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Our sustainability framework



2018 highlights

ENVIRONMENT

Scope 1 and 2 emissions down by

27%

Reduced air travel emissions by

24%



NABERS energy rating for head office 4.5 stars



Head office located in a 5 star Green Star rated building



PEOPLE



Awarded WGEA Employer of Choice for Gender Equality



API 2018 Workplace Diversity Award



Reduced gender pay gap by

2%

COMMUNITY



Assisted

9,873

of borrower hardship cases



Borrower education: published free first home buyer magazine



\$254,000

in charitable donations



63%

of Genworth employees volunteered

MARKETPLACE



Facilitated

59,821

new policies valued at

\$22.2b



1.3m+

policies in place



Investment in fintech



1. CEO and MD's message

I am pleased to present the 2018 Sustainability Report (Report) for Genworth Mortgage Insurance Australia Limited (Genworth or the Company).

Our 2018 Sustainability Report builds upon last year's inaugural report, by providing an update on improvements we have made in capturing data and measuring our environmental footprint. It also sets out details of progress we are making in improving our performance across our four sustainability pillars.

Genworth has a proud history of being a lenders mortgage insurer in Australia for more than 50 years. Our vision is to help Australians achieve the dream of home ownership by being a leading provider of risk and capital management solutions in the Australian residential mortgage market.

We recognise that we operate in a market facing increased focus by investors, regulators and policymakers on environmental, social and governance (ESG) matters such as climate change, culture and accountability.

As a result, our strategic focus incorporates initiatives that enable us to positively contribute to the social,

economic and environmental wellbeing of the communities that we are part of.

We have a broad range of stakeholders and believe we have a role to play in supporting the strength and stability of the Australian housing market in both good times and times of stress.

In our 2017 Sustainability Report we set out our sustainability framework, which comprises four pillars (Environment; Our People; Community; and Marketplace). Our performance against each of these pillars in 2018 is set out in this Report. Our priorities throughout the year were on:

- implementing systems and processes to improve our sustainability reporting including capturing empirical environmental data;
- adopting a publicly disclosed Sustainability Policy;
- participating in sustainability surveys relating to the FTSE4Good index review and APRA's climate change survey;
- establishing a working group to identify, measure and monitor the implications of climate change risks;
- completing a board led governance self-assessment which included a review of Genworth's culture, leadership, accountability, risk and compliance practices;

- continuing to work with our lender customers, regulators and policy leaders to promote a stronger and more sustainable housing market in Australia; and
- progressing work on developing aspirational five-year targets across all four of our sustainability pillars.

Looking ahead, our annual Sustainability Reports will detail the traction we are garnering from initiatives implemented to improve our sustainability performance. Whilst we have adopted targets across a number of our sustainability pillars, others such as our environmental footprint require us to undertake further work to ensure we have a robust and independently verified framework to accurately collect data and measure performance year on year on a consistent and comparable basis. This empirical data collection process which commenced in 2018 will enable us to develop strategies, identify initiatives and set long term sustainability targets and goals.

We appreciate many of our stakeholders are interested in our sustainability performance and I hope you find this report informative.

We look forward to updating you on our progress and welcome your feedback on this Report which can be provided by emailing us at: investorrelations@genworth.com



Georgette Nicholas
**Chief Executive Officer
and Managing Director**
Genworth Mortgage Insurance
Australia Limited



2. About this Report

Reporting period

This report covers the period 1 January 2018 to 31 December 2018 unless otherwise stated and is aligned with the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

Scope

The assets covered in this Report are those that Genworth had operational control of during 2018. This Report does not extend to those assets in which Genworth has a financial interest but is not responsible for managing on a day-to-day basis. All amounts in this report are in Australian dollars unless otherwise specified.

Third party assurance

The environmental data set out in this Report has been subject to independent and external assurance by Nova Consulting Group, Inc.

Most of the financial information set out in this Report is sourced from the 2018 Genworth Annual Report which has been audited by KPMG.

Verification process

Information made available in this report has been prepared by employees of the business and then verified by another Genworth employee from a separate team.

Where financial information is not sourced from the 2018 Genworth Annual Report, a similar process as identified above was used to collate and prepare the information.

Additional information and questions

For additional sustainability information including detailed environmental data, please refer to section 7 of this Report. This section includes our reporting definitions, boundaries and information on the GRI Index.

The 2018 Sustainability Report should be read in conjunction with the 2018 Annual Report and 2018 Corporate Governance Statement.

Historical reports

The 2017 Sustainability Report is available at www.genworth.com.au/sustainability.

3. Who we are

Genworth is an Australian public company listed on the Australian Securities Exchange (ASX code: GMA).

Genworth's primary business activity is the provision of lenders mortgage insurance (LMI) to our lender customers. We have been a leading provider of LMI in Australia for over 50 years, having been established as the Housing Loans Insurance Corporation (HLIC) in 1965 by the Australian Government. Since 2000, Genworth has written over 3.3 million policies valued at \$761 billion.

LMI facilitates residential mortgage lending by transferring risk from lenders to LMI providers, predominantly for high loan-to-value ratio (LVR) loans where the loan amount exceeds 80% of the property value.

We believe that the provision of LMI to lenders has contributed to comparatively high levels of home ownership in Australia by facilitating residential mortgage loan accessibility and supporting the strength and stability of the Australian financial system.

