Risk Factors Comparison 2024-02-29 to 2023-02-28 Form: 10-K

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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, ~~2022~~ **2023** . ~~Risk~~ **32Risk** Factor Summary The following summarizes material risks to the Company and is qualified by the full description contained below ~~herewith~~ . The occurrence of any of the following risks or of unknown risks and uncertainties may adversely affect our business, operating results and financial condition. ~~Strategic~~ Risks **Relating to Our Ability to Grow Our New Business, Products or Services** • ~~We~~ **New lines of business or new products and services, such as those we are pursuing with CareScout,** may **not** be ~~unable to successfully~~ -- **successful** ~~execute our~~ - **or** ~~strategic plans~~ **may subject us** to **additional** ~~strengthen our financial position and create long- term shareholder value. • High inflation, supply- chain disruption, labor shortages, displacements related to COVID- 19 and elevated interest rates, including actions taken by the U. S. Federal Reserve to increase interest rates to combat inflation and slow economic growth, could heighten the risk~~ **risks** ~~of a future recession, and any recession, regardless of severity or duration, could materially adversely affect our business, financial condition and results of operations. • Changes in policyholder health and / or behavior as a result of COVID- 19 could materially adversely affect our financial condition and results of operations~~ . Risks Relating to Estimates, Assumptions and Valuations • We may be required to increase our reserves as a result of deviations from our estimates and actuarial assumptions or other reasons, which could have a material adverse effect on our business, results of operations and financial condition. • If the models used in our businesses are inaccurate, it could have a material adverse impact on our business, results of operations and financial condition. • Our valuation of fixed maturity and equity securities uses methodologies, estimations and assumptions that are subject to change and differing interpretations which could result in changes to investment valuations that may materially adversely affect our business, results of operations and financial condition. ~~• The extent of the benefits Enact Holdings realizes from its future loss mitigation actions or programs may be limited.~~ Liquidity, Financial Strength and Credit Ratings, and Counterparty and Credit Risks • Genworth Financial and Genworth Holdings depend on the ability of ~~their respective~~ **Enact Holdings and its** subsidiaries to pay dividends and make other payments and distributions to each of them and to meet their obligations. • Our sources of capital have become more limited, and under certain conditions we may need to seek additional capital on unfavorable terms. • Adverse rating agency actions have **in the past** resulted in a loss of business and adversely affected our results of operations, financial condition and business **,** and future adverse rating actions could have a further and more significant adverse impact on us. • Defaults by counterparties to our reinsurance arrangements or to derivative instruments we use to hedge our business risks, or defaults by us on agreements we have with these counterparties, may expose us to risks we sought to mitigate, which could have a material adverse effect on our business, results of operations and financial condition. • Defaults or other events impacting the value of our fixed maturity securities portfolio may reduce our income. Risks Relating to Economic and Market Conditions • Interest rates and changes in rates, including changes in monetary policy to combat inflation, could materially adversely affect our business and profitability. • A deterioration in economic conditions, a severe recession or a decline in home prices, all of which could be driven by many potential factors, ~~including inflation,~~ may adversely affect Enact Holdings' loss experience. Regulatory and Legal Risks • Changes in accounting and reporting standards issued by the Financial Accounting Standards Board or other standard- setting bodies and insurance regulators could materially adversely affect our business, financial condition and results of operations. ~~• Our insurance businesses are extensively regulated and changes in regulation may reduce our profitability and limit our growth. • Litigation and regulatory investigations or other actions are common in the insurance business and may result in financial losses and harm our reputation. • An adverse change in our regulatory requirements, including risk- based capital requirements, could have a material adverse impact on our business, results of operations and financial condition. 40~~ • The inability to obtain in- force rate action increases (including increased premiums and associated benefit reductions) in our long- term care insurance business could have a material adverse impact on our business, including our results of operations and financial condition. • **Our insurance businesses are extensively regulated and changes in regulation may reduce our profitability and limit our growth. • Litigation and regulatory investigations or other actions are common in the insurance business and may result in financial losses and harm our reputation. • An adverse change in the regulatory requirements on our U. S. life insurance subsidiaries, including risk- based capital requirements, could have a material adverse impact on our business, results of operations and financial condition. 33 •** Changes to the role of the GSEs or to the charters or business practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance, could adversely affect our business, financial condition and results of operations. • If Enact is unable to continue to meet the requirements mandated by PMIERs because the GSEs amend them or the GSEs' interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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. • Enact Holdings' U. S. mortgage insurance subsidiaries are subject to minimum statutory capital requirements, which if not met or waived, would result in restrictions or prohibitions on them doing business and could have a material adverse impact on our business, financial condition and results of operations. • Changes in regulations that adversely affect the mortgage insurance markets in which Enact Holdings operates could affect its operations significantly and could reduce the demand for mortgage insurance. • Our U. S. life insurance subsidiaries may not be able to continue to mitigate the impact of Regulations XXX or AXXX and, therefore, they may incur higher operating costs that could have a material adverse effect on our business, financial condition and results of operations. Operational Risks • If we are unable to retain, attract and motivate qualified employees or senior management, our results of operations, financial condition and business operations may be adversely impacted. • Enact Holdings' reliance on key customers or distribution relationships could cause a loss of significant sales if one or more of those relationships terminate or are reduced. • ~~Enact Holdings competes with government- owned and government- sponsored enterprises, and this may put them at a competitive disadvantage on pricing and other terms and conditions. •~~ Our businesses could be adversely impacted from deficiencies in our disclosure controls and procedures or internal control over financial reporting. • Our computer systems **and those of our third- party service providers have in the past and** may **in the future** fail or be compromised, **including through cybersecurity breaches; we may experience issues from new and complex information technology methodologies such as artificial intelligence;** and unanticipated problems could materially adversely impact our disaster recovery systems and business continuity plans, **any of** which could damage our reputation, impair our ability to conduct business effectively, result in enforcement action or litigation, and materially adversely affect our business, financial condition and results of operations. • We rely upon third- party vendors who may be unable or unwilling to meet their obligations to us. Insurance and Product- Related Risks • Enact Holdings may be unable to maintain or increase capital in its mortgage insurance subsidiaries in a timely manner, on anticipated terms or at all, including through improved business performance, reinsurance or similar transactions, ~~asset sales,~~ securities offerings or otherwise, in each case as and when required. • Reinsurance may not be available, affordable or adequate to protect us against losses. • A decrease in the volume of high loan- to- value home mortgage originations or an increase in the volume of mortgage insurance cancellations could result in a decline in Enact Holdings' revenue. • The amount of mortgage insurance written by Enact Holdings could decline significantly if alternatives to private mortgage insurance are used or lower coverage levels of mortgage insurance are selected ~~. • Enact Holdings is exposed to potential liabilities in connection with its U. S. contract underwriting services which could have a material adverse effect on our business, financial condition and results of operations~~ . • Enact Holdings' delegated underwriting program may subject its mortgage insurance subsidiaries to unanticipated claims. • Medical advances, such as genetic research and diagnostic imaging, **emerging new technology, including artificial intelligence** and related legislation **,** could materially adversely affect the financial performance of our life insurance, long- term care insurance and annuity businesses. Other ~~General~~ **Emerging** Risks • ~~The~~ **Other emerging risks, such as the** occurrence of natural or man- made disasters, including geopolitical tensions and war ~~(including the Russian invasion of Ukraine)~~ ; a public health emergency, including pandemics; climate change **;** or ~~a cybersecurity breach~~ **unknown risks and uncertainties associated with artificial intelligence** could materially adversely affect our business, financial condition and results of operations. **34** ~~41 Strategic~~ Risks ~~We~~ **Relating to Our Ability to Grow Our New Business, Products or Services New lines of business or new products and services, such as those we are pursuing with CareScout,** may **not** be ~~unable to successfully~~ -- **successful** ~~execute our~~ - **or** ~~strategic plans~~ **may subject us** to ~~strengthen our financial position and create long~~ **additional risks. Our senior care growth initiatives, which include fee** - **based services, advice and consulting along** ~~term shareholder value. We continue to pursue our overall strategy~~ with **traditional insurance products** ~~a focus on improving business performance and increasing financial and strategic flexibility across the organization. For information about our strategic priorities, see " Item 1 — Business — Strategic Priorities. " We cannot be sure we will be able to successfully execute on any of our remaining unachieved strategic priorities to effectively strengthen our financial position and create long- term shareholder value~~ , including ~~maximizing the value of Enact Holdings; achieving economic breakeven on and stabilizing the legacy~~ long- term care insurance **offered by CareScout** ~~in- force block; advancing Genworth' s senior care growth initiatives~~ , **constitute a** ~~including future strategic investments in~~ new **line of** ~~senior care services and products, the future~~ business **we are pursuing** ~~of CareScout, and potential third- party relationships or business arrangements relating thereto; and returning capital to Genworth Financial shareholders~~ . There are ~~numerous~~ risks and ~~constraints in~~ **uncertainties associated with any new line of business. In developing and marketing new lines of business and new products and services, we expect to invest significant time and resources, including capital, and the attention of management and our Board of Directors could be diverted from other business operations. Our planned timeline for the development and introduction of new products** ~~our~~ - **or services may not be achieved, our expenditures may exceed revenues for longer than we anticipate, and our price and profitability targets may not prove feasible. Our** ability ~~to achieve our strategic priorities, including but not limited to the following: • risks on Enact Holdings' ability to pay dividends, including but not limited to, additional PMIERs requirements and / or other restrictions that the GSEs may place on the ability of Enact Holdings to pay dividends. For additional information, see " — Genworth Financial and Genworth Holdings depend on the ability of their respective subsidiaries to pay dividends and make other payments and distributions to each of them and to meet their obligations; " • an inability to increase the capital needed in our 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; • our strategic priorities change or become more costly or difficult to successfully achieve than currently anticipated or the benefits achieved being less than anticipated; • an inability to achieve anticipated in- force rate action increases in our long- term care insurance business. For additional information, see " — The inability to obtain in- force rate action increases (including increased premiums and associated benefit reductions) in our long- term care insurance business could have a material adverse impact on our business, including our results of operations and financial condition; " • an inability~~ to achieve anticipated business performance and financial results from CareScout **could be adversely impacted for a variety of reasons** and ~~its senior care growth initiatives through fee- based services, advice, consulting and products due to~~ unforeseen events, including but not limited to, lower than anticipated customer demand, higher capital needs, staffing shortages and continued workflow disruptions, and impediments to Genworth Holdings' liquidity caused by, among other things, downturns in the U. S. economy that reduce its strategic investments in CareScout ~~; • an inability to establish a~~ **. Furthermore, if customers do not perceive our** new ~~long- term care insurance~~ **offerings as providing significant value, they may fail to accept our new products and services in the way we anticipate. External factors, such as competitive alternatives, commercial and / or regulatory challenges and shifting market preferences, may also impact the successful implementation of a new line of** business ~~, and~~ **or a** new product ~~and /~~ or service **. Failure** ~~offerings over time due~~ to **successfully manage these risks in the development** ~~commercial and / or regulatory challenges; • an~~ **and implementation of our new lines of business or new products or services, specifically our** inability to **achieve anticipated** ~~reduce costs commensurate with a potential global recession or in proportion to Genworth' s reduced~~ business **performance** ~~activity, including as forecasted~~ and ~~in a timely manner; and • adverse tax or accounting charges, including new accounting guidance (that is effective for us on January 1, 2023) related to long- duration insurance contracts, commonly known as long- duration targeted improvements (" LDTI "). See " — Changes in accounting and reporting standards issued by the Financial Accounting Standards Board or other standard- setting bodies and insurance regulators could materially adversely affect our business,~~ financial ~~condition and~~ results ~~of operations. " If our strategic priorities become compromised due to any of the aforementioned risks (or other unnamed risks) preventing their execution, we may decide to take additional measures to increase our financial flexibility, 42 including issuing equity at Genworth Financial which would be dilutive to our shareholders, or additional debt at Genworth Financial, Genworth Holdings or Enact Holdings (including debt convertible into equity), which could increase our leverage. The availability of any additional debt or equity funding will depend on a variety of factors, including market conditions, regulatory considerations, the general availability of credit and particularly important to the financial services industry, our credit ratings and credit capacity and the performance of and outlook for our company and our businesses, particularly Enact Holdings. Market conditions may make it difficult to obtain funding or complete asset sales to generate additional liquidity, especially on short notice and when the demand for additional funding in the market is high. Our access to funding may be further impaired by our financial strength ratings and our financial condition. See " — Our sources of capital have become more limited, and under certain conditions we may need to seek additional capital on unfavorable terms. " If additional measures are taken in lieu of our strategic priorities, it could expose us to expected or unexpected adverse consequences, including adverse rating actions and adverse tax and accounting charges (such as significant losses on sale of businesses or assets, or write- offs of deferred acquisition costs (" DAC ") and deferred tax assets). High inflation, supply- chain disruption, labor shortages, displacements related to COVID- 19 and elevated interest rates, including actions taken by the U. S. Federal Reserve to increase interest rates to combat inflation and slow economic growth, could heighten the risk of a future recession, and any recession, regardless of severity or duration, could materially adversely affect our business, financial condition and results of operations. An imbalance in supply and demand, supply- chain disruptions and a tightening labor market have led to 40- year high inflation. To combat persistent high inflation, the U. S. Federal Reserve tightened monetary policy throughout 2022, which led to the highest interest rates in over a decade and could be a contributing factor on whether the United States goes into a recession in 2023. It is unclear what the ultimate impact will be~~ from **CareScout** ~~the tightening monetary policy implemented by the U. S. Federal Reserve~~ , ~~but it is possible interest rate hikes could result in a slowdown in economic growth or a U. S. recession. Regardless of the severity or duration of a potential recession, our business, financial condition and results of operations could be materially adversely affected. Unemployment claims generally have returned to pre- COVID- 19 levels, but the labor participation rate continues to be suppressed. Variability in consumer confidence due in part to high inflation and elevated interest rates, as well as the potential inability of the U. S. Congress to raise the debt ceiling due to ongoing political gridlock and the potential ensuing economic fallout, continue to create a backdrop of uncertainty in the overall macroeconomic environment. These negative macroeconomic conditions could result in lower consumer spending and a U. S. recession, which may adversely impact the sales of our products or the mortgage origination market thereby reducing demand for private mortgage insurance, either of which could adversely impact our business, financial condition and result of operations. We have experienced significant declines in investment valuations as a result of elevated interest rates, and we may experience further declines if credit deteriorates resulting in credit losses and / or if interest rates continue to rise. The mortgage origination market has been negatively impacted by elevated interest rates and housing affordability pressure, which could cause new insurance written by Enact Holdings to decline materially, and could thereby pressure earnings and lead to an adverse effect on its results of operations and financial condition. See " — Interest rates and changes in rates, including changes in monetary policy to combat inflation, could materially adversely affect our business and profitability. " The continued level of uncertainty associated with the impacts of government responses and displacements related to COVID- 19 makes it difficult to accurately forecast the ultimate impact the pandemic will have on our business. For example, Enact Holdings has experienced high levels of borrowers entering a forbearance plan permitted under the CARES Act and by the FHFA. Although borrower forbearance has trended lower each quarter from the height of the pandemic and Enact Holdings experienced favorable cures related to COVID- 19 delinquencies during 2022, delinquencies in its most aged categories remain elevated compared to pre- pandemic levels. It is possible elevated aged delinquencies resulting from COVID- 19 forbearance do not cure as expected, which would result in higher claims and losses. Moreover, any delays in foreclosures due to foreclosure moratoriums could cause Enact Holdings' losses to increase as interest and expenses accrue for longer periods and / 43 or if home values decline during such delays. If Enact Holdings experiences an increase in claim severity resulting in claim amounts that are higher than expected, it would adversely affect Enact Holdings, including its ability to maintain compliance with PMIERs, and consequently our financial position and results of operations. Low labor participation, unemployment / underemployment and / or forbearance resolution that results in elevated delinquencies could have an adverse effect on the private mortgage insurance industry and home prices in general, any of which may result in a material adverse impact to Enact Holdings and our financial condition, results of operations and liquidity. High losses in Enact Holdings could lead to lower credit ratings and impaired capital, which could hinder Enact Holdings from offering its products, preclude it from returning capital to our holding company for prolonged~~

