what impact, if any, such legislation may have on our business practices, results of operations or financial condition.

Available Information

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available, without charge, on our website, www.enactmi.com, as soon as reasonably practicable after we file or furnish such reports with the SEC. The public may read and copy any electronic materials we file or furnish with the SEC at the SEC's website, www.sec.gov. Copies of our SEC filed or furnished reports are also available, without charge, from Enact Investor Relations, 8325 Six Forks Road, Raleigh, North Carolina, 27615.

Our website also includes the charters of our Audit Committee, Nominating and Corporate Governance Committee, Risk Committee, Independent Capital Committee and Compensation Committee, our Governance Principles and our company's code of ethics. Copies of these materials also are available, without charge, from Enact Investor Relations at the address above.

The information found on our website is not incorporated by reference into this report or in any other report or document we submit to the SEC, and any references to our website are intended to be inactive textual references only.

Item 1A. Risk Factors

You should carefully consider the following risks. These risks could materially affect our business, results of operations or financial condition, cause the trading price of our common stock to decline materially or cause our actual results to differ materially from those expected or those expressed in any forward-looking statements made by us or on our behalf. These risks are not exclusive, and additional risks to which we are subject include, but are not limited to, the factors mentioned under "Cautionary Note Regarding Forward-Looking Statements" and the risks of our businesses described elsewhere in this Annual Report on Form 10-K for the year ended December 31, 2023.

Summary of Risk Factors

Risks Relating to Our Business

- If we are unable to continue to meet the requirements mandated by PMIERs, or any additional restrictions which may be imposed on us by the GSEs, we may not be eligible to write new insurance on loans acquired by the GSEs, which would have a material adverse effect on our business, results of operations and financial condition.
- A deterioration in economic conditions, a severe recession or a decline in home prices may adversely affect our loss experience.
- The longer loans remain delinquent in our inventory, including as a result of COVID-19 related policies, the greater the likelihood that claim severity increases.
- When we are notified that an insured loan is in default, we establish loss reserves based on management's estimate of claim rates and claim sizes, which are subject to uncertainties and are based on assumptions about certain estimation parameters that may be volatile. As a result, the actual claim payments we make may materially differ from the amount of our corresponding loss reserves.
- If the models used in our business are inaccurate or there are differences and/or variability in loss development compared to our model estimates and actuarial assumptions, it could have a material adverse effect on our business, results of operations and financial condition.
- Competition within the mortgage insurance industry could result in the loss of market share, loss of customers, lower premiums, wider credit guidelines and other changes that could have a material adverse effect on our business, results of operations and financial condition.
- Changes to the charters or practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance, could adversely affect our business, results of operations and financial condition.
- The amount of mortgage insurance we write could decline significantly if alternatives to private mortgage insurance are used or lower coverage levels of mortgage insurance are selected.
- Changes in the composition of our business or undue concentration by customer or geographic region may adversely affect us by increasing our exposure to loss of business or adverse performance of a small segment of our portfolio.
- Our risk management programs may not be effective in identifying or adequate in controlling or mitigating the risks we face.
- Interest rates and changes in rates, including changes in monetary policy to combat inflation, could materially adversely affect our business, results of operations and financial condition.
- We may be unable to maintain or increase the capital needed in our business in a timely manner, on anticipated terms or at all, including through improved business performance, CRT transactions, securities offerings or otherwise, in each case as and when required.
- CRT transactions may not be available, affordable or adequate to protect us against losses.
- Adverse rating agency actions may result in a loss of business and adversely affect our business, results of operations and financial condition.
- If we are unable to effectively manage risks in our investment portfolio, it could adversely affect our business, results of operations and financial condition.
- If servicers fail to adhere to appropriate servicing standards or experience disruptions to their businesses, our losses could increase.
- Our delegated underwriting program may subject our mortgage insurance business to unanticipated claims.
- The premiums we agree to charge for our mortgage insurance coverage may not adequately compensate us for the risks and costs associated with the coverage we provide.
- A decrease in the volume of Low Down Payment Loan originations or an increase in the volume of mortgage insurance cancellations could result in a decline in our revenue.
- We collect, process, store, share, disclose and use consumer information and other data, and an actual or perceived failure to protect such information and data or respect users' privacy could damage our reputation and brand and adversely affect our business, results of operations and financial condition.

Risks Relating to Regulatory Matters

- Our business is extensively regulated and changes in regulation may reduce our profitability and limit our growth.
- Inability to maintain sufficient regulatory capital could result in restrictions or prohibitions on our doing business or impact our financial strength ratings which could have a material adverse impact on our business, results of operations and financial condition.
- Changes in regulations that adversely affect the insurance markets in which we operate could affect our operations significantly and could reduce the demand for our products.

Risks Relating to Our Continuing Relationship with Genworth

- Genworth has the ability to exert significant influence over us and our corporate decisions.
- The terms of our arrangements with Genworth may be more favorable than we will be able to obtain from an unaffiliated third party.
- We could be affected by issues affecting Genworth in a way that could materially and adversely affect our business, financial condition, liquidity and prospects.
- Genworth's continued ownership of at least 80% of our common stock may limit our ability to raise additional capital by issuing common stock to third parties.

Risks Relating to Taxation

- Changes in tax laws could have a material adverse effect on our business, cash flows, results of operations or financial condition.
- We are jointly and severally liable for any U.S. federal income taxes owed by the Genworth Consolidated Group for taxable periods in which we are a member of the group.
- If we leave the Genworth Consolidated Group, we may be required to potentially pay more income tax in the future.

General Risk Factors

- We are a holding company, and a large majority of our assets are the equity interests in our subsidiaries. As a consequence, we depend on the ability of our subsidiaries to pay dividends and make other payments and distributions to us in order to meet our obligations.
- Our business could be adversely impacted from deficiencies in our disclosure controls and procedures or internal control over financial reporting.
- We may suffer losses in connection with litigation, regulatory proceedings or other actions.
- If we are unable to attract, on-board, retain and motivate qualified employees or senior management, our business, results of operations and financial condition may be adversely impacted.
- We rely upon third-party vendors who may be unable or unwilling to meet their obligations to us.
- Our computer systems may fail or be compromised, and unanticipated problems could materially adversely impact our disaster recovery systems and business continuity plans, which could damage our reputation, impair our ability to conduct business effectively and materially adversely affect our business, results of operations and financial condition.
- Risks related to emerging and changing technology, including artificial intelligence, could impact our results of operations or financial condition.
- The occurrence of natural or man-made disasters or public health emergencies, including pandemics and disasters caused or exacerbated by climate change, could materially adversely affect our business, results of operations and financial condition.
- Our amended and restated certificate of incorporation contains exclusive forum provisions, which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers or employees.
- No assurance can be given that we will be able to return capital to our shareholders via dividends or share repurchases in the future at current levels or at all.

Risks Relating to Our Business

If we are unable to continue to meet the requirements mandated by PMIERs, or any additional restrictions which may be imposed on us by the GSEs, we may not be eligible to write new insurance on loans acquired by the GSEs, which would have a material adverse effect on our business, results of operations and financial condition.

In furtherance of Fannie Mae and Freddie Mac's respective charter requirements, each GSE adopted PMIERs effective December 31, 2015. PMIERs has since been amended on several occasions, including as a result of COVID-19.

The PMIERs include financial requirements for mortgage insurers under which a mortgage insurer's "Available Assets" (generally only the most liquid assets of an insurer) must meet or exceed "Minimum Required Assets" (which are based on an insurer's RIF and are calculated from tables of factors with several risk dimensions and are subject to a floor amount) and otherwise generally establish when a mortgage insurer is qualified to issue coverage that will be acceptable to the respective GSE for acquisition of high LTV mortgages. The GSEs may amend or waive PMIERs at their discretion, impose additional conditions or restrictions on us and also have broad discretion to interpret PMIERs, any of which could impact the calculation of our "Available Assets" and/or "Minimum Required Assets." The amount of capital that EMICO may be required in the future to maintain the "Minimum Required Assets" as defined in PMIERs, and operate our business is dependent upon, among other things: (i) the way PMIERs are applied and interpreted by the GSEs and the FHFA; (ii) the future performance of the housing market; (iii) our generation of earnings in our business, "Available Assets" and "Minimum Required Assets," reducing RIF and reducing delinquencies as anticipated, and writing anticipated amounts and types of new mortgage insurance business; and (iv) our overall financial performance, capital and liquidity levels. Depending on our actual experience, the amount of capital required under PMIERs may be higher than currently anticipated. In the absence of a premium increase for new business, if we hold more capital relative to insured loans, our returns will be lower. We may be unable to increase premium rates for various reasons, principally due to competition. Our inability to increase the capital as required in the anticipated timeframes and on the anticipated terms, and to realize the anticipated benefits, could have a material adverse impact on our business, results of operations and financial condition. More particularly, our ability to continue to meet the PMIERs financial requirements and maintain a prudent amount of capital in excess of those requirements, given the dynamic nature of asset valuations and requirement changes over time, is dependent upon, among other things: (i) our ability to complete CRT transactions on our anticipated terms and timetable, which, as applicable, are subject to market conditions, third-party approvals and other actions (including approval by the GSEs), and other factors that are outside of our control and (ii) our ability to contribute holding company cash or other sources of capital to satisfy the portion of the financial requirements that are not satisfied through these transactions. See "—CRT transactions may not be available, affordable or adequate to protect us against losses." The GSEs may amend or waive PMIERs at their discretion, and also have broad discretion to interpret PMIERs, which could impact the calculation of our "Available Assets" and/or "Minimum Required Assets."

Our assessment of PMIERs compliance is based on a number of factors, including our understanding of the GSEs' interpretation of the PMIERs financial requirements. Although we believe we have sufficient capital as required under PMIERs and we remain an approved insurer, there can be no assurance these conditions will continue. The GSEs require EMICO not to exceed a maximum ratio of RIF to statutory capital ("RTC ratio") of 18:1 or they reserve the right to reevaluate the amount of PMIERs credit for reinsurance and other CRT transactions available under PMIERs indicated in their approval letters. There can be no assurance we will continue to meet the conditions contained in the GSE letters approving credit for reinsurance and other CRT transactions against PMIERs financial requirements. Freddie Mac has also imposed additional requirements on our option to commute these reinsurance agreements. Both GSEs reserved the right to periodically review the reinsurance transactions for treatment under PMIERs. If we are unable to continue to meet the requirements mandated by PMIERs, or any additional restrictions which may be imposed on us by the GSEs, whether because the GSEs amend them or the GSEs'

interpretation of the financial requirements requires us to hold amounts of capital that are higher than we have planned or otherwise, we may not be eligible to write new insurance on loans acquired by the GSEs, which would have a material adverse effect on our business, results of operations and financial condition.

Additionally, compliance with PMIERs requires us to seek the GSEs' prior approval before taking many actions, including implementing certain new products or services and entering into inter-company agreements, among others. PMIERs' prior approval requirements could prohibit, materially modify or delay us in our intended course of action. The GSEs may modify or change their interpretation of terms they require us to include in our mortgage insurance coverage for loans purchased by them, requiring us to modify our terms of coverage or operational procedures to remain an approved insurer, and such changes could have a material adverse impact on our business, results of operations and financial condition. It is possible the GSEs could, in their own discretion, require additional limitations and/or conditions on our activities and practices that are not currently in PMIERs for us to remain an approved insurer.

In September 2020, subsequent to the issuance of our $750 million aggregate principal amount of Senior Notes due 2025, the GSEs imposed certain additional restrictions with respect to capital on our business. In the first quarter of 2023, the GSEs confirmed that these additional restrictions or conditions are no longer applicable to us.

Additional requirements or conditions imposed by the GSEs could limit our operating flexibility and the areas in which we may write new business and may adversely impact our competitive position and our business, the ability of our subsidiaries to pay dividends and our ability to pay down debts.

A deterioration in economic conditions, a severe recession or a decline in home prices may adversely affect our loss experience.

Losses in our mortgage insurance business generally result from events, such as a borrower's reduction of income, unemployment, underemployment, divorce, illness, inability to manage credit or a change in interest rate levels or home values, that reduce a borrower's willingness or ability to continue to make mortgage payments. Rising unemployment rates and deterioration in economic conditions across the United States or in specific regional economies generally increase the likelihood of borrower defaults and can also adversely affect housing values, which increases our risk of loss.

Uncertainty in the economy persisted through 2023. During 2022, an imbalance in supply and demand, supply-chain disruptions and a tightening labor market led to 40-year high inflation in the United States. To combat persistent high inflation, the U.S. Federal Reserve tightened monetary policy throughout 2022 and 2023, which has led to elevated interest rates. This is coupled with continued geopolitical uncertainty, including with conflicts in Ukraine and the Middle East. Variability in consumer confidence due in part to high inflation and elevated interest rates, along with developments related to the U.S. federal debt ceiling, continue to create a backdrop of uncertainty in the overall macroeconomic environment. Some economists still predict a recession in 2024. Economic conditions, including unemployment rates and housing values, may also be adversely affected by the current or anticipated impact of climate change, including any regulations intended to address it. These circumstances could lead to an increase in defaults and losses within our portfolio.

Unfavorable economic conditions, such as those described above, could also impact home prices. A decline in home values typically makes it more difficult for borrowers to sell or refinance their homes, increasing the likelihood of a default followed by a claim if borrowers experience a job loss or other life events that reduce their incomes or increase their expenses. In addition, declines in home values may also decrease the willingness of borrowers with sufficient resources to make mortgage payments when their mortgage balances exceed the values of their homes. Declines in home values typically increase the severity of any claims we may pay. Recent home price appreciation coupled with high interest rates has placed pressure on affordability. Housing supply remains depressed as homeowners are reluctant to sell their house and pay significantly higher mortgage rates for a new one. We saw a steady rise in such

home prices from 2016 through 2019 and steep rise in home prices in 2020 and 2021. Following some home price decline in the latter half of 2022, we saw continued home price growth through 2023. We could experience a higher frequency and severity of defaults on more recent vintages should home values decline in 2024 or subsequent years. Any of these events may have a material adverse effect on our business, results of operations and financial condition.

Housing values could also decline due to specific trends that would affect the housing and mortgage markets, such as changes in supply or demand for homes, changes in homebuyers' expectations for potential future home value appreciation, increased restrictions or costs for obtaining mortgage credit due to tightened underwriting standards, tax policy, regulatory developments, higher interest rates and customers' liquidity issues. Declining housing values may impact the effectiveness of our loss management programs, eroding the value of mortgage collateral and reducing the likelihood that properties with defaulted mortgages can be sold for an amount sufficient to offset unpaid principal and interest losses.

The amount of the loss we could suffer depends in part on whether the home of a borrower who defaults on a mortgage can be sold for an amount that will cover the unpaid principal balance, interest and the expenses of the sale. In previous economic slowdowns in the United States, we experienced a pronounced weakness in the housing market, as well as declines in home prices. These economic slowdowns and the resulting impact on the housing market drove high levels of delinquencies.

The longer loans remain delinquent in our inventory, including as a result of COVID-19 related policies, the greater the likelihood that claim severity increases.

Mortgage forbearance programs and any delays in foreclosure processes could cause our losses to increase as expenses accrue for longer periods or if the value of foreclosed homes declines during such delays. If we experience an increase in the number or the cost of delinquencies or losses that are higher than expected, including as a result of borrowers' exit from forbearance programs upon such borrowers reaching the maximum term of forbearance, our business, results of operations and financial condition could be adversely affected.

In response to the COVID-19 pandemic, the federal government and the GSEs offered programs to support borrowers through economic hardship including mortgage payment forbearance options and foreclosure and eviction moratoriums. The pandemic initially resulted in a material increase in new defaults as borrowers failed to make timely payments on their mortgages, primarily as a result of these forbearance programs. These delinquencies have largely cured at rates favorable to our expectations. However, there is still uncertainty as to the timing and ultimate severity of the COVID-19-related delinquencies that remain. Though the ability to take advantage of COVID-19-specific forbearance for new delinquencies ended in 2023, we have seen limited claims emerge from this population of loans. Further, in March 2023, the GSEs announced new loss mitigation programs that would allow for six-month payment deferrals for borrowers facing financial hardship, including hardship unrelated to COVID-19. As a result of the continued availability of forbearance and lack of foreclosure experience, the impact this will have on our business, results of operations and financial condition remains uncertain. If we experience an increase in claim severity resulting in claim amounts that are higher than expected, our business, results of operations and financial condition could be adversely affected.

When we are notified that an insured loan is in default, we establish loss reserves based on management's estimate of claim rates and claim sizes, which are subject to uncertainties and are based on assumptions about certain estimation parameters that may be volatile. As a result, the actual claim payments we make may materially differ from the amount of our corresponding loss reserves.

Our practice, consistent with industry practice and SAP applicable to insurance companies, is to establish loss reserves in our consolidated U.S. GAAP financial statements based on claim rates and severity for loans that servicers have reported to us as being in default, which is typically after the second

missed payment. We also establish incurred but not reported ("IBNR") reserves for estimated losses incurred on loans in default that have not yet been reported to us by servicers.

The establishment of loss reserves is subject to inherent uncertainty and requires significant judgment and numerous assumptions by management. Changes in assumptions or deviations of actual experience for assumptions can have material impacts on our loss reserves and net income (loss). Thus, our loss estimates may vary widely from quarter to quarter. We establish loss reserves using our best estimates of claim rates and severity to estimate the ultimate losses on loans reported to us as being in default as of the end of each reporting period. The sources of uncertainty affecting the estimates are numerous and include both internal and external factors. Internal factors include, but are not limited to, changes in the mix of exposures, loss mitigation activities and claim settlement practices. Significant external factors include changes in general economic conditions, including home prices, unemployment/underemployment, interest rates, tax policy, credit availability, government housing policies, government and GSE loss mitigation and mortgage forbearance programs, state foreclosure timelines, GSE and state foreclosure moratoriums and types of mortgage products. For example, during recessionary periods in the past, accompanied by increased unemployment and declining home prices, we have experienced higher delinquencies and increased losses. Because our assumptions relate to these factors that are not known in advance, change over time, are difficult to accurately predict and are inherently uncertain, we cannot determine with precision the ultimate amounts we will pay for actual claims or the timing of those payments. Even in a stable economic environment, the actual claim payments we make may be substantially different and even materially exceed the amount of our corresponding loss reserves for such claims. Small changes in assumptions or small deviations of actual experience from assumptions can have, and in the past have had, material impacts on our reserves, results of operations and financial condition.

In addition, sudden and/or unexpected deterioration of economic conditions may cause our estimates of loss reserves to be materially understated. Our results of operations, financial condition and liquidity could be adversely impacted if, and to the extent, our actual losses are greater than our loss and IBNR reserves.

Further, consistent with industry practice, our reserving method does not take account of losses that could occur from insured loans that are not in default. Thus, future potential losses that may develop from loans not currently in default are not reflected in our financial statements, except in the case where we are required to establish a premium deficiency reserve. As a result, future losses on loans that are not currently in default may have a material impact on our results of operations, financial condition and liquidity if, and when, such losses emerge.

We regularly review our reserves and associated assumptions as part of our ongoing assessment of our business performance and risks. If we conclude that our reserves are insufficient to cover actual or expected claim payments as a result of changes in experience, assumptions or otherwise, we would be required to increase our reserves and incur charges in the period in which we make the determination, which could materially adversely affect our results of operations, financial condition and liquidity.

If the models used in our business are inaccurate or there are differences and/or variability in loss development compared to our model estimates and actuarial assumptions, it could have a material adverse effect on our business, results of operations and financial condition.

We employ models to, among other uses, price our mortgage insurance products, calculate reserves, value assets and generate projections used to estimate future pre-tax income, as well as to evaluate risk, determine internal capital requirements and perform stress testing. These models rely on estimates and projections that are inherently uncertain, may use data and/or assumptions that do not adequately reflect recent experience and relevant industry data, and may not operate as intended. The models require accurate data, including financial statements, credit reports or other financial information, and reliance on inaccurate data could result in unexpected losses, reputational damage or other effects that could have a material adverse effect on our business, results of operations and financial condition. For example, as a

result of the COVID-19 State of Emergency, there was a suspension on reporting of certain adverse credit events to credit reporting bureaus as a result of the CARES Act, and many servicers delayed reporting further until they had further guidance from the GSEs. This could cause current credit reporting metrics in our models to not be representative of borrowers' current credit. Additionally, there are proposals to change the credit score landscape including the implementation of FICO 10T, changes to credit modeling from the GSEs and the elimination of medical debt from credit reporting. These proposals could limit comparability to historical data used in our models and lead to inaccurate results. In addition, if any of our models contain programming or other errors, are ineffective, use data provided by third parties that is incorrect, or if we are unable to obtain relevant data from third parties, our processes could be negatively affected. The models may prove to be less predictive than we expect for a variety of reasons, including economic conditions that develop differently than we forecast, unique conditions for which we do not have good historical comparators, unexpected economic and unemployment conditions that arise, changes in the law or in the PMIERs, issues arising in the construction, implementation, interpretation or use of the models or other programs, the use of inaccurate assumptions or use of short-term financial metrics that do not reveal long-term trends. The limitations of our models may be material and could lead us to make wrong or sub-optimal decisions in aspects of our business, which could have a material adverse effect on our business, results of operations and financial condition.

In addition, from time to time we seek to improve our actuarial and financial models, and the conversion process may result in material changes to assumptions and financial results. The models we employ are complex, which increases our risk of error in their design, implementation or use. The associated input data, assumptions and calculations, and the controls we have in place to mitigate these risks may not be effective in all cases. The risks related to our models often increase when we change assumptions and/or methodologies, add or change modeling platforms, or implement model changes under time constraints. These risks are exacerbated when the process for assumption changes strains our overall governance and timing around our financial reporting. We intend to continue developing our modeling capabilities. During or after the implementation of these enhancements, we may discover errors or other deficiencies in existing models, assumptions and/or methodologies. For example, in the future we may either use additional or more granular information we expect to receive through enhancements in our reserving model or we may employ more simplified reserving approaches. Either approach may cause us to refine or otherwise change existing assumptions and/or methodologies and thus associated product pricing and reserve levels, which in turn could have a material adverse effect on our business, results of operations and financial condition.

Competition within the mortgage insurance industry could result in the loss of market share, loss of customers, lower premiums, wider credit guidelines and other changes that could have a material adverse effect on our business, results of operations and financial condition.

The United States private mortgage insurance industry is highly competitive. We believe the principal competitive factors in the sale of our products are price, reputation, customer relationships, financial strength ratings and service.

There are currently six active mortgage insurers in the United States, including us. Price remains a leading competitive driver. We monitor various competitive, risk and economic factors while seeking to balance both profitability and market share considerations in developing our pricing strategies. We have and may again in the future reduce certain of our rates, which may reduce our premium yield (net premiums earned divided by the average IIF) over time as older mortgage insurance coverage with higher premium rates run off and new mortgage insurance coverage with lower premium rates are written. In addition, as a result of the current macroeconomic environment, we have implemented pricing changes that we believe align our risk and return profile.

By mid-2019, the use of opaque, proprietary risk-based pricing models became widespread in the mortgage insurance industry. As opposed to traditional rate card pricing, mortgage insurance premium rates in these risk-based plans are visible only to customers and cannot be seen by competitors. In addition, our customers use of technology solutions to deliver rate quotes from mortgage insurers has

placed an additional emphasis on price, including emerging tools that provide the ability to automate the selection of a mortgage insurance provider based on price alone. These factors may result in mortgage insurance companies responding aggressively resulting in further lowering of premiums. However, risk-based plans are designed to also allow mortgage insurers to price risk more effectively and provide the ability to manage the credit risk, mix of refinance versus purchase business and geographic makeup of their NIW.

In addition, not all of our mortgage insurance products have the same return on capital profile. To the extent that some of our competitors are willing to set lower pricing and accept lower returns than we find acceptable, we may lose business opportunities, and this may affect our overall business relationship with certain customers. If we, in response to competitor actions, lower pricing on these products, we will experience a similar reduction in returns on capital. Depending upon the degree to which we undertake or match such pricing practices or otherwise reduce our rates due to competition, there may be a material adverse impact on our business, results of operations and financial condition.

One or more of our competitors may seek to capture increased market share by reducing pricing, offering alternative coverage and product options, loosening their underwriting guidelines or relaxing risk management policies, any of which could improve their competitive positions in the industry and negatively impact our ability to achieve our business goals. Specifically, such competitive moves could result in a loss of customers, require us to lower premiums or adopt riskier credit guidelines in order to remain competitive, or implement other changes that could lower our revenues, increase the risk of the loans we insure or increase our expenses. If we are unable to compete effectively against our competitors and attract and retain our target customers, our revenue may be adversely impacted, which could adversely impact our financial condition, results of operations and ability to grow our business.

Changes to the charters or practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance, could adversely affect our business, results of operations and financial condition.

The requirements and practices of the GSEs impact the operating results and financial performance of GSE-approved mortgage insurers, including us. Changes in the charters or business practices of either Fannie Mae or Freddie Mac could materially reduce the number of mortgages they purchase that are insured by us and consequently diminish our business valuation. The GSEs could be directed to make such changes by the FHFA, which was appointed as their conservator in September 2008 and has the authority to control and direct the operations of the GSEs.

With the GSEs in a prolonged conservatorship, there has been ongoing debate over the future role and purpose of the GSEs in the United States housing market. Congress may legislate, or the administration may implement through administrative reform, structural and other changes to the GSEs and the functioning of the secondary mortgage market. Since 2011, there have been numerous legislative proposals intended to incrementally scale back the GSEs (such as a statutory mandate for the GSEs to transfer mortgage credit risk to the private sector) or to completely reform the United States housing finance system. Congress, however, has not enacted any legislation to date. The proposals vary as to the government’s role in the housing market, and more specifically, with regard to the existence of an explicit or implicit government guarantee.

In the absence of legislation, the FHFA continues to move forward on administrative reform efforts to prepare the GSEs for the end of conservatorship, once fully and adequately capitalized. Between FHFA and the United States Treasury Department (the “Treasury Department”), they possess significant capacity to effect administrative GSE reforms.

Today, the FHFA and the GSEs are focused on increasing the accessibility and affordability of homeownership, in particular for low- and moderate-income borrowers and underserved minority communities. Among other things, FHFA (i) directed the GSEs to submit Equitable Housing Plans to identify and address barriers to sustainable housing opportunities, including the GSEs' goals and action

plans to advance equity in housing finance; (ii) lifted the 50 basis point adverse market fee applicable to most refinance loans; (iii) directed the GSEs to expand their streamlined refinance programs; and (iv) directed the GSEs to make permanent desktop appraisals by incorporating the practice into their Selling Guides, which originally was a temporary practice implemented in light of COVID-19. The FHFA announced the release of Fannie Mae’s and Freddie Mac’s respective Equitable Housing Finance Plans in 2022. The plans included many initiatives, including language discussing potential changes that could impact the mortgage insurance industry. These initiatives are underway, and we will continue to work with the FHFA, the GSEs, and the broader housing finance industry as initiatives are implemented.

As part of the process to potentially end the conservatorships of the GSEs, on December 17, 2020, the FHFA promulgated a final rule imposing a new capital framework on the GSEs, including risk-based and leverage capital requirements and capital buffers in excess of regulatory minimums that can be drawn down in periods of financial stress (the “Enterprise Capital Framework”). The Enterprise Capital Framework became effective on February 16, 2021. However, the GSEs will not be subject to any requirement under the Enterprise Capital Framework until the applicable compliance date. Compliance with the Enterprise Capital Framework, other than the requirements to maintain a prescribed capital conservation buffer amount (“PCCBA”) and a prescribed leverage buffer amount (“PLBA”), is required on the later of (i) the date of termination of the conservatorship of a GSE and (ii) any later compliance date provided in a consent order or other transition order applicable to such GSE. FHFA contemplates that the compliance dates for the PCCBA and the PLBA will be the date of termination of the conservatorship of a GSE. The Enterprise Capital Framework’s advanced approaches requirements will be delayed until the later of (i) January 1, 2025 and (ii) any later compliance date provided by a transition order applicable to such GSE. The Enterprise Capital Framework significantly increases capital requirements and reduces capital credit on CRT transactions as compared to the previous framework. This final rule could accelerate the recent diversification of the GSE’s risk transfer programs to encompass a broader array of instruments beyond private mortgage insurance, which could adversely impact our business. Also, in preparation for the end of the FHFA’s conservatorship of the GSEs, the FHFA promulgated a final rule on May 4, 2021, effective July 6, 2021, that requires the GSEs to develop plans that would facilitate their rapid and orderly resolution in the event FHFA is appointed as their receiver.

On January 14, 2021, the FHFA and the Treasury Department agreed to amend the PSPAs between the Treasury Department and each of the GSEs to increase the amount of capital each GSE may retain. Among other things, the amendments to the PSPAs limit the number of certain mortgages the GSEs may acquire with two or more prescribed risk factors, including certain mortgages with combined loan-to-value LTV ratios above 90%. However, on September 14, 2021, the FHFA and Treasury Department suspended certain provisions of the amendments to the PSPAs, including the limit on the number of mortgages with two or more risk factors that the GSEs may acquire. Such suspensions end six months after the Treasury Department notifies the GSEs of termination. The limit on the number of mortgages with two or more risk factors was based on the market size at the time. While we do not expect any material impact to the private mortgage market, changes in the provisions or enforcement of this rule could impact our results.

The adoption of any GSE reform, whether through legislation or administrative action, could impact the current role of private mortgage insurance as credit enhancement, including its reduction or elimination, which would have an adverse effect on our business, revenue, results of operations and financial condition. At present, it is uncertain what role private capital, including mortgage insurance, will play in the United States residential housing finance system in the future or the impact any changes to that system could have on our business. Any changes to the charters or statutory authorities of the GSEs would require congressional action to implement. Passage and timing of any comprehensive GSE reform or incremental change (legislative or administrative) is uncertain, making the actual impact on us and our industry difficult to predict. Any such changes that come to pass could have a material adverse impact on our business, results of operations and financial condition.

In recent years, the FHFA has set goals for the GSEs to transfer significant portions of the GSEs’ mortgage credit risk to the private sector; however, the timing of these goals could change. This mandate

builds upon the goals set in recent years for the GSEs to increase the role of private capital by experimenting with different forms of transactions and structures. We participate in these CRT programs developed by Fannie Mae and Freddie Mac. The GSEs have in the past piloted and may in the future attempt to launch alternative products or transactions that compete with private mortgage insurance. To the extent these credit risk products evolve in a manner that displaces primary mortgage insurance coverage, the amount of insurance we write may be reduced. It is difficult to predict the impact of alternative CRT products that are developed to meet the goals established by the FHFA. In addition, the Enterprise Capital Framework that was promulgated on December 17, 2020 may impact the CRT programs developed by Fannie Mae and Freddie Mac and/or the role of private mortgage insurance as credit enhancement by potentially accelerating the recent diversification of the GSE's risk transfer programs to encompass a broader array of instruments, beyond private mortgage insurance.

Fannie Mae and Freddie Mac also possess substantial market power, which enables them to influence our business and the mortgage insurance industry in general. Although we actively monitor and develop our relationships with Fannie Mae and Freddie Mac, a deterioration in any of these relationships, or the loss of business or opportunities for new business, could have a material adverse effect on our business, results of operations and financial condition.

The amount of mortgage insurance we write could decline significantly if alternatives to private mortgage insurance are used or lower coverage levels of mortgage insurance are selected.

There are a variety of alternatives to private mortgage insurance that may reduce the amount of mortgage insurance we write. These alternatives include:

- originating mortgages that consist of two simultaneous loans, known as "simultaneous seconds," comprising a first mortgage with an LTV ratio of 80% and a simultaneous second mortgage for the excess portion of the loan, instead of a single mortgage with an LTV ratio of more than 80%;
- using government mortgage insurance programs;
- holding mortgages in the lenders' own loan portfolios and self-insuring;
- using programs, such as those offered by Fannie Mae and Freddie Mac, requiring lower mortgage insurance coverage levels;
- originating and securitizing loans in MBS whose underlying mortgages are not insured with private mortgage insurance, or which are structured so that the risk of default lies with the investor, rather than a private mortgage insurer; and
- using risk-sharing insurance programs, credit default swaps or similar instruments, instead of private mortgage insurance, to transfer credit risk on mortgages.

The degree to which lenders or borrowers may select these alternatives now, or in the future, is difficult to predict. The performance and resiliency of the private mortgage insurance industry could impact the perception of the industry and private mortgage insurance execution as the primary choice of first-loss credit protection, which could influence the popularity of alternative forms of mortgage insurance in the future. As one or more of the alternatives described above, or new alternatives that enter the market, are chosen over private mortgage insurance, our revenues could be adversely impacted. The loss of business in general or the specific loss of more profitable business could have a material adverse effect on our business, results of operations and financial condition.

Additionally, we compete with the FHA and the VA, as well as certain local-and state-level housing finance agencies. Separately, the GSEs compete with us through certain of their risk-sharing insurance programs. Those competitors may establish pricing terms and business practices that may be influenced by motives such as advancing social housing policy or stabilizing the mortgage lending industry. Those motives may not be consistent with maximizing return on capital or other profitability measures. In

addition, those governmental enterprises typically do not have the same capital requirements or costs of capital that we and other mortgage insurance companies have and therefore may have financial flexibility in their pricing and capacity that could put us at a competitive disadvantage. In the event that a government-owned enterprise or GSE in one of our markets determines to change prices significantly or alter the terms and conditions of its mortgage insurance or other credit enhancement products in furtherance of social or other goals rather than a profit or risk management motive, we may be unable to compete in that market effectively. This could have a material adverse effect on our business, results of operations and financial condition. See "—Changes to the charters or practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance, could adversely affect our business, results of operations and financial condition."

Changes in the composition of our business or undue concentration by customer or geographic region may adversely affect us by increasing our exposure to loss of business or adverse performance of a small segment of our portfolio.

In 2023, our largest customer accounted for approximately 19% of our total NIW and 10% of total revenues. Our top five customers generated approximately 33% of our NIW in 2023. Changes in our ability to attract and retain a diverse customer base and avoid undue concentration by geographic region or customer may adversely affect our business, results of operations and financial condition.

In the past, regional housing markets have experienced changes in home prices and unemployment at different rates and to different extents. In addition, certain geographic regions have experienced local recessions, falling home prices and rising unemployment based on economic conditions that did not impact, or impacted to a lesser degree, other geographic regions or the overall United States economy. Geographic concentration in our mortgage portfolio therefore increases our exposure to losses due to localized economic conditions. We seek to diversify our insured loan portfolio geographically; however, customer concentration might lead to concentrations in specific regions in the United States. If we do not adequately maintain the geographic diversity of our portfolio, we could be exposed to greater losses.

Also, customer concentration may adversely affect our financial condition if a significant customer chooses to increase its use of other mortgage insurers, merges with a competitor or exits the mortgage finance business, chooses alternatives to mortgage insurance, or experiences a decrease in their business. Our customers place insurance with us directly on loans they originate and indirectly through purchases of loans that already have our mortgage insurance coverage. Our relationships with our customers may influence both the amount of business they do with us directly and their willingness to continue to approve us as a mortgage insurance provider for loans that they purchase. Maintaining our business relationships and business volumes with our largest lending customers remains critical to the success of our business.

We cannot be certain that any loss of business from significant customers, or any single customer, would be replaced by business from other customers, existing or new. As a result of market conditions or changed regulatory requirements, our lending customers may decide to write business only with a limited number of mortgage insurers or only with certain mortgage insurers, based on their views with respect to an insurer's pricing, service levels, underwriting guidelines, loss mitigation practices, financial strength, ratings, mechanisms of credit enhancements or other factors.

Our risk management programs may not be effective in identifying or adequate in controlling or mitigating the risks we face.

We have developed risk management programs that include risk appetite, limits, identification, quantification, governance, policies and procedures and seek to appropriately identify, monitor, measure, control, mitigate and report the types of risks to which we are subject. We regularly review our risk management programs and work to update them on an ongoing basis to be consistent with then current best market practices. However, our risk management programs may not fully control or mitigate all the risks we face or anticipate all potential material negative events.

Many of our methods for managing certain financial risks (e.g., credit, market and insurance risks) are based on observed historical market behaviors and/or historical, statistically based models. Historical measures may not accurately predict future exposures, which could be significantly greater than historical measures have indicated. We have also established internal risk limits based upon these historical, statistically based models and we monitor compliance with these limits. Our internal risk limits may be insufficient, and our monitoring may not detect all violations (inadvertent or otherwise) of these limits. Other risk management methods are based on our evaluation of information regarding markets, customers and customer behavior, macroeconomic and environmental conditions, catastrophic occurrences and potential changing paradigms that are publicly available or otherwise accessible to us. This collective information may not always be accurate, complete, up to date or properly considered, interpreted or evaluated in our analyses. Moreover, the models and other parts of our risk management programs we rely on in managing various aspects of our business may prove to be less predictive than we expect.

Management of operational, legal, franchise and regulatory risks requires, among other things, methods to appropriately identify all such key risks, systems to record incidents and policies and procedures designed to mitigate, detect, record and address all such risks and occurrences. Management of technology risks requires methods to ensure our systems, processes and people are maintaining the confidentiality, availability and integrity of our information, ensuring technology is enabling our overall strategy and our ability to comply with applicable laws and regulations. If our risk management framework does not effectively identify, measure and control our risks, we could suffer unexpected losses or be adversely affected, which could have a material adverse effect on our business, results of operations and financial condition.

We may choose to retain certain levels of financial and/or non-financial risk, even when it is possible to mitigate these risks. The decision to retain certain levels of financial risk is predicated on our belief that the expected future returns that we will realize from retaining the risk, in relation to the level of risk retained, is favorable, but our expectations may be incorrect, and we may incur material losses or suffer other adverse consequences that arise from the retained risk.

Our performance is highly dependent on our ability to manage risks that arise from day-to-day business activities, including underwriting, claims processing, administration and servicing, execution of our investment strategy, actuarial estimates and calculations, financial and tax reporting and other activities, many of which are very complex. This also includes risks that may arise from diversification efforts and new business ventures, which may expose us to new risks that we do not understand or cannot fully mitigate.

We seek to monitor and control our exposure to risks arising out of or related to these activities through a variety of internal controls, management review processes and other mechanisms. However, the occurrence of unforeseen events, or the occurrence of events of a greater magnitude than expected, including those arising from inadequate or ineffective controls, a failure in processes, procedures or systems implemented by us or a failure on the part of employees upon which we rely, may have a material adverse effect on our business, results of operations and financial condition. In addition, a failure from a third-party vendor providing agreed upon products or services to the specifications required, may pose a risk to our business.

Past or future misconduct by our employees or employees of our vendors or suppliers could result in violations of laws by us, regulatory sanctions against us and/or serious reputational, legal or financial harm to our business, and the precautions we employ to prevent and detect this activity may not be effective in all cases. Although we employ controls and procedures designed to monitor the business decisions and activities of these individuals to prevent us from engaging in inappropriate activities, excessive risk taking, fraud or security breaches, these individuals may undertake these activities or risks regardless of our controls and procedures and such controls and procedures may fail to detect all such decisions and activities. Our compensation policies and procedures are reviewed by us as part of our overall risk management program, but it is possible that such compensation policies and practices could

inadvertently incentivize excessive or inappropriate risk taking. If these individuals take excessive or inappropriate risks, those risks could harm our reputation and have a material adverse effect on our business, results of operations and financial condition.

Interest rates and changes in rates, including changes in monetary policy to combat inflation, could materially adversely affect our business, results of operations and financial condition.

Rising interest rates generally reduce the volume of new mortgage originations and refinances. A decline in the volume of new or refinance mortgage originations would have an adverse effect on our NIW, which may in turn decrease our earned premiums. While the terms of recent vintages of adjustable-rate mortgages ("ARMs") have changed to limit the frequency and severity of payment shocks, rising interest rates also can increase the monthly mortgage payments for homeowners with insured loans that have ARMs that could have the effect of increasing default rates on ARM loans. Higher interest rates can lead to an increase in defaults as borrowers at risk of default will find it harder to qualify for a replacement loan. The significant increases in mortgage rates during 2022 and 2023, driven, in part, by monetary and fiscal policies designed at combating continued inflationary pressures, caused a decline in the mortgage insurance market, which reduced our NIW for the year. This has effectively eliminated the refinance market and affordability pressures from both higher rates and recent home price appreciation have strained the purchase market as well. This impact is offset by higher persistency on our existing insured loans since the prevailing market interest rate is above the loan interest rate of substantially all of our portfolio. We expect this trend to continue into early 2024 as rates remain elevated, but the ultimate impact on our premium and future NIW is difficult to predict.

Declining interest rates historically increase the rate at which borrowers refinance their existing mortgages, thereby resulting in cancellations of the mortgage insurance covering existing loans. Declining interest rates can contribute to home price appreciation, which may provide borrowers with the option of cancelling mortgage insurance coverage earlier than we anticipate when we price that coverage. In addition, during 2020 and 2021, as a result of the low interest rate environment, our business experienced a decline in primary persistency rates. Lower primary persistency rates can result in reduced IIF and earned premiums, which could have a significant adverse impact on our results of operations.

In addition, interest rate fluctuations could also have an adverse effect on the results of our investment portfolio. In the current period of rising market interest rates, the market value of our lower yielding instruments has declined, driving substantial unrealized losses in our portfolio. While we intend to hold these securities until maturity so as to realize their book value, pressure to sell securities in an unrealized loss position could drive realized losses and impact future earnings. This impact is partially offset by higher yields on new securities purchased. During periods of declining market interest rates, the interest we receive on variable interest rate investments decreases. In addition, during those periods, we reinvest the cash we receive as interest or return of principal on our investments in lower-yielding high-grade instruments or in lower-credit investment grade instruments to maintain comparable returns. Issuers of fixed-income securities may also decide to prepay their obligations in order to borrow at lower market rates, which exacerbates the risk that we have to invest the cash proceeds of these securities in lower-yielding or lower-credit investment grade instruments. See "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" for additional information about interest rate risk.

We may be unable to maintain or increase the capital needed in our business in a timely manner, on anticipated terms or at all, including through improved business performance, CRT transactions, securities offerings or otherwise, in each case as and when required.

We may require incremental capital to support our growth and to meet regulatory or GSE capital requirements, to comply with rating agency criteria to maintain ratings, to repay our debt and to operate and meet unexpected cash flow obligations. If we need additional capital in the future, we may not be able to fund or raise the required capital as and when required and the amount of capital required may be higher than anticipated. Our inability to fund or raise the capital required in the anticipated timeframes and on the anticipated terms, could have a material adverse impact on our business, results of operations and

financial condition, including causing us to reduce our business levels or be subject to a variety of regulatory actions.

Specifically, as our outstanding debt matures, we may face challenges in refinancing or extending the debt on favorable terms. Unfavorable market conditions, changes in our financial position or changes to our ratings could limit our ability to refinance, potentially impacting liquidity.

Additionally, the implementation of any further CRT transactions or other transactions with third parties to provide additional capital depends on a number of factors, including but not limited to: market conditions, necessary third-party approvals (including approval by regulators and the GSEs) and other factors that are outside of our control. Therefore, we cannot be sure we will be able to successfully implement these actions on the timetable and terms acceptable to us or at all or achieve the anticipated benefits. We also cannot be sure we will be able to meet any additional capital requirements imposed by regulators or the GSEs. See “—CRT transactions may not be available, affordable or adequate to protect us against losses” and “—If we are unable to continue to meet the requirements mandated by PMIERs, or any additional restrictions which may be imposed on us by the GSEs, we may not be eligible to write new insurance on loans acquired by the GSEs, which would have a material adverse effect on our business, results of operations and financial condition.”

In order to preserve certain tax benefits it obtains from consolidation, Genworth is expected to hold at least 80% of our common stock. Thus, our ability to raise additional capital by issuing stock to third parties will be limited. See “—Genworth's continued ownership of at least 80% of our common stock may limit our ability to raise additional capital by issuing common stock to third parties.”

CRT transactions may not be available, affordable or adequate to protect us against losses.

As part of our overall risk and capital management strategy, we use CRT transactions which enable our mortgage insurance business to transfer risks in exchange for some of the associated economic benefits and, as a result, improve our PMIERs and other regulatory RTC measurements and manage risk to within our anticipated tolerance level. See “Business—Credit Risk Transfer.”

The availability and cost of CRT transactions may be impacted by conditions beyond our control, such as general market conditions, changes in regulation, higher rates of unemployment or a significant negative impact on the United States housing market. In the future, we may be unable to obtain new transactions on acceptable terms or at all. Absent the availability and affordability to enter into new CRT transactions, our ability to obtain PMIERs or statutory credit for new transactions could be adversely impacted or could require us to make capital contributions to maintain regulatory capital requirements.

Additionally, many of the CRT transactions we execute expose us to credit risk in the event of default of our counterparties or a change in collateral value. For instance, traditional reinsurance does not relieve us of our direct liability to our policyholders, even when the reinsurer is liable to us. Accordingly, we bear credit risk with respect to our reinsurers. We cannot be sure that our reinsurers will pay amounts owed to us now or in the future or that they will pay these amounts on a timely basis. A reinsurer’s insolvency, inability or unwillingness to make payments under the terms of its reinsurance agreement with us could have a material adverse effect on our financial condition or results of operations. Collateral is often posted by the counterparty to offset this risk; however, we bear the risk that the collateral declines in value or otherwise is inadequate to fully compensate us in the event of a default.

Adverse rating agency actions may result in a loss of business and adversely affect our business, results of operations and financial condition.

Financial strength ratings, which various rating agencies publish as measures of an insurance company’s ability to meet obligations, are important to maintaining public confidence in our mortgage insurance coverage and our competitive position. In assigning financial strength ratings, we believe the rating agencies consider several factors, including but not limited to, the adequacy of the mortgage insurer’s capital to withstand high claim scenarios, a mortgage insurer’s historical and projected operating

performance, a mortgage insurer's enterprise risk management framework, parent company financial strength, business outlook, competitive position, management and corporate strategy. The rating agency issuing the financial strength rating can withdraw or change its rating at any time.

Under PMIERs, the GSEs require maintenance of at least one rating with a rating agency acceptable to the respective GSEs. The current PMIERs do not include a specific ratings requirement with respect to eligibility, but if this were to change in the future, we may become subject to a ratings requirement in order to retain our eligibility status under PMIERs. Ratings downgrades that result in our inability to insure new mortgage loans sold to the GSEs, or the transfer by the GSEs of our existing policies to an alternative mortgage insurer, would have a material adverse effect on our business, results of operations and financial condition.

Our financial strength ratings are relatively consistent with our competitors. However, any assigned financial strength rating that is below our peers, a downgrade in our financial strength ratings, or the announcement of a potential downgrade could hinder our competitiveness in the marketplace and could have a material adverse impact on our business, results of operations and financial condition in many ways, including: (i) increasing scrutiny of us and our financial condition by the GSEs and/or our customers, potentially resulting in a decrease in the amount of our NIW or, in the most severe case, the cessation of writing new business altogether, or limiting the business opportunities we are presented with and (ii) requiring us to reduce the premiums that we charge for mortgage insurance or introduce new products and services in order to remain competitive. Further, our relationships with our customers may be adversely affected by the ratings assigned to Genworth or its other operating subsidiaries, which may be impacted by factors such as any risk or perceived risk regarding Genworth's liquidity and its (or its affiliates) ability to meet obligations as they become due, and which could have a material adverse effect on our business, results of operations and financial condition. See "—We could be affected by issues affecting Genworth in a way that could materially and adversely affect our business, financial condition, liquidity and prospects."

Further, a rating is based on information furnished by us or obtained by the relevant rating agency from its own sources and is subject to revision, suspension or withdrawal by the rating agency at any time. Rating agencies may review the ratings assigned to us due to developments that are beyond our control and any anticipated positive changes in ratings may never develop or be realized.

If we are unable to effectively manage risks in our investment portfolio, it could adversely affect our business, results of operations and financial condition.

Income from our investment portfolio is a source of cash to support our operations and make claims payments. If we or our investment managers improperly structure our investments to meet those future liabilities or we have unexpected losses, including losses resulting from the forced liquidation of investments before their maturity, we may be unable to meet those obligations. Our investments and investment policies are subject to state insurance laws, which results in our portfolio being predominantly limited to highly rated fixed maturity securities. Despite this, our investment portfolio is subject to credit risks that could lead to realized losses. As interest rates have risen, this has led to a significant increase in unrealized losses in our investment portfolio. While we have the intent and ability to hold those securities until maturity, changing conditions requiring the sale of these investments could adversely affect our business, results of operations, financial condition and liquidity. See "—Interest rates and changes in rates, including changes in monetary policy to combat inflation, could materially adversely affect our business, results of operations and financial condition."

We report fixed maturity securities at fair value on our consolidated balance sheets. These securities represent the majority of our total cash, cash equivalents, restricted cash and invested assets. Our portfolio of fixed maturity securities consists primarily of investment grade securities. Estimates of fair values for fixed maturity securities are obtained primarily from industry-standard pricing methodologies utilizing market observable inputs. For our less liquid securities, such as our privately placed securities, we utilize independent market data to employ alternative valuation methods commonly used in the

financial services industry to estimate fair value. Based on the market observability of the inputs used in estimating the fair value, the pricing level is assigned. Valuations use inputs and assumptions that are not always observable or may require estimation; valuation methods may be complex and may also require estimation, thereby resulting in values that are less certain and may vary significantly from the value at which the investments may be ultimately sold. The methodologies, estimates and assumptions we use in valuing our investment securities evolve over time and are subject to different interpretation (including based on developments in relevant accounting literature), all of which can lead to changes in the value of our investment securities. Rapidly changing and unanticipated interest rate movements, as well as external macroeconomic, credit and equity market conditions could materially impact the valuation of investment securities as reported within our consolidated financial statements, and the period-to-period changes in value could vary significantly. Decreases in value may have a material adverse effect on our business, results of operations and financial condition.

We may be forced to change our investments or investment policies depending upon regulatory, economic and market conditions and our existing or anticipated financial condition and operating requirements, including the tax position, of our business. As a result, our investment objectives may not be achieved, which could have a material adverse effect on our business, results of operations and financial condition.

If servicers fail to adhere to appropriate servicing standards or experience disruptions to their businesses, our losses could increase.

We depend on reliable, consistent third-party servicing of the loans that we insure. Among other things, our mortgage insurance policies require insureds and their servicers to timely submit premium and monthly IIF and delinquency reports and to use commercially reasonable efforts to limit and mitigate loss when a loan is delinquent. If a servicer were to experience adverse effects to its business, such servicer could experience delays in its reporting and premium payment requirements. Without reliable, consistent third-party servicing, we may be unable to receive and process payments on insured loans and/or properly recognize and establish reserves on loans when a delinquency exists or occurs but is not reported to us. In addition, if these servicers fail to limit and mitigate losses when appropriate, our losses may unexpectedly increase. The current economic environment may significantly impair the financial condition and liquidity of mortgage servicers who are required to advance principal, interest and tax payments to mortgage investors during borrower mortgage forbearance periods.

In recent years, the number of non-bank mortgage loan servicers has increased as the mortgage lending and mortgage loan servicing industries have come under increasing regulation and scrutiny. Significant, sustained failures by large servicers or other disruptions in the servicing of mortgage loans may damage our reputation, result in a loss of customer business, subject us to additional regulatory scrutiny and could have a material adverse effect on our business, results of operations and financial condition.

Inadequate staffing levels or significant transfers of business between servicers could lead to disruptions in the servicing of mortgage loans, which in turn may contribute to a rise in delinquencies and could have a material adverse effect on our business, results of operations and financial condition. High delinquency rates could also strain the resources of servicers, reducing their ability to undertake mitigation efforts that would help limit losses.

Furthermore, we have delegated to the GSEs, which have in turn delegated to most of their servicers, the authority to accept modifications, short sales and deeds-in-lieu of foreclosure on loans we insure. Servicers are required to operate under protocols established by the GSEs in accepting these loss mitigation alternatives. We depend on servicers in making these decisions and mitigating our exposure to losses. In some cases, loss mitigation decisions favorable to the GSEs may not be favorable to us and may increase the incidence of paid claims. Inappropriate delegation protocols or failure of servicers to service in accordance with the protocols may increase the magnitude of our losses and have an adverse effect on our business, results of operations and financial condition. Our delegation of loss mitigation

decisions to the GSEs is subject to cancellation, but exercise of our cancellation rights may have an adverse effect on our relationship with the GSEs and customers.

Our delegated underwriting program may subject our mortgage insurance business to unanticipated claims.

We enter into agreements with our customers that commit us to insure loans made by them using our pre-established guidelines for delegated underwriting. Delegated underwriting represented 70% and 71% of our total NIW by loan count for the years ended December 31, 2023 and 2022, respectively. Once we accept a customer into our delegated underwriting program, we generally insure a loan originated by that customer without validating the accuracy of the data submitted by the customer, investigating the loan file for fraud, or confirming that the customer followed our pre-established guidelines for delegated underwriting. Under this program, a customer could commit us to insure a material number of loans that would fail our pre-established guidelines for delegated underwriting but pass our model and certain gating criteria before we discover the problem and terminate that customer's delegated underwriting authority. Although coverage on such loans may be rescindable or otherwise limited under the terms of our master policies, the burden of establishing the right to rescind or deny coverage lies with the insurer. To the extent that our customers exceed their delegated underwriting authorities, our business, results of operations and financial condition could be materially adversely affected.

The premiums we agree to charge for our mortgage insurance coverage may not adequately compensate us for the risks and costs associated with the coverage we provide.

We establish premium rates for the duration of a mortgage insurance certificate upon issuance, and we cannot adjust the premiums after a certificate is issued. As a result, we cannot offset the impact of unanticipated claims with premium increases on coverage in-force. Our premium rates vary with the perceived risk of a claim and prepayment on the insured loan and are developed using models based on our long-term historical experience, which takes into account a number of factors including, but not limited to, the LTV ratio, whether the mortgage provides for fixed payments or variable payments, the term of the mortgage, the borrower's credit history, the borrower's income and assets, and home price appreciation. See "—If the models used in our business are inaccurate or there are differences and/or variability in loss development compared to our model estimates and actuarial assumptions, it could have a material adverse effect on our business, results of operations and financial condition." In the event the premiums we charge for our mortgage insurance coverage may not adequately compensate us for the risks and costs associated with the coverage, it may have a material adverse effect on our business, results of operation and financial condition.

A decrease in the volume of Low Down Payment Loan originations or an increase in the volume of mortgage insurance cancellations could result in a decline in our revenue.

We provide mortgage insurance primarily for Low Down Payment Loans. Factors that could lead to a decrease in the volume of Low Down Payment Loan originations include, but are not limited to:

- an increase in home mortgage interest rates;
- limitations on the tax benefits of home ownership and mortgage interest;
- implementation of more rigorous mortgage lending regulation, such as under the Dodd-Frank Act;
- a decline in economic conditions generally, or in conditions in regional and local economies;
- events outside of our control, including natural and man-made disasters and pandemics adversely affecting housing markets and home buying;
- the level of consumer confidence, which may be adversely affected by economic instability, war or terrorist events;

- an increase in the price of homes relative to income levels;
- a lack of housing supply at lower home prices;
- adverse population trends, including lower homeownership rates;
- high rates of home price appreciation, which for refinancings affect whether refinanced loans have LTV ratios that require mortgage insurance; and
- changes in government housing policy encouraging loans to FTHBs.

A decline in the volume of Low Down Payment Loan originations would reduce the demand for mortgage insurance and, therefore, could have a material adverse effect on our business, results of operations and financial condition.