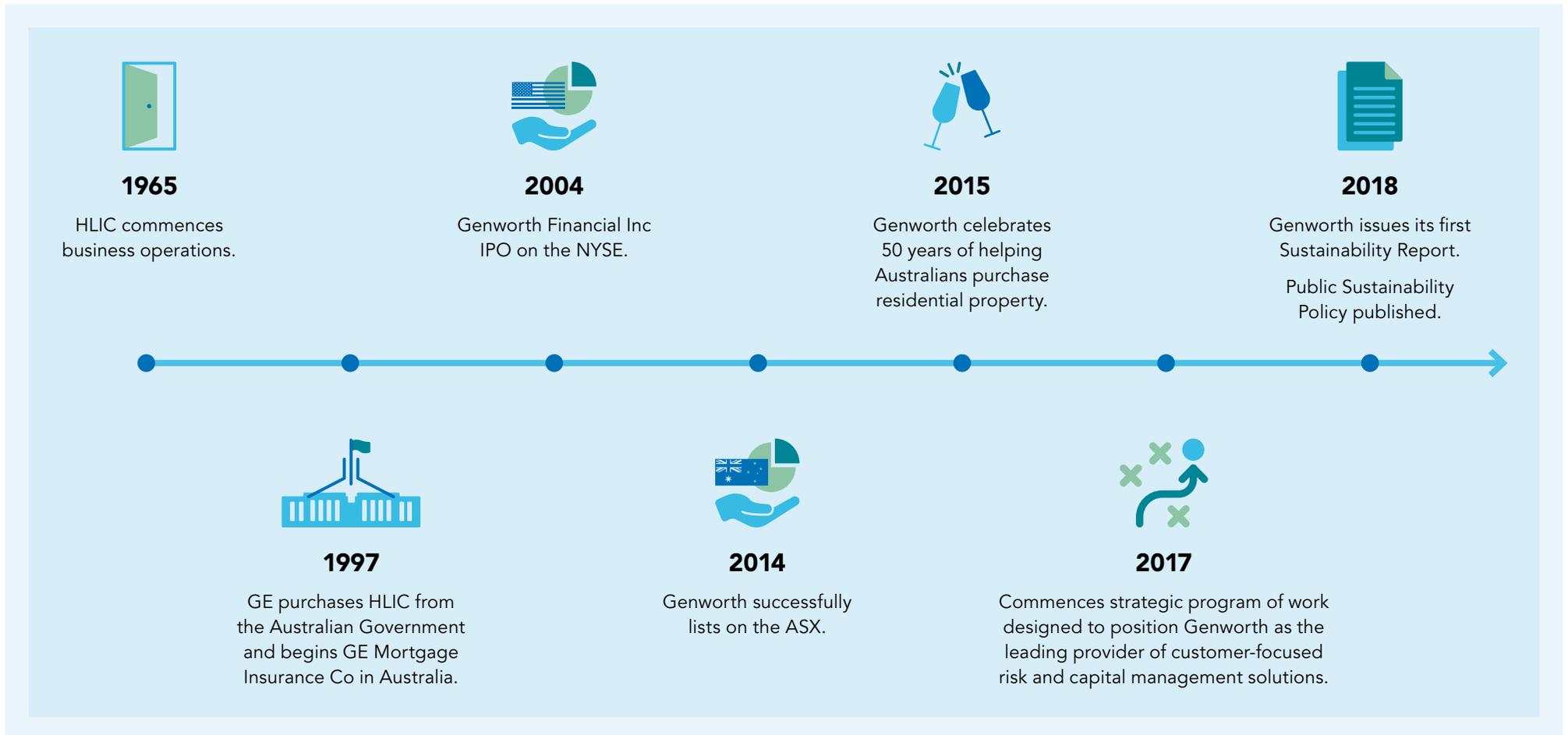
Over the past two years we have sought to redefine our core business model to address evolving lender and borrower expectations in the face of regulatory and technological change. Genworth's strategic focus is to be the leading provider of risk and capital management solutions in the Australian residential mortgage market.

This has involved the broadening of our product offering, in ways that are complementary to LMI, to include a suite of risk and capital management solutions for lenders operating in the Australian residential mortgage market.

Genworth employs 228 people and operates out of three offices across Australia (Sydney, Melbourne and Brisbane). We have commercial relationships with over 100 lenders, including Australia's five largest banks.

In 2018, New Insurance Written was \$22.2 billion and Gross Written Premium totalled \$460.2 million. Our cash and investments portfolio totalled \$3.2 billion, with 83% in cash, cash equivalents and fixed income securities rated A- or higher.

3. Who we are (continued)



Further information

For more about Genworth visit:

[About Genworth and LMI](#)

[Board](#)

[Senior Leadership Team](#)

[Financial performance \(2018 Annual Report\)](#)

[Corporate Governance and policies](#)

[Board and Committees](#)

4. Materiality and stakeholder engagement

4.1 Materiality

The GRI Sustainability Reporting Standards place materiality at the forefront of the reporting process. For the purposes of developing a strategic approach to managing sustainability and aligning with the GRI Sustainability Reporting Standards, we have determined our material issues by adopting the following four step process.



1. Identification

We engaged with our major stakeholders to identify the issues of greatest concern to them. This included obtaining feedback from our employees, senior executive teams, board members, shareholders, industry bodies, ratings agencies, government bodies and regulators.



2. Assessment

We assessed the issues identified through a framework of independent third-party guidelines such as the GRI Sustainability Reporting Standards, peer benchmarking and our own analysis of the wider environmental, social and economic impact of the issues raised.



3. Materiality verification

We determined which issues raised by our stakeholders were material by further discussing the outcomes of our stakeholder engagement with relevant internal and external stakeholders.



4. Prioritisation

Finally, we prioritised the sustainability issues based on the importance to our business and our stakeholder expectations.

4.2 Stakeholder engagement

Stakeholder engagement is key to the ongoing success of our business and our approach to sustainability. We have many different stakeholders we engage with in various ways.



Shareholders

Our Disclosure Policy outlines how we comply with our continuous disclosure obligations in a timely and transparent manner. We provide half year and full year financial results updates in August and February each year.

We also issue an Annual Report and Corporate Governance Statement.

Our [Disclosure Policy](#) and a summary of our [Media and Public Relations Policy](#) is available on our corporate website.

Retail shareholders

We have dedicated staff in our corporate head office for responding to retail shareholder questions and feedback.

We also communicate regularly with our retail shareholders via our website, email, mail-outs and at our Annual General Meeting, which provides the opportunity to ask questions and provide feedback directly to the Chairman, Board and CEO.

Institutional shareholders

Our Investor Relations team, CEO and CFO are available to answer questions or receive feedback from institutional investors. We meet with our institutional investors on a regular basis as part of our:

- post-results domestic and international roadshows;
- broker hosted investor briefing sessions; and
- regular meetings on an 'as requested' basis throughout the year.

Investment analysts

Investment analysts are invited to participate via webcast or phone call in our half and full year results briefings during which they can ask questions of our CEO and CFO. These briefings are available to all shareholders to listen to live or on replay through the website.



Lender customers

Our Commercial Partnerships team manages the relationships and engagement programs with our lender customers. They obtain feedback in face-to-face meetings, phone calls and via email. This is complemented by feedback generated from our:

- annual customer engagement surveys; and
- underwriting pulse surveys that track and monitor real-time feedback on all origination-based experiences.

We also engage with our lender customers via workshops, industry forums, training sessions, our website, online portal, social media platforms (Facebook and LinkedIn) and our originations call centre.

4.2 Stakeholder engagement (continued)



Employees

We place great importance on engaging with our people via a range of means including:

- employee engagement surveys;
- quarterly Town Halls and fortnightly OpsTalk gatherings (information sharing forums);
- our internal corporate communication and collaboration tool, Workplace by Facebook;
- regular touchpoint conversations between managers and their team members;
- regular professional and development reviews;
- email; and
- social and community events.



Home buyers

We engage with this large stakeholder group through our website and Facebook. As part of our ongoing commitment to educating this group about the home buying process and role of LMI, we produce numerous online tools such as our LMI fact sheet, our buy or rent calculator, and our annual magazine, [It's My Home](#), produced in both digital and hard copy.



Reinsurers

As at 31 December 2018, Genworth had \$800 million of excess of loss cover placed with a well-diversified panel of over 20 different reinsurers. We engage with these reinsurers regularly throughout the year in face-to-face meetings including a reinsurers' update held in Australia in May and a roadshow in September covering London, Bermuda and New York.



Industry bodies

We are members of the following industry bodies. Through our memberships, we participate in discussions regarding issues facing the industry and related lobbying activity. Increasingly, we will look to ensure we are engaging these bodies in discussions regarding sustainability:

Insurance Council of Australia

The Insurance Council of Australia (ICA) is the peak national body of the general insurance industry in Australia. The ICA represents approximately 95% of total premium income written by private sector general insurers. The industry employs approximately 60,000 people and on average pays out about \$135.9 million in claims each working day¹. Our CEO and Managing Director, Georgette Nicholas, was appointed to the ICA Board of Directors in 2018. In addition, several Genworth employees are members of the ICA LMI Committee, ICA Climate Change Committee and other relevant committees established by the ICA.