~~periods of time, and thereby harm our liquidity. In addition, see " — We may be required to increase our reserves as a result of deviations from our estimates and actuarial assumptions or other reasons, which~~ could have a material adverse effect on our business, results of operations and financial condition ~~. " Unexpected changes in persistency rates could emerge as policyholders and contractholders who are / were affected by the pandemic or its ensuing adverse impacts, including high inflation, may not be able to meet their contractual obligations, such as premium payments on insurance policies, deposits on investment products and mortgage payments on loans insured by Enact Holdings. The level of ongoing disruption and economic volatility could cause harm to our businesses if it continues to persist. As a result of the foregoing, any of the risks identified above or other unnamed risks related to COVID- 19 and the economic aftermath may have a material adverse impact on us, including a material adverse effect on our financial condition and results of operations. Changes in policyholder health and / or behavior as a result of COVID- 19 could materially adversely affect our financial condition and results of operations. In our U. S. life insurance business, we experienced lower claim incidence and higher claim terminations in our long- term care insurance business during most of the pandemic, which we expected to be temporary. As the impacts from the pandemic subsided in 2022, claim terminations due to mortality declined and new claims incidence began to trend back to pre- pandemic levels. It is possible that future morbidity and mortality experience could get worse due in part to delayed treatment or diagnoses, as many individuals did not seek timely treatment during the pandemic which could result in adverse healthcare outcomes that result in a claim. In addition, post- COVID- 19 health conditions can include a wide range of ongoing problems that can last weeks, months or years, which could result in elevated future claims. COVID- 19 changed, and could further change, future policyholder behavior. For example, during the pandemic, a larger share of our claimants sought home care instead of facility- based care, and as the impacts of the pandemic subside, we have seen that trend begin to reverse. It is possible policyholder behavior regarding location of care may trend back to pre- pandemic norms or we might experience policyholder reluctance to receive care in a nursing home and opt for in- home care. The location of care and / or the level of benefit use, among other factors, directly influence the severity of claims. Any change in policyholder behavior that deviates from our original expectations may have a material adverse impact on our future claims, financial position and results of operations. We continue to utilize virtual assessments to assess eligibility for benefits while in- person assessments have been temporarily discontinued since the onset of COVID- 19. Although we believe our virtual assessments have properly diagnosed claim eligibility, it is possible our claim frequency and benefit utilization could be unfavorably impacted which may result in a material adverse effect to our financial condition and results of operations~~ . Risks Relating to Estimates, Assumptions and Valuations We may be required to increase our reserves as a result of deviations from our estimates and actuarial assumptions or other reasons, which could have a material adverse effect on our business, results of operations and financial condition. We calculate and maintain reserves for estimated future payments of claims to our policyholders and contractholders in accordance with U. S. GAAP and industry accounting practices. We release these reserves as those future obligations are paid, experience changes or policies lapse. The reserves we establish reflect estimates and actuarial assumptions with regard to our future experience. These estimates and actuarial assumptions involve the exercise of significant judgment. Our future financial results depend significantly upon the extent to ~~44~~ which our actual future experience is consistent with the assumptions and methodologies we have used in pricing our products and calculating our reserves. Many factors, and changes in these factors, can affect future experience, including but not limited to: interest rates; investment returns and volatility; economic and social conditions, such as inflation, unemployment, home price appreciation or depreciation, and health care experience (including the type of care and cost of care); policyholder persistency or lapses (i. e., the probability that a policy or contract will remain in- force from one period to the next); insured mortality (i. e., life expectancy or longevity); insured morbidity (i. e., frequency and severity of claim, including claim termination rates, claim incidence, duration of claim and benefit utilization rates); future premium rate increases and associated benefit reductions; expenses; and doctrines of legal liability and damage awards in litigation. Because these factors 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. **At least annually,** ~~We regularly review our reserves and associated assumptions~~ as part of our ongoing assessment of our business performance and risks **, we review our assumptions to determine the adequacy of reserves. Generally, we do not anticipate trends in actual versus expected experience to change significantly in the short- term and, to the extent these trends may change, we 35 expect such changes to be gradual over the long- term. However, this may not prove to be the case** . If we conclude that our reserves are insufficient to cover actual or expected policy and contract benefits and claim payments as a result of changes in experience, assumptions or otherwise, we would be required to increase our reserves and ~~incur~~ **record a** ~~charges~~ **charge through earnings** in the period in which we make the determination. The amounts of such increases **to reserves and charges to earnings** may be significant, and this could materially adversely affect our results of operations and financial condition. 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. **The long- term profitability of our products depends upon the accuracy of our long- term assumptions used to calculate our reserves and how our actual experience compares with our expected experience. If any of our long- term assumptions prove to be inaccurate, our reserves may be inadequate. See " Part II — Item 7 — Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Estimates " and notes 10, 11, 12 and 15 in our consolidated financial statements under " Part II — Item 8 — Financial Statements and Supplementary Data " for additional information. Significant increases to our reserves may, among other things, limit our ability to execute on our business initiatives and adversely impact our credit or financial strength ratings. Any of these results could have a material adverse impact on our business, results of operations and financial condition. We also perform cash flow testing or " asset adequacy analysis " separately for each of our** U. S. ~~Life~~ **life** ~~updates.Cash flow testing We also perform cash flow testing or " asset adequacy analysis " separately for each of our U.S.life~~ insurance ~~companies~~ **subsidiaries** on a statutory accounting basis.To the extent that the cash flow testing margin is negative in any of our U.S.life insurance ~~companies~~ **subsidiaries** ,we would need to increase statutory reserves in that company,which would decrease our RBC ratios. ~~As part~~ **For additional information regarding impacts to statutory capital as a result** of ~~our cash flow testing process for~~ **reserve increases,see " — An adverse change in the regulatory requirements on** our U.S.life insurance subsidiaries, **including risk** ~~we consider incremental benefits from expected future in-~~ - ~~force rate actions in~~ **based capital requirements,could have a material adverse impact on** our **business,results of operations and financial condition."** ~~long~~ **Long** - ~~term~~ **Term** ~~care~~ **Care** ~~insurance~~ Insurance **Segment Long- term care insurance policies provide for long- duration coverage and, therefore, our actual claims experience will emerge over many years, or decades.** The **prices and** expected future profitability of our long- term care insurance ~~, life insurance and some annuity~~ products ~~is~~ **are** based **in part** upon **expected patterns of premiums, expenses and benefits, using a number of** assumptions ~~for~~ , **including** ~~among other things~~ , **but not limited to** ~~projected interest rates and investment returns~~ , **persistency** ~~health care experience~~ , morbidity ~~rates~~ , **and future premium** ~~mortality rates, in- force~~ rate **increases** ~~actions, persistency, lapses~~ and ~~expenses~~ **associated benefit reductions** . ~~The~~ **For our** long- term **care insurance policies, actual persistency in later policy durations that is higher than our expected persistency assumptions could have a negative impact on** profitability ~~of~~ **. If** these ~~products depends upon~~ **policies remain in- force longer than we assumed,** ~~the~~ **then we could** ~~accuracy of our assumptions used to calculate our reserves and how our actual experience compares with our expected experience. If any of our assumptions prove to~~ be ~~inaccurate,~~ **required to make greater benefit payments than we anticipated. A significant number of** our ~~reserves may be inadequate~~ **long- term care insurance policies have experienced higher persistency than we had originally assumed** , which ~~in the past~~ has ~~had,~~ **resulted in higher claims and** ~~and~~ - **an** ~~may in the future have, a material~~ adverse effect on **profitability** ~~our results of operations, financial condition and business~~ . ~~For example~~ **In addition** , if morbidity rates are higher **or mortality rates are lower** than our valuation assumptions, we could be required to make greater payments and **thus** establish ~~additional~~ **more** reserves under our long- term care insurance policies than we had expected, and such amounts could be significant. ~~Likewise~~ **Among other factors** , ~~if mortality~~ **changes in economic and interest** ~~rates~~ - **rate risk, socio- demographics, behavioral trends (e. g., location of** ~~are~~ **care** ~~lower than our valuation assumptions~~ **and level of benefit use) and medical advances** , ~~we~~ **may also have a material adverse impact on our future claims trends. For example, the impact of inflation on claims** could be **more pronounced for our long- term care insurance business than our other businesses given the " long tail " nature of this business. To the extent inflation or other factors causes health care costs to increase more than we anticipated, we will be** required to ~~make greater payments~~ **increase our reserves which could negatively impact our profitability. Although we consider the potential effects of inflation when setting premium rates, our premiums may not fully offset the effects of inflation** and ~~establish~~ **may result in our underpricing of the risks we insure. Given these inherent challenges, our ability to precisely forecast future claim costs for long- term care insurance is limited. 36 For** additional **information on our long- term care insurance** reserves **, see " Part II — Item 7 — Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Estimates — Liability for future policy benefits. " Long- duration Targeted Improvements (" LDTI ")** ~~under~~ **Under** ~~both~~ **LDTI, we use best estimate assumptions for our long- term care insurance business and the impacts of assumption updates are reflected as remeasurement gains** ~~our~~ - **or losses in the income statement based on issue- year cohorts. As a result, assumption updates as well as actual versus expected experience on these long- duration products will continue to drive volatility in our long- term care insurance results. Approximately 50 % of our cohorts currently have net premium ratios capped at 100 %. The net premium ratio represents the portion of the gross premiums required to provide for all benefits and certain expenses in our long- term care insurance business. These capped cohorts are generally our older** long- term care insurance policies ~~business,statutory results of operations and financial condition~~ .The NYDFS,which regulates GLICNY,our New York insurance subsidiary,also requires specific adequacy testing scenarios that are generally more severe than those deemed acceptable in other states.Moreover,the required testing scenarios by the NYDFS have a disproportionate impact on our long- term care insurance products.In addition,we **historically** ~~use~~ **used nationwide** ~~New York specific~~ experience for setting assumptions in our long- term care insurance products in **cash flow testing** ~~GLICNY.While the NYDFS generally does not permit in- force~~ -- **for all of our legal entities,including GLICNY.However,we** ~~rate increases for long- term care insurance to be used in asset adequacy analysis until such increases~~ have been ~~approved~~ **monitoring emerging experience with our GLICNY policyholders** , ~~it~~ **as their experience** has ~~allowed GLICNY~~ **been adverse as compared** to ~~incorporate recently filed in- force rate actions~~ **our nationwide experience.With the benefit of additional data and analysis,and based on discussions with the NYDFS,we began using assumptions that reflect GLICNY specific experience** in its asset adequacy analysis ~~prior to 37 approval~~ in **2020** ~~the past~~ . ~~As a result,after~~ **After** discussions with the NYDFS and through the exercise of professional actuarial judgment,GLICNY **also** incorporated in its ~~2023 and~~ 2022 **and 2021** asset adequacy analysis assumptions for future in- force rate actions for long- term care insurance products to offset the emerging adverse experience for these products.With these assumption updates,GLICNY' s ~~2023 and~~ 2022 **and 2021** asset adequacy analysis produced a negative margin.To address the negative margin,GLICNY recorded an and annuity ~~contracts~~ **products are based in part upon expected patterns of premiums, expenses** and ~~such amounts could be significant~~ **benefits, using a number of assumptions, including mortality, persistency and lapse** . ~~Conversely~~ **For example** , if mortality rates are higher than our pricing and valuation assumptions, we could be required to make greater payments under our life insurance policies and annuity contracts with guaranteed minimum death benefits (" GMDBs ") than we had projected. **Conversely, if mortality rates are lower than** ~~See " Part II — Item 7 — Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Estimates " and note 9 in~~ our ~~consolidated financial statements~~ **valuation assumptions, we could be required to make greater payments and thus establish additional reserves** under **our annuity contracts without GMDBs** ~~" Part II — Item 8 — Financial Statements~~ and **such amounts could be** ~~Supplementary Data " for additional information. Significant~~ **significant . For our universal life insurance contracts,** ~~increases~~ **increased persistency that is** ~~to our reserves may, among~~

~~other~~ -- **the** ~~things, limit our ability to execute our strategic priorities and adversely impact our credit or financial strength ratings. Any of these results~~ - **result of the sale of contracts by the insured to third parties that continue to make premium payments on contracts that would otherwise have lapsed, also known as life settlements,** could have **an** ~~a material~~ adverse impact on **profitability because** ~~our business, results~~ of ~~operations~~ **the higher claims rate associated with settled contracts. For our deferred annuity products with GMWBs and guaranteed annuitization benefits, actual persistency that is higher than our persistency assumptions could have** ~~and~~ - **an** ~~financial condition~~ **adverse impact on profitability because we could be required to make withdrawal or annuitization payments for a longer period of time than the account value would support** . The risk that our ~~claims~~ **lapse** experience may differ significantly from our valuation assumptions is ~~particularly~~ **also** significant for our ~~long-~~ term ~~care~~ **life and term universal life** insurance products. ~~Long- term care insurance policies provide~~ **These products generally have a level premium period** for **a specified period of** ~~long- duration coverage and, therefore, our actual claims experience will emerge over many~~ years ~~, or decades. For example, among other factors, changes in economic and interest rate risk, socio- demographics, behavioral trends~~ (e. g., ~~location~~ **10 years to 30 years) after which the premium increases, which may be significant. If the frequency** of **lapses is higher than our expected reserve assumption, we would experience lower premiums and could experience higher benefit costs. In addition, it may be that healthy policyholders** ~~care~~ - **are the ones who lapse (as they can more easily replace coverage), creating adverse selection where less healthy policyholders remain in our portfolio. We have experienced both a greater frequency of policyholder lapses** and **more severe adverse selection after the** level **premium period** ~~of benefit use) and medical advances~~ , ~~may have a~~ **and this experience could continue or worsen. If lapse experience continues or worsens on future 10-, 15- and 20- year level premium period blocks, we would expect volatility in premiums and mortality experience, which would reduce profitability in our term life insurance products, in amounts that could be** material ~~adverse impact on our future claims trends. Given these inherent challenges~~ , **if persistency** ~~our ability to precisely forecast future claim costs for long- term care insurance~~ is ~~limited~~ **lower than our original assumptions** . For additional information on our ~~long-~~ term ~~care~~ **life** insurance reserves, including **select sensitivities** ~~the significant 45 historical financial impact of some of these risks~~ , see " Part II — Item 7 — Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Estimates — ~~Insurance liabilities and reserves~~ **Liability for future policy benefits** . " **LDTI also introduced market risk** ~~The prices and expected future profitability of our insurance and annuity products are based in part upon expected patterns of premiums, expenses and~~ benefits **(" MRBs ")** , ~~using a number of assumptions, including those~~ -- **the valuation of** ~~related to persistency,~~ which is **subject to capital market risks, primarily through equity market and interest rate volatility. We attempt to mitigate some of** ~~the~~ **these** ~~probability that a policy or contract will remain~~ **risks 38 through hedging strategies; however, adverse changes** in **equity market performance** ~~- force from one period to the next. The effect of persistency on profitability varies by products. For~~ - **or interest rate fluctuations could devalue the expected** ~~our deferred annuity products with GMWBs and guaranteed annuitization~~ benefits ~~, actual persistency that is higher than our persistency assumptions could have an adverse impact on profitability because we could be required~~ to ~~make withdrawal or annuitization payments for a longer period of time than the account value would support. For our universal life insurance contracts~~ **contractholders** ~~, increased persistency that is the result~~ **resulting** ~~of the sale of contracts by the insured to third parties that continue to make premium payments on contracts that would otherwise have lapsed, also known as life settlements, could have an adverse impact on profitability because of the higher claims rate associated with settled contracts. For our long- term care insurance policies, actual persistency~~ in ~~later policy durations that is higher than our expected persistency assumptions could have a negative impact on profitability. If these policies remain in- force longer than we assumed, then~~ - **the need** ~~we could be required to make greater benefit payments than we anticipated. A significant number of our long- term care insurance policies have experienced higher persistency than we had originally assumed, which has resulted in higher claims and an adverse effect on the profitability of that business. In addition, the impact of inflation on claims could be more pronounced for our long- term care insurance business than our other businesses given the " long tail " nature of this business. To the extent inflation or other factors causes health care costs~~ to increase ~~more than we anticipated, we will be required to increase~~ our **MRB** reserves ~~which could negatively impact our profitability. Although we consider the potential effects of inflation when setting premium rates, our premiums may not fully offset the effects of inflation and may result in our underpricing of the risks we insure. The risk that our lapse experience may differ significantly from our valuation assumptions is also significant for our term life and term universal life insurance products. These products generally have a level premium period for a specified period of years (e. g., 10 years to 30 years) after which the premium increases~~ , which may be significant. If the frequency of...... to significantly further increase statutory reserves could have a material adverse effect on our ~~business, statutory results of operations and~~ financial condition . The NYDFS, which regulates GLICNY...... the negative margin, GLICNY recorded an **and** ~~incremental $ 98 million and $ 68 million of additional statutory reserves in 2022 and 2021, respectively. This resulted in RBC of 201 % and 200 % for GLICNY as of December 31, 2022 and 2021, respectively. For additional information on GLICNY asset adequacy testing, see note 17 in our consolidated financial statements under " Part II — Item 8 — Financial Statements and Supplementary Data. " 47 Significant adverse assumption changes could result in a decrease to the cash flow testing margin in GLICNY to at / or below zero in future years. In addition, the NYDFS generally does not permit in- force rate increases for long- term care insurance to be used in asset adequacy analysis until such increases have been approved. However, the NYDFS has allowed GLICNY to incorporate recently filed in- force rate actions in its asset adequacy analysis prior to approval in the past and as discussed above, in 2022 and 2021, allowed GLICNY to incorporate assumptions for future in- force rate actions in its asset adequacy analysis. If the NYDFS no longer allows GLICNY to incorporate assumptions for future in- force rate actions in its asset adequacy analysis, this would result in a material decrease in GLICNY' s cash flow testing margin and would require GLICNY to further significantly increase its statutory reserves. This would have a material adverse effect on GLICNY' s financial condition and RBC ratio. For additional information regarding impacts to statutory capital as a result of reserve increases, see " — An adverse~~