In addition, a significant percentage of the premiums we earn each year are renewal premiums from mortgage insurance coverage written in previous years. We estimate that approximately 92% of our gross premiums earned for the year ended December 31, 2023 were renewal premiums compared to approximately 90% and 84% for the years ended December 31, 2022 and 2021, respectively. As a result, the length of time insurance remains in-force is an important determinant of our mortgage insurance revenues. Fannie Mae, Freddie Mac and many other mortgage investors generally permit a borrower to ask the loan servicer to cancel the borrower's obligation to pay for mortgage insurance when the principal amount of the mortgage falls below 80% of the home's value. Furthermore, HOPA provides a right for a borrower, so long as the borrower meets other criteria, to request cancellation of private mortgage insurance from their lender either on the date the LTV ratio of the mortgage is first scheduled to reach 80% of its original value or the date on which the LTV ratio of the mortgage reaches 80% of the original value based on actual payments. Likewise, under HOPA, there is an obligation for lenders to automatically terminate a borrower's obligation to pay for mortgage insurance coverage once the LTV ratio reaches 78% of the original value. Factors that tend to reduce the length of time our mortgage insurance remains in-force include:

- declining interest rates, which may result in the refinancing of the mortgages underlying our mortgage insurance coverage with new mortgage loans that may not require mortgage insurance or that we do not insure;
- customer concentration levels with certain customers that actively market refinancing opportunities to their existing borrowers;
- significant appreciation in the value of homes, which causes the unpaid balance of the mortgage to decrease below 80% of the value of the home and enables the borrower to request cancellation of the mortgage insurance; and
- changes in mortgage insurance cancellation requirements or procedures of the GSEs or under applicable law.

Changes in the methodology by which servicers determine the cancellation dates of mortgage insurance under the Homeowners Protection Act, GSE requirements or otherwise, including as a result of changes in law or regulation, GSE rules or guidance, including changes in response to the COVID-19 pandemic or homeowner affordability initiatives, or for any other reason, could have a material adverse effect on our business, results of operations and financial condition.

Our persistency rates on primary mortgage insurance were 85%, 80% and 62% for the years ended December 31, 2023, 2022 and 2021, respectively. Elevated persistency in 2023 and 2022 was primarily a result of the rising rate environment in response to inflationary pressures. A decrease in persistency generally would reduce the amount of our IIF and could have a material adverse effect on our business, results of operations and financial condition. However, higher persistency on certain higher risk products could have a material adverse effect if claims generated by such products remain elevated or increase.

We collect, process, store, share, disclose and use consumer information and other data, and an actual or perceived failure to protect such information and data or respect users' privacy could damage our reputation and brand and adversely affect our business, results of operations and financial condition.

We retain confidential customer information, proprietary information and other data in our information systems, and our information systems may be vulnerable to cybersecurity incidents, such as attacks by malicious actors or breaches due to human error, malfeasance, or other cybersecurity incidents. Such incidents could potentially result in the unauthorized access, disclosure, misappropriation, alteration, or deletion of information in our systems, including personally identifiable information and proprietary business information. In addition, an increasing number of states require that affected parties be notified or other actions be taken (which could involve significant costs to us) if a cybersecurity incident results in the inappropriate disclosure of personally identifiable information. We have experienced occasional, actual or attempted breaches of our cybersecurity, although none of these breaches has had a material effect on our business, operations or reputation as of the date of this Annual Report. Any compromise of the security of our information systems or those of our customers and third-party service providers that results in inappropriate access to, or disclosure of, personally identifiable consumer information could damage our reputation in the marketplace, deter lenders from purchasing our mortgage insurance, subject us to significant civil and criminal liability or regulatory enforcement actions and require us to incur significant technical, legal and other expenses. Any of the foregoing can be exacerbated by a delay or failure to detect a cybersecurity incident or the full extent of such incident. While the Company carries cyber insurance, it cannot be certain that coverage will be adequate for liabilities actually incurred, that insurance will continue to be available to the Company on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim.

Any failure or perceived failure by us to comply with our privacy policies, our privacy-related obligations to consumers or other third parties, or our privacy-related legal obligations, or any compromise of security that results in the unauthorized access to sensitive information, which could include personally identifiable information or other data, may result in governmental investigations, enforcement actions, regulatory fines, litigation and public statements against us by consumer advocacy groups or others, and could cause our customers to lose trust in us, all of which could be costly and have an adverse effect on our business, results of operations and financial condition. Regulatory agencies or business partners may institute more stringent data protection requirements or certifications than those that we are currently subject to, which may increase compliance costs and, if we cannot comply with those standards in a timely manner, we may lose the ability to sell our products or process transactions containing payment information. Moreover, if third parties that we work with violate applicable laws or our policies, such violations also may put consumer information at risk and could in turn harm our reputation, our business, results of operations and financial condition.

Risks Relating to Regulatory Matters

Our business is extensively regulated and changes in regulation may reduce our profitability and limit our growth.

Our insurance operations are subject to a wide variety of laws and regulations and are extensively regulated. State insurance laws regulate most aspects of our U.S. business, and our U.S. domiciled insurance subsidiaries are regulated by the insurance departments of the states in which they are domiciled and licensed. Enact Re is subject to Bermudian law and is regulated by the BMA. Failure to comply with applicable regulations or to obtain or maintain appropriate authorizations or exemptions under any applicable laws could result in restrictions on our ability to conduct business or engage in activities regulated in one or more jurisdictions in which we operate and could subject us to fines, injunctions and other sanctions that could have a material adverse effect on our business, results of operations and financial condition. In addition, the nature and extent of regulation could materially change, which may result in additional costs associated with compliance with any such changes, or

changes to our operations that may be necessary to comply, any of which may have a material adverse effect on our business.

Insurance regulatory authorities have broad administrative powers, which at times are coordinated and communicated across regulatory bodies. These administrative powers include, but are not limited to:

- licensing companies and agents to transact business;
- regulating certain premium rates;
- reviewing and approving policy forms;
- regulating discrimination in pricing, coverage terms and unfair trade and claims practices, including payment of inducements;
- establishing and revising statutory capital and reserve requirements and solvency standards;
- evaluating enterprise risk to an insurance company;
- approving changes in control of insurance companies;
- restricting the payment of dividends and other transactions between affiliates;
- regulating the types, amounts and valuation of investments; and
- restricting, pursuant to state monoline restrictions, the types of insurance products that may be offered.

Insurance regulators and the NAIC regularly re-examine existing laws and regulations, which may lead to modifications to SAP, interpretations of existing laws and the development of new laws and regulations applicable to insurance companies and their products. Further, we could become subject to future legislation or regulatory requirements related to climate change.

Among other things, Section 8 of RESPA generally precludes mortgage insurers from paying referral fees to mortgage lenders for the referral of mortgage insurance business. This limitation also can prohibit providing services or products to mortgage lenders free of charge, charging fees for services that are lower than their reasonable or fair market value, and paying fees for services that mortgage lenders provide that are higher than their reasonable or fair market value, in exchange for the referral of mortgage insurance business. Various regulators, including the CFPB, state insurance commissioners and state attorneys general may bring actions seeking various forms of relief in connection with alleged violations of the referral fee limitations of RESPA, as well as by private litigants in class actions. The insurance law provisions of many states also prohibit or restrict paying for the referral of insurance business and provide various mechanisms to enforce this prohibition.

In addition, the use by the private mortgage insurance industry of risk-based pricing systems that establish premium rates based on more attributes than previously considered may result in increased state and/or federal scrutiny of premium rates. The increased use of algorithms, artificial intelligence and data and analytics in the mortgage insurance industry may also lead to additional regulatory scrutiny related to other matters such as discrimination in pricing and underwriting, data privacy and access to insurance.

A substantial legal liability or a significant regulatory action against us could have a material adverse effect on our business, results of operations and financial condition. It is possible that we could become subject to future investigations, regulatory actions, lawsuits, or enforcement actions, which could cause us to incur legal costs and, if we were found to have violated any laws or regulations, require us to pay fines and damages, result in injunctions and incur other sanctions, perhaps in material amounts. Increased regulatory scrutiny and any resulting investigations or legal proceedings could result in new legal

precedents and industry-wide regulations or practices that could have a material adverse effect on our business, results of operations and financial condition. Moreover, even if we ultimately prevail in the litigation, regulatory action or investigation, we could suffer significant reputational harm and incur significant legal expenses, which could have a material adverse effect on our business, results of operations and financial condition. We cannot predict the ultimate outcomes of any future investigations, regulatory actions or legal proceedings.

Inability to maintain sufficient regulatory capital could result in restrictions or prohibitions on our doing business or impact our financial strength ratings which could have a material adverse impact on our business, results of operations and financial condition.

We are required by certain states and other regulators to maintain certain RTC ratios and other capital standards. The statutory capital adequacy ratio for our U.S. mortgage insurers is known as the RTC ratio, of which the numerator consists of RIF and the denominator consists of the sum of (i) statutory surplus and (ii) the statutory contingency reserve. In addition, PMIERs include financial requirements for mortgage insurers to do business with the GSEs under which a mortgage insurer's "Available Assets" (generally only the most liquid assets of an insurer) must meet or exceed "Minimum Required Assets" (which are based on an insurer's RIF and are calculated from tables of factors with several risk dimensions and are subject to a floor amount). The failure of our insurance subsidiaries to meet their regulatory requirements, including the current PMIERs financial requirements on our principal operating subsidiary, could limit our ability to write new business.

If we fail to maintain the required minimum capital level in a state where we write business, we would generally be required to immediately stop writing new business in the state until we re-establish the required level of capital or receive a waiver of the requirement from the state's insurance regulator, or until we have established an alternative source of underwriting capacity acceptable to the regulator. As of December 31, 2023 and December 31, 2022, our combined RTC ratio was approximately 11.6:1 and 12.8:1, respectively. Should we exceed required RTC levels in the future, we would seek required regulatory and GSE forbearance and approvals or seek approval for the utilization of alternative insurance vehicles. However, there can be no assurance if, and on what terms, such forbearance and approvals may be obtained. Enact Re could suffer similar restrictions if it breached Bermudian capital requirements.

Further, the financial strength ratings of our insurance subsidiaries are significantly influenced by their statutory surplus amounts, statutory contingency reserve amounts (if applicable) and capital adequacy ratios. In any particular year, statutory surplus amounts, statutory contingency reserve amounts, and the RTC ratio may increase or decrease depending on a variety of factors, most of which are outside of our control, including, but not limited to, the following:

- the amount of statutory income or losses generated by our insurance subsidiaries (which itself is sensitive to equity market and credit market conditions);
- the amount of insurance we onboard;
- the amount of additional capital our insurance subsidiaries must hold to support business growth;
- changes in statutory accounting or reserve requirements applicable to our insurance subsidiaries;
- our ability to access capital markets to provide reserve and surplus relief;
- changes in equity market levels;
- the value of certain fixed-income and equity securities in our investment portfolio;
- changes in the credit ratings of investments held in our portfolio;
- the value of certain derivative instruments;

- changes in interest rates;
- credit market volatility; and
- changes to the maximum permissible RTC ratio.

An adverse change in our RTC ratio or our ability to meet other minimum regulatory requirements could cause rating agencies to downgrade our financial strength ratings, which could have an adverse impact on our ability to write and retain business and could cause regulators to take regulatory or supervisory actions with respect to our business, all of which could have a material adverse effect on our results of operations, financial condition and business. For further discussion on the importance of ratings, see "—Adverse rating agency actions may result in a loss of business and adversely affect our business, results of operations and financial condition."

These regulations are principally designed for the protection of policyholders rather than for the benefit of investors. Any proposed or future legislation or NAIC initiatives, if adopted, may be more restrictive on our ability to conduct business than current regulatory requirements or may result in higher costs or increased statutory capital and reserve requirements. Further, because laws and regulations can be complex and sometimes inexact, there is also a risk that any particular regulator's or enforcement authority's interpretation of a legal, accounting or reserving issue may change over time to our detriment or expose us to different or additional regulatory risks. The application of these regulations and guidelines by insurers involves interpretations and judgments that may differ from those of state insurance departments. We cannot provide assurance that such differences of opinion will not result in regulatory, tax or other challenges to the actions we have taken to date. The result of those potential challenges could require us to increase levels of statutory capital and reserves or incur higher operating costs and/or have implications on certain tax positions.

Enact Re is subject to Bermudian capital regulation, and its inability to comply with minimum capital standards could have a material adverse effect on our results of operations, financial condition and business.

Changes in regulations that adversely affect the insurance markets in which we operate could affect our operations significantly and could reduce the demand for our products.

In addition to the general regulatory risks that are described under "—Our business is extensively regulated and changes in regulation may reduce our profitability and limit our growth," we are also affected by various additional regulations, particularly those that relate to our mortgage insurance operations.

Federal and state regulations affect the scope of our competitors' operations, which influences the size of the mortgage insurance market and the intensity of the competition. This competition includes not only other private mortgage insurers, but also federal and state governmental and quasi-governmental agencies, principally the FHA and the VA, which are governed by federal regulations. Increases in the maximum loan amount that the FHA can insure, and reductions in the mortgage insurance premiums the FHA charges, such as the reduction implemented in 2023, can reduce the demand for private mortgage insurance. Decreases in the maximum loan amounts the GSEs will purchase or guarantee, increases in GSE fees or decreases in the maximum LTV ratio for loans the GSEs will purchase can also reduce demand for private mortgage insurance. See "—Changes to the charters or practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance, could adversely affect our business, results of operations and financial condition." Legislative, regulatory and administrative changes could cause demand for private mortgage insurance to decrease.

Additionally, effective in 2021, the FHFA enacted the Enterprise Capital Framework, which imposes a capital framework on the GSEs, including risk-based and leverage capital requirements and capital buffers in excess of regulatory minimums that can be drawn down in periods of financial distress. However, the GSEs will not be subject to any requirement under the Enterprise Capital Framework until

the applicable compliance date. Compliance with the Enterprise Capital Framework, other than the requirements to maintain a PCCBA and a PLBA, is required on the later of (i) the date of termination of the conservatorship of a GSE and (ii) any later compliance date provided in a consent order or other transition order applicable to such GSE. FHFA contemplates that the compliance dates for the PCCBA and the PLBA will be the date of termination of the conservatorship of a GSE. The Enterprise Capital Framework's Advanced Approaches requirements will be delayed until the later of (i) January 1, 2025 and (ii) any later compliance date provided by a transition order applicable to such GSE. The Enterprise Capital Framework significantly increases capital requirements and reduces capital credit on CRT transactions as compared to the previous framework. The final rule could cause the GSEs to increase their guarantee pricing in order to meet the new capital requirements. If the GSEs increase their guarantee pricing in order to meet the higher capital requirements, that increase could have a negative impact on the private mortgage insurance market and our business. Furthermore, higher GSE capital requirements could ultimately lead to increased costs to borrowers for GSE loans, which in turn could shift the market away from the GSEs to the FHA or lender portfolios. Such a shift could result in a smaller market size for private mortgage insurance. This rule could also accelerate the recent diversification of the GSEs' risk transfer programs to encompass a broader array of instruments beyond private mortgage insurance, which could adversely impact our business.

As a credit enhancement provider in the residential mortgage lending industry, we are also subject to compliance with or otherwise impacted by various federal and state consumer protection and insurance laws, including RESPA, the Fair Housing Act of 1968 (the "Fair Housing Act"), HOPA, FCRA and others. Among other things, these laws: (i) prohibit payments for referrals of settlement service business, providing services to lenders for no or reduced fees, or payments for services not actually performed; (ii) require cancellation of insurance and refund of unearned premiums under certain circumstances; and (iii) govern the circumstances under which companies may obtain and use consumer credit information. Changes in these laws or regulations, changes in the appropriate regulator's interpretation of these laws or regulations or heightened enforcement activity could materially adversely affect our business, results of operations and financial condition.

Dodd-Frank Act Risk Retention

The Dodd-Frank Act also requires an originator or issuer to retain a specified percentage of the credit risk exposure on securitized mortgages that do not meet the definition of a QRM.

As required by the Dodd-Frank Act, in 2015 the Federal Banking Agencies, the FHFA, the SEC and HUD adopted a joint final rule implementing the QRM rules that aligns the definition of a QRM with that of a QM. In December 2019, the Federal Banking Agencies initiated a review of certain provisions of the risk retention rule, including the QRM definition. Among other things, the review allows the Federal Banking Agencies to consider the QRM definition in light of any changes to the QM definition under the QM Rule adopted by the CFPB, which would include the final rule promulgated by the CFPB on December 29, 2020. If the QRM definition is changed in a manner that is unfavorable to us, such as to require a large down payment for a loan to qualify as a QRM, without giving consideration to mortgage insurance in computing LTV ratios, the attractiveness of originating and securitizing loans with lower down payments may be reduced, which may adversely affect the future demand for mortgage insurance.

Basel III

Since 1988, the Basel Committee has worked to develop international benchmarks for assessing banks' capital adequacy requirements. In 2005, the Basel Committee issued Basel II, which, among other things, sets forth capital treatment of mortgage insurance purchased and held on balance sheet by banks in respect of their origination and securitization activities (including in bank regulation, the standards for a prudentially underwritten mortgage, with 50% risk weighting for high loan-to-value mortgages covered with mortgage insurance). Following the financial crisis of 2008, the Basel Committee issued Basel III that established RBC and leverage capital requirements for most United States banking organizations (although banking organizations with less than $10 billion in total assets may now choose to comply with

an alternative community bank leverage ratio framework established by the Federal Banking Agencies in 2019).

If further revisions to the Basel III Rules increase the capital requirements of banking organizations with respect to the residential mortgages we insure or do not provide sufficiently favorable treatment for the use of mortgage insurance purchased in respect of a bank's origination and securitization activities, it could adversely affect the demand for mortgage insurance. In 2013, the US federal banking regulators confirmed the role of mortgage insurance as a component of prudential bank regulation for high loan to value mortgages. More recently, in July of 2023, the Federal Reserve, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency proposed for comment the Basel III Endgame rule. Under the proposed rule, commercial banks with total assets greater than $100 billion would no longer receive the 50% capital relief for high loan-to-value portfolio loans with mortgage insurance. If adopted as proposed, this rule could decrease the demand for mortgage insurance. The federal banking regulators are currently in the review process and it remains unclear whether there will be changes to the final rule ahead of its planned implementation in 2025.

Risks Relating to Our Continuing Relationship with Genworth

Genworth has the ability to exert significant influence over us and our corporate decisions.

Genworth continues to beneficially own at least 80% of our common stock. As a result, Genworth controls all matters requiring a stockholder vote, including: the election of directors; mergers, consolidations and acquisitions; the sale of all or substantially all of our assets and other decisions affecting our capital structure; the amendment of our amended and restated certificate of incorporation and our amended and restated bylaws; and our winding up and dissolution. This concentration of ownership may delay, deter or prevent acts that would be favored by our other stockholders. The interests of Genworth may not always coincide with our interests or the interests of our other stockholders. This concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of us. Genworth's high ownership percentage risk may also impact our stock price as price volatility may be greater if the public float and trading volume of shares of our common stock are low.

Also, Genworth may seek to cause us to take courses of action that, in its judgment, could enhance its investment in us, but which might involve risks to our other stockholders or adversely affect us or our other stockholders. However, any dividends or other capital transactions must be approved by our Independent Capital Committee, which is composed entirely of independent directors. We also have entered into a registration rights agreement with Genworth, which will give Genworth a right, subject to certain conditions, to require us to register the sale of our common stock beneficially owned by Genworth.

So long as Genworth continues to beneficially own more than 50% of our outstanding common stock, Genworth will have certain rights, including the right to nominate the majority of our directors. Certain of these directors may also be officers or employees of Genworth or certain of Genworth's other subsidiaries. Because of their current or former positions with Genworth or certain of Genworth's other subsidiaries, these directors, as well as a number of our officers, own substantial amounts of Genworth's common stock and options to purchase Genworth's common stock. Ownership interests of our directors or officers in Genworth's common stock, or service of certain of our directors as officers of Genworth or certain of Genworth's other subsidiaries, may create, or may create the appearance of, conflicts of interest when such director or officer is faced with a decision that could have different implications for the two companies. For example, potential conflicts could arise regarding the desirability of acquisition opportunities, business plans, employee retention or recruiting, capital management or our dividend policy.

In addition, we have entered into agreements with Genworth and its subsidiaries that provide a framework for our ongoing relationship, including a Master Agreement, a registration rights agreement, a Shared Services Agreement, an intellectual property cross license agreement and a transitional trademark license agreement. Disagreements regarding the rights and obligations of Genworth or certain

of Genworth's other subsidiaries or us under each of these agreements or any renegotiation of their terms could create conflicts of interest for certain of these directors and officers, as well as actual disputes that may be resolved in a manner unfavorable to us and our other stockholders. Interruptions to or problems with services provided under the Shared Services Agreement could result in conflicts between us and Genworth or certain of Genworth's other subsidiaries that increase our costs both for the processing of business and the potential remediation of disputes. Although we believe these agreements contain commercially reasonable terms, the terms of these agreements may later prove not to be in the best interests of our future stockholders or may contain terms less favorable than those we could obtain from third parties. In addition, certain of our officers negotiating these agreements may appear to have conflicts of interest as a result of their ownership of Genworth's common stock and holdings of Genworth's equity awards.

The terms of our arrangements with Genworth may be more favorable than we will be able to obtain from an unaffiliated third party.

Genworth or certain of Genworth's other subsidiaries currently perform or support many important corporate functions for our operations, including but not limited to, investment management, information technology services and certain administrative services (such as finance, human resources and employee benefit administration). Our Shared Services Agreement with Genworth provides us continued access to certain of these services. We negotiated these arrangements with Genworth or certain of Genworth's other subsidiaries in the context of a parent-subsidiary relationship. We cannot assure you that these services will be sustained at the same levels or that we would be able to replace such services in a timely manner or on comparable terms.

Specific services provided under the Shared Services Agreement may be terminated by either party for convenience with at least one hundred eighty (180) days' prior written notice to the other party. If Genworth or certain of Genworth's other subsidiaries cease to provide services pursuant to the terms of our existing agreements, our costs of procuring services from third parties may increase. As a standalone company, we may be unable to obtain such goods and services at comparable prices or on terms as favorable as those provided by Genworth, either of which could adversely affect our business, results of operations or financial condition. Other agreements with Genworth or certain of Genworth's other subsidiaries also govern the relationship between us and Genworth or certain of Genworth's other subsidiaries and provide for the allocation of certain expenses. They also contain terms and provisions that may be more favorable than terms and provisions we might have obtained in arm's length negotiations with unaffiliated third parties. These operational risks could have a material adverse effect on our business, results of operations and financial condition.

We could be affected by issues affecting Genworth in a way that could materially and adversely affect our business, financial condition, liquidity and prospects.

We remain a part of Genworth's family of businesses. Therefore, our customers, third-party service providers, credit providers and other persons may continue to associate us with Genworth's reputation and services, as well as its capital base and financial strength. Genworth has historically had substantial leverage and depends on us as a source of liquidity.

Genworth continues to pursue its overall strategy with a focus on improving business performance and increasing financial and strategic flexibility across the organization. Genworth's strategy includes further strengthening its United States life insurance businesses, driving long-term shareholder value and advancing its senior care growth initiatives. While Genworth has been successful in reducing its financial leverage, it cannot be sure it will be able to successfully execute on its strategic plans to effectively address its business challenges, including as a result of:

- an inability to achieve anticipated business performance and financial results from its growth initiatives;

- an inability to attract buyers for any businesses or other assets Genworth may seek to sell, or securities it may seek to issue, in each case, in a timely manner and on anticipated terms;
- an inability to increase the capital needed in Genworth's businesses in a timely manner and on anticipated terms, including through improved business performance, reinsurance or similar transactions, asset sales, debt issuances, securities offerings or otherwise, in each case as and when required;
- a failure to obtain any required regulatory, stockholder, noteholder approvals and/or other third-party approvals or consents for such alternative strategic plans;
- Genworth's challenges changing or being more costly or difficult to successfully address than currently anticipated or the benefits achieved being less than anticipated;
- an inability to achieve anticipated cost-savings in a timely manner; and
- adverse tax or accounting charges.

Additionally, we may be subject to reputational harm if Genworth or any of its affiliates, previously, or in the future, among other things, becomes subject to litigation or otherwise damages its reputation or business prospects. Any of these events could adversely affect our business, results of operations and financial condition.

Genworth's challenges in its long-term care insurance business, or other financial or operational difficulties, may also be attributed to us by investors and may have an adverse effect on the perception of our common stock as an investment. Additionally, any downgrade or negative outlook of Genworth's ratings may negatively impact our ratings by certain ratings agencies whose rating protocols and group rating methodologies require adverse ratings actions in cases of parent or sister company rating downgrades or adverse rating actions. A downgrade in our ratings may adversely affect our relationship with current and potential customers as well as our ability to write new business and access capital on favorable terms. See "—Adverse rating agency actions may result in a loss of business and adversely affect our business, results of operations and financial condition."

Genworth as of December 31, 2023 had $856 million of long-term borrowings outstanding, excluding the amount held by EHI. Because we are not responsible for Genworth's indebtedness and we are currently predominately capitalized and funded independently of Genworth, if Genworth is unable to raise sufficient proceeds to satisfy its obligations as they become due, or Genworth were to default on its outstanding indebtedness, or Genworth were to become subject to insolvency or other similar proceedings, we would not expect such events to result directly in an event of default or an insolvency event for us. However, any such event or the risk (or perceived risk) that any such proceedings could involve us, could negatively affect our ratings, our reputation, our business, our liquidity and results of operations, and could therefore have a negative effect on our ability to repay our own indebtedness, including the 2025 Senior Notes, or otherwise could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects.

Genworth's continued ownership of at least 80% of our common stock may limit our ability to raise additional capital by issuing common stock to third parties.

We currently join in the filing of a United States consolidated income tax return of which Genworth is the common parent (the "Genworth Consolidated Group") with our other insurance and non-insurance affiliates. As a consequence, we will pay Genworth our share of the consolidated income tax liability when we have taxable income or receive benefit for losses we contribute and which are utilized to the Genworth Consolidated Group.

Genworth and certain of its non-insurance subsidiaries expect to incur material federal income tax deductions in the future, primarily related to interest expense on third-party debt and expenses in respect

of stewardship with respect to the enterprise and subsidiary operations. If we were to cease to be a member of the Genworth Consolidated Group, our income could no longer offset tax losses of other members of the Genworth Consolidated Group, and the Genworth Consolidated Group may not have sufficient taxable income from other operations to fully absorb the anticipated tax deductions of Genworth and its non-insurance subsidiaries, reducing the value of such tax deductions to Genworth. Given that Genworth expects to incur federal income tax deductions for the foreseeable future, Genworth may find it beneficial to retain at least 80% ownership of our common stock for the foreseeable future.

As a condition to us remaining a member of the Genworth Consolidated Group, Genworth generally must continue to own an amount of our stock which possesses at least 80% of the total voting power of our stock and has a value equal to at least 80% of the total value of our stock. For these purposes, the term “stock” does not include any stock that (i) is not entitled to vote; (ii) is limited and preferred as to dividends and does not participate in corporate growth to any significant extent; (iii) has redemption and liquidation rights which do not exceed the issue price of such stock (except for a reasonable redemption or liquidation premium) and (iv) is not convertible into another class of stock. Accordingly, while we will have the ability to raise additional capital through certain preferred stock or other means, we will be limited in our ability to raise additional capital by issuing common stock to third parties without leaving Genworth’s consolidated group, which Genworth may not permit. We may also be limited pursuant to restrictions imposed by insurance regulators, GSEs and any limitations under intercompany agreements. This limitation on our ability to raise additional capital through the issuance of common stock could have a material adverse impact on our business, results of operations and financial condition.

Risks Relating to Taxation

Changes in tax laws could have a material adverse effect on our business, cash flows, results of operations or financial condition.

Various tax regulations require the preparation of complex computations, significant judgments and estimates in interpreting their respective provisions. These aspects are inherently difficult to interpret and apply, and the Treasury Department, the Internal Revenue Service (the “IRS”) and other standard-setting bodies could interpret these aspects differently than us. In addition, these departments could issue guidance on how provisions of tax regulations should be applied or administered that could be different from our interpretation. Therefore, even though we believe we have applied tax laws and regulations appropriately in our financial statements it is possible that we have interpreted the rules differently and therefore applied the impacts to our financial results in a way that differs from those of these authoritative bodies. Likewise, changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability and results of operations or financial condition. Changes in tax laws and regulations that impact our customers and counterparties or the economy may also impact our results of operations and financial condition. There can be no assurance that changes in tax laws or regulations will not materially and/or adversely affect our effective tax rate, tax payments, results of operations and financial condition.

We are subject to regular review and audit by tax authorities as well as subject to the prospective and retrospective effects of changing tax regulations and legislation. The ultimate tax outcome may materially differ from the tax amounts recorded in our consolidated financial statements and may materially affect our income tax provision, net income (loss), cash flows or operations.

On August 16, 2022, the U.S. federal government enacted the Inflation Reduction Act (“IRA”) which, among other things, implemented a 15% corporate alternative minimum tax (“CAMT”) based on adjusted financial statement income and imposed a 1% excise tax on corporate stock repurchases. The effective date of these provisions was January 1, 2023. The enactment of the CAMT did not have a material impact on our financial statements for the year ended December 31, 2023 as we were not an applicable corporation in 2023. Excise tax incurred on our share repurchases is recognized as part of the cost basis of the treasury stock acquired and not reported as part of income tax expense, and it did not have a material impact on our financial statements for the year ended December 31, 2023. There was no other

U.S. federal income tax-related legislation or administrative guidance issued in 2022 or 2023 that had a significant impact on our results of operations or financial condition.

We are jointly and severally liable for any U.S. federal income taxes owed by the Genworth Consolidated Group for taxable periods in which we are a member of the group.

We are currently a member of the Genworth Consolidated Group. As a result, we are jointly and severally liable for the U.S. federal income taxes owed by the group for periods in which we are a member of the group. Accordingly, for any taxable periods for which we are included in the Genworth Consolidated Group for U.S. federal income tax purposes, we could be liable in the event that any income tax liability was incurred but was not discharged by Genworth or any other member of the group. Genworth, however, will be responsible for any taxes for which we are jointly and severally liable solely by reason of filing a combined, consolidated or unitary return with Genworth under the Tax Allocation Agreement.

If we leave the Genworth Consolidated Group, we may be required to potentially pay more income tax in the future.

We are currently a member of the Genworth Consolidated Group, and we expect to continue to be a member as long as Genworth continues to own an amount of our stock which possesses at least 80% of the total voting power of our stock, and it has a value equal to at least 80% of the total value of our stock. See "—Genworth's continued ownership of at least 80% of our common stock may limit our ability to raise additional capital by issuing common stock to third parties". Genworth may cease to own such amount of stock in the future and in that event, we would cease to be a member of the Genworth Consolidated Group.

In the event we were to cease being a member of the Genworth Consolidated Group, we and Genworth would be subject to the application of the "unified loss rules," which may require us to pay more income tax in the future. Subject to certain exceptions, if Genworth has higher tax basis in our shares than the fair market value of our shares at the time we left the Genworth Consolidated Group, these rules could require us to reduce certain of our tax attributes, including the tax basis in our assets. If such reduction occurred, we could be required to pay more income tax in the future. Genworth could, at such time, elect to reduce its tax basis in our shares at such time to prevent such attribute reduction, although Genworth has not committed to do so.

At this time, we do not expect that the unified loss rules would cause a material reduction in the tax basis of our assets if we were to depart the Genworth Consolidated Group. The application of the unified loss rules is complex, however, and will depend upon a number of factual determinations that must be made at the time of such departure. Accordingly, no guarantee can be given that we would not be required to pay more income tax as a result of the application of the unified loss rules upon a deconsolidation. Such increased tax obligations could have a material adverse impact on our business, results of operations and financial condition.

General Risk Factors

We are a holding company, and a large majority of our assets are the equity interests in our subsidiaries. As a consequence, we depend on the ability of our subsidiaries to pay dividends and make other payments and distributions to us in order to meet our obligations.

We are a holding company with limited direct business operations. Our primary subsidiaries are insurance companies that own a large majority of our assets and conduct substantially all of our operations. Dividends from our subsidiaries and permitted payments to us under arrangements with our subsidiaries are our principal sources of cash to meet our obligations. These obligations include operating expenses and interest and principal on current and any future borrowings. Our subsidiaries may not be able to, or may not be permitted by regulators to, pay dividends or make distributions to enable us to meet our obligations. Each subsidiary is a distinct legal entity, which may be subject to legal and

contractual restrictions that may also limit our ability to obtain cash from our subsidiaries. If the cash we receive from our subsidiaries pursuant to dividends and other arrangements is insufficient to fund any of these obligations, or if a subsidiary is unable or unwilling to pay future dividends or distributions to us to meet our obligations, we may be required to raise cash through, among other things, incurring debt (including convertible or exchangeable debt), selling assets or issuing equity.

The payment of dividends and other distributions by our insurance subsidiaries is dependent on, among other things, their financial condition and operating performance, corporate law restrictions, insurance laws and regulations and maintaining adequate capital to meet the requirements mandated by PMIERs. In general, dividends and distributions are required to be submitted to an insurer’s domiciliary department of insurance for review. In addition, insurance regulators may prohibit the payment of dividends and distributions, or other payments by the insurance subsidiaries (such as a payment under an agreement or for employee or other services, including expense reimbursements) if they determine that such payment could be adverse to policyholders. Courts typically grant regulators significant deference when considering challenges of an insurance company to a determination by insurance regulators to grant or withhold approvals with respect to dividends and other distributions. Accordingly, there can be no assurances that insurance regulators will approve payment of a dividend or distribution or other transfers of assets to us by our insurance subsidiaries.

Our liquidity and capital position are highly dependent on the performance of our subsidiaries and their ability to pay future dividends and distributions to us as anticipated. The evaluation of future dividend sources and our overall liquidity plans are subject to current and future market conditions, the regulatory landscape and business performance.

Our business could be adversely impacted from deficiencies in our disclosure controls and procedures or internal control over financial reporting.

The design and effectiveness of our disclosure controls and procedures and internal control over financial reporting may not prevent all errors, misstatements or misrepresentations. While management continually reviews the effectiveness of our disclosure controls and procedures and internal control over financial reporting, there can be no guarantee that our internal control over financial reporting will be effective in accomplishing all control objectives all of the time. Additionally, in order to comply with new accounting guidance or disclosure requirements from our regulators, we are required to interpret the rules, develop new processes and potentially generate new data, which could expose us to incremental risk. Any material weaknesses in internal control over financial reporting or any other failure to maintain effective disclosure controls and procedures could result in material errors or restatements in our historical financial statements or untimely filings, which could cause investors to lose confidence in our reported financial information, and a decline in our share price.

We may suffer losses in connection with litigation, regulatory proceedings or other actions.

From time to time, we may become subject to various legal and regulatory proceedings related to our business. Litigation and regulatory proceedings may result in financial losses and harm our reputation. We face the risk of litigation and regulatory proceedings or other actions in the ordinary course of operating our business, including class action lawsuits. We may also be subject to litigation arising out of our general business activities such as our contractual and employment relationships. Due to the inherent uncertainties of litigation and regulatory proceedings, we cannot determine with certainty the ultimate outcome of any such litigation or proceedings. A substantial legal liability or injunction or a significant regulatory action against us could have a material adverse effect on our financial condition and results of operations. Moreover, even if we ultimately prevail in the litigation, regulatory proceeding or other action, we could suffer significant reputational harm and incur significant legal expenses and such litigation may divert management’s attention and resources, which could have a material adverse effect on our business, financial condition or results of operations.

If we are unable to attract, on-board, retain and motivate qualified employees or senior management, our business, results of operations and financial condition may be adversely impacted.

Our success is largely dependent on our ability to attract, on-board, retain and motivate qualified employees and senior management. We face intense competition in our industry and local job market for key employees with demonstrated ability, including actuarial, finance, legal, investment, risk, compliance, information technology and other professionals. Furthermore, should work arrangements, such as a remote work environment, become more flexible and commonplace, our ability to compete for qualified employees could be further challenged. Remote work has expanded competition among employers and may put us at a disadvantage if we are unable or unwilling to implement certain of these policies. We cannot be sure we will be able to on-board, attract, retain and motivate the desired workforce, and our failure to do so could have a material adverse effect on business, results of operations and financial condition. In addition, we may not be able to meet regulatory requirements relating to required expertise in various professional positions.

Managing key employee succession and retention is also critical to our success. We would be adversely affected if we fail to plan adequately for the succession of our senior management and other key employees. While we have succession plans and long-term compensation plans, including retention programs, designed to retain our employees, our succession plans may not operate effectively, and our compensation plans cannot guarantee that the services of our employees will continue to be available to us.

We rely upon third-party vendors who may be unable or unwilling to meet their obligations to us.

We rely on third-party vendors to provide unique or cost-efficient products or services. We rely on the controls and risk management processes of these third parties. While we have certain contractual protections and perform third-party vendor due diligence procedures, there is no assurance that third-party vendors will provide accurate and complete information to us, meet their obligations on a timely basis or adhere to the provisions of our agreements. Additionally, if a third-party vendor is unable to source and maintain a capable work force or supply Enact with contractors during times of peak volume, then we may be unable to satisfy our customer requirements. In addition, some third-party vendors may provide unique services and the loss of those services may be difficult to replace. Any of the above scenarios could lead to reputational damage, which could result in a material adverse effect on our business, results of operations and financial condition.

Our computer systems may fail or be compromised, and unanticipated problems could materially adversely impact our disaster recovery systems and business continuity plans, which could damage our reputation, impair our ability to conduct business effectively and materially adversely affect our business, results of operations and financial condition.

Our business is highly dependent upon the effective operation of our computer systems. We also have arrangements in place with our customers and other third-party service providers through which we share and receive information, including the submission of new mortgage insurance applications. We also rely on these systems throughout our business for a variety of functions, including processing claims, providing information to customers, performing actuarial analyses and maintaining financial records. Despite the implementation of security controls and back-up measures, our computer systems and those of our customers and third-party service providers have been and may be in the future vulnerable to system failures, physical or electronic intrusions, computer malware or other attacks, programming errors and similar disruptive problems. The failure of these systems for any reason could cause significant interruptions to our operations, which could result in a material adverse effect on our business, results of operations and financial condition.

Technology continues to expand and plays an ever-increasing role in our business. While it is our goal to safeguard information assets from physical theft and cybersecurity threats, there can be no

assurance that our information security will detect and protect information assets from these ever-increasing risks. Information assets include both information itself in the form of computer data, written materials, knowledge and supporting processes, and the information technology systems, networks, other electronic devices and storage media used to store, process, retrieve and transmit that information. As more information is used and shared by our employees, customers and suppliers, both within and outside our company, cybersecurity threats become expansive in nature. Further, cybersecurity threats have continued to grow in sophistication, in part through the deployment of artificial intelligence technologies. Confidentiality, integrity, security and availability of information are essential to maintaining our reputation and ability to conduct our operations. Although we have implemented controls and continue to train our employees, a cybersecurity event could still occur that would cause damage to our reputation with our customers and other stakeholders and could have a material adverse effect on our business, results of operations and financial condition. See "—We collect, process, store, share, disclose and use consumer information and other data, and an actual or perceived failure to protect such information and data or respect users' privacy could damage our reputation and brand and adversely affect our business, results of operations and financial condition."

We rely on technologies to provide services to our customers. Customers require us to provide and service our mortgage insurance products in a secure manner, either electronically through our internet website or through direct electronic data transmissions. Accordingly, we invest resources in establishing and maintaining electronic connectivity with customers and, more generally, in technological advancements. In addition, if our information technology systems are inferior to our competitors', existing and potential customers may choose our competitors' products over ours. Our business would be negatively impacted if we are unable to enhance our platform when necessary to support our primary business functions, including to match or exceed the technological capabilities of our competitors. We cannot predict with certainty the cost of maintaining and improving our platform, but failure to make necessary improvements and any significant shortfall in any technology enhancements or negative variance in the timeline in which system enhancements are delivered could have an adverse effect on our business, results of operations and financial condition.

In addition, a natural or man-made disaster or a pandemic could disrupt public and private infrastructure, including our information technology systems. See "—The occurrence of natural or man-made disasters or public health emergencies, including pandemics and disasters caused or exacerbated by climate change, could materially adversely affect our business, results of operations and financial condition." Unanticipated problems with, or failures of, our disaster recovery systems and business continuity plans could have a material adverse impact on our ability to conduct business and on our results of operations and financial condition. Furthermore, if a significant number of our employees were unavailable in the event of a disaster or a pandemic, our ability to effectively conduct business could be severely compromised. The failure of our disaster recovery systems and business continuity plans could adversely impact our profitability and our business.

Risks related to emerging and changing technology, including artificial intelligence, could impact our results of operations or financial condition.

Our future success depends, in part, on our ability to anticipate and respond effectively to the risk of, and the opportunity presented by, digital disruption and other technology change. These may include new applications or insurance-related services based on artificial intelligence, machine learning, robotic process automation, blockchain or new approaches to data mining. We may be exposed to competitive risks related to the adoption and application of new technologies by established market participants or new entrants. We may not be successful in anticipating or responding to these developments on a timely and cost-effective basis and our ideas may not be accepted in the marketplace. Additionally, the effort to gain technological expertise and develop new technologies in our business requires us to incur significant expenses. Investments in technology systems and data analytics capabilities may not deliver the benefits or perform as expected or may be replaced or become obsolete more quickly than expected, which could result in operational difficulties or additional costs. If we cannot offer new technologies or data analytics solutions as quickly as our competitors, or if our competitors develop more cost-effective technologies,

data analytics solutions or other product offerings, we could experience a material adverse effect on our operating results, customer relationships, growth and compliance programs.

Poor implementation of new technologies, including artificial intelligence, by us or our third-party service providers, could subject us to additional risks we do not understand or cannot adequately mitigate, which could have an impact our results of operations and financial condition.

The occurrence of natural or man-made disasters or public health emergencies, including pandemics and disasters caused or exacerbated by climate change, could materially adversely affect our business, results of operations and financial condition.

We are exposed to various risks arising out of natural and man-made disasters and public health emergencies, including earthquakes, hurricanes, floods, wildfires, tornadoes, other extreme weather events, acts of terrorism, military actions (including international activity that impacts the United States' economy, such as the current geopolitical unrest in Ukraine and the Middle East) and pandemics, similar to COVID-19. The frequency and severity of extreme weather events and natural disasters may be increased by the effects of climate change, which is resulting in an increase in average global temperatures and rising sea levels. While mortgage insurance does not cover property damage, a natural or man-made disaster or public health emergency, such as a pandemic, could disrupt our computer systems and our ability to conduct or process business (including as a result of widespread absences of our employees) as well as lead to higher delinquency rates as borrowers who are affected by the disaster may be unable to meet their contractual obligations, such as mortgage payments on loans insured under our mortgage insurance coverage. A natural or man-made disaster or a public health emergency could trigger an economic downturn in the areas directly or indirectly affected by the disaster. While it is uncertain the extent to which such events may impact our business, the consequences of these events and actions taken by governmental authorities, the GSEs, our customers or others in connection therewith could lead to disruption of the economy, which may erode consumer and investor confidence levels or lead to increased volatility in the financial and housing markets. These consequences could, among other things, result in an adverse effect on home prices in those areas or higher unemployment, which could result in increased loss experience. A natural or man-made disaster or a pandemic/public health emergency could also disrupt public and private infrastructure, including communications and financial services, any of which could disrupt our normal business operations, and could adversely affect the value of the assets in our investment portfolio if it affects companies' ability to pay principal or interest on their securities or the value of the underlying collateral of structured securities.

Natural or man-made disasters or pandemics or public health emergencies could also disrupt the operations of our counterparties and third-party suppliers or result in increased prices for the products and services they provide to us, which could lead to increased reinsurance rates, less favorable terms and conditions and reduced availability of reinsurance. This may cause us to retain more risk than we otherwise would retain and could negatively affect our compliance with the financial requirements of the PMIERs. The PMIERs require us to maintain significantly more "Minimum Required Assets" for delinquent loans than for performing loans; however, the increase in Minimum Required Assets is not as great for certain delinquent loans in areas that FEMA has declared major disaster areas. An increase in delinquency notices resulting from a natural or man-made disaster or a pandemic/public health emergency may result in an increase in "Minimum Required Assets" and a decrease in the level of our excess "Available Assets" that is discussed in our risk factor titled "—Risks Relating to Regulatory Matters—Inability to maintain sufficient regulatory capital could result in restrictions or prohibitions on our doing business or impact our financial strength ratings which could have a material adverse impact on our business, results of operations and financial condition."

Our amended and restated certificate of incorporation contains exclusive forum provisions, which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a duty (including any fiduciary duty) owed by any of our current or former directors, officers, stockholders, employees or agents to us or our stockholders, (iii) any action asserting a claim against us or any of our current or former directors, officers, stockholders, employees or agents arising out of or relating to any provision of the Delaware General Corporation Law ("DGCL") or our amended and restated certificate of incorporation or our amended and restated bylaws (each, as in effect from time to time), or (iv) any action asserting a claim against us or any of our current or former directors, officers, stockholders, employees or agents governed by the internal affairs doctrine of the State of Delaware; provided, however, that, in the event that the Court of Chancery of the State of Delaware lacks subject matter jurisdiction over any such action or proceeding, the sole and exclusive forum for such action or proceeding shall be another state or federal court located within the State of Delaware, in each such case, unless the Court of Chancery (or such other state or federal court located within the State of Delaware, as applicable) has dismissed a prior action by the same plaintiff asserting the same claims because such court lacked personal jurisdiction over an indispensable party named as a defendant therein. Unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended (the "Securities Act"). This exclusive forum provision does not preclude or contract the scope of exclusive federal or concurrent jurisdiction for any actions brought under the Securities Act. This exclusive forum provision does not apply to actions arising under the Exchange Act of 1934 (the "Exchange Act"). Our exclusive forum provision does not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders are not deemed to have waived our compliance with these laws, rules and regulations.

Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to this provision. This exclusive-forum provision may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. If a court were to find the exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our results of operations.

No assurance can be given that we will be able to return capital to our shareholders via dividends or share repurchases in the future at current levels or at all.

In 2022, we announced the initiation of a quarterly dividend for our common shareholders as well as a Stock Repurchase Plan that allows for repurchases of our common stock. We announced an additional share repurchase authorization in 2023. Our ability to return capital to our shareholders is dependent on our business results and the macroeconomic environment and may be materially and adversely affected by the risk factors discussed herein. Although we anticipate continuing to pay quarterly dividends to our shareholders, future dividend payments and share repurchase authorizations are subject to review and approval by our Board of Directors after considering, among other factors, economic and regulatory constraints, current risks to the Company, and subsidiary performance. In addition, future dividend payments or other means of returning capital to our shareholders are also subject to approval by Genworth, compliance with the terms of our debt agreements and applicable laws and regulations. Our ability to repurchase stock may also be restricted by our limited public float and relationship with Genworth. See "— Genworth's continued ownership of at least 80% of our common stock may limit our ability to raise additional capital by issuing common stock to third parties."

As a result, no assurance can be given that we will be able to continue to pay dividends to our shareholders, repurchase our common stock, or return capital through other means, in the future or that the level of any future return of capital will achieve a market yield or increase or even be maintained over time, any of which could materially and adversely affect the market price of our common stock.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Assessment and Strategy

Our approach towards cybersecurity follows our enterprise risk management framework. Through this process our management identifies risks to achieving our strategy and objectives; assesses, manages, controls and monitors those risks; and communicates results, including elevation of those risks to the Risk Committee of the Board of Directors, where applicable.

We employ a multi-layered approach to data security and data privacy. This approach begins with our information security program, which leverages National Institute of Standards and Technology, SP 800-53. Our program includes policies and standards that delineate requirements for the implementation and on-going maintenance of our information systems as well as security responsibilities for all personnel. We review these policies and standards periodically and update as needed. We have processes to oversee the maintenance and enforcement of our information security policies and educate personnel on their responsibilities. We maintain a “defense-in-depth” model, which employs multiple layers of protection for the Company. Among other things, we perform external and internal risk assessments, penetration testing, vulnerability scanning, secure code development and monthly security awareness training (including phishing awareness tests) for all personnel.

The monitoring and surveillance procedures over our key systems and IT environments are performed jointly with Genworth. Potential threats are evaluated, correlated and escalated to the extent appropriate. Incidents that are subject to escalation are initially evaluated by a team of IT security personnel led by our Chief Information Security Officer. If the incident is sufficiently severe, it will trigger our cybersecurity incident response plan, which is carried out by a cross-functional team of professionals who ultimately report findings and suggest action plans to our senior leadership team and Genworth. In accordance with the plan, we assess, contain and eradicate the threat and notify relevant external parties. We engage with third parties to assist with the research and evaluation, if deemed necessary.

We also consider cybersecurity threats with respect to third party service providers. Third parties who hold sensitive data are subject to our risk assessment process and vendor management due diligence procedures, which include an evaluation of cybersecurity risk.

We have not identified any risks from cybersecurity incidents or threats that have materially affected our business strategy, results of operations or financial condition, and we do not believe that such risks are reasonably likely to have such an effect over the long term. Additional information on cybersecurity risks we face can be found in “Item 1A Risk Factors” of this Annual Report.

Cybersecurity Governance

The Chief Information Security Officer, who is primarily responsible for our cybersecurity strategy and assessing and managing risks from cybersecurity threats, works together with our Chief Information Officer, Chief Risk Officer and compliance organization, as well as other functions, in administering our information security program in a manner that satisfies applicable legal and regulatory requirements. The Chief Information Security Officer has over 18 years of experience in information security, technology audit, and technology operations and includes the design, implementation, and maintenance of greenfield cybersecurity programs for regulated specialty insurance and software-as-a-service companies. The

Chief Information Security Officer has a master's degree in information technology with a specialization in cybersecurity augmented with professional designations including the Amazon Web Services ("AWS") Certified Solutions Architect Associate, AWS Certified Security - Specialty, Global Information Assurance Certification ("GIAC") Cloud Security Automation, GIAC Certified Intrusion Analyst, GIAC Penetration Tester, GIAC Web Application Penetration Tester, and Certified Information Systems Security Professional. The Chief Information Security Officer receives reports on potential cybersecurity threats from throughout the business on an ongoing basis and regularly reviews risk management measures implemented by the Company to identify and mitigate data protection and cybersecurity risks. Further, our team strives to stay current with respect to cybersecurity threats through training and investing in the relevant tools. Our Chief Information Security Officer, Chief Information Officer and Chief Risk Officer provide regular updates and reports to our senior leaders.

The Risk Committee of our Board of Directors, in coordination with our management risk committee, has primary responsibility for overseeing cybersecurity, information technology and information security systems, processes, policies and risk management and the effectiveness of security controls. At least quarterly, the Risk Committee meets with management and reviews reports related to the status of our information technology related risks, which includes information such as the status of our environment, employee education, penetration testing, server patching, systems availability, as well as debriefs of Company cybersecurity tabletop exercises, director education sessions on a variety of topics concerning cybersecurity, and annual assessment. The Committee also reviews the Chief Compliance Officer's quarterly report, which includes information regarding certain data security incidents that meet the risk criteria for inclusion in the report. Management also keeps the Committee apprised of changes in the threat landscape, such as new projects or strategies that may involve cybersecurity risks, evolving trends, and cyber incidents that involve our customers and suppliers.

At least annually, we present a cybersecurity report to our full Board of Directors along with semiannual briefings. These sessions may cover, among other topics, the information security organization, material risks, technical threats, information technology security infrastructure, patching and vulnerability management, cybersecurity incidents, an annual cybersecurity tabletop exercise and incident preparedness, supplier management, security awareness training, cybersecurity personnel/staffing and a cybersecurity threat assessment.

Item 2. Properties

We are currently leasing our headquarters in Raleigh, North Carolina, which consists of approximately 130,000 square feet. The lease is set to expire in December 2027. Additionally, we lease a second office in Washington, D.C. consisting of approximately 2,022 square feet. That lease is set to expire in April 2026. We believe our current facilities are adequate for our current needs and that suitable additional or alternative space will be available as and when needed.

Item 3. Legal Proceedings

We are not subject to any pending material legal proceedings.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market for Common Stock

Our common stock is listed on the Nasdaq Stock Market under the symbol "ACT." As of February 26, 2024, we had 5 registered holders of record of our common stock.

Issuer Purchases of Equity Securities

The table below sets forth information regarding repurchases of our common shares during the three months ended December 31, 2023:

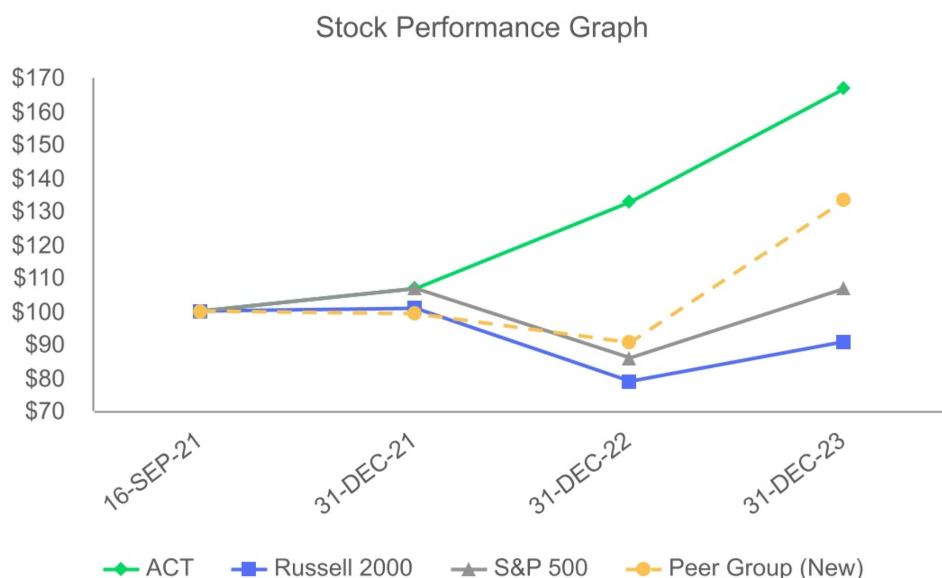
Period (Dollar amounts in thousands except per share amounts)	Total Number of Shares Purchased	Average Price Paid per Share		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased under Plans or Programs [1]	
October 1 - October 31, 2023	294,876	$	27.13	294,876	$	95,860
November 1 - November 30, 2023	361,285	$	27.69	361,285	$	85,856
December 1 - December 31, 2023	0	$	—	0	$	—
Total	656,161	$	27.44	656,161	$	85,856

[1] On November 1, 2022, the Company announced authorization to repurchase up to $75 million of its common shares. The authorization has no expiration date. In August 2023, we also announced a new share repurchase authorization which allows for the purchase of an additional $100 million of EHI common stock (also with no expiration date).

Subsequent to year end, the Company purchased 133,307 shares at an average price of $27.75 per share through January 31, 2024.

Stock Performance Graph

The graph below compares the cumulative total stockholder return of an investment in (i) our common shares, (ii) the Russell 2000 Index, (iii) the S&P 500 and (iv) a composite peer group consisting of Essent Group Ltd., MGIC Investment Corporation, NMI Holdings, Inc., and Radian Group Inc, for the period from September 16, 2021 (the date our common shares commenced trading on the Nasdaq Stock Market) through December 31, 2023. We selected the members of this peer group because each is a competitor of ours in the private mortgage insurance industry with a relatively similar market capitalization.