¹ Insurance Council of Australia website, viewed 13 March 2019.

Australian Securitisation Forum

The Australian Securitisation Forum (ASF) promotes the development of securitisation in Australia. It is the peak industry body representing participants in the securitisation market, which include banks, non-bank issuers, fixed income investors and service providers to the sector. The ASF promotes the industry to government, regulators, the public, investors and others who have an interest or potential interest both in Australia and overseas, regarding the benefits of securitisation in Australia and aspects of the securitisation industry.

Mortgage and Finance Association of Australia

The Mortgage and Finance Association of Australia (MFAA) is a national body for professional mortgage and finance brokers, mortgage managers and aggregators. The MFAA was established in 1980 and contributes to a healthy, competitive mortgage and finance industry through advocacy, education and business-building support.

4.2 Stakeholder engagement (continued)



Government

Genworth is authorised under the Insurance Act 1973 as a general insurer in Australia to provide LMI. In this capacity, we engage regularly throughout the year with the Commonwealth and State Treasuries, as well as other government departments and agencies.



Ratings agencies

Both Standard & Poor's Ratings Services and Fitch Ratings provide credit ratings on Genworth Financial Mortgage Insurance Pty Ltd. We meet in person with representatives from both agencies each year for an annual management meeting and liaise regularly with them via conference calls and email correspondence including at the time of announcement of our financial results.



Landlords

We formally meet with our Sydney landlord on a quarterly basis and speak on a weekly basis. In Melbourne and Brisbane, we speak to our landlords' agent regularly.



Regulators

Like other locally based companies in the Australian financial services sector, Genworth falls under the auspices of the Australian Prudential Regulation Authority (APRA). APRA is an independent statutory authority that supervises financial institutions across banking, insurance and superannuation and promotes financial system stability in Australia. We regularly meet with APRA supervisory teams like all Australian-authorized general insurers.

In addition, Genworth is also regulated by:

- the Australian Securities Exchange;
- the Australian Securities and Investments Commission;
- the Reserve Bank of New Zealand for Genworth insured loans in New Zealand noting that no new business has been written since 1 October 2013; and
- the Bermuda Monetary Authority following the establishment of a Bermudian insurance entity as part of its new product offerings.



Community partners

Our community plan focuses on three key areas: homelessness; education; and basic needs. We engage with various community partners focused on each of these areas at both a corporate level and at an employee level via volunteering programs.



Investment managers

As at 31 December 2018, Genworth had \$3.2 billion of investment assets on its balance sheet. These assets are predominantly managed by external specialist fund managers. In 2018, Genworth's external managers were Colonial First State Global Asset Management (Australia) Limited, nabInvest Capital Partners Pty Ltd and Wellington Management Australia Pty Limited. We engage with our fund managers regularly throughout the year in face-to-face meetings. In addition, we receive regular reports and undertake regular and ad hoc conference calls.



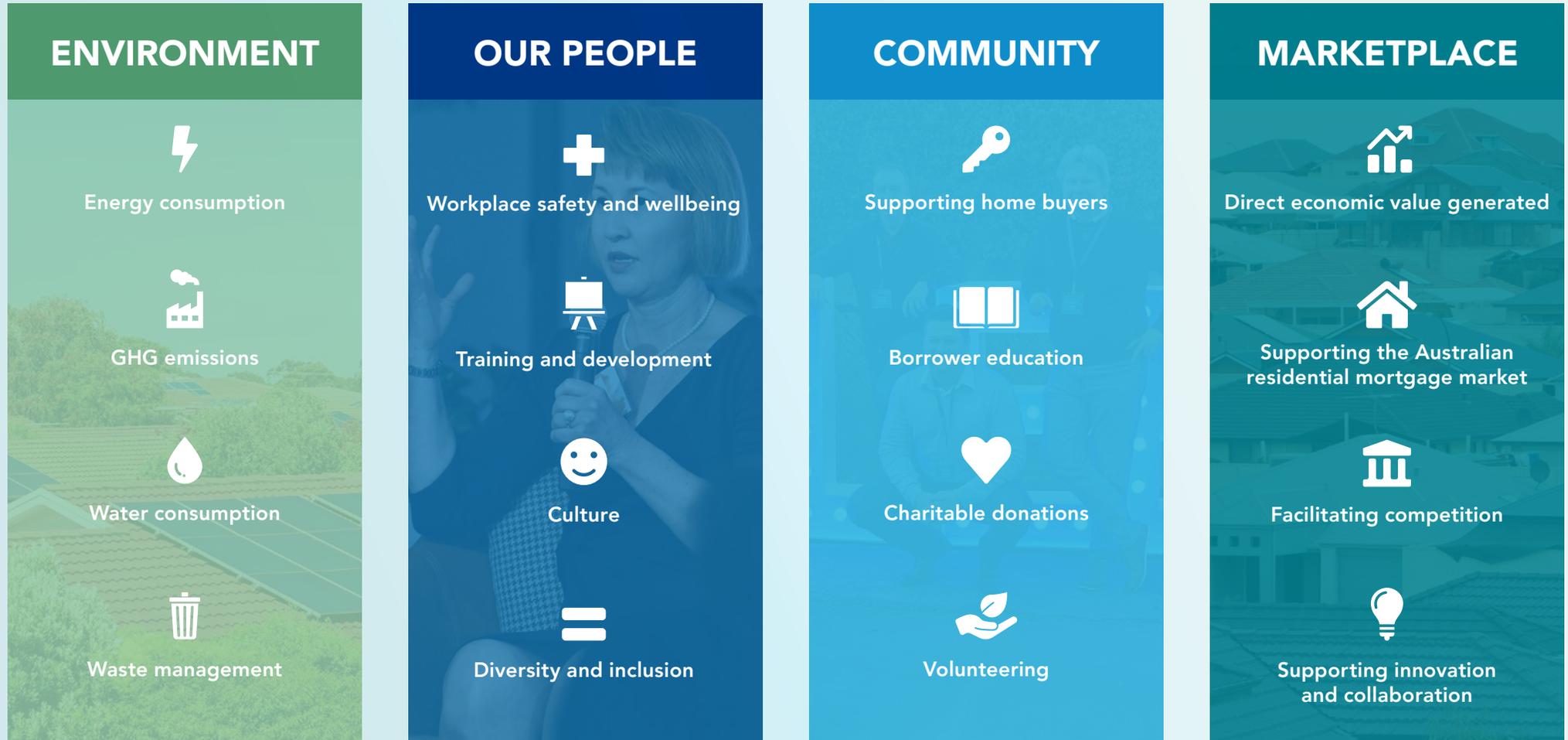
Suppliers

Due to the nature of our business, most of our suppliers provide services as opposed to products. Our suppliers are generally engaged after a competitive bidding process during which we assess their ability to perform a defined scope of work and their approach to sustainability. Once engaged, we undertake risk assessments and reference checks as well as regular business reviews for suppliers identified as higher risk. We are committed to ensuring that all necessary laws, regulations, rules and agreements are complied with when engaging suppliers.

We continue to meet with our suppliers around the changing regulatory and compliance landscape. Work has commenced around building a framework to undertake a risk assessment of our current suppliers in relation to the Modern Slavery Act 2018. In addition, the process to implement a supplier code of conduct for all existing and new suppliers commenced and is likely to be introduced by the end of 2019.