~~change in our regulatory requirements, including risk- based capital requirements, could have a material adverse impact on our business,~~ results of operations ~~and financial condition~~ . ~~"~~ Enact **Segment** ~~— Mortgage Insurance~~ The establishment of loss reserves for Enact Holdings and its mortgage insurance subsidiaries is subject to inherent uncertainty and requires significant judgment and numerous assumptions. Enact Holdings establishes loss reserves using its best estimate of the rates at which delinquencies go to claim (" claim rates ") and claim severity to calculate estimated losses on loans reported as being in default as of the end of each reporting period. **Enact Holdings also establishes incurred but not reported (" IBNR ") reserves for estimated losses incurred on loans in default that have not yet been reported by servicers.** The sources of uncertainty affecting 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, such as 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, Enact Holdings has experienced higher delinquencies and increased losses. Because assumptions related to these factors are not known in advance, change over time, are difficult to accurately predict and are inherently uncertain, Enact Holdings cannot determine with precision the ultimate amounts it will pay for actual claims or the timing of those payments. Even in a stable economic environment, the actual claim payments made may be substantially different and even materially exceed the amount of the corresponding loss reserves for such claims. Enact Holdings regularly reviews its reserves and associated assumptions as part of its ongoing assessment of business performance and risks. If Enact Holdings concludes its reserves are insufficient to cover actual or expected claim payments as a result of changes in experience, assumptions or otherwise, it would be required to increase its reserves and incur charges in the period in which the determination was made. The amounts of such increases could be significant **,** and this may materially adversely affect our results of operations, financial condition and liquidity. In addition, sudden and / or unexpected deterioration of economic conditions may cause estimates of loss reserves to be materially understated. **To the extent actual losses are greater than current loss reserves or if loans in default ultimately become delinquent and go to claim more than expected, it could materially adversely impact our results of operations and financial condition and restrict** Enact Holdings **' ability** ~~experienced a significant increase in loss reserves in 2021 and 2020 as compared~~ to **distribute dividends** ~~pre-COVID- 19 time periods, driven mostly by higher new delinquencies from borrower forbearance due~~ to **Genworth** ~~COVID- 19. While a large portion of these delinquencies have cured at levels above original reserve expectations, reserves recorded related to borrower forbearance rely on a high degree of estimation and assumptions that lack comparable historic data. Therefore, it is possible Enact~~ Holdings **, thereby negatively impacting our liquidity** ~~could record higher losses related to these loss reserves if they do not cure as expected~~ . Furthermore, consistent with industry practice, Enact Holdings does not record losses on insured loans that are not in default. Therefore, future potential losses may develop from loans not currently in default ~~. To the extent actual losses are greater than current loss reserves or if loans in default ultimately become delinquent~~ and **may have a** ~~go to claim, it would~~ materially ~~adversely~~ -- **adverse** impact **on** our results of operations ~~and~~ **,** financial condition and ~~restrict~~ **liquidity. Enact Holdings depends on the reliability of third- party servicing of the loans that it insures. 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, Enact Holdings may be unable to properly recognize and establish reserves on loans when a delinquency exists or occurs but is not reported. In addition, if these servicers fail to limit and mitigate losses when appropriate,** Enact Holdings' **losses may unexpectedly increase** ~~ability to distribute dividends to Genworth Holdings, thereby negatively impacting our liquidity~~ . ~~48~~ Enact Holdings establishes premium rates for the duration of a mortgage insurance certificate upon issuance and cannot adjust the premiums after a certificate is issued. As a result, Enact Holdings cannot offset the impact of unanticipated claims with premium increases on coverage in- force. Enact Holdings' premium rates vary with the perceived risk of a claim and prepayment on the insured loan and are developed using models based on long term historical experience, which takes into account a number of factors including, but not limited to, the loan- to- value 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. In the **39** event the premiums Enact Holdings charges do not adequately compensate for the risks and costs associated with the provided coverage, including costs associated with unforeseen higher claims, it may have a material adverse effect on our business, results of operations and financial condition. If the models used in our businesses are inaccurate, it could have a material adverse impact on our business, results of operations and financial condition. We employ models to, among other uses, price products, calculate reserves ~~(including in connection with loss recognition testing)~~ , value assets, make investment decisions 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 could remain locked in over an extended period of time)~~ that do not adequately reflect recent experience and relevant industry data, and may not operate as intended. In addition, from time to time we seek to improve certain 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. Also, 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** ~~In our U. S. life insurance businesses, we~~ intend to continue developing our modeling capabilities, **including new and emerging artificial intelligence methodologies** ~~particularly given the adoption of LDTI on January 1, 2023~~ . During or after the implementation of model updates or enhancements, we may discover errors **, risks** or other deficiencies in existing models, assumptions and / or methodologies. Moreover, we may use additional, more granular and detailed information through enhancements in our reserving and other processes or we may employ more simplified approaches in the future, either of which may cause us to refine or otherwise change existing assumptions and / or methodologies and thus associated reserve levels, which in turn could have a material adverse impact on our business, results of operations and financial condition. Specific to Enact Holdings, models may prove to be less predictive than expected for a variety of reasons, including **changes in credit scoring and reporting processes,** economic conditions that develop differently than forecasted, unique conditions for which we do not have good historical comparators, unexpected economic and unemployment conditions that arise ~~from pandemics (such as COVID- 19) or other natural disasters~~ , changes **in the law or** in PMIERs and the use of short- term financial metrics that do not reveal long- term trends. Our valuation of fixed maturity and equity securities uses methodologies, estimations and assumptions that are subject to change and differing interpretations which could result in changes to investment valuations that may materially adversely affect our business, results of operations and financial condition. We report fixed maturity and equity securities at fair value in our consolidated balance sheets. These securities represent the majority of our total cash, cash equivalents and invested assets. Our portfolio of fixed maturity securities consists primarily of investment grade securities. Valuations use inputs and assumptions that are less observable or require greater estimation, as well as valuation methods that are more complex or require greater 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 ~~49~~ 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, 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 results of operations or financial condition. **40** ~~The extent of the benefits Enact Holdings realizes from its future loss mitigation actions or programs may be limited. As part of its loss mitigation efforts, Enact Holdings periodically investigates insured loans and evaluates the related servicing to ensure compliance with applicable guidelines and to detect possible fraud or misrepresentation. As a result of these periodic investigations, Enact Holdings has rescinded coverage on loans that do not meet its guidelines in the past, and based on future investigations, may rescind future coverage. In the past, Enact Holdings recognized significant benefits from taking action on these investigations and evaluations under its master policies. However, the PMIERs rescission relief principles, which have been incorporated into Enact Holdings' mortgage insurance policies since 2014, limit its rescission rights for underwriting defects and misrepresentation, including when a borrower makes a certain number of timely mortgage payments. Therefore, Enact Holdings may be unable to recognize the same level of future benefits from rescission actions as it did in years prior to 2014. In addition, mortgage insurers' rescission rights and certain other rights have been temporarily impaired due to accommodations made in connection with COVID- 19. Even prior to COVID- 19, the mortgage finance industry (with government support) adopted various programs to modify delinquent loans to make them more affordable to borrowers with the goal of reducing the number of foreclosures. The ultimate impact from a loan modification depends on re- default rates, which can be affected by factors such as changes in home values and unemployment. The estimate of the number of loans qualifying for modification programs is based on management' s judgment as informed by past experience and current market conditions but is inherently uncertain. Enact Holdings cannot predict what the actual volume of loan modifications will be or the ultimate re- default rate, and therefore, cannot be certain whether these efforts will provide material benefits. It is possible Enact Holdings may be unable to recognize meaningful benefits from loss mitigation activities which could result in higher losses and adversely impact our financial position and results of operations.~~ Liquidity, Financial Strength and Credit Ratings, and Counterparty and Credit Risks Genworth Financial and Genworth Holdings depend on the ability of ~~their respective~~ **Enact Holdings and its** subsidiaries to pay dividends and make other payments and distributions to each of them and to meet their obligations. Genworth Financial and Genworth Holdings each act as a holding company ~~for their respective subsidiaries~~ and do not have business operations of their own. Dividends from ~~their respective~~ **Enact Holdings and its** subsidiaries, permitted payments to ~~them~~ **Genworth Financial and Genworth Holdings** under tax sharing and expense reimbursement arrangements with their subsidiaries and proceeds from borrowings are their principal sources of cash to meet their obligations. These obligations principally include operating expenses and interest and principal payments on current and future borrowings. If the cash Genworth Financial or Genworth Holdings receives ~~from their respective subsidiaries~~ pursuant to dividends and tax sharing and expense reimbursement arrangements is insufficient to fund any of their obligations, or if a subsidiary is unable or unwilling for any reason to pay dividends to either of them, our liquidity would be materially adversely impacted which would likely have a material adverse effect on our financial condition and overall business. Moreover, if Genworth Financial or Genworth Holdings ~~did~~ **do** not receive sufficient **cash** ~~funds from their respective subsidiaries~~ to fund their obligations, they may be forced to raise cash through unfavorable arrangements or terms, including but not limited to, the incurrence of debt (including convertible or exchangeable debt), the sale of assets or the issuance of equity. See " — Our sources of capital have become more limited, and under certain conditions we may need to seek additional capital on unfavorable terms " for additional details. We **began** ~~also anticipate~~ paying federal taxes ~~starting~~ in 2023 ~~or 2024~~ due to projected taxable income and the utilization of our remaining ~~net operating losses and~~ foreign tax credits; therefore, we expect intercompany cash tax payments retained by Genworth Holdings from its subsidiaries to be lower starting in ~~50 2023 or~~ 2024 ~~. A material unforeseen decline in cash tax payments retained by Genworth Holdings due to federal tax payment obligations, or otherwise, could have a material adverse effect on Genworth Holdings' liquidity and its ability to meet obligations as they become due~~ . Our holding companies' liquidity and capital positions are highly dependent on the performance of Enact Holdings and its ability to pay future dividends. **Our** ~~Although the business performance and financial results of our~~ principal U. S. life insurance subsidiaries ~~have improved significantly, they~~ had negative unassigned surplus of approximately $ ~~849~~ **563** million under statutory accounting as of December 31, ~~2022~~ **2023** , and as a result, we do not expect these subsidiaries **to have the ability** to pay dividends for the foreseeable future. Enact Holdings’ evaluation of future dividend payments to Genworth Holdings and our holding companies’ overall resulting liquidity plans are subject to and dependent on, among other things, current and future market conditions, Enact Holdings’ business performance and capital preservation, corporate law restrictions, insurance laws and regulations, Enact Holdings’ ability to maintain adequate capital to meet its current and future requirements mandated by PMIERs or other GSE requirements, and business and regulatory approvals. For additional details on PMIERs and risks associated with an inability to meet its requirements, see “ — If Enact is unable to continue to meet the requirements mandated by PMIERs because the GSEs amend them or the GSEs’ interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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 ” and “ Regulation — Enact — Mortgage Insurance Regulation — Other U. S. Regulation and Agency Qualification Requirements. ” In general, dividends ~~and distributions~~ are required to be submitted to an insurer’ s domiciliary department of insurance for review **, and distributions from sources other than unassigned surplus require affirmative approval before being paid** . In addition, insurance regulators may prohibit the payment of dividends and distributions or other payments by the insurance subsidiaries (such as a payment under a tax sharing agreement or for employee or other services, including expense reimbursements) if they determine that such payment could be adverse to policyholders. Genworth Financial has the right to appoint a majority of directors to the board of directors of Enact Holdings; however, actions taken by Enact Holdings and its board of directors (including in the case of the payment of dividends, the approval of Enact Holdings’ independent capital committee) are subject to and may be limited by the interests of Enact Holdings, including but not limited to, its use of capital for growth opportunities and regulatory requirements. Our sources of capital have become more limited, and under certain conditions we may need to seek additional capital on unfavorable terms. Although Genworth Financial and Genworth Holdings ~~made~~ **continue to** ~~significant~~ **significantly improve** ~~improvements to~~ their overall financial condition ~~during 2022, including achieving one of their strategic initiatives of reducing Genworth Holdings’ debt to approximately $ 1. 0 billion~~ , they still need liquidity to pay operating expenses, debt servicing costs and other obligations. **41** As of December 31, ~~2022~~ **2023** , Genworth Holdings had approximately $ ~~887~~ **856** million of outstanding debt that matures ~~between~~ **starting in** 2034 ~~and 2066~~ . Given our expectation that we will not receive dividends from our U. S. life insurance ~~businesses~~ **subsidiaries** for the foreseeable future, we are reliant on dividends from Enact Holdings ~~and intercompany tax payments~~ to fund holding company obligations. Absent receiving dividends from Enact Holdings ~~and intercompany tax payments from our subsidiaries~~ as anticipated, we would likely need to access additional liquidity through third party sources. However, we may not be able to raise capital and / or borrowings on favorable terms based on our credit ratings and **current** business prospects **, particularly given the aforementioned risks associated with launching new business initiatives offered by CareScout** . There is no guarantee that any of these factors will improve in the future when we would seek additional capital. Disruptions, volatility and uncertainty in the financial markets and downgrades in our credit ratings may force us to delay raising capital, issue shorter term securities than would be optimal, bear an unattractive cost of capital or be unable to raise capital at any price. Furthermore, the availability of raising additional capital, including through additional minority equity offerings of Enact Holdings or the issuance of **equity or** debt, could depend on a variety of factors such as ~~51~~ market conditions, regulatory considerations, the general availability of credit, the level of activity and availability of reinsurance, our credit ratings and credit capacity and the performance of and outlook for Enact Holdings. Market conditions and a variety of other factors may make it difficult or impracticable to generate additional liquidity on favorable terms or at all **. Similarly, market conditions and a variety of other factors may make it difficult or impracticable to generate additional liquidity through asset sales or the issuance of additional equity, and any issuance of equity in such circumstances could be highly dilutive to our stockholders** . Any failure to meet our financial obligations as they become due would have a material adverse effect on our business, financial condition and results of operations. We do not currently have a revolving credit facility at the Genworth Holdings level to provide liquidity. To the extent we need additional funding to satisfy our additional liquidity needs, ~~there can be no assurance that~~ we ~~will~~ **may not** be able to enter into a new credit facility on terms (or at targeted amounts) acceptable to us or at all ~~. Similarly, market conditions and a variety of other factors may make it difficult or impracticable to generate additional liquidity through asset sales or the issuance of additional equity, and any issuance of equity in such circumstances could be highly dilutive to our stockholders~~ . For a further discussion of our liquidity, see “ Part II — Item 7 — Management’ s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources. ” Adverse rating agency actions have **in the past** resulted in a loss of business and adversely affected our results of operations, financial condition and business **,** and future adverse rating actions could have a further and more significant adverse impact on us. Financial strength ratings, which various rating agencies publish as measures of an insurance company’ s ability to meet contractholder and policyholder obligations, are important to maintaining public confidence in our products, the ability to market our products and our competitive position. Credit ratings, which rating agencies publish as measures of an entity’ s ability to repay its indebtedness, are important to our ability to raise capital through the issuance of debt and other forms of credit and to the cost of such financing. Over the course of the last several years prior to 2021, the ratings of our holding companies and all ~~of~~ our insurance subsidiaries were downgraded, placed on negative outlook and / or put on review for potential downgrade on various occasions ~~. In 2022, A. M. Best downgraded the financial strength rating of GLAIC, one of our principal life insurance subsidiaries~~ . A ratings downgrade, negative outlook or review could occur again for a variety of reasons, including reasons specifically related to our company, generally related to our industry or the broader financial services industry or as a result of changes by the rating agencies in their methodologies or rating criteria. A negative outlook on our ratings or a downgrade in any of our financial strength or credit ratings, the announcement of a potential downgrade, negative outlook or review, or customer, investor, regulator or other concerns about the possibility of a downgrade, negative outlook or review, could have a material adverse effect on our results of operations, financial condition and business. See " Item 1 — Business — Ratings " for information regarding the current financial strength ratings of our principal insurance subsidiaries. The direct or indirect effects of such adverse ratings actions or any future actions could include, but are not limited to: • ceasing and / or reducing new sales of our products or limiting the business opportunities we are presented with; **42** • adversely affecting our relationships with distributors, including the loss of exclusivity under certain agreements with our independent sales intermediaries and distribution partners; • causing us to lose key distributors that have ratings requirements that we may no longer satisfy (or resulting in our renegotiation of new, less favorable arrangements with those distributors); • requiring us to modify some of our existing products or services to remain competitive, including reducing premiums we charge, or introduce new products or services; ~~52~~ • materially increasing the number or amount of policy surrenders, withdrawals and loans by contractholders and policyholders; • requiring us to post additional collateral for our derivatives or hedging agreements tied to the credit ratings of our holding companies; • requiring us to provide support, or to arrange for third- party support, in the form of collateral, capital contributions or letters of credit under the terms of certain of our reinsurance and other agreements, or otherwise securing our commercial counterparties for the perceived risk of our financial strength; • adversely affecting our ability to maintain reinsurance or obtain new reinsurance or obtain it on reasonable pricing and other terms; • increasing the capital charge associated with affiliated investments within certain of our U. S. life insurance ~~businesses~~ **subsidiaries** thereby lowering capital and RBC of these subsidiaries and negatively impacting our financial flexibility; • regulators requiring certain of our subsidiaries to maintain additional capital, limiting thereby our financial flexibility and requiring us to raise additional capital; • adversely affecting our ability to raise capital; • increased scrutiny by the GSEs and / or by customers, potentially resulting in a decrease in the amount of new insurance written; • increasing our cost of borrowing and making it more difficult to borrow in the public debt markets or enter into a credit agreement; and • making it more difficult to execute ~~our strategic priorities~~ **on CareScout initiatives** . 