	September 16, 2021	December 31, 2021	December 31, 2022	December 31, 2023
Enact Holdings, Inc.	$100.00	$106.61	$132.49	$166.54
Russell 2000	$100.00	$100.56	$78.88	$90.78
S&P 500	$100.00	$106.54	$85.82	$106.62
Peer Group	$100.00	$98.97	$90.52	$133.21

Dividends

During the first quarter of 2022, we announced that our Board of Directors approved the initiation of a dividend program under which the Company intends to pay a quarterly cash dividend. The inaugural quarterly dividend of $0.14 per share was paid in the second quarter of 2022, followed by payments of regular dividends of $0.14 per share in each quarter through the first quarter of 2023. In the second quarter of 2023, the regular dividend increased to $0.16 per share. In addition to our regular dividends, we paid special cash dividends of $0.71 per share during the fourth quarter of 2023 and $1.12 per share during the fourth quarter of 2022. In February of 2024, we announced our first quarter dividend of $0.16 per share. See “Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations” for additional information on dividends.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our consolidated financial condition and results of operations should be read in conjunction with our audited consolidated financial statements and related notes for the years ended December 31, 2023, 2022 and 2021 included in Item 8 of this Annual Report. This discussion includes forward-looking statements and involves numerous risks, uncertainties and assumptions that could cause actual results to differ materially from management's expectations. For factors that could cause such differences refer to the sections entitled "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors." We are not undertaking any obligation to update any forward-looking statements or other statements we may make in the following discussion or elsewhere in this document even though these statements may be affected by events or circumstances occurring after the forward-looking statements or other statements were made. Future results could differ significantly from the historical results presented in this section. References to EHI, the "Company," "we" or "our" herein are, unless the context otherwise requires, to EHI on a consolidated basis.

Overview of Business

We are a leading private mortgage insurance company, having served the United States housing finance market since 1981, and operate in all 50 states and the District of Columbia. Our mortgage insurance products provide credit protection to mortgage lenders, covering a portion of the unpaid principal balance of Low Down Payment Loans in the event of a default. We believe we have built a leading platform based on long-tenured customer relationships, underwriting excellence and prudent risk and capital management practices. Our business objective is to leverage our competitive strengths to drive market share, maintain our strong capitalization and strong earnings profile and deliver attractive risk-adjusted returns to our stockholders.

We generate revenues by providing mortgage credit protection to our customers in exchange for premiums, which we set based on our evaluation of the underlying risk we insure. Once the premium rate is established and coverage is activated, the premium rate remains unchanged for the first ten years of the policy; thereafter the premium rate resets to a lower rate used for the remaining life of the policy. In general, we can only cancel coverage for a failure to pay premiums or at servicer direction when the borrowers achieve the required amount of home equity. Our premium rate is applied predominantly to the original loan balance to determine either a monthly payment that the lender adds to the borrower's monthly loan payment or a single upfront payment made by either the borrower or lender at loan closing. The amount of premiums earned from our insurance portfolio and the timing of premium recognition are also affected by persistency rate, which we measure as the percentage of loans that remain on our books based on the annualized cancellations for the period.

We also employ a CRT program to transfer a portion of our risk through traditional XOL and quota share reinsurance arrangements and the issuance of ILNs. In exchange, we cede a negotiated amount of our premiums to the reinsurers and ILN investors that participate in our CRT transactions. Our net premiums earned (i.e., materially, the gross premiums charged less premiums ceded as part of our CRT program) represent the largest source of our revenues. Importantly, our CRT program helps to manage risk in our operating model and spread the risk of loss across our counterparties while also providing capital relief.

We also invest our premiums in high quality, predominantly fixed income assets with the primary business objectives of preserving capital, generating investment income and maintaining sufficient liquidity to cover our operating expenses and pay future claims. The investment income generated through our investment portfolio is another significant source of our revenues.

We generate profits through collection of premiums and investment income less losses, operating expenses, interest expense and taxes. Our mortgage insurance coverage protects lenders against loss in the event of a borrower default by covering a portion of the outstanding principal balance of a loan. In the event of a borrower default, our coverage reduces and, in certain instances eliminates, losses to the

insured by transferring the covered portion of the economic loss to us. Borrower defaults are first reported to us as new delinquencies when the borrower fails to make two consecutive monthly mortgage payments. Incurred losses are our estimate of future claims on these new delinquencies as well as any change in the prior estimates for previously existing delinquencies. In addition, incurred losses include estimates of future claims on IBNR delinquencies. Our incurred losses are based on estimates of both the rate at which delinquencies will go to claim (i.e., claim rate) and the ultimate claim amount (i.e., claim severity). Claim frequency and severity estimates are established based on historical experience focusing on certain delinquency and loan attributes that influence the probability and amount of ultimate claim. Our estimates of ultimate claim amounts for each delinquency include loss adjustment expense ("LAE") that are costs incurred in the settlement of the claim process such as legal fees and costs to record, process and adjust claims. Incurred losses are generally affected by macroeconomic conditions, borrower credit quality, certain loan attributes, underwriting quality and our loss mitigation efforts among other factors detailed below.

Key Factors Affecting Our Results

Our financial position and results of operations depend to a significant extent on the following factors, as noted below in "—Trends and Conditions."

Mortgage Origination Volume

The level of mortgage origination volume is a key driver of our future revenues. The overall mortgage origination market is influenced by macroeconomic factors such as the rate of economic growth, the unemployment rate, interest rates, home affordability, household savings rates, the inventory of unsold homes, demographics of potential homebuyers and credit availability. The mortgage origination market is also influenced by various legislative and regulatory actions and GSE programs and policies that impact the housing and mortgage finance industries.

Penetration

The penetration rate of private mortgage insurance is mainly influenced by the competitiveness of private mortgage insurance compared to alternative products for Low Down Payment Loans provided by government agencies (principally the FHA and the VA), portfolio lenders that self-insure, reinsurers and capital market transactions designed to mitigate risk. In addition, the private mortgage insurance industry's penetration rate is driven by the relative percentage of purchase mortgage originations versus refinances. Private mortgage insurance penetration tends to be significantly higher on new mortgages for purchased homes than on the refinance of existing mortgages, because average LTV ratios are typically higher on home purchases and therefore are more likely to require mortgage insurance. Lastly, we believe the penetration rate of private mortgage insurance is influenced by other factors, including lender preference, FHA competitiveness and risk appetite, loan limits, contractual terms including cancellability and loss mitigation practices.

Credit and Regulatory Environment

The level of private mortgage insurance market penetration ("market penetration") and eventual market size is affected in part by actions taken by the GSEs and the United States government, including the FHA, the FHFA and Congress, that impact housing or housing finance policy. In the past, these actions have included announced changes, or potential changes, to underwriting standards, FHA pricing, GSE guaranty fees and loan limits, as well as low down payment programs available through the FHA or GSEs.

Competition and Market Share

Competitors include other private mortgage insurers that are eligible to write business for the GSEs. We compete with other private mortgage insurers based on pricing, underwriting guidelines, customer relationships, service levels, policy terms, loss mitigation practices, perceived financial strength (including

comparative credit ratings), reputation, strength of management, product features and technology ease-of-use. We also compete with governmental agencies (principally the FHA and the VA) primarily based on price and underwriting guidelines.

Pricing is highly competitive in the mortgage insurance industry, with industry participants competing for market share, customer relationships and overall value. Recent pricing trends have introduced an increasing number of loan, borrower, lender and property attributes, resulting in expanded granularity in pricing regimes and a shift from traditional published rate cards to dynamic pricing engines that better align price and risk. Our proprietary risk-based pricing engine evaluates returns and volatility under both the PMIERs capital framework and our internal economic capital framework, which is sensitive to economic cycles and current housing market conditions. The model assesses the performance of new business under expected and stress scenarios on an individualized loan basis, which is used to determine pricing and inform our risk selection strategy that optimizes economic value by balancing return and volatility.

Seasonality

Consistent with the seasonality of home sales, purchase mortgage origination volumes typically increase in late spring and peak during summer months, leading to a rise in NIW volume during the second and third quarters of a given year. Refinancing volume, however, does not follow a similar seasonal trend and instead is primarily influenced by interest rates, which can overwhelm typical seasonal trends. Delinquency performance (new delinquency formation and cure behavior) is generally favorable in the first and second quarters of the year. Therefore, we typically experience lower levels of losses resulting from favorable delinquency activity in the first and second quarters, as typically compared to the third and fourth quarters. As a result of delinquencies from COVID-19 and subsequent cure activity, including the impact of forbearance policies on delinquency recognition and performance recent trends may not follow traditional seasonality.

The following table presents our NIW, number of cures and new delinquencies for primary policies, excluding our run-off insurance block with reference properties in Mexico, for the periods indicated:

Seasonality	Three months ended							
(Dollar amounts in millions)	Mar 31, 2022	Jun 30, 2022	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023
NIW	$18,823	$17,448	$15,069	$15,145	$13,154	$15,083	$14,391	$10,453
% Change	(12.2)%	(7.3)%	(13.6)%	0.5%	(13.1)%	14.7%	(4.6)%	(27.4)%
Cure Counts	10,860	10,806	9,588	9,024	10,771	9,609	9,778	10,317
% Change	(9.0)%	(0.5)%	(11.3)%	(5.9)%	19.4%	(10.8)%	1.8%	5.5%
New Delinquency Count	8,724	7,847	9,121	10,304	9,599	9,205	11,107	11,706
% Change	5.3%	(10.1)%	16.2%	13.0%	(6.8)%	(4.1)%	20.7%	5.4%

NIW

NIW occurs when a lender activates mortgage insurance coverage on a closed mortgage loan. NIW increases our IIF, premiums written and premiums earned. NIW is affected by the overall size of the mortgage origination market, the penetration rate of private mortgage insurance into the overall mortgage origination market and our market share of the private mortgage insurance market.

Pricing

Our pricing strategy is designed to charge premium rates commensurate with the underlying risk of each loan we insure. Our proprietary platform provides us with a more flexible, granular and analytical approach to selecting and pricing risk. Using our platform, we can quickly change price to modify our risk selection levels, respond to industry pricing trends or adjust to changing economic conditions. We believe that our platform, powered by our proprietary risk model and our understanding of mortgage risk volatility, provides us with a highly sophisticated pricing regime that improves our risk selection and is designed to yield attractive risk adjusted returns through credit cycles.

IIF

IIF at the time of origination is used to determine premiums as the premium rate is expressed as a percentage of IIF. IIF is one of the primary drivers of our future earned premium. Based on the composition of our insurance portfolio, with monthly premium policies comprising a larger proportion of our total portfolio than single premium policies, an increase or decrease in IIF generally has a corresponding impact on premiums earned. Cancellations of our insurance policies as a result of prepayments and other reductions of IIF, such as rescissions of coverage and claims paid, generally have a negative effect on premiums earned.

Persistency Rate and Business Mix

The percentage of our IIF that remains insured after taking into account annualized cancellations for the period presented is defined as our persistency rate. Because our insurance premiums are earned over the life of a policy, higher or lower persistency rates can have a significant impact on our profitability. The rise of interest rates throughout 2022 and 2023 has significantly increased persistency in the portfolio, but this impact is partially offset by lower NIW.

Loan prepayment speeds and the relative mix of business between single premium policies and monthly premium policies also impact our profitability. Assuming all other factors remain constant over the life of the policies, prepayment speeds have an inverse impact on IIF and the expected premium from our monthly policies. Slower prepayment speeds, demonstrated by a higher persistency rate, result in IIF remaining in place, providing increased premium from monthly policies over time as premium payments continue. Earlier than anticipated prepayments, demonstrated by a lower persistency rate, reduce IIF and the premium from our monthly policies.

The following table presents the weighted average mortgage interest rate on outstanding primary IIF as of December 31, 2023, excluding our run-off business. Prepayment speeds may be affected by changes in interest rates, among other factors. An increasing interest rate environment generally will reduce refinancing activity and result in lower prepayments. A declining interest rate environment generally will increase refinancing activity and increase prepayments.

Policy Year	Weighted average rate [(1)]
2008 and prior	5.74 %
2009-2015	4.34 %
2016	3.94 %
2017	4.30 %
2018	4.82 %
2019	4.25 %
2020	3.27 %
2021	3.11 %
2022	4.89 %
2023	6.68 %
Total portfolio	**4.41 %**

(1) Average Annual Mortgage Interest Rate weighted by IIF.

In contrast to monthly premium policies, when single premium policies are cancelled by the insured because the loan has been paid off or otherwise, any remaining unearned premiums are earned at cancellation. Although these cancellations reduce IIF, assuming all other factors remain constant, the profitability of our single premium business increases when persistency rates are lower. As of

December 31, 2023 and 2022, single premium policies comprised 10% and 12% of primary IIF, respectively.

Credit Quality

Improved analytics, stronger loan origination quality controls and the regulatory implementation of the QM Rule have resulted in a significant improvement in the credit quality for loans originated in the private mortgage insurance market over time. Additionally, private mortgage insurers and the GSEs have maintained strong credit standards over the past decade, with average FICO scores for NIW persisting at levels significantly above historical averages. As a result, the industry is insuring loans from borrowers who should be better positioned to meet their mortgage obligations. More recently, in response to FTHB demand, there has been modest credit expansion that accommodates LTV over 95% and higher DTI ratios. Even after this expansion, private mortgage insurers and the GSEs have maintained strong credit standards well above historical norms.

Net Investment Income

Net investment income is determined primarily by the invested assets held and the average yield on our overall investment portfolio.

Net Investment Gains (Losses)

The recognition of realized investment gains or losses can vary significantly across periods as the activity is highly discretionary based on such factors as market opportunities, our capital profile and overall market cycles that impact the timing of selling securities.

Losses Incurred

Losses incurred represent current payments and changes in the estimated future payments on claims that result from delinquent loans. We estimate an expense only for delinquent loans as explained in Note 2 to our consolidated financial statements. Incurred losses depend to a significant extent on the following factors:

- deterioration of regional or national economic conditions leading to a reduction in borrowers’ income and thus their ability to make mortgage payments;
- legislative, regulatory, FHFA or GSE action, or executive orders permitting or mandating forbearance or a moratorium on foreclosures or evictions due to events such as natural disasters or COVID-19;
- a drop in housing values that could expose us to greater loss on resale of properties obtained through foreclosure proceedings and an adverse change in the effectiveness of loss mitigation actions that could result in an increase in the frequency of expected claim rates;
- a drop in housing values that negatively impacts a borrower’s willingness to continue mortgage payments, potentially leading to higher delinquencies and ultimately claims;
- if the foreclosure occurs in a state that imposes judicial process, which generally increases the amount of time it takes for a foreclosure to be completed, which impacts severity of the claim;
- the credit characteristics in our in-force portfolio, as loans with higher risk characteristics generally result in more delinquencies and claims;
- the size of loans we insure, as loans with relatively higher average loan amounts generally result in higher incurred losses;
- the coverage percentage on insured loans, as loans with higher percentages of insurance coverage generally correlate with higher incurred losses;

- the level and amount of reinsurance coverage maintained with third parties; and
- the distribution of claims over the life of a book. Historically, the first few years after origination have relatively low claims, with claims increasing for several years subsequently and then declining. However, persistency, the condition of the economy, including unemployment and housing prices and other factors can affect this pattern.

Credit Risk Transfer

We use CRT transactions to transfer a portion of our risk to third parties, through traditional XOL and quota share reinsurance and the issuance of ILNs. Our CRT program reduces the volatility of our in-force portfolio and provides capital relief under PMIERs. When we enter into a CRT transaction, the reinsurer receives a premium and, in exchange, insures an agreed upon portion of incurred losses. These arrangements have the impact of reducing our earned premiums but also provide capital relief under PMIERs in exchange for a negotiated ceded premium rate. Under certain stress scenarios, our incurred losses are also reduced by any incurred losses ceded in accordance with our reinsurance agreements.

Operating Expenses

Our operating expenses include costs related to the acquisition and ongoing maintenance of our insurance contracts, including sales, underwriting and general operating costs. Acquisition expenses are influenced by the amount of our NIW. Acquisition costs that are related directly to the successful acquisition of new insurance policies, such as underwriting expenses, are deferred and amortized over the life of the underlying insurance policies. These deferred acquisition costs are referred to as "DAC." The ongoing maintenance expenses of our insurance contracts are generally fixed in nature and include costs such as information technology, finance and legal, among others, including costs allocated from Genworth for certain activities on our behalf. See Note 11 to our consolidated financial statements regarding our related party transactions.

Critical Accounting Estimates

The accounting estimates (including sensitivities) discussed in this section are those that we consider to be particularly critical to an understanding of our consolidated financial statements because their application places the most significant demands on our ability to judge the effect of inherently uncertain matters on our financial results. The sensitivities included in this section involve matters that are also inherently uncertain and involve the exercise of significant judgment in selecting the factors and amounts used in the sensitivities. Small changes in the amounts used in the sensitivities or the use of different factors could result in materially different outcomes from those reflected in the sensitivities. For all of these accounting estimates, we caution that future events seldom develop as estimated and management's best estimates often require adjustment.

Loss Reserves

Loss reserves represents the amount needed to provide for the estimated ultimate cost of settling claims relating to insured events that have occurred on or before the end of the respective reporting period. The estimated liability includes requirements for future payments of: (a) losses that have been reported to the insurer; (b) losses related to insured events that have occurred but that have not been reported to the insurer as of the date the liability is estimated; and (c) LAE. Loss adjustment expenses include costs incurred in the claim settlement process such as legal fees and costs to record, process and adjust claims. Consistent with U.S. GAAP and industry accounting practices, we do not establish loss reserves for future claims on insured loans that are not in default or believed to be in default.

Estimates and actuarial assumptions used for establishing loss reserves involve the exercise of significant judgment, and changes in assumptions or deviations of actual experience from assumptions can have material impacts on our loss reserves and net income (loss). Because these assumptions relate to factors that are not known in advance, change over time, are difficult to accurately predict and are

inherently uncertain, we cannot determine with precision the ultimate amounts we will pay for actual claims or the timing of those payments. The sources of uncertainty affecting the estimates are numerous and include factors internal and external to us. Internal factors include, but are not limited to, changes in the mix of exposures, loss mitigation activities and claim settlement practices. Significant external influences include changes in home prices, unemployment, government housing policies, state foreclosure timeline, general economic conditions, interest rates, tax policy, credit availability and mortgage products. Small changes in assumptions or small deviations of actual experience from assumptions can have, and in the past have had, material impacts on our reserves, results of operations and financial condition.

We establish reserves to recognize the estimated liability for losses and LAE related to defaults on insured mortgage loans. Loss reserves are established by estimating the number of loans in our inventory of delinquent loans that will result in a claim payment, which is referred to as the claim rate, and further estimating the amount of the claim payment, which is referred to as claim severity. The estimates are determined using a factor-based approach, in which assumptions of claim rates for loans in default and the average amount paid for loans that result in a claim are calculated using traditional actuarial techniques. Over time, as the status of the underlying delinquent loans moves toward foreclosure and the likelihood of the associated claim loss increases, the amount of the loss reserves associated with the potential claims may also increase.

Management monitors actual experience, and where circumstances warrant, will revise its assumptions. Our liability for loss reserves is reviewed regularly, with changes in our estimates of future claims recorded through net income. Estimation of losses is based on historical claim and cure experience and covered exposures and is inherently judgmental. Future developments may result in losses greater or less than the liability for loss reserves provided.

Loss reserves as of December 31, 2023, were $518 million, a decrease of $1 million since December 31, 2022. In considering the potential sensitivity of the factors underlying management's best estimate of our loss reserve, it is possible that even a relatively small change in the estimated claim and severity rates could have a significant impact on loss reserves and, correspondingly, on results of operations. For example, based on our actual experience during the three-year period immediately preceding December 31, 2023, a change of 5 percentage points, or 15%, in the average claim rate would change the gross loss reserve amount for such quarter by approximately $75 million. Likewise, a change of 4 percentage points, or a change of 4%, in the average severity rate would change the gross loss reserve amount for such quarter by approximately $19 million.

Investments

Valuation of Fixed Maturity Securities

Our portfolio of fixed maturity securities was valued at $5,266 million as of December 31, 2023, an increase of $381 million from December 31, 2022.

The methodologies, estimates and assumptions used in valuing our fixed maturity securities evolve over time and are subject to different interpretations, all of which can lead to materially different estimates of fair value. Additionally, because the valuation is based on market conditions at a specific point in time, the period-to-period changes in fair value may vary significantly due to changing interest rates, external macroeconomic and credit market conditions. For example, widening credit spreads will generally result in a decrease, while tightening of credit spreads will generally result in an increase in the fair value of our fixed maturity securities. Also, during periods of increasing interest rates, the market values of lower-yielding assets will decline. See "Item 7A—Quantitative and Qualitative Disclosures About Market Risk" for the impact of hypothetical changes in interest rates on our investments portfolio.

Our portfolio of fixed maturity securities comprises primarily investment grade securities, which are carried at fair value. Estimates of fair values for fixed maturity securities are obtained primarily from industry-standard pricing methodologies utilizing market observable inputs. For our less liquid securities,

such as our privately placed securities, we utilize independent market data to employ alternative valuation methods commonly used in the financial services industry to estimate fair value. Based on the market observability of the inputs used in estimating the fair value, the pricing level is assigned.

See Notes 2, 3 and 4 to our consolidated financial statements for additional information related to the valuation of fixed maturity securities and a description of the fair value measurement estimates and level assignments.

Allowance for Credit Losses on Available-For-Sale Securities

As of each balance sheet date, we evaluate fixed maturity securities in an unrealized loss position for changes to the allowance for credit losses. Determining the value of the unrealized losses is dependent on the same methodologies and assumptions used in our valuation of fixed maturity securities. We also consider all available information relevant to the collectability of the security, including information about past events, current conditions and reasonable and supportable forecasts, when developing the estimate of cash flows expected to be collected. There is no recorded allowance for credit losses on available-for-sale securities as of December 31, 2023.

See Note 2 and 3 to our consolidated financial statements for additional information related to the allowance for credit losses on fixed maturity securities.

Revenue Recognition

The majority of our insurance contracts have recurring monthly premiums. We recognize recurring premiums over the terms of the related insurance policy on a pro-rata basis. Premiums written on single premium policies and annual premium policies are initially deferred as unearned premium reserve and earned over the policy life. A portion of the revenue from single premium policies is recognized in premiums earned in the current period, and the remaining portion is deferred as unearned premiums and earned over the estimated expiration of risk of the policy. If single premium policies are cancelled and the premium is non-refundable, then the remaining unearned premium related to each cancelled policy is recognized to earned premiums upon notification of the cancellation. For borrower-paid mortgage insurance, coverage ceases at the earlier of prepayment, or when the original principal is amortized to a 78% loan-to-value ratio in accordance with the Homeowners Protection Act of 1998. Variation in cancellation rates and projected losses are inputs into our premium recognition models, causing uncertainty within our estimates.

We periodically review our premium earnings recognition models with any adjustments to the estimates reflected as a cumulative adjustment on a retrospective basis in current period net income. These reviews include the consideration of recent and projected loss and policy cancellation experience, and adjustments to the estimated earnings patterns are made, if warranted.

Unearned premium was $149 million as of December 31, 2023, a decrease of $53 million compared to December 31, 2022. Changes in market conditions could cause a decline in mortgage originations, mortgage insurance penetration rates, persistency and our market share, all of which could impact new insurance written. For example, a decline in primary new insurance written of $1.0 billion would result in a reduction in earned premiums of approximately $4 million in the first full year. Likewise, if primary persistency rates declined on our existing insurance in-force by 10%, earned premiums would decline by approximately $96 million during the first full year, partially offset by higher policy cancellations in our single premium products. These reductions in earned premiums could be potentially offset by lower reserves due to policies no longer being in-force.

Trends and Conditions

Macroeconomic environment. During 2023, the United States economy faced uncertainty due to continued but lessening inflationary pressure, the geopolitical environment and persistent concerns around a possible recession.

Inflationary pressures have moderated in 2023, with the Bureau of Labor Statistics reporting in December that the Consumer Price Index was down to 3.4% year-over-year. The Federal Reserve has taken an aggressive approach towards addressing inflation through interest rate increases and a reduction of its balance sheet. The Federal Reserve raised rates four times in 2023 following seven interest rate increases in 2022. Mortgage rates continued to rise and reached more than 20-year highs during 2023.

Mortgage origination activity remained slow during 2023 in response to elevated mortgage rates and sustained low housing supply. Housing affordability continued to deteriorate due to high interest rates and elevated home prices, only marginally offset by rising median family income according to the National Association of Realtors Housing Affordability Index. National housing prices rose modestly throughout 2023, according to the FHFA Monthly Purchase-Only House Price Index.

The unemployment rate was 3.7% as of December 2023 compared to 3.5% in December 2022. As of December 31, 2023, the number of unemployed Americans stands at approximately 6.3 million and the number of long term unemployed over 26 weeks was approximately 1.2 million. Both metrics remain relatively in line with February 2020 levels.

Forbearance and loss mitigation programs. For mortgages insured by the federal government, including those purchased by Fannie Mae and Freddie Mac, COVID-19 forbearance allowed borrowers impacted by COVID-19 to temporarily suspend mortgage payments up to 18 months subject to certain limits. However, the Biden Administration ended the national emergency for COVID-19 in April 2023, so the deadline for requesting a COVID-19 related forbearance under the CARES Act ended in August of 2023. The GSEs retired their COVID-19 servicing-related policies including with respect to forbearance in November 2023 and reverted to standard forbearance policies as a loss mitigation option for borrowers that meet general hardship and program guidelines.

Further, in March 2023, the GSEs announced new loss mitigation programs that allow for six-month payment deferrals for borrowers facing financial hardship. Servicers were encouraged to start evaluating borrowers for the new mitigation programs as early as July 1, 2023, but no later than October 1, 2023. Even though most foreclosure moratoriums expired at the end of 2021, federal laws and regulations continue to require servicers to discuss loss mitigation options with borrowers before proceeding with foreclosures. These requirements could further extend foreclosure timelines, which could negatively impact the severity of loss on loans that go to claim.

Although it is difficult to predict the future level of reported forbearance and how many of the policies in a forbearance plan that remain current on their monthly mortgage payment will go delinquent, servicer-reported forbearances have generally declined. As of December 31, 2023, approximately 1.2%, or 11,536, of our active primary policies were reported in a forbearance plan, of which approximately 31% were reported as delinquent.

The full impact of COVID-19 and its ancillary economic effects on our future business results are difficult to predict. Given the maximum length of forbearance plans, the resolution of a delinquency in a plan still may not be known for several quarters or longer. We continue to monitor regulatory and government actions and the resolution of forbearance delinquencies. While the associated risks have moderated and delinquencies related to COVID-19 have declined, it is possible that ancillary economic effects of COVID-19 could have an adverse impact on our future results of operations and financial condition.

Regulatory developments. The FHFA and the GSEs are focused on increasing the accessibility and affordability of homeownership, in particular for low- and moderate-income borrowers and underserved minority communities. In June 2022, the FHFA announced the release of Fannie Mae's and Freddie Mac's respective Equitable Housing Finance Plans. In April 2023, FHFA announced updates to Fannie Mae and Freddie Mac's Equitable Housing Finance Plans which build upon the inaugural plans first announced in 2022 and make adjustments based on initial research and findings. The proposals included many initiatives, including language discussing potential changes that could impact the mortgage insurance industry. We will continue to work with the FHFA, the GSEs, and the broader housing finance industry as these proposals develop and to the extent they are implemented. We cannot predict whether or when any new practices or programs will be implemented under the GSEs' Equitable Housing Finance Plans or other affordability initiatives, and if so in what form, nor can we predict what effect, if any, such practices or programs may have on our business, results of operations or financial condition.

Private mortgage insurance market penetration and eventual market size are affected in part by actions that impact housing or housing finance policy taken by the GSEs and the U.S. government, including but not limited to, the Federal Housing Administration and the FHFA. In the past, these actions have included announced changes, or potential changes, to underwriting standards, including changes to the GSEs' automated underwriting systems, FHA pricing, GSE guaranty fees, loan limits and alternative products.

On October 24, 2022, the FHFA announced two initiatives: 1) targeted changes to the GSEs' guarantee fee pricing by eliminating upfront fees for certain borrowers and affordable mortgage products, while implementing targeted increases to the upfront fees for most cash-out refinance loans; and 2) the validation and approval of both the FICO 10T credit score model and the VantageScore 4.0 credit score model for use by the GSEs as well as changing the requirement that lenders provide credit reports from all three nationwide consumer reporting agencies and instead only requiring credit reports from two of the three nationwide credit reporting agencies.

The upfront fees were eliminated for certain first-time home buyers with income at or below area median income and certain other GSE affordable housing products. The fee reductions went into effect in the fourth quarter of 2022, while the new fees on cash-out refinance loans began on February 1, 2023. We have seen a limited impact from these price changes on the private mortgage insurance market. The validation of the new credit scores requires lenders to deliver both credit scores for each loan sold to the GSEs. The FHFA has announced preliminary implementation expectations, but this is expected to be a multiple year process that will require system and process updates along with coordination across stakeholders of the industry.

In January 2023, the FHFA announced additional updates to its upfront fee structure and a recalibration and reformatting of their entire pricing matrix. The changes marked the third iteration of the FHFA's ongoing pricing review since early 2022 and impact purchase and rate-term refinance loans. Pricing grids are now broken out by loan purpose and are recalibrated to new credit score and loan-to-value ratio categories along with associated loan attributes. The new pricing matrix initially included new upfront fees for loans with debt to income ratios greater than 40%, but those fees were rescinded prior to implementation. The remaining changes became effective May 1, 2023.

On February 22, 2023, the Department of Housing and Urban Development announced a 30 basis point reduction of the annual insurance premium charged to borrowers with FHA-insured mortgages. This action is designed to reduce the cost of borrowing for lower- and middle-class homebuyers who are eligible for the federal program. The price reduction, which went into effect on March 20, 2023, is expected to have a negative impact on the private mortgage insurance market but will be partially offset by the effects of the recent FHFA pricing changes referenced above. We do not believe this net impact has been or will be material.

Competitive environment. The U.S. private mortgage insurance industry is highly competitive. Our market share is influenced by the execution of our go to market strategy, including but not limited to,

pricing competitiveness relative to our peers and our selective participation in forward commitment transactions. We continue to manage the quality of new business through pricing and our underwriting guidelines, which are modified from time to time when circumstances warrant. We see the market and underwriting conditions, including the pricing environment, as being within our risk-adjusted return appetite enabling us to write new business at attractive returns. Ultimately, we expect our new insurance written with its strong credit profile and attractive pricing to positively contribute to our future profitability and return on equity.

Our portfolio. New insurance written of $53.1 billion in 2023 decreased 20% compared to 2022 primarily due to a smaller private mortgage insurance market in the current year as refinance and purchase originations were impacted by rising interest rates.

Our largest customer accounted for 19% of total NIW and 10% of our total revenues for the year ended December 31, 2023. No other customer accounted for 10% or more of total revenues or NIW for the year ended December 31, 2023. This customer also accounted for 18% and 14% of our total NIW during the years ended December 31, 2022 and 2021, respectively. No customer accounted for more than 10% of our total revenues and no other customer accounted for more than 10% of NIW for the years ended December 31, 2022 or 2021.

Our primary persistency rate increased to 85% during 2023 compared to 80% during 2022. The increase in persistency was primarily driven by a decline in the percentage of our in-force policies with mortgage rates above current mortgage rates. Elevated persistency has continued to offset the decline in new insurance written, leading to an increase in primary insurance in-force of $14.7 billion or 6% since December 31, 2022.

Net earned premiums increased in 2023 compared to 2022 primarily as a result of insurance in-force growth, partially offset by the lapse of older, higher priced policies and a decrease in single premium cancellations. The total number of delinquent loans has declined from the COVID-19 peak in the second quarter of 2020 as forbearance exits continue and new forbearances decline. During this time and consistent with prior years, servicers continued the practice of remitting premiums during the early stages of default, and we refund the post-delinquent premiums to the insured party if the delinquent loan goes to claim. We record a liability and a reduction to net earned premiums for the post-delinquent premiums we expect to refund. The post-delinquent premium liability recorded since the beginning of COVID-19 in the second quarter of 2020 through the fourth quarter of 2023 was not significant to the change in earned premiums for those periods.

Loss experience. Our loss ratio for the year ended December 31, 2023, was 3% as compared to (10)% for the year ended December 31, 2022. Both periods were impacted by favorable reserve adjustments. In 2023, we released $241 million of reserves primarily on delinquencies from prior years, related to favorable cure performance on delinquencies from 2022 and earlier, including a portion of those as a result of COVID-19. During the peak of COVID-19, we experienced elevated new delinquencies subject to forbearance plans. Those delinquencies have continued to cure at levels above our reserve expectations. Another component of the reserve release related to delinquencies from 2022, as uncertainty in the economic environment has not negatively impacted cure performance to the extent initially expected. This compares to 2022, where we recorded $314 million of reserve release primarily related to cure performance of 2020 delinquencies. Losses during 2022 were also impacted by $46 million of reserve strengthening related to current accident year delinquencies due to uncertainty in the economic environment.

Borrowers who have experienced a financial hardship including, but not limited to, the loss of income due to the closing of a business or the loss of a job, continue to take advantage of available loss mitigation options, including forbearance programs, payment deferral options and other modifications. Loss reserves recorded on these delinquencies have a high degree of estimation due to the level of uncertainty regarding whether delinquencies in forbearance will ultimately cure or result in claim payments, as well as the timing and severity of those payments.

The severity of loss on loans that do go to claim may be negatively impacted by the extended forbearance and foreclosure timelines, the associated elevated expenses and the higher loan amount of the recent new delinquencies. These negative influences on loss severity could be mitigated, in part, by embedded home price appreciation. For loans insured on or after October 1, 2014, our mortgage insurance policies limit the number of months of unpaid interest and associated expenses that are included in the mortgage insurance claim amount to a maximum of 36 months.

New delinquencies in 2023 increased compared to 2022 primarily due to the aging of large, new books of business. Current period primary delinquencies of 41,617 contributed $265 million of loss expense in 2023. We incurred $171 million of losses from 35,996 current period delinquencies in 2022. In determining the loss expense estimate, considerations were given to recent cure and claim experience and the prevailing and prospective economic conditions. Approximately 13% of our primary new delinquencies in 2023 were subject to a forbearance plan as compared to 21% in 2022. Due to the declining number of new delinquencies in forbearance, we no longer differentiate the expected claim rates applied to new delinquencies in forbearance versus those not in forbearance.

Capital requirements and ratings. EMICO's risk-to-capital ratio under the current regulatory framework as established under North Carolina law and enforced by the NCDOI, EMICO's domestic insurance regulator, was approximately 11.6:1 as of December 31, 2023 and 12.9:1 as of December 31, 2022. EMICO's risk-to-capital ratio remains below the NCDOI's maximum risk-to-capital ratio of 25:1. North Carolina's calculation of risk-to-capital excludes the risk-in-force for delinquent loans given the established loss reserves against all delinquencies. EMICO's ongoing risk-to-capital ratio will depend principally on the magnitude of future losses incurred by EMICO, the effectiveness of ongoing loss mitigation activities, new business volume and profitability, the impact of quota share reinsurance, the amount of policy lapses and the amount of additional capital that is generated or distributed by the business.

Under PMIERs, we are subject to operational and financial requirements that private mortgage insurers must meet in order to remain eligible to insure loans that are purchased by the GSEs. Additionally, in September 2020, subsequent to the issuance of our senior notes due in 2025, the GSEs imposed certain restrictions (the "GSE Restrictions") with respect to capital on our business. In May 2021, in connection with their conditional approval of the then potential partial sale of EHI, the GSEs confirmed the GSE Restrictions would remain in effect until certain conditions ("GSE Conditions") were met. These conditions were met as of December 31, 2022, and Enact is no longer subject to GSE Restrictions and Conditions.

As of December 31, 2023, we had estimated available assets of $5,006 million against $3,119 million net required assets under PMIERs compared to available assets of $5,206 million against $3,156 million net required assets as of December 31, 2022. The sufficiency ratio as of December 31, 2023, was 161% or $1,887 million above the PMIERs requirements, compared to 165% or $2,050 million above the published PMIERs requirements as of December 31, 2022. Our PMIERs required assets benefited from the application of a 0.30 multiplier applied to the risk-based required asset amount factor for certain non-performing loans as defined under PMIERs. The application of the 0.30 multiplier to all eligible delinquencies provided $73 million of benefit to our December 31, 2023, PMIERs required assets compared to $132 million of benefit as of December 31, 2022. These amounts are gross of any incremental reinsurance benefit from the elimination of the 0.30 multiplier. Our PMIERs required assets also benefited from a reinsurance credit of $1,714 million and $1,578 million related to third-party reinsurance as of December 31, 2023, and 2022, respectively.

On February 16, 2023, S&P Global Ratings upgraded the long-term financial strength and issuer credit ratings of EMICO from BBB to BBB+. This rating was further upgraded to A- as of January 8, 2024. Moody's Investors Service also upgraded the insurance financial strength rating of EMICO from Baa1 to A3 on March 1, 2023. On April 25, 2023, Fitch upgraded the insurance financial strength rating of EMICO

from BBB+ to A-. These ratings reflect our continued strong performance including our credit profile, market position, profitability, capital adequacy and financial flexibility.

On August 1, 2023, A.M. Best initiated public ratings of EMICO and Enact Re. Both entities received A- ratings with stable outlooks.

Recent transactions. In May 2023, we contributed $250 million into Enact Re, our wholly owned Bermuda-based subsidiary. Through this contribution, Enact Re was able to participate in the assumption of excess-of-loss reinsurance relating to GSE credit risk transfer and reinsured EMICO's new and existing insurance in-force under quota share reinsurance agreements. We contributed an additional $250 million in November 2023 which will support an increase to the ceding percentage of our previously announced affiliate quota share agreements from 7.5% to 12.5%, along with assumed new insurance written and new business opportunities, including the continued execution of GSE credit risk transfer.

On March 8, 2023, we executed an excess-of-loss reinsurance transaction with a panel of reinsurers, which provides up to $180 million of reinsurance coverage on a portion of current and expected new insurance written for the 2023 book year, effective January 1, 2023.

On June 30, 2023, we executed a quota share reinsurance contract with a panel of reinsurers. Following a 3% increase in our ceding percentage during the fourth quarter of 2023, we cede 16.125% of a portion of NIW written from January 1, 2023, through December 31, 2023.

On November 15, 2023, we obtained $248 million of fully collateralized excess-of-loss reinsurance coverage from Triangle Re 2023-1 Ltd. on a portfolio of existing mortgage insurance policies written from July 1, 2022 through June 30, 2023.

Subsequent to year end, on January 3, 2024, we entered into a quota share reinsurance agreement with a panel of third-party reinsurers. Under the agreement, Enact will cede approximately 21% of a portion of its new insurance written from January 1, 2024, though December 31, 2024.

Subsequent to year end, on January 30, 2024, we executed an excess-of-loss reinsurance transaction with a panel of reinsurers, which provides up to $255 million of reinsurance coverage on a portion of current and expected new insurance written for the 2024 book year, effective January 1, 2024.

Capital returns. On April 26, 2022, our Board of Directors approved the initiation of a dividend program under which the Company intends to pay a quarterly cash dividend, subject to approval by our Board of Directors each quarter. We paid quarterly dividends of $0.14 per share in March of 2023 and May, September and December of 2022. On May 1, 2023, we announced an increase of our quarterly dividend to $0.16 per share which was paid in June, September and December 2023. In February of 2024, we announced our first quarter dividend of $0.16 per share. Future dividend payments are subject to quarterly review and approval by our Board of Directors and Genworth and will be targeted to be paid in the third month of each subsequent quarter. In April and November 2023, our primary mortgage insurance operating company, EMICO, completed distributions to EHI that supported our ability to pay dividends in 2023. We intend to use these proceeds and future EMICO distributions to fund the quarterly dividend as well as to bolster our financial flexibility and potentially return additional capital to shareholders.

In December 2023, we paid a special cash dividend of $113 million, or $0.71 per share.

On August 1, 2023, we announced the authorization of a new share repurchase program which allows for the repurchase of up to an additional $100 million of EHI's common stock. Under the program, share repurchases may be made at our discretion from time to time in open market transactions, privately negotiated transactions, or by other means, including through Rule 10b5-1 trading plans. In conjunction with this authorization, we have entered into an agreement with Genworth Holdings, Inc. to repurchase its EHI shares on a pro rata basis as part of the program. The share repurchase program is not expected to change Genworth's ownership interest in Enact post-completion. We expect the timing and amount of any

future share repurchases will be opportunistic and will depend on a variety of factors, including EHI's share price, capital availability, business and market conditions, regulatory requirements, and debt covenant restrictions. The program does not obligate EHI to acquire any amount of common stock, it may be suspended or terminated at any time at the Company's discretion without prior notice, and it does not have a specified expiration date.

Returning capital to shareholders, balanced with our growth and risk management priorities, remains a key commitment as we look to drive shareholder value through time. Future return of capital will be shaped by our capital prioritization framework: supporting our existing policyholders, growing our mortgage insurance business, funding attractive new business opportunities and returning capital to shareholders. Our total return of capital will also be based on our view of the prevailing and prospective macroeconomic conditions, regulatory landscape and business performance.

Results of Operations and Key Metrics

Results of Operations

The following table sets forth our consolidated results for the periods indicated:

	Year ended December 31,			Increase (decrease) and percentage change		Increase (decrease) and percentage change	
(Amounts in thousands)	**2023**	**2022**	**2021**	**2023 vs. 2022**		**2022 vs. 2021**	
Revenues:							
Premiums	$ 957,075	$ 939,462	$ 974,949	$ 17,613	2 %	$ (35,487)	(4)%
Net investment income	207,369	155,311	141,189	52,058	34 %	14,122	10 %
Net investment gains (losses)	(14,022)	(2,036)	(2,124)	(11,986)	589 %	88	(4)%
Other income	3,264	2,309	3,841	955	41 %	(1,532)	(40)%
Total revenues	**1,153,686**	**1,095,046**	**1,117,855**	**58,640**	5 %	**(22,809)**	(2)%
Losses and expenses:							
Losses incurred	27,165	(94,221)	125,473	121,386	(129)%	(219,694)	(175)%
Acquisition and operating expenses, net of deferrals	212,491	226,941	231,453	(14,450)	(6)%	(4,512)	(2)%
Amortization of deferred acquisition costs and intangibles	10,654	12,405	14,704	(1,751)	(14)%	(2,299)	(16)%
Interest expense	51,867	51,699	51,009	168	— %	690	1 %
Total losses and expenses	**302,177**	**196,824**	**422,639**	**105,353**	54 %	**(225,815)**	(53)%
Income before income taxes	851,509	898,222	695,216	(46,713)	(5)%	203,006	29 %
Provision for income taxes	185,998	194,065	148,531	(8,067)	(4)%	45,534	31 %
Net income	**$ 665,511**	**$ 704,157**	**$ 546,685**	**$ (38,646)**	(5)%	**$ 157,472**	29 %
Loss ratio [1]	3 %	(10)%	13 %				
Expense ratio [2]	23 %	25 %	25 %				
Earned premium rate [3]	0.37 %	0.40 %	0.45 %				

(1) Loss ratio is calculated by dividing losses incurred by net earned premiums.
(2) Expense ratio is calculated by dividing acquisition and operating expenses, net of deferrals, plus amortization of DAC and intangibles by net earned premiums.
(3) Net earned premium rate is calculated by dividing earned premium by average primary IIF.

Detailed discussions of our consolidated results of operations for the year ended December 31, 2021, including the year-over-year comparisons between 2022 and 2021, that are not included in this Annual Report on Form 10-K can be found in Item 7 in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on February 28, 2023.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Revenues

Premiums increased mainly attributable to higher average IIF. This was partially offset by lapse of our in-force portfolio as older, higher priced policies lapsed, lower single premium cancellations and higher ceded premium. Earned premium rate decreased as a result of this lapse of higher priced policies and lower single premium cancellations.

Net investment income increased primarily due to higher investment yields due to interest rate increases during 2023 coupled with higher average invested assets.

Net investment losses during 2023 were primarily driven by the sale of fixed maturity securities as part of an investment strategy designed to optimize yield on our portfolio over time. Net investment losses in the prior year were largely from net realized losses from the sale of fixed maturity securities.

Other income includes underwriting fee revenue, equity method investment income and other revenue.

Losses and expenses

Losses incurred in 2023 and 2022 were impacted by favorable reserve adjustments. During 2023, we released reserves of $241 million primarily due to better than expected cure experience on delinquencies from 2022 and earlier, including a portion of those related to the emergence of COVID-19. A component of the reserve release also related to delinquencies from 2022, as uncertainty in the economic environment has not negatively impacted cure performance to the extent initially expected. During 2022, we recorded $314 million of reserve releases. Due to uncertainty in the economic environment, we increased the expected claim rate on new delinquencies in 2022 which contributed to reserve strengthening of $46 million on previous quarter delinquencies in 2022.

New primary delinquencies were 41,617 in 2023 compared to 35,996 in 2022, resulting in $265 million and $171 million of losses, respectively.

The following table shows incurred losses related to current and prior accident years for the years ended December 31:

(Amounts in thousands)	2023	2022	2021
Losses and LAE incurred related to current accident year	$ 275,418	$ 219,461	$ 141,225
Losses and LAE incurred related to prior accident years	(248,214)	(313,652)	(15,822)
Total incurred [(1)]	**$ 27,204**	**$ (94,191)**	**$ 125,403**

(1) Excludes run-off business.

Acquisition and operating expenses, net of deferrals, decreased primarily attributable to the impact of our cost reduction initiatives, including the impact from our previously announced renegotiated shared services agreement with Genworth and our voluntary separation program executed in the fourth quarter of 2022.

Amortization of DAC and intangibles declined due to lower DAC amortization as a result of higher persistency, driven by rising mortgage rates.

The expense ratio decreased due to a decline in expenses and premium growth.

Interest expense was relatively flat in the current year and related primarily to our 2025 Senior Notes issued in August 2020. For additional details see Note 7 to our consolidated financial statements.

Provision for income taxes

The effective tax rate was 21.8% and 21.6% for the years ended December 31, 2023 and 2022, respectively, consistent with the United States corporate federal income tax rate.

Use of Non-GAAP Financial Measures

We use a non-U.S. GAAP ("non-GAAP") financial measure entitled "adjusted operating income." This non-GAAP financial measure aligns with the way our business performance is evaluated by both management and our Board of Directors. This measure has been established in order to increase transparency for the purposes of evaluating our core operating trends and enabling more meaningful comparisons with our peers. Although "adjusted operating income" is a non-GAAP financial measure, for the reasons discussed above we believe this measure aids in understanding the underlying performance of our operations. Our senior management, including our chief operating decision maker (who is our Chief Executive Officer), use "adjusted operating income" as the primary measure to evaluate the fundamental financial performance of our business and to allocate resources.

"Adjusted operating income" is defined as U.S. GAAP net income excluding the effects of (i) net investment gains (losses) and (ii) restructuring costs and infrequent or unusual non-operating items.

(i) Net investment gains (losses)—The recognition of realized investment gains or losses can vary significantly across periods as the activity is highly discretionary based on the timing of individual securities sales due to such factors as market opportunities or exposure management. Trends in the profitability of our fundamental operating activities can be more clearly identified without the fluctuations of these realized gains and losses. We do not view them to be indicative of our fundamental operating activities. Therefore, these items are excluded from our calculation of adjusted operating income.

(ii) Restructuring costs and infrequent or unusual non-operating items are also excluded from adjusted operating income if, in our opinion, they are not indicative of overall operating trends.

In reporting non-GAAP measures in the future, we may make other adjustments for expenses and gains we do not consider reflective of core operating performance in a particular period. We may disclose other non-GAAP operating measures if we believe that such a presentation would be helpful for investors to evaluate our operating condition by including additional information.

Adjusted operating income is not a measure of total profitability, and therefore should not be considered in isolation or viewed as a substitute for U.S. GAAP net income. Our definition of adjusted operating income may not be comparable to similarly named measures reported by other companies, including our peers.

Adjustments to reconcile net income to adjusted operating income assume a 21% tax rate (unless otherwise indicated).

The following table includes a reconciliation of net income to adjusted operating income for the years ended December 31:

(Amounts in thousands)	**2023**	**2022**	**2021**
Net income	$ 665,511	$ 704,157	$ 546,685
Adjustments to net income:			
Net investment (gains) losses	14,022	2,036	2,124
Costs associated with reorganization	(131)	3,461	2,744
Taxes on adjustments	(2,917)	(1,155)	(1,022)
Adjusted operating income	**$ 676,485**	**$ 708,499**	**$ 550,531**

We recorded a pre-tax expense of $3.5 million for the year ended December 31, 2022, related to restructuring costs as we evaluated and appropriately sized our organizational needs and expenses.

Adjusted operating income decreased in 2023 compared to 2022 due primarily due to the higher losses in 2023, including a larger reserve release in 2022, partially offset by higher revenues and lower operating expenses during 2023.

Key Metrics

Management reviews the key metrics included within this section when analyzing the performance of our business. The metrics provided in this section are on a direct basis and exclude activity related to our run-off business, which is immaterial to our consolidated results of operations.

The following table sets forth selected operating performance measures on a primary basis as of or for the years ended December 31:

(Dollar amounts in millions)	2023	2022	2021
New insurance written	$53,081	$66,485	$97,004
Primary insurance in-force [(1)]	$262,937	$248,262	$226,514
Primary risk in-force	$67,529	$62,791	$56,881
Persistency rate	85 %	80 %	62 %
Primary policies in-force (count)	974,516	960,306	937,350
Delinquent loans (count)	20,432	19,943	24,820
Delinquency rate	2.10 %	2.08 %	2.65 %

(1) Represents the aggregate unpaid principal balance for loans we insure.

New insurance written

NIW for the year ended December 31, 2023 decreased 20% compared to 2022 primarily due to a smaller private mortgage insurance market as both refinancing and purchase originations were impacted by elevated mortgage rates. We manage the quality of new business through pricing and our underwriting guidelines, which we modify from time to time as circumstances warrant.

The following table presents NIW by product for the years ended December 31:

(Amounts in millions)	2023		2022		2021	
Primary	$ 53,081	100 %	$ 66,485	100 %	$ 97,004	100 %
Pool	—	—	—	—	—	—
Total	**$ 53,081**	**100 %**	**$ 66,485**	**100 %**	**$ 97,004**	**100 %**

The following table presents primary NIW by underlying type of mortgage for the years ended December 31:

(Amounts in millions)	2023		2022		2021	
Purchases	$ 51,723	97 %	$ 63,506	96 %	$ 76,915	79 %
Refinances	1,358	3	2,979	4	20,089	21
Total	**$ 53,081**	**100 %**	**$ 66,485**	**100 %**	**$ 97,004**	**100 %**

The following table presents primary NIW by policy payment type for the years ended December 31:

(Amounts in millions)	2023		2022		2021	
Monthly	$ 51,869	98 %	$ 61,123	92 %	$ 89,115	92 %
Single	1,114	2	5,166	8	7,554	8
Other	98	—	196	—	335	—
Total	**$ 53,081**	**100 %**	**$ 66,485**	**100 %**	**$ 97,004**	**100 %**

We have seen a decline in NIW on single policies as a result of a reduction in the market for single policies driven by higher mortgage rates.

The following table presents primary NIW by FICO score for the years ended December 31:

(Amounts in millions)	2023		2022		2021	
Over 760	$ 24,680	46 %	$ 30,239	45 %	$ 42,391	44 %
740-759	8,994	17	11,264	17	15,067	16
720-739	7,220	14	9,377	14	12,911	13
700-719	5,214	10	6,889	10	11,069	11
680-699	3,652	7	4,535	7	8,457	9
660-679 [1]	2,086	4	2,534	4	4,167	4
640-659	952	2	1,206	2	2,173	2
620-639	268	—	424	1	765	1
<620	15	—	17	—	4	—
Total	**$ 53,081**	**100 %**	**$ 66,485**	**100 %**	**$ 97,004**	**100 %**

[1] Loans with unknown FICO scores are included in the 660-679 category.

LTV ratio is calculated by dividing the original loan amount, excluding financed premium, by the property's acquisition value or fair market value at the time of origination. The following table presents primary NIW by LTV ratio for the years ended December 31:

(Amounts in millions)	2023		2022		2021	
95.01% and above	$ 9,295	18 %	$ 9,487	14 %	$ 12,064	12 %
90.01% to 95.00%	19,861	37	26,008	39	36,597	38
85.01% to 90.00%	17,200	32	20,892	32	30,717	32
85.00% and below	6,725	13	10,098	15	17,626	18
Total	**$ 53,081**	**100 %**	**$ 66,485**	**100 %**	**$ 97,004**	**100 %**

The following table presents primary NIW by DTI ratio for the years ended December 31:

(Amounts in millions)	2023		2022		2021	
45.01% and above	$ 15,600	29 %	$ 16,541	25 %	$ 14,979	15 %
38.01% to 45.00%	18,906	36	23,996	36	32,946	34
38.00% and below	18,575	35	25,948	39	49,079	51
Total	**$ 53,081**	**100 %**	**$ 66,485**	**100 %**	**$ 97,004**	**100 %**

We have continued to see a greater concentration of loans with higher DTI ratios. This is in line with market trends as elevated mortgage rates and recent home price appreciation have put pressure on affordability. We believe the levels are in line with our current risk appetite as we consider layered risk across multiple risk attributes, pricing and our portfolio credit mix.

Insurance in-force and Risk in-force

IIF increased largely from NIW and increased persistency in the current year, partially offset by lapses and cancellations. Primary persistency rate was 85% and 80% for the years ended December 31, 2023 and 2022, respectively. RIF increased primarily as a result of higher IIF.

The following table sets forth IIF and RIF as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
Primary IIF	$ 262,937	100 %	$ 248,262	100 %	$ 226,514	100 %
Pool IIF	436	—	505	—	641	—
Total IIF	**$ 263,373**	**100 %**	**$ 248,767**	**100 %**	**$ 227,155**	**100 %**
Primary RIF	$ 67,529	100 %	$ 62,791	100 %	$ 56,881	100 %
Pool RIF	69	—	79	—	105	—
Total RIF	**$ 67,598**	**100 %**	**$ 62,870**	**100 %**	**$ 56,986**	**100 %**

The following table sets forth primary IIF and primary RIF by origination as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
Purchases IIF	$ 231,526	88 %	$ 207,827	84 %	$ 176,550	78 %
Refinances IIF	31,411	12	40,435	16	49,964	22
Total IIF	**$ 262,937**	**100 %**	**$ 248,262**	**100 %**	**$ 226,514**	**100 %**
Purchases RIF	$ 60,497	90 %	$ 54,165	86 %	$ 46,470	82 %
Refinances RIF	7,032	10	8,626	14	10,411	18
Total RIF	**$ 67,529**	**100 %**	**$ 62,791**	**100 %**	**$ 56,881**	**100 %**

The following table sets forth primary IIF and primary RIF by product as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
Monthly IIF	$ 233,651	89 %	$ 216,831	87 %	$ 194,826	86 %
Single IIF	27,353	10	29,275	12	29,205	13
Other IIF	1,933	1	2,156	1	2,483	1
Total IIF	**$ 262,937**	**100 %**	**$ 248,262**	**100 %**	**$ 226,514**	**100 %**
Monthly RIF	$ 61,083	90 %	$ 55,879	89 %	$ 49,614	87 %
Single RIF	5,957	9	6,370	10	6,658	12
Other RIF	489	1	542	1	609	1
Total RIF	**$ 67,529**	**100 %**	**$ 62,791**	**100 %**	**$ 56,881**	**100 %**

The following table sets forth primary IIF by policy year as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
2008 and prior	$ 5,621	2 %	$ 6,596	3 %	$ 8,196	4 %
2009 to 2015	3,383	1	5,025	2	7,857	3
2016	4,659	2	6,296	2	8,997	4
2017	5,321	2	6,495	3	8,962	4
2018	5,750	2	6,839	3	9,263	4
2019	13,773	5	16,352	7	21,730	10
2020	44,486	17	55,358	22	69,963	31
2021	70,045	27	81,724	33	91,546	40
2022	59,267	23	63,577	25	—	—
2023	50,632	19	—	—	—	—
Total	**$ 262,937**	**100 %**	**$ 248,262**	**100 %**	**$ 226,514**	**100 %**

The following table sets forth primary RIF by policy year as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
2008 and prior	$ 1,449	2 %	$ 1,699	3 %	$ 2,112	4 %
2009 to 2015	881	1	1,341	2	2,101	3
2016	1,248	2	1,681	3	2,388	4
2017	1,403	2	1,708	3	2,324	4
2018	1,476	2	1,736	3	2,330	4
2019	3,544	5	4,143	7	5,454	10
2020	11,697	17	14,158	22	17,574	31
2021	17,846	27	20,418	32	22,598	40
2022	14,907	22	15,907	25	—	—
2023	13,078	20	—	—	—	—
Total	**$ 67,529**	**100 %**	**$ 62,791**	**100 %**	**$ 56,881**	**100 %**

The following table presents the development of primary IIF for the years ended December 31:

(Amounts in millions)	2023	2022	2021
Beginning balance	$ 248,262	$ 226,514	$ 207,947
NIW	53,081	66,485	97,004
Cancellations, principal repayments and other reductions [(1)]	(38,406)	(44,737)	(78,437)
Ending balance	**$ 262,937**	**$ 248,262**	**$ 226,514**

(1) Includes the estimated amortization of unpaid principal balance of covered loans.