5. Our sustainability pillars

Based on our stakeholder engagement and four-step materiality assessment, we have identified the following sustainability areas to be of greatest relevance to our business and stakeholders.



5.1 Environment



Genworth recognises the importance of minimising the environmental impact of our operations and business.

We believe this reduces our environmental footprint and makes our business more cost efficient.

For the purposes of this Report we have identified the following environmental matters as significant to our business:

- Energy consumption;
- Greenhouse gas (GHG) emissions;
- Water consumption; and
- Waste management.

We are continuing to develop and refine our reporting process to ensure we understand and accurately measure our environmental footprint. This will in turn

enable us to develop environmental targets and implement initiatives that reduce our environmental footprint.

In terms of our physical footprint, set out below is the leased office space that Genworth has had operational control of in both 2017 and 2018. This remained the same over both years.

Table 1: Leased office space and floor area

Location	Floor area (m ²)
Sydney (head office)	4,497
Melbourne office	290
Brisbane office	90
Total	4,877

Actual occupied space decreased in 2018.

5.1 Environment (continued)

Environment section calculation methodology

Given that Genworth's first Sustainability Report was the 2017 Sustainability Report, the aim of this Report is to compare our environmental performance across 2017 and 2018 on a consistent, 'like-for-like' basis.

At the time of preparation of the 2017 Sustainability Report empirical data was not available in relation to Genworth's energy consumption, GHG emissions, water consumption and waste management. As a result, estimates were developed with the assistance of an external consultant (ADEC) based on Australian-specific usage data.

These estimates were verified by a third party (Nova Consulting). In 2018 we again engaged ADEC and have sought to improve our data collection and calculation methodologies, by collating empirical data where available. Set out in Table 2 is a summary of the calculation methodology adopted in our 2017 and 2018 Sustainability Reports.

Table 2: Summary of environment calculation methodology adopted in Sustainability Reports

	2017 Sustainability Report	2018 Sustainability Report ¹
Direct energy consumption	Estimate based on Australian-specific office building energy use	Empirical data
Indirect energy consumption	Estimate based on Australian-specific office building energy use	Empirical data
Direct and indirect greenhouse gas emissions	Estimate based on Council of Australian Governments study	(Australian National Greenhouse Account Factors) X (Empirical electricity data)
Scope 3 emissions	Business travel – Air: (Spend Data) X (Quantis Scope 3 Evaluator Tool) Business travel – Hotel: (Number of Hotel Nights Stayed) X (Quantis Scope 3 Evaluator Tool)	Business travel – Air: (Distance Travelled) X (United Kingdom Government Greenhouse Gas Reporting: Conversion Factors 2018) – Recalculated for 2017 Business travel – Hotel: (Number of Hotel Nights Stayed) X (Quantis Scope 3 Evaluator Tool) Employee commute: (Estimated Distance Commuted Based on Employee Survey) X (United Kingdom Government Greenhouse Gas Reporting: Conversion Factors 2018) – Calculated for 2018 and scaled for 2017 using 2017 employee numbers Ground transportation: (Spend Data) X (Quantis Scope 3 Evaluator Tool) – Calculated for 2017 and 2018
Water consumption	Estimates based on applicable rates	Sydney: (Proportion of net lettable area) X (Total building water consumption) Brisbane/Melbourne ² : (Sydney water use per m2) X (Respective floor areas)
Waste management	Estimates based on applicable rates	Sydney: (Proportion of net lettable area) X (Total building waste) Brisbane/Melbourne ² : (Sydney waste per m2) X (Respective floor areas)
Recycling	Estimates based on applicable rates	Sydney: (Proportion of net lettable area) X (Total building recycling) Brisbane/Melbourne ² : (Sydney recycling per m2) X (Respective floor areas)

¹ Includes revised 2017 comparatives in this Report.

² Estimates used in the absence of information from landlords for Brisbane and Melbourne being Australian Unity and Kamirice respectively.

5.1 Environment (continued)

For the purposes of allowing us to compare our 2017 and 2018 environmental footprint on a 'like-for-like' basis we have in this Report recalculated our 2017 environmental disclosures adopting the same methodology used for our 2018 data, relying on empirical data where available as opposed to estimates based on Australian averages. A reconciliation of the 2017 environmental inventory from the 2017 Sustainability Report can be found in Section 7.1.

The data collected and presented in the 2018 Sustainability Report provides a more accurate representation of Genworth's baseline environmental footprint in both 2017 and 2018. When a calculation method has been updated with empirical data, historical data has also been updated by sourcing empirical data for the 2017 year.



5.1.1 Energy consumption

Our energy consumption is limited to purchased electricity. This year, we collected data on actual electricity consumption across our three offices during 2017 and 2018. This data was obtained from our landlords who receive monthly utility bills and consumption reports directly from the utility providers.

We note that a consideration in deciding to retain the lease for our head office in its current location at 101 Miller Street, North Sydney, was that the building has achieved a 5 Star Green Star – Office Design v2 certified rating. This rating represents Australian excellence.

In addition, our head office building was also awarded a NABERS energy 4.5 star rating in mid-2018. In 2017 our head office building had received a 5-star energy rating by NABERS. The reduction in 2018 is due to fitout works undertaken in the building during the year. Our Sydney landlord has stated it is commitment to having its 5-star energy rating reinstated once the fitouts are complete.