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, Enact ~~Holdings~~ may become subject to a ratings requirement in order to retain ~~their~~ **its** eligibility status under PMIERs. Ratings downgrades that result in the inability of Enact ~~Holdings~~ to insure new mortgage loans sold to the GSEs, or the transfer by the GSEs of its existing policies to an alternative mortgage insurer, would have a material adverse effect on our business, results of operations and financial condition. See " — If Enact is unable to continue to meet the requirements mandated by PMIERs because the GSEs amend them or the GSEs' interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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 " for additional information regarding the requirements under PMIERs. Relationships with mortgage insurance customers may be adversely affected by the ratings assigned to Genworth ~~Holdings, Enact~~ Holdings or our principal insurance subsidiaries which could have a material adverse effect on our business, financial condition and results of operations. EMICO, our principal U. S. mortgage insurance subsidiary, has financial strength ratings that are relatively consistent with its competitors. However, any assigned financial strength rating that is below other private mortgage insurers could hinder our competitiveness in the marketplace and could result in an adverse impact to our business. Moreover, any future downgrade in the financial strength ratings of EMICO or the announcement of a potential downgrade could have a material adverse impact on our business, results of operations and financial condition. **43** Defaults by counterparties to our reinsurance arrangements or to derivative instruments we use to hedge our business risks, or defaults by us on agreements we have with these counterparties, may expose us to risks we sought to mitigate, which could have a material adverse effect on our business, results of operations and financial condition. We routinely execute reinsurance and derivative transactions with reinsurers, brokers / dealers, commercial banks, investment banks and other institutional counterparties to mitigate our risks in various circumstances and ~~53~~ to hedge various business risks. Many of these transactions expose us to credit risk in the event of default of our counterparty or client or change in collateral value. 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 the reinsurance recoverable owed to us now or in the future or that they will pay these recoverables 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 and 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. We also enter into a variety of derivative instruments, including options, swaps, forwards, and interest rate and currency swaps with a number of counterparties. If our counterparties fail or refuse to honor their obligations under the derivative instruments, and collateral posted, if any, is inadequate, our hedges of the related risk will be ineffective. In addition, if we trigger downgrade provisions on risk- hedging or reinsurance arrangements, the counterparties to these arrangements may be able to terminate our arrangements with them or require us to take other measures, such as post additional collateral, contribute capital or provide letters of credit. We have agreed to new terms with almost all of our counterparties concerning our collateral arrangements given our low ratings and, in most cases, agreed to post excess collateral to maintain our existing derivative agreements. Moreover, the new terms also removed the credit downgrade provisions from all of the insurance company master swap agreements and replaced them with a provision that allows the counterparty to terminate the derivative transaction if the RBC ratio of the applicable insurance company goes below a certain threshold. Although we believe this has allowed us to maintain effective hedging relationships with our counterparties, it has added additional strain on liquidity and collateral sufficiency. Furthermore, ~~there is no assurance that~~ we ~~can~~ **may not be able to** maintain these current arrangements in the foreseeable future or at all. If counterparties exercise their rights to terminate transactions, we may be required to make cash payments to the counterparty based on the current contract value, which would hinder our ability to manage future risks. We ceded to UFLIC our in- force structured settlements block of business issued prior to 2004, certain variable annuity business issued prior to 2004 and the long-term care insurance business assumed from legal entities now a part of Brighthouse Life Insurance Company. UFLIC has established trust accounts for our benefit to secure its obligations under the reinsurance arrangements. GE is obligated to maintain UFLIC' s RBC above a specified minimum level pursuant to a Capital Maintenance Agreement. If UFLIC becomes insolvent notwithstanding this agreement, and the amounts in the trust accounts are insufficient to pay UFLIC' s obligations to us, it could have a material adverse effect on our financial condition and results of operations. The loss of material risk- hedging or reinsurance arrangements could have a material adverse effect on our financial condition and results of operations. For additional information on UFLIC reinsurance, see note ~~8~~ **9** in our consolidated financial statements under " Part II — Item 8 — Financial Statements and Supplementary Data. " Defaults or other events impacting the value of our fixed maturity securities portfolio may reduce our income. We are subject to the risk that the issuers or guarantors of investment securities we own may default on principal or interest payments they owe us. As of December 31, ~~2022~~ **2023** , fixed maturity securities of $ 46. ~~6~~ **8** billion in our investment portfolio represented ~~77~~ **75** % of our total cash, cash equivalents and invested assets. Events reducing the value of our investment portfolio other than on a temporary basis could have a material adverse effect on our business, results of operations and financial condition. Levels of write- downs or expected credit losses are impacted by our assessment of the financial condition of the issuer, whether or not the issuer is expected to pay its principal and interest obligations, **and** our expected recoveries in the event of a default or circumstances that would require us to sell securities ~~which~~ **that** have declined in value. ~~54~~ **44** Risks Relating to Economic and Market Conditions Interest rates and changes in rates, including changes in monetary policy to combat inflation, could materially adversely affect our business and profitability. **Insurance Products and Investments** Our products and investment portfolio are impacted by interest rate fluctuations. **We** ~~Interest rate fluctuations could~~ have **experienced significant declines in** ~~an adverse effect on our~~ investment **valuations as a result of elevated interest rates,** ~~portfolio by reducing its market value or increasing reinvestment risk~~ and ~~reducing~~ **we may experience further declines if credit deteriorates resulting in credit losses and /** ~~our~~ - **or** ~~ability~~ **if interest rates continue** to **rise** ~~achieve adequate investment returns~~ . During periods of increasing interest rates, market values of lower- yielding assets will decline resulting in unrealized losses on our investment portfolio. ~~For example, as of December 31, 2021 (before the rise in interest rates), our fixed maturity securities were in an unrealized investment gain position of $ 7. 9 billion. However, as interest rates rose in 2022, the unrealized investment gains on our fixed maturity securities more than reversed and as of December 31, 2022, our fixed maturity securities were in an unrealized investment loss position of $ 4. 3 billion.~~ The rise in interest rates during 2022 **and 2023** had an adverse impact on our financial position, and if interest rates continue to climb, we may experience a further decline in our **stockholders'** equity in future periods. ~~Furthermore, rising~~ **Rising** interest rates ~~that~~ erode the value of our investment portfolio and reduce our unrealized investment gains ~~, limit capital taxable income~~ . Any material reduction in ~~capital taxable income~~ **unrealized gains or increase in unrealized losses on our investment portfolio or forward starting swap derivatives due to higher interest rates** could impede our ability to utilize certain deferred tax assets **and /** or result in the need to establish higher tax valuation allowances, either of which could materially adversely impact our results of operations and financial position. During periods of ~~declining~~ **increasing** market interest rates, ~~the~~ **we may increase crediting rates on** interest ~~we receive on variable~~ **- sensitive in- force products, such as universal life insurance and fixed annuities. Rapidly rising** interest ~~rate~~ **rates may lead to increased policy surrenders, withdrawals from life insurance policies and annuity contracts and requests for policy loans, as policyholders and contractholders shift assets into higher yielding** investments **.** ~~decreases~~ **Increases** ~~. In addition~~ **in crediting rates** , ~~during those periods, we reinvest the cash we receive~~ as ~~interest~~ **well as surrenders and withdrawals, could have a material adverse effect on** ~~or~~ **our** ~~return~~ **financial condition and results** of **operations, including the requirement** ~~principal on our investments in lower- yielding high- grade instruments or in lower- credit instruments~~ to **liquidate** ~~maintain comparable returns. Issuers of~~ fixed- income **investments** ~~securities may decide to prepay their obligations~~ in ~~order~~ **an unrealized loss position** to **satisfy surrenders** ~~borrow at lower market rates, which exacerbates our~~ - **or withdrawals. Our insurance and** ~~reinvestment~~ -- **investment products, such as those included in our policyholder account balances and separate accounts, are sensitive to interest rate fluctuations and expose us to the** risk ~~. Low~~ **that declines in** interest rates **or tightening credit spreads will** reduce **our interest rate margin or net spreads (the difference between** the returns we earn on the investments that support our obligations under ~~long~~ **these products and the amounts that we pay to policyholders and contractholders). We may reduce the interest rates we credit on most of these products only at limited, pre** - **established intervals** ~~term care insurance~~ , ~~life insurance~~ and **some contracts have guaranteed minimum interest crediting rates. As a result of historic low interest rates prior to 2022 and declines in our interest rate margin on these products, our business and profitability have been adversely impacted. During 2023, we continued to experience lower net spreads on our** annuity products **due** ~~, which increases reinvestment risk and reduces our ability~~ to ~~achieve our targeted~~ **crediting rates outpacing** investment returns ~~. The pricing and expected future profitability of these products are based in part on expected investment returns. Generally~~ , **coupled** ~~life and long- term care insurance products are expected to initially produce positive cash flows as customers pay periodic premiums, which we invest as they are received. The premiums, along~~ with **lower annuity account values driven by block runoff** ~~accumulated investment earnings, are needed to pay claims, which are generally expected to exceed premiums in later years~~ . ~~Low~~ **This unfavorable trend occurred in spite of the higher interest rate environment, and if it persists, could result in further net spread compression and an adverse impact to our results of operations. Prior to the significant rise in** interest rates ~~increase reinvestment risk, reduce our ability to achieve our targeted investment margins, adversely affect the profitability of our life insurance, long- term care insurance and fixed annuity products and may increase hedging costs on our~~ in **2022** ~~- force block of variable annuity products. Given the average life of our assets is shorter than the average life of the liabilities on these products~~ , **sustained** ~~our reinvestment risk is also greater in~~ low interest ~~rate~~ **rates** ~~environments as a significant portion~~ **adversely impacted our prior business results, reserves and profitability. For additional information, including the financial impact** of ~~cash flows used to pay~~ **annual assumption reviews, see " Part II — Item 7 — Management' s Discussion and Analysis of Financial Condition and**

Results of Operations — Critical Accounting Estimates — Liability for future policy benefits **. " If interest rates were** to ~~our policyholders and contractholders comes from investment returns~~ - **return to historic lows, our financial condition, most notably stockholders' equity, and our results of operations and overall business could be materially adversely impacted** . In addition, our **insurance reserves are sensitive to movements in** interest **rates as we are required under LDTI to remeasure our liability for future policy benefits and related reinsurance recoverables at the current discount** rate ~~hedges~~ **, commonly interpreted to be a single- A rated bond rate. This will likely result in volatility to our stockholders' equity. For example, if the U. S. Federal Reserve reverses its monetary tightening by reducing interest rates, our insurance reserves would increase and our stockholders' equity would decrease by amounts that** could ~~decline~~ **be material,** which **may have a** ~~would require us to post additional collateral with our derivative counterparties. Posting additional collateral could materially~~ -- **material** ~~adversely~~ -- **adverse** ~~affect~~ **effect on** our financial condition **. See note 2 in " Part II — Item 8 — Financial Statements and Supplementary Data " for additional details on the measurement of our insurance reserves. 45 Enact — Mortgage Insurance The mortgage origination market has been negatively impacted by elevated interest rates and housing affordability pressure, which could cause new insurance written by Enact Holdings to decline materially, and could thereby pressure earnings and lead to** ~~and~~ - **an adverse effect on our** results of operations ~~by reducing our liquidity~~ and **financial condition** ~~net investment income, to the extent that the additional collateral posting requires us to invest in higher- quality, lower- yielding investments~~ . The U. S. housing market experienced a dramatic decline in the volume of mortgage originations in 2022 **and 2023** due ~~mostly~~ **largely** to rising interest rates **, resulting** ~~. The decline in mortgage originations in 2022 resulted~~ in lower new insurance written at Enact Holdings. While the decrease in new insurance written was generally offset by higher persistency on Enact Holdings' existing insured loans, the ultimate impact on Enact Holdings' premiums and future new insurance written is difficult to predict. We could experience a future adverse impact to our results of operations if the volume of new insurance written remains suppressed for a prolonged period of time. While the terms of recent vintages of adjustable- rate mortgages (" ARMs ") have changed to limit the frequency and severity **of** shocks, rising interest rates can also 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 who default will find it harder to qualify for a replacement loan. Rising interest rates can also have a negative impact on home prices, which increases our risk of loss. Home price appreciation slowed ~~meaningfully~~ **temporarily** in 2022 ~~, and in some geographic areas, declined~~ as a result of rising ~~55~~ interest rates **but regained its upward trend in 2023 as the low supply of homes more than offset higher borrowing costs** . Any significant decline in home values, either due to rising rates or otherwise, particularly if accompanied by increased unemployment in a recessionary environment ~~occasioned by increasing interest rates~~ , could increase delinquencies and foreclosures at Enact Holdings, which could have a material adverse effect on our business, results of operations and financial condition. See " — A deterioration in economic conditions, a severe recession or a decline in home prices, all of which could be driven by many potential factors ~~, including inflation~~ , may adversely affect Enact Holdings' loss experience. " As seen prior to 2022, declining interest rates historically have increased the rate at which borrowers refinance their existing mortgages, resulting in cancellations of the mortgage insurance covering the refinanced loans. Declining interest rates have also contributed to home price appreciation, which may provide borrowers in the United States with the option of cancelling their mortgage insurance coverage earlier than we anticipated when pricing that coverage. In addition, during 2021 and 2020 **,** as a result of the low interest rate environment, Enact Holdings experienced a decline in persistency rates. Lower persistency rates **can** result in reduced insurance in- force and earned premiums, which could have a significant adverse impact on our results of operations. See " — A decrease in the volume of high loan- to- value home mortgage originations or an increase in the volume of mortgage insurance cancellations could result in a decline in our revenue in our mortgage insurance subsidiaries ~~. " During periods of increasing market interest rates, we may increase crediting rates on interest- sensitive in- force products, such as universal life insurance and fixed annuities. Rapidly rising interest rates may lead to increased policy surrenders, withdrawals from life insurance policies and annuity contracts and requests for policy loans, as policyholders and contractholders shift assets into higher yielding investments. Increases in crediting rates, as well as surrenders and withdrawals, could have a material adverse effect on our financial condition and results of operations, including the requirement to liquidate fixed- income investments in an unrealized loss position to satisfy surrenders or withdrawals. Our insurance and investment products are sensitive to interest rate fluctuations and expose us to the risk that declines in interest rates or tightening credit spreads will reduce our interest rate margin (the difference between the returns we earn on the investments that support our obligations under these products and the amounts that we pay to policyholders and contractholders). We may reduce the interest rates we credit on most of these products only at limited, pre- established intervals, and some contracts have guaranteed minimum interest crediting rates. As a result of historic low interest rates prior to 2022 and declines in our interest rate margin on these products, our business and profitability have been adversely impacted. Prior to the significant rise in interest rates in 2022, sustained low interest rates adversely impacted our prior business results, reserves (including margins) and profitability, including premium deficiencies in our single premium immediate annuity products in prior years. For additional information, including the financial impact of prior premium deficiencies, see " Part II — Item 7 — Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Estimates — Future policy benefits. " If interest rates were to return to historic lows, our financial condition, most notably stockholders' equity, under new accounting guidance that is effective for us on January 1, 2023, and our results of operations and overall business could be materially adversely impacted. See " — Changes in accounting and reporting standards issued by the Financial Accounting Standards Board or other standard- setting bodies and insurance regulators could materially adversely affect our business, financial condition and results of operations~~ . " See " Part II — Item 7A — Quantitative and Qualitative Disclosures About Market Risk " for additional information about interest rate risk. A deterioration in economic conditions, a severe recession or a decline in home prices, all of which could be driven by many potential factors, ~~including inflation,~~ may adversely affect Enact Holdings' loss experience.