The following table sets forth primary IIF by LTV ratio at origination as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
95.01% and above	$ 44,955	17 %	$ 39,509	16 %	$ 35,455	16 %
90.01% to 95.00%	109,227	41	103,618	42	95,149	42
85.01% to 90.00%	77,887	30	72,132	29	64,549	28
85.00% and below	30,868	12	33,003	13	31,361	14
Total	**$ 262,937**	**100 %**	**$ 248,262**	**100 %**	**$ 226,514**	**100 %**

The following table sets forth primary RIF by LTV ratio at origination as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
95.01% and above	$ 12,878	19 %	$ 11,136	18 %	$ 9,907	17 %
90.01% to 95.00%	31,781	47	30,079	48	27,608	49
85.01% to 90.00%	19,163	28	17,621	28	15,644	27
85.00% and below	3,707	6	3,955	6	3,722	7
Total	**$ 67,529**	**100 %**	**$ 62,791**	**100 %**	**$ 56,881**	**100 %**

The following table sets forth primary IIF by FICO score at origination as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
Over 760	$ 110,635	42 %	$ 102,467	41 %	$ 89,982	40 %
740-759	43,053	17	40,097	16	35,874	16
720-739	37,020	14	34,916	14	31,730	14
700-719	29,766	11	28,867	12	27,359	12
680-699	21,835	8	21,554	9	21,270	9
660-679 [1]	11,357	4	10,926	4	10,549	5
640-659	6,137	3	6,095	3	6,124	3
620-639	2,504	1	2,630	1	2,783	1
<620	630	—	710	—	843	—
Total	**$ 262,937**	**100 %**	**$ 248,262**	**100 %**	**$ 226,514**	**100 %**

(1) Loans with unknown FICO scores are included in the 660-679 category.

The following table sets forth primary RIF by FICO score at origination as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
Over 760	$ 28,363	42 %	$ 25,807	41 %	$ 22,489	40 %
740-759	11,096	17	10,154	16	9,009	16
720-739	9,621	14	8,931	14	8,055	14
700-719	7,623	11	7,317	12	6,907	12
680-699	5,557	8	5,428	9	5,334	9
660-679 [1]	2,908	4	2,767	5	2,638	5
640-659	1,565	3	1,540	2	1,530	3
620-639	635	1	665	1	702	1
<620	161	—	182	—	217	—
Total	**$ 67,529**	**100 %**	**$ 62,791**	**100 %**	**$ 56,881**	**100 %**

(1) Loans with unknown FICO scores are included in the 660-679 category.

The following table sets forth primary IIF by DTI score at origination as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
45.01% and above	$ 53,440	20 %	$ 43,831	18 %	$ 34,076	15 %
38.01% to 45.00%	93,871	36	87,816	35	79,147	35
38.00% and below	115,626	44	116,615	47	113,291	50
Total	**$ 262,937**	**100 %**	**$ 248,262**	**100 %**	**$ 226,514**	**100 %**

The following table sets forth primary RIF by DTI score at origination as of the dates indicated:

(Amounts in millions)	December 31, 2023		December 31, 2022		December 31, 2021	
45.01% and above	$ 13,830	20 %	$ 11,176	18 %	$ 8,631	15 %
38.01% to 45.00%	24,072	36	22,268	35	19,974	35
38.00% and below	29,627	44	29,347	47	28,276	50
Total	**$ 67,529**	**100 %**	**$ 62,791**	**100 %**	**$ 56,881**	**100 %**

Delinquent loans and claims

Our delinquency management process begins with notification by the loan servicer of a delinquency on an insured loan. “Delinquency” is defined in our master policies as the borrower’s failure to pay when due an amount equal to the scheduled monthly mortgage payment under the terms of the mortgage. Generally, our master policies require an insured to notify us of a delinquency if the borrower fails to make two consecutive monthly mortgage payments prior to the due date of the next mortgage payment. We generally consider a loan to be delinquent and establish required reserves after the insured notifies us that the borrower has failed to make two scheduled mortgage payments. Borrowers default for a variety of reasons, including a reduction of income, unemployment, divorce, illness/death, inability to manage credit, falling home prices and interest rate levels. Borrowers may cure delinquencies by making all of the delinquent loan payments, agreeing to a loan modification, or by selling the property in full satisfaction of all amounts due under the mortgage. In most cases, delinquencies that are not cured result in a claim under our policy.

The following table shows a roll forward of the number of primary loans in default for the years ended December 31:

(Loan count)	2023	2022	2021
Number of delinquencies, beginning of period	19,943	24,820	44,904
New defaults	41,617	35,996	32,624
Cures	(40,475)	(40,278)	(51,626)
Claims paid	(615)	(574)	(1,050)
Rescissions and claim denials	(38)	(21)	(32)
Number of delinquencies, end of period	**20,432**	**19,943**	**24,820**

The following table sets forth changes in our direct primary case loss reserves for the years ended December 31:

(Amounts in thousands) [(1)]	2023	2022	2021
Loss reserves, beginning of period	$ 479,343	$ 606,102	$ 516,863
Claims paid	(23,357)	(28,123)	(32,816)
Increase in reserves	20,723	(98,636)	122,055
Loss reserves, end of period	**$ 476,709**	**$ 479,343**	**$ 606,102**

(1) Direct primary case reserves exclude LAE, pool, IBNR and reinsurance reserves.

The following tables set forth primary delinquencies, direct primary case reserves and RIF by aged missed payment status as of the dates indicated:

	December 31, 2023			
(Dollar amounts in millions)	Delinquencies	Direct primary case reserves [(1)]	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	10,166	$ 88	$ 629	14 %
4 - 11 payments	6,934	205	469	44 %
12 payments or more	3,332	184	200	92 %
Total	**20,432**	**$ 477**	**$ 1,298**	37 %

	December 31, 2022			
(Dollar amounts in millions)	Delinquencies	Direct primary case reserves [(1)]	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	8,920	$ 69	$ 509	14 %
4 - 11 payments	6,466	166	390	43 %
12 payments or more	4,557	244	248	98 %
Total	**19,943**	**$ 479**	**$ 1,147**	42 %

(1) Direct primary case reserves exclude LAE, pool, IBNR and reinsurance reserves.

(Dollar amounts in millions)	December 31, 2021			
	Delinquencies	Direct primary case reserves [1]	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	6,586	$ 35	$ 340	10 %
4 - 11 payments	7,360	111	426	26 %
12 payments or more	10,874	460	643	72 %
Total	**24,820**	**$ 606**	**$ 1,409**	43 %

(1) Direct primary case reserves exclude LAE, pool, IBNR and reinsurance reserves.

The total reserves as a percentage of RIF declined as of December 31, 2023, compared to December 31, 2022 as long-term delinquencies with higher reserves have continued to cure. The number of loans that are delinquent for 12 months or more has decreased to be more in line with pre-COVID-19 levels. Due to continued forbearance options, foreclosure moratoriums and the uncertainty around the lack of progression through the foreclosure process there is still uncertainty around the likelihood and timing of delinquencies going to claim.

The ratio of the claim paid to the current risk in-force for a loan is referred to as “claim severity.” The current risk in-force is equal to the unpaid principal amount multiplied by the coverage percentage. The main determinants of claim severity are the age of the mortgage loan, the value of the underlying property, accrued interest on the loan, expenses advanced by the insured and foreclosure expenses. These amounts depend partly upon the time required to complete foreclosure, which varies depending upon state laws. Pre-foreclosure sales, acquisitions and other early workout and claim administration actions help to reduce overall claim severity. Our average primary mortgage insurance claim severity was 97%, 94% and 103% for the years ended December 31, 2023, 2022 and 2021, respectively. The 2023 average claim severity was impacted by low claim volumes and lifetime home price appreciation. These figures do not include the effects of agreements on non-performing loans.

Primary insurance delinquency rates differ from region to region in the United States at any one time depending upon economic conditions and cyclical growth patterns. Delinquency rates are shown by region based upon the location of the underlying property, rather than the location of the lender. The table

below sets forth our primary delinquency rates for the ten largest states by our primary RIF as of December 31, 2023:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By state:			
California	13 %	12 %	2.22 %
Texas	8	8	2.22 %
Florida [(1)]	8	9	2.39 %
New York [(1)]	5	12	3.05 %
Illinois [(1)]	4	6	2.61 %
Arizona	4	3	1.93 %
Michigan	4	3	1.94 %
Georgia	3	3	2.23 %
North Carolina	3	2	1.56 %
Washington	3	2	1.77 %
All other states [(2)]	45	40	1.93 %
Total	**100 %**	**100 %**	**2.10 %**

(1) Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.
(2) Includes the District of Columbia.

The table below sets forth our primary delinquency rates for the ten largest states by our primary RIF as of December 31, 2022:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By state:			
California	12 %	10 %	2.09 %
Texas	8	7	2.12 %
Florida [1]	8	8	2.54 %
New York [1]	5	13	2.95 %
Illinois [1]	5	6	2.54 %
Arizona	4	2	1.78 %
Michigan	4	3	1.79 %
North Carolina	3	3	1.59 %
Georgia	3	3	2.23 %
Washington	3	3	1.92 %
All other states [2]	45	42	1.94 %
Total	**100 %**	**100 %**	**2.08 %**

(1) Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.
(2) Includes the District of Columbia.

The table below sets forth our primary delinquency rates for the ten largest states by our primary RIF as of December 31, 2021:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By state:			
California	11 %	12 %	3.17 %
Texas	8	8	2.89 %
Florida [1]	7	9	2.97 %
New York [1]	5	12	3.80 %
Illinois [1]	5	6	3.09 %
Michigan	4	2	1.87 %
Arizona	4	2	2.31 %
North Carolina	3	2	2.18 %
Pennsylvania [1]	3	3	2.38 %
Washington	3	3	2.98 %
All other states [2]	47	41	2.46 %
Total	**100 %**	**100 %**	**2.65 %**

(1) Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.
(2) Includes the District of Columbia.

The table below sets forth our primary delinquency rates for the ten largest MSAs or MDs by our primary RIF as of December 31, 2023:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By MSA or MD:			
Phoenix, AZ MSA	3 %	2 %	2.01 %
Chicago-Naperville, IL MD	3	4	2.88 %
Atlanta, GA MSA	3	3	2.40 %
New York, NY MD	2	7	3.60 %
Washington-Arlington, DC MD	2	2	2.01 %
Houston, TX MSA	2	3	2.67 %
Los Angeles-Long Beach, CA MD	2	2	2.39 %
Dallas, TX MD	2	2	1.92 %
Riverside-San Bernardino, CA MSA	2	3	2.83 %
Denver-Aurora-Lakewood, CO MSA	2	1	1.12 %
All Other MSAs/MDs	77	71	2.01 %
Total	**100 %**	**100 %**	**2.10 %**

The table below sets forth our primary delinquency rates for the ten largest MSAs or MDs by our primary RIF as of December 31, 2022:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By MSA or MD:			
Chicago-Naperville, IL MD	3 %	5 %	2.84 %
Phoenix, AZ MSA	3	2	1.83 %
New York, NY MD	3	8	3.75 %
Atlanta, GA MSA	2	3	2.42 %
Washington-Arlington, DC MD	2	2	1.85 %
Houston, TX MSA	2	3	2.60 %
Riverside-San Bernardino, CA MSA	2	2	2.89 %
Los Angeles-Long Beach, CA MD	2	2	2.18 %
Dallas, TX MD	2	1	1.86 %
Denver-Aurora-Lakewood, CO MSA	2	1	1.12 %
All Other MSAs/MDs	77	71	2.00 %
Total	**100 %**	**100 %**	**2.08 %**

The table below sets forth our primary delinquency rates for the ten largest MSAs or MDs by our primary RIF as of December 31, 2021:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By MSA or MD:			
Chicago-Naperville, IL MD	3 %	4 %	3.68 %
Phoenix, AZ MSA	3	2	2.36 %
New York, NY MD	3	8	5.32 %
Atlanta, GA MSA	2	3	3.28 %
Washington-Arlington, DC MD	2	2	2.96 %
Houston, TX MSA	2	3	3.61 %
Riverside-San Bernardino, CA MSA	2	2	3.42 %
Los Angeles-Long Beach, CA MD	2	3	3.95 %
Dallas, TX MD	2	2	2.31 %
Nassau County, NY MD	2	4	5.55 %
All Other MSAs/MDs	77	67	2.44 %
Total	**100 %**	**100 %**	**2.65 %**

The number of delinquencies often does not correlate directly with the number of claims received because delinquencies may cure. The rate at which delinquencies cure is influenced by borrowers' financial resources and circumstances and regional economic differences. Whether a delinquency leads to a claim correlates highly with the borrower's equity at the time of delinquency, as it influences the borrower's willingness to continue to make payments, the borrower's or the insured's ability to sell the home for an amount sufficient to satisfy all amounts due under the mortgage loan, and the borrower's financial ability to continue making payments. When we receive notice of a delinquency, we use our proprietary model to determine whether a delinquent loan is a candidate for a modification. When our model identifies such a candidate, our loan workout specialists prioritize cases for loss mitigation based upon the likelihood that the loan will result in a claim. Loss mitigation actions include loan modification, extension of credit to bring a loan current, foreclosure forbearance, pre-foreclosure sale and deed-in-lieu. These loss mitigation efforts often are an effective way to reduce our claim exposure and ultimate payouts.

The following table sets forth the dispersion of primary RIF and loss reserves by policy year and delinquency rates as of December 31, 2023:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate	Cumulative delinquency rate [(1)]
Policy year:				
2008 and prior	2 %	18 %	8.61 %	5.56 %
2009-2015	1	4	4.55 %	0.63 %
2016	2	4	3.20 %	0.67 %
2017	2	5	3.59 %	0.87 %
2018	2	6	4.42 %	1.02 %
2019	5	8	2.77 %	0.85 %
2020	17	15	1.70 %	0.90 %
2021	27	21	1.65 %	1.29 %
2022	22	16	1.57 %	1.46 %
2023	20	3	0.47 %	0.46 %
Total portfolio	**100 %**	**100 %**	**2.10 %**	**4.19 %**

(1) Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

The following table sets forth the dispersion of primary RIF and loss reserves by policy year and delinquency rates as of December 31, 2022:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate	Cumulative delinquency rate [(1)]
Policy year:				
2008 and prior	3 %	26 %	9.61 %	5.57 %
2009-2014	1	4	5.01 %	0.69 %
2015	1	3	3.61 %	0.71 %
2016	3	6	3.17 %	0.81 %
2017	3	7	3.78 %	1.01 %
2018	3	9	4.63 %	1.18 %
2019	7	11	2.71 %	0.93 %
2020	22	17	1.47 %	0.92 %
2021	32	14	1.20 %	1.06 %
2022	25	3	0.54 %	0.52 %
Total portfolio	**100 %**	**100 %**	**2.08 %**	**4.26 %**

(1) Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

The following table sets forth the dispersion of primary RIF and loss reserves by policy year and delinquency rates as of December 31, 2021:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate	Cumulative delinquency rate [(1)]
Policy year:				
2008 and prior	3 %	24 %	10.54 %	5.59 %
2009-2013	1	2	5.54 %	0.74 %
2014	1	3	5.51 %	0.99 %
2015	2	5	4.24 %	1.04 %
2016	4	8	3.69 %	1.16 %
2017	4	10	4.78 %	1.56 %
2018	4	13	5.93 %	1.88 %
2019	10	19	3.89 %	1.68 %
2020	31	14	1.50 %	1.14 %
2021	40	2	0.37 %	0.36 %
Total portfolio	**100 %**	**100 %**	**2.65 %**	**4.42 %**

(1) Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

Loss reserves in policy years 2008 and prior are outsized compared to their representation of RIF. The size of these policy years at origination, particularly 2005 through 2008, combined with the significant decline in home prices led to significant losses in policy years prior to 2009. Although uncertainty remains with respect to the ultimate losses we will experience on these policy years, they have become a smaller percentage of our total mortgage insurance portfolio. Loss reserves have shifted to newer book years in line with changes in RIF. As of December 31, 2023, our 2016 and newer policy years represented approximately 97% of our primary RIF and 78% of our total direct primary case reserves.

Investment Portfolio

Our investment portfolio is affected by factors described below, each of which in turn may be affected by current macroeconomic conditions as noted above in "—Trends and Conditions." The investment portfolios of our insurance subsidiaries are directed by the Enact Investment Committee, a management-level committee, with Genworth serving as the investment manager. The investment portfolio of EHI is directed by a separate management-level EHI Investment Committee with a third-party investment manager. These parties, with oversight from our Board of Directors and our senior management team, are responsible for the execution of our investment strategy. Our investment portfolio is an important component of our consolidated financial results and represents our primary source of claims paying resources. Our investment portfolio primarily consists of a diverse mix of highly rated fixed maturity securities and is designed to achieve the following objectives:

- Meet policyholder obligations through maintenance of sufficient liquidity;
- Preserve capital;
- Generate investment income;
- Maximize statutory capital; and
- Increase shareholder value, among other objectives.

To achieve our portfolio objectives, our investment strategy focuses primarily on:

- Our business outlook, including current and expected future investment conditions;
- Investments selection based on fundamental, research-driven strategies;
- Diversification across a mix of fixed income, low-volatility investments while actively pursuing strategies to enhance yield;
- Regular evaluation and optimization of our asset class mix;
- Continuous monitoring of investment quality, duration and liquidity;
- Regulatory capital requirements; and
- Restriction of investments correlated to the residential mortgage market.

Fixed Maturity Securities Available-for-Sale

The following table presents the fair value of our fixed maturity securities available-for-sale as of the dates indicated:

(Amounts in thousands)	December 31, 2023		December 31, 2022		December 31, 2021	
	Fair value	% of total	Fair value	% of total	Fair value	% of total
U.S. government, agencies and GSEs	$ 195,129	3.7 %	$ 44,769	0.9 %	$ 58,408	1.1 %
State and political subdivisions	438,214	8.3	419,856	8.6	538,453	10.2
Non-U.S. government	11,467	0.2	9,349	0.2	22,416	0.4
U.S. corporate	2,723,730	51.8	2,646,863	54.2	2,945,303	55.9
Non-U.S. corporate	689,663	13.1	652,844	13.4	666,594	12.7
Residential mortgage-backed	10,755	0.2	11,043	0.2	—	—
Other asset-backed	1,197,183	22.7	1,100,036	22.5	1,035,165	19.7
Total available-for-sale fixed maturity securities	**$ 5,266,141**	**100.0 %**	**$ 4,884,760**	**100.0 %**	**$ 5,266,339**	**100.0 %**

Our investment portfolio did not include any direct residential real estate or whole mortgage loans as of December 31, 2023, December 31, 2022 or December 31, 2021. We have no derivative financial instruments in our investment portfolio.

As of December 31, 2023, 2022 and 2021, 98%, 98% and 97% of our investment portfolio was rated investment grade, respectively. The following table presents the security ratings of our fixed maturity securities as of the dates indicated:

	December 31, 2023	December 31, 2022	December 31, 2021
AAA	10 %	10 %	9 %
AA	20	16	17
A	33	34	34
BBB	35	38	37
BB & below	2	2	3
Total	**100 %**	**100 %**	**100 %**

The table below presents the effective duration and investment yield on our investments available-for-sale, excluding cash and cash equivalents:

	December 31, 2023	December 31, 2022	December 31, 2021
Duration (in years)	3.5	3.6	3.9
Pre-tax yield (% of average investment portfolio assets)	3.6 %	3.1 %	2.7 %

We manage credit risk by analyzing issuers, transaction structures and any associated collateral. We also manage credit risk through country, industry, sector and issuer diversification and prudent asset allocation practices.

We primarily mitigate interest rate risk by employing a buy and hold investment philosophy that seeks to match fixed income maturities with expected liability cash flows in modestly adverse economic scenarios.

Liquidity and Capital Resources

Cash Flows

The following table summarizes our consolidated cash flows for the years ended December 31:

(Amounts in thousands)	2023	2022	2021
Net cash provided by (used in):			
Operating activities	$ 632,038	$ 560,510	$ 572,110
Investing activities	(229,404)	(220,255)	(398,782)
Financing activities	(300,726)	(252,308)	(200,294)
Net increase (decrease) in cash and cash equivalents	**$ 101,908**	**$ 87,947**	**$ (26,966)**

Our most significant source of operating cash flows is from premiums received from our insurance policies, while our most significant uses of operating cash flows are generally for claims paid on our insured policies and our operating expenses. Net cash from operating activities increased largely due higher net investment income and lower expenses. Cash flows from operations were also impacted by changes in unearned premiums, net investment losses and stock-based compensation expense.

Investing activities are primarily related to purchases, sales and maturities of our investment portfolio. We had cash outflows from investing activities as a result of continued fixed maturity security purchases driven by premium growth and lower losses paid.

Financing activities in 2023 included dividends paid of $213 million and share repurchases of $88 million. The amount and timing of future dividends is discussed within "—Trends and Conditions" as well as below. During 2022, our cash flows from financing activities included dividends paid of $251 million and share repurchases of $2 million.

Capital Resources and Financing Activities

We issued our 2025 Senior Notes in 2020 with interest payable semi-annually in arrears on February 15 and August 15 of each year. The 2025 Senior Notes mature on August 15, 2025. We may redeem the 2025 Senior Notes, in whole or in part, at any time prior to February 15, 2025 at our option, by paying a make-whole premium, plus accrued and unpaid interest, if any. At any time on or after February 15, 2025, we may redeem the 2025 Senior Notes, in whole or in part, at our option, at 100% of the principal amount, plus accrued and unpaid interest. The 2025 Senior Notes contain customary events of default, which subject to certain notice and cure conditions, can result in the acceleration of the principal and accrued interest on the outstanding 2025 Senior Notes if we breach the terms of the indenture.

On June 30, 2022, we entered into a credit agreement with a syndicate of lenders that provides for a five-year, unsecured revolving credit facility (the "Facility") in the initial aggregate principal amount of $200 million. We may use borrowings under the Facility for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility contains several covenants, including financial covenants relating to minimum net worth, capital and liquidity levels, maximum debt to capitalization level and PMIERs compliance. We are in compliance with all covenants of the Facility and the Facility remained undrawn through December 31, 2023.

We continually evaluate opportunities based upon market conditions to further increase our financial flexibility including through raising additional capital, restructuring or refinancing some or all of our outstanding debt or pursuing other options such as reinsurance or credit risk transfer transactions. There can be no guarantee that any such opportunities will be available on favorable terms or at all.

Restrictions on the Payment of Dividends

The ability of our regulated insurance operating subsidiaries to pay dividends and distributions to us is restricted by certain provisions of North Carolina insurance laws. Our insurance subsidiaries may pay dividends only from unassigned surplus; payments made from sources other than unassigned surplus, such as paid-in and contributed surplus, are categorized as distributions. Notice of all dividends must be submitted to the Commissioner of the NCDOI (the "Commissioner") within 5 business days after declaration of the dividend, and at least 30 days before payment thereof. No dividend may be paid until 30 days after the Commissioner has received notice of the declaration thereof and (i) has not within that period disapproved the payment or (ii) has approved the payment within the 30-day period. Any distribution, regardless of amount, requires that same 30-day notice to the Commissioner, but also requires the Commissioner's affirmative approval before being paid. Based on our estimated statutory results and in accordance with applicable dividend restrictions, our insurance subsidiaries have the capacity to pay dividends of $336 million from unassigned surplus as of December 31, 2023, with 30-day advance notice to the Commissioner of the intent to pay. In addition to dividends and distributions, alternative mechanisms, such as share repurchases, subject to any requisite regulatory approvals, may be utilized from time to time to upstream surplus.

Another consideration in the development of the dividend strategies for our regulated insurance operating subsidiaries is our expected level of compliance with PMIERs. Prior to the satisfaction of the GSE Conditions, the GSE Restrictions also required EMICO to maintain 120% of PMIERs Minimum Required Assets through 2022, and 125% thereafter. Beginning in 2023, we are no longer subject to the GSE Restrictions and Conditions. In addition, under PMIERs, EMICO is subject to other operational and financial requirements that approved insurers must meet in order to remain eligible to insure loans purchased by the GSEs.

In addition, we review multiple other considerations in parallel to determine a prospective dividend strategy for our regulated insurance operating subsidiaries. Given the regulatory focus on the reasonableness of an insurer's surplus in relation to its outstanding liabilities and the adequacy of its surplus relative to its financial needs for any dividend, our insurance subsidiaries consider the minimum amount of policyholder surplus after giving effect to any contemplated future dividends. Regulatory minimum policyholder surplus is not codified in North Carolina law and limitations may vary based on prevailing business conditions including, but not limited to, the prevailing and future macroeconomic conditions. We estimate regulators would require a minimum policyholder surplus of approximately $300 million to meet their threshold standard. Given (i) we are subject to statutory accounting requirements that establish a contingency reserve of at least 50% of net earned premiums annually for ten years, after which time it is released into policyholder surplus and (ii) that no material 10-year contingency reserve releases are scheduled before 2024, we expect modest growth in policyholder surplus through 2024. As a result, minimum policyholder surplus could be a limitation on the future dividends of our regulated operating subsidiaries.

As mentioned above, another consideration in the development of the dividend strategies for our regulated insurance operating subsidiaries is our expected level of compliance with PMIERs. Under PMIERs, EMICO is subject to operational and financial requirements that approved insurers must meet in order to remain eligible to insure loans purchased by the GSEs.

Our regulated insurance operating subsidiaries are also subject to statutory RTC requirements that affect the dividend strategies of our regulated operating subsidiaries. EMICO's domiciliary regulator, the NCDOI, requires the maintenance of a statutory RTC ratio not to exceed 25:1. See "—Risk-to-Capital Ratio" for additional RTC trend analysis.

We consider potential future dividends compared to the prior year statutory net income in the evaluation of dividend strategies for our regulated operating subsidiaries. We also consider the dividend payout ratio, or the ratio of potential future dividends compared to the estimated U.S. GAAP net income, in the evaluation of our dividend strategies. In either case, we do not have prescribed target or maximum thresholds, but we do evaluate the reasonableness of a potential dividend relative to the actual or estimated income generated in the proceeding or preceding calendar year after giving consideration to prevailing business conditions including, but not limited to the prevailing and future macroeconomic conditions. In addition, the dividend strategies of our regulated operating subsidiaries are made in consultation with Genworth.

During 2023, EMICO completed distributions of approximately $158 million and $185 million in April and November, respectively, that supported our ability to pay cash dividends. We intend to use future EMICO distributions to fund the quarterly dividend as well as to bolster our financial flexibility at EHI and return additional capital to shareholders.

The credit agreement entered into in connection with the Facility contains customary restrictions on EHI's ability to pay cash dividends. Under the credit agreement, EHI is permitted to make cash distributions (1) so long as no Default or Event of Default (as each are defined in the credit agreement) has occurred and is continuing and EHI is in pro forma compliance with its financial covenants as described below at the time of and after giving effect to such payment, (2) within 60 days of declaration of any cash dividend so long as the payment was permitted under the credit agreement at the time of such declaration and (3) other customary exceptions as more fully set forth in the credit agreement.

The credit agreement requires EHI to maintain the following financial covenants: a minimum consolidated net worth equal to the sum of (i) 72.5% of EHI's consolidated net worth as of June 30, 2022 ("the Closing Date"), (ii) 50% of EHI's positive consolidated net income for each fiscal quarter after the Closing Date and (iii) 50% of any increase in EHI's consolidated net worth after the Closing Date resulting from equity issuances or capital contributions; in respect of EMICO, a minimum total adjusted capital amount equal to 72.5% of EMICO's total adjusted capital as of the Closing Date; a maximum debt-to-total capitalization ratio of 0.35 to 1.00; a minimum liquidity level of $25,000,000; and compliance with all applicable financial requirements under the Private Mortgage Insurer Eligibility Requirements published by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. For purposes of determining EHI's compliance with the foregoing financial covenants, the consolidated net worth metric, total adjusted capital metric, debt-to-capitalization ratio and liquidity metric (including, in each case, any component thereof) are each calculated as set forth in the credit agreement.

In addition to the restrictions described above, all dividends from EHI are subject to Genworth consent and EHI Board of Directors approval.

Risk-to-Capital Ratio

We compute our RTC ratio on a separate company statutory basis, as well as for our combined insurance operations. The RTC ratio is net RIF divided by policyholders' surplus plus statutory contingency reserve. Our net RIF represents RIF, net of reinsurance ceded, and excludes risk on policies that are currently delinquent and for which loss reserves have been established. Statutory capital consists primarily of statutory policyholders' surplus (which increases as a result of statutory net income and

decreases as a result of statutory net loss and dividends paid), plus the statutory contingency reserve. The statutory contingency reserve is reported as a liability on the statutory balance sheet.

Certain states have insurance laws or regulations that require a mortgage insurer to maintain a minimum amount of statutory capital (including the statutory contingency reserve) relative to its level of RIF in order for the mortgage insurer to continue to write new business. While formulations of minimum capital vary in certain states, the most common measure applied allows for a maximum permitted RTC ratio of 25:1.

The following table presents the calculation of our RTC ratio for our combined insurance subsidiaries as of the dates indicated:

(Dollar amounts in millions)	December 31, 2023	December 31, 2022	December 31, 2021
Statutory policyholders' surplus	$ 1,085	$ 1,136	$ 1,397
Contingency reserves	3,960	3,551	3,042
Combined statutory capital	$ 5,045	$ 4,687	$ 4,439
Adjusted RIF [(1)]	$ 58,277	$ 60,061	$ 54,201
Combined risk-to-capital ratio	11.6	12.8	12.2

(1) Adjusted RIF for purposes of calculating combined statutory RTC differs from RIF presented elsewhere herein. In accordance with NCDOI requirements, adjusted RIF excludes delinquent policies.

The following table presents the calculation of our RTC ratio for our principal insurance company, EMICO, as of the dates indicated:

(Dollar amounts in millions)	December 31, 2023	December 31, 2022	December 31, 2021
Statutory policyholders' surplus	$ 1,026	$ 1,084	$ 1,346
Contingency reserves	3,953	3,548	3,041
Combined statutory capital	$ 4,979	$ 4,632	$ 4,387
Adjusted RIF [(1)]	$ 57,788	$ 59,663	$ 54,033
EMICO risk-to-capital ratio	11.6	12.9	12.3

(1) Adjusted RIF for purposes of calculating EMICO statutory RTC differs from RIF presented elsewhere herein. In accordance with NCDOI requirements, adjusted RIF excludes delinquent policies.

Liquidity

As of December 31, 2023, we maintained liquidity in the form of cash and cash equivalents of $616 million compared to $514 million as of December 31, 2022, and we also held significant levels of investment-grade fixed maturity securities that can be monetized should our cash and cash equivalents be insufficient to meet our obligations.

On June 30, 2022, we entered into a five-year, unsecured revolving credit facility with a syndicate of lenders in the initial aggregate principal amount of $200 million. The Facility matures in June 2027, but under certain conditions EHI may need to repay any outstanding amounts and terminate the Facility earlier than the maturity date. The Facility may be used for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility has remained undrawn through December 31, 2023.

The principal sources of liquidity in our business currently include insurance premiums, net investment income and cash flows from investment sales and maturities. We believe that the operating cash flows generated by our mortgage insurance subsidiary will provide the funds necessary to satisfy our claim payments, operating expenses and taxes in both the short-term and long-term. However, our

subsidiaries are subject to regulatory and other capital restrictions with respect to the payment of dividends. We currently have no material financing commitments, such as lines of credit or guarantees, that are expected to affect our liquidity over the next five years, other than the 2025 Senior Notes and the Facility.

Financial Strength Ratings

Ratings with respect to the financial strength of operating subsidiaries are an important factor in establishing the competitive position of insurance companies. Ratings are important to maintaining public confidence in us and our ability to market our products. Rating organizations review the financial performance and condition of most insurers and provide opinions regarding financial strength, operating performance and ability to meet obligations to policyholders.

The financial strength ratings of our operating companies are not designed to be, and do not serve as, measures of protection or valuation offered to our stockholders. We cannot predict with any certainty the impact to us from any future disruptions in the credit markets or downgrades by one or more of the rating agencies of the financial strength ratings of our insurance company subsidiaries and/or the credit ratings of our holding company as a result of the impact of the COVID-19 pandemic, the ensuing economic uncertainty or otherwise. We also cannot predict the impact on our ratings or future ratings of actions taken with respect to Genworth.

The following EMICO financial strength ratings have been independently assigned by third-party rating organizations and represent our current ratings, which are subject to change.

Name of Agency	Rating	Outlook	Change	Date of Rating
Moody’s Investor Service, Inc.	A3	Stable	Upgrade	March 1, 2023
Fitch Ratings, Inc.	A-	Stable	Upgrade	April 25, 2023
S&P Global Ratings	A-	Stable	Upgrade	January 8, 2024
A.M. Best	A-	Stable	Initial	August 1, 2023

Contractual Obligations and Commitments

We enter into agreements and other relationships with third parties in the ordinary course of our operations. However, we do not believe that our cash flow requirements can be assessed based upon this analysis of these obligations, as the funding of these future cash obligations will be from future cash flows from premiums and investment income. Future cash outflows, whether they are contractual obligations or not, also will vary based upon our future needs. Although some outflows are fixed, others depend on future events. An example of obligations that are fixed include future lease payments. An example of obligations that will vary include insurance liabilities that depend on losses incurred. Refer to Note 7 and Note 12 of our audited consolidated financial statements for discussion of borrowings and commitments in contingencies, respectively.

We continue to hold reserves as of December 31, 2023, related to delinquencies from borrower forbearance programs due to COVID-19. We have seen COVID-19-related delinquencies cure above expectations, but reserves recorded related to borrower forbearance have a high degree of estimation. Therefore, it is possible we could have higher contractual obligations related to these loss reserves if they do not perform as we expect. Refer to Note 5 in our audited consolidated financial statements for discussion of our loss reserves.

Refer to Note 2 in our audited consolidated financial statements for the years ended December 31, 2023, 2022 and 2021, for a discussion of recently adopted and not yet adopted accounting standards.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We own and manage a large investment portfolio of various holdings, types and maturities. Investment income is one of our material sources of revenue and the investment portfolio represents the primary resource supporting operational and claim payments. The assets within the investment portfolio are exposed to the same factors that affect overall financial market performance. While our investment portfolio is exposed to factors affecting markets worldwide, it is most sensitive to fluctuations in the drivers of United States markets.

We manage market risk via our defined investment policy guidelines implemented by our investment managers with oversight from our Board of Directors and our senior management. Important drivers of our market risk exposure that we monitor and manage include but are not limited to:

- *Changes to the level of interest rates*. Increasing interest rates may reduce the value of certain fixed-rate bonds held in the investment portfolio. Higher rates may cause variable-rate assets to generate additional income. Decreasing rates will have the reverse impact. Significant changes in interest rates can also affect persistency and claim rates that may require that the investment portfolio be restructured to better align it with future liabilities and claim payments. Such restructuring may cause investments to be liquidated when market conditions are adverse.

- *Changes to the term structure of interest rates*. Rising or falling rates typically change by different amounts along the yield curve. These changes may have unforeseen impacts on the value of certain assets.

- *Market volatility/changes in the real or perceived credit quality of investments*. Deterioration in the quality of investments, identified through changes to our own or third-party (e.g., rating agency) assessments, will reduce the value and potentially the liquidity of investments.

- *Concentration risk*. If the investment portfolio is highly concentrated in one asset, or in multiple assets whose values are highly correlated, the value of the total portfolio may be greatly affected by the change in value of just one asset or a group of highly correlated assets.

- *Prepayment risk*. Bonds may have call provisions that permit debtors to repay prior to maturity when it is to their advantage. This typically occurs when rates fall below the interest rate of the debt.

Market risk is measured for all investment assets at the individual security level. Market risks that are not fully captured by the quantitative analysis and material market risk changes that occur from the last reporting period to the current are discussed in “—Trends and conditions” and “—Investment Portfolio” in “Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

As of December 31, 2023, the effective duration of our investments available-for-sale was 3.5 years, which means that an instantaneous parallel shift (movement up or down) in the yield curve of 100 basis points would result in a change of 3.5% in fair value of our investments available-for-sale.

Item 8. Financial Statements and Supplementary Data

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors

Enact Holdings, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Enact Holdings, Inc. and subsidiaries (the Company) as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2023, and the related notes and financial statement schedules I to II (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 29, 2024 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Loss reserves

As described in Notes 2 and 5 to the consolidated financial statements, the Company estimates the liabilities for losses on insured mortgage loans (loss reserves) by estimating the number of loans in their inventory of delinquent loans that will result in a claim payment, which is referred to as the claim

rate, and further estimating the amount of the claim payment, which is referred to as claim severity. The estimates are determined using a factor-based approach, in which assumptions of claim rates for loans in default and the average amount paid for loans that result in a claim are calculated using traditional actuarial techniques. The Company's loss reserves were $518 million as of December 31, 2023.

We identified the assessment of the valuation of loss reserves to be a critical audit matter. The claim severity and claim rate assumptions used to develop reserves were inherently uncertain and involved significant management judgment, which required especially subjective auditor judgment. Additionally, the audit effort to assess the valuation of loss reserves required the involvement of professionals with specialized knowledge and experience.

The following are the primary procedures we performed to address the critical audit matter. We evaluated, with the assistance of actuarial professionals, the design and tested the operating effectiveness of certain internal controls related to the valuation of loss reserves. This included controls related to the review and approval of the claim severity and claim rate reserve factors used in the estimate for loss reserves. We involved actuarial professionals with specialized knowledge and experience, who assisted in:

- Assessing the Company's reserving methodology by comparing to accepted actuarial methodologies; and
- Developing an independent estimate and range for a portion of the loss reserves, using the Company's underlying historical claims and delinquency data and independently developed models and assumptions and assessing the position in the range and the year-over-year movements of the Company's recorded loss reserves within the developed independent range.

/s/ KPMG LLP

We have served as the Company's auditor since 1989.

Raleigh, North Carolina

February 29, 2024

ENACT HOLDINGS, INC.

CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except per share amounts)	December 31, 2023	December 31, 2022
Assets		
Fixed maturity securities available-for-sale, at fair value (amortized cost $5,559,886 and $5,371,673 as of December 31, 2023 and 2022, respectively)	$ 5,266,141	$ 4,884,760
Short-term investments	20,219	3,047
Total investments	5,286,360	4,887,807
Cash and cash equivalents	615,683	513,775
Accrued investment income	41,559	35,844
Deferred acquisition costs	25,006	26,121
Premiums receivable	45,070	41,738
Other assets	88,306	76,391
Deferred tax asset	88,489	127,473
Total assets	**$ 6,190,473**	**$ 5,709,149**
Liabilities and equity		
Liabilities:		
Loss reserves	$ 518,191	$ 519,008
Unearned premiums	149,330	202,717
Other liabilities	145,189	143,686
Long-term borrowings	745,416	742,830
Total liabilities	**1,558,126**	**1,608,241**
Equity:		
Common stock, $0.01 par value; 600,000 shares authorized; 159,344 and 162,779 shares issued and outstanding as of December 31, 2023 and 2022, respectively	1,593	1,628
Additional paid-in capital	2,310,891	2,382,068
Accumulated other comprehensive income	(230,400)	(382,744)
Retained earnings	2,550,263	2,099,956
Total equity	**4,632,347**	**4,100,908**
Total liabilities and equity	**$ 6,190,473**	**$ 5,709,149**

See Notes to Consolidated Financial Statements

ENACT HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in thousands, except per share amounts)	Years ended December 31, 2023	2022	2021
Revenues:			
Premiums	$ 957,075	$ 939,462	$ 974,949
Net investment income	207,369	155,311	141,189
Net investment gains (losses)	(14,022)	(2,036)	(2,124)
Other income	3,264	2,309	3,841
Total revenues	**1,153,686**	**1,095,046**	**1,117,855**
Losses and expenses:			
Losses incurred	27,165	(94,221)	125,473
Acquisition and operating expenses, net of deferrals	212,491	226,941	231,453
Amortization of deferred acquisition costs and intangibles	10,654	12,405	14,704
Interest expense	51,867	51,699	51,009
Total losses and expenses	**302,177**	**196,824**	**422,639**
Income before income taxes	**851,509**	**898,222**	**695,216**
Provision for income taxes	185,998	194,065	148,531
Net income	**$ 665,511**	**$ 704,157**	**$ 546,685**
Net income per common share:			
Basic	$ 4.14	$ 4.32	$ 3.36
Diluted	$ 4.11	$ 4.31	$ 3.36
Weighted average common shares outstanding:			
Basic	160,870	162,838	162,840
Diluted	161,847	163,294	162,879

See Notes to Consolidated Financial Statements

ENACT HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years ended December 31,		
(Amounts in thousands)	**2023**	**2022**	**2021**
Net income	$ 665,511	$ 704,157	$ 546,685
Other comprehensive income (loss), net of taxes:			
Net unrealized gains (losses) on securities	152,340	(466,484)	(125,071)
Foreign currency translation	4	159	(7)
Other comprehensive income (loss)	152,344	(466,325)	(125,078)
Total comprehensive income (loss)	**$ 817,855**	**$ 237,832**	**$ 421,607**

See Notes to Consolidated Financial Statements

ENACT HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in thousands)	Common stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance December 31, 2020	**$ 1,628**	**$ 2,368,699**	**$ 208,378**	**$ 1,303,106**	**$ 3,881,811**
Cumulative effect of change in accounting, net of taxes	—	—	281	(281)	—
Comprehensive income:					
Net income	—	—	—	546,685	546,685
Other comprehensive income, net of taxes	—	—	(125,078)	—	(125,078)
Stock-based compensation expense and exercises and other	—	2,259	—	(763)	1,496
Dividends to Genworth	—	—	—	(200,294)	(200,294)
Capital contributions from Genworth	—	903	—	—	903
Balance December 31, 2021	**$ 1,628**	**$ 2,371,861**	**$ 83,581**	**$ 1,648,453**	**$ 4,105,523**
Comprehensive income:					
Net income	—	—	—	704,157	704,157
Other comprehensive income, net of taxes	—	—	(466,325)	—	(466,325)
Repurchase of common stock	—	(1,532)	—	—	(1,532)
Stock-based compensation expense and exercises and other	—	11,739	—	(1,878)	9,861
Dividends	—	—	—	(250,776)	(250,776)
Balance December 31, 2022	**$ 1,628**	**$ 2,382,068**	**$ (382,744)**	**$ 2,099,956**	**$ 4,100,908**
Comprehensive income:					
Net income	—	—	—	665,511	665,511
Other comprehensive income, net of taxes	—	—	152,344	—	152,344
Repurchase of common stock	(36)	(87,726)	—	—	(87,762)
Stock-based compensation expense and exercises and other	1	16,549	—	(2,240)	14,310
Dividends	—	—	—	(212,964)	(212,964)
Balance December 31, 2023	**$ 1,593**	**$ 2,310,891**	**$ (230,400)**	**$ 2,550,263**	**$ 4,632,347**

See Notes to Consolidated Financial Statements

ENACT HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended December 31,		
(Amounts in thousands)	**2023**	**2022**	**2021**
Cash flows from operating activities:			
Net income	$ 665,511	$ 704,157	$ 546,685
Adjustments to reconcile net income to net cash provided by operating activities:			
Net (gains) losses on investments	14,022	2,036	2,124
Amortization of fixed maturity securities discounts and premiums	(6,530)	(3,163)	(8,490)
Amortization of deferred acquisition costs and intangibles	10,654	12,405	14,704
Acquisition costs deferred	(6,109)	(6,678)	(7,266)
Deferred income taxes	(1,832)	(2,298)	(1,424)
Stock-based compensation expense	15,279	9,883	1,496
Amortization of debt issuance costs	2,586	2,414	2,254
Other	—	(21)	907
Change in certain assets and liabilities:			
Accrued investment income	(5,715)	(4,783)	(1,851)
Premiums receivable	(3,332)	528	4,198
Other assets	1,214	(2,297)	(7,319)
Loss reserves	(817)	(122,317)	85,646
Unearned premiums	(53,387)	(43,602)	(60,626)
Other liabilities	494	14,246	1,072
Net cash provided by operating activities	**632,038**	**560,510**	**572,110**
Cash flows from investing activities:			
Purchases of fixed maturity securities available-for-sale	(1,018,406)	(1,216,234)	(1,583,244)
Purchase of equity interest	—	(6,516)	(27,304)
Proceeds from sales of fixed maturity securities available-for-sale	423,373	534,730	498,811
Maturities of fixed maturity securities available-for-sale	396,207	470,842	712,955
Change in short-term investments	(16,651)	(3,077)	—
Other	(13,927)	—	—
Net cash used in investing activities	**(229,404)**	**(220,255)**	**(398,782)**
Cash flows from financing activities:			
Repurchase of common stock	(87,762)	(1,532)	—
Dividends paid	(212,964)	(250,776)	(200,294)
Net cash used in financing activities	**(300,726)**	**(252,308)**	**(200,294)**
Net increase (decrease) in cash and cash equivalents	101,908	87,947	(26,966)
Cash and cash equivalents at beginning of year	513,775	425,828	452,794
Cash and cash equivalents at end of year	**$ 615,683**	**$ 513,775**	**$ 425,828**
Supplementary disclosure of cash flow information:			
Income taxes paid	$ 181,972	$ 186,152	$ 145,951
Interest paid	$ 49,177	$ 49,090	$ 47,938

See Notes to Consolidated Financial Statements

(1) Nature of business and organization structure

Nature of Business

Enact Holdings, Inc. ("EHI," together with its subsidiaries, the "Company," "we," "us," or "our") (formerly known as Genworth Mortgage Holdings, Inc.) was a wholly owned subsidiary of Genworth Financial, Inc. ("Genworth") since EHI's incorporation in Delaware in 2012. On May 3, 2021, EHI amended its certificate of incorporation to change its name from Genworth Mortgage Holdings, Inc. This amendment also authorized EHI to issue 600,000,000 shares of common stock, each having a par value of $0.01 per share. Concurrently, we entered into a share exchange agreement with Genworth Holdings, Inc. ("Genworth Holdings"), pursuant to which Genworth Holdings exchanged the 100 shares of our common stock owned by it, representing all of our issued and outstanding capital stock, for 162,840,000 newly issued shares of common stock, par value $0.01, of EHI. All of the share and per share information presented in the consolidated financial statements, notes to the consolidated financial statements and supplemental schedules to the financial statements has been adjusted to reflect the share exchange on a retroactive basis for all periods and as of all dates presented.

We are engaged in the business of writing and assuming residential mortgage guaranty insurance. The insurance protects lenders and investors against certain losses resulting from nonpayment of loans secured by mortgages, deeds of trust, or other instruments constituting a lien on residential real estate.

On September 15, 2021, we priced our initial public offering ("IPO") of common stock, which resulted in the issuance and sale of 13,310,400 shares of common stock at the IPO price of $19.00 per common share. All shares were offered by the selling stockholder, our parent company, Genworth Holdings. In addition to the shares sold in the IPO, 14,655,600 common shares were sold in a concurrent private sale ("Private Sale") at a price per share of $17.86, which is equal to the IPO price less the underwriting discount share. Genworth Holdings also granted the underwriters a 30-day option to purchase up to an additional 1,996,560 common shares ("Over-Allotment Option") at the IPO price less the underwriting discount. On September 16, 2021, the underwriters exercised their option to purchase all 1,996,560 common shares permitted under the terms of the underwriting agreement. The IPO, Private Sale and Over-Allotment Option (collectively the "Offering") closed on September 20, 2021, and Genworth Holdings retained all net proceeds from the Offering. The gross proceeds of the Offering, before payment of underwriter fees and other expenses, were approximately $553 million. Costs directly related to the Offering, including underwriting fees and other expenses, were approximately $24 million.

We offer private mortgage insurance products predominantly insuring prime-based, individually underwritten residential mortgage loans ("primary mortgage insurance"). Our primary mortgage insurance enables borrowers to buy homes with a down payment of less than 20% of the home's value. Primary mortgage insurance also facilitates the sale of these low down payment mortgage loans in the secondary mortgage market, most of which are sold to government sponsored enterprises. We also selectively enter into insurance transactions with lenders and investors, under which we insure a portfolio of loans at or after origination.

We operate our business through our primary insurance subsidiary, Enact Mortgage Insurance Corporation, ("EMICO"), formerly known as Genworth Mortgage Insurance Corporation, with operations in all 50 states and the District of Columbia. We completed name changes to some of our subsidiary legal entities, including EMICO, during the first quarter of 2022. EMICO is an approved insurer by the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). Fannie Mae and Freddie Mac are government-sponsored enterprises, and we refer to them collectively as the "GSEs."

We have a broad customer base of mortgage lenders diversified by size, type and geography that includes large money center banks, non-bank lenders, national and local mortgage bankers, community banks and credit unions. Our largest customer accounted for approximately $118 million, or 10% of our

total revenues for the year ended December 31, 2023. No other customer accounted for 10% or more of total revenues for the year ended December 31, 2023 and no customer accounted for 10% or more of total revenues for the years ended December 31, 2022 and 2021.

We also offer mortgage-related insurance and reinsurance through our wholly owned Bermuda-based subsidiary, Enact Re Ltd. ("Enact Re"). We contributed $500 million into Enact Re during 2023. As of December 31, 2023, Enact Re provided excess-of-loss reinsurance relating to GSE risk share and reinsured EMICO’s new and existing insurance in-force under quota share reinsurance agreements.

Additionally, we perform fee-based contract underwriting services for mortgage lenders. The provision of underwriting services by mortgage insurers eliminates the duplicative lender and mortgage insurer underwriting activities and expedites the approval process.

We operate our business in a single segment, which is how our chief operating decision maker (“CODM”), who is our Chief Executive Officer, reviews our financial performance and allocates resources. Our segment includes a run-off insurance block with reference properties in Mexico (“run-off business”), which is immaterial to our consolidated financial statements.

(2) Summary of significant accounting policies

Basis of Presentation

Our consolidated financial statements have been prepared on the basis of United States generally accepted accounting principles (“U.S. GAAP”). Preparing financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from those estimates. Certain prior year amounts have been reclassified to conform to the current year presentation.

Our consolidated financial statements have been prepared on a standalone basis. The consolidated financial statements include the accounts of EHI, its subsidiaries and those entities required to be consolidated under the applicable accounting standards. All intercompany transactions and balances have been eliminated.

The consolidated financial statements include allocations of certain Genworth expenses. The allocated expenses relate to various services that have historically been provided to us by Genworth, including investment management, information technology services and administrative services (such as finance, human resources and employee benefit administration). These allocations were made on a direct usage basis when identifiable, with the remainder allocated on the basis of equity, proportional effort or other relevant measures. Expenses allocated to us are not necessarily representative of the amounts that would have been incurred had we operated independently of Genworth. See Note 11 for further information regarding the allocation of Genworth expenses.

Premiums

For monthly insurance contracts, we report premiums as revenue over the period that coverage is provided. For single premium mortgage insurance contracts, we report premiums over the estimated policy life in accordance with the expected pattern of risk emergence as further described in our accounting policy for unearned premiums. In addition, we refund post-delinquent premiums received to the insured party if the delinquent loan goes to claim. We record a liability for premiums received on the delinquent loans consistent with our expectations of ultimate claim rates.

Net Investment Income and Net Investment Gains and Losses

Investment income is recognized when earned. Income or loss upon call or prepayment of available-for-sale fixed maturity securities is recognized in net investment income, except for hybrid securities where the income or loss upon call is recognized in net investment gains and losses. Investment gains and losses are calculated on the basis of specific identification on the trade date.

Investment income on asset-backed securities is initially based upon yield, cash flow and prepayment assumptions at the date of purchase. Subsequent revisions in those assumptions are recorded using the retrospective or prospective method. Under the retrospective method used for asset-backed securities of high credit quality (ratings equal to or greater than “AA” or that are backed by a U.S. agency) which cannot be contractually prepaid in such a manner that we would not recover a substantial portion of the initial investment, amortized cost of the security is adjusted to the amount that would have existed had the revised assumptions been in place at the date of purchase. The adjustments to amortized cost are recorded as a charge or credit to net investment income. Under the prospective method, which is used for all other asset-backed securities, future cash flows are estimated, and interest income is recognized going forward using the new internal rate of return.

Other Income

Other income primarily includes underwriting fee revenue and other revenue. Underwriting fee revenue is earned for underwriting services provided on a per-unit or per-diem basis, as defined in the underwriting agreements. Underwriting fee revenue is recognized at the point in time when the service obligation is satisfied.

Investments

The investment portfolios of our insurance subsidiaries are managed by Genworth. We conduct the purchases, sales and related investment management decisions with the advice of Genworth. As part of these services, we are charged an investment management fee, as agreed between both parties. These fees are charged to investment expense and are included in net investment income in the consolidated statements of income. Refer to Note 11 for further details. Investments held at EHI are managed by a third party.

Fixed maturity securities classified as available-for-sale are reported in our consolidated balance sheets at fair value. Our portfolio of fixed maturity securities comprises primarily investment grade securities. Changes in the fair value of available-for-sale fixed maturity securities, net of deferred income taxes, are reflected as unrealized investment gains or losses in a separate component of accumulated other comprehensive income (“OCI”).

Allowance for Credit Losses on Available-For-Sale Securities

On January 1, 2021, we adopted new accounting guidance related to accounting for credit losses on financial instruments. The guidance requires entities to recognize an allowance equal to its estimate of lifetime expected credit losses and applies to most debt instruments not measured at fair value.

The guidance retained most of the existing impairment guidance for available-for-sale fixed maturity securities but amends the presentation of credit losses to be presented as an allowance as opposed to a write-down and permits the reversal of credit losses when reassessing changes in the credit losses each reporting period. Available-for-sale fixed maturity securities in an unrealized loss position are evaluated to determine whether the decline in fair value is related to credit losses or other factors. In making this assessment, we consider the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency/agencies and adverse conditions specifically related to the security, among other factors. If a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis, an allowance for credit losses is recorded, limited by the amount that the fair value is less than the amortized cost basis. Estimating the cash flows expected to be collected is a quantitative and qualitative process that incorporates information received from third-party sources along with internal assumptions and judgments. When developing the estimate of cash flows expected to be collected, we utilize an analytical model that provides for various loss scenarios and consider the industry sector, current levels of subordination, geographic location and other relevant characteristics of the security or underlying assets, as well as reasonable and supportable forecasts. Losses are written off against the allowance when

deemed uncollectible or when we intend to sell or expect we will be required to sell a security prior to recovering our amortized cost. We exclude accrued interest related to available-for-sale fixed maturity securities from the estimate of allowance for credit losses. Accrued interest is included in accrued investment income in our condensed consolidated balance sheet. We do not measure an allowance for credit losses related to accrued interest as uncollectible accrued interest related to our available-for-sale fixed maturity securities is written off after 90 days and once collectability is determined to be uncertain and not probable. Amounts written off related to accrued interest are recorded as a credit loss expense included in net investment gains (losses). We adopted the guidance related to our available-for-sale fixed maturity securities using the modified retrospective method, which did not have a significant impact on our consolidated financial statements.