Head office located in a Green Star rated building



NABERS energy rating for our head office



5.1.1 Energy consumption (continued)

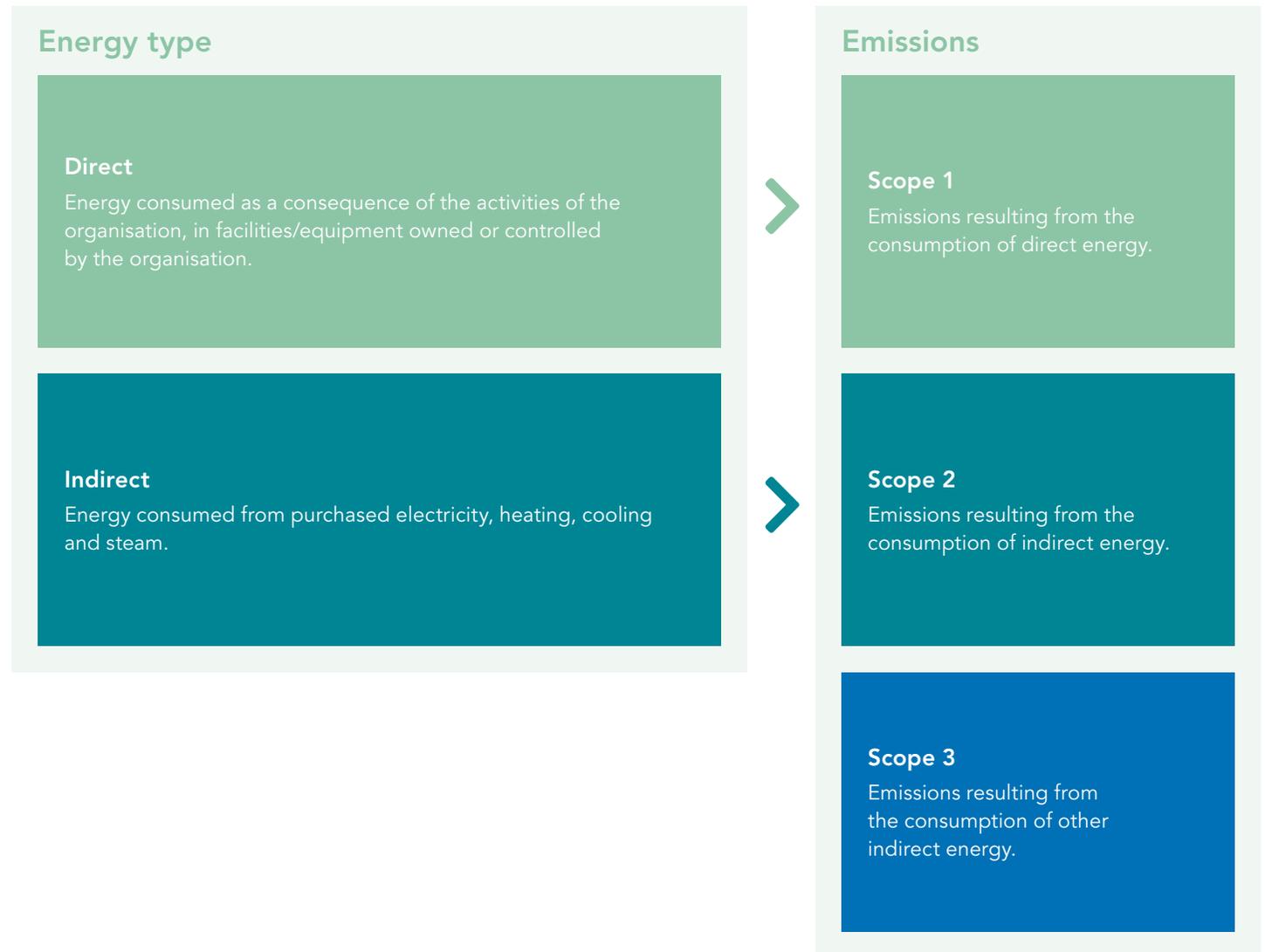
Different classifications of energy and emissions

In quantifying and evaluating our energy consumption and GHG emissions, this Report focuses on direct and indirect Energy and Scope 1 and Scope 2 emissions relating to assets/property under our operational control. We have identified this as a starting point based on our ability to implement changes to minimise these emissions.

In 2018 we started to quantify and evaluate Scope 3 emissions, specifically business travel (air and hotel), employee commute and ground transportation (taxi and town car).

Whilst we were able to gather business travel and ground transportation data for 2017 we were unable to obtain employee commute data. Therefore, the employee commute information has been estimated based on 2018 commute data and scaled using 2017 employee numbers.

We will continue to measure Scope 3 emissions for the purposes of our future Sustainability Reports with a more accurate year-on-year comparison possible in our 2019 Sustainability Report for employee commute data.



5.1.1 Energy consumption (continued)

Direct energy consumption (Scope 1)

As a financial services company Genworth's direct operations are not as energy intensive as businesses operating in high impact sectors such as manufacturing and construction. As a result, we do not use direct energy from natural gas and other fuels. We will however continue to monitor direct energy consumption, should it become relevant to our operations in the future.

As shown in Table 3, we did not have any direct energy consumption in the 2017 or 2018 calendar years. In addition, we did not use any renewable direct energy sources.

Table 3: 2017–2018 Direct energy consumption by primary source

	Type	2017	2018		% Change (2017 to 2018)
		Total GJ	Total GJ	% contribution	
Non-renewable sources	Natural gas	0.0%	0.0%	0.0%	0.0%
	LPG	0.0%	0.0%	0.0%	0.0%
	Diesel/Oil	0.0%	0.0%	0.0%	0.0%
Renewable sources	N/A	0.0%	0.0%	0.0%	0.0%
Total		0.0%	0.0%	0.0%	0.0%

Note: No Natural gas consumption in 2018. No LPG, Diesel or Oil sources used in 2018. No renewable Direct Energy sources used in 2018.

Indirect energy consumption (Scope 2)

Indirect energy (Scope 2) usage is the largest portion of our total energy consumption, comprising 100% of our total direct and indirect energy consumption. This usage relates to electricity for general business operations such as lighting and air conditioning.

As shown in Table 4, all of our indirect energy consumption is attributed to electricity consumption from the utility grid. Currently, we do not utilise any renewable indirect energy sources. In the future, we will investigate different options for purchasing renewable electricity, renewable energy credits, or on-site renewable as feasible for our operations.

In 2018, we reduced our overall indirect energy consumption by 27.4% compared to 2017. This reduction was achieved as a result of:

- Genworth ceasing to occupy one of the floors leased at its head office in Sydney (in mid-2018) despite retaining operational control; and
- Implementation of various energy efficiency initiatives as outlined below.

The most significant initiatives implemented were undertaken as part of the redevelopment of our Sydney head office in mid-2018. Not only did this result in a reduction in floor space occupied by Genworth but it also provided the opportunity to implement various energy saving initiatives.

For example we installed organic lighting which ensures electricity is only activating when there is movement on the floor, thereby minimising wastage and will have an ongoing positive effect on consumption. In terms of the unoccupied floor space that remains under our operational control, our procurement team is actively exploring options to utilise the area (e.g. sub-letting).

Table 4: 2017–2018 Indirect energy consumption by primary source

Location	2017	2018		% Change (2017 to 2018)
	Total GJ	Total GJ	% contribution	
Non-renewable sources (electricity)				
Sydney	1,527.9	1,096.2	94.2%	(28.3%)
Melbourne	51.6	44.7	2.0%	(6.7%)
Brisbane	24.5	22.9	3.8%	(13.5%)
Total	1,604.1	1,163.8	100.0%	(27.4%)
Renewable sources (electricity)				
Sydney	0.0%	0.0%	0.0%	0.0%
Melbourne	0.0%	0.0%	0.0%	0.0%
Brisbane	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%
Total	1,604.1	1,163.8	100.0%	(27.4%)

Note: No renewable Indirect Energy sources use in 2018.

5.1.2 Greenhouse gas (GHG) emissions

GHG emissions are categorised as direct (Scope 1) and indirect (Scope 2), and other indirect (Scope 3) emissions. As outlined above, the focus of this GHG inventory and Report is on Scope 1 and Scope 2 emissions. This year, we also started to evaluate key Scope 3 emission sources such as business travel, travel accommodation and employee commute.

Our emissions inventory has identified the following Scope 1 and Scope 2 emissions shown in Table 5.