Loss experience in Enact Holdings generally results from adverse economic events, such as a borrower' s reduction of income, unemployment, underemployment, divorce, illness, inability to manage credit, or a change ~~56~~ 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 ~~, such as responses to current high inflationary pressure,~~ 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. **Economic uncertainty persisted throughout 2023** ~~For additional risks associated with adverse macroeconomic conditions, including actions taken by the U~~ . ~~S. Federal Reserve~~ **Variability in consumer confidence due in part** to ~~tamper~~ **elevated** inflation and ~~slow economic growth, see " — High inflation, supply- chain disruption, labor shortages, displacements related to COVID- 19 and elevated~~ interest rates, ~~including actions taken by~~ **along with developments related to** the U. S. ~~Federal~~ **federal debt ceiling** ~~Reserve to increase interest rates to combat inflation~~ and ~~slow~~ **geopolitical tensions, continue to create a backdrop of uncertainty in the overall macroeconomic environment. Some economists still predict a recession in 2024. Unfavorable or uncertain** economic ~~growth~~ **conditions, such as those described above** , could **also impact home prices** ~~heighten the risk of a future recession, and any recession, regardless of severity or duration, could materially adversely affect our business, financial condition and results of operations~~ . ~~"~~ A decline in home values typically makes it more difficult for borrowers to sell or refinance their homes, **46** 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 financial resources to make mortgage payments when their mortgage balances exceed the values of their homes. Declines in home values typically increase the severity of claims Enact Holdings may pay. A decline in home prices, whether or not in conjunction with deteriorating economic conditions, may increase the risk of loss. **Generally** ~~During the five years preceding 2022~~ , home prices steadily rose **over the past decade** , and in many geographic locations, home price appreciation outpaced borrower incomes. Home price appreciation coupled with rising interest rates and a low supply of available homes **has** placed pressure on housing affordability in **recent years, most notably beginning in** 2022. ~~While home~~ **Home** prices **temporarily** declined in ~~the latter~~ -- **late** ~~half of~~ 2022 ~~, we~~ **but regained an upward trend in 2023 as the low supply of homes more than offset the higher borrowing costs. Housing supply remains depressed as homeowners are reluctant to sell their house and pay significantly higher mortgage rates for a new one. We** are uncertain as to whether and to what extent ~~rising~~ **the higher** interest ~~rates~~ - **rate environment** will ~~eventually~~ affect home values, but it is possible the housing market could experience a sharp price correction if the U. S. Federal Reserve **maintains** ~~continues with~~ its ~~rapid~~ **current policy of keeping** ~~rate~~ **rates higher for longer** ~~of interest rate hikes~~ to combat inflation **. We could experience a higher frequency and severity of defaults on more recent book years should home values decline** . Declining home values erode the value of the underlying collateral and reduce the likelihood that foreclosed homes can be sold for an amount sufficient to offset the unpaid principal and interest which may adversely impact Enact Holdings' loss mitigation activities. Furthermore, Enact Holdings' estimates of claims- paying resources and claim obligations are based on various assumptions, including but not limited to, the timing of receipt of claims on delinquent loans, estimates of future claims that will ultimately be received, the ultimate resolution of borrower forbearance plans, including whether ~~borrowers~~ **loans** in forbearance cure or result in a claim payment, anticipated loss mitigation activities, premiums, housing prices and unemployment rates. These assumptions are subject to inherent uncertainty and require judgment. Any of these events may have a material adverse effect on Enact Holdings which could result in a material adverse effect on our business, results of operations and financial condition. The ultimate amount of the loss suffered 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, a pronounced weakness in the housing market ensued, as well as declines in home prices. If we experience a future economic slowdown or an economic recession in the United States that impacts the housing market in a similar way as compared to past economic slowdowns, we would expect higher levels of delinquencies in Enact Holdings. ~~Any~~ **Mortgage forbearance programs and any** delays in foreclosure processes could cause Enact Holdings' losses to increase as expenses accrue for longer periods or if the value of foreclosed homes further declines during such delays. If Enact Holdings experiences a higher number and / or severity of delinquencies than expected, **including as a result of borrowers' exit from forbearance programs upon reaching the maximum forbearance term,** our business, results of operations and financial condition could be adversely affected. **In response to COVID- 19, 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 Enact Holdings' initial expectations; however, there is still uncertainty as to the timing and ultimate severity of the COVID- 19 delinquencies that remain. Though the ability to take advantage of COVID- 19- specific forbearance for new delinquencies ended in 2023, Enact Holdings has seen limited claims emerge from this population of loans. Further, in March 2023, the GSEs announced new loss mitigation programs that would allow 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 Enact Holdings experiences an increase in claim severity resulting in claim amounts that are higher than expected, it would adversely affect Enact Holdings and consequently our financial position and results of operations. 47** Regulatory and Legal Risks Changes in accounting and reporting standards issued by the Financial Accounting Standards Board or other standard- setting bodies and insurance regulators could materially adversely affect our business, financial condition and results of operations. Our financial statements are subject to the application of U. S. GAAP, which is periodically revised and / or expanded. Accordingly, from time to time, we are required to adopt new or revised accounting standards issued ~~57~~ by recognized authoritative bodies, including the Financial Accounting Standards Board. It is possible that future accounting and reporting standards we are required to adopt could change the current accounting treatment that we apply to our financial statements and that such changes could have a material adverse effect on our financial condition and results of operations. In addition, the required adoption of future accounting and reporting standards, including certain proposals by the SEC related to climate- related disclosures, may result in significant costs to implement. These requirements would also likely require us to make significant changes to systems and add additional resources, either of which may be material to our business and results of operations. ~~Long- duration targeted improvements We will adopt new accounting guidance, LDTI, on January 1, 2023, that significantly changes the recognition and measurement of long- duration insurance contracts. While the new guidance will have a significant impact on existing U. S. GAAP financial statements and disclosures, it will not impact statutory accounting principles or risk- based capital of our U. S. life insurance companies or Enact.~~ The **inability** ~~new accounting guidance will be applied as of January 1, 2021 (the " Transition Date ") with an adjustment~~ to **obtain** ~~beginning retained earnings and accumulated other comprehensive income (loss). Upon adopting LDTI, we will unlock assumptions for all cohorts~~ in- force ~~as of the Transition Date~~ **rate** ~~. For a significant number of cohorts~~ **action increases (including increased premiums and associated benefit reductions)** in our long- term care **insurance** business **could have a material adverse impact on our business** , ~~the net~~ **including our results of operations and financial condition. The continued sustainability of our long- term care insurance business, as well as that of GLIC and GLICNY, is based on our ability to obtain significant** premium ~~ratios will~~ **rate increases and associated benefit reductions on our in- force long- term care insurance products. Although the terms of our long- term care insurance policies permit us to** increase **premiums under certain circumstances during the premium- paying period, these increases generally require regulatory approval, which can often take a long time to obtain** and ~~in many~~ - **may** ~~cases~~ **not** be ~~capped at 100 %~~ **obtained in all relevant jurisdictions or for the full amounts requested. In addition** , ~~requiring~~ **some states have adopted or are considering adopting laws that would further limit increases in long- term care insurance premium rates beyond the statutes and regulations previously adopted in certain states, which would adversely impact our ability to achieve anticipated rate increases. Furthermore, some states have refused to approve actuarially justified rate actions or have required that approved rate actions be phased in over** an **extended period** ~~increase to reserves as~~ of ~~the Transition Date. Net premium ratios are capped at 100 % when gross premiums plus the existing carrying value of reserves are insufficient to cover actual or expected policy and contract benefits at the cohort level. Higher net premium ratios will result in the need to increase our insurance reserves over~~ time ~~, and could negatively impact our operating results~~ . **Regulators** ~~Higher insurance liabilities will also result in higher interest accretion recognized in current period earnings. Given the amount of our insurance reserves as of the Transition Date, it is likely we will continue to recognize higher interest accretion in future earnings, and the amount~~ may be **unwilling** ~~materially adverse~~ to **approve premium rates we seek** ~~our results of operations. Upon adopting LDTI, reserve assumptions for our long- duration products will no longer be locked- in at the time of contract issuance. The requirement~~ to **charge** ~~unlock assumptions more frequently and assess insurance reserves for our long- duration products at a more granular level, based on issue- year cohorts rather than line of business, could result in more income statement volatility, and that volatility could negatively impact our results of operations~~ . We **cannot predict how regulators** ~~will be required to review and update cash flow assumptions at least on an annual basis. This new unlocking process~~ may **react** ~~result in adverse volatility~~ to **any** ~~future earnings, as our cash flow assumptions will likely be sensitive to fluctuations in actual experience, including potentially obtaining lower than expected~~ in- force rate ~~actions. Although~~ **increases, nor can** we ~~consider future~~ **predict if regulators will approve requested** in- force rate ~~actions when setting~~ **increases. We will not be able to realize** our **future** ~~assumptions, many of the cohorts with net~~ premium **rate increases** ~~ratios capped at 100 % consist of older blocks,~~ and ~~increases and~~ associated benefit reductions in the future if we cannot obtain the required regulatory approvals.In this event,we would have to increase our long- term care insurance reserves by amounts that would likely be material and would result in a material adverse impact **to earnings** .Moreover,we may not be able to sufficiently mitigate the impact of unexpected adverse experience through premium rate increases and associated benefit reductions.Given the claims history in our long- term care insurance business and its related pressure to reserve levels and earnings,and the expectation that claims will continue to rise due to the ~~age~~ **aging** of **the block and from higher incidence and severity, among** ~~the~~ **other** ~~policies~~ **factors, our results of operations, capital levels, RBC and financial condition** would ~~not~~ **be materially adversely affected absent future premium rate increases and associated** benefit ~~from future~~ **reductions. We cannot predict how our policyholders may react to any** in- force rate **increases. In certain circumstances, our policyholders have brought legal action against us due to alleged misleading and inadequate disclosures regarding premium rate increases. See " — Litigation and regulatory investigations or other** actions **are common** ~~due to limited remaining premium paying periods. Additionally, due to the requirement to group policies by issue- year cohorts, future~~ in **the insurance business and may** ~~- force rate actions related to policies issued in more profitable years cannot subsidize loss generating policies issued in earlier years. If adverse assumption changes~~ result in ~~an increase to cohort- level net premium ratios, or in the number of cohorts with net premium ratios capped at 100 %, our~~ financial ~~condition~~ **losses** and **harm** ~~results of operations could be materially adversely impacted. Under LDTI, the valuation of~~ our **reputation** ~~market risk benefits (" MRBs~~ " ~~) will be subject to capital market risks, primarily through equity market~~ and **note 25** ~~interest rate volatility. We attempt to mitigate some of these risk through hedging strategies; however, adverse changes~~ in ~~equity market performance or~~ **our consolidated** ~~interest rate fluctuations could result in the devaluation of our MRBs which may have a material adverse effect on our~~ financial **statements under** ~~condition and results of operations. Upon adoption of LDTI, and as of the Transition Date, our insurance liabilities will be sensitive to movements in interest rates, which will likely result in volatility to our stockholders' equity. For example, if inflation abates and the U. S. Federal Reserve reverses its monetary tightening by reducing interest rates, our insurance liabilities would increase and our stockholders' equity would decrease by amounts that could be material, which may have a material adverse effect on our financial condition. 58 See~~

~~note 2 in~~ " Part II — Item 8 — Financial Statements and Supplementary Data " for additional ~~details~~ **information** . **48** Our insurance businesses are 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. insurance businesses, and our insurance subsidiaries are regulated by the insurance departments of the states in which they are domiciled and licensed. Our international operations, predominantly located in Mexico **as well as a new subsidiary of Enact Holdings domiciled in Bermuda** , are principally regulated by insurance regulatory authorities in the jurisdictions in which they are domiciled. 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 do business or engage in activities regulated in one or more jurisdictions in which we operate and could subject us to fines and other sanctions which could have a material adverse effect on our business. In addition, the nature and extent of regulation of our activities in applicable jurisdictions could materially change causing a material adverse effect on our business **. Although future regulatory changes are unknown, we expect our regulators to continue to pursue new regulation in the areas of environmental, social and corporate governance, as well as cybersecurity and artificial intelligence** . 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; • calculating the value of assets and determining the eligibility of assets to determine compliance with statutory requirements; • mandating certain insurance benefits; • regulating certain premium rates; • reviewing and approving policy forms; • regulating discrimination in pricing ~~and~~ **,** coverage terms and **other insurance practices, as well as** unfair trade and claims practices, including through the imposition of restrictions on marketing and sales practices, distribution arrangements and payment of inducements; • establishing and revising statutory capital and reserve requirements and solvency standards; • fixing maximum interest rates on insurance policy loans and minimum rates for guaranteed crediting rates on life insurance policies and annuity contracts; • approving premium increases and associated benefit reductions; • evaluating enterprise risk to an insurer; • 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; • restricting the types of insurance products that may be offered; and • imposing insurance eligibility criteria. State insurance regulators and the NAIC regularly re- examine existing laws and regulations, specifically focusing on modifications to SAP, interpretations of existing laws and the development of new laws and regulations applicable to insurance companies and their products. Any adopted future legislation or NAIC regulations 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 **49** departments. ~~We cannot provide assurance that such~~ **Such** differences of opinion **may** ~~will not~~ result in regulatory, tax or other challenges to the actions we have taken to date. The ~~59~~ 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. Litigation and regulatory investigations or other actions are common in the insurance business and may result in financial losses and harm our reputation. We face the risk of litigation and regulatory investigations or other actions in the ordinary course of operating our businesses, including the risk of class action lawsuits. Our pending legal and regulatory actions include proceedings specific to us and others generally applicable to business practices in the industries in which we operate. In our insurance operations, we are, have been, or may become subject to class actions and individual suits alleging, among other things, issues relating to sales or underwriting practices, increases to in- force long- term care insurance premiums, payment of contingent or other sales commissions, claims payments and procedures, product design, product disclosure, product administration, additional premium charges for premiums paid on a periodic basis, denial or delay of benefits, charging excessive or impermissible fees on products, recommending unsuitable products to customers, our pricing structures and business practices in our mortgage insurance subsidiaries, such as captive reinsurance arrangements with lenders and contract underwriting services, violations of RESPA or related state anti- inducement laws, mortgage insurance policy rescissions and curtailments, and breaching fiduciary or other duties to customers, including but not limited to **cybersecurity** ~~breach~~ **breaches** of customer information. In our investment- related operations, we are subject to litigation involving commercial disputes with counterparties. We may also have disputes with reinsurance partners relating to the parties' rights and obligations under reinsurance treaties and / or related administration agreements. 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, federal and international regulators and other authorities. Plaintiffs in class action and other lawsuits against us, as well as regulators, may seek very large or indeterminate amounts, which may remain unknown for substantial periods of time. We are also subject to litigation arising out of our general business activities such as our contractual and employment relationships, including claims under ~~ERISA~~ **the Employee Retirement Income Security Act of 1974** , and we are also subject to shareholder putative class action lawsuits alleging securities law violations. A substantial legal liability or a significant regulatory action (including uncertainty about the outcome of pending legal and regulatory investigations and actions) against us could have a material 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 and incur significant legal expenses, which could have a material adverse effect on our business, financial condition or results of operations. At this time, it is not feasible to predict, nor determine, the ultimate outcomes of any pending investigations and legal proceedings, nor to provide reasonable ranges of possible losses other than those that have been disclosed. For a further discussion of certain current investigations and proceedings in which we are involved, see note ~~20~~ **25** in " Part II — Item 8 —