Equity Method Investments

Investments in which we are deemed to exert significant influence, but not control, are accounted for using the equity method of accounting except in cases where the fair value option has been elected. Equity method investments not carried at fair value, which are not material as of December 31, 2023, are recorded in other assets on the consolidated balance sheets with their related income recorded within other income in the consolidated statements of income. See Note 3 for details.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We have fixed maturity securities and short-term investments, which are carried at fair value.

Fair value measurements are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our view of market assumptions in the absence of observable market information. We utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

All assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

- Level 1—Quoted prices for identical instruments in active markets.
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations for which inputs are observable or where those significant value drivers are observable.
- Level 3—Instruments for which significant value drivers are unobservable.

Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as equity securities and actively traded mutual fund investments.

Level 2 includes those financial instruments that are valued using industry-standard pricing methodologies, models or other valuation methodologies. These models are primarily industry-standard models that consider various inputs, such as interest rate, credit spread and foreign exchange rates for the underlying financial instruments. All significant inputs are observable, or derived from observable, information in the marketplace or are supported by observable levels at which transactions are executed in the marketplace. Financial instruments in this category primarily include: certain public and private corporate fixed maturity securities; government or agency securities; and certain asset-backed securities.

Level 3 comprises financial instruments whose fair value is estimated based on industry-standard pricing methodologies and internally developed models utilizing significant inputs not based on, nor corroborated by, readily available market information. In certain instances, this category may also utilize non-binding broker quotes. This category primarily consists of certain less liquid fixed maturity securities where we cannot corroborate the significant valuation inputs with market observable data.

As of each reporting period, all assets and liabilities recorded at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability, such as the relative impact on the fair value as a result of including a particular input. We review the fair value hierarchy classifications each reporting period. Changes in the observability of the valuation attributes may result in a reclassification of certain financial assets or liabilities. Such reclassifications are reported as transfers in and out of Level 3 at the beginning fair value for the reporting period in which the changes occur. See Note 4 for additional information related to fair value measurements.

Cash and Cash Equivalents

Certificates of deposit, money market funds and other highly liquid investments with original maturities of three months or less are considered cash equivalents in the consolidated balance sheets and consolidated statements of cash flows. Items with maturities greater than three months but less than one year at the time of acquisition are generally considered short-term investments.

Accrued Investment Income

Accrued investment income consists primarily of interest earned on available-for-sale securities. Interest is recognized on an accrual basis, and dividends are recorded as earned on the ex-dividend date. Interest income is not recorded on fixed maturity securities in default and fixed maturity securities delinquent more than 90 days or where collection of interest is improbable.

Deferred Acquisition Costs (“DAC”)

Acquisition costs include costs that are directly related to the successful acquisition of new insurance contracts. Acquisition costs are deferred and amortized to the extent they are recoverable from future profits. Acquisition costs primarily consist of underwriting costs and are amortized in proportion to estimated gross profit. Judgment is used in evaluating these estimates and the assumptions upon which they are based. The use of different assumptions may have a significant effect on the amortization of deferred acquisition costs.

Deferred acquisition costs were $25.0 million and $26.1 million as of December 31, 2023 and 2022, respectively. Amortization of DAC was $7.2 million, $7.8 million and $14.7 million for the years ended December 31, 2023, 2022 and 2021, respectively, and was included within amortization of deferred acquisition costs and intangibles in the consolidated statements of income.

Premium Deficiency Reserves (“PDR”)

Premium deficiency reserves are established, if necessary, when the present value of expected future losses and expenses exceeds the present value of expected future premium and already established reserves. The discount rate used in the calculation is based upon our pretax investment yield. We do not utilize anticipated investment income on our assets when evaluating the need for a PDR. The calculation of premium deficiency reserves requires the use of significant judgments and estimates to determine the present value of future premium and present value of expected losses and expenses in our business. The differences between the actual results and our estimates could vary materially. We completed a PDR analysis as of December 31, 2023 and 2022 and determined that no PDR was required.

Reinsurance

Premium revenue, benefits and acquisition and operating expenses, net of deferrals, are reported net of the amounts relating to reinsurance ceded to other companies. The cost of reinsurance is accounted for over the terms of the related treaties using assumptions consistent with those used to account for the underlying reinsured policies. See Note 6 for details.

Loss Reserves

Loss reserves represent the amount needed to provide for the estimated ultimate cost of settling claims relating to insured events that have occurred on or before the end of the respective reporting period. The estimated liability includes requirements for future payments of: (a) losses that have been reported to the insurer; (b) losses related to insured events that have occurred but that have not been reported to the insurer as of the date the liability is estimated; and (c) loss adjustment expenses ("LAE"). Loss adjustment expenses include costs incurred in the claim settlement process such as legal fees and costs to record, process and adjust claims. Consistent with U.S. GAAP and industry accounting practices, we do not establish loss reserves for future claims on insured loans that are not in default or believed to be in default.

Estimates and actuarial assumptions used for establishing loss reserves involve the exercise of significant judgment, and changes in assumptions or deviations of actual experience from assumptions can have material impacts on our loss reserves and net income (loss). Because these assumptions relate to factors that are not known in advance, change over time, are difficult to accurately predict and are inherently uncertain, we cannot determine with precision the ultimate amounts we will pay for actual claims or the timing of those payments. The sources of uncertainty affecting the estimates are numerous and include factors internal and external to us. Internal factors include, but are not limited to, changes in the mix of exposures, loss mitigation activities and claim settlement practices. Significant external influences include changes in home prices, unemployment, government housing policies, state foreclosure timeline, general economic conditions, interest rates, tax policy, credit availability and mortgage products. Small changes in assumptions or small deviations of actual experience from assumptions can have, and in the past have had, material impacts on our reserves, results of operations and financial condition.

We establish reserves to recognize the estimated liability for losses and LAE related to defaults on insured mortgage loans. Loss reserves are established by estimating the number of loans in our inventory of delinquent loans that will result in a claim payment, which is referred to as the claim rate, and further estimating the amount of the claim payment, which is referred to as claim severity. The estimates are determined using a factor-based approach, in which assumptions of claim rates for loans in default and the average amount paid for loans that result in a claim are calculated using traditional actuarial techniques. Over time, as the status of the underlying delinquent loans moves toward foreclosure and the likelihood of the associated claim loss increases, the amount of the loss reserves associated with the potential claims may also increase.

Management monitors actual experience, and where circumstances warrant, will revise its assumptions. Our liability for loss reserves is reviewed regularly, with changes in our estimates of future claims recorded through net income. Estimation of losses are based on historical claim and cure experience and covered exposures and is inherently judgmental. Future developments may result in losses greater or less than the liability for loss reserves provided.

Unearned Premiums

Premiums written on single premium policies and annual premium policies are initially deferred as unearned premium reserve and earned over the policy life. A portion of the revenue from single premium policies is recognized in premiums earned in the current period, and the remaining portion is deferred as unearned premiums and earned over the estimated expiration of risk of the policy. If single premium policies are cancelled and the premium is non-refundable, then the remaining unearned premium related to each cancelled policy is recognized to earned premiums upon notification of the cancellation. For borrower-paid mortgage insurance, coverage ceases at the earlier of prepayment, or when the original principal is amortized to a 78% loan-to-value ratio in accordance with the Homeowners Protection Act of 1998.

We periodically review our premium earnings recognition models with any adjustments to the estimates reflected as a cumulative adjustment on a retrospective basis in current period net income. These reviews include the consideration of recent and projected loss and policy cancellation experience, and adjustments to the estimated earnings patterns are made, if warranted.

Share-Based Compensation

Prior to our IPO, certain of our employees participated in Genworth's incentive plans, under which our employees were granted share-based awards, including stock options. In 2021, we approved an incentive compensation plan that allows EHI to grant share-based awards to its employees and directors.

For grants from both of these plans, compensation expense is recognized based on a grant date fair value, adjusted for expected forfeitures, through the income statement over the respective vesting period of the awards. See Note 10 for additional information related to share-based compensation.

Employee Benefit Plans

Our employees are provided a number of Genworth employee benefits. Genworth, as sponsor of these employee benefit plans, is ultimately responsible for maintenance of these plans in compliance with applicable laws. The plans are accounted for by Genworth in accordance with relevant accounting guidance. We account for these employee benefit plans as multiemployer benefit plans. Accordingly, we do not record an asset or liability to recognize the funded status of the employee benefit plans. Expenses related to employee benefits are included within acquisition and operating expenses, net of deferrals in the consolidated statements of income. See Note 9 for additional information related to employee benefits.

Income Taxes

We determine deferred tax assets and/or liabilities by multiplying the differences between the financial reporting and tax reporting bases for assets and liabilities by the enacted tax rates expected to be in effect when such differences are recovered or settled if there is no change in law. The effect on deferred taxes of a change in tax rates is recognized in net income (loss) in the period that includes the enactment date. Valuation allowances on deferred tax assets are estimated based on our assessment of the realizability of such amounts.

We have elected to participate in a single U.S. consolidated income tax return filing (the "Genworth consolidated return"). All Genworth companies domesticated in the United States are included in the Genworth consolidated return as allowed by the tax law and regulations. We have a tax sharing agreement in place and all intercompany balances related to this agreement are settled at least annually. Refer to Note 8 for further details.

Variable Interest Entities

We are involved in certain entities that are considered variable interest entities ("VIEs") as defined under U.S. GAAP, and, accordingly, we evaluate the VIE to determine whether we are the primary beneficiary and are required to consolidate the assets and liabilities of the entity. The primary beneficiary of a VIE is the enterprise that has the power to direct the activities of a VIE that most significantly impacts the VIE's economic performance and has the obligation to absorb losses or receive benefits that could potentially be significant to the VIE. The determination of the primary beneficiary for a VIE can be complex and requires management judgment regarding the expected results of the entity and how those results are absorbed by variable interest holders, as well as which party has the power to direct activities that most significantly impact the performance of the VIEs.

Our involvement with VIEs consists of excess-of-loss reinsurance agreements with special purpose insurers domiciled in Bermuda. These entities finance the reinsurance coverage by issuing mortgage insurance-linked notes to unaffiliated investors. The assets of the VIEs are deposited in reinsurance trusts

for our benefit that will be the source of reinsurance claim payments. Our involvement with these VIEs does not result in the unilateral power to direct the activities that most significantly affect the VIEs' economic performance or result in the obligation to absorb losses or the right to receive benefits. Accordingly, consolidation of the VIEs is not required. See Note 6 for details.

Leases

Our leased assets are classified as operating leases and consist of office space in two locations in the United States. Lease payments included in the calculation of our lease liability include fixed amounts contained within each rental agreement and variable lease payments that are based upon an index or rate. We have elected to combine lease and non-lease components, as permitted under the accounting guidance, and as a result, non-lease components are included in the calculation of our lease liability as opposed to being separated and accounted for as consideration under revenue recognition accounting. The right-of-use asset and the lease liability are included in other assets and other liabilities, respectively.

Accounting Pronouncements Adopted

Credit Losses

On January 1, 2021, we early adopted new accounting guidance related to accounting for credit losses on financial instruments. The guidance requires entities to recognize an allowance equal to its estimate of lifetime expected credit losses and applies to most debt instruments not measured at fair value.

Discussion of adoption of this guidance in relation to our portfolio of fixed maturity securities is included in the discussion of the allowance for credit losses on available-for-sale securities, above.

The new guidance further requires that expected credit losses on premiums receivable are measured in accordance with the credit loss requirements for financial instruments measured at amortized cost. Due to the short-term nature of our premiums receivable, we consider lifetime expected credit losses on premiums receivable to be consistent with our current allowance and as a result the new accounting guidance did not have an impact on premiums receivable upon adoption. The allowance for credit losses on premiums receivable is not material.

The new guidance also requires the recognition of an allowance for expected credit losses as a liability in our consolidated balance sheet for off-balance sheet credit exposures, including private placement investments. We adopted the guidance related to our off-balance sheet credit exposures using the modified retrospective method, which did not have an impact on our consolidated financial statements.

Income Taxes

In December 2019, the Financial Accounting Standards Board ("FASB") issued new accounting guidance related to simplifying the accounting for income taxes. The guidance eliminates certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. We early adopted this new accounting guidance on January 1, 2021, using the retrospective method or modified retrospective method for certain changes and prospective method for all other changes, which did not have a significant impact on our consolidated financial statements and disclosures.

Accounting Pronouncements Not Yet Adopted

Segment Reporting

In November 2023, the FASB released guidance under ASC 280 related to segment reporting disclosures. The update requires incremental disclosure around significant segment expenses, measures of segment profit or loss used by the CODM and the CODM's use of these metrics. The guidance also

requires segment disclosures for entities with a single reportable segment. As a result, we will be subject to these requirements for all annual and interim periods beginning as of December 31, 2024. We are currently evaluating the impact the guidance may have on our processes, controls and disclosures.

Income Tax Disclosure

In December 2023, the FASB issued new accounting guidance to improve income tax disclosures. The guidance requires annual disclosure of specific categories in the income tax rate reconciliation, separate disclosure of additional information related to reconciling items that meet a quantitative threshold and additional disclosures about income taxes paid, among other qualitative and quantitative disclosure improvements. This guidance is effective for us for annual reporting periods beginning on January 1, 2025 using the prospective method, with early adoption permitted. We are currently evaluating the impact the guidance may have on our processes, controls and disclosures.

(3) Investments

Net Investment Income

Sources of net investment income were as follows for the year ended December 31:

(Amounts in thousands)	2023	2022	2021
Fixed maturity securities available-for-sale	$ 180,955	$ 153,649	$ 146,587
Cash, cash equivalents and short-term investments	32,713	7,167	74
Gross investment income before expenses and fees	213,668	160,816	146,661
Investment expenses and fees	(6,299)	(5,505)	(5,472)
Net investment income	**$ 207,369**	**$ 155,311**	**$ 141,189**

Net Investment Gains (Losses)

The following table sets forth net investment gains (losses) for the years ended December 31:

(Amounts in thousands)	2023	2022	2021
Fixed maturity securities available-for-sale:			
Gross realized gains	$ 42	$ 1,997	$ 2,077
Gross realized (losses)	(14,064)	(4,206)	(1,871)
Net realized gains (losses)	(14,022)	(2,209)	206
Change in allowance for credit losses on fixed maturity securities	—	173	(2,330)
Net investment gains (losses)	**$ (14,022)**	**$ (2,036)**	**$ (2,124)**

Unrealized Investment Gains (Losses)

Net unrealized gains and losses on available-for-sale securities reflected as a separate component of accumulated other comprehensive income ("AOCI") were as follows as of December 31:

(Amounts in thousands)	2023	2022	2021
Net unrealized gains (losses) on investment securities:			
Fixed maturity securities	$ (293,745)	$ (486,913)	$ 106,165
Short-term investments	—	(30)	—
Unrealized gains (losses) on investment securities	(293,745)	(486,943)	106,165
Income taxes	63,189	104,047	(22,577)
Net unrealized investment gains (losses)	**$ (230,556)**	**$ (382,896)**	**$ 83,588**

The change in net unrealized gains (losses) on available-for-sale securities reported in accumulated other comprehensive income was as follows as of and for the years ended December 31:

(Amounts in thousands)	2023	2022	2021
Beginning balance	$ (382,896)	$ 83,588	$ 208,378
Cumulative effect of change in accounting, net of taxes	—	—	281
Unrealized gains (losses) arising during the period:			
Unrealized gains (losses) on investment securities	179,177	(595,317)	(158,665)
Provision for income taxes	(37,914)	127,088	33,757
Change in unrealized gains (losses) on investment securities	141,263	(468,229)	(124,908)
Reclassification adjustments to net investment (gains) losses, net of taxes of $(2,945), $(464) and $43, respectively	11,077	1,745	(163)
Change in net unrealized investment gains (losses)	152,340	(466,484)	(125,071)
Ending balance	**$ (230,556)**	**$ (382,896)**	**$ 83,588**

Amounts reclassified out of accumulated other comprehensive income to net investment gains (losses) include realized gains (losses) on sales of securities, which are determined on a specific identification basis.

Fixed Maturity Securities Available-For-Sale

As of December 31, 2023, the amortized cost, gross unrealized gains (losses) and fair value of our investment securities were as follows:

(Amounts in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government, agencies and GSEs	$ 194,824	$ 1,196	$ (891)	$ 195,129
State and political subdivisions	511,906	2,091	(75,783)	438,214
Non-U.S. government	12,338	16	(887)	11,467
U.S. corporate	2,858,445	19,839	(154,554)	2,723,730
Non-U.S. corporate	725,163	4,288	(39,788)	689,663
Residential mortgage-backed	10,781	38	(64)	10,755
Other asset-backed	1,246,429	2,848	(52,094)	1,197,183
Total fixed maturity securities available-for-sale	**$ 5,559,886**	**$ 30,316**	**$ (324,061)**	**$ 5,266,141**
Short-term investments	20,219	1	(1)	20,219
Total investments	**$ 5,580,105**	**$ 30,317**	**$ (324,062)**	**$ 5,286,360**

As of December 31, 2022, the amortized cost, gross unrealized gains (losses) and fair value of our investment securities were as follows:

(Amounts in thousands)	Amortized cost	Gross unrealized Gains	Gross unrealized losses	Fair value
U.S. government, agencies and GSEs	$ 46,319	$ 59	$ (1,609)	$ 44,769
State and political subdivisions	515,935	1,815	(97,894)	419,856
Non-U.S. government	10,607	—	(1,258)	9,349
U.S. corporate	2,886,269	1,355	(240,761)	2,646,863
Non-U.S. corporate	716,333	158	(63,647)	652,844
Residential mortgage-backed	11,162	—	(119)	11,043
Other asset-backed	1,185,048	462	(85,474)	1,100,036
Total fixed maturity securities available-for-sale	**$ 5,371,673**	**$ 3,849**	**$ (490,762)**	**$ 4,884,760**
Short-term investments	3,077	—	(30)	3,047
Total investments	**$ 5,374,750**	**$ 3,849**	**$ (490,792)**	**$ 4,887,807**

There was no allowance for credit losses recorded on fixed maturity securities classified as available-for-sale as of December 31, 2023 or December 31, 2022.

Gross Unrealized Losses and Fair Values of Fixed Maturity Securities Available-For-Sale

The following table presents the gross unrealized losses and fair values of our fixed maturity securities for which an allowance for credit losses has not been recorded, aggregated by investment type and length of time that individual fixed maturity securities have been in a continuous unrealized loss position, as of December 31, 2023:

	Less than 12 months			12 months or more			Total		
(Amounts in thousands)	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities
Fixed maturity securities:									
U.S. government, agencies and GSEs	$ 6,259	$ (55)	3	$ 27,942	$ (836)	13	$ 34,201	$ (891)	16
State and political subdivisions	1,457	(3)	2	411,133	(75,780)	85	412,590	(75,783)	87
Non-U.S. government	—	—	—	9,575	(887)	1	9,575	(887)	1
U.S. corporate	146,268	(4,236)	37	2,019,843	(150,318)	408	2,166,111	(154,554)	445
Non-U.S. corporate	19,369	(102)	5	521,442	(39,686)	121	540,811	(39,788)	126
Residential mortgage-backed	2,060	(2)	1	5,044	(62)	4	7,104	(64)	5
Other asset-backed	102,544	(424)	41	806,521	(51,670)	192	909,065	(52,094)	233
Total for fixed maturity securities in an unrealized loss position	**$ 277,957**	**$ (4,822)**	**89**	**$ 3,801,500**	**$ (319,239)**	**824**	**$ 4,079,457**	**$ (324,061)**	**913**

We did not recognize an allowance for credit losses on securities in an unrealized loss position included in the table above. Based on a qualitative and quantitative review of the issuers of the securities, we believe the decline in fair value is largely due to rising interest rates and recent market volatility and is not indicative of credit losses. The issuers continue to make timely principal and interest payments.

For all securities in an unrealized loss position without an allowance for credit losses, we expect to recover the amortized cost based on our estimate of the amount and timing of cash flows to be collected. We do not intend to sell, nor do we expect that we will be required to sell, these securities prior to recovering our amortized cost.

The following table presents the gross unrealized losses and fair values of our fixed maturity securities, aggregated by investment type and length of time that individual fixed maturity securities have been in a continuous unrealized loss position, as of December 31, 2022:

(Amounts in thousands)	Less than 12 months			12 months or more			Total		
	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities
Fixed maturity securities:									
U.S. government, agencies and GSEs	$ 43,873	$ (1,600)	18	$ 96	$ (9)	1	$ 43,969	$ (1,609)	19
State and political subdivisions	203,752	(40,988)	43	196,235	(56,906)	46	399,987	(97,894)	89
Non-U.S. government	—	—	—	9,349	(1,258)	1	9,349	(1,258)	1
U.S. corporate	2,033,713	(131,150)	468	568,171	(109,611)	92	2,601,884	(240,761)	560
Non-U.S. corporate	486,117	(35,515)	125	155,345	(28,132)	27	641,462	(63,647)	152
Residential mortgage-backed	11,043	(119)	6	—	—	—	11,043	(119)	6
Other asset-backed	655,525	(31,684)	217	375,810	(53,790)	71	1,031,335	(85,474)	288
Total for fixed maturity securities in an unrealized loss position	**$ 3,434,023**	**$ (241,056)**	**877**	**$ 1,305,006**	**$ (249,706)**	**238**	**$ 4,739,029**	**$ (490,762)**	**1,115**

Contractual Maturities of Fixed Maturity Securities Available-For-Sale

The scheduled maturity distribution of fixed maturity securities as of December 31, 2023, is set forth below. Actual maturities may differ from contractual maturities because issuers of securities may have the right to call or prepay obligations with or without call or prepayment penalties.

(Amounts in thousands)	Amortized cost	Fair value
Due one year or less	$ 391,594	$ 387,047
Due after one year through five years	2,075,275	1,961,189
Due after five years through ten years	1,660,482	1,543,388
Due after ten years	175,325	166,579
Subtotal	4,302,676	4,058,203
Residential mortgage-backed	10,781	10,755
Other asset-backed	1,246,429	1,197,183
Total fixed maturity securities available-for-sale	**$ 5,559,886**	**$ 5,266,141**

As of December 31, 2023, securities issued by the finance and insurance, technology and communications, consumer-non-cyclical and utilities industry groups represented approximately 31%, 13%, 11% and 11% respectively, of our domestic and foreign corporate fixed maturity securities portfolio. No other industry group comprised more than 9% of our investment portfolio.

As of December 31, 2023 and 2022, we did not hold any fixed maturity securities in any single issuer, other than securities issued or guaranteed by the U.S. government, which exceeded 10% of equity.

As of December 31, 2023 and 2022, $25.7 million and $25.1 million, respectively, of securities in our portfolio were on deposit with various state insurance commissioners in order to comply with relevant insurance regulations.

Equity Method Investments

In November 2021, we completed the acquisition of Genworth Financial Mauritius Holdings Limited from Genworth Financial International Holdings, LLC, a subsidiary of Genworth, for $27 million, its estimated fair value. The primary asset of the entity is a minority ownership interest in a mortgage

guarantee business in India. We invested an additional $6.5 million during 2022. Based on our ownership percentage, we have concluded that we have significant influence over the entity and have classified our interest as an equity method investment which is recorded within other assets.

(4) Fair Value

Recurring Fair Value Measurements

We hold fixed maturity securities and short-term investments, which are carried at fair value. The fair value of fixed maturity securities and short-term investments are estimated primarily based on information derived from third-party pricing services ("pricing services"), internal models and/or broker quotes, which use a market approach, income approach or a combination of the market and income approach depending on the type of instrument and availability of information. In general, a market approach is utilized if there is readily available and relevant market activity for an individual security. In certain cases where market information is not available for a specific security but is available for similar securities, that security is valued using market information for similar securities, which is also a market approach. When market information is not available for a specific security (or similar securities) or is available but such information is less relevant or reliable, an income approach or a combination of a market and income approach is utilized. For securities with optionality, such as call or prepayment features (including asset-backed securities), an income or combination approach may be used. These valuation techniques may change from period to period, based on the relevance and availability of market data.

Further, while we consider the valuations provided by pricing services and broker quotes to be of high quality, management determines the fair value of our investment securities after considering all relevant and available information.

In general, we first obtain valuations from pricing services. If prices are unavailable for public securities, we obtain broker quotes. For all securities, excluding certain private fixed maturity securities, if neither a pricing service nor broker quotes valuation is available, we determine fair value using internal models. For certain private fixed maturity securities where we do not obtain valuations from pricing services, we utilize an internal model to determine fair value since transactions for similar securities are not readily observable and these securities are not typically valued by pricing services.

Given our understanding of the pricing methodologies and procedures of pricing services, the securities valued by pricing services are typically classified as Level 2 unless we determine the valuation process for a security or group of securities utilizes significant unobservable inputs, which would result in the valuation being classified as Level 3.

Broker quotes are typically based on an income approach given the lack of available market data. As the valuation typically includes significant unobservable inputs, we classify the securities where fair value is based on our consideration of broker quotes as Level 3 measurements.

For private fixed maturity securities, we utilize an income approach where we obtain public bond spreads and utilize those in an internal model to determine fair value. Other inputs to the model include rating and weighted-average life, as well as sector which is used to assign the spread. We then add an additional premium, which represents an unobservable input, to the public bond spread to adjust for the liquidity and other features of our private placements. We utilize the estimated market yield to discount the expected cash flows of the security to determine fair value. We utilize price caps for securities where the estimated market yield results in a valuation that may exceed the amount that would be received in a market transaction. When a security does not have an external rating, we assign the security an internal rating to determine the appropriate public bond spread that should be utilized in the valuation. While we generally consider the public bond spreads by sector and maturity to be observable inputs, we evaluate the similarities of our private placement with the public bonds, any price caps utilized, liquidity premiums applied, and whether external ratings are available for our private placements to determine whether the spreads utilized would be considered observable inputs. We classify private securities without an external rating or public bond spread as Level 3. In general, a significant increase (decrease) in credit spreads

would have resulted in a significant decrease (increase) in the fair value for our fixed maturity securities as of December 31, 2023.

For remaining securities priced using internal models, we determine fair value using an income approach. We maximize the use of observable inputs but typically utilize significant unobservable inputs to determine fair value. Accordingly, the valuations are typically classified as Level 3.

Our assessment of whether or not there were significant unobservable inputs related to fixed maturity securities was based on our observations obtained through the course of managing our investment portfolio, including interaction with other market participants, observations related to the availability and consistency of pricing and/or rating, and understanding of general market activity such as new issuance and the level of secondary market trading for a class of securities. Additionally, we considered data obtained from pricing services to determine whether our estimated values incorporate significant unobservable inputs that would result in the valuation being classified as Level 3.

A summary of the inputs used for our fixed maturity securities and short-term investments based on the level in which instruments are classified is included below. We have combined certain classes of instruments together as the nature of the inputs is similar.

Level 1 measurements

There were no fixed maturity securities classified as Level 1 as of December 31, 2023 and 2022.

Level 2 measurements

Fixed maturity securities:

Third-party pricing services

In estimating the fair value of fixed maturity securities, approximately 89% of our portfolio was priced using third-party pricing services as of December 31, 2023. These pricing services utilize industry-standard valuation techniques that include market-based approaches, income-based approaches, a combination of market-based and income-based approaches or other proprietary, internally generated models as part of the valuation processes. These third-party pricing vendors maximize the use of publicly available data inputs to generate valuations for each asset class. Priority and type of inputs used may change frequently as certain inputs may be more direct drivers of valuation at the time of pricing. Examples of significant inputs incorporated by pricing services may include sector and issuer spreads, seasoning, capital structure, security optionality, collateral data, prepayment assumptions, default assumptions, delinquencies, debt covenants, benchmark yields, trade data, dealer quotes, credit ratings, maturity and weighted-average life. We conduct regular meetings with our pricing services for the purpose of understanding the methodologies, techniques and inputs used by the third-party pricing providers. The following table presents a summary of the significant inputs used by our pricing services for certain fair value measurements of fixed maturity securities that are classified as Level 2 as of December 31, 2023:

(Amounts in thousands)	Fair value	Primary methodologies	Significant inputs
U.S. government, agencies and GSEs	$ 195,129	Price quotes from trading desk, broker feeds	Bid side prices, trade prices, Option Adjusted Spread (“OAS”) to swap curve, Bond Market Association OAS, Treasury Curve, Agency Bullet Curve, maturity to issuer spread
State and political subdivisions	$ 438,214	Multi-dimensional attribute-based modeling systems, third-party pricing vendors	Trade prices, material event notices, Municipal Market Data benchmark yields, broker quotes

Non-U.S. government	$	11,467	Matrix pricing, spread priced to benchmark curves, price quotes from market makers	Benchmark yields, trade prices, broker quotes, comparative transactions, issuer spreads, bid-offer spread, market research publications, third-party pricing sources
U.S. corporate	$	2,301,871	Multi-dimensional attribute-based modeling systems, broker quotes, price quotes from market makers, internal models, OAS-based models	Bid side prices to Treasury Curve, Issuer Curve, which includes sector, quality, duration, OAS percentage and change for spread matrix, trade prices, comparative transactions, Trade Reporting and Compliance Engine (“TRACE”) reports
Non-U.S. corporate	$	530,624	Multi-dimensional attribute-based modeling systems, OAS-based models, price quotes from market makers	Benchmark yields, trade prices, broker quotes, comparative transactions, issuer spreads, bid-offer spread, market research publications, third-party pricing sources
Residential mortgage-backed	$	10,755	OAS-based models, single factor binomial models, internally priced	Prepayment and default assumptions, aggregation of bonds with similar characteristics, including collateral type, vintage, tranche type, weighted-average life, weighted-average loan age, issuer program and delinquency ratio, pay up and pay down factors, TRACE reports
Other asset-backed	$	1,194,225	Multi-dimensional attribute-based modeling systems, spread matrix priced to swap curves, price quotes from market makers	Spreads to daily updated swap curves, spreads derived from trade prices and broker quotes, bid side prices, new issue data, collateral performance, analysis of prepayment speeds, cash flows, collateral loss analytics, historical issue analysis, trade data from market makers, TRACE reports

Internal models

A portion of our Level 2 U.S. corporate and non-U.S. corporate securities are valued using internal models. The fair value of these fixed maturity securities was $174.7 million and $77.7 million, respectively, as of December 31, 2023. Internally modeled securities are primarily private fixed maturity securities where we use market observable inputs such as an interest rate yield curve, published credit spreads for similar securities based on the external ratings of the instrument and related industry sector of the issuer. Additionally, we may apply certain price caps and liquidity premiums in the valuation of private fixed maturity securities. Price caps and liquidity premiums are established using inputs from market participants.

Short-term investments:

The fair value of short-term investments classified as Level 2 is determined after considering prices obtained by pricing services.

Level 3 measurements

Broker quotes

A portion of our U.S. corporate and other asset-backed securities are valued using broker quotes. Broker quotes are obtained from third-party providers that have current market knowledge to provide a reasonable price for securities not routinely priced by pricing services. Brokers utilized for valuation of assets are reviewed annually. The fair value of our Level 3 fixed maturity securities priced by broker quotes was $15.4 million as of December 31, 2023.

Internal models

A portion of our U.S. corporate and non-U.S. corporate securities are valued using internal models. The primary inputs to the valuation of the bond population include quoted prices for identical assets, or similar assets in markets that are not active, contractual cash flows, duration, call provisions, issuer rating, benchmark yields and credit spreads. Certain private fixed maturity securities are valued using an internal model using market observable inputs such as the interest rate yield curve, as well as published credit spreads for similar securities, which includes significant unobservable inputs. Additionally, we may apply certain price caps and liquidity premiums in the valuation of private fixed maturity securities. Price caps are established using inputs from market participants. For structured securities, the primary inputs to the valuation include quoted prices for identical assets, or similar assets in markets that are not active, contractual cash flows, weighted-average coupon, weighted-average maturity, issuer rating, structure of the security, expected prepayment speeds and volumes, collateral type, current and forecasted loss severity, average delinquency rates, vintage of the loans, geographic region, debt service coverage ratios, payment priority with the tranche, benchmark yields and credit spreads. The fair value of our Level 3 fixed maturity securities priced using internal models was $316.0 million as of December 31, 2023.

The following tables set forth our assets by class of instrument that are measured at fair value on a recurring basis as of December 31:

	2023			
(Amounts in thousands)	**Total**	**Level 1**	**Level 2**	**Level 3**
Fixed maturity securities:				
U.S. government, agencies and GSEs	$ 195,129	$ —	$ 195,129	$ —
State and political subdivisions	438,214	—	438,214	—
Non-U.S. government	11,467	—	11,467	—
U.S. corporate	2,723,730	—	2,476,525	247,205
Non-U.S. corporate	689,663	—	608,342	81,321
Residential mortgage-backed	10,755	—	10,755	—
Other asset-backed	1,197,183	—	1,194,225	2,958
Total fixed maturity securities	**5,266,141**	**—**	**4,934,657**	**331,484**
Short-term investments	20,219	—	20,219	—
Total	**$ 5,286,360**	**$ —**	**$ 4,954,876**	**$ 331,484**

	2022			
(Amounts in thousands)	**Total**	**Level 1**	**Level 2**	**Level 3**
Fixed maturity securities:				
U.S. government, agencies and GSEs	$ 44,769	$ —	$ 44,769	$ —
State and political subdivisions	419,856	—	419,856	—
Non-U.S. government	9,349	—	9,349	—
U.S. corporate	2,646,863	—	2,426,237	220,626
Non-U.S. corporate	652,844	—	557,690	95,154
Residential mortgage-backed	11,043	—	11,043	—
Other asset-backed	1,100,036	—	1,096,555	3,481
Total fixed maturity securities	**4,884,760**	**—**	**4,565,499**	**319,261**
Short-term investments	3,047	—	3,047	—
Total	**$ 4,887,807**	**$ —**	**$ 4,568,546**	**$ 319,261**

We had no liabilities recorded at fair value as of December 31, 2023 and 2022.

The following tables present additional information about assets measured at fair value on a recurring basis and for which we have utilized significant unobservable (Level 3) inputs to determine fair value as of or for the dates indicated:

(Amounts in thousands)	Beginning balance as of January 1, 2023	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3[(1)]	Transfer out of Level 3[(1)]	Ending balance as of December 31, 2023	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	$ 220,626	$ (36)	$ 9,266	$ 39,001	$ (6,901)	$ (14,751)	$ —	$ —	$ 247,205	$ (31)	$ 8,156
Non-U.S. corporate	95,154	(703)	3,323	6,759	(3,543)	(23,598)	11,377	(7,448)	81,321	30	2,232
Other asset-backed	3,481	32	(67)	13,696	(1)	(176)	—	(14,007)	2,958	19	(11)
Total	**$ 319,261**	**$ (707)**	**$ 12,522**	**$ 59,456**	**$ (10,445)**	**$ (38,525)**	**$ 11,377**	**$ (21,455)**	**$ 331,484**	**$ 18**	**$ 10,377**

(1) The transfers into and out of Level 3 for fixed maturity securities were related to changes in the primary pricing source and changes in the observability of external information used in determining the fair value, such as external ratings or credit spreads.

(Amounts in thousands)	Beginning balance as of January 1, 2022	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3[(1)]	Transfer out of Level 3[(1)]	Ending balance as of December 31, 2022	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	$ 220,733	$ (54)	$ (35,762)	$ 54,969	$ (5,000)	$ (850)	$ —	$ (13,410)	$ 220,626	$ (54)	$ (35,390)
Non-U.S. corporate	83,664	(330)	(10,341)	24,687	—	(10,422)	11,615	(3,719)	95,154	(329)	(10,049)
Other asset-backed	24,223	3	(1,996)	26,295	—	—	—	(45,044)	3,481	2	(119)
Total	**$ 328,620**	**$ (381)**	**$ (48,099)**	**$ 105,951**	**$ (5,000)**	**$ (11,272)**	**$ 11,615**	**$ (62,173)**	**$ 319,261**	**$ (381)**	**$ (45,558)**

(1) The transfers into and out of Level 3 for fixed maturity securities were related to changes in the primary pricing source and changes in the observability of external information used in determining the fair value, such as external ratings or credit spreads.

(Amounts in thousands)	Beginning balance as of January 1, 2021	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3[(1)]	Transfer out of Level 3[(1)]	Ending balance as of December 31, 2021	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	$ 119,373	$ (121)	$ (6,374)	$ 126,858	$ —	$ (8,914)	$ 7,397	$ (17,486)	$ 220,733	$ (121)	$ (6,537)
Non-U.S. corporate	95,751	786	2,695	46,786	—	(25,149)	3,010	(40,215)	83,664	(251)	(1,148)
Other asset-backed	13,781	—	(484)	34,493	—	(11,248)	—	(12,319)	24,223	—	(401)
Total	**$ 228,905**	**$ 665**	**$ (4,163)**	**$ 208,137**	**$ —**	**$ (45,311)**	**$ 10,407**	**$ (70,020)**	**$ 328,620**	**$ (372)**	**$ (8,086)**

(1) The transfers into and out of Level 3 for fixed maturity securities were related to changes in the primary pricing source and changes in the observability of external information used in determining the fair value, such as external ratings or credit spreads.

Purchases, sales and settlements represent the activity that occurred during the period that results in a change of the asset but does not represent changes in fair value for the instruments held at the beginning of the period.

The amount presented for realized and unrealized gains (losses) included in net income for fixed maturity securities primarily represents amortization and accretion of premiums and discounts on certain fixed maturity securities recorded within net investment income.

The following table presents a summary of the significant unobservable inputs used for certain asset fair value measurements that are based on internal models and classified as Level 3 as of December 31, 2023:

(Amounts in thousands)	Valuation technique	Fair value [1]	Unobservable input	Range (bps)	Weighted-average [2] (bps)
Fixed maturity securities:					
U.S. corporate	Internal models	$245,099	Credit spreads	14 - 209	107
Non-U.S. corporate	Internal models	$70,942	Credit spreads	85 - 146	111

(1) Certain classes of instruments classified as Level 3 are excluded as a result of not being material or due to limitations in being able to obtain the underlying inputs used by certain third-party sources, such as broker quotes, used as an input in determining fair value.
(2) Unobservable inputs weighted by the relative fair value of the associated instrument.

Liabilities not required to be carried at fair value

We have certain financial instruments that are not recorded at fair value, including cash and cash equivalents and accrued investment income, the carrying value of which approximate fair value due to the short-term nature of these instruments and are not included in this disclosure.

The following represents our estimated fair value of financial liabilities that are not required to be carried at fair value, classified as Level 2, as of the dates indicated:

	December 31,			
	2023		2022	
(Amounts in thousands)	Carrying amount	Fair value	Carrying amount	Fair value
Long-term borrowings	$ 745,416	$ 748,785	$ 742,830	$ 739,020

(5) Loss reserves

Activity for the liability for loss reserves is summarized as follows:

(Amounts in thousands)	2023	2022	2021
Loss reserves, beginning of year	$ 519,008	$ 641,325	$ 555,679
Reinsurance recoverable, beginning of year	—	—	—
Run-off reserves, beginning of year	(678)	(681)	(654)
Net loss reserves, beginning of year	518,330	640,644	555,025
Losses incurred related to current accident year	275,418	219,461	141,225
Losses incurred related to prior accident years	(248,214)	(313,652)	(15,822)
Total incurred [1]	27,204	(94,191)	125,403
Losses paid related to current accident year	150	(352)	(237)
Losses paid related to prior accident years	(29,463)	(27,771)	(39,547)
Total paid [1]	(29,313)	(28,123)	(39,784)
Net loss reserves, end of year	516,221	518,330	640,644
Reinsurance recoverable, end of year	1,294	—	—
Run-off reserves, end of year	676	678	681
Loss reserves, end of year	**$ 518,191**	**$ 519,008**	**$ 641,325**

(1) Losses and LAE incurred and paid exclude losses related to our run-off business.

The liability for loss reserves represents our current best estimate; however, there may be future adjustments to this estimate and related assumptions. Such adjustments, reflecting any variety of new and adverse trends, could possibly be significant and result in future increases to reserves by amounts that could be material to our results of operations, financial condition and liquidity.

Losses incurred related to insured events of the current accident year relate to defaults that occurred in that year and represent the estimated ultimate amount of losses to be paid on such defaults. Losses incurred related to insured events of prior accident years represent the (favorable) or unfavorable development of reserves as a result of actual claim rates and claim amounts being different than those we estimated when originally establishing the reserves. Such estimates are based on our historical experience which we believe is representative of expected future losses at the time of estimation. As a result of the extended period of time that may exist between the reporting of a delinquency and the claim payment, as well as changes in economic conditions and the real estate market, significant uncertainty and variability exist on amounts ultimately paid.

We recorded losses and LAE incurred of $275.4 million, $219.5 million and $141.2 million related to the current accident year for the years ended December 2023, 2022 and 2021, respectively. Losses related to insured events of the current accident year were primarily attributable to new delinquencies. Losses in 2022 were impacted by $46 million of reserve strengthening on current year delinquencies. Due to uncertainty in the economic environment, we increased the expected claim rate on new delinquencies beginning in 2022. A portion of delinquencies in the periods presented were from borrowers participating in deferred or reduced payments ("forbearance") as a result of COVID-19. When establishing loss reserves for borrowers in forbearance from 2020 to 2022, we assumed a lower rate of delinquencies becoming active claims, which had the effect of producing a lower reserve compared to delinquencies that were not in forbearance. Historical experience with localized natural disasters, such as hurricanes, indicates a higher cure rate for borrowers in forbearance. Loss reserves recorded on these new delinquencies have a high degree of estimation due to the level of uncertainty regarding whether

delinquencies in forbearance will ultimately cure or result in claim payments as well as the timing and severity of those payments.

During 2023, we experienced favorable reserve development of $248.2 million in incurred losses driven primarily by cure performance of delinquencies from 2022 and earlier, including a portion of those as a result of COVID-19. During the peak of COVID-19, we experienced elevated new delinquencies subject to forbearance plans. Those delinquencies have continued to perform at levels above our reserve expectations. A component of the reserve release also related to delinquencies from 2022, as uncertainty in the economic environment has not negatively impacted cure performance to the extent initially expected. The change was primarily attributable to $241 million in favorable reserves adjustments, which almost exclusively related to prior periods.

During 2022, we experienced favorable reserve development of $313.7 million in incurred losses attributable to prior years, primarily from better-than-expected cure performance on COVID-19 delinquencies from 2020 and 2021. The change was almost exclusively attributable to $314 million in favorable reserves adjustments.

During 2021, we experienced favorable reserve development of $15.8 million in incurred losses attributable to prior years, primarily from lower expected claim rates on pre-COVID-19 delinquencies. Included within this decrease to incurred losses attributable to prior years, we recorded $22.0 million in favorable reserve adjustments.

The following table sets forth information about incurred claims, as well as cumulative number of reported delinquencies and the total of incurred-but-not-reported ("IBNR") liabilities plus expected development on reported claims included within the net incurred claims as of December 31, 2023. The information about the incurred claims development for the years ended December 31, 2014 to 2023, is presented as supplementary information.

(Dollar amounts in thousands)	Incurred claims and allocated loss adjustment expenses, net of reinsurance [(2)]										Total IBNR liabilities including expected development on reported claims as of December 31, 2023	Number of reported delinquencies[(3)]
	For the years ended December 31,											
Accident year [(1)]	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
	Unaudited											
2014	$ 327,857	$ 287,865	$ 268,980	$ 260,752	$ 258,872	$ 258,172	$ 259,006	$ 258,807	$ 258,272	$ 257,556	$ 105	17,809
2015	—	235,251	208,149	186,077	180,923	179,650	179,599	179,258	178,664	177,938	120	15,400
2016	—	—	198,121	161,041	138,784	136,381	136,754	136,258	135,199	133,566	155	13,970
2017	—	—	—	170,713	120,568	101,755	105,079	103,565	101,419	98,700	147	15,097
2018	—	—	—	—	116,842	83,959	84,138	78,367	73,164	69,525	235	11,269
2019	—	—	—	—	—	105,734	111,089	97,490	71,053	58,876	468	11,883
2020	—	—	—	—	—	—	364,547	362,347	107,337	49,020	402	38,863
2021	—	—	—	—	—	—	—	141,225	119,364	36,628	267	12,585
2022	—	—	—	—	—	—	—	—	219,461	137,164	282	14,329
2023	—	—	—	—	—	—	—	—	—	275,417	26,747	15,851
Total incurred										**$ 1,294,390**	**$ 28,928**	

(1) Represents the year in which first monthly mortgage payments have been missed by the borrower.
(2) Excludes incurred claims and allocated LAE related to run-off business.
(3) Represents reported and outstanding delinquencies less actual cures as of December 31 for each respective accident year.

The following table sets forth paid claims development, net of reinsurance, for the year ended December 31, 2023, and a reconciliation to our total loss reserves as of December 31, 2023. The information about paid claims development for the years ended December 31, 2014 to 2023, is presented as supplementary information.

(Amounts in thousands)	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance [2]									
	For the years ended December 31,									
Accident year [1]	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Unaudited									
2014	$ 21,494	$ 126,404	$ 195,461	$ 232,502	$ 246,963	$ 252,549	$ 254,218	$ 254,835	$ 255,273	$ 255,768
2015	—	12,688	84,706	145,362	167,458	172,825	174,561	175,513	176,433	176,820
2016	—	—	9,593	63,585	109,793	123,800	126,893	128,160	129,267	130,475
2017	—	—	—	5,733	45,879	77,297	87,272	89,896	92,079	93,576
2018	—	—	—	—	3,134	31,625	48,183	55,267	59,046	62,010
2019	—	—	—	—	—	1,871	17,595	30,728	38,283	43,425
2020	—	—	—	—	—	—	1,104	8,268	12,854	19,403
2021	—	—	—	—	—	—	—	237	2,192	7,310
2022	—	—	—	—	—	—	—	—	352	4,276
2023	—	—	—	—	—	—	—	—	—	(150)
Total paid										**$ 792,913**
Total incurred										$ 1,294,390
Total paid										792,913
All outstanding liabilities before 2014, net of reinsurance										14,744
Net loss reserves (excluding run-off)										**$ 516,221**

(1) Represents the year in which first monthly mortgage payments have been missed by the borrower.
(2) Excludes cumulative paid claims and allocated claim adjustment expenses related to run-off business.

The following table provides a reconciliation of the net incurred losses and paid claims development tables above to loss reserves at December 31, 2023:

(In thousands)	December 31, 2023
Net loss reserves (excluding run-off)	$ 516,221
Reinsurance recoverable	1,294
Run-off reserves	676
Loss reserves	**$ 518,191**

The following table sets forth our average payout of incurred claims by age as of December 31, 2023:

	Average annual percentage payout of incurred claims, net of reinsurance, by age (unaudited) [1]									
Years	1	2	3	4	5	6	7	8	9	10
Percentage of payout	3.9 %	28.1 %	24.6 %	12.0 %	4.6 %	2.1 %	0.9 %	0.6 %	0.2 %	0.2 %

(1) Excludes run-off business.

(6) Reinsurance

We reinsure a portion of our policy risks to third parties in order to reduce our ultimate losses, diversify our exposures and comply with regulatory requirements. We also assume certain policy risks written by other companies.

Reinsurance does not relieve us from our obligations to policyholders. In the event that the reinsurers are unable to meet their obligations, we remain liable for the reinsured claims. We monitor both the

financial condition of individual reinsurers and risk concentrations arising from similar geographic regions, activities and economic characteristics of reinsurers to lessen the risk of default by such reinsurers.

The following table sets forth the effects of reinsurance on premiums written and earned for the years ended December 31:

(Amounts in thousands)	2023	2022	2021
Net premiums written:			
Direct	$ 988,491	$ 975,351	$ 985,826
Assumed	1,809	259	319
Ceded	(86,611)	(79,750)	(71,822)
Net premiums written	**$ 903,689**	**$ 895,860**	**$ 914,323**
Net premiums earned:			
Direct	$ 1,041,877	$ 1,018,953	$ 1,046,452
Assumed	1,809	259	319
Ceded	(86,611)	(79,750)	(71,822)
Net premiums earned	**$ 957,075**	**$ 939,462**	**$ 974,949**

The difference of $53.4 million between written premiums of $903.7 million and earned premiums of $957.1 million represents the decrease in unearned premiums for the year ended December 31, 2023. The decrease in unearned premiums was mainly the result of premiums recognized via the earnings curve and low originations related to our single-premium product. Assumed premium as a percentage of net premium earned is 0.2% for the year ended December 31, 2023 and 0.0% for the years ended December 31, 2022 and 2021.

Excess-of-loss reinsurance

We engage in excess-of-loss ("XOL") insurance transactions either through a panel of traditional reinsurance providers or through collateralized reinsurance with unaffiliated special purpose insurers ("Triangle Re Entities"). During the respective coverage periods of these agreements, EMICO retains the first layer of aggregate loss exposure on covered policies while the reinsurer provides the second layer of coverage, up to the defined reinsurance coverage amount. EMICO retains losses in excess of the respective reinsurance coverage amount.

The Triangle Re Entities fully collateralize their coverage by issuing insurance-linked notes ("ILNs") to eligible capital market investors in unregistered private offerings. Traditional reinsurance providers collateralize a portion of their coverage by holding funds in trust. We believe that the risk transfer requirements for reinsurance accounting were met as these excess-of-loss insurance transactions assume significant insurance risk and a reasonable possibility of significant loss.

EMICO has rights to terminate the ILN or traditional XOL reinsurance agreements upon the occurrence of certain events.

The following table presents the issue date, policy dates, initial and current first layer retained aggregate loss and initial and current reinsurance coverage amount under each reinsurance transaction. Current amounts are presented as of December 31, 2023:

Mortgage insurance-linked notes

(Amounts in millions)	Issue date	Policy dates	Initial first layer retained loss	Current first layer retained loss	Initial reinsurance coverage	Current reinsurance coverage
Triangle Re 2021-1 Ltd.	3/02/2021	1/01/2014 - 12/31/2018, 10/01/2019 - 12/31/2019	$212	$211	$495	$66
Triangle Re 2021-2 Ltd.	4/16/2021	9/01/2020 - 12/31/2020	$189	$188	$303	$178
Triangle Re 2021-3 Ltd.	9/02/2021	1/01/2021 - 6/30/2021	$304	$303	$372	$257
Triangle Re 2023-1 Ltd.	11/15/2023	7/01/2022 - 6/30/2023	$244	$244	$248	$248
Total						**$749**

Traditional excess-of-loss reinsurance

(Amounts in millions)	Issue date	Policy dates	Initial first layer retained loss	Current first layer retained loss	Initial reinsurance coverage	Current reinsurance coverage
2020 XOL	1/01/2020	1/01/2020 - 12/31/2020	$691	$689	$168	$20
2021 XOL	2/04/2021	1/01/2021 - 12/31/2021	$671	$670	$206	$136
2022-1 XOL	1/27/2022	1/01/2022 - 12/31/2022	$462	$461	$196	$196
2022-2 XOL	1/27/2022	1/01/2022 - 12/31/2022	$385	$384	$25	$25
2022-3 XOL	3/24/2022	7/01/2021 - 12/31/2021	$317	$316	$289	$223
2022-4 XOL	3/24/2022	7/01/2021 - 12/31/2021	$264	$263	$36	$36
2022-5 XOL	9/15/2022	1/01/2022 - 6/30/2022	$256	$256	$201	$193
2023-1 XOL	3/08/2023	1/01/2023 - 12/31/2023	$360	$360	$180	$164
Total						**$993**

Subsequent to year end, on January 30, 2024, we executed an excess-of-loss reinsurance transaction with a panel of reinsurers, which provides up to $255 million of reinsurance coverage on a portion of current and expected new insurance written for the 2024 book year, effective January 1, 2024.

Quota Share Reinsurance

On June 30, 2023, EMICO engaged in a quota share reinsurance agreement with a panel of third-party reinsurers. Under the agreement, we cede premiums earned on all eligible policies in exchange for reimbursement of ceded claims and claims expenses on covered policies, a specific ceding commission and profit commission determined based on ceded claims. EMICO has rights to terminate the reinsurance agreement upon the occurrence of certain events. Reinsurance recoverables are recorded in Other assets on the consolidated balance sheets.

Agreement	Issue date	Policy dates	Ceding percentage	Ceding commission	Profit commission
QS 2023-1	6/30/2023	1/01/2023 - 12/31/2023	16.125%	20%	up to 55%

Subsequent to year end, on January 3, 2024, we entered into a quota share reinsurance agreement with a panel of third-party reinsurers. Under the agreement, EMICO will cede approximately 21% of a portion of its new insurance written from January 1, 2024 through December 31, 2024.

(7) Borrowings

The following table sets forth long-term borrowings as of December 31:

(Amounts in thousands)	2023	2022
6.5% Senior Notes, due 2025	$ 750,000	$ 750,000
Deferred borrowing charges	(4,584)	(7,170)
Total	**$ 745,416**	**$ 742,830**

On August 21, 2020, we issued $750 million in aggregate principal amount of 6.5% senior notes due in 2025. The notes mature on August 15, 2025, but at any time on or after February 15, 2025, we may redeem the notes in whole or in part at our option at 100% of the principal amount plus accrued and unpaid interest. The notes contain customary events of default which, subject to certain notice and cure conditions, can result in the acceleration of the principal and accrued interest on the outstanding notes if we breach the terms of the indenture.

Revolving Credit Agreement

On June 30, 2022, we entered into a credit agreement with a syndicate of lenders that provides for a five-year, unsecured revolving credit facility (the “Facility”) in the initial aggregate principal amount of $200 million, including the ability for EHI to increase the commitments under the Facility, on an uncommitted basis, by an additional aggregate principal amount of up to $100 million. Borrowings under the Facility will accrue interest at a floating rate tied to a standard short-term borrowing index, selected at EHI’s option, plus an applicable margin. The applicable margins are based on the ratings established by certain debt rating agencies for EHI’s senior unsecured debt. The Facility matures in June 2027, but under certain conditions EHI may need to repay any outstanding amounts and terminate the Facility earlier than the maturity date.

We may use borrowings under the Facility for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility contains several covenants, including financial covenants relating to minimum net worth, capital and liquidity levels, maximum debt to capitalization level and PMIERs compliance. We are in compliance of all covenants of the Facility and the Facility has remained undrawn through December 31, 2023.

(8) Income taxes

Income before income taxes of $851.5 million, $898.2 million and $695.1 million in 2023, 2022 and 2021, respectively, was domestic.

The total provision for income taxes was as follows for the years ended December 31:

(Amounts in thousands)	2023	2022	2021
Current federal income taxes	$ 181,685	$ 192,191	$ 147,213
Deferred federal income taxes	(1,600)	(1,971)	(1,454)
Total federal income taxes	**180,085**	**190,220**	**145,759**
Current state income taxes	6,146	4,171	2,742
Deferred state income taxes	(233)	(326)	30
Total state income taxes	**5,913**	**3,845**	**2,772**
Total provision for income taxes	**$ 185,998**	**$ 194,065**	**$ 148,531**

We had current income taxes payable of $14.9 million and $9.1 million as of December 31, 2023 and 2022, respectively, which were recorded in other liabilities.

We paid federal taxes of $176.7 million and state taxes of $5.3 million for the year ended December 31, 2023; federal taxes of $182.2 million and state taxes of $4.0 million for the year ended December 31, 2022; and federal taxes of $143.5 million and state taxes of $2.4 million for the year ended December 31, 2021.

The reconciliation of the federal statutory tax rate to the effective income tax rate was as follows for the years ended December 31:

	2023	2022	2021
Statutory U.S. federal income tax rate	21.0 %	21.0 %	21.0 %
Increase (reduction) in rate resulting from:			
State income tax, net of federal income tax effect	0.5	0.3	0.3
Other, net [1]	0.3	0.3	0.1
Effective rate	**21.8 %**	**21.6 %**	**21.4 %**

[1] "Other, net" is comprised primarily of nondeductible expenses, prior year true-ups and tax-exempt income.