Table 5: 2017–2018 Direct and indirect emissions (Scope 1 & 2) by source

Location	2017		2018	
	Sum of direct and indirect emissions tonnes CO ₂ -e	Sum of direct and indirect emissions tonnes CO ₂ -e	% Contribution of direct and indirect emissions (scope 1 & 2) of GHG tonnes CO ₂ -e	% Change (2017 to 2018)
Purchased electricity				
Sydney	348.0	249.7	93.1%	(28.3%)
Melbourne	15.3	13.3	5.0%	(6.7%)
Brisbane	5.5	5.1	1.9%	(13.5%)
Total	368.8	268.1	100.0%	(27.3%)
Natural gas				
Sydney	0.0%	0.0%	0.0%	0.0%
Melbourne	0.0%	0.0%	0.0%	0.0%
Brisbane	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%

Location	2017		2018	
	Sum of direct and indirect emissions tonnes CO ₂ -e	Sum of direct and indirect emissions tonnes CO ₂ -e	% Contribution of direct and indirect emissions (scope 1 & 2) of GHG tonnes CO ₂ -e	% Change (2017 to 2018)
LPG				
Sydney	0.0%	0.0%	0.0%	0.0%
Melbourne	0.0%	0.0%	0.0%	0.0%
Brisbane	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%
Diesel				
Sydney	0.0%	0.0%	0.0%	0.0%
Melbourne	0.0%	0.0%	0.0%	0.0%
Brisbane	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%
Total	368.8	268.1	100%	(27.3)%

5.1.2 Greenhouse gas (GHG) emissions (continued)

Direct emissions (Scope 1)

Direct emissions relate to activities that directly generate GHG, such as the combustion of natural gas, transport and non-transport fuels, as well as the use of synthetic gases in air conditioning. As this was our second year of reporting and with all our offices leased, no relevant sources of direct emissions were identified. In addition, as a company in the financial services sector, we do not expect Scope 1 emissions to become substantial in the future.

Indirect emissions (Scope 2)

Indirect emissions are the largest component of our direct and indirect emissions. These emissions occur when our suppliers of electricity, central heating, or steam, combust fossil fuels to generate energy sources. Our total indirect emissions are all from purchased electricity and were approximately 268 tonnes of CO₂-e in 2018.

As indirect emissions are 100% of our Scope 1 and 2 emissions, our focus is on electricity consumption and strategies that can minimise use and increase efficiency.

For example, reducing the office space we occupy in our Sydney head office resulted in substantially less electricity use, with Scope 2 emissions reducing 27.3% in 2018.

Other indirect emissions (Scope 3)

Other indirect emissions arise from an organisation's activities from sources owned or controlled by third parties. We have identified our material 'other indirect emissions' sources as emissions from:

- mixed waste generated in operations;
- employee air travel; and
- employee commute to and from work.

This category of emissions is the largest component of our emissions profile and comprised over 97% of our total GHG emissions in 2018. We understand that these will likely be the main Scope 3 emission sources, however we will continue to increase the data and knowledge of the other three Scope 3 sources listed above, to continue to refine our full Scope 3 emissions.

At the time of this Report, data for business travel (i.e. flights and hotels) and ground transportation (taxi and town car) were available for both 2017 and 2018. In terms of employee commute data in 2018 we introduced an employee survey that enabled us to capture this data for the 2018 year which was scaled for 2017 using 2017 employee numbers.

A full breakdown of our Scope 3 emissions is provided in Table 6 below.

Table 6: 2017–2018 Breakdown of Scope 3 emission sources

Emissions source	2017	2018	% Contribution	% Change (2017 to 2018)
	Total tonnes CO ₂ -e	Total tonnes CO ₂ -e		
Business travel – Air	454.3	347.4	3.6%	(23.5%)
Business travel – Hotel	8,073.0	8,954.0	93.6%	10.9%
Employee commute	141.5	138.2	1.4%	2.3%
Ground transportation	142.4	126.2	1.3%	(11.4%)
Total	8,811.1	9,565.8	100.0%	8.6%

Initiatives introduced that we continue to implement to reduce our Scope 3 emissions include:

- flexible working arrangements and issued laptops to all staff to reduce employee commute and regional congestion;
- 'print on demand' and duplex pre-sets for printing;
- recycling practices, reducing the amount of waste we send to landfill;
- installation of audio-visual systems, allowing for a decrease in business travel;
- implementation of an education and communication strategy to create awareness and improve environmental practices; and
- improved end of travel facilities to encourage cycling to work.

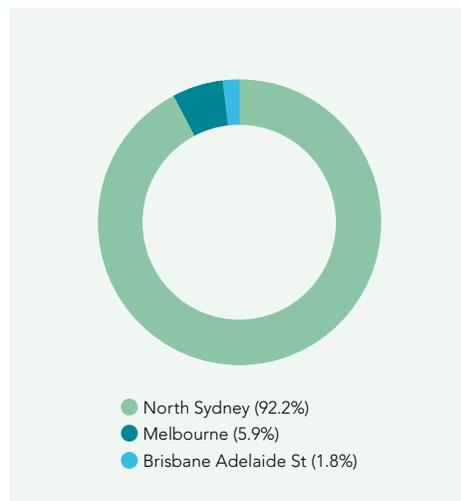
We will continue to monitor and seek to reduce our Scope 3 emissions by implementing additional initiatives.

5.1.3 Water consumption

Water consumption is not a material concern due to the nature of our business, however, we are cognisant of the need to minimise water consumption.

Our Sydney head office was awarded a NABERS water rating of 3.5 stars in 2018 and our landlord is committed to continuing to minimise the building's water consumption.

Figure 1:
2018 Water consumption by office



At the time of this Report, actual water consumption data was not available for all our office buildings. Therefore, 2017 and 2018 water consumption has been estimated as follows:

- In Sydney, by calculating Genworth's proportion of net lettable area of the building multiplied by water consumption of the building; and
- In Melbourne and Brisbane, by calculating the Sydney head office water use per m² multiplied by the respective floor area of each office.

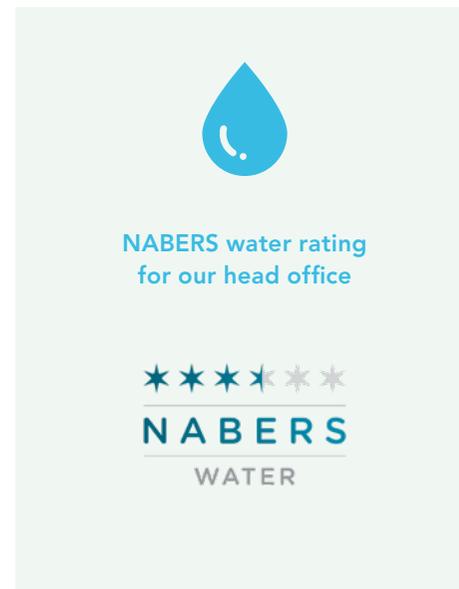
For the Sydney head office, we have been advised by the landlord that the rise in water consumption is mainly attributable to the increase in overall occupancy rates.

In future years, we aim to work with each landlord to better understand our water consumption and monitor water minimising actions we can take.

Our estimated water consumption by office in 2017 and 2018 is shown in Table 7.

Table 7: 2017–2018 Water consumption by office

Genworth Office	2017	2018	% Contribution	% Change (2017 to 2018)
	Total Water Consumption (m ³ /year)	Total Water Consumption (m ³ /year)		
Sydney	3,213.4	3,339.2	92.2%	3.9%
Melbourne	207.3	215.4	5.9%	3.9%
Brisbane	64.3	66.8	1.8%	3.9%
Total	3,485.0	3,621.4	100.0%	3.9%



5.1.4 Waste management

We aim to reduce our waste generated wherever possible through waste management initiatives and policies to recycle, reuse and carefully select materials and products.

For example, with the completion of the redevelopment of our Sydney head office, we made a significant effort to reuse and recycle materials to reduce the amount of material sent to landfill. This was achieved through donations and the resale of office furniture and equipment. We also reused or repurposed items from our Sydney head office at our Melbourne and Brisbane offices.