Financial Statements and Supplementary Data. " ~~We cannot assure you that these~~ **These** investigations and proceedings **could** ~~will not~~ have a material adverse effect on our liquidity, business, financial condition or results of operations. It is also possible that we could become subject to further investigations and have lawsuits filed or enforcement actions initiated against us. In addition, increased regulatory scrutiny and any resulting investigations or legal proceedings could result in new legal precedents and industry- wide regulations or practices that could materially adversely affect our business, financial condition and results of operations. An adverse change in ~~our~~ **the** regulatory requirements **on our U. S. life insurance subsidiaries** , including risk-based capital requirements, could have a material adverse impact on our business, results of operations and financial condition. Our U. S. life insurance subsidiaries are subject to the NAIC' s RBC standards and other minimum statutory capital and surplus requirements imposed under the laws of their respective states of domicile. The failure of our **50** insurance subsidiaries to meet applicable RBC requirements or minimum statutory capital and surplus ~~60~~ requirements could subject our insurance subsidiaries to further examination or corrective action imposed by state insurance regulators, including limitations on their ability to write additional business, or the addition of state regulatory supervision, rehabilitation, seizure or liquidation. As of December 31, ~~2022~~ **2023** , the RBC of each of our U. S. life insurance subsidiaries exceeded the level of RBC that would require any of them to take or become subject to any corrective action in their respective domiciliary state. However, we continue to face challenges in our principal life insurance subsidiaries, particularly those subsidiaries that rely heavily on in- force rate actions as a source of earnings and capital. We may see variability in statutory results and a decline in the RBC ratios of these subsidiaries given the time lag between the approval of in- force rate actions versus when the benefits from the in- force rate actions (including increased premiums and associated benefit reductions) are fully realized in our financial results. Additionally, the RBC ratio of our U. S. life insurance subsidiaries would be negatively impacted by future increases in our statutory reserves, including results of Actuarial Guideline 38, cash flow testing and assumption reviews, particularly in our long- term care and life insurance products. ~~Future declines in the RBC ratio of our life insurance subsidiaries could result in heightened supervision and regulatory action. Enact Holdings and its U. S. mortgage insurance subsidiaries are not subject to the NAIC' s RBC requirements but are required by certain states and other regulators to maintain a certain risk- to- capital ratio. In addition, PMIERs includes 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 risk- in- force and are calculated from tables of factors with several risk dimensions and are subject to a floor amount). The failure of Enact Holdings and its U. S. mortgage insurance subsidiaries to meet their regulatory requirements, and additionally the PMIERs financial requirements on its principal operating subsidiary, could limit their ability to write new business. For further discussion of the importance of financial requirements to Enact Holdings, see " — If Enact is unable to continue to meet the requirements mandated by PMIERs because the GSEs amend them or the GSEs' interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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 " and " — Enact Holdings' U. S. mortgage insurance subsidiaries are subject to minimum statutory capital requirements, which if not met or waived, would result in restrictions or prohibitions on them doing business and could have a material adverse impact on our business, financial condition and results of operations. "~~ An adverse change in our **U. S. life** insurance subsidiaries' RBC ~~, risk- to- capital ratio~~ or our ability to meet other minimum regulatory requirements could cause rating agencies to downgrade the financial strength ratings of our insurance subsidiaries and the credit ratings of Genworth Holdings, which could have an adverse impact on our ability to execute our strategic ~~plan~~ **priorities** , including stabilizing the legacy long- term care insurance in- force block and advancing ~~Genworth~~ **CareScout** ' s ~~senior care growth initiatives~~ **new lines of business or new products and services** , and would further restrict our ability to retain and write new business. Furthermore, it may cause regulators to take regulatory or supervisory actions with respect to our U. S. life insurance subsidiaries, thereby limiting the financial flexibility of our holding company, all of which could have a material adverse effect on our results of operations, financial condition and business . The inability to obtain in-...... and Supplementary Data " for additional information . Changes to the role of the GSEs or to the charters or business practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance, could adversely affect our business, financial condition and results of operations. The requirements and practices of the GSEs impact the operating results and financial performance of approved mortgage insurers, including Enact Holdings. Changes in the charters or business practices of Freddie Mac or Fannie Mae could materially reduce the number of mortgages they purchase that are insured by Enact Holdings and consequently diminish the value of our business. 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 U. S. 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 U. S. housing finance system. Congress, however, has not enacted any legislation to date. There has been increased focus on and discussion of administrative reform independent of legislative action. The proposals vary with regard 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 ~~62~~ conservatorship, once fully and adequately capitalized. **Effective February 16** ~~If any GSE reform is adopted~~ , **2021** ~~whether through legislation or administrative action~~ , ~~it could impact the current role of private mortgage insurance as a credit enhancement, including its reduction or elimination, which would have an adverse effect on our revenue, business, financial condition and results of operations. As a result of these~~ - **the** matters, it is uncertain what role...... of operations and financial condition. The FHFA **enacted** ~~and 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, the FHFA 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 for the next three years; lifted the 50 basis point adverse market fee applicable to most refinance loans; directed the GSEs to expand their streamlined refinance programs; and directed the GSEs to make desktop appraisals permanent 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 proposals included many initiatives, including language discussing potential changes that could impact the mortgage insurance industry. These initiatives remain preliminary and Enact Holdings will continue to work with the FHFA, the GSEs and the broader housing finance industry as these proposals develop and to the extent they~~ - **the** ~~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. The FHFA has set goals for the GSEs to transfer significant portions of the GSEs' mortgage credit risk to the private sector. This mandate builds upon the goal established by the GSEs to increase the role of private capital through experimenting with different forms of transactions and structures. Enact Holdings has participated in credit risk transfer programs developed by Fannie Mae and Freddie Mac on a limited basis. The GSEs have in the past piloted and may in the future attempt to launch alternative products or transactions. To the extent these credit risk products evolve in a manner that displaces primary mortgage insurance coverage, the amount of insurance Enact Holdings writes may be reduced. It is difficult to predict the impact of alternative credit risk transfer products that are developed to meet the goals established by the FHFA. In addition, in December 2020, the FHFA published a final rule of its~~ Enterprise Capital Framework, which ~~became effective~~ **imposes a capital framework** on ~~February 16~~ **the GSEs** , ~~2021~~ **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. However, the GSEs will not be subject to any requirement under the Enterprise Capital Framework until (i) the date of termination of the conservatorship of a GSE or (ii) any later compliance date provided in a consent order or other transition order applicable to such GSE** . The Enterprise Capital Framework ~~may impact the~~ **significantly increases capital requirements and reduces capital credit on** credit risk transfer **transactions** ~~programs developed by Fannie Mae and Freddie Mac and / or the role of private mortgage insurance~~ as ~~credit enhancement by potentially~~ **compared to the previous framework. This rule could** ~~accelerating~~ **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 Enact Holdings and our business. Likewise, legislation or regulation that changes the role of the GSEs, ends the GSEs' conservatorship or increases the number of people eligible for FHA or VA mortgages could have a material adverse effect on Enact Holdings and limit its ability to compete with the FHA or VA thereby adversely impacting our business** . 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 **51** 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 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 Enact Holdings does not expect any material impact to the private mortgage market, changes in the provisions or enforcement of this rule could impact our results of operations. ~~63~~ **matters** ~~would have an adverse effect on our business,revenue,results of operations and financial condition.As a result~~ ,it is uncertain what role private capital,including mortgage insurance,will play in the U.S.residential housing finance system in the future or the impact any such changes could have on our business **.Any changes to the charters or statutory authorities of the GSEs would likely 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 Enact Holdings and the private mortgage insurance industry difficult to predict.Any such changes that ~~occur~~ **come to pass** could have a significant impact on our business,results of operations and financial condition.The ~~FHFA~~ Freddie Mac **. The GSEs have in the past piloted** and **may in the future attempt to launch alternative products or transactions. To the extent these credit risk products evolve in a manner that displaces primary mortgage insurance coverage, the amount of insurance Enact Holdings writes may be reduced. It is difficult to predict the impact of alternative credit risk transfer products that are developed to meet the goals established by the FHFA.** Fannie Mae **and Freddie Mac** also possess substantial market power, which enables them to influence Enact Holdings and the mortgage insurance industry in general. Although Enact Holdings actively monitors and develops its relationship with **Fannie Mae and** Freddie Mac ~~and Fannie Mae~~ , 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, financial condition and results of operations. If Enact is unable to continue to meet the requirements mandated by PMIERs because the GSEs amend them or the GSEs' interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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 risk- in- force 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 mortgages.~~ The GSEs **have in the past and** may **in the future** amend or waive PMIERs at their discretion ~~,~~ **or** impose additional conditions or restrictions, and **the GSEs** have broad discretion to interpret PMIERs, **any of** which could impact the calculation of Available Assets and / or Minimum Required Assets or require an increase in assets held to remain compliant. **For a discussion of PMIERs requirements and recent amendments to PMIERs, see " Regulation — Enact — Mortgage Insurance Regulation — Other U. S. Regulation and Agency Qualification Requirements. "** The amount of capital that may be required in the future to maintain the Minimum Required Assets, as defined in PMIERs, 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 U. S. housing market; (iii) Enact Holdings' generation of earnings, available assets and risk- based required assets, reducing risk in- force and reducing delinquencies as anticipated, and writing anticipated amounts and types of new mortgage insurance business; and (iv) Enact Holdings' overall financial performance, capital and liquidity levels. Depending on actual experience, the amount **52** of capital required under PMIERs for Enact Holdings' subsidiaries may be higher than currently anticipated. In the absence of a premium increase on new business, if Enact Holdings' subsidiaries hold more capital relative to their insured loans, their returns will be lower. Enact Holdings may be unable to increase premium rates on new business for various reasons, principally due to competition. Enact Holdings' inability to increase its capital as required in the anticipated timeframes and on anticipated terms, and realize the anticipated benefits, could have a material adverse impact on our business, results of operations and financial condition. More specifically, Enact Holdings' subsidiaries' 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) Enact Holdings' ability to complete credit risk transfer transactions on its anticipated terms and timetable, which as applicable, are subject to market conditions, third- party approvals and other actions (including approval by regulators and the GSEs), and other factors that are outside its control; and (ii) Enact Holdings' ability to contribute its holding company cash or other sources of capital to satisfy the portion of the financial requirements that are not satisfied through credit risk transfer transactions. In addition, another potential capital source includes, but is not limited to, the issuance of securities by Genworth Financial, Genworth Holdings or Enact Holdings, which could materially adversely impact our business, shareholders and debtholders. ~~In September 2020, the GSEs imposed certain conditions and restrictions on Enact Holdings with respect to its capital. See " Regulation — Enact — Mortgage Insurance Regulation — Other U. S. Regulation and Agency Qualification Requirements " for additional details. These additional conditions and restrictions imposed by the GSEs could limit the operating flexibility of Enact Holdings, particularly in the areas in which new business is written and may adversely impact its competitive position, its ability to meet and maintain compliance with the PMIERs requirements and Genworth' s overall business. Moreover, it further restricts the ability of Enact 64 Holdings to pay dividends and requires the retention of higher capital levels limiting the availability of capital to be utilized elsewhere in the business. Although we believe Genworth met the financial metrics included as part of the GSE conditions in the fourth quarter of 2022 and would expect the GSE conditions to be fully satisfied and the GSE restrictions to be lifted in the first quarter of 2023, the achievement of these financial metrics is subject to GSE confirmation.~~ Enact Holdings' assessment of PMIERs compliance is based on a number of factors, including its understanding of the GSEs' interpretation of the PMIERs financial requirements. Although we believe Enact Holdings has sufficient capital as required under PMIERs and it remains an approved insurer, **it is possible** ~~there can be no assurance~~ these conditions ~~will~~ **may not** continue. In addition, ~~there can be no assurance~~ Enact Holdings ~~will~~ **may not** continue to meet the conditions contained in the GSE letters granting PMIERs credit for reinsurance and other credit risk transfer transactions including, but not limited to, its ability to remain below a statutory risk- to- capital ratio of 18: 1. The GSEs also reserve the right to re- evaluate the credit for reinsurance and other credit risk transfer transactions available under PMIERs. If Enact is unable to continue to meet the requirements mandated by PMIERs ~~, the GSE restrictions discussed above~~ or ~~any additional restrictions imposed by~~ the GSEs, whether because the GSEs amend them or the GSEs' interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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 Enact Holdings to seek the GSEs' prior approval before taking many actions, including implementing certain new products or services or entering into **intercompany** ~~inter- company~~ agreements among others. PMIERs' ~~prior~~ approval requirements could prohibit, materially modify or delay ~~our~~ **Enact Holdings'** intended course of action. Further, the GSEs may modify or change their interpretation of terms they require Enact Holdings to include in its mortgage insurance coverage for loans purchased by the GSEs, requiring Enact Holdings to modify its terms of coverage or operational procedures to remain an approved insurer, and such changes could have a material adverse impact on our financial position and operating results. It is possible the GSEs could, at their own discretion, require additional limitations and / or conditions on Enact Holdings' activities and practices that are not currently in PMIERs in order for Enact Holdings to remain an approved insurer. Additional requirements or conditions imposed by the GSEs could limit Enact Holdings' operating flexibility and the areas in which it may write new business. Any of these events would have a material adverse effect on our business, results of operations and financial condition. Enact Holdings' U. S. mortgage insurance subsidiaries are subject to minimum statutory capital requirements, which if not met or waived, would result in restrictions or prohibitions on them doing business and could have a material adverse impact on our business, financial condition and results of operations. **In addition to PMIERs, mortgage insurers are required by** ~~Certain~~ **certain** states **and other** ~~have insurance laws or regulations~~ - **regulators** ~~which require a mortgage insurer~~ to maintain a minimum amount of statutory capital relative to ~~its~~ **their** level of risk in- force. While formulations of minimum capital vary in certain states, the most common measure applied allows for a maximum permitted risk- to- capital ratio of 25: 1. If one of Enact Holdings' U. S. mortgage insurance subsidiaries that is writing business in a particular state fails to maintain that state' s required minimum capital level, it would generally be required to **53** immediately stop writing new business in the state until the insurer re-establishes the required level of capital or receives a waiver of the requirement from the state' s insurance regulator, or until it establishes an alternative source of underwriting capacity acceptable to the regulator ~~. As of December 31, 2022 and 2021, Enact Holdings' combined insurance subsidiaries' risk- to- capital ratio was approximately 12. 8: 1 and 12. 2: 1, respectively~~ . If Enact Holdings' insurance subsidiaries exceed required risk- to- capital levels in the future, Enact Holdings and Genworth Financial 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 not be obtained or** may be obtained **on unfavorable terms** . ~~65 The~~ **In August 2023, the** NAIC **adopted amendments** ~~established the MGIWG~~ to ~~determine and make recommendations to the NAIC' s Financial Condition Committee as to what, if any, changes to make to the solvency and other~~ -- **the** ~~regulations relating to mortgage guaranty insurers. The MGIWG continues to work on revisions to the NAIC' s~~ MGI Model ~~, including~~ **Act and is in the process of making corresponding** revisions to **the** Statement of Statutory Accounting Principles No. 58 — Mortgage Guaranty Insurance ~~, and to develop a mortgage guaranty supplemental filing~~ . **The revisions to** ~~In October 2022, the MGIWG released a revised exposure draft of~~ the MGI Model **Act** ~~. The proposed amendments of the MGI Model~~ are ~~expected~~ **extensive, including with respect** to **risk concentration limits,** ~~be finalized by the MGIWG in the spring of 2023. The MGIWG has also worked toward developing a mortgage guaranty insurance~~ capital ~~model~~ **and reserve requirements, reinsurance, underwriting practices and quality assurance** . At this time, we cannot predict **which states** ~~the outcome of this work~~ , ~~whether~~ **if** any ~~state~~ **,** will adopt the amended MGI Model **Act** or any of its specific provisions, the effect changes ~~, if any,~~ will have on the mortgage guaranty insurance market generally, or on our business specifically, the additional costs associated with compliance with any such changes, or 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 or what impact, if any, such initiatives, if adopted as laws, may have on our business, results of operations and financial condition. Changes in regulations that adversely affect the mortgage insurance markets in which Enact Holdings operates could affect its operations significantly and could reduce the demand for mortgage insurance. In addition to the general regulatory risks that are described under " — Our insurance businesses are extensively regulated and changes in regulation may reduce our profitability and limit our growth, " we are also affected, through our ownership of Enact Holdings, by various additional regulations related specifically to mortgage insurance operations. Federal and state regulations affect the scope of competitor 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 U. S. 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 or maximum loan- to- value ratio of loans the GSEs will purchase or guarantee or increases in GSE fees can also reduce demand for private mortgage insurance. Legislative, regulatory or administrative changes could cause demand for private mortgage insurance to decrease. ~~In addition, there is uncertainty surrounding the implementation of the Basel framework and whether its rules will be implemented in the United States. It is possible that its implementation could occur in the United States and its rules could discourage the use of mortgage insurance. See " — Basel Framework " below for further details. In December 2020, the FHFA published a final rule of its Enterprise Capital Framework, which imposes 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 distress. 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 (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. The Enterprise Capital Framework significantly increases capital requirements and reduces capital credit on credit risk transfer transactions as compared to the previous framework. This rule could 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 Enact Holdings and our business. Likewise, legislation or regulation that changes the role of the GSEs, ends the GSEs' conservatorship or increases the number of people eligible for FHA or VA mortgages could have a material adverse effect on Enact Holdings and limit its ability to compete with the FHA or VA thereby adversely impacting our business.~~ Enact Holdings and its U. S. mortgage insurance subsidiaries, as credit enhancement providers in the residential mortgage lending industry, are also subject to compliance with various federal and state consumer ~~66~~ protection and insurance laws, including RESPA, the ECOA, the Fair Housing Act, the Dodd- Frank Act (including the adoption of the QM Rule), HOPA, the FCRA and the Fair Debt Collection Practices Act, among others. These laws prohibit payments for referrals of settlement service business, providing services to lenders for no or reduced fees **,** or payments for services not actually performed ~~,~~ **;** require cancellation of insurance and refund of unearned premiums under certain circumstances ~~,~~ **;** and 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 the operations and profitability of Enact Holdings. Basel Framework ~~In December 2017~~ **Following the financial crisis of 2008** , the Basel Committee on Banking Supervision **issued Basel III that established RBC and leverage capital requirements for most U. S. banking organizations** (~~" Basel Committee ") published the finalization of the post- crisis reforms~~ **although banking 54 organizations with less than $ 10. 0 billion in total assets may now choose** to ~~the Basel~~ **comply with an alternative community bank leverage ratio** framework **established** ~~that were generally targeted for implementation~~ by ~~each participating country by January 1, 2023. Under these revisions to the international framework, banks using the standardized approach to determine their credit risk may consider mortgage insurance in calculating the exposure amount for real estate but will determine the risk- weight for~~