The components of the deferred income taxes were as follows as of December 31:

(Amounts in thousands)	2023	2022
Assets:		
Accrued commissions and general expenses	$ 12,658	$ 12,162
Capital loss carry forwards	2,723	—
Net unrealized losses on investment securities	63,189	104,047
Unearned premium and loss reserves	32,952	33,576
State income taxes	9,027	8,297
Other	2,825	3,330
Gross deferred income tax assets	123,374	161,412
Valuation allowance	(7,770)	(7,284)
Total deferred income tax assets	**115,604**	**154,128**
Liabilities:		
Deferred acquisition costs	5,218	5,460
Investments	18,893	17,512
Other	3,004	3,683
Total deferred income tax liabilities	**27,115**	**26,655**
Net deferred income tax asset (liability)	**$ 88,489**	**$ 127,473**

The valuation allowances above, $7.8 million and $7.3 million as of December 31, 2023 and 2022, respectively, related to state deferred tax assets. The state deferred tax assets related primarily to the future deductions associated with non-insurance and insurance net operating loss ("NOL") carryforwards.

As of December 31, 2023, the capital loss carryforward was $12.9 million and, if unused, will expire in 2028. There were no U.S. federal NOL carryforwards.

Except as discussed above, we have not established a valuation allowance with respect to any other deferred tax assets as of December 31, 2023, based primarily upon projections of future taxable income. With respect to deferred tax assets associated with unrealized losses on investment securities, management has the ability and intent to execute tax planning strategies, including to hold those investment assets to recovery or maturity. We have determined that such strategies are prudent and feasible, and would be implemented, if necessary, to ensure recognition of the deferred tax asset. After consideration of all available evidence, we concluded that it is more likely than not that these deferred tax

assets will be realized. If our actual results do not validate the current projections of pre-tax income, we may be required to record an additional valuation allowance which could have a material impact on our consolidated financial statements in future periods.

There were no unrecognized tax benefits as of December 31, 2023 and 2022.

We recognize accrued interest and penalties related to unrecognized tax benefits as components of the provision for income taxes. We have recorded $0 of benefits related to interest and penalties for 2023, 2022 and 2021.

As previously discussed, we have elected to participate in the Genworth consolidated return. All Genworth companies domesticated in the United States are included in the Genworth consolidated return as allowed by the tax law and regulations. We have a tax sharing agreement in place and all intercompany balances related to this agreement are settled at least annually. We are not currently subject to any significant examinations by federal or state income tax authorities. Generally, we are no longer subject to federal or state income tax examinations for years prior to 2020.

We are part of the 2022 Amended and Restated Tax Allocation Agreement (“TAA”) between Genworth and certain of our subsidiaries. The TAA was approved by state insurance regulators and our Board of Directors. The tax allocation methodology is based on the separate return liabilities with offsets for losses and credits utilized to reduce the current consolidated tax liability as allowed by applicable law and regulation. Our policy is to settle intercompany tax balances quarterly, with a final settlement after filing of Genworth’s federal consolidated U.S. corporate income tax return.

Additionally, Enact Mortgage Insurance Corporation, Enact Mortgage Reinsurance Corporation, Enact Mortgage Insurance Corporation of North Carolina and Enact Financial Assurance Corporation (collectively, the “MI Group”), were parties to a supplemental tax sharing agreement that allowed them to accelerate the utilization of benefits as if they filed a stand-alone MI Group federal income tax return, even if those benefits had not been utilized in the consolidated federal return (“deemed used losses”). If any deemed used losses are subsequently actually used in a consolidated return, the members of the MI Group which received the benefit for such deemed used losses would not receive a second benefit for such losses. Also, if any member of the MI Group received benefit for any deemed used losses and leaves the consolidated group before such deemed used losses are actually used in a consolidated return, such member will repay such benefit received. Any benefits generated by the MI Group after January 1, 2021 will follow the TAA mentioned above, which does not allow for an acceleration when utilizing benefits.

The TAA prevents any allocation of tax to a separate company that is greater than the tax incurred on a separate company basis, subject to consolidated loss carry-forward adjustments. The total tax refund allocated to the MI Group, therefore, may exceed the consolidated tax refund received.

Separate Return Method

If during the year ended December 31, 2023, we had computed taxes using the separate return method, the unaudited pro forma provision for income taxes would remain unchanged.

(9) Employee benefits

As a consolidated company within Genworth, our employees are generally provided a number of Genworth employee benefits. Genworth, as sponsor of the plans described below (collectively, “Shared Plans”), is ultimately responsible for maintenance of these plans in compliance with applicable laws. Our obligation results from an allocation of our share of expenses from Genworth’s plans based on benefits eligible earnings. Benefits eligible earnings include base pay, overtime, annual incentives and sales commissions.

We account for such Shared Plans as multiemployer benefit plans. Accordingly, we do not record an asset or liability to recognize the funded status of the Shared Plans. We recognize a liability only for any required contributions to the Shared Plans that are accrued and unpaid at the balance sheet date, which is included within other liabilities in the consolidated balance sheets.

Pension and Retiree Health and Life Insurance Benefit Plans

Most of our employees are enrolled in a qualified defined contribution pension plan sponsored by Genworth. The plan is 100% funded by Genworth. Genworth makes annual contributions to each employee's pension plan account based on the employee's age, service and eligible pay. Employees are vested in the plan after three years of service. Expenses associated with the qualified defined contribution pension plan were $2.2 million, $2.1 million, and $2.1 million in 2023, 2022 and 2021, respectively.

In addition, certain employees also participate in non-qualified defined contribution plans and qualified and non-qualified defined benefit pension plans sponsored by Genworth. Expenses associated with non-qualified defined contribution plans were $1.4 million, $1.2 million and $1.0 million for 2023, 2022 and 2021, respectively. Expenses allocated to us for qualified and non-qualified defined benefit pension plans were $0.3 million, $0.3 million, and $0.4 million in 2023, 2022 and 2021, respectively.

Genworth provides retiree health benefits to our employees hired prior to January 1, 2005, who meet certain service requirements. Under this plan, retirees over 65 years of age receive a subsidy towards the purchase of a Medigap policy, and retirees under 65 years of age receive medical benefits similar to our employees' medical benefits. In December 2009, Genworth announced that eligibility for retiree medical benefits will be limited to associates who were within 10 years of retirement eligibility as of January 1, 2010. Genworth also provides retiree life and long-term care insurance benefits. Expenses allocated to us for retiree health and life insurance benefits plans were $0.5 million, $0.5 million and $0.5 million for the years ended 2023, 2022 and 2021, respectively.

Savings Plans

Our employees participate in qualified and non-qualified defined contribution savings plans that allow employees to contribute a portion of their pay to the plan on a pre-tax basis. Genworth makes matching contributions equal to 100% of the first 4% of pay deferred by an employee and 50% of the next 2% of pay deferred by an employee so that our matching contribution does not exceed 5% of an employee's pay. Employees do not vest immediately in Genworth matching contributions but fully vest in the matching contributions after two complete years of service. One option available to employees in the defined contribution savings plan is the ClearCourse® variable annuity option offered by certain of Genworth's life insurance subsidiaries.

Prior to January 2021, employees also had the option of purchasing a fund which invests primarily in Genworth stock as part of the defined contribution savings plan. Several years ago, Genworth had contracted with Newport Trust Company ("Newport") to act as an independent fiduciary and investment manager with respect to Genworth stock in the defined contribution savings plan. The independent fiduciary's role is to act on behalf of a plan to protect the interests of participants and beneficiaries. As part of its on-going process, on January 8, 2021, Newport froze the fund and accordingly, future investments or transfers into the fund are no longer permitted.

Our cost associated with these plans was $3.3 million, $3.2 million and $3.4 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Health and Welfare Benefits for Active Employees

We provide health and welfare benefits to our employees, including health, life, disability dental and long-term care insurance, among others. Our long-term care insurance is provided through Genworth's long-term care insurance products.

(10) Share-based compensation

EHI share-based compensation

Beginning with our initial public offering in 2021, we offer share-based awards to employees and directors including restricted stock units (“RSUs”) and performance stock units (“PSUs”) for employees and deferred stock units (“DSUs”) to directors. In 2021, the Enact Holdings, Inc. 2021 Omnibus Incentive Plan (the “2021 Omnibus Plan”) was adopted and approved by EHI’s stockholders. Under the 2021 Omnibus incentive Plan, EHI was authorized to grant a maximum number of shares of Common Stock for issuance not to exceed 4 million shares.

Share-based compensation expense under the 2021 Omnibus Plan was $15.3 million, $9.9 million, $1.5 million for the years ended December 31, 2023, 2022 and 2021, respectively, and is recorded with acquisition and operating expenses, net of deferrals in the consolidated statement of income. Stock-based compensation expense was recognized evenly on a straight-line attribution method over the awards’ respective vesting period.

During 2023, 2022, and 2021 the Company issued RSUs to our employees with average restriction periods of three years and a weighted average fair value of $24.26, $22.18, and $19.02, respectively. Each grant was measured at the fair value of a share of the Company’s Class A Common Stock on the grant date.

The PSUs granted in 2023 and 2022 have a three-year measurement period starting on January 1, 2023 and 2022, respectively, going through December 31, 2025 and 2024, respectively. The performance metrics are based on Enact’s consolidated book value per share growth at the end of the performance period, calculated as the increase in book value divided by the average number of shares outstanding during the measurement period. The PSUs were granted at fair value as of the approval date by Enact Holdings’ Board of Directors.

In connection with cash dividends paid in 2023, 2022 and the fourth quarter of 2021, dividend equivalent shares were issued to RSU, PSU and DSU holders as of the dividend date. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our board of directors.

The following table summarizes the status of the equity-based awards as of December 31, 2023:

	RSUs		PSUs		DSUs	
Awards in thousands	Number of awards	Weighted-average grant date fair value	Number of awards	Weighted-average grant date fair value	Number of awards	Weighted-average grant date fair value
Balance as of January 1, 2021	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**
Granted	628	$ 19.02	—	$ —	17	$ 20.87
Dividend equivalents	36	$ 21.25	—	$ —	—	$ —
Terminated	(10)	$ 19.00	—	$ —	—	$ —
Balance as of December 31, 2021	**654**	**$ 19.02**	**—**	**$ —**	**17**	**$ 20.87**
Granted	322	$ 22.18	156	$ 22.15	78	$ 22.02
Dividend equivalents	62	$ 24.00	10	$ 24.00	5	$ 23.98
Exercised	(3)	$ 19.00	—	$ —	—	$ —
Terminated	(26)	$ 19.73	—	$ —	—	$ —
Balance as of December 31, 2022	**1,009**	**$ 20.07**	**166**	**$ 22.15**	**100**	**$ 21.81**
Granted	294	$ 24.26	157	$ 24.23	58	$ 23.80
Dividend equivalents	59	$ 26.82	16	$ 26.82	8	$ 26.97
Exercised	(125)	$ 21.84	—	$ —	—	$ —
Terminated	(23)	$ 20.61	—	$ —	—	$ —
Balance as of December 31, 2023	**1,214**	**$ 20.94**	**339**	**$ 23.16**	**166**	**$ 22.54**

As of December 31, 2023 and December 31, 2022, total unrecognized share-based compensation expense related to non-vested awards not yet recognized was $13.3 million and $12.6 million, respectively. This expense is expected to be recognized over a weighted-average period of approximately two years.

The actual tax benefit realized for the tax deductions from the exercise of EHI share-based awards was $0.4 million for the year ended December 31, 2023.

Genworth share-based compensation

Prior to May 2012, share-based awards were granted to employees and directors, including stock options, stock appreciation rights ("SARs") and RSUs under the 2004 Genworth Financial, Inc. Omnibus Incentive Plan (the "2004 Omnibus Incentive Plan"). In May 2012, the 2012 Genworth Financial, Inc. Omnibus Incentive Plan (the "2012 Omnibus Incentive Plan") was approved by Genworth's stockholders. Under the 2012 Omnibus Incentive Plan, Genworth was authorized to grant 16 million equity awards, plus a number of additional shares not to exceed 25 million underlying awards outstanding under the 2004 Omnibus Incentive Plan. In December 2018, the 2018 Genworth Financial, Inc. Omnibus Incentive Plan (the "2018 Omnibus Incentive Plan") was approved by Genworth's stockholders. Under the 2018 Omnibus Incentive Plan, Genworth is authorized to grant 25 million equity awards, plus a number of additional shares not to exceed 20 million underlying awards outstanding under the prior Plans. The 2004 Omnibus Incentive Plan together with the 2012 Omnibus Incentive Plan and the 2018 Omnibus Incentive Plan are referred to collectively as the "Omnibus Incentive Plans."

Share-based compensation expense under the Omnibus Incentive Plans was $2.6 million, $3.9 million and $5.5 million for the years ended December 31, 2023, 2022 and 2021, respectively, and was included within acquisition and operating expenses, net of deferrals in the consolidated statements of income. For awards issued prior to January 1, 2006, share-based compensation expense was recognized on a graded vesting attribution method over the awards' respective vesting schedule. For awards issued after January 1, 2006, share-based compensation expense was recognized evenly on a straight-line attribution method over the awards' respective vesting period.

During 2021, Genworth issued RSUs to our employees with average restriction periods of three years, with a fair value of $3.31, which were measured at the market price of a share of Genworth's Class A Common Stock on the grant date.

During 2021, Genworth granted PSUs with a weighted-average fair value of $3.45. The PSUs were granted at market price as of the approval date by Genworth's Board of Directors. PSUs may be earned over a three-year period based upon the achievement of certain performance goals.

The PSUs granted in 2021 have a three-year measurement period starting on January 1, 2021, going through December 31, 2023. The performance metrics are based on Genworth's consolidated adjusted operating income and its stockholder return relative to certain of its peer companies as of the grant date.

For all PSU awards granted, the compensation committee of Genworth's Board of Directors determines and approves no later than March 15, following the end of the three-year performance period for each applicable performance period, the number of units earned and vested for each distinct performance period.

Expense associated with our PSUs was less than $1.0 million in 2023 and 2022, and $1.3 million in 2021.

In 2021, Genworth granted cash awards with a fair value of $1.00. Genworth has performance-based cash awards, which vested and paid out in 2021. Genworth also has time-based cash awards, which vest over three years, with a third of the payout occurring per year as determined by the vesting period, beginning on the first anniversary of the grant date. The following table summarizes cash award activity as of December 31, 2023, 2022 and 2021:

(Number of awards in thousands)	Performance-based cash awards	Time-based cash awards
Balance as of January 1, 2021	**530**	**6,567**
Granted	—	4,330
Performance adjustment	449	83
Vested	(979)	(3,348)
Forfeited	—	(685)
Balance as of December 31, 2021	**—**	**6,947**
Granted	—	—
Employee transfer	—	556
Vested	—	(3,600)
Forfeited	—	(115)
Balance as of December 31, 2022	**—**	**3,788**
Granted	—	—
Employee transfer	—	—
Vested	—	(2,400)
Forfeited	—	(111)
Balance as of December 31, 2023	**—**	**1,277**

The following table summarizes the status of other equity-based awards as of December 31, 2023, 2022 and 2021:

	RSUs		PSUs		SARs	
Awards in thousands	**Number of awards**	**Weighted-average grant date fair value**	**Number of awards**	**Weighted-average grant date fair value**	**Number of awards**	**Weighted-average grant date fair value**
Balance as of January 1, 2021	**224**	**$ 3.46**	**269**	**$ 3.82**	**545**	**$ 2.76**
Granted	316	$ 3.31	303	$ 3.45	—	$ —
Employee transfer	—	$ —	—	$ —	18	$ 2.77
Exercised	(90)	$ 3.44	—	$ —	—	$ —
Terminated	—	$ —	—	$ —	(87)	$ 3.12
Balance as of December 31, 2021	**450**	**$ 3.36**	**572**	**$ 3.63**	**476**	**$ 2.70**
Granted	—	$ —	—	$ —	—	$ —
Performance adjustment	—	$ —	135	$ 4.61	—	$ —
Employee transfer	32	$ 5.13	—	$ —	49	$ 2.71
Exercised	(195)	$ 3.37	(270)	$ 4.61	—	$ —
Terminated	—	$ —	—	$ —	(160)	$ 2.54
Balance as of December 31, 2022	**287**	**$ 3.55**	**437**	**$ 3.32**	**365**	**$ 2.77**
Granted	—	$ —	—	$ —	—	$ —
Performance adjustment	—	$ —	117	$ 3.03	—	$ —
Employee transfer	—	$ —	—	$ —	—	$ —
Exercised	(161)	$ 3.56	(251)	$ 3.03	—	$ —
Terminated	—	$ —	—	$ —	(180)	$ 2.47
Balance as of December 31, 2023	**126**	**$ 3.78**	**303**	**$ 3.45**	**185**	**$ 3.06**

As of December 31, 2023, and 2022, total unrecognized share-based compensation expense related to non-vested awards not yet recognized was $1.1 million and is expected to be recognized over a weighted-average period of approximately one year, for each period.

In 2023, there was no cash received from stock options exercised. New shares were issued to settle all exercised awards. The actual tax benefit realized for the tax deductions from the exercise of Genworth share-based awards was $0.5 million as of December 31, 2023.

(11) Related party transactions

Related Party Transactions

We have various agreements with Genworth that provide for reimbursement to and from Genworth of certain administrative and operating expenses that include, but are not limited to, information technology services and administrative services (such as finance, human resources and employee benefit administration). These agreements provide for an allocation of corporate expenses to all Genworth businesses or subsidiaries. We incurred costs for these services of $17.7 million, $30.4 million and $44.5 million in 2023, 2022 and 2021, respectively.

The investment portfolios of our insurance subsidiaries are managed by Genworth. Under the terms of the investment management agreement, we are charged a fee by Genworth. All fees paid to Genworth are charged to investment expense and are included in net investment income in the consolidated statements of income. The total investment expenses paid to Genworth were $5.7 million, $5.5 million and $5.2 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Our employees participate in certain benefit plans sponsored by Genworth and certain share-based compensation plans that utilize shares of Genworth common stock and other incentive plans. See Note 9 and Note 10 for further information.

We provide certain information technology and administrative services (such as facilities and maintenance) to Genworth. We charged Genworth $0.5 million, $0.7 million and $0.3 million for these services in 2023, 2022 and 2021, respectively.

In November 2021, we completed the acquisition of Genworth Financial Mauritius Holdings Limited from Genworth Financial International Holdings, LLC. Refer to Note 3 for further details.

We paid cash dividends of $173.7 million, $204.6 million and $163.4 million to Genworth in 2023, 2022 and 2021, respectively. The amount and timing of future dividends will be based upon the prevailing and prospective macro-economic conditions, regulatory landscape and business performance and remain subject to required approvals. Refer to Note 15 for further details on dividend restrictions.

We have a tax sharing agreement in place with Genworth, such that we participate in a single U.S. consolidated income tax return filing. All intercompany balances related to this agreement are settled at least annually. Refer to Note 8 for further details.

The consolidated financial statements include the following amounts due to and from Genworth relating to recurring service and expense agreements as of December 31:

(Amounts in thousands)	2023	2022
Amounts payable to Genworth	$ 8,186	$ 9,291
Amounts receivable from Genworth	$ 215	$ 167

(12) Commitments and contingencies

Leases

Our operating leases consist predominantly of office space. Operating lease right-of-use assets of $11.3 million and $13.6 million as of December 31, 2023 and 2022, respectively, were recorded in other assets on the consolidated balance sheets. Operating lease liabilities of $13.5 million and $15.9 million as of December 31, 2023 and 2022, respectively, were recorded in other liabilities on the consolidated balance sheets. Operating lease expenses were approximately $3.4 million, $3.4 million and $3.9 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Our remaining lease terms ranged from less than 3 years to 4 years and had a weighted-average remaining lease term of 4 years and 5 years as of December 31, 2023, and 2022, respectively. The implicit rate of our lease agreements was not readily determinable; therefore, we utilized our incremental borrowing rate to discount future lease payments. The weighted-average discount rate was 7.1% as of

December 31, 2023 and 2022. The following table presents future minimum rent payments under operating leases as of December 31, 2023:

(Amounts in thousands)	Future minimum payments under operating leases
2024	$ 3,800
2025	3,885
2026	3,890
2027	3,936
2028	—
2029 and thereafter	—
Total lease payments	**15,511**
Imputed interest	(1,977)
Operating lease liabilities	**$ 13,534**

Litigation and Regulatory Matters

We face the risk of litigation and regulatory investigations and actions in the ordinary course of operating our business and are also subject to litigation arising out of our general business activities, such as our contractual and employment relationships. Past legal and regulatory actions include proceedings specific to us and others generally applicable to business practices in the mortgage insurance industry in which we operate. We have been, or may become, subject to lawsuits or regulatory investigations alleging, among other things, issues relating to violations of the Real Estate Settlement and Procedures Act of 1974 ("RESPA") or related state anti-inducement laws, mortgage insurance policy rescissions and curtailments, pricing structures and general business practices, and breaching duties related to the privacy and information security of customer information. Plaintiffs in lawsuits against us may seek very large or indeterminate amounts which may remain unknown for substantial periods of time. In addition, we are also subject to various regulatory inquiries, such as information requests, subpoenas, books and record examinations and market conduct and financial examinations from state and federal regulators and other authorities. A substantial legal liability or a significant regulatory action against us could have an adverse effect on our business, financial condition and results of operations. Moreover, even if we ultimately prevail in the litigation, regulatory action or investigation, we could suffer significant reputational harm, which could have an adverse effect on our business, financial condition or results of operations.

(13) Stockholders' Equity

Share Repurchase Program

On November 1, 2022, our board of directors approved a share repurchase program authorizing the Company to spend up to $75 million, excluding commissions, to repurchase EHI common stock in the open market or in privately negotiated transactions, based on market and business conditions, stock price and other factors. On August 1, 2023, we announced a new share repurchase authorization which allows for the purchase of an additional $100 million of EHI common stock. EHI generally operates its share repurchase programs pursuant to a trading plan under Rule 10b5-1 of the Exchange Act, which permits the Company to purchase shares, at predetermined price targets, when it may otherwise be precluded from doing so. During the year ended December 31, 2023, the Company purchased 3,520,052 shares at an average price of $24.89 per share, excluding commissions, compared to 63,571 shares at an average price of $24.10 per share for the year ended December 31, 2022. As of December 31, 2023, $85.9 million

remained available under this program. All treasury stock has been retired or constructively retired as of December 31, 2023.

Subsequent to year end, the Company purchased 133,307 shares at an average price of $27.75 per share through January 31, 2024.

Cash Dividends

We paid a quarterly cash dividend of $0.16 per share in the fourth, third, and second quarters of 2023, and $0.14 per share in the first quarter of 2023. In the second, third, and fourth quarters of 2022, we paid quarterly cash dividends of $0.14 per share. On December 5, 2023, we paid a special cash dividend of $0.71 per share or approximately $113 million. This compared to a dividend of $1.12 per share, or approximately $183 million on December 6, 2022. Subsequent to year end, in February 2024, we announced our first quarter dividend of $0.16 per share.

(14) Accumulated other comprehensive income (loss)

The following table presents a roll-forward of accumulated other comprehensive income (loss), net of taxes:

(Amounts in thousands)	Net unrealized gains (losses) on investments	Foreign currency translation	Total
Balance January 1, 2021, net of tax	**$ 208,378**	**$ —**	**$ 208,378**
Cumulative effect of changes in accounting	281	—	281
Other comprehensive income (loss) before reclassifications	(124,908)	(7)	(124,915)
Amounts reclassified from other comprehensive income (loss)	(163)	—	(163)
Total other comprehensive income (loss)	(124,790)	(7)	(124,797)
Balance December 31, 2021, net of tax	**83,588**	**(7)**	**83,581**
Other comprehensive income (loss) before reclassifications	(468,229)	159	(468,070)
Amounts reclassified from other comprehensive income (loss)	1,745	—	1,745
Total other comprehensive income (loss) and other adjustments	(466,484)	159	(466,325)
Balance December 31, 2022, net of tax	**(382,896)**	**152**	**(382,744)**
Other comprehensive income (loss) before reclassifications	141,263	4	141,267
Amounts reclassified from other comprehensive income (loss)	11,077	—	11,077
Total other comprehensive income (loss)	152,340	4	152,344
Balance December 31, 2023, net of tax	**$ (230,556)**	**$ 156**	**$ (230,400)**

The following table presents the effect of the reclassification of significant items out of accumulated other comprehensive income (loss) on the respective line items of the consolidated statements of income:

(Amounts in thousands)	Amounts reclassified from accumulated other comprehensive income (loss)			Affected line item in consolidated statement of income
	2023	2022	2021	
Net unrealized gains (losses) on investments	$ (14,022)	$ (2,209)	$ 206	Net investment gains (losses)
Benefit (expense) for income taxes	2,945	464	(43)	Provision for income taxes

(15) Statutory information

Statutory Accounting Principles

We prepare our statutory financial statements in accordance with the accounting practices required or permitted, if applicable, by the insurance departments of the respective states of domicile of our insurance subsidiaries. These statements of statutory accounting principles (“SSAP”) are established by a variety of National Association of Insurance Commissioners ("NAIC") publications, as well as state laws, regulations and general administrative rules. In addition, insurance departments have the right to permit other specific practices that may deviate from prescribed practices. As of December 31, 2023, we did not have any prescribed or permitted statutory accounting practices that resulted in reported statutory surplus or risk-to-capital ratios being different from what would have been reported had NAIC statutory accounting practices been followed.

The key areas where SSAP financial statements differ from financial statements presented on a U.S. GAAP basis include:

(a) Under SSAP, mortgage insurance companies are required each year to establish a special contingency reserve in their statutory financial statements to provide for losses in the event of significant economic declines. Annual additions to the statutory contingency reserve must be at least 50% of net earned premiums earned in such year. Such amount must be maintained in the contingency reserve for 10 years, after which time it is released to unassigned surplus. Prior to 10 years, the contingency reserve may be reduced with regulatory approval to the extent that losses in any calendar year exceed 35% of earned premiums for such year.

(b) Under SSAP, insurance policy acquisition costs are charged against operations in the year incurred. Under U.S. GAAP, such costs are deferred and amortized.

(c) Under SSAP, income tax expense is calculated on the basis of amounts currently payable. Generally, deferred tax assets are recognized under both SSAP and U.S. GAAP when it is more likely than not that the deferred tax asset will be realized. However, SSAP standards impose additional admissibility requirements whereby deferred tax assets are only recognized to the extent they are expected to be recovered within a one- to three-year period subject to a capital and surplus limitation. Changes in deferred tax assets and liabilities are recognized as a direct benefit or charge to unassigned surplus, whereas under U.S. GAAP changes in deferred tax assets and liabilities, except for changes in unrealized gains and losses on available-for-sale securities, are recorded as a component of income tax expense.

(d) Under SSAP, most of our fixed maturity investments are recorded at amortized cost while securities with certain NAIC designations are carried at the lower of amortized cost or market value. Under U.S. GAAP, our fixed maturity securities are classified as available-for-sale and are recorded at fair value, with the unrealized gain or loss recognized, net of tax, as an increase or decrease to accumulated other comprehensive income.

(e) Under SSAP, certain assets, designated as non-admitted assets, are charged directly against statutory surplus. Such assets are reflected in our U.S. GAAP financial statements.

The table below presents statutory net income, statutory policyholders' surplus and contingency reserve for the combined insurance subsidiaries as of and for the years ended December 31:

(Amounts in thousands)	2023	2022	2021
Statutory net income	$ 665,078	$ 747,150	$ 593,093
Statutory policyholders' surplus	$ 1,084,754	$ 1,135,797	$ 1,397,229
Contingency reserve	$ 3,959,716	$ 3,551,022	$ 3,042,117

Statutory Capital Requirements

Mortgage insurers are not subject to the NAIC's risk-based capital ("RBC") requirements, but certain states and other regulators impose another form of capital requirement on mortgage insurers requiring maintenance of a risk-to-capital ratio not to exceed 25:1. Our insurance subsidiaries are domiciled in North Carolina. Fifteen other states maintain similar risk-to-capital requirements. As of December 31, 2023 and 2022, the risk-to-capital ratio for our combined insurance subsidiaries under the current regulatory framework as established under North Carolina law and enforced by the North Carolina Department of Insurance ("NCDOI") was approximately 11.6:1 and 12.8:1, respectively. Each of our insurance subsidiaries met its respective capital requirement as of 2023 and 2022.

PMIERs Regulatory Requirements

Mortgage insurers must meet the private mortgage insurer eligibility requirements ("PMIERs") as set forth by each GSE in order to remain eligible to insure loans that are purchased by the GSEs. Each approved mortgage insurer is required to provide the GSEs with an annual certification and a quarterly report as to its compliance with PMIERs.

Since its adoption in 2015, PMIERs has been amended on several occasions, including as a result of COVID-19 (as amended, the "PMIERs Amendment").

The PMIERs include financial requirements for mortgage insurers under which a mortgage insurer's "Available Assets" (generally only the most liquid assets of an insurer) must meet or exceed "Minimum Required Assets" (which are based on an insurer's risk-in-force ("RIF") and are calculated from tables of factors with several risk dimensions and are subject to a floor amount) and otherwise generally establish when a mortgage insurer is qualified to issue coverage that will be acceptable to the respective GSE for acquisition of high loan-to-value ("LTV") mortgages. The GSEs may amend or waive PMIERs at their discretion, impose additional conditions or restrictions on us and also have broad discretion to interpret PMIERs, which could impact the calculation of our "Available Assets" and/or "Minimum Required Assets." The amount of capital that EMICO may be required in the future to maintain the "Minimum Required Assets" as defined in PMIERs, and operate our business is dependent upon, among other things: (i) the way PMIERs are applied and interpreted by the GSEs and the Federal Housing Finance Agency ("FHFA"); (ii) the future performance of the housing market; (iii) our generation of earnings in our business, "Available Assets" and "Minimum Required Assets," reducing RIF and reducing delinquencies as anticipated, and writing anticipated amounts and types of new mortgage insurance business; and (iv) our overall financial performance, capital and liquidity levels. Depending on our actual experience, the amount of capital required under PMIERs may be higher than currently anticipated. In the absence of a premium increase for new business, if we hold more capital relative to insured loans, our returns will be lower. We may be unable to increase premium rates for various reasons, principally due to competition. Our inability to increase the capital as required in the anticipated timeframes and on the anticipated terms, and to realize the anticipated benefits, could have a material adverse impact on our business, results of operations and financial condition. More particularly, our ability to continue to meet the PMIERs financial requirements and maintain a prudent amount of capital in excess of those requirements, given the dynamic nature of asset valuations and requirement changes over time, is dependent upon, among other

things: (i) our ability to complete credit risk transfer (“CRT”) transactions on our anticipated terms and timetable, which, as applicable, are subject to market conditions, third-party approvals and other actions (including approval by the GSEs), and other factors that are outside of our control and (ii) our ability to contribute holding company cash or other sources of capital to satisfy the portion of the financial requirements that are not satisfied through these transactions.

The PMIERs Amendment implemented both permanent and temporary revisions to PMIERs. For loans that became non-performing due to a COVID-19 hardship, PMIERs was amended with respect to each non-performing loan that (i) had an initial missed monthly payment occurring on or after March 1, 2020 and prior to April 1, 2021 or (ii) is subject to a forbearance plan granted in response to a financial hardship related to COVID-19, the terms of which are materially consistent with terms of forbearance plans offered by the GSEs. The risk-based required asset amount factor for a non-performing loan is the greater of (a) the applicable risk-based required asset amount factor for a performing loan were it not delinquent, and (b) the product of a 0.30 multiplier and the applicable risk-based required asset amount factor for a non-performing loan. In the case of (i) above, absent the loan being subject to a forbearance plan described in (ii) above, the 0.30 multiplier will be applicable for no longer than three calendar months beginning with the month in which the loan became a non-performing loan due to having missed two monthly payments. Loans subject to a forbearance plan described in (ii) above include those that are either in a repayment plan or loan modification trial period following the forbearance plan unless reported to the approved insurer that the loan is no longer in such forbearance plan, repayment plan, or loan modification trial period.

Our assessment of PMIERs compliance is based on a number of factors, including our understanding of the GSEs’ interpretation of the PMIERs financial requirements. The GSEs require our mortgage insurance subsidiaries not to exceed a maximum statutory RTC ratio of 18:1 or they reserve the right to reevaluate the amount of PMIERs credit for reinsurance and other CRT transactions available under PMIERs indicated in their approval letters. Freddie Mac has also imposed additional requirements on our option to commute these reinsurance agreements. Both GSEs reserved the right to periodically review the reinsurance transactions for treatment under PMIERs. If we are unable to continue to meet the requirements mandated by PMIERs, or any additional restrictions which may be imposed on us by the GSEs, we may not be eligible to write new insurance on loans acquired by the GSEs, which would have a material adverse effect on our business, results of operations and financial condition.

We have met all PMIERs reporting requirements as required by the GSEs. As of December 31, 2023, we had available assets of $5,006 million against $3,119 million net required assets under PMIERs, compared to available assets of $5,206 million against $3,156 million net required assets as of December 31, 2022. The sufficiency above the PMIERs financial requirements as of December 31, 2023, was $1,887 million, compared to $2,050 million above the published PMIERs requirements as of December 31, 2022, resulting in a PMIERs sufficiency ratio of 161% and 165% as of December 31, 2023 and 2022, respectively. The sufficiency as of December 31, 2023, was above the requirement imposed by the GSE Restrictions that required us to maintain a PMIERs sufficiency ratio of 120% in 2022. The GSE Restrictions are no longer relevant to us, beginning in 2023.

Dividend Restrictions

The majority of our investments are held by our regulated U.S. mortgage insurance subsidiaries which may be limited in their ability to make dividends or distributions to a holding company in the future due to restrictions related to their capital levels. Our U.S. mortgage insurance subsidiaries are required to maintain minimum capital on a statutory basis, as well as pursuant to the PMIERs promulgated by the GSEs. Moreover, even where such dividends or distributions would not cause capital to fall below the minimum levels required by state insurance regulators and the GSEs, the ability of our regulated insurance operating subsidiaries to pay dividends and distributions to us is restricted by certain provisions of North Carolina insurance laws. Our insurance subsidiaries may pay dividends only from unassigned surplus; payments made from sources other than unassigned surplus, such as paid-in and contributed surplus, are categorized as distributions. Notice of all dividends must be submitted to the Commissioner

of the NCDOI (the "Commissioner") within 5 business days after declaration of the dividend, and at least 30 days before payment thereof. No dividend may be paid until 30 days after the Commissioner has received notice of the declaration thereof and (i) has not within that period disapproved the payment or (ii) has approved the payment within the 30-day period. Any distribution, regardless of amount, requires that same 30-day notice to the Commissioner, but also requires the Commissioner's affirmative approval before being paid. Based on estimated statutory results as of December 31, 2023, in accordance with applicable dividend restrictions, our insurance subsidiaries could pay dividends of approximately $336 million from unassigned surplus in 2024 without obtaining prior regulatory approval, although notice of the intent to pay must be provided to the Commissioner 30 days in advance thereof during which period the Commissioner may review the dividend pursuant to statutory standards.

(16) Earnings per share

The basic earnings per share computation is based on the weighted average number of shares of common stock outstanding. For the years ended December 31, 2023, 2022 and 2021, the calculation of dilutive weighted average shares considers the impact of restricted stock units and performance stock units issued to employees as well deferred stock units issued to our directors.

The following table presents the computation of earnings per share for the years ended December 31:

(Amounts in thousands, except per share amounts)	2023	2022	2021
Net income available to EHI common stockholders	$ 665,511	$ 704,157	$ 546,685
Net income per common share:			
Basic	$ 4.14	$ 4.32	$ 3.36
Diluted	$ 4.11	$ 4.31	$ 3.36
Weighted average common shares outstanding:			
Basic	160,870	162,838	162,840
Diluted	161,847	163,294	162,879

SCHEDULE I

ENACT HOLDINGS, INC.

Summary of Investments—Other Than Investments in Related Parties

As of December 31, 2023, the amortized cost, fair value and carrying value of our invested assets were as follows:

(Amounts in thousands)	Amortized cost	Fair value	Carrying value
Fixed maturity securities:			
U.S. government, agencies and GSEs	$ 194,824	$ 195,129	$ 195,129
State and political subdivisions	511,906	438,214	438,214
Non-U.S. government	12,338	11,467	11,467
U.S. corporate	2,858,445	2,723,730	2,723,730
Non-U.S. corporate	725,163	689,663	689,663
Residential mortgage-backed	10,781	10,755	10,755
Other asset-backed	1,246,429	1,197,183	1,197,183
Total fixed maturity securities	**$ 5,559,886**	**$ 5,266,141**	**$ 5,266,141**
Short-term investments	20,219	20,219	20,219
Total investments	**$ 5,580,105**	**$ 5,286,360**	**$ 5,286,360**

See Report of Independent Registered Public Accounting Firm

SCHEDULE II

ENACT HOLDINGS, INC.
(PARENT COMPANY ONLY)

BALANCE SHEETS

(Amounts in thousands)	December 31, 2023	December 31, 2022
Assets		
Investments in subsidiaries	$ 4,935,514	$ 4,402,529
Fixed maturity securities available-for-sale, at fair value (amortized cost of $291,962 and $246,680 as of December 31, 2023 and 2022, respectively)	293,589	243,568
Short-term investments	10,326	3,047
Total investments	5,239,429	4,649,144
Cash and cash equivalents	151,611	206,428
Accrued investment income	2,289	1,683
Other assets	4,205	5,233
Total assets	**$ 5,397,534**	**$ 4,862,488**
Liabilities and equity		
Liabilities:		
Other liabilities	$ 19,771	$ 18,750
Long-term borrowings	745,416	742,830
Total liabilities	**765,187**	**761,580**
Equity:		
Common stock	1,593	1,628
Additional paid-in capital	2,310,891	2,382,068
Accumulated other comprehensive income	(230,400)	(382,744)
Retained earnings	2,550,263	2,099,956
Total equity	**4,632,347**	**4,100,908**
Total liabilities and equity	**$ 5,397,534**	**$ 4,862,488**

See Notes to Schedule II
See Report of Independent Registered Public Accounting Firm

SCHEDULE II

ENACT HOLDINGS, INC.
(PARENT COMPANY ONLY)

STATEMENTS OF INCOME

(Amounts in thousands)	Years ended December 31, 2023	2022	2021
Revenues:			
Net investment income	$ 23,998	$ 8,412	$ 43
Net investment gains (losses)	(238)	—	—
Total revenues	**23,760**	**8,412**	**43**
Expenses:			
Acquisition and operating expenses, net of deferrals	11,493	10,532	4,500
Interest expense	51,867	51,699	51,009
Total expenses	**63,360**	**62,231**	**55,509**
Loss before income taxes and equity in income of subsidiaries	**(39,600)**	**(53,819)**	**(55,466)**
Benefit for income taxes	(8,427)	(11,343)	(11,683)
Loss before equity in income of subsidiaries	**(31,173)**	**(42,476)**	**(43,783)**
Equity in income of subsidiaries	696,684	746,633	590,468
Net income	**$ 665,511**	**$ 704,157**	**$ 546,685**

See Notes to Schedule II
See Report of Independent Registered Public Accounting Firm

SCHEDULE II

ENACT HOLDINGS, INC.
(PARENT COMPANY ONLY)

STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in thousands)	**Years ended December 31,**		
	2023	**2022**	**2021**
Net income	$ 665,511	$ 704,157	$ 546,685
Other comprehensive income (loss), net of taxes:			
Net unrealized gains (losses) on securities	152,340	(466,484)	(125,071)
Foreign currency translation	4	159	(7)
Other comprehensive income (loss)	152,344	(466,325)	(125,078)
Total comprehensive income (loss)	**$ 817,855**	**$ 237,832**	**$ 421,607**

See Notes to Schedule II
See Report of Independent Registered Public Accounting Firm

SCHEDULE II

ENACT HOLDINGS, INC.
(PARENT COMPANY ONLY)

STATEMENTS OF CASH FLOWS

(Amounts in thousands)	Years ended December 31, 2023	2022	2021
Cash flows from operating activities:			
Net income	$ 665,511	$ 704,157	$ 546,685
Adjustments to reconcile net income to net cash provided by operating activities:			
Net (gains) losses on investments	238	—	—
Equity in income from subsidiaries	(696,684)	(746,633)	(590,468)
Dividends from subsidiaries	312,500	484,500	230,000
Amortization of fixed maturity securities discounts and premiums	(4,859)	(1,191)	—
Stock-based compensation expense	15,279	9,883	1,496
Amortization of debt issuance costs	2,586	2,414	2,254
Other	—	(22)	67
Change in certain assets and liabilities:			
Accrued investment income	(606)	(1,683)	—
Other assets	328	(803)	94
Other liabilities	(290)	(337)	1,359
Net cash provided by operating activities	**294,003**	**450,285**	**191,487**
Cash flows from investing activities:			
Purchases of fixed maturity securities available-for-sale	(95,202)	(249,141)	—
Purchase of equity interest	—	—	(27,304)
Proceeds from sales of fixed maturity securities available-for-sale	23,382	—	—
Maturities of fixed maturity securities available-for-sale	30,709	3,612	—
Change in short-term investments	(6,758)	(3,077)	—
Contributions to subsidiaries	(225)	(7,150)	—
Net cash used in investing activities	**(48,094)**	**(255,756)**	**(27,304)**
Cash flows from financing activities:			
Repurchase of common stock	(87,762)	(1,532)	—
Dividends paid	(212,964)	(250,776)	(200,294)
Net cash used in financing activities	**(300,726)**	**(252,308)**	**(200,294)**
Net increase (decrease) in cash and cash equivalents	(54,817)	(57,779)	(36,111)
Cash and cash equivalents at beginning of year	206,428	264,207	300,318
Cash and cash equivalents at end of year	**$ 151,611**	**$ 206,428**	**$ 264,207**
Supplementary disclosure of cash flow information:			
Non-cash capital contributions from Genworth	$ —	$ —	$ 903
Non-cash capital contributions to subsidiaries	$ 195	$ —	$ (903)

See Notes to Schedule II
See Report of Independent Registered Public Accounting Firm

SCHEDULE II

ENACT HOLDINGS, INC.
(PARENT COMPANY ONLY)

NOTES TO SCHEDULE II
Years Ended December 31, 2023, 2022 and 2021

(1) Organization and purpose

Enact Holdings, Inc. (“EHI,” “we,” or “our”) has been a subsidiary of Genworth since EHI’s incorporation in Delaware in 2012. On May 3, 2021, EHI amended its certificate of incorporation to change its name from Genworth Mortgage Holdings, Inc. Concurrently, we entered into a share exchange agreement with Genworth Holdings, Inc. (“Genworth Holdings”), pursuant to which Genworth Holdings exchanged the 100 shares of our common stock owned by it, representing all of our issued and outstanding capital stock, for 162,840,000 newly issued shares of common stock, par value $0.01, of EHI. All of the share and per share information presented in the consolidated financial statements, notes to the consolidated financial statements and supplemental schedules to the financial statements has been adjusted to reflect the share exchange on a retroactive basis for all periods and as of all dates presented.

During 2023, EHI contributed $225 thousand into Enact Re Ltd. and subsequently contributed the Enact Re Ltd. legal entity to EMICO.

In November 2021, we completed the acquisition of Genworth Financial Mauritius Holdings Limited from Genworth Financial International Holdings, LLC. Refer to Note 3 in our audited consolidated financial statements for further details.

(2) Summary of significant accounting policies

The accompanying EHI financial statements have been prepared on the same basis and using the same accounting policies as described in the consolidated financial statements included herein. These financial statements should be read in conjunction with our consolidated financial statements and the accompanying notes thereto.

EHI includes equity in the income of subsidiaries in its statements of income, which represents the net income of each of its consolidated subsidiaries.

(3) Borrowings

The following table sets forth long-term borrowings as of December 31:

(Amounts in thousands)	2023	2022
6.5% Senior Notes, due 2025	$ 750,000	$ 750,000
Deferred borrowing charges	(4,584)	(7,170)
Total	**$ 745,416**	**$ 742,830**

On August 21, 2020, EHI issued $750 million in aggregate principal amount of 6.5% senior notes due in 2025. These notes mature on August 15, 2025, but EHI may redeem the notes in whole or in part at any time prior to February 15, 2025, at EHI’s option by paying a make-whole premium plus accrued and unpaid interest, if any. At any time on or after February 15, 2025, EHI may redeem the notes in whole or in part at its option at 100% of the principal amount plus accrued and unpaid interest. The notes contain customary events of default which, subject to certain notice and cure conditions, can result in the acceleration of the principal and accrued interest on the outstanding notes if EHI breaches the terms of the indenture.

Revolving Credit Agreement

On June 30, 2022, we entered into a credit agreement with a syndicate of lenders that provides for a five-year, unsecured revolving credit facility (the "Facility") in the initial aggregate principal amount of $200 million, including the ability for EHI to increase the commitments under the Facility, on an uncommitted basis, by an additional aggregate principal amount of up to $100 million. Borrowings under the Facility will accrue interest at a floating rate tied to a standard short-term borrowing index, selected at EHI's option, plus an applicable margin. The applicable margins are based on the ratings established by certain debt rating agencies for EHI's senior unsecured debt. The Facility matures in June 2027, but under certain conditions EHI may need to repay any outstanding amounts and terminate the Facility earlier than the maturity date.

We may use borrowings under the Facility for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility contains several covenants, including financial covenants relating to minimum net worth, capital and liquidity levels, maximum debt to capitalization level and PMIERs compliance. We are in compliance of all covenants of the Facility and the Facility has remained undrawn through December 31, 2023.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of December 31, 2023, an evaluation was conducted under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2023.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

With the participation of the Chief Executive Officer and the Chief Financial Officer, our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework and criteria established in Internal Control—Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management has concluded that our internal control over financial reporting was effective as of December 31, 2023.

Our independent auditor, KPMG LLP, a registered public accounting firm, has issued an attestation report on the effectiveness of our internal control over financial reporting which appears below.

Changes in Internal Control

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the fiscal quarter ended December 31, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors

Enact Holdings, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Enact Holdings, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2023, and the related notes and financial statement schedules I to II (collectively, the consolidated financial statements), and our report dated February 29, 2024 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Raleigh, North Carolina

February 29, 2024

Item 9B. Other Information

Share Services Agreement

The Shared Services Agreement dated August 4, 2021 between Genworth Financial, Inc. and Enact Holdings, Inc. was amended and restated on February 1, 2024 and attached as Exhibit 10.4 to this Annual Report.

Incentive compensation clawback

In October 2022, the SEC adopted final rules requiring the recovery of erroneously awarded compensation as mandated by the Dodd-Frank Act. In 2023, pursuant to the final rules, Nasdaq established listing standards that require listed companies to adopt and comply with a compensation recovery policy, often known as a clawback policy. In the event a company is required to prepare an accounting restatement, including to correct an error that would result in a material misstatement if the error was recognized in the current period or if the error was left uncorrected in the current period, the company must recover from any current or former executive officers incentive-based compensation that was erroneously awarded during the three years preceding the date such a restatement was required. The recoverable amount would be the amount of incentive-based compensation received in excess of the amount that otherwise would have been received had it been determined based on the restated financial measure. The Company revised its Incentive-Based Compensation Recovery Policy to include the applicable provisions of the final rule, which is attached as Exhibit 97 to this Annual Report.

Trading Plans

During the quarter ended December 31, 2023, no director or Section 16 officer adopted or terminated any “Rule 10b5-1 trading arrangements” or “non-Rule 10b5-1 trading arrangements” (in each case, as defined in Item 408(a) of Regulation S-K).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item will be contained in our definitive proxy statement or in an amendment to this Annual Report, which will be filed no later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this Item will be contained in our definitive proxy statement or in an amendment to this Annual Report, which will be filed no later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this Item will be contained in our definitive proxy statement or in an amendment to this Annual Report, which will be filed no later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item will be contained in our definitive proxy statement or in an amendment to this Annual Report, which will be filed no later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

The information required by this Item will be contained in our definitive proxy statement or in an amendment to this Annual Report, which will be filed no later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules

1. Financial Statements — See the "Index to Financial Statements" included in Item 8 of this report for a list of the financial statements filed as part of this report.

2. Financial Statement Schedules - See the "Index to Financial Statements" included in Item 8 of this report for a list of the financial statement schedules filed as part of this report.

3. Exhibits.

Exhibit Number	Description of Exhibit
3.1	Amended and Restated Certificate of Incorporation of Enact Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2022).
3.2	Amended and Restated Bylaws of Enact Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 15, 2022).
4.1	Indenture, dated August 21, 2020, between Genworth Mortgage Holdings, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K of Genworth Financial, Inc. on August 25, 2020).
4.2	First Supplemental Indenture, dated August 21, 2020, between Genworth Mortgage Holdings, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K of Genworth Financial, Inc. on August 25, 2020).
4.3*	Description of Registrant's Capital Stock.
10.1	Amended and Restated Master Agreement, dated August 29, 2023, between Genworth Financial and Enact Holdings, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2023).
10.2	Amended and Restated Tax Allocation Agreement (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1/A filed with the Securities and Exchange Commission on September 13, 2021).
10.3	Registration Rights Agreement, dated as of September 15, 2021, between Enact Holdings, Inc. and Genworth Financial, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 4, 2021).
10.4*	Amended and Restated Shared Services Agreement, dated February 1, 2024, between Enact Holdings, Inc. and Genworth Financial, Inc.
10.5+	Enact Holdings, Inc. 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2022).
10.6+	Amended and Restated Genworth Financial, Inc. Retirement and Savings Restoration Plan (incorporated by reference to Exhibit 10.48 to the Annual Report on Form 10-K of Genworth Financial, Inc. for the fiscal year ended December 31, 2015).
10.7+	Amended and Restated Genworth Financial, Inc. Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.47 to the Annual Report on Form 10-K of Genworth Financial, Inc. for the fiscal year ended December 31, 2015).

10.8+	Form of Indemnification Agreement between Enact Holdings, Inc. and its directors and officers (incorporated by reference to Exhibit 10.20 to the Company's Registration Statement on Form S-1/A filed with the Securities and Exchange Commission on September 13, 2021).
10.9	Registration Rights Agreement dated as of September 20, 2021 between Enact Holdings, Inc. and the Bayview entities listed therein (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2022).
10.10+	Enact Holdings, Inc. Senior Executive Severance Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 17, 2022).
10.11	Performance Stock Unit and Restricted Stock Unit Agreements (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 5, 2022).
10.12	Investment Management and Services Agreement between Enact Mortgage Insurance Corporation and Genworth North America Corporation (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 5, 2022).
10.13	Credit Agreement, dated June 30, 2022, among Enact Holdings, Inc., JPMorgan Chase Bank, N.A., as administrative agent, and the other lenders and agents party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 7, 2022).
10.14+	Enact Holdings, Inc. Change of Control Severance Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 4, 2022).
10.15*	Amended Director Deferred Stock Unit Agreement
10.16	Share Repurchase Agreement, dated November 1, 2022, by and between Enact Holdings, Inc. and Genworth Holdings, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 3, 2022).
10.17+	Amended and Restated Genworth Financial, Inc. 2015 Key Employee Severance Plan (incorporated by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q of Genworth Financial, Inc. for the period ended June 30, 2019).
10.18+	Amended and Restated Genworth Financial, Inc. 2014 Change of Control Plan (incorporated by reference to Exhibit 10.5 to the Quarterly Report on Form 10-Q of Genworth Financial, Inc. for the period ended June 30, 2019).
10.19+	First Amendment to the Enact Holdings, Inc. 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.23 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2023).
10.20	Share Repurchase Agreement, dated August 1, 2023, by and between Enact Holdings, Inc. and Genworth Holdings, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 4, 2023).
10.21	Form of 2023-2025 Performance Stock Unit Agreement under the Enact Holdings, Inc. 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2023).
10.22	Form of 2023-2025 Restricted Stock Unit Agreements under the Enact Holdings, Inc. 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.26 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2023).
21*	List of subsidiaries of Enact Holdings, Inc.

23*	Consent of KPMG LLP, independent registered accounting firm
24*	Power of attorney
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97*	Incentive-Based Compensation Recovery Policy
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page for the Company's Annual Report on Form 10-K for the year ended December 31, 2023, has been formatted in Inline XBRL

+ Indicates management contract and compensatory plan

* Filed herewith

** Furnished herewith

Item 16. Form 10-K Summary

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on February 29, 2024.

By:	/s/ Rohit Gupta
Name:	Rohit Gupta
Title:	President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Rohit Gupta Rohit Gupta	President, Chief Executive Officer and Director (principal executive officer)	February 29, 2024
/s/ Hardin Dean Mitchell Hardin Dean Mitchell	Executive Vice President, Chief Financial Officer and Treasurer (principal financial officer)	February 29, 2024
/s/ James McMullen James McMullen	Vice President, Controller and Principal Accounting Officer	February 29, 2024
* Thomas J. McInerney	Director	February 29, 2024
* Jerome T. Upton	Director	February 29, 2024
* Dominic Addesso	Director	February 29, 2024
* Michael A. Bless	Director	February 29, 2024
* John D. Fisk	Director	February 29, 2024
* Sheila Hooda	Director	February 29, 2024
* Robert P. Restrepo Jr.	Director	February 29, 2024
* Debra W. Still	Director	February 29, 2024
* Westley V. Thompson	Director	February 29, 2024
* Anne G. Waleski	Director	February 29, 2024

*By: /s/ Rohit Gupta
Rohit Gupta
Attorney-in-Fact

Exhibit 4.3

DESCRIPTION OF CAPITAL STOCK

The following is a general description of the securities of Enact Holdings, Inc. (the “Company,” “we,” “us” or “our”) registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The description of the relevant provisions of our amended and restated certificate of incorporation (“Certificate of Incorporation”), amended and restated bylaws (“Bylaws”) and the General Corporation Law of the State of Delaware (the “DGCL”) does not purport to be complete and is qualified in its entirety by reference to the full text of the documents. Our Certificate of Incorporation and Bylaws are filed as exhibits to this Annual Report and are incorporated by reference herein

We have one class of securities registered pursuant to Section 12 of the Exchange Act: Common stock, par value $0.01 per share (“common stock”).

General

Our Certificate of Incorporation authorizes 600,000,000 shares of common stock $0.01 par value per share, and 50,000,000 shares of undesignated preferred stock, $0.01 par value per share, (“preferred stock”) the rights, preferences and privileges of which may be designated from time to time by our board of directors. We currently do not have any preferred stock outstanding.

Common Stock

Dividend Rights

Subject to preferences that may apply to shares of our preferred stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and only then at the times and in the amounts that our board of directors may determine, subject to any statutory, regulatory or contractual restrictions on the payment of dividends.

Voting Rights

The holders of our common stock are entitled to one vote per share with respect to each matter presented to our stockholders on which the holders of our common stock are entitled to vote; provided, however, that, except as otherwise required by law, holders of common stock, are not entitled to vote on any amendment to the Certificate of Incorporation, including any certificate of designations relating to any series of preferred stock, that relates solely to the terms of one or more outstanding series of preferred stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to the Certificate of Incorporation (including any certificate of designations relating to any series of preferred stock) or the DGCL. Holders of our common stock will not have cumulative voting rights in the election of directors.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to redemption or sinking fund provisions.

Right to Receive Liquidation Distributions

Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities

and the preferential rights and the payment of liquidation preferences, if any, on any outstanding shares of our preferred stock.

Preferred Stock

Pursuant to our Certificate of Incorporation, our board of directors is authorized, subject to limitations prescribed by the DGCL, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, preferences and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control and might adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock.

Registration Rights

We entered into a registration rights agreement (the “Registration Rights Agreement”) with Genworth Financial, Inc. (the “Parent”), pursuant to which our Parent is able to require us, beginning after the 180-day lock-up period, to file one or more registration statements with the SEC covering the public resale of registrable securities beneficially owned by our Parent or to effect a shelf takedown offering. We are required to bear the registration expenses, other than the underwriting discount and transfer taxes, associated with any registration of stock pursuant to the Registration Rights Agreement. The Registration Rights Agreement includes customary indemnification provisions in favor of our Parent, any person who is or might be deemed a control person (within the meaning of the Securities Act of 1933, as amended (the “Securities Act”) and the Exchange Act) and related parties against certain losses and liabilities (including reasonable costs of investigation and legal expenses) arising out of or based upon any filing or other disclosure made by us under the securities laws relating to any such registration. Our Parent additionally has “piggyback” rights, pursuant to which our Parent is entitled to participate in certain registrations or offerings we may undertake, subject to cutback in certain cases.