We also implemented initiatives to enable us to transition to a paperless work environment. These initiatives have included a reduction in the number of printers in our offices from 15 to eight which have enabled us to reduce our paper and printing usage. We have also issued laptops to all staff resulting in a reduction in office stationery usage.

In terms of recycling we have been able to reduce disposable coffee cup waste in our offices by installing coffee machines that encourage employees to bring their own reusable mugs to work and by installing a recycling bin for disposable cups.

At the time of this Report, actual waste and recycling data was not available for our office buildings, therefore we have estimated our 2017 and 2018 waste generation and the volume of recycling undertaken as follows:

- In Sydney, by calculating Genworth's proportion of net lettable area of the building multiplied by waste and recycling of the building; and
- In Melbourne and Brisbane, by calculating the Sydney head office waste and recycling per m² multiplied by the respective floor area of each office.

For the Sydney head office, we have been advised by the landlord that the rise in waste and recycling is mainly attributable to the increase in overall occupancy rates.

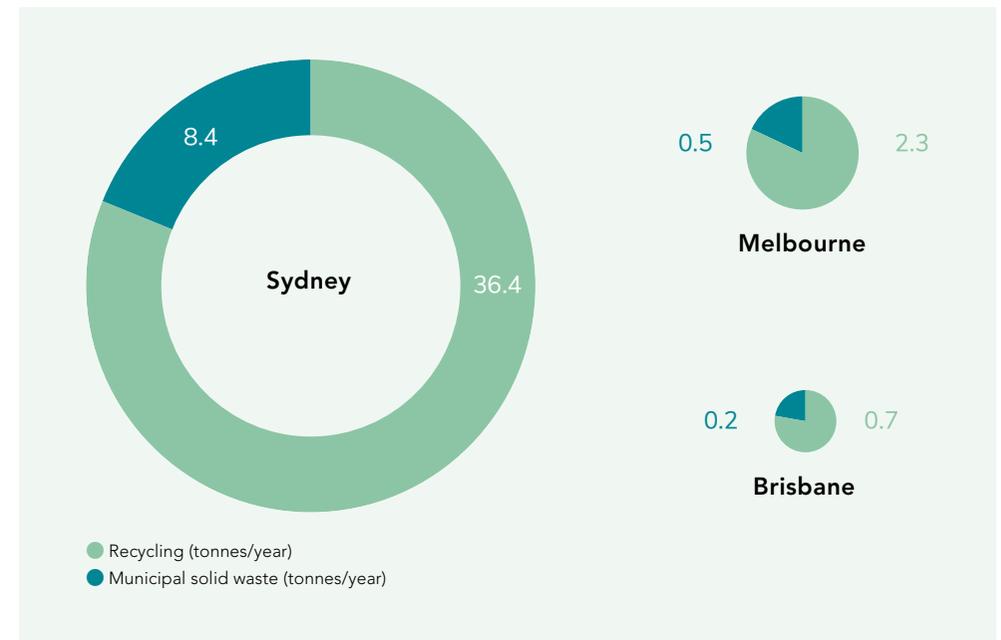
In future years, we aim to work with our landlords to better understand our waste generation and recycling and to measure the impact that waste management initiatives we implement are having.

Our total estimated waste and recycling by office in 2017 and 2018 is shown below in Table 8.

Table 8: 2017–2018 Breakdown of non-hazardous waste disposal by office

Genworth Office	2017		2018		% Change Municipal Solid Waste (2017 to 2018)	% Change Recycling (2017 to 2018)
	Municipal Solid Waste (tonnes/year)	Recycling (tonnes/year)	Municipal Solid Waste (tonnes/year)	Recycling (tonnes/year)		
Sydney	7.6	35.6	8.4	36.4	10.8%	2.2%
Melbourne	0.5	2.3	0.5	2.3	10.8%	2.2%
Brisbane	0.2	0.7	0.2	0.7	10.8%	2.2%
Total	8.3	38.6	9.2	39.5	10.8%	2.2%

Figure 2: 2018 Solid waste and recycling generation by office



5.2 Our people

Our people are central to the success of our business.

As at 31 December 2018, Genworth employed 228 people directly, all of whom were covered by a Collective Agreement. The Collective Agreement ensures minimum compliance with Australian law on a broad range of matters including rates of pay, employment conditions (e.g. working hours, overtime and salary reviews) and dispute resolution procedures.

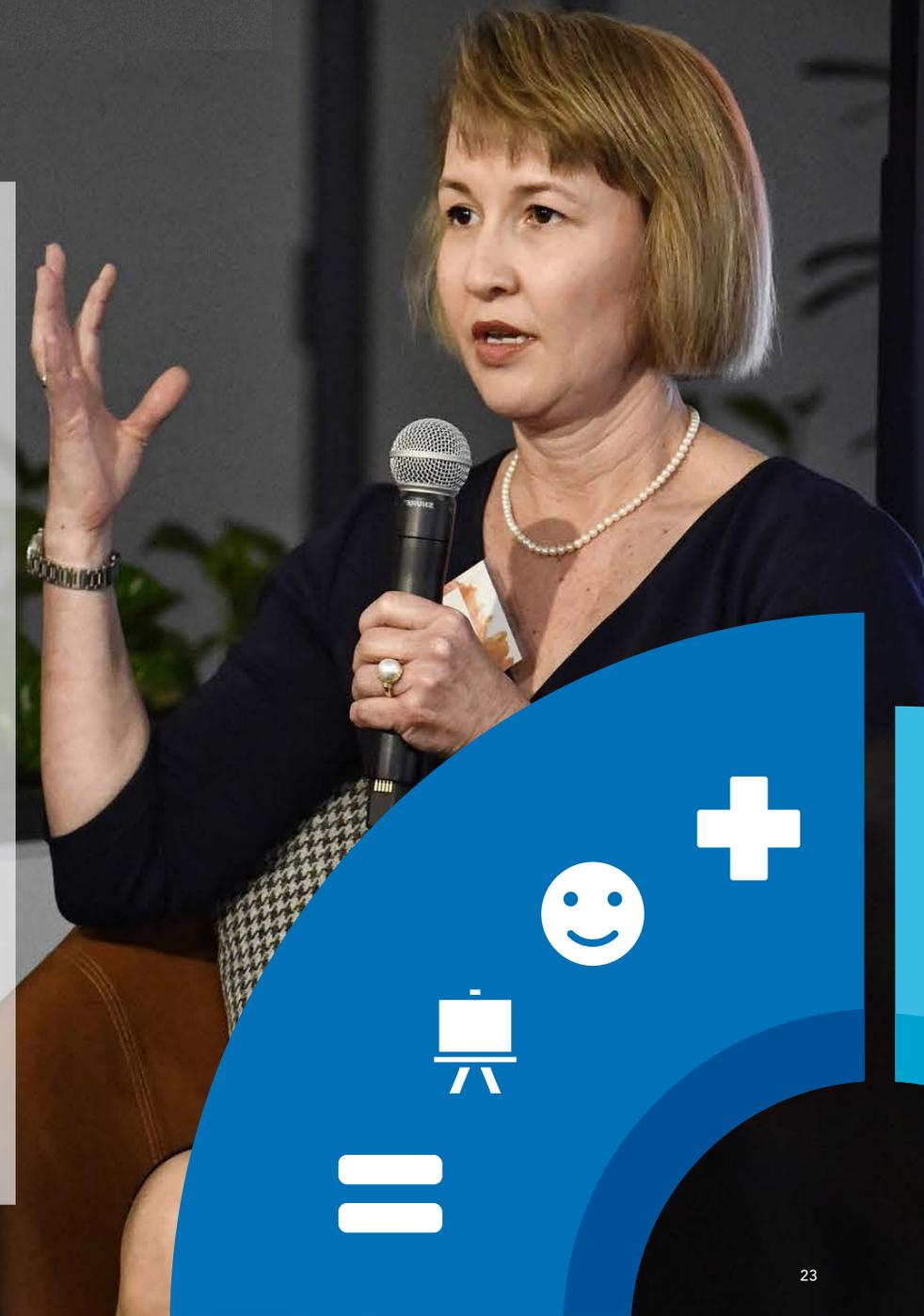
Set out in Table 9 and Table 10 is a breakdown of our employees by employment type.