~~residential mortgages based on the loan- to- value ratio at loan origination, without consideration of mortgage insurance. Under the standardized approach, after the appropriate risk- weight is determined, the existence of mortgage insurance could be considered, but only if the company issuing the insurance has a lower risk- weight than the underlying exposure. Mortgage insurance issued by private companies would not meet this test. Therefore, under the Basel framework, mortgage insurance could not mitigate credit and lower the capital charge under the standardized approach. It is possible that~~ the Federal Banking Agencies ~~could determine that~~ **in 2019). In 2013,** ~~their~~ - **the U** ~~current capital rules are as stringent as the Basel framework, in which case no change would be mandated~~ . **S.** ~~However, if the Federal~~ **federal** ~~Banking~~ **banking regulators confirmed** ~~Agencies decide to implement~~ the **role of** ~~Basel framework as specifically drafted by the Basel Committee,~~ mortgage insurance ~~would not lower the~~ **as a component of prudential bank regulation for high** loan- to- value ~~ratio~~ **mortgages. More recently, in July 2023, the U. S. Federal Reserve, the Federal Deposit Insurance Corporation and the Office** of ~~residential~~ **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. 0 billion would no longer receive the 50 % capital relief for high loan- to- value portfolio** loans ~~for capital~~ **with mortgage insurance. If adopted as** ~~purposes~~ - **proposed** ~~and therefore may~~ **, this rule could** decrease the demand for mortgage insurance. ~~Because these reforms~~ **The federal banking regulators** are ~~not yet implemented by national supervisors or~~ **currently in the review process and it remains unclear whether** ~~the~~ **there** ~~Federal Banking Agencies, we cannot predict the mortgage insurance benefits or disadvantages, if any, that ultimately~~ will be ~~provided~~ **changes** to ~~lenders. If~~ the ~~Federal Banking Agencies~~ **final rule ahead of its planned** ~~implement~~ **implementation** ~~the Basel framework~~ in **2025** ~~a manner that does not reward lenders for using mortgage insurance on high loan- to- value mortgage loans, or if lenders conclude that mortgage insurance does not provide sufficient capital incentives, Enact Holdings and our business and results of operations would be materially adversely affected~~ . Our U. S. life insurance subsidiaries may not be able to continue to mitigate the impact of Regulations XXX or AXXX and, therefore, they may incur higher operating costs that could have a material adverse effect on our business, financial condition and results of operations. We have increased term and universal life insurance statutory reserves in response to Regulations XXX and AXXX and have taken steps to mitigate the impact these regulations have had on our business, including increasing premium rates and implementing reserve funding structures. One way that we and other insurance companies have mitigated the impact of these regulations is through captive reinsurance companies ~~and / or special purpose vehicles~~ . If we were to discontinue our use of captive life reinsurance subsidiaries to finance statutory reserves in response to regulatory changes on a prospective basis, the reasonably likely impact would be increased costs related to alternative financing, such as third- party reinsurance, which would adversely impact our consolidated results of operations and financial condition. In addition, we cannot be certain that affordable alternative financing would be available. ~~On March 7, 2016, we suspended sales of our traditional life insurance products.~~ While we are no longer writing new life insurance business, we **may not** ~~cannot provide assurance that we will~~ be able to continue to implement actions to mitigate the impacts of Regulations XXX or AXXX on our in- force term and universal life insurance products which are not currently part of reserve funding structures, or which may be part of existing reserve arrangements and need refinancing. ~~67~~ Additionally, there may be future regulatory, tax or other impacts to existing reserve funding structures and / or future refinancing, which could require us to increase statutory reserves or incur higher operating and / or tax costs ~~. For example, effective January 1, 2017, the NAIC adopted an amended version of AG 48, which was subsequently codified in the Term and Universal Life Insurance Reserve Financing Model Regulation. This regulation becomes effective when formally adopted by the states; however, it is not clear what additional changes or state variations may emerge as the states continue to adopt this regulation. As a result, there is the potential for additional requirements making it more difficult and / or expensive for us to mitigate the impact of Regulations XXX and AXXX. As of November 11, 2022, 25 states (including Virginia, which is the domestic state regulator for GLAIC, one of our principal life insurance subsidiaries) had adopted the model regulation, eight states were considering adoption, and five other states rely on AG 48 and Updated AG 48. This model regulation became an NAIC accreditation standard effective September 1, 2022, and enforcement began January 1, 2023~~ . Operational Risks If we are unable to retain, attract and motivate qualified employees or senior management, our results of operations, financial condition and business operations may be adversely impacted. Our success is largely dependent on our ability to retain, attract and motivate qualified employees and senior management. We face intense competition in our industry for key employees with demonstrated ability, including actuarial, finance, legal, investment, risk, compliance and other ~~professionals~~ - **professional skills** . Our ability to retain, attract and motivate experienced and qualified employees and senior management has been more challenging in light of our previous financial difficulties, announcements concerning expense reductions and from the demands being placed on our employees, as well as recruitment challenges due to the ~~current~~ **ongoing** labor shortage and low labor participation rate. In addition, our ability to attract, recruit, retain and motivate current and prospective employees may be adversely impacted due to uncertainty and / or the ~~company~~ **Company** changing its strategic direction. Furthermore, **should** ~~as the future of work evolves and~~ work arrangements, such as ~~a~~ remote work ~~environment~~ **environments** , become more flexible and commonplace, our ability to compete for qualified employees could be further challenged. A remote work environment ~~could~~ **has** ~~expand~~ **expanded** competition among employers, which **has** likely ~~would exacerbate~~ **exacerbated** the battle for talent in an already tight labor market. We cannot be sure we will be able to attract, retain and motivate the desired **55** workforce, and our failure to do so could have a material adverse effect on our results of operations, financial condition and business operations. 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 adequately plan 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 these employees will continue to be available to us. Enact Holdings' reliance on key customers or distribution relationships could cause a loss of significant sales if one or more of those relationships terminate or are reduced. Our businesses depend on our relationships with our customers, and in particular, our relationships with our largest lending customers in Enact Holdings. Customers place private mortgage insurance provided by Enact Holdings directly on loans that they originate ~~,~~ and ~~they~~ **indirectly through** ~~purchase~~ **purchases of** loans that already have mortgage insurance coverage provided by Enact Holdings. Customer relationships may influence the amount of business written with Enact Holdings and the customers' willingness to continue to approve Enact Holdings as a mortgage insurance provider for loans that they purchase. **In 2023,** Enact Holdings' largest customer accounted for ~~18~~ **19** % of its total new insurance written ~~in 2022~~ and **10 % of** its **total revenues. Its** top five customers generated ~~30~~ **33** % of its new insurance written in ~~2022~~ **2023** . An inability to maintain a relationship with one or more of these customers could have an adverse effect on the ~~68~~ amount of new business Enact Holdings is able to write and consequently, our financial condition and results of operations. Enact Holdings' ability to maintain business relationships and business volumes with its largest lending customers remains critical to the success of our business. **In addition, 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 its business.** We cannot be certain that any loss of business from significant customers, or any single lender, would be replaced by other customers, existing or new. As a result of current market conditions and increased regulatory requirements, Enact Holdings' 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 of an insurer' s pricing, service levels, underwriting guidelines, loss mitigation practices, financial strength, ratings **, mechanisms of credit enhancements** or other factors . Enact Holdings distributes its products through......, financial condition and results of operations . Our businesses 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, including **incremental** controls ~~necessary~~ **added** to implement LDTI, 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. Any material weaknesses in internal control over financial reporting, such as those we have reported in the past, 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, that would result in a material adverse impact on our business and financial condition. ~~69~~ **56** Our computer systems **and those of our third- party service providers have in the past and** may **in the future** fail or be compromised, **including through cybersecurity breaches; we may experience issues from new and complex information technology methodologies such as artificial intelligence;** and unanticipated problems could materially adversely impact our disaster recovery systems and business continuity plans, **any of** which could damage our reputation, impair our ability to conduct business effectively, result in enforcement action or litigation, and materially adversely affect our business, financial condition and results of operations. Our business is highly dependent upon the effective operation of our computer systems. We also have arrangements in place with our partners and other third- party service providers through which we share and receive information. We rely on these systems throughout our business for a variety of functions, including processing claims and applications, providing information to customers and distributors, performing actuarial analyses and maintaining financial records. We have implemented and maintain what we believe to be reasonable security controls and back- up measures, but despite this **,** our computer systems and those of our partners and third- party service providers have been, and may be in the future, vulnerable to physical or electronic intrusions, computer malware, malicious code or other attacks, system failures, programming errors, employee and third- party errors or wrongdoing, and similar disruption or adverse outcomes. 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, financial condition or results of operations. 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 measures ~~will~~ **may not** detect, and protect information assets from **, or fully mitigate** , 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. **Additionally, cybersecurity threats have continued to grow in sophistication, in part through the deployment of artificial intelligence technologies.** The confidentiality, integrity **, security** and availability of information are essential to maintaining our reputation ~~, legal position~~ and ability to conduct our operations. Although we have implemented controls and continue to train our employees, a cybersecurity event could still occur which would cause damage to our reputation with our customers, distributors and other stakeholders, could have a material adverse effect on our business, financial condition or results of operations, or expose us to litigation or other enforcement actions. **For example, during the second quarter of 2023, we were notified by PBI Research Services (" PBI "), a third- party vendor, that PBI was subject to the widely reported security events involving the MOVEit file transfer system, which PBI uses in the performance of its services (the " MOVEit Cybersecurity Incident "). The MOVEit Cybersecurity Incident resulted in the unauthorized acquisition of data by a third party from PBI as well as several organizations and governmental agencies. After being notified of the security event, we, together with PBI, promptly launched an investigation to determine to whether and to what extent personal information had been unlawfully accessed. Approximately 2. 5 to 2. 7 million of our policyholders' or other customers' personal information, including social security numbers, was exposed to and obtained by the threat actor as a result of the MOVEit Cybersecurity Incident. We do not currently believe this incident will have a material adverse effect on our business,**

results of operations or financial condition. However, there could be a material adverse effect in the future, especially if the amount of insurance coverage we maintain is not sufficient to cover claims or liabilities relating to this or a future incident. We retain confidential information in our computer systems, and we rely on commercial technologies to maintain the security of those systems, including computers or mobile devices. Anyone who is able to circumvent our security measures and penetrate our computer systems or misuse authorized access could access, view, misappropriate, alter, delete or disclose any information in the systems, including personal information, personal health information and proprietary business information. Our employees, distribution partners and other vendors use portable computers or mobile devices which may contain similar information to that in our computer **57** systems, and these devices have been and can be lost, stolen or damaged, and therefore subject to the same risks as our other computer systems. In addition, an increasing number of states and foreign countries require that affected parties be notified or other actions be taken (which could involve significant costs to us) if a security breach results in the unlawful disclosure of personal information. We have experienced occasional, actual or attempted breaches of our cybersecurity, although to date, none of these breaches has had a material effect on our business, operations or reputation. Any compromise of the security of our computer systems or those of our partners and third- party service providers that results in the unauthorized disclosure of customer personal information **, like the one involving PBI and MOVEit discussed above,** could damage our reputation in the marketplace, deter people from purchasing our products, subject us to significant civil and criminal liability and require us to incur significant technical, legal and other expenses. ~~The area of cybersecurity~~ **Cybersecurity** ~~and~~ **,** data privacy **and artificial intelligence risks and uncertainties** have come under increased scrutiny in recent years, with various countries, government agencies and insurance regulators introducing and / or passing legislation in an attempt to safeguard personal information from escalating cybersecurity threats **and other unknown risks and uncertainties** . For additional details, see " Regulation — Other Laws and Regulations — ~~Cybersecurity " and " Regulation — Other Laws and Regulations —~~ Privacy **and cybersecurity** ~~of Consumer Information~~ . " We have implemented internal policies, practices and controls designed to comply with applicable data privacy and security laws. Failure **, by us or any third- party on which we rely,** to comply with these laws, regulations and rules may result in ~~70~~ enforcement action, litigation, monetary fines, or other penalties, which could have a material adverse effect on our business, financial condition, and reputation. **For additional details on our cybersecurity risk management, strategy and governance, see " Item 1C — Cybersecurity. "** In addition, 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, particularly if those problems affect our information technology systems and destroy, lose or otherwise compromise **the integrity or availability of** valuable data. Furthermore, in the event that 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. 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 efficiently execute in- house processes **and other outsourcing arrangements,** as well as 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~~ **it** is **possible** ~~no assurance~~ that third- party vendors ~~will~~ **may not** provide accurate and complete information to us **, maintain adequate internal controls** , meet their obligations on a timely basis and adhere to the provisions of our agreements **. If any third- party provider (or such third- party' s supplier, vendor or subcontractor) experiences any deficiency in internal controls, determines that its practices and procedures used in providing services to us (including administering any of our policies) require review, or it otherwise fails to provide services to us in accordance with appropriate standards, we could incur expenses and experience other adverse effects as a result** . Additionally, if a third- party vendor is unable to source and maintain a capable **workforce** ~~work force~~ or supply us with contractors during times of peak volume, then we may be unable to satisfy our customer **obligations and / or regulatory reporting** requirements. In addition, some third- party vendors may provide unique services and the loss of those services may be difficult to replace **and / or the cost to receive the third- party services may be significant, including conversion costs to establish the appropriate technology infrastructure** . Any of the above scenarios could lead to reputational damage and / or an adverse financial impact **, including the imposition of penalties or being subject to litigation costs** . **58** Insurance and Product- Related Risks Enact Holdings may be unable to maintain or increase capital in its mortgage insurance subsidiaries in a timely manner, on anticipated terms or at all, including through improved business performance, reinsurance or similar transactions, ~~asset sales,~~ securities offerings or otherwise, in each case as and when required. Enact Holdings ~~intends to continue~~ **may require incremental capital** to support its ~~increased capital needs to promote its~~ growth, ~~maximize its value and to~~ meet ~~its~~ regulatory **or GSE** capital requirements, ~~including as a result of PMIERs~~ **comply with rating agency criteria to maintain ratings, repay its debt due in 2025, operate and meet unexpected cash flow obligations** . Our ability to support the capital needs of Enact Holdings is limited. ~~See " — We may be unable to successfully execute our strategic plans to strengthen our financial position and create long- term shareholder value. "~~ Accordingly, we are largely reliant on Enact Holdings to support its own capital needs. Furthermore, our current plans do not include any additional minority sales resulting in Genworth owning less than 80 % of Enact Holdings, and accordingly, Enact Holdings' ability to raise additional capital by issuing its stock to third parties is limited. ~~As of December 31, 2022 and 2021,~~ Enact Holdings ~~met~~ **' inability to fund or raise** the ~~PMIERs~~ **capital required in the anticipated timeframes and on the anticipated terms could cause a reduction in its business levels or subject it to a variety of regulatory actions, which would have a material adverse impact on our business, results of operations and** financial ~~and operational requirements. In order to continue to provide a prudent level of financial flexibility in connection with the PMIERs capital requirements given the dynamic nature of asset valuations, requirement changes over time and certain conditions~~ - **condition** ~~and restrictions imposed by the GSEs~~ **. Specifically, as Enact Holdings' outstanding debt matures** , Enact Holdings may **face challenges in** ~~be required to execute future financing~~ **refinancing** ~~transactions, including~~