Master Agreement

Under the terms of the master agreement that we entered into with our Parent in connection with our initial public offering (the “Master Agreement”), our Parent is entitled to designate a certain number of persons to our board of directors and certain committees thereof depending on the beneficial ownership by our Parent of our outstanding common stock. In addition, for so long as our Parent beneficially owns more than 50% of our outstanding common stock, we are required to seek the prior written consent of our Parent to take various significant corporation actions (subject to certain exceptions).

Anti-Takeover Provisions

The provisions of the DGCL, our Certificate of Incorporation and our Bylaws could have the effect of delaying, deferring or discouraging another person from acquiring control of our company. These provisions, which are summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and encourage persons seeking to acquire control of our company to first negotiate with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Certain Certificate of Incorporation and Bylaws Provisions

Our Certificate of Incorporation and our Bylaws include a number of provisions that may have the effect of deterring hostile takeovers, or delaying or preventing changes in control of our management team or changes in our board of directors or our governance or policy, including as summarized below.

No Cumulative Voting

The DGCL provides that stockholders are not entitled to the right to cumulative voting in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our Certificate of Incorporation does not provide for cumulative voting.

Issuance of Undesignated Preferred Stock

As discussed above, our board of directors has the authority, without further action by the stockholders, to issue up to 50,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of our preferred stock enables our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise.

Ability to Fill Vacancies

Subject to the terms and conditions of the Master Agreement and the rights of one or more series of preferred stock then outstanding, (i) any newly created directorship or any vacancy on the Board of Directors for any cause, shall be filled solely by a majority of the directors then in office, even if less than a quorum remains, or by the sole remaining director, and (ii) the right of stockholders to fill vacancies on the Board of Directors is hereby specifically denied.

Stockholder Action by Written Consent; Special Meetings of Stockholders

Subject to the terms of any series of preferred stock, (i) for so long as Parent beneficially owns (directly or indirectly) at least a majority of the voting power of the then outstanding shares of stock of the Company entitled to vote generally in the election of directors (the "Voting Stock"), any action that is required or permitted to be taken by our stockholders may be effected by consent in lieu of a meeting and (ii) if Parent no longer beneficially owns (directly or indirectly) at least a majority of the Voting Stock, any action required or permitted to be taken by our stockholders must be effected at a duly called annual or special meeting of our stockholders and may not be effected by any consent in lieu of a meeting. In addition, except as otherwise required by law, special meetings of our stockholders, for any purpose or purposes, may be called at any time only (i) by the Chairperson of the Board of Directors, (ii) by our Chief Executive Officer (or, in the absence of a Chief Executive Officer, the President), (iii) pursuant to a resolution duly adopted by a majority of the Board of Directors or (iv) so long as Parent beneficially owns (directly or indirectly) at least 50% or more of the Voting Stock, by the Secretary of the Company at the request of the holders of shares representing at least 50% of the Voting Stock. Other than as set forth in clause (iv) of the preceding sentence, stockholders cannot otherwise call a special meeting of stockholders.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our Bylaws establish advance notice procedures with respect to stockholder proposals and stockholder nomination of candidates for election as directors. For any matter to be "properly brought" before a meeting, a stockholder will have to comply with advance notice requirements and provide us, as applicable, among other things, with certain information related to the stockholder giving the notice, the beneficial owner (if any) on whose behalf the nomination is made, and information about the proposal or nominee for election to the Board of Directors.

Corporate Opportunities Waiver

To the fullest extent permitted by applicable law (including, without limitation, Section 122(17) of the DGCL (or any successor provision)), we, on behalf of us and our subsidiaries, renounced in the Certificate of Incorporation any interest or expectancy of us and our subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to Parent or any of its officers, directors, employees, agents, shareholders and affiliates (other than us and our subsidiaries) (each, a "Specified Party"), even if the opportunity is one that we or any of our subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if presented the opportunity to do so. Each such Specified Party shall have no duty to communicate or offer such business opportunity to us or any of our subsidiaries and, to the fullest extent permitted by applicable law, shall not be liable to us or any of our subsidiaries for breach of any fiduciary or other duty, as a director or officer or controlling stockholder or otherwise, by reason of the fact that such Specified Party pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to us or any of our subsidiaries. Notwithstanding the foregoing, a Specified Party who is our director or officer and who is expressly offered a business opportunity solely in his or her capacity as our director or officer (a "Directed Opportunity") shall be obligated to communicate such Directed Opportunity to us. The Specified Parties shall, to the fullest extent permitted by applicable law, have no duty to refrain from (i) engaging directly or indirectly in the same or similar business activities or lines of business as us or any of our subsidiaries or (ii) otherwise competing with us or any of our subsidiaries. Any person or entity purchasing or otherwise acquiring or holding any interest in the shares of our stock of shall be deemed to have notice of and consented to these corporate opportunity waive provisions.

Delaware Takeover Statute

In general, Section 203 of the DGCL, an anti-takeover provision, prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with an interested stockholder, or person or group owning 15% or more of the corporation's voting stock, for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in the manner prescribed by the DGCL and Delaware Court of Chancery.

We elected in Certificate of Incorporation not to be subject to Section 203. However, the Certificate of Incorporation contains provisions that have generally the same effect as Section 203, except that the Parent and any current and future affiliates of the Parent (so long as such affiliate remains an affiliate but excluding the Company), as well as their direct and indirect transferees and any "group" of which any such person is part under Rule 13d-5 under the Exchange Act, will not be deemed to be "interested stockholders," regardless of the percentage of our voting stock owned by them, and accordingly will not be subject to such restrictions.

Exclusive Forum

Our Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a duty (including any fiduciary duty) owed by any of our current or former directors, officers, stockholders, employees or agents to us or our stockholders, (iii) any action asserting a claim against us or any of our current or former directors, officers, stockholders, employees or agents arising out of or relating to any provision of the DGCL or our Certificate of Incorporation or our Bylaws (each, as in effect from time to time), or (iv) any action asserting a claim against us or any of our current or former directors, officers, stockholders, employees or agents governed by the internal affairs doctrine of the State of Delaware; provided, however, that, in the event that the Court of Chancery of the State of Delaware lacks subject matter jurisdiction over any such action or proceeding, the sole and exclusive forum for such action or proceeding shall be another state or federal court located within the State of Delaware, in each such case, unless the Court of Chancery (or such other state or federal court located within the State of

Delaware, as applicable) has dismissed a prior action by the same plaintiff asserting the same claims because such court lacked personal jurisdiction over an indispensable party named as a defendant therein. Unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. This exclusive forum provision does not apply to actions arising under the Exchange Act. Our exclusive forum provision does not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders are not deemed to have waived our compliance with these laws, rules and regulations.

Market Listing

Our common stock is listed on Nasdaq under the symbol “ACT.”

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A. The transfer agent’s address is 150 Royall Street, Canton, MA 02021.

Exhibit 10.4

AMENDED AND RESTATED SHARED SERVICES AGREEMENT

between

GENWORTH FINANCIAL, INC.

and

ENACT HOLDINGS, INC.

DATED February 1, 2024

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This AMENDED AND RESTATED SHARED SERVICES AGREEMENT, dated February __, 2024 (this "Agreement"), is made by and between GENWORTH FINANCIAL, INC., a Delaware corporation ("Genworth") and ENACT HOLDINGS, INC., a Delaware corporation (the "Company").

RECITALS

WHEREAS, the Company is a direct, wholly owned Subsidiary of Genworth Holdings, Inc., a Delaware corporation, which is an indirect, wholly owned Subsidiary of Genworth; and

WHEREAS, the Parties hereto intend to provide that, on the terms and subject to the conditions set forth in this Agreement: (a) Genworth will continue to provide, or cause to continue to be provided, certain administrative and support services and other assistance to the Company, each subsidiary of the Company, and each other Person that is controlled either directly or indirectly by the Company as of the Effective Date or thereafter during the term of this Agreement (collectively, the "Company Group") in accordance with the terms and subject to the conditions set forth herein, and (b) the Company will continue to provide, or cause to continue to be provided, certain administrative and support services and other assistance to Genworth and its Affiliates, (collectively, the "Genworth Group") in accordance with the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereto hereby agree as follows:

Article I

DEFINITIONS

Section 1.01 Certain Defined Terms

Capitalized terms used in this Agreement shall have the meanings set forth below or elsewhere in the Agreement:

"Action" means any demand, action, claim, dispute, suit, countersuit, arbitration, inquiry, proceeding or investigation by or before any federal, state, local, foreign or international Governmental Authority or any arbitration or mediation tribunal.

"Affiliate(s)" means, with respect to any Person, any direct or indirect subsidiary of such Person, and any other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such first Person; provided, however, that, solely for purposes of this Agreement, from and after the Effective Date, no member of the Company Group shall be deemed an Affiliate of any member of the Genworth Group and no member of the Genworth Group shall be deemed an Affiliate of any member of the Company Group.

"Additional Services" shall have the meaning set forth in Section 2.01(d).

"Agreement Termination Date" shall have the meaning set forth in Section 9.01(a).

"Benefit Arrangement" means, with respect to an entity, each compensation or employee benefit plan, program, policy, agreement or other arrangement, whether or not an

employee benefit plan" within the meaning of Section 3(3) of ERISA (whether or not subject to ERISA), including any benefit plan, program, policy, agreement or arrangement providing cash or equity-based compensation or incentives, health, medical, dental, vision, disability, accident or life insurance benefits or vacation, paid or unpaid leave, severance, retention, change in control, termination, deferred compensation, individual employment or consulting, retirement, supplemental retirement, pension or savings benefits, supplemental income, retiree benefit or other fringe benefit (whether or not taxable), or employee restrictive covenant agreement or loans, that are sponsored or maintained by such entity (or to which such entity contributes or is required to contribute or in which it participates or is otherwise a party), and including workers' compensation plans, policies, programs and arrangements.

"Business Day" means Monday to Friday, except for any day on which banking institutions in New York, New York, Richmond, Virginia or Raleigh, North Carolina are authorized or required by applicable Law or executive order to close.

"Company Business" means (a) the current businesses of the members of the Company Group; and (b) those terminated, divested or discontinued businesses within the last two (2) years which are or should be included as historical operations of the Company Group.

"Company Common Stock" means the common stock, $0.01 par value per share, of the Company.

"Company Divested Unit" shall have the meaning set forth in Section 10.09(b).

"Company Indemnified Parties" shall have the meaning set forth in Section 10.09(b).

"Company Service(s)" shall have the meaning set forth in Section 2.01(b).

"Company Services Manager" shall have the meaning set forth in Section 2.05.

"Company Substitute Service(s)" shall have the meaning set forth in Section 2.01(b).

"Company Purchasing Rights" shall have the meaning set forth in Section 3.01(a)

"Company Vendor Agreements" shall have the meaning set forth in Section 3.01(b)

"Confidential Information" means any information disclosed by a party to another party in connection with the Services, including Personal Information, whether before or after the date of this document, but excluding information that: (a) was in the public domain at the date of this document; (b) became part of the public domain after the date of this document otherwise than as a result of disclosure by the Receiving Party in breach of this agreement; or (c) is independently developed by the Receiving Party.

"Consents" shall have the meaning set forth in Section 4.01.

"Data Security and Cybersecurity Program" means Genworth's data security and cybersecurity program that includes, among other things data protection and cybersecurity policies, as amended by Genworth from time to time.

"Direct Bill Charge" shall be a charge associated with a Service indicated as a direct bill in Schedule A.

"Disclosing Party" shall have the meaning set forth in Section 10.10(e).

"Divested Units" means Genworth Financial Mortgage Company Canada now known as Sagen, Genworth Mortgage Insurance Australia Limited, Genworth Financial Mortgage Insurance Pty Limited, Genworth Financial Mortgage Indemnity Limited, and Balmoral Insurance Company Limited.

"Effective Date" means the date indicated in the first paragraph of this Agreement.

"Excluded Services" means those services, systems, functions and responsibilities listed in Schedule C.

"Extension Notice" shall have the meaning set forth in Section 9.01(b).

"Extension Period" shall have the meaning set forth in Section 9.01(c).

"Force Majeure" means, with respect to a party, any event beyond the control of such party (or any Person acting on its behalf), which by its nature could not have been foreseen by such party (or such Person), or, if it could have been foreseen, was unavoidable, and includes, acts of God, earthquakes, hurricanes, tsunamis, tornados, floods, mudslides, wild fires or other natural disasters, riots, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamities, or one or more acts of terrorism or failure of energy sources.

"Genworth Business" means the businesses owned or managed, directly or indirectly, by the Genworth Group immediately prior to the Effective Date that, prior to the Effective Date, was receiving any service or support substantially the same as the Company Services from any member of the Company Group

"Genworth Charges Cap" shall have the meaning set forth in Section 5.01(d).

"Genworth Group" shall have the meaning set forth in the Recitals.

"Genworth Divested Unit" shall have the meaning set forth in Section 10.09(b).

"Genworth Indemnified Parties" shall have the meaning set forth in Section 3.01(c).

"Genworth Purchasing Rights" shall have the meaning set forth in Section 3.01(b).

"Genworth Services" shall have the meaning set forth in Section 2.01(a).

"Genworth Substitute Service" shall have the meaning set forth in Section 2.01(a).

"Genworth Services Manager" shall have the meaning set forth in Section 2.04.

"Genworth Vendor Agreements" shall have the meaning set forth in Section 3.01(a).

"Governmental Authorities" shall have the meaning set forth in Section 4.02(d).

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended and supplemented.

"Improvement" means any enhancement, modification, derivative work, improvement or other change of or to any Intellectual Property in respect of performance of any Services or any Additional Services, and includes any enhancement, modification, derivative work, improvement or other change of or to any of Genworth's Intellectual Property or Company's Intellectual Property made by a Provider in respect of performance of any Services or Additional Services under this Agreement but specifically excludes any Recipient Data or any enhancement, modification, derivative work or other change made by any party in providing any IT services, including in connection with any Technology provided or to which access is given.

"Indemnified Party" means a person entitled to receive indemnification pursuant to this Agreement.

"Indemnifying Party" means a Party obligated to provide indemnification pursuant to this Agreement.

"Information Systems" means computing, telecommunications or other digital operating or processing systems or environments, including computer programs, data, databases, computers, computer libraries, communications equipment, networks and systems.

"Insolvency Event" means:

(i) in respect of the Company and its Affiliates, being involuntarily placed in liquidation, reorganization, winding up, administration, supervision, conservation, or having a receiver, trustee, custodian, sequestrator, conservator, liquidating agent, liquidator, administrator or other similar official appointed to it or any of its property, being unable to pay its debts or otherwise insolvent, or taking any step that could result in being placed in liquidation, reorganization, winding up, administration, supervision, conservation, or having a receiver, trustee, custodian, sequestrator, conservator, liquidating agent, liquidator, administrator or other similar official appointed to it;

(ii) in respect of Genworth and its Affiliates, being involuntarily placed in liquidation, reorganization, winding up, administration, supervision, conservation, or having a receiver, trustee, custodian, sequestrator, conservator, liquidating agent, liquidator, administrator or other similar official appointed to it or any of its property, being unable to pay its debts or otherwise insolvent, or taking any step that could result in being placed in liquidation, reorganization, winding up, administration, supervision, conservation, or having a receiver, trustee, custodian, sequestrator, conservator, liquidating agent, liquidator, administrator or other similar official appointed to it.

"Intellectual Property" means all patents, copyrights, mask works, trade secrets, inventions, designs, ideas, improvements, works of authorship, recordings, other proprietary and confidential information and licenses from third Persons granting the right to use any of the foregoing.

"Law" means any federal, state, local or foreign law (including common law), statute, code, ordinance, rule, regulation, order or other requirement enacted, promulgated, issued, communicated or entered by a Governmental Authority.

"Liabilities" means any debt, loss, damage, adverse claim, liability or obligation of any Person (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due, and

whether in contract, tort, strict liability or otherwise), and including all costs and expenses relating thereto.

"Parties" means Genworth and the Company.
"Omitted Service" shall have the meaning set forth in Section 2.01(c)

"Other Costs" shall have the meaning set forth in Section 5.02.

"Overhead Allocation Charge" shall be a charge associated with a Service indicated as an overhead allocation charge in Schedule A.

"Personal Information" means information or data that meets the definition of "personally identifiable information", "personal information", "personal data" or other similar terms under applicable Laws and in any event includes information or data that is nonpublic information or an opinion about an individual whose identity is reasonably ascertainable from that information.

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

"Privacy Act" means the Privacy Act of 1974, as amended and supplemented.

"Provider" means the party, including any member of the Genworth Group or the Company Group, or any of their respective Affiliates, providing a Service under this Agreement.

"Receiving Party" shall have the meaning set forth in Section 10.10(e).

"Recipient" means the party, including any member of the Genworth Group or the Company Group, or any of their respective Affiliates, to whom a Service under this Agreement is being provided.

"Recipient Data" means data (including any documents, materials or other information in any form) that is owned by or created on behalf of the Recipient or otherwise relates predominantly to the business of the Recipient, even if also used in the business of the Provider, and includes any enhancement, modification, derivative work, improvement or other change of or to the data but excludes Genworth's Intellectual Property and Company's Intellectual Property, as applicable, and any other data already in the possession or control of the Provider, except where Genworth's Intellectual Property or Company's Intellectual Property, as applicable, or such other data, was developed or otherwise in the possession or control of the Provider as a result of the Provider providing services that are the same as, or of the nature of, the Services to the Recipient before the date of this Agreement.

"Representatives" means a Person's Affiliates and their respective officers, directors, employees, and other agents and representatives, including attorneys, agents, customers, suppliers, contractors and consultants.

"Security Incident" means any confirmed unauthorized access to, disruption, or misuse of Confidential Information or Personal Information or an Information System on which Confidential or Personal Information is stored.

"Service(s)" means, individually and collectively, the Genworth Services, Company Services and Undertakings.

"Service Charge(s)" shall have the meaning set forth in Section 5.01(a).

"Service Termination Date" shall have the meaning set forth in Section 9.01(a).

"Software" means the object and source code versions of computer programs and any associated documentation therefor.

"Standard for Services" shall have the meaning set forth in Section 2.07.

"Subsidiary" or "subsidiary" means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (a) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities of such entity, (ii) the total combined equity interests, or (iii) the capital or profit interests, in the case of a partnership; or (b) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

"Supplier Agreement" means any corporate purchasing contracts, master services agreements, vendor contracts, software and other Intellectual Property licenses or similar agreements used by a party to provide the Services.

"Tax Allocation Agreement" means the Amended and Restated Tax Allocation Agreement executed by the Parties and dated May 14, 2021.

"Technology" means, collectively, all designs, formulas, algorithms, procedures, techniques, ideas, know-how, Software, programs, models, routines, confidential and proprietary information, databases, tools, inventions, invention disclosures, creations, improvements, works of authorship, and all recordings, graphs, drawings, reports, analyses, other writings, and any other embodiment of the above, in any form, whether or not specifically listed herein.

"Terminated Service" has the meaning set forth in Section 9.01(g).

"Trigger Date" means the first date on which Genworth ceases to beneficially own more than fifty percent (50%) of the outstanding Company Common Stock.

"Undertakings" means, collectively, the obligations of Genworth and its Affiliates and the Company and its Affiliates set forth in Article III.

"Vendor Agreements" shall have the meaning set forth in Section 3.01(b)

"Virus" means computer instructions or other Software: (a) that adversely affect the operation, security or integrity of an Information System, by altering, destroying, disrupting or inhibiting such operation, security or integrity; (b) that without functional purpose, self-replicate without manual intervention; (c) that purport to perform a useful function but which actually perform either a destructive or harmful function, or perform no useful function and utilize substantial computer, telecommunications or memory resources; and/or (d) the effect of which is to permit unauthorized access to, or disable, erase, or otherwise harm, any computer, systems or Software.

Section 1.02 Interpretation.

In this Agreement (i) a reference to the provision by Genworth of a Genworth Service to the Company is a reference to the provision of the relevant Genworth Service by any member of the Genworth Group to any member of the Company Group; and (ii) a reference to the provision

by the Company of a Company Service to Genworth is a reference to the provision of the relevant Company Service by any member of the Company Group to any member of the Genworth Group.

Article II

SERVICES AND TERMS

Section 2.01 Services

(a) During the period commencing on the Effective Date and ending on the applicable Service Termination Date, subject to the terms and conditions set forth in this Agreement, Genworth shall provide or cause to be provided to the Company, whether for the benefit of the Company itself or for the applicable members of the Company Group, the services listed in Schedule A (the "Genworth Services"). The "Genworth Services" also shall include (i) any Services to be provided by Genworth to the Company as agreed pursuant to Section 10.03, and (ii) any Genworth Substitute Service (as defined below); provided, however, that (1) the scope of each Genworth Service shall be substantially the same as the scope of such service provided by Genworth to the Company the last time prior to the Effective Date (or, as applicable, in the most recent relevant period) that such service was provided by Genworth to the Company in the ordinary course, (2) the use of each Genworth Service by the Company, or any member of the Company Group, shall include use by the Company Group's contractors in substantially the same manner as used by the contractors of the Company Group prior to the Effective Date and (3) except as provided in Section 10.09 (and subject to Section 10.03(d)), nothing in this Agreement shall require that any Genworth Service be provided other than for use in, or in connection with the Company Business. If, for any reason, Genworth is unable to provide or cause to be provided any Genworth Service to the Company pursuant to the terms of this Agreement, Genworth shall provide or cause to be provided to the Company, or any member of the Company Group, as applicable, a substantially equivalent service (a "Genworth Substitute Service") at or below the cost of the substituted Genworth Service as set forth in Schedule A and otherwise in accordance with the terms of this Agreement, including the Standard for Services.

(b) During the period commencing on the Effective Date and ending on the applicable Service Termination Date, subject to the terms and conditions set forth in this Agreement, the Company shall provide or cause to be provided to Genworth, whether for Genworth itself or for the benefit of the Genworth Group and/or the Divested Units the services listed in Schedule B (the "Company Services"). The "Company Services" also shall include (i) any Services to be provided by the Company to Genworth as agreed pursuant to Section 10.03 and (ii) any Company Substitute Service; provided, however, that (1) the scope of each Company Service shall be substantially the same as the scope of such service provided by the Company to Genworth the last time prior to the Effective Date (or, as applicable, in the most recent relevant period) that such service was provided by the Company to Genworth in the ordinary course, (2) the use of each Company Service by Genworth shall include use by the Genworth Group's contractors in substantially the same manner as used by the contractors of the Genworth Group prior to the Effective Date and (3) except as provided in Section 10.09 (and subject to Section 10.03(d)), nothing in this Agreement shall require that any Company Service be provided other than for use in, or in connection with the Genworth Business. If, for any reason, the Company is unable to provide or cause to be provided any Company Service to Genworth pursuant to the terms of this Agreement, the Company shall provide or cause to be provided to Genworth a substantially equivalent service (a "Company Substitute Service") at or below the cost for the substituted Company Service as set forth in Schedule B and otherwise in accordance with the terms of this Agreement, including the Standard for Services.

(c) Omitted Services. The Parties each have used commercially reasonable efforts to identify and describe the Services. However, the Parties acknowledge and agree that there may be services which are not identified on the Schedules that (i) (A) were provided by a party or its Affiliates to the other party in the four (4) months prior to the Effective Date and (B) are necessary for the Company or Genworth, as applicable, to operate the manner that such party operated in the twelve (12) months prior to the Effective Date (collectively, the "Omitted Services"). Each party may provide written notice to the other party requesting such Omitted Services setting forth in reasonable detail a description of the requested Omitted Service(s) and the proposed start date (a) at any time during the first one hundred and twenty (120) days following the Effective Date. The Parties agree to cooperate and negotiate in good faith using commercially reasonable efforts in order to come to an agreement regarding the provision of Omitted Services on reasonable terms and conditions that are mutually agreed to by the Parties; provided, however, that (x) the Omitted Services shall be provided in substantially the same manner and on substantially similar terms and conditions as were applicable prior to the Effective Date and the price for such Omitted Services shall be set in accordance with the methodologies set forth in Section 5.01, (y) the Provider shall be afforded a reasonable period of time to commence providing any Omitted Service after such service becomes a Service, and (z) in no event shall a Provider be obligated to provide an Excluded Service, an Omitted Service that, as of the Effective Date, is being performed by a third party, and/or an Omitted Service that the Provider no longer provides to itself or any of its Affiliates. Any Omitted Services shall in all respects be subject to the terms of this Agreement, shall be considered added to Schedule A or Schedule B, as applicable, shall constitute an amendment to this Agreement which shall be signed by the Parties and shall thereafter be considered a Service. Unless otherwise agreed by the Parties, the term for such Omitted Services shall be no later than the latest Service Termination Date of the Services on Schedule A or Schedule B, as applicable.

(d) Additional Services. After the Effective Date, Genworth or the Company, as applicable, may submit a written request for services to the other party that are not Services ("Additional Services"). The party to whom such request is made shall consider such request in good faith and if such party agrees to provide an Additional Service then a representative of each party shall in good faith negotiate the applicable terms of such Additional Service, including a description in of the service, term, and fees for such Additional Service; provided, that unless otherwise agreed to by the Parties, the Recipient shall pay all nonrecurring out-of-pocket and set up costs incurred by the Provider in connection with its provision of the Additional Services as Other Costs under Section 5.02 and the Recipient must pay those Other Costs in accordance with this Agreement.

(e) This Agreement shall not assign any rights to Technology or Intellectual Property between the Parties other than as specifically set forth herein. Except as set out in this Agreement, as between the Parties, all Intellectual Property controlled by a Provider as of the Effective Date in respect of Services to be provided by that Provider as at the date of this Agreement will remain controlled by that Provider. Except as set out in this Agreement, if a Provider agrees to provide Additional Services, as between the Parties, all Intellectual Property controlled by the Provider at the time it receives the request for the Additional Services in respect of those Additional Services will remain controlled by that Provider. Except as set out in Section 2.01(h) or as may otherwise be agreed by the Parties at the time, if a Provider develops any new Intellectual Property or any Improvement in the course of providing any Services or Additional Services under this Agreement, the Provider owns all such Intellectual Property.

(f) To the extent that any member of the Company Group as a Provider requires the use of any of Genworth's Intellectual Property, or any member of the Genworth Group as a Provider requires the use of any of Company's Intellectual Property, to provide any

Services or Additional Services under this Agreement, the relevant Recipient hereby grants a license of the relevant Intellectual Property subject to the following limitations:

(i) the purpose for which the relevant Intellectual Property may be used is for the sole and limited purpose of delivering the Services or Additional Services under this Agreement and not for use by, as applicable, the Company or a member of the Company Group in the Company Business or by Genworth or a member of the Genworth Group in the Genworth Business; and

(ii) the relevant Intellectual Property may be used by the relevant Provider in such limited territory as is required to provide the Services or Additional Services.

(g) As between the Recipient and the Provider, all Intellectual Property in Recipient Data is owned by the Recipient, and by this Agreement the Provider hereby assigns absolutely, at no additional cost, all right, title and interest, including all Intellectual Property, in and to the Recipient Data, so that all such right, title and interest, worldwide vests in the Recipient on the Effective Date of this Agreement or where such Recipient Data is newly created Recipient Data, vests immediately and automatically in the Recipient on creation, in each case, without any additional consideration;

(h) If a Recipient requests that a Provider develop any new Intellectual Property, whether in respect of any Services or Additional Services, or any Improvement, the Parties will agree upon the ownership of the new Intellectual Property or Improvement at the time of the request from the Recipient and before the Provider develops the new Intellectual Property or Improvement, and in the absence of such agreement being reached at that time, as between the Parties, if the new Intellectual Property or Improvement is created exclusively for the use of the Recipient in its business and the Recipient is required to pay any amount (as agreed upon in writing by the Provider and the Recipient) to the Provider in relation to the creation of the new Intellectual Property or Improvement and the Recipient pays all such amounts to the Provider, the Recipient will own such Intellectual Property and by this Agreement, the Provider hereby assigns absolutely, at no additional cost, all right, title and interest in and to the new Intellectual Property or Improvement (and for the avoidance of doubt, other than in respect of any part of the new Intellectual Property or Improvement in existence immediately before the request from the Recipient under this paragraph), so that all such right, title and interest, worldwide vests in the Recipient on payment of all such amounts by the Recipient to the Provider, and if the new Intellectual Property or Improvement is not created exclusively for the use of the Recipient in its business or the Recipient is not required to pay any amount to the Provider in relation to the creation of the new Intellectual Property or Improvement, the Provider will own such Intellectual Property under Section 2.01(e). Notwithstanding the foregoing, to the extent that a Provider develops any Improvement to Recipient's Intellectual Property, the Recipient (or its designee) shall own all such Intellectual Property.

(i) To the extent that:

(A) any Recipient Data was in the possession or control of the Provider and used in the business of the Provider (other than for the sole purpose of providing services to the Recipient) before the date of this Agreement, the Recipient hereby grants to the Provider a perpetual, irrevocable, fully paid up, royalty-free, non-exclusive, non-transferable license with no right to sublicense (other than to Affiliates of the Provider) to use and modify the Recipient Data in the business of the Provider and its Affiliates;

(B) the Provider requires the use of any Recipient Data, new Intellectual Property or Improvement owned by the Recipient under this Agreement to provide any Services or Additional Services under this Agreement, the Recipient hereby grants to the Provider, a fully paid up, royalty-free, non-exclusive, non-transferable license, of such Recipient Data, new Intellectual Property or Improvement, with the right to sublicense, for the sole purpose of delivering the Services or Additional Services under this Agreement; and

(C) any new Intellectual Property or Improvement is owned by the Provider under this Agreement, the Provider grants the Recipient a perpetual, irrevocable, fully paid up, royalty-free, non-exclusive, non-transferable license, with no right to sublicense (other than to Affiliates of the Recipient), to use and modify the new Intellectual Property or Improvement in the business of the Recipient and its Affiliates.

(j) In addition to the Service Charges, the Parties hereto acknowledge and agree that, in connection with the initial implementation, provision, receipt and transition of the Services, there will be certain nonrecurring, out-of-pocket costs incurred by Genworth or the Company. Each party shall pay its own such costs as they are incurred. For greater certainty, such costs shall not constitute "Other Costs" for purposes of Section 5.02.

(k) Throughout the term of this Agreement, the Provider and the Recipient of any Service shall cooperate with one another and use their good faith, commercially reasonable efforts to effect the efficient, timely and seamless provision and receipt of such Service.

Section 2.02 Information Systems Services.

(a) Any Services relating to Information Systems shall be provided consistent and in accordance with the Data Security and Cybersecurity Program.

(b) During the term of this Agreement, each party shall implement practices to scan, prior to coding or introducing elements into the Services and/or Information Systems, for Viruses or similar items that are consistent and in accordance with the Data Security and Cybersecurity Program. If a Virus or any similar item is found to have been introduced into the Services or Information Systems, the Parties shall use their commercially reasonable efforts to cooperate and to diligently work together to remedy the effects of such Virus or similar item.

(c) Computer Based Resources.

(i) Prior to the Trigger Date, Company shall continue to have reasonable access to the Information Systems of Genworth (whether directly or remotely, and including reasonable physical or logical entry or access) consistent and in accordance with the Data Protection and Cyber Security Policy. On and after the Trigger Date, Company shall not have access to all or any part of the Information Systems of Genworth, except to the extent, and consistent and in accordance with the Data Protection and Cyber Security Policy, necessary for Company to perform Company Services or receive and enjoy the full benefit of, the Genworth Services (subject to Company complying with Genworth's security policies, procedures and requirements (including physical security, network access, and confidentiality and personal data security guidelines); provided, that Company has had a commercially reasonable period of time in which to comply with such security measures).

(ii) Prior to the Trigger Date, Genworth shall continue to have reasonable access to the Information Systems of Company (whether directly or remotely,

and including reasonable physical or logical entry or access). On and after the Trigger Date, Genworth shall not have access to all or any part of the Information Systems of Company, except to the extent necessary for Genworth to perform the Genworth Services or receive and enjoy the full benefit of, Company Services (subject to Genworth complying with the Company's security policies, procedures and requirements (including physical security, network access, and confidentiality and personal data security guidelines); provided, that Genworth has had a commercially reasonable period of time in which to comply with such security measures).

(d) Changes to Services. A Provider may (i) reasonably supplement, modify, substitute or otherwise alter the manner in which the Services are provided or (ii) change the Services in order to comply with any requirements under applicable Law; provided that in either case of clause (i) or (ii) such supplement, modification, substitute or other alteration or change does not affect the quality of the Services in any material respect.

Section 2.03 Additional Support.

(a) During the term of this Agreement, Genworth shall provide, or cause to be provided, the following support, which support shall be in addition to the Genworth Services described in Schedule A, at cost to the Company Group except for any applicable Other Costs to be determined and paid in accordance with Article V:

(i) Genworth shall provide, or cause to be provided, current and reasonably available historical data related to the Genworth Services as reasonably required by the Company, or a member of the Company Group, as applicable, in a manner and within a time period as mutually agreed by the Parties; and

(ii) Genworth shall make reasonably available to the Company Group employees and contractors of Genworth whose assistance, expertise or presence is necessary to assist the Company's transition team in establishing a fully functioning stand-alone environment in respect of the Company Business and the timely assumption by the Company, or by a supplier to the Company, of the Genworth Services.

(b) During the term of this Agreement, the Company shall provide, or cause to be provided, the following support, which support shall be in addition to the Company Services described in Schedule B, at cost to Genworth except for any applicable Other Costs to be determined and paid in accordance with Section 5.02:

(i) the Company shall provide, or cause to be provided, current and reasonably available historical data related to the Company Services as reasonably required by Genworth or a member of the Genworth Group, as applicable, in a manner and within a time period as mutually agreed by the Parties; and

(ii) the Company shall make reasonably available to Genworth employees and contractors of the Company Group whose assistance, expertise or presence is necessary to assist Genworth's transition team in establishing a fully functioning stand-alone environment in respect of the Genworth Business and the timely assumption by Genworth, or by a supplier of Genworth, of the Company Services.

Section 2.04 Genworth Services Manager.

Genworth will designate a dedicated services account manager (the "Genworth Services Manager") who will be directly responsible for coordinating and managing the delivery of the Genworth Services and will have authority to act on Genworth's behalf with respect to the

Services. The Genworth Services Manager will work with the Company Services Manager to address the Company's issues and the Parties' relationship under this Agreement.

Section 2.05 Company Services Manager.

The Company will designate a dedicated services account manager (the "Company Services Manager") who will be directly responsible for coordinating and managing the delivery of the Services by the Company and will have authority to act on the Company's behalf with respect to the Services. The Company Services Manager will work with the Genworth Services Manager to address Genworth's issues and the Parties' relationship under this Agreement.

Section 2.06 Performance and Receipt of Services.

The following provisions shall apply to the Services:

(a) Security. Each Provider and Recipient shall at all times comply with the Data Security and Cybersecurity Program with respect to the performance, access and/or use of the Services.

(b) Reasonable Care. Each Provider and Recipient shall at all times comply with the Data Security and Cybersecurity Program when providing and receiving the Services to (i) prevent access to the Services by unauthorized Persons and (ii) not damage, disrupt or interrupt the Services.

(c) Status. Each Provider shall, consistent and in accordance with the Data Security and Cybersecurity Program, provide each Recipient such information regarding the status of the Services being provided as may be reasonably requested by the Recipient from time to time.

Section 2.07 Standard for Services.

Except as otherwise provided in this Agreement (including in Schedule A and Schedule B hereto), the Provider agrees to (a) perform the Services such that the nature, quality, standard of care and the service levels at which such Services are performed are no less than the nature, quality, standard of care and service levels at which the substantially same services were performed by or on behalf of the Provider during the last twelve (12) months, (i) to Recipient prior to the Effective Date where such services were performed by or on behalf of the Provider in the ordinary course or (ii) to itself or its Affiliates during the term of this Agreement and (b) pass-through any service levels made available to the Provider for a Service performed by a subcontractor (the "Standard for Services").

Section 2.08 Insurance.

Each Provider shall maintain sufficient insurance coverage in respect of its provision of Services in accordance with customary market practices and shall provide the Recipient such evidence of such insurance coverage as the Recipient may reasonably request.

Article III

OTHER ARRANGEMENTS

Section 3.01 Vendor Agreements.

(a) During the period beginning on the Effective Date and ending on the relevant Agreement Termination Date, Genworth is or may become a party to certain corporate purchasing contracts, master services agreements, vendor contracts, software and other Intellectual Property licenses or similar agreements unrelated to the Genworth Services (the "Genworth Vendor Agreements") under which (or under open work orders thereunder) the Company and its Affiliates purchase goods or services, license rights to use Intellectual Property and realize certain other benefits and rights. The Parties hereby agree that the Company and its Affiliates shall continue to retain the right to purchase goods or services and continue to realize such other benefits and rights under each Genworth Vendor Agreement to the extent allowed by such Genworth Vendor Agreement ("Company Purchasing Rights") until the expiration or termination date of such Company Purchasing Rights pursuant to the terms of such Genworth Vendor Agreement (including any voluntary termination of such Genworth Vendor Agreement by Genworth). Additionally, for so long as the Company Purchasing Rights remain in full force and effect under a Genworth Vendor Agreement and the Company or its Affiliates continue to exercise their Company Purchasing Rights under such Genworth Vendor Agreement and for a period of six (6) months thereafter, Genworth shall use its commercially reasonable efforts, upon the written request of the Company, to assist the Company in obtaining a purchasing contract, master services agreement, vendor contract or similar agreement directly with the third party provider that is a party to the Genworth Vendor Agreement. If:

(i) Genworth has the right to allow the Company, any members of the Company Group, or any of their respective Affiliates to continue exercising the right to purchase goods or services as Company Purchasing Rights under a Genworth Vendor Agreement beyond the Agreement Termination Date; and

(ii) the Company requests from Genworth an extension of those Company Purchasing Rights under that Genworth Vendor Agreement beyond the Agreement Termination Date,

then Genworth will continue to allow the Company, any members of the Company Group, and any of their respective Affiliates to exercise those Company Purchasing Rights under that Genworth Vendor Agreement until the earlier of:

(A) twelve (12) months after the Agreement Termination Date; and

(B) the date that Genworth ceases to have the right to allow the Company, members of the Company Group, or their respective Affiliates to continue exercising Company Purchasing Rights under that Genworth Vendor Agreement.

(b) During the period beginning on the Effective Date and ending on the relevant Agreement Termination Date, the Company is or may become a party to certain corporate purchasing contracts, master services agreements, vendor contracts, software and other Intellectual Property licenses or similar agreements unrelated to the Company Services (the "Company Vendor Agreements" and, together with the Genworth Vendor Agreements, the "Vendor Agreements") under which (or under open work orders thereunder) Genworth and its Affiliates purchase goods or services, license rights to use Intellectual Property and realize certain other benefits and rights. The Parties hereby agree that Genworth and its Affiliates shall continue to retain the right to purchase goods or services and continue to realize such other benefits and rights under each Company Vendor Agreement to the extent allowed by such Company Vendor Agreement ("Genworth Purchasing Rights") until the expiration or termination date of such Genworth Purchasing Rights pursuant to the terms of such Company

Vendor Agreement (including any voluntary termination of such Company Vendor Agreement by the Company). Additionally, for so long as the Genworth Purchasing Rights remain in full force and effect under a Company Vendor Agreement and Genworth or its Affiliates continue to exercise their Genworth Purchasing Rights under such Company Vendor Agreement and for a period of six (6) months thereafter, the Company shall use its commercially reasonable efforts, upon the written request of Genworth, to assist Genworth in obtaining a purchasing contract, master services agreement, vendor contract or similar agreement directly with the third party provider that is a party to a Company Vendor Agreement. If:

(i) the Company has the right to allow Genworth and its Affiliates to continue exercising the right to purchase goods or services as Genworth Purchasing Rights under a Company Vendor Agreement beyond the Agreement Termination Date; and

(ii) Genworth requests from the Company an extension of those Genworth Purchasing Rights under that Company Vendor Agreement beyond the Agreement Termination Date,

Then the Company will continue to allow Genworth and its Affiliates to exercise those Genworth Purchasing Rights under that Company Vendor Agreement until the earlier of:

(A) twelve (12) months after the Agreement Termination Date; and

(B) the date that the Company ceases to have the right to allow Genworth or its Affiliates to continue exercising Genworth Purchasing Rights under that Company Vendor Agreement.

(c) The Company shall indemnify defend and hold harmless on an After-Tax Basis each member of the Genworth Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Genworth Indemnified Parties"), from and against any and all Liabilities of the Genworth Indemnified Parties relating to, arising out of or resulting from any members of the Company Group, or any of their respective Affiliates purchasing goods or services, licensing rights to use Intellectual Property or otherwise realizing benefits and rights under any Genworth Vendor Agreements.

(d) Genworth shall indemnify, defend and hold harmless on an After-Tax Basis each member of the Company Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Company Indemnified Parties"), from and against any and all Liabilities of the Company Indemnified Parties relating to, arising out of or resulting from Genworth or any of its Affiliates purchasing goods or services, licensing rights to use Intellectual Property or otherwise realizing benefits and rights under any Company Vendor Agreements.

(e) "After-Tax Basis" means, with respect to any indemnification payment to be actually or constructively received by any Person, the amount of the payment (i) increased to take account of any net Tax cost incurred by the Indemnified Party arising from the receipt or accrual of an indemnification payment hereunder (grossed up for such increase) and (ii) reduced to take account of any net Tax benefit realized by the Indemnified Party arising from incurring or paying such Liability. In computing the amount of any such Tax cost or Tax benefit, the Indemnified Party shall be deemed to recognize all other items of income, gain, loss, deduction or credit before recognizing any item arising from the receipt or accrual of any indemnification payment hereunder or incurring or paying any indemnified Liability. Any

indemnification payment hereunder shall initially be made without regard to this Section 3.01 and shall be increased or reduced to reflect any such net Tax cost (including gross-up) or net Tax benefit only after the Indemnified Party has actually realized such cost or benefit. For purposes of this Agreement, an Indemnified Party shall be deemed to have "actually realized" a net Tax cost or a net Tax benefit to the extent that, and at such time as, the amount of Taxes payable by such Indemnified Party is increased above or reduced below, as the case may be, the amount of Taxes that such Indemnified Party would be required to pay but for the receipt or accrual of the indemnification payment or the incurrence or payment of such Liability, as the case may be. The amount of any increase or reduction hereunder shall be adjusted to reflect any "determination" (within the meaning of Section 1313 of the Code) with respect to the Indemnified Party's liability for Taxes, and payments between such indemnified Parties to reflect such adjustment shall be made if necessary. Notwithstanding any other provision of this Agreement, to the extent permitted by applicable Law, the Parties hereto agree that any indemnity payment made hereunder shall be treated as a capital contribution or dividend distribution, as the case may be, immediately prior to the date of any initial public offering of Company Common Stock, and, accordingly, not includible in the taxable income of the recipient or deductible by the payor.

Section 3.02 Termination of Agreements.

(a) Except as set forth in Section 3.02(b), and commencing as of the Effective Date, the below-listed agreements shall terminate, and this Agreement shall replace, solely with respect to the Company Group, the following agreements and arrangements:

(i) the Services and Shared Expenses Agreement, dated as of January 1, 2004, by and among Genworth North America Corporation (formerly known as GNA Corporation), Genworth Mortgage Insurance Corporation (formerly known as General Electric Mortgage Insurance Corporation), Genworth Mortgage Insurance Corporation of North Carolina (formerly known as General Electric Mortgage Insurance Corporation of North Carolina), Genworth Mortgage Reinsurance Corporation of North Carolina (formerly known as GE Mortgage Reinsurance Corporation of North Carolina), Genworth Financial Assurance Corporation (formerly known as Private Residential Mortgage Insurance Corporation), GE Residential Mortgage Insurance Corporation of North Carolina and General Electric Home Equity Insurance Corporation of North Carolina); and

(ii) all other agreements and arrangements between or among the Parties hereto dealing with the subject matter of any Service.

The termination of the agreements above under this Section 3.02(a) does not affect any accrued rights and liabilities of the Parties under those agreements as at termination.

(b) The provisions of Section 3.02(a), above, shall not apply to any of the following agreements, arrangements, commitments or understandings (or to any of the provisions thereof):

(i) any agreements, arrangements, commitments or understandings to which any Person other than the Parties hereto and their respective Affiliates is a party; or

(ii) any accounts payable or accounts receivable between the Genworth Group and the Company Group, attributable to the period up to and including the Effective Date, reflected in the books and records of the Parties or otherwise documented in writing in accordance with past practices in respect of the obligations described in Section 3.02(a)(i) and 3.01(a)(ii) above; or

(iii) any other agreements, arrangements, commitments or understandings that this Agreement expressly contemplates will survive the Effective Date.

Article IV

ADDITIONAL AGREEMENTS

Section 4.01 Consents.

The Parties hereto acknowledge and agree that certain consents, approvals, notices, registrations, recordings, filings and other actions with respect to applicable licenses or contracts (collectively, "Consents") may need to be obtained in connection with the Services. If a Provider becomes aware that it is required to obtain any Consent in order to provide the Services to the Recipient and the Provider is required to incur any charges to a third party for that Consent, then:

(a) the Provider shall notify the Recipient of the Consent and the charges the Provider may be required to pay to a third party in respect of that Consent; and

(b) unless the Parties agree that the Service which requires that Consent is no longer required, the Provider agrees to use commercially reasonable efforts to obtain that Consent and the Recipient shall promptly reimburse the Provider for any out-of-pocket costs and all charges incurred by the Provider to obtain, perform or otherwise satisfy such Consents.

Section 4.02 Access.

(a) The Company will allow Genworth and its Representatives reasonable access to the facilities of the Company necessary for the performance of the Genworth Services listed on Schedule A for Genworth to fulfill its obligations under this Agreement, provided that in connection with such access, Genworth and its Representatives shall comply with any of the Company's applicable security and access policies.

(b) Genworth will allow the Company and its Representatives reasonable access to the facilities of Genworth necessary for the performance of Company Services listed on Schedule B for the Company to fulfill its obligations under this Agreement, provided that in connection with such access, the Company and its Representatives shall comply with any of Genworth's applicable security and access policies.

(c) Each Recipient shall, in accordance with the Data Security and Cybersecurity Program, have the right to audit or to have its independent auditors audit any and all Services provided by the Provider at least once in any twelve (12) month period.

(d) The Parties acknowledge that the US regulators including the Securities and Exchange Commission and various state insurance regulators, together with Fannie Mae and Freddie Mac, have supervisory obligations and rights in respect of members of the Genworth Group ("Governmental Authorities"). The Parties agree to cooperate with Governmental Authorities with respect to any review, examination or monitoring, or request for either party's internal information relating to the Company Services and shall share with each other and Governmental Authorities any such information as those Governmental Authorities shall require pursuant to the exercise of their respective supervisory powers or audit rights. In connection with any matter relating to the Company Services that is identified by Governmental Authorities, the Parties will, to the extent permitted by law, cooperate to review the matter at the time that it is raised, will consult concerning possible responses and

consider jointly any regulatory decision including, where such matter involves a regulatory change mandated, the effect of such decision on the Company Services.

Article V

COSTS AND DISBURSEMENTS; PAYMENTS

Section 5.01 Calculation and Adjustment of Service Charges

(a) Subject to Section 5.01(d), each Recipient shall pay the applicable service charges ("Service Charges") specified in the Schedules to this Agreement for each Service received by such party in accordance with this Article V. Schedule A indicates for each Service whether the charge for such Service will be (i) Direct Bill Charge; or (ii) Overhead Allocation Charge. Without limiting the foregoing, in no event shall Schedule A be modified, except by agreement of the Parties.

(b) Schedules A and B, as applicable, set forth the specific Service Charges for the Services, or the basis for the determination thereof, that shall apply from the Effective Date until December 31, 2022. On or before June 30, 2022, the Genworth Services Manager and the Company Services Manager shall have completed a review of the status of each Service, the anticipated need for such Service by the relevant Recipient in the twelve (12) months following December 31, 2022, and the Provider's costs for delivering the Services. Following such review, the Genworth Services Manager and the Company Services Manager shall jointly determine on behalf of the Parties appropriate modifications to the descriptions and quantities of Services (including termination of specific Services) and the related Service Charges to apply in the calendar year beginning January 1, 2023. Such review and modification procedure shall be repeated for each calendar year period of the term thereafter, with the aforementioned review by the Genworth Services Manager and the Company Services Manager to be completed on or before the last day of June of the then-current period to determine the modifications (if any) which shall apply in respect of the next calendar year. The respective Service Managers shall work collaboratively to schedule the Genworth Services to ensure that the Service Charges will not exceed the Genworth Charges Cap described in Section 5.01(d) below.

(c) The Parties acknowledge that the provision of each Service is not part of either Provider's primary business and that the provision of Services by each Provider is intended solely to facilitate the continuity of the Recipient's business operations during the period from the Effective Date until this Agreement terminates or a Service is no longer provided under this Agreement in accordance with the terms of this Agreement. Accordingly, the Parties hereto acknowledge and agree that: (i) to the extent that a Service was being provided immediately prior to the Effective Date, the Service Charge in respect of that Service has been and shall continue to be calculated in a manner consistent with past practice, with no markup; (ii) to the extent that a Service had not been provided immediately prior to the Effective Date, the Service Charge in respect of that Service shall be calculated to be Provider's good faith commercially reasonable estimated cost.

(d) Notwithstanding Section 5.01(a) and the Service Charges set forth in Schedule A, in no event will the portion of the Service Charge attributable to Overhead Allocation Service Charges payable by Company to Genworth exceed the amounts set forth in the following table (the, "Genworth Charges Cap") for the applicable calendar year:

Year	Genworth Charges Cap
2021 (full year)	$36 million
2022	$25 million
2023	$15 million
2024	$7.5 million
2025	$6.25 million
2026	$5 million

Section 5.02 Invoicing and Payment.

The Provider of each Service shall issue an invoice to the Recipient quarterly in respect of Services provided in the immediately preceding quarter (which will reflect a pro-rated portion of the relevant Service Charges for that quarter in respect of any Service that commences or terminates during that quarter) and the Recipient shall pay all undisputed amounts under each such invoice within forty-five (45) days following its receipt thereof from the Provider. Further, in connection with performance of the Services, the Provider may incur certain out-of-pocket costs (the "Other Costs"), which shall, without duplication, either be paid directly by the Recipient or reimbursed to the Provider by the Recipient; provided that any Other Costs shall only be payable by the Company or Genworth, as the case may be, in accordance with this Section 5.02 if (i) such Other Costs have been authorized in writing by the Company Services Manager (if the Company is the Recipient) or the Genworth Services Manager (if Genworth is the Recipient) prior to having been incurred by the Provider and (ii) the Recipient receives from the Provider reasonably detailed data and other documentation sufficient to support the calculation of amounts due to the Provider as a result of such Other Costs. Notwithstanding the preceding sentence, a Provider may not receive an advancement for any costs under this Agreement unless such advancement is to pay for a Service and has been authorized in writing by the Company Services Manager (if the Company is the Recipient) or the Genworth Services Manager (if Genworth is the Recipient).

Section 5.03 Transfer Pricing.

If either of the Parties is required to undertake a transfer pricing study for the purpose of US taxation laws or the Parties otherwise agree to undertake a transfer pricing study in respect of any of the Services under this Agreement, the Parties agree to share any third-party costs of the study in equal proportions.

Article VI

GENERAL COVENANTS; REPRESENTATIONS AND WARRANTIES

Section 6.01 Compliance with Laws.

Each of Genworth and the Company shall (and shall ensure that their respective Affiliates shall) comply with all applicable Laws when providing or receiving the Services or when

performing obligations under this Agreement. Without limiting the generality of the foregoing, each of Genworth and the Company shall (and shall ensure that their respective Affiliates shall) comply with, and shall take all necessary measures to ensure that (a) its actions (or lack of action) do not result in non-compliance by any party (or their Affiliates), with the provisions of the Privacy Act, HIPAA, Gramm-Leach-Bliley Act, and any similar federal or state legislation and regulations, including the provisions relating to the collection, use, retention and disclosure of Personal Information, (b) the transfer of any information hereunder is in compliance with applicable Laws relating to privacy, export control or other similar matters, (c) upon the earlier of (i) receiving a request from the provider of Personal Information and (ii) when such Personal Information is no longer needed in connection with the provision of the applicable Services, the recipient of such Personal Information shall deliver all such Personal Information to such provider in whatever form (or, at the request of the Provider, all physical copies of such Personal Information shall be destroyed and all electronic copies shall be deleted in a manner that ensures the same may not be retrieved or undeleted), and (d) it shall cooperate with any investigation with respect to a possible breach of applicable Laws relating to privacy.

Section 6.02 No Representations and Warranties.

Each party acknowledges and agrees that:

(i) the other party is not in the business of providing services such as the Services to third Parties;

(ii) each party has agreed to provide its respective Services as an accommodation to the other party; and

(iii) except as otherwise set forth herein, neither party makes any representation or warranty whatsoever regarding the Services or any other matters relating to or arising out of this Agreement (except to the extent that applicable Law does not permit the exclusion of such representation or warranty).

Article VII

INDEMNIFICATION REGARDING SERVICES; LIMITATION ON LIABILITY

Section 7.01

The Parties agree that their sole and exclusive remedy pursuant to or in connection with this Agreement shall be a contractual claim for damages, and all other remedies of any description, including equitable remedies, are hereby excluded to the fullest extent permitted by Law.

Section 7.02

Nothing in this Agreement shall limit or exclude the liability of either party for: (i) fraud or fraudulent misrepresentation; (ii) where limitation or exclusion is not permitted by Law; or (iii) willful misconduct by the Provider to provide the Services.

Section 7.03

Without prejudice to Section 7.01, and notwithstanding anything to the contrary set forth herein, whether or not either party has been advised of the possibility of such damages, neither party shall be liable to the other, whether in contract, tort (including negligence) or restitution, or for breach of statutory duty or misrepresentation, or otherwise, for any: loss of profit (whether

direct or indirect); loss of goodwill; loss or corruption of data, loss of business; loss of business opportunity; loss of anticipated saving; or for any special, indirect, punitive, consequential, exemplary, statutorily enhanced or similar damages or losses suffered by the other party that arises under or in connection with this Agreement.

Section 7.04

Any indemnity contained in this Agreement shall be reduced dollar-for-dollar by any applicable insurance collected by the indemnified party with respect to the claims covered by such indemnity.

Section 7.05

Subject to Section 7.01, the total aggregate liability of the Company and the Company Group on the one hand and Genworth and the Genworth Group on the other hand under or in connection with this Agreement, arising under contract, tort, negligence, by statute or otherwise howsoever, shall not exceed the Service Charges paid or payable by the Recipient for the twelve (12) -consecutive-month portion of the term of this Agreement preceding the date of the occurrence of the applicable event, act or omission giving rise to such liability or, if fewer than twelve (12) months have elapsed since the date of this Agreement, then twelve (12) times the average monthly Service Charges paid or payable during the elapsed time since the date of this Agreement.

Section 7.06 Indemnification of Each Recipient.

Each Provider shall indemnify, defend and hold harmless a Recipient from and against any and all Liabilities that a Recipient may suffer or incur arising out of or in connection with: (i) any allegation that its use of the Services in accordance with this Agreement infringes the intellectual property of a third party and/or (ii) in the event of fraud, fraudulent misrepresentation, gross negligence or willful misconduct on the part of a Provider in connection with its provision of the Services to a Recipient.

Section 7.07 Indemnification Procedures.