Table 9: Total number of employees by employment contract type and gender

Employment contract		#	% of total
Permanent	Male	118	52%
	Female	95	42%
Maximum-term contract	Male	4	2%
	Female	5	2%
Casual	Male	5	2%
	Female	1	0%
Total		228	100%

Table 10: Total number of employees by employment type and gender

Employment type		#	% of total
Full-time	Male	122	54%
	Female	77	34%
Part-time	Male	5	2%
	Female	24	11%
Total		228	100%



5.2.1 Workplace safety and wellbeing

The safety of our employees is integral to our business. Genworth has implemented a risk management based approach to reducing the likelihood of injury or harm in the workplace.

We have a Workplace Health and Safety (WHS) Committee which implements and monitors policies, programs and practices to address health and safety issues. The WHS Committee reports on a regular basis to our Board Risk Committee.

Our WHS system is designed to ensure compliance with Australian workplace health and safety legislation and includes procedures to ensure hazards and risks are identified, assessed and resolved in a timely manner. Office inspections are conducted on a quarterly basis and when changes are made in the workplace. If a potential hazard is identified outside this routine, or an incident takes place, there is a procedure for addressing the hazard or risk and addressing it using appropriate controls.

During the period 1 January 2018 to 31 December 2018, one WHS incident occurred that resulted in injury (FY17: 2).

There were no incidents that required notification to WorkCover during the

period under Australian legislation. Notifiable incidents are:

- the death of a person – whether an employee, contractor or member of the public;
- a serious injury or illness; and
- a dangerous incident that exposes any person to a serious risk, even if no one is injured.

As part of providing a safe and healthy work environment, Genworth also has a set of Workplace Standards in place that provide a code of conduct designed to create a work environment free from discrimination, harassment and bullying.

Our Workplace Standards Policy makes clear:

- what is ‘unlawful discrimination’, ‘unlawful harassment’ and ‘workplace bullying’;
- the procedures in place to deal with workplace complaints regarding discrimination, harassment and workplace bullying; and
- Genworth’s commitment to providing a work environment that is free from unlawful behaviours, including discrimination, harassment and bullying, and where everyone is given an equal chance to use their talents and abilities.

Our people are familiarised with our code of conduct, Integrity First,

and our Workplace Standards Policy through annual online training and an acknowledgement that they have read and understood the Company’s expectations regarding the required standard of workplace behaviour.

We continue to offer a suite of health and wellbeing benefits and initiatives that we regularly review and build on. An area of increasing focus for our business has been the mental health and wellbeing of our people. We have introduced the following initiatives in this regard:

- We provide all employees and their immediate family members with access to our Employee Assistance Program. This is a confidential counselling service;
- We have a Workplace Health and Safety committee that meets regularly. The purpose of this committee is to discuss and put measures in place that address workplace health and safety matters, including mental health;
- We run a number of mental health awareness campaigns throughout the year. In 2018, we supported ‘R U OK?’ and an expert spoke to our people about mental health. We also ran a campaign during Mental Health Week (October) providing employees with tips around how to maintain positive mental health; and
- We have updated our WHS policy to specifically include mental health,

acknowledging the importance of identifying the risks to a workers’ psychological wellbeing and that all reasonable steps are taken to control or eliminate that risk. Risks to psychological wellbeing include workplace harassment or bullying, unreasonable work demands or pressures or workplace violence.

In addition to the mental health initiatives implemented in 2018 we offered our employees a range of other health and wellbeing benefits such as:

- covering the cost of salary continuance, life insurance and total & permanent disability to the value of \$129,000;
- an annual cash rebate for health and wellbeing programs (e.g. gym membership, private health insurance, optometry and yoga to name a few) of up to \$600 per eligible employee (total amount claimed \$125,000);
- free annual flu vaccinations;
- free access to a financial planner (superannuation and insurance expert);
- fresh fruit deliveries to each of our offices; and
- flexible working in the form of a variety of work arrangements including:
 - working from home/remotely;
 - job share;
 - part-time work;
 - compressed working week; and
 - flexibility of working hours.

5.2.2 Training and development

Genworth is committed to supporting our people to build the capabilities they need for success in their current role and their future career. This includes providing all employees with access to a range of development opportunities including:

- higher education assistance (financial support and study leave);
- formal courses and workshops;
- online learning;
- mentoring; and
- peer and manager coaching.

In 2018, Genworth continued its investment in inclusive leadership training for all our people as part of our commitment to building an inclusive culture. This training helps people understand how a diverse and inclusive workplace contributes to Genworth's success and how it links to our values and business objectives. It challenges people on their own biases and behaviours that

may inadvertently exclude others in the workplace. In this way it enables people to contribute to a high-performing, more inclusive workplace culture.

Across the business, over \$400,000 was invested in our people through education, employee coaching, professional membership fees and other professional development activities.

During the year, Genworth also continued to implement a leadership development program 'Leading into the Future' designed to enhance the culture of the organisation through the actions and behaviours of our leaders. The program aims to cultivate deep personal development based on an ambitious goal every leader sets based on skill and mindset shifts that lead to more effective collaboration, accountability, inclusiveness and the ability to deal with complexity.

The program has achieved significant success in sustained behavioural change in line with participants' individual goals evidenced by both participant and other stakeholder feedback. In addition, combined 360 degree feedback re-tests against pre-program baselines show a significant shift towards more constructive leadership styles aligned to our desired culture for the entire cohort.

The positive impact of the culture enhancement achieved through this program has had tangible benefits for a large strategic business project moving through challenging times to being delivered successfully. Given the biggest driver of culture is leadership behaviour and the positive impact of this program on evolving our culture, we will continue the 'Leading into the Future' program in 2019.



Awarded HRD magazine

**Innovative
HR Team**



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**Employer
of Choice
'leadership'**



5.2.3 Culture

During the year, the Board conducted a culture and risk governance self-assessment which included a review of Genworth's culture, governance, leadership, accountability and remuneration practices as well as the Company's issues management, risk and compliance practices.

The Board's assessment concluded that, following significant investment in our values, culture and leadership over the past two years, Genworth has made substantial progress in maturing its culture, governance and accountability practices. The Board has committed to undertaking culture and risk assessments on a regular basis to address further insights that may arise.