~~additional credit risk transfer transactions and~~ **or extending the debt on favorable terms. Unfavorable market** ~~contributions~~ -- **conditions** ~~of~~ **, changes in Enact Holdings' financial position or changes to** its **ratings could limit** ~~holding company cash. See " — If Enact is~~ **its** ~~unable~~ **ability** to **refinance** ~~continue to meet the requirements mandated by PMIERs because the GSEs amend them~~ - **the debt, potentially impacting** ~~or~~ **our liquidity** ~~the GSEs' interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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~~ . ~~" The~~ **In addition, the** implementation of any further credit risk transfer 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 ~~or other actions~~ (including approval by regulators and the GSEs) ~~,~~ and other factors which are outside Enact Holdings' control **.** ~~, and therefore~~ **Therefore ,** ~~we cannot be sure~~ Enact Holdings ~~will~~ **may not** be able to successfully implement these actions on the anticipated timetable and terms, or at all. Even if Enact Holdings is able to successfully implement these actions, ~~there is no assurance~~ it ~~will~~ **may not** be able to achieve the anticipated benefits from the actions. ~~71~~ Reinsurance may not be available, affordable or adequate to protect us against losses. As part of our overall risk and capital management strategy, we purchase reinsurance from external reinsurers, use credit risk transfer transactions and provide internal reinsurance support for certain risks underwritten by our various business segments. These reinsurance arrangements and credit risk transfer transactions are intended to enable our businesses to transfer risks in exchange for some of the associated economic benefits and, as a result, improve our statutory capital position, manage risk to within our tolerance level and improve the PMIERs position of Enact Holdings. The availability and cost of reinsurance protection are impacted by our operating and financial performance, including ratings, as well as conditions beyond our control, including changes in regulation. For example, our U. S. life insurance subsidiaries' low financial strength ratings may reduce the availability of certain types of reinsurance and **have** ~~make~~ **made** it more costly when it is available, as reinsurers ~~are~~ **have been** less willing to take on credit risk in ~~a~~ **the** volatile market. Accordingly, we may **continue to** be forced ~~to incur~~ **into incurring** additional expenses for reinsurance **and /** or **we** may not be able to obtain new reinsurance or renew existing reinsurance arrangements on acceptable terms, or at all, which could increase our risk and adversely affect our ability to obtain statutory capital credit for new reinsurance or could require us to make capital contributions to maintain regulatory capital requirements. **Moreover,** ~~Our U. S. mortgage insurance subsidiaries have incurred higher expenses associated with credit risk transfer transactions during 2021 and 2022 for a variety of reasons and in the future may be unable to obtain new transactions on acceptable terms or at all. Absent~~ **absent** the availability and affordability to enter into new credit risk transfer transactions, the ability of Enact Holdings to obtain PMIERs or statutory credit for new transactions would be adversely impacted. See " — If Enact is unable to continue to meet the requirements mandated by PMIERs because the GSEs amend them or the GSEs' interpretation of the financial requirements requires Enact to hold amounts of capital that are higher than planned or otherwise, Enact 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 also manage risk and capital allocated to our long- term care insurance business through utilization of external reinsurance in the form of coinsurance. Our U. S. life insurance subsidiaries have executed external reinsurance agreements to reinsure sales of some of their older blocks of long- term care insurance products (10 % of new business issued from 2003 to 2008; 20 % to 30 % of new business issued from 2009 to 2011; and 40 % of **59** new business issued from 2011 to early 2013). We also have external reinsurance on some older blocks of business which includes a treaty on a yearly renewable term basis on business that was written between 1998 and 2003. This yearly renewable term reinsurance provides coverage for claims on those policies for 15 years after the policy was written. After 15 years, reinsurance coverage ends for policies not on claim, while reinsurance coverage continues for policies on claim until the claim ends. The 15- year coverage on the policies written in 2003 expired in 2018; therefore, any new claims will not have reinsurance coverage under this treaty. Since 2013, we have seen, and may continue to see, an increase in our benefit costs as policies with reinsurance coverage exhaust their benefits or terminate and policies which are not covered by reinsurance go on claim. Over time, ~~there can be no assurance that~~ affordable ~~,~~ or any ~~,~~ reinsurance ~~will~~ **may not** continue to be available. A decrease in the volume of high loan- to- value home mortgage originations or an increase in the volume of mortgage insurance cancellations could result in a decline in Enact Holdings' revenue. Enact Holdings provides mortgage insurance primarily for high loan- to- value mortgages. Factors that could lead to a decrease in the volume of high loan- to- value mortgage originations include, but are not limited to: • an increase in home mortgage interest rates; • limitations on the tax benefits of homeownership and mortgage interest; • implementation of more rigorous mortgage lending regulation; • a decline in economic conditions generally, or in conditions in regional and local economies; • events outside of Enact Holdings' control, including natural and man- made disasters and pandemics adversely affecting housing markets and home buying; ~~72~~ • 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 loan- to- value ratios that require mortgage insurance; and • changes in government housing policy encouraging loans to first- time home buyers. A decline in the volume of high loan- to- value mortgage originations would reduce the demand for mortgage insurance and, therefore, could have a material adverse effect on Enact Holdings and our financial condition and results of operations. In addition, each year, Enact Holdings recognizes a significant percentage of its earned premiums from renewal premiums on insurance policies written in previous years ~~. For the year ended December 31, 2022, we estimate that approximately 90 % of Enact Holdings' gross earned premiums were renewal premiums compared to approximately 84 % and 85 % for the years ended December 31, 2021 and 2020, respectively~~ . As a result, the length of time insurance remains in- force is an important determinant of Genworth' s mortgage insurance revenues. Fannie Mae, Freddie Mac and many other mortgage investors generally permit a homeowner 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. 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 the insurance policies with new mortgage loans that may not require mortgage insurance or that Enact Holdings does not insure; • customer concentration levels with certain customers that actively market refinancing opportunities to their existing borrowers; **60** • 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 ~~federal~~ law ~~or mortgage insurance cancellation practices by mortgage lenders and investors~~ . Any change in the methodology by which servicers determine the cancellation dates of mortgage insurance under HOPA; GSE requirements or otherwise, including as a result of changes in law or regulation; GSE rules or guidance, including changes in response to COVID- 19 or homeowner affordability initiatives; and / or for any other reason, could reduce the amount of Enact Holdings' insurance in- force and may have a material adverse effect on our financial condition and results of operations. Enact Holdings ~~' primary~~ **experienced elevated** persistency **in 2023** ~~rates were 80 %, 62 %~~ and ~~59 % for the years ended December 31,~~ 2022 ~~, 2021 and 2020, respectively~~ **primarily as a result of the rising interest rate environment in response to inflationary pressures** . A decrease in persistency generally would reduce the amount of Enact Holdings' insurance in- force and could have a material adverse effect on our financial condition and results of operations. Conversely, higher persistency on certain higher- risk products could have a material adverse effect if claims generated by such products remain elevated or increase. ~~73~~ The amount of mortgage insurance written by Enact Holdings 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 written by Enact Holdings. These alternatives include: • originating mortgages that consist of two simultaneous loans, known as " simultaneous seconds, " comprising a first mortgage with a loan- to- value ratio of 80 % and a simultaneous second mortgage for the excess portion of the loan, instead of a single mortgage with a loan- to- value 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 in the United States, requiring lower mortgage insurance coverage levels; • originating and securitizing loans in mortgage- backed securities 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, Enact Holdings' revenue could be adversely impacted. The loss of business in general or the specific loss of more profitable business in Enact Holdings could have a material adverse effect on our results of operations and financial condition. **Additionally,** Enact Holdings **competes** ~~is exposed to potential liabilities in connection~~ with **the FHA and the VA** ~~its U. S. contract underwriting services which could have a material adverse effect on our business~~ , **as well as certain local- and state- level housing** ~~financial~~ **finance agencies** ~~condition and results of operations~~ . **Separately, the government- owned and government- sponsored enterprises, including Fannie Mae and Freddie Mac, compete with** Enact Holdings **through** ~~offers contract underwriting services to~~ certain ~~Holdings through certain~~ of their risk- sharing insurance programs.Those competitors may establish pricing terms and business practices that may be influenced by **61** motives such as advancing social housing policy or stabilizing the mortgage lending industry,which 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 cost of capital** that Enact Holdings and other mortgage insurance companies have and therefore may have financial flexibility in their pricing and capacity that could put Enact Holdings at a competitive disadvantage.In the event that a government- owned or sponsored entity decides to change prices significantly or alter the terms and conditions ~~of its~~ of its mortgage **insurance** ~~lenders, pursuant to which its employees and contractors work directly with the lender to determine whether the data relating to a borrower and a proposed loan contained in a mortgage loan application file complies with the lender' s loan underwriting guidelines~~ or ~~the investor' s loan purchase requirements. In connection with that service, Enact Holdings also compiles the application data and submits it to the automated underwriting systems of Fannie Mae and Freddie Mac, which independently analyze the data to determine if the proposed loan complies with their~~ - **other** ~~investor requirements. Under contract underwriting agreement terms, Enact Holdings agrees to indemnify the lender against losses incurred in the event material errors are made by its contract underwriters in determining whether loans meet specified underwriting or purchase criteria, subject to contractual limitations. As a result, Enact Holdings assumes~~ credit ~~and processing~~ **enhancement products in furtherance of social or other goals rather than a profit or** risk **management motive** ~~in connection with its contract underwriting services. If Enact Holdings' reserves for potential claims in connection with its contract underwriting services are inadequate as a result of differences between its estimates and assumptions or other reasons~~ , Enact Holdings may be ~~required~~ **unable** to **compete effectively** ~~increase its underlying reserves~~ , which could **have a** ~~materially~~ -- **material** ~~adversely~~ -- **adverse** ~~affect~~ **effect on** our **business,** ~~results of operations and~~ financial condition **and results of operations** . Enact Holdings' delegated underwriting program may subject its mortgage insurance subsidiaries to unanticipated claims. Certain of Enact Holdings' customers commit Enact Holdings to insure loans that use its pre- established guidelines under delegated underwriting authority. Delegated underwriting represented approximately **70 % and** 71 ~~% and 65~~ % of Enact Holdings' total new insurance written by loan count for the years ended December 31, **2023 and** 2022 ~~and 2021~~ , respectively. Once a customer is accepted into Enact Holdings' delegated underwriting program, a loan originated by that customer is generally insured without validating the accuracy of the data submitted, ~~74 investigated~~

investigating for fraud or ~~reviewed~~ **reviewing** to ensure the customer followed the pre- established guidelines for delegated underwriting. Under this program, it is possible a customer could commit Enact Holdings to insure a material number of loans that would fail Enact Holdings' pre- established guidelines for delegated underwriting but pass its model, among other criteria, before Enact Holdings discovers the problem and terminates the customer' s delegated underwriting authority. Although coverage on such loans may be rescindable or otherwise limited under the terms of Enact Holdings' master policies, the burden of establishing the right to rescind or deny coverage lies with the insurer. To the extent that Enact Holdings' customers exceed their delegated underwriting authorities, our business, results of operations and financial condition could be materially adversely affected. Medical advances, such as genetic research and diagnostic imaging, **emerging new technology, including artificial intelligence** and related legislation **,** could materially adversely affect the financial performance of our life insurance, long- term care insurance and annuity businesses. Genetic testing research and discovery is advancing at a rapid pace. **In addition, future reliance on new artificial intelligence methodologies may drastically change medical research and science.** Though some of this **medical** research is focused on identifying the genes associated with rare diseases, much of the research is focused on identifying the genes associated with an increased risk of various common diseases such as diabetes, heart disease, cancer and Alzheimer' s disease. Diagnostic testing utilizing various blood panels or imaging techniques, including the use of artificial intelligence, may allow clinicians to detect similar diseases during an earlier treatment phase and prescribe more acute medicine or treatments. We believe that if an individual learns through such testing that they are predisposed to a condition that may reduce their life expectancy or increase their chances of requiring long- term care, they potentially will be more likely to purchase life and long- term care insurance policies or avoid lapsing their existing policy. In contrast, if an individual learns that they lack the genetic predisposition to develop the conditions that reduce longevity or require long- term care, they potentially will be less likely to purchase life and long- term care insurance products or allow their life and long- term care insurance policies to lapse ~~,~~ but would be more likely to purchase certain annuity products. Being able to access and use the medical information (including the results of genetic ~~and~~ **research,** diagnostic testing **and artificial intelligence methodologies**) known to our prospective policyholders is important to ensure that an underwriting risk assessment matches the anticipated risk priced into our life and long- term care insurance products, as well as our annuity products. Currently, there are some state level restrictions related to an insurer' s access and use of genetic information, and periodically new genetic testing legislation is being introduced. However, further restrictions on the access and use of such medical information could create a mismatch between an assessed risk and the product pricing. Such a mismatch has the potential to increase product pricing causing a decrease in sales to lower risk individuals resulting in higher risk individuals becoming the more likely buyer. In addition, it is possible that regulators may enforce anti- discrimination provisions even **62** when medical information is available that indicates a purchaser is at higher risk. The net result of this could cause a deterioration in the risk profile of our portfolio which could lead to payments to our policyholders and contractholders that are materially higher than anticipated. Any of these events could materially adversely affect our business, results of operations and financial condition. In addition to earlier diagnosis or knowledge of disease risk, medical advances may also lead to newer forms of preventive care which could improve an individual' s overall health and / or longevity. If this were to occur, the duration of payments made by us under certain forms of life insurance policies or annuity contracts would likely increase thereby reducing our profitability on those products. Conversely, slower progressing medical advances, particularly in the areas of cognitive decline, could adversely impact our long- term care insurance business as policyholders may remain on claim for a long period of time resulting in higher severity and duration of claims. ~~75~~ Other ~~General~~ **Emerging** Risks ~~The~~ **Other emerging risks, such as the** occurrence of natural or man- made disasters, including geopolitical tensions and war ~~(including the Russian invasion of Ukraine)~~ ; a public health emergency, including pandemics; climate change **;** or ~~a cybersecurity breach~~ **unknown risks and uncertainties associated with artificial intelligence** could materially adversely affect our business, financial condition and results of operations. We are exposed to various risks arising out of natural disasters, including fires, earthquakes, hurricanes, floods and tornadoes, many of which could be exacerbated by climate change. Increasing geopolitical tensions and war **(including the Russian invasion of Ukraine and the Israel- Hamas conflict)** could impact the economic environment and reduce available resources or increase costs due to supply chain impacts, including restricting oil supply and / or increasing the price of oil. The risk of a public health emergency, including from a pandemic, exposes us to risks similar to those experienced during COVID- 19. A future natural or man- made disaster could disrupt our computer systems and our ability to conduct or process business, as well as lead to unexpected changes in mortgage borrower, policyholder and contractholder behavior. We are also exposed to the continued threat of terrorism, military actions ~~, cybersecurity breaches~~ and other man- made disasters, which may cause significant volatility in global financial markets and could trigger an economic downturn in the areas directly or indirectly affected by the disaster. These consequences could, among other things, result in a decline in business and increased claims from those areas, as well as an adverse effect on home prices in those areas, which could result in increased loss experience in our mortgage insurance subsidiaries. Disasters or a public health emergency, including a pandemic, could also disrupt public and private infrastructure, including communications and financial services, which could disrupt our normal business operations. ~~76~~ **Our inability to anticipate and leverage new technology developments, such as artificial intelligence, could adversely affect the future success of our business. We may not be successful in anticipating or responding to these developments on a timely and cost- effective basis, and our investments in these capabilities may not deliver the benefits anticipated or perform as expected. Poor implementation of new technologies, including artificial intelligence, by us or our third- party service providers, could subject us to additional risks we cannot adequately mitigate, which could have a material adverse impact to our business, results of operations and financial condition. Item 1B. Unresolved Staff Comments We have no unresolved comments from the staff of the SEC. Item 1C. Cybersecurity We have identified information technology and cybersecurity risk as some of the most significant risk types to our business. Related to these identified risk types, we have classified our top risks and report these risks to 63**