(a) If an Indemnified Party shall receive notice or otherwise learn of the assertion by a Person (including any Governmental Authority) who is not a member of the Genworth Group or the Company Group of any claim or of the commencement by any such Person of any Action (collectively, a "Third-Party Claim") with respect to which an Indemnifying Party may be obligated to provide indemnification, such Indemnified Party shall give such Indemnifying Party written notice thereof within twenty (20) days after becoming aware of such Third-Party Claim. Any such notice shall describe the Third-Party Claim in reasonable detail. Notwithstanding the foregoing, the failure of any Indemnified Party or other Person to give notice shall not relieve the Indemnifying Party of its obligations under this Article VII, except to the extent that such Indemnifying Party is actually and materially prejudiced by such failure to give notice.

(b) An Indemnifying Party may elect to defend (and to seek to settle or compromise), at such Indemnifying Party's own expense and by such Indemnifying Party's own counsel, any Third-Party Claim. Within thirty (30) days after the receipt of notice from an Indemnified Party (or sooner, if the nature of such Third-Party Claim so requires), the Indemnifying Party shall notify the Indemnified Party of its election whether the Indemnifying Party will assume responsibility for defending such Third-Party Claim, which election shall specify any reservations or exceptions. After notice from an Indemnifying Party to an Indemnified Party of its election to assume the defense of a Third-Party Claim, such

Indemnified Party shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnified Party except as set forth in the next sentence. If the Indemnifying Party has elected to assume the defense of the Third-Party Claim but has specified, and continues to assert, any reservations or exceptions in such notice, then, in any such case, the reasonable fees and expenses of one separate counsel for all Indemnified Parties shall be borne by the Indemnifying Party, but the Indemnifying Party shall be entitled to reimbursement by the Indemnified Party for payment of any such fees and expenses to the extent that it establishes that such reservations and exceptions were proper.

(c) If an Indemnifying Party elects not to assume responsibility for defending a Third-Party Claim, or fails to notify an Indemnified Party of its election, such Indemnified Party may defend such Third-Party Claim at the cost and expense of the Indemnifying Party.

(d) Unless the Indemnifying Party has failed to assume the defense of the Third-Party Claim in accordance with the terms of this Agreement, no Indemnified Party may settle or compromise any Third-Party Claim without the consent of the Indemnifying Party. No Indemnifying Party shall consent to entry of any judgment or enter into any settlement of any pending or threatened Third-Party Claim in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party without the consent of the Indemnified Party if (i) the effect thereof is to permit any injunction, declaratory judgment, other order or other nonmonetary relief to be entered, directly or indirectly against such Indemnified Party and (ii) such settlement does not include an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Third-Party Claim.

(e) The provisions of this Section 7.07 shall not apply to taxes (which are covered by the Tax Allocation Agreement).

Section 7.08 Liability for Payment Obligations.

Nothing in this Article VII shall be deemed to eliminate or limit, in any respect, Genworth's or the Company's express obligation in this Agreement to pay or reimburse, as applicable, for (a) Service Charges for Services rendered in accordance with this Agreement, (b) Other Costs, (c) amounts in respect of conversion services provided pursuant to Section 2.03 (Additional Support), (d) amounts payable with respect to Consents in accordance with Section 4.01; (e) amounts payable or reimbursable pursuant to Section 10.04 (Books and Records), (f) amounts payable or reimbursable pursuant to Section 10.06 (Regulatory Approval and Compliance), and (g) amounts payable or reimbursable pursuant to Section 10.09 (Assignment; No Third Party Beneficiaries).

Section 7.09 Benefit of Agreement.

Genworth enters into this Agreement for itself and holds the benefit of this Agreement on trust for its Affiliates and Genworth's and its Affiliates' respective directors, officers and employees and each of the heirs, executors, successors and assigns of the foregoing. The Company enters into this Agreement for itself and holds the benefit of this Agreement on trust for its Affiliates and the Company's and its Affiliates' respective directors, officers and employees and each of the heirs, executors, successors and assigns of the foregoing.

Article VIII

DISPUTE RESOLUTION

Section 8.01 General Provisions.

(a) Any dispute, controversy or claim arising out of or relating to this Agreement or the validity, interpretation, breach or termination thereof and any question of the arbitral tribunal's jurisdiction or the existence, scope or validity of this arbitration agreement or the arbitrability of any claim (a "Dispute"), shall be resolved in accordance with the procedures set forth in this Article VIII, which shall be the sole and exclusive procedures for the resolution of any such Dispute.

(b) Commencing with a request contemplated by Section 8.02 set forth below, all communications between the Parties or their representatives in connection with the Parties' negotiations under Section 8.02 or Section 8.03 (including any communications with or statements by the mediator pursuant to Section 8.03 below), shall be deemed to have been delivered in furtherance of settlement negotiations (without regard for any labelling or lack of labelling of such communications), shall be exempt from discovery and production, and shall not be admissible in evidence for any reason (whether as an admission or otherwise), in any arbitral or other proceeding for the resolution of the Dispute, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation.

(c) The Parties expressly waive and forego any right to (i) special, indirect, incidental, punitive, consequential, exemplary, statutorily-enhanced or similar damages in excess of compensatory damages (provided that liability for any such damages with respect to a Third- Party Claim shall be considered direct damages) and (ii) trial by jury.

(d) The specific procedures set forth below, including but not limited to the time limits referenced therein, may be modified by agreement of the Parties in writing.

(e) To the fullest extent permitted by law, all applicable statutes of limitations and defenses based upon the passage of time with respect to any Dispute shall be tolled while the procedures specified in this Article VIII are pending with respect to such Dispute. The Parties will take such action, if any, required to effectuate such tolling.

Section 8.02 Consideration by Senior Executives.

If a Dispute is not resolved in the normal course of business at the operational level, the Parties shall attempt in good faith to resolve such Dispute by negotiation between the senior-most executives of each Party or their respective senior-level designees. Either Party may initiate the executive negotiation process by providing a written notice of such Dispute to the other (the "Initial Notice"). Within fifteen (15) days after delivery of the Initial Notice, the receiving Party shall submit to the other a written response (the "Response"). The Initial Notice and the Response shall include (i) a statement of the Dispute and of each Party's position, and (ii) the name and title of the executive who will represent that Party and of any other person who will accompany the executive. Such executives shall meet in person, by telephone or by videoconference within ten (10) Business Days of the date of the Response to seek a resolution of the Dispute.

Section 8.03 Mediation.

If a Dispute is not resolved in writing by negotiation as provided in Section 8.02 within thirty (30) days from the date of the Response, such Dispute shall be submitted, at the written request of either Party, to mediation pursuant to the Mediation Procedures of the International Institute for Conflict Prevention and Resolution ("CPR") then in effect, except as modified herein. The Parties shall jointly select a mediator from the CPR Panels of Distinguished Neutrals. If the Parties are unable to select a mutually agreeable mediator within twenty (20) days following the submission of the Dispute to the CPR, the CPR shall select the mediator from the CPR Panels of Distinguished Neutrals.

Section 8.04 Arbitration.

(a) If a Dispute is not resolved in writing by mediation as provided in Section 8.03 within thirty (30) days of the selection of a mediator, such Dispute shall be submitted, at the request of either Party, to final and binding arbitration pursuant to the CPR Rules for Administered Arbitration then in effect, except as modified herein (the "CPR Arbitration Rules"). The Parties consent to a single, consolidated arbitration for all known Disputes existing at the time of the arbitration and for which arbitration is permitted.

(b) The arbitral tribunal shall be composed of three (3) arbitrators. In accordance with the CPR Arbitration Rules, the Party commencing the arbitration shall designate an arbitrator in the notice of arbitration and the other Party shall designate an arbitrator in its notice of defense. The two arbitrators so designated shall nominate a third arbitrator, who shall serve as chair of the arbitral tribunal, within thirty (30) days of the confirmation by the CPR of the appointment of the second arbitrator. On the request of any Party, any arbitrator not timely nominated shall be appointed by the CPR in accordance with the CPR Arbitration Rules. Unless the Parties agree otherwise, the chair of the arbitral tribunal shall be either (i) a former chancellor or vice chancellor of the Delaware Court of Chancery or (ii) a member of the Delaware bar with at least 10 years of experience in Court of Chancery matters. The seat of the arbitration shall be New York, New York. The arbitration and this arbitration agreement shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq.

(c) The Parties agree that judgment on any award or order resulting from an arbitration conducted under this Section 8.04 may be entered and enforced in any court having jurisdiction over any Party or any of its assets.

(d) Except as expressly permitted by this Agreement, no Party will commence or voluntarily participate in any court action or proceeding concerning a Dispute, except (i) for enforcement as contemplated by Section 8.04(c) above; (ii) to challenge or vacate an award issued by the arbitral tribunal; or (iii) for interim relief as provided in Section 8.04(e) below.

(e) Until the arbitral tribunal has been constituted, either Party may seek interim relief in aid of arbitration, to preserve the *status quo*, or for the purposes set out in Section 8.04(d), above, from any court having jurisdiction over any Party or any of its assets. Without prejudice to such interim remedies that may be granted by a court, the arbitral tribunal shall have full authority to grant interim remedies, to order a Party to request that a court modify or vacate any temporary or preliminary relief issued by such court, and to award damages for the failure of any Party to respect the arbitral tribunal's orders to that effect.

(f) The Parties consent and submit to the non-exclusive jurisdiction of any federal court located in the State of New York or, where such court does not have juris- diction, any New York state court, in either case located in New York County, New York ("New York Court") for the enforcement of any arbitral award rendered hereunder, to compel

arbitration or for interim relief. In any such action: each Party irrevocably waives, to the fullest extent it may effectively do so, any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens* or any right of objection to jurisdiction on account of its place of incorporation or domicile, which it may now or hereafter have to the bringing of any such action or proceeding in any New York Court.

(g) Each Party will bear its own attorneys' fees and costs incurred in connection with the resolution of any Dispute in accordance with this Article VIII.

Article IX

TERMINATION

Section 9.01 Termination.

(a) The term of this Agreement shall commence on the Effective Date and, shall continue until the earliest of: (i) the date on which the last of the Services as set forth on Schedule A and Schedule B under this Agreement is expired or terminated (each a "Service Termination Date"), or (ii) the date on which this Agreement is otherwise terminated as permitted under this Agreement. This Agreement shall automatically terminate twelve (12) months after the Trigger Date. The date on which the Agreement terminates (in whole) pursuant to its terms is known as the "Agreement Termination Date".

(b) In the event a Recipient expects to require the receipt of a Service after the scheduled discontinuation of such Service in accordance with the terms of this Agreement, the Recipient shall provide written notice (an "Extension Notice") to the Provider not less than 30 days prior to the scheduled discontinuation of such Service.

(c) In the event a Recipient delivers an Extension Notice to a Provider in accordance with Section 9.01(b): for any Extension Notice served by a Recipient for a first extension the provision of the relevant Service(s) may be extended for a time period up to 3 months (or such other time as mutually agreed upon by the Parties); for any Extension Notice served by a Recipient for second extension, the provision of the relevant Service(s) may only be extended for such time period mutually agreed upon by the Parties; or where the serving of the Extension Notice was required by any delay which arises by the fault of Provider, the provision of the relevant Service(s) shall be extended by such period as may reasonably be required to compensate for such delay; in each case, such period, an "Extension Period".

(d) During an Extension Period, the Standard of Services for each Service shall be the same as were in effect prior to the termination of such Service and the Services Charge for each Service shall be the same as were in effect prior to the termination of each such Service plus any additional costs (e.g. consents, license or other approvals) that are associated with Provider's continued provision of each such Service during an Extension Period.

(e) In addition to and not in limitation of the rights and obligations set forth in Section 10.03, upon the request of the Recipient of a Service,

(i) the Provider of such Service will, during the term of this Agreement during which such Provider is providing such Service to the Recipient, cooperate with the Recipient and use its good faith, commercially reasonable efforts to assist the transition of such Service to the Recipient (or Affiliate of the Recipient or such

third-party vendor designated by the Recipient) by the applicable Service Termination Date for such Service or such other termination date as is agreed to by the Parties, and

(ii) the Provider of such Service will, for a reasonable period of time after the applicable Service Termination Date of any such Service cooperate with the Recipient and use its good faith, commercially reasonable efforts to assist the transition of such Service to the Recipient (or Affiliate of the Recipient or such third-party vendor designated by the Recipient) as soon as reasonably practicable.

(f) By agreement of the Parties, in connection with the transfer or assumption of any Service, the resources associated with providing such Service may be transferred and/or assigned permanently from Provider to the Recipient. Upon assumption of the Service by the Recipient, the Service shall be treated as terminated under the provisions of this Article IX, and the Provider will have no further obligation to provide such Service, and the Recipient will have no obligation to pay any future Service Charges or Other Costs relating to any such Service.

(g) Either party may terminate its obligation to provide or its obligation to receive any of the Services (each, a "Terminated Service") for its convenience and in its absolute discretion by providing, unless otherwise mutually agreed to by the Parties in writing, the other party not less than one hundred eighty (180) days prior written notice setting forth the termination date for the Terminated Service, provided however, that the Company may not terminate for convenience any Service that would dismiss or effect a change in the current independent registered public accounting firm of the Company or engage an independent registered public accounting firm for the Company that is different from the independent registered public accounting firm for Genworth. Notwithstanding either party's right to terminate any Service as described above, for so long as Genworth continues using its current general ledger solution and system, Company will continue to use that same solution and system, and for so long as Genworth continues using its current business performance management software solution, Company will continue to use that same software solution for financial planning and analysis purposes. If the Terminated Service is being provided under a Supplier Agreement that cannot be terminated (or cannot be modified or amended to eliminate the expense associated with the delivery of such Service to the Recipient) within the one hundred eighty (180) days of such notice, then the party seeking to terminate the Terminated Service must either (x) provide such additional written notice to coincide with the date such Supplier Agreement terminates (or can be modified or amended to eliminate the expenses associated with the delivery of such Terminated Service to the Recipient), up to an additional one hundred eighty (180) days (for a total not to exceed 360 days prior written notice) or (y) elect to terminate the Terminated Service upon the expiration of the first one hundred eighty (180) day notice period and pay all expenses and any costs incurred by the non-terminating party in connection with any such Supplier Agreements associated with the termination of the Terminated Service upon the expiration of such first one hundred eighty (180) day notice period.

(h) Any notices under this Section 9.01 shall (in addition to the notice requirements in Section 10.05) also be provided in writing if to Genworth, to Genworth's Chief Executive Officer and its Genworth Shared Services Leader, and if to Company, to Company's Chief Executive Officer and its Shared Services Leader.

Section 9.02 Effect of Termination.

Except with respect to any Service that is continuing to be provided pursuant to Section 9.01(c), after the termination of such Service or pursuant to a requirement to provide transition services, upon termination or expiration of any Service pursuant to this Agreement, the

relevant Provider will have no further obligation to provide the terminated Service, and the relevant Recipient will have no obligation to pay any future Service Charges or Other Costs relating to any such Service (other than for or in respect of Services or Undertakings provided in accordance with the terms of this Agreement and received by such Recipient prior to such termination). Upon termination of this Agreement in respect of all Services in accordance with its terms, no Provider will have any further obligation to provide any Service or Undertaking, and no Recipient will have any obligation to pay any Service Charges or Other Costs relating to any Service or Undertaking or make any other payments under this Agreement (other than for or in respect of Services or Undertakings received by such Recipient prior to such termination or rights that may accrue in respect of this Agreement). Any property, Intellectual Property, Confidential Information, or information or other assets owned or controlled by a party will remain owned or controlled by that party and if any of the foregoing are in the possession of the other party at termination, such asset(s) shall be returned by such other party upon request following termination of the Service or this Agreement, as applicable. Further, all funds and invested assets of a Recipient may only be held for the benefit of such Recipient and will remain the exclusive property of and subject to the control of such Recipient at all times. Notwithstanding the foregoing, a party may retain copies of the foregoing information to the extent such copies are electronically stored pursuant to the Receiving Party's ordinary course backup procedures (including, without limitation, those regarding electronic communication), and otherwise as may be required by applicable Law, so long as such copies are kept confidential as required under this Agreement and are used for no other purpose. For the avoidance of doubt, this Agreement shall not infringe on Genworth's right to use the Company's Confidential Information: (i) in order to provide the Services; (ii) for other internal purposes such as (but not limited to) financial reporting, performance monitoring, and auditing.

Section 9.03 Survival.

Article V (Costs and Disbursements; Payments), Article VII (Indemnification Regarding Services; Limitation on Liability), Article VIII (Dispute Resolution), Section 9.01(c)(ii) (Termination), Section 9.02 (Effect of Termination), Section 9.03 (Survival), and Article X (General Provisions) shall survive the expiration or other termination of this Agreement and remain in full force and effect.

Section 9.04 Business Continuity; Force Majeure.

(a) Prior to the Trigger Date, each of Genworth and the Company shall maintain and comply with Genworth's then current disaster recovery and business continuity plans and procedures. On or after the Trigger Date, the Company shall maintain and comply with a reasonable disaster recovery and business continuity plan designed to help ensure that it can continue to provide the Services in accordance with this Agreement in the event of a disaster or other significant event that might otherwise impact its operations. Upon the written request of a Recipient, a Provider shall (i) disclose to the Recipient the Provider's disaster recovery, crisis management and business continuity plans and procedures applicable to a Service and (ii) permit the Recipient to participate in testing of such disaster recovery, crisis management and business continuity plans and procedures, in each case so that the Recipient may assess such plans and procedures and develop or modify its own such plans and procedures in connection with the Service as Recipient reasonably deems necessary.

(b) No party hereto (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure; provided, that such party shall have complied fully with the procedures described in its disaster recovery, crisis management, and business continuity plan. A party claiming the benefit of this provision

shall, as soon as reasonably practicable after the occurrence of any such event: (i) notify the other party of the nature and extent of any such Force Majeure condition and (ii) use commercially reasonable efforts to remove any such causes and resume performance under this Agreement as soon as reasonably practical.

Article X

GENERAL PROVISIONS

Section 10.01 Independent Contractors.

In providing Services hereunder, the Provider shall act solely as an independent contractor and nothing in this Agreement shall constitute or be construed to be or create a partnership, joint venture, employment or principal/agent relationship between the Provider and any of its Affiliates or their respective employees, agents or subcontractors, on the one hand, and the Recipient and any of its Affiliates or their respective employees, agents or subcontractors, on the other. All Persons employed by the Provider or an Affiliate in the performance of its obligations under this Agreement shall be the sole responsibility of the Provider.

Section 10.02 Subcontractors.

Any Provider or Affiliate may hire or engage one or more subcontractors to perform any or all of its obligations under this Agreement upon notice to Recipient; provided that such Provider shall cause such subcontractors to comply with the terms of this Agreement, as applicable, including the Data Security and Cybersecurity Program and Provider shall in all cases remain responsible for all its obligations under this Agreement, including with respect to the scope of the Services, the Standard for Services and the content of the Services provided to the Recipient or an Affiliate of the Recipient. Under no circumstances shall any Recipient or Affiliate be responsible for making any payments directly to any subcontractor engaged by a Provider. The right to audit set out in Section 4.02(c) shall apply in respect of any subcontractors engaged to perform any obligations under this Agreement.

Section 10.03 Cooperation; Additional Services.

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of Genworth and the Company will cooperate with each other and use (and will cause their respective subsidiaries and Affiliates to use) reasonable best efforts, prior to, on and after the Effective Date, to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part under applicable Law or contractual obligations to consummate and make effective the transactions contemplated by this Agreement.

(b) Without limiting the foregoing, prior to, on and after the Effective Date, each of Genworth and the Company shall cooperate with the other party, and without any further consideration, but at the expense of the requesting party from and after the Effective Date, to execute and deliver, or use its reasonable best efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain all consents, approvals or authorizations of, any Governmental Authority or any other Person under any permit, license, agreement or other instrument (including any Consents or governmental approvals), and to take all such other actions as such party may reasonably be requested to take by any other party hereto from time to time, consistent with the terms of this Agreement, in order to effectuate the provisions and purposes of this Agreement.

(c) On or prior to the Effective Date, Genworth and the Company in their respective capacities as direct and indirect stockholders of their respective Subsidiaries, shall each ratify any actions that are reasonably necessary or desirable to be taken by Genworth, the Company or any other subsidiary of Genworth or the Company, as the case may be, to effectuate the transactions contemplated by this Agreement.

(d) The Parties hereto have made a good faith effort to identify each Service and to complete the content of the Schedules accurately. However, the Parties acknowledge and agree that, notwithstanding those efforts, either party hereto may, from time to time during the term of this Agreement, identify a need for additional or other transition services to be provided by or on behalf of the Company or Genworth. The Parties hereto agree to negotiate in good faith to provide such additional or other services (provided, that such services are of a type generally provided by the relevant Provider at such time and are not services referred to in Section 2.01(j)) and the applicable Service Charges, payment procedures, and other rights and obligations (including in relation to any Intellectual Property) with respect thereto. To the extent practicable, such additional or other services shall be provided on terms substantially similar to those applicable to Services of similar types and otherwise on terms (including the Standard of Services) consistent with those contained in this Agreement. The Parties hereto further acknowledge and agree that any modification of this Agreement or the Schedules to reflect such additional or other services may be made orally or in writing; provided, that any oral modification is later reduced to writing.

Section 10.04 Books and Records.

All Recipient Data shall be the exclusive property of such Recipient or its Affiliate. The Recipient, at its sole cost and expense, shall have the right to inspect, and make copies of, any such Recipient Data during regular business hours upon reasonable advance notice to the Provider. At the sole cost and expense of the Recipient, upon termination of the provision of any Service, the relevant Recipient Data relating to such terminated Service shall be delivered by the Provider to the Recipient in its existing format or another format, if such other format is mutually agreed upon by the Provider and the Recipient, to the address of the Recipient set forth in Section 10.05 or any other mutually agreed upon location; provided, however, that the Provider shall be entitled to retain one copy of all such Recipient Data relating to such terminated Service for archival purposes and for purposes of responding to any dispute that may arise with respect thereto or to comply with applicable Law.

Section 10.05 Notices.

All notices, requests, claims, demands and other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by email with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 10.05):

if to Genworth, to:

Genworth Financial, Inc.
6620 West Broad Street
Richmond, VA 23230
Attention: General Counsel
Phone: 804.662.2574

Email: GNWGeneralCounsel@genworth.com

if to the Company, to:

Enact Holdings, Inc.
8325 Six Forks Rd.
Raleigh, NC 27615
Attention: General Counsel
Email: GeneralCounsel@EnactMI.com

Section 10.06 Regulatory Approval and Compliance.

Each of Genworth and the Company shall be responsible for its, and its Affiliates, own compliance with any and all applicable Laws relating to its performance under this Agreement; provided, however, that each of Genworth and the Company shall, subject to reimbursement of out-of-pocket expenses by the requesting party, cooperate and provide one another with all reasonably requested assistance (including the execution of documents and the provision of relevant information) required by the requesting party to ensure compliance with all applicable Laws in connection with any regulatory action, requirement, inquiry or examination related to this Agreement or the Services.

Section 10.07 Severability.

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any Law or as a matter of public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties to this Agreement shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 10.08 Entire Agreement.

Except as otherwise expressly provided in this Agreement, this Agreement (including the Schedules hereto) constitutes the entire agreement of the Parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and undertakings, both written and oral, between or on behalf of the Parties hereto with respect to the subject matter of this Agreement. Nothing in this Agreement shall be deemed to be an amendment to any Benefit Arrangement sponsored or maintained by any member of the Genworth Group or to prohibit any member of the Genworth Group from adopting, amending, modifying or terminating any Benefit Arrangement sponsored or maintained by any member of the Genworth Group at any time within its sole discretion.

Section 10.09 Assignment; No Third-Party Beneficiaries.

(a) Except as otherwise set forth in this Section 10.09, the assignment of this Agreement shall require mutual agreement of the Parties.

(b) The Parties hereto agree as follows: (i) in the event the Company sells substantially all of the Company Business (the "Company Divested Unit") to a third party, Genworth shall remain obligated to continue to provide the Genworth Services to such Company Divested Unit (but not otherwise to such third party acquirer) to the extent it was providing such Genworth Services immediately prior to such divestiture, pursuant to the terms of this Agreement, unless otherwise agreed upon by the Parties hereto, (ii) in the event Genworth sells substantially all of any Genworth Business (a "Genworth Divested Unit") to a third party, the Company shall remain obligated to continue to provide Company Services to such Genworth Divested Unit (but not otherwise to such third party acquirer) to the extent it was providing such Company Services immediately prior to such divestiture, pursuant to the terms of this Agreement, unless otherwise agreed upon by the Parties hereto, (iii) in the event the Company acquires a business or portion thereof by merger, stock purchase, asset purchase, reinsurance or other means (a "Company Acquired Unit"), then Genworth shall be obligated to provide the Genworth Services to such Company Acquired Unit, to the extent applicable, pursuant to the terms of this Agreement, unless otherwise agreed upon by the Parties hereto; provided, however, that in the event that the acquisition of a Company Acquired Unit results in a change in the volume or quantity of any Genworth Service which thereby causes a material change in Genworth's cost to provide such Genworth Service, then the requirements of Section 5.01(c) shall apply, (iv) in the event Genworth acquires a business that engages in a business of the type engaged in by the Genworth Businesses (a "Genworth Acquired Unit") then the Company shall be obligated to provide Company Services to such Genworth Acquired Unit, to the extent applicable, pursuant to the terms of this Agreement, unless otherwise agreed upon by the Parties hereto; provided, however, that in the event that the acquisition of a Genworth Acquired Unit results in a change in the volume or quantity of any Company Service which thereby causes a material change in the Company's cost to provide such Company Service, then the Parties shall negotiate in good faith and use their commercially reasonable efforts to agree upon a mutually agreeable adjustment to the relevant Service Charges to reflect such material changes.

(c) Notwithstanding the requirements of Section 10.09(a) and 10.09(b) above, Genworth's obligation to provide Services to a Company Divested Unit and the Company's obligation (except under Section 2.01(b) with respect to the Divested Units) to provide Services to a Genworth Divested Unit shall be subject to (i) at the sole discretion of the Provider of the Services, the implementation of new Service Charges (solely with respect to Services to be provided to such Divested Unit) proposed by the Provider of such Services that are consistent with applicable market rates for such Services; (ii) the seller of such Divested Unit or the third party purchaser of such Divested Unit agreeing (directly with the Provider) to pay, or cause to be paid, any incremental fees or expenses incurred by the Provider in connection with establishing or transitioning the provision of such Services to the third party; (iii) obtaining any consents that are necessary to enable the Provider to provide the Services to the third party; provided, that Genworth and the Company shall each use commercially reasonable efforts to obtain any such consents; (iv) the third party purchaser of such Divested Unit agreeing (directly with the Provider) to any and all reasonable security measures implemented by the Provider in providing the Services as deemed necessary by the Provider to protect its Information Systems; and (v) the third party purchaser of such Divested Unit agreeing in writing (with each of Genworth and the Company) to be bound by all applicable provisions of this Agreement.

(d) This Agreement is for the sole benefit of the Parties to this Agreement and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 10.10 Confidentiality.

(a) Confidential Information. Subject to Section 10.10(c), each party must take the same steps it uses to protect its own Confidential Information, but in no event less than commercially reasonable steps, to ensure that its officers, employees, agents, consultants, contractors and sub-contractors do not, without the other party's permission or where necessary to perform the Services: (a) use any of the other party's Confidential Information; (b) disclose any of the other party's Confidential Information to anyone else; or (c) make copies of materials incorporating any of the other party's Confidential Information.

(b) Terms of this document. Subject to Section 10.10(c), neither party may, without the consent of the other party, disclose the terms of this document to any other person.

(c) Exceptions. A party may disclose or use information, which it would otherwise be prevented from disclosing or using under Section 10.10(a) or Section 10.10(b), where: (i) the disclosure is to an Affiliate; (ii) required to do so by a Governmental Authority, applicable Law or relevant standards of a Government Authority; (iii) or required by the rules of a stock exchange, but, as far as practicable, must notify the other party in advance of its intention to do so and take such steps as the other party reasonably requires to protect the confidentiality of the information. In addition, the Parties acknowledge and agree that because they are Affiliates, the Confidential Information of Recipient may also be part of a Provider's own business records and as such, notwithstanding any other provision in this document to the contrary, during the term of this Agreement and for seven years after the date of termination, a Provider may use Confidential Information of a Recipient to the extent reasonably required by a Provider or any of its Affiliates for any lawful business purpose, including in connection with litigation, disputes, compliance, financial reporting (including financial audits of historical information), regulatory and accounting matters.

(d) Security and Privacy. Each party shall implement and maintain technical and physical controls in accordance with the Data Security and Cybersecurity Program to protect the security and integrity of and prevent the theft, loss, damage and unauthorized access, use and disclosure of the other party's Confidential Information and Personal Information. Each party agrees if the Confidential Information includes any Personal Information, to comply with all applicable privacy and data protection laws and any reasonable privacy codes or policies adopted by the party that owns the Confidential Information within a reasonable period of time after they have been provided.

(e) Security Incidents. A party that receives Confidential Information or Personal Information of the other party ("Receiving Party") shall promptly notify the party who disclosed such Confidential Information or Personal Information ("Disclosing Party") of any Security Incident that results in the unauthorized access to, disruption of, or misuse of, the Disclosing Party's Confidential Information or Personal Information or any Information System on which the Disclosing Party's Confidential Information or Personal Information is stored or materially impacts a Providers' operations or Providers' ability to provide the Services in accordance with the Agreement. Notwithstanding the forgoing, a Recipient shall provide notice to a Provider if a Security Incident materially impacts a Recipient's operations or a Recipient's ability to receive the Services, in each case, in accordance with the Agreement. Required notices of a Security Incident if Genworth is the Disclosing Party shall be made to DataSecurityTeam.Genworth@genworth.com and in accordance with the formal notice

requirements in this Agreement. Required notices of a Security Incident if the Company is the Disclosing Party shall be made to the Company's Chief Information Security Officer and in accordance with the formal notice requirements in this Agreement. The Receiving Party shall provide such notice following discovery and without unreasonable delay, but in no event later than three days following discovery of the Security Incident, even if not all information required by this Section is then available to the Receiving Party or all actions required by this Section have not been completed by the Receiving Party. If any such information is not available at the time of initial notification or any such activities have not been completed at the time of initial notification, the Receiving Party shall continue all commercially reasonable efforts to obtain such information and complete such activities and report to the Disclosing Party the progress and results of the foregoing. With respect to Security Incidents for which notification must be provided under this Agreement, the Receiving Party shall provide the Disclosing Party with a detailed description of the Security Incident, the type of data that was the subject of the Security Incident, the name and any other personally identifying information of each affected individual, and any other information the Disclosing Party may reasonably request concerning the Security Incident. The Receiving Party agrees to take action immediately, at its own expense, to (i) investigate the Security Incident, including without limitation its causes and effects, (ii) identify, prevent and mitigate the effects of any such Security Incident, (iii) carry out any action necessary to remedy the cause of the Security Incident and prevent a recurrence, and (iv) inform the Disclosing Party of the progress and results of the foregoing. At the Disclosing Party's option, such action shall include without limitation: (A) Receiving Party's mailing of notices regarding the Security Incident to affected individuals, the content of which shall be subject to Disclosing Party's prior written approval; and/or (B) provision of credit monitoring or other similar service to affected individuals offered by a reputable provider, for a reasonable duration but in no event more than twelve months. Alternatively, the Disclosing Party may undertake either or both of the foregoing actions at Receiving Party's commercially reasonable expense. Receiving Party shall not issue any press release or make any other public filing, report or communication regarding any Security Incident for which notification must be provided under this Agreement without Disclosing Party's prior written approval unless otherwise required by applicable Law, regulation or governmental or judicial order; provided, that in such case the Receiving Party has given the Disclosing Party reasonable advance written notice of the intended disclosure and a reasonable opportunity to seek a protective order or other confidential treatment of the information, each to the extent permitted by law; provided, further, that the disclosure is limited to that required by such applicable law, regulation or governmental or judicial order.

Section 10.11 Amendment; Waiver.

No provision of this Agreement may be amended or modified except by a written instrument signed by all the Parties hereto. Either party hereto may, in its sole discretion, waive any and all rights granted to it in this Agreement; provided, the failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision; provided, further, that no waiver by either party of any provision hereof shall be effective unless explicitly set forth in writing and executed by the party so waiving. The waiver by either party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other preceding or subsequent breach.

Section 10.12 Rules of Construction.

Interpretation of this Agreement shall be governed by the following rules of construction: (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (b) references to the

terms Article, Section, paragraph, and Schedule are references to the Articles, Sections, paragraphs, and Schedules to this Agreement unless otherwise specified, (c) the word "including" and words of similar import shall mean "including, without limitation," (d) provisions shall apply, when appropriate, to successive events and transactions, (e) the table of contents and headings contained herein are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement and (f) this Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted, and (g) the words "will" and "shall" are to be interpreted as having the same meaning.

Section 10.13 Currency.

All references in this Agreement to "dollars" or "$" are expressed in United States currency, unless otherwise specifically indicated.

Section 10.14 Counterparts.

This Agreement may be executed in one or more counterparts, and by the different Parties to each such agreement in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or email attachment shall be as effective as delivery of a manually executed counterpart of any such Agreement.

Section 10.15 No Right to Set-Off. The Recipient shall pay the full amount of costs and disbursements including Other Costs incurred under this Agreement, and shall not set off, counterclaim or otherwise withhold any other amount owed to the Provider on account of any obligation owed by the Provider to the Recipient.

Section 10.16 Disclaimer.

EXCEPT AS EXPRESSLY PROVIDED HEREIN, THE SERVICES AND ANY ADDITIONAL SERVICES ARE PROVIDED ON AN "AS IS" BASIS WITHOUT WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

Section 10.17 Conflicts.

To the extent any term or provision of this Agreement is in conflict with any term or provision of any Schedule hereto, the terms and provisions of the Schedules hereto shall govern solely to the extent of any such conflict. In the event that the Parties enter into an agreement in connection with a transaction that causes the Company to no longer be wholly owned by Genworth (a "Relationship Agreement") and any term or provision of a Relationship Agreement is in conflict with any term or provision of this Agreement or any Schedules hereto the terms of the Relationship Agreement shall govern solely to the extent of such conflict.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the date first written above by their respective duly authorized officers.

GENWORTH FINANCIAL, INC.

By: /s/ Thomas J. McInerney
Name: Thomas J. McInerney
Title: President and CEO

ENACT HOLDINGS, INC.

By: /s/ Rohit Gupta
Name: Rohit Gupta
Title: President and CEO

SCHEDULE A

* The Exhibits, Annexes and Schedules to this agreement have been omitted from this filing. The Company will furnish copies of any of the Exhibits, Annexes or the Schedules to the Securities and Exchange Commission upon request.

Exhibit 10.15

Enact Holdings, Inc. 2021 Omnibus Incentive Plan
Director Deferred Stock Unit Award Agreement

The Enact Holdings, Inc. 2021 Omnibus Incentive Plan (as the same may be amended, the "Plan") authorizes the Board of Directors (the "Board") of Enact Holdings, Inc. (the "Company") to grant Awards under the Plan to non-employee and non-affiliated members of the Board ("Nonemployee Directors"). The Board has approved a compensation program pursuant to which Nonemployee Directors are granted deferred stock units ("DSUs") from time to time as payment of part or all of their annual retainer. The DSUs are governed by the Plan and the following terms and conditions (together, the "Terms and Conditions"). The Terms and Conditions shall constitute the Award Agreement as required by the Plan.

Unless the context otherwise requires, capitalized terms used herein shall have the meanings ascribed to them in the Plan. If there is any inconsistency between the Terms and Conditions and the terms of the Plan, the Plan's terms shall supersede and replace the conflicting terms of the Terms and Conditions.

1. **Grant**. Nonemployee Directors shall be granted DSUs as of the date of the Annual Meeting of Stockholders that such Director is elected or re-elected as a member of the Board (the "Grant Date"). Each Nonemployee Director will be notified following each Grant Date regarding the number of DSUs that have been awarded. Each DSU represents the right to receive from the Company one Share of Common Stock. Subject to Section 5 below, (a) the DSUs shall be fully vested as of the one-year anniversary of the Grant Date, and (b) if a Director's service terminates for any reason, except for a change of control, prior to the next Annual Meeting of the Shareholders following the Grant Date, any unvested DSUs shall be pro-rated to reflect the grantee's length of service through the termination date.

2. **Dividend Equivalents**. Until the grantee terminates service on the Board for any reason, he or she shall receive "Dividend Equivalents" with respect to the DSUs equal to the number of DSUs times any dividend payments made to holders of the Company's Common Stock. Such Dividend Equivalents will be reinvested in additional DSUs, based on the Fair Market Value of the Shares as of the date the dividend payment.

3. **Conversion to Shares**. The DSUs, together with additional DSUs accumulated pursuant to paragraph 2, will convert to Shares on a one-for-one basis, in a single installment one year after termination of service on the Board. Notwithstanding the preceding sentence, all outstanding (vested and unvested) DSUs will convert to Shares upon the holder's death.

4. **No Voting Rights**. Grantee will not have any voting rights with respect to the DSUs until they are converted to Shares.

5. **Change in Control**. Upon the occurrence of a Change in Control, all of your unvested DSUs shall immediately vest as of the effective date of the Change in Control.

6. **Administration**. The DSUs and a grantee's rights thereunder, as set forth in these Terms and Conditions, are subject to all the terms and conditions of the Plan, as the same may be amended from time to time, as well as to such rules and regulations as the Board may adopt for administration of Nonemployee Director Awards under the Plan. It is expressly understood that the Board is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of Nonemployee Director Awards under the Plan and these Terms and Conditions, all of which shall be binding upon the grantee. The Board's interpretation of the Plan and these Terms and Conditions, and all decisions and determinations by the Board with respect to the Plan and these Terms and Conditions, shall be final, binding, and conclusive on all parties.

7. **Limitation of Rights**. The DSUs do not entitle the grantee to any rights of a stockholder of the Company, nor do they confer upon the grantee any right to continuation of service on the Board.

8. **Plan; Prospectus and Related Documents; Electronic Delivery.**

    a. A copy of the Plan will be furnished upon written or oral request made to the Human Resources Department, Enact Holdings, Inc., 8325 Six Forks Road, Raleigh, North Carolina 27615 , or by telephone to (919) 846-4100.

b. As required by applicable securities laws, the Company is delivering to grantee a prospectus in connection with the Awards of DSUs, which delivery is being made electronically. A paper copy of the prospectus may also be obtained without charge by contacting the Human Resources Department at the address or telephone number listed above. By accepting these Terms and Conditions, grantee shall be deemed to have consented to receive the prospectus electronically.

c. The Company will deliver to grantee electronically a copy of the Company's Annual Report to Stockholders for each fiscal year, as well as copies of all other reports, proxy statements and other communications distributed to the Company's stockholders. The grantee will be provided notice regarding the availability of each of these documents, and such documents may be accessed by going to the Company's website at www.IR.enactmi.com (or, if the Company changes its web site, by accessing such other web site address(es) containing investor information to which the Company may direct the grantee in the future) and will be deemed delivered to the grantee upon posting or filing by the Company. Upon written or oral request, paper copies of these documents (other than certain exhibits) may also be obtained by contacting the Company's Human Resources Department at the address or telephone number listed above or by contacting the Investor Relations Department, Enact Holdings, Inc., 8325 Six Forks Road, Raleigh, North Carolina 27615, or by telephone at (919) 846-4100.

d. By accepting the DSUs, the grantee agrees and consents, to the fullest extent permitted by law, in lieu of receiving documents in paper format to accept electronic delivery of any documents that the Company may be required to deliver in connection with the DSUs and any other Awards granted to grantee under the Plan. Electronic delivery of a document may be via a Company e-mail or by reference to a location on a Company intranet or another third-party internet site to which the grantee has access.

9. **Amendment, Modification, Suspension, and Termination**. The Board shall have the right at any time in its sole discretion, subject to certain restrictions, to alter, amend, modify, suspend or terminate the Plan in whole or in part, and shall have the right at any time in its sole discretion to alter, amend, modify, suspend or terminate the terms and conditions of any Nonemployee Director Award; *provided, however*, that no such action shall impair a grantee's rights under an Award without the grantee's consent.

10. **Applicable Law**. The validity, construction, interpretation, and enforceability of these Terms and Conditions shall be determined and governed by the laws of the State of Delaware without giving effect to the principles of conflicts of law.

11. **Entire Agreement**. These Terms and Conditions, the Plan, and the rules and procedures adopted by the Board in respect of Nonemployee Director Awards contain all of the provisions applicable to the DSUs and no other statements, documents or practices may modify, waive or alter such provisions unless expressly set forth in writing, signed by an authorized officer of the Company and delivered to the grantee.

Acceptance Date:

Exhibit 21

Listing of Subsidiaries of Enact Holdings, Inc

Name	Domicile
Enact Financial Assurance Corporation	North Carolina
Enact Financial Services, Inc.	Delaware
Enact Mortgage Holdings, LLC	North Carolina
Enact Mortgage Insurance Corporation	North Carolina
Enact Mortgage Insurance Corporation of North Carolina	North Carolina
Enact Mortgage Reinsurance Corporation	North Carolina
Enact Mortgage Services, LLC	North Carolina
Monument Lane PCC, Inc.	Washington, D.C.
Monument Lane IC 1, Inc.	Washington, D.C.
Monument Lane IC 2, Inc.	Washington, D.C.
Sponsored Captive Re, Inc.	North Carolina
Genworth Financial Mauritius Holdings Limited	Mauritius
Enact Re Ltd.	Bermuda

Exhibit 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement (No. 333-259568) on Form S-8 of our reports dated February 29, 2024, with respect to the consolidated financial statements of Enact Holdings, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP
Raleigh, North Carolina
February 29, 2024

Exhibit 24

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Rohit Gupta, Dean Mitchell and Evan Stolove, and each of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, or on such other form as such attorneys-in-fact, or any of them, may deem necessary or desirable and any amendments thereto, in such form as they or any one of them may approve, and to file the same with all exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them individually, full power and authority to do and perform each and every act and thing requisite and necessary to be done so that such Annual Report and any such amendments shall comply with the Securities Exchange Act of 1934, as amended, and the applicable Rules and Regulations adopted or issued pursuant thereto, as fully and to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them or their substitute or resubstitute, may lawfully do or cause to be done by virtue hereof.

[Signature Page to Follow]

Exhibit 24

IN WITNESS WHEREOF, each of the undersigned has hereunto set his or her hand on the date indicated below.

/s/ DOMINIC ADDESSO	February 16, 2024
Dominic Addesso **Non-Executive Chairman of the Board**	
/s/ MICHAEL A. BLESS	February 16, 2024
Micheal A. Bless **Director**	
/s/ JOHN D. FISK	February 16, 2024
John D. Fisk **Director**	
/s/ SHEILA HOODA	February 16, 2024
Sheila Hooda **Director**	
/s/ THOMAS J. MCINERNEY	February 16, 2024
Thomas J. McInerney **Director**	
/s/ ROBERT P. RESTREPO JR.	February 16, 2024
Robert P. Restrepo Jr. **Director**	
/s/ DEBRA W. STILL	February 16, 2024
Debra W. Still **Director**	
/s/ WESTLEY V. THOMPSON	February 16, 2024
Westley V. Thompson **Director**	
/s/ JEROME T. UPTON	February 16, 2024
Jerome T. Upton **Director**	
/s/ ANNE G. WALESKI	February 16, 2024
Anne G. Waleski **Director**	

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Rohit Gupta, certify that:

1. I have reviewed this annual report on Form 10-K of Enact Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 29, 2024

By: /s/ Rohit Gupta

Rohit Gupta
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Hardin Dean Mitchell, certify that:

1. I have reviewed this annual report on Form 10-K of Enact Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 29, 2024

By: /s/ Hardin Dean Mitchell

Hardin Dean Mitchell
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Rohit Gupta, as President and Chief Executive Officer of Enact Holdings, Inc. (the “Company”), certify, pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), that to my knowledge:

1. The accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2023 (the “Report”), filed with the U.S. Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 29, 2024

By: /s/ Rohit Gupta

Rohit Gupta
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Hardin Dean Mitchell, as Executive Vice President, Chief Financial Officer and Treasurer of Enact Holdings, Inc. (the "Company"), certify, pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), that to my knowledge:

1. The accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2023 (the "Report"), filed with the U.S. Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 29, 2024

By: /s/ Hardin Dean Mitchell

Hardin Dean Mitchell
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Enact Holdings, Inc.

Incentive-Based Compensation Recovery Policy

Section 1. Introduction. The Compensation Committee (the "Committee") of the board of directors (the "Board") of Enact Holdings, Inc. (the "Corporation") has adopted the Incentive-Based Compensation Recovery Policy (the "Policy") to provide for the recovery by the Corporation of a Recovery Trigger (as defined below) of certain incentive-based compensation received by certain current and former executive officers, as further specified in this Policy.

This Policy is intended to comply with the requirements of Rule 5608 of The Nasdaq Stock Market Listing Rules (hereinafter "Nasdaq Listing Rules" or "Nasdaq").

Section 2. Administration. The Committee will administer and interpret this Policy and make all determinations for the administration of this Policy. Any determinations made by the Committee will be final, binding and conclusive on all affected individuals. For the avoidance of doubt, the Committee will be comprised of independent directors under the Nasdaq listing rules and the Corporation's Governance Principles, and any director who is a Covered Individual (as defined below) under the Policy may not participate in discussions related to, or vote on, any potential recovery of their Incentive-Based Compensation (as defined below) under the Policy.

Section 3. Statement of Policy. Following the occurrence of a Recovery Trigger, the Corporation will recover reasonably promptly the Erroneously Awarded Compensation (as defined below) from the applicable Covered Individual(s) (as defined below), except as provided in this Policy.

Section 4. Covered Individuals Subject to the Policy. The Policy is applicable to any current or former "executive officer" of the Corporation as defined in Rule 5608 of the Nasdaq Listing Rules who has received the subject Incentive-Based Compensation after beginning service as an "executive officer" and who served as an executive officer at any time during the performance period (for that Incentive-Based Compensation) covered by the Recovery Period (together, "Covered Individuals").

Section 5. Recovery Trigger for Accounting Restatements. A "Recovery Trigger" will have occurred upon the earlier to occur of: (i) the date the Committee, the Board, the Audit Committee of the Board, or the officer or officers of the Corporation authorized to take such action concludes, or reasonably should have concluded, that the Corporation is required to prepare an Accounting Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Corporation to prepare an Accounting Restatement. For the purposes of this Policy, an "Accounting Restatement" means a restatement of the Corporation's financial statements due to the material noncompliance of the Corporation with any financial reporting requirement under the securities laws, including any required accounting restatement (i) to correct an error in previously issued financial statements that is material to the previously issued financial statements, or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period).

For the avoidance of doubt, the Corporation's obligation to recover Erroneously Awarded Compensation is not dependent on if or when the restated financial statements are filed with the Securities and Exchange Commission ("SEC").

Section 6. Recovery Period. The Policy will apply to Incentive-Based Compensation received during the three completed fiscal years immediately preceding the date on which a Recovery Trigger occurs (the "Recovery Period"). In addition to these last three completed fiscal years, this Policy applies to any transition period (that results from a change in the Corporation's fiscal year) within or immediately

following such three completed fiscal years. However, a transition period between the last day of the Corporation's previous fiscal year end and the first day of its new fiscal year that comprises a period of nine to 12 months would be deemed a completed fiscal year.

Section 7. Compensation "Received". Incentive-Based Compensation is deemed to have been "received" by a Covered Individual in the fiscal period during which the Financial Reporting Measure (as defined below) specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the applicable award occurs after the end of that period. Notwithstanding anything to the contrary herein, the only compensation subject to the Policy is Incentive-Based Compensation "received" by Covered Individuals on or after October 2, 2023 and while the Corporation had a class of securities listed on a national securities exchange or national securities association.

Section 8. Incentive-Based Compensation Subject to Recovery. Any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure ("Incentive- Based Compensation") will be subject to this Policy. A "Financial Reporting Measure" is a measure that is determined and presented in accordance with accounting principles used in preparing the Corporation's financial statements and any measures that are derived wholly or in part from such measures. Stock price and total shareholder return are also Financial Reporting Measures. A Financial Reporting Measure need not be presented within the financial statements or included in a filing with the SEC.

Section 9. Erroneously Awarded Compensation. In the event of a Recovery Trigger, the Committee will seek to recover from any applicable Covered Individual an amount of Incentive-Based Compensation received that exceeds the amount that otherwise would have been received by such Covered Individual had it been determined based on the restated amounts, computed without regard to any taxes paid (such excess amount, the "Erroneously Awarded Compensation"). For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement (A) the amount must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price and total shareholder return upon which the Incentive-Based Compensation was received and (B) the Corporation will maintain documentation of that reasonable estimate and, if required by Nasdaq, provide such documentation to Nasdaq.

Section 10. Limited Exceptions. The Corporation must recover Erroneously Awarded Compensation in compliance with this Policy, except to the extent that the conditions of paragraphs (c)(1)(iv)(A), (B) or (C) of Section 5608 of the Nasdaq Listing Rules are met as follows:

(A) The direct expense paid to a third party to assist in enforcing the policy would exceed the amount to be recovered. Before concluding that it would be impracticable to recover any amount of erroneously awarded compensation based on expense of enforcement, the issuer must make a reasonable attempt to recover such erroneously awarded compensation, document such reasonable attempt(s) to recover, and provide that documentation to Nasdaq;

(B) Recovery would violate home country law where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of erroneously awarded compensation based on violation of home country law, the issuer must obtain an opinion of home country counsel, acceptable to Nasdaq, that recovery would result in such a violation, and must provide such opinion to Nasdaq; or

(C) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the registrant, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

Section 11. Policy Relationship to Other Recoupment or Clawback Provisions. This Policy supplements any requirements imposed pursuant to applicable law or regulations, any clawback or recovery provision in the Corporation's other recoupment policies, plans, awards and individual employment or other agreements (including any recoupment provisions in the Corporation's equity incentive plans or award agreements), and any other rights or remedies available to the Corporation, including termination of employment. In the event that a recovery is initiated under the Policy, amounts of Incentive-Based Compensation previously recovered by the Corporation from a Covered Individual pursuant to the Corporation's other policies, plans, awards and individual employment or other agreements shall be considered so that recovery is not duplicative, provided that in the event of a conflict between any applicable clawback or recoupment provision, including the Policy, the right to clawback or recoupment shall be interpreted to result in the greatest clawback or recoupment from the Covered Individual.

Section 12. No Fault. Incentive-Based Compensation is subject to Recovery under this Policy even if the Accounting Restatement was not due to any misconduct or failure of oversight on the part a Covered Individual.

Section 13. Acknowledgement. Covered Individuals must sign the acknowledgment in the form of Annex A as soon as practicable after the later of (i) the effective date of this Policy or (ii) the date on which the individual is appointed to a position as a Covered Individual.

Section 14. Amendment of Policy. The Committee may alter or amend the Policy at any time, including to incorporate any obligations of Recovery under applicable law.

Section 15. Disclosure. The Corporation will file this Policy as an exhibit to its Form 10-K with the SEC and will comply with the disclosure requirements of Item 402(w) of Regulation S-K, SEC Rule 10D-1, and Nasdaq Listing Rule 5608, as applicable.

Section 16. Indemnification. The Corporation is prohibited from indemnifying any Covered Individual against the loss of Erroneously Awarded Compensation, including any payment or reimbursement for the cost of third-party insurance purchased by any Covered Individual to fund potential obligations to the Corporation under this Policy.

Section 17. Successors. The Policy shall be binding and enforceable against all Covered Individuals and their successors, heirs, beneficiaries, executors, administrators or other legal or personal representatives.

Section 18. Validity and Enforceability. To the extent that any provision of this Policy is found to be unenforceable or invalid under any applicable law, such provision will be applied to the maximum extent permitted, and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to applicable law. The invalidity or unenforceability of any provision of this Policy shall not affect the validity or enforceability of any other provision of this Policy. This Policy is intended to comply with, shall be interpreted to comply with, and shall be deemed automatically amended to comply with Nasdaq Listing Rule 5608, and any related rules or regulations promulgated by the SEC or Nasdaq including any additional or new requirements that become effective after October 2, 2023.

Adopted by the Committee on [●]

ANNEX A

ACKNOWLEDGMENT AND AGREEMENT

I acknowledge that I have received and reviewed a copy of the Enact Holdings, Inc. Incentive-Based Compensation Recovery Policy, which may be amended from time to time (the "Policy"), and agree to be bound by and subject to its terms and conditions for so long as I am a "Covered Individual" under the Policy. I further acknowledge, understand and agree that, as a Covered Individual, the Policy could affect the compensation I receive or may be entitled to receive from Enact Holdings, Inc. or its subsidiaries under various agreements, plans and arrangements with Enact Holdings, Inc. or its subsidiaries. To the extent permitted by law, I hereby authorize Enact Holdings, Inc. to deduct from my wages and other forms of compensation (including but not limited to bonus, incentive, and equity compensation) any reimbursement or recovery pursuant to this Policy.

Signed: ___

Print Name: ___

Date: ___

Enact Holdings, Inc. Supplemental Discretionary Clawback Policy (Misconduct)

The Compensation Committee (the "Committee") of Enact Holdings, Inc. (the "Corporation") has adopted the following executive compensation recoupment policy covering the Corporation's executive officers (within the meaning of Rule 3b-7 of the Securities Exchange Act of 1934, as amended) and its principal accounting officer (collectively referred to as "covered officers"):

If a covered officer engaged in Detrimental Conduct, the Corporation may take remedial and recovery action against any award or payment of incentive compensation, as determined at the discretion and direction of the Committee.

"Detrimental Conduct" means, on the part of any covered officer, (i) any misconduct or fraud that impacted any financial result or performance metric used in any Incentive-Based Compensation arrangement; (ii) any material breach of any non-solicitation, noncompetition, confidentiality or other covenant owed to the Corporation; (iii) any material breach of an employment agreement; (iv) any material breach of any applicable Corporate policy, including the Corporation's Code of Ethics; (v) any material failure to cooperate with an investigation conducted by the Corporation or any governmental authority; (vi) any conviction of a felony or a crime of moral turpitude; (vii) any instance of fraud, theft, embezzlement or material dishonesty to the detriment of the Corporation; or (viii) the willful engagement in conduct that is demonstrably injurious to the Corporation (monetarily, reputationally or otherwise). For the avoidance of doubt, the definition of "Detrimental Conduct" does not include any disclosure or reporting of possible violations of applicable law or regulation to any governmental agency or entity, including the United States Department of Justice or the Securities and Exchange Commission, or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation.

This policy supplements any requirements imposed pursuant to applicable law or regulations, any clawback or recoupment provision in the Corporation's other recoupment policies, plans, awards and individual employment or other agreements (including any recoupment provisions in the Corporation's equity incentive plans or award agreements), and any other rights or remedies available to the Corporation, including termination of employment.

Covered officers must sign the acknowledgement in the form of Annex A as soon as practicable after the later of (i) the effective date of this policy or (ii) the date on which the individual is appointed to a position as a covered officer.

ANNEX A

ACKNOWLEDGMENT AND AGREEMENT

I acknowledge that I have received and reviewed a copy of the Enact Clawback Policy (Misconduct), which may be amended from time to time (the “Policy”), and agree to be bound by and subject to its terms and conditions for so long as I am a “covered officer” under the Policy. I further acknowledge, understand and agree that, as a covered officer, the Policy could affect the compensation I receive or may be entitled to receive from Enact Holdings, Inc. or its subsidiaries under various agreements, plans and arrangements with Enact Holdings, Inc. or its subsidiaries. To the extent permitted by law, I hereby authorize the Enact Holdings, Inc. to deduct from my wages and other forms of compensation (including but not limited to bonus, incentive, and equity compensation) any reimbursement or recovery pursuant to this Policy.

Signed: __

Print Name: __

Date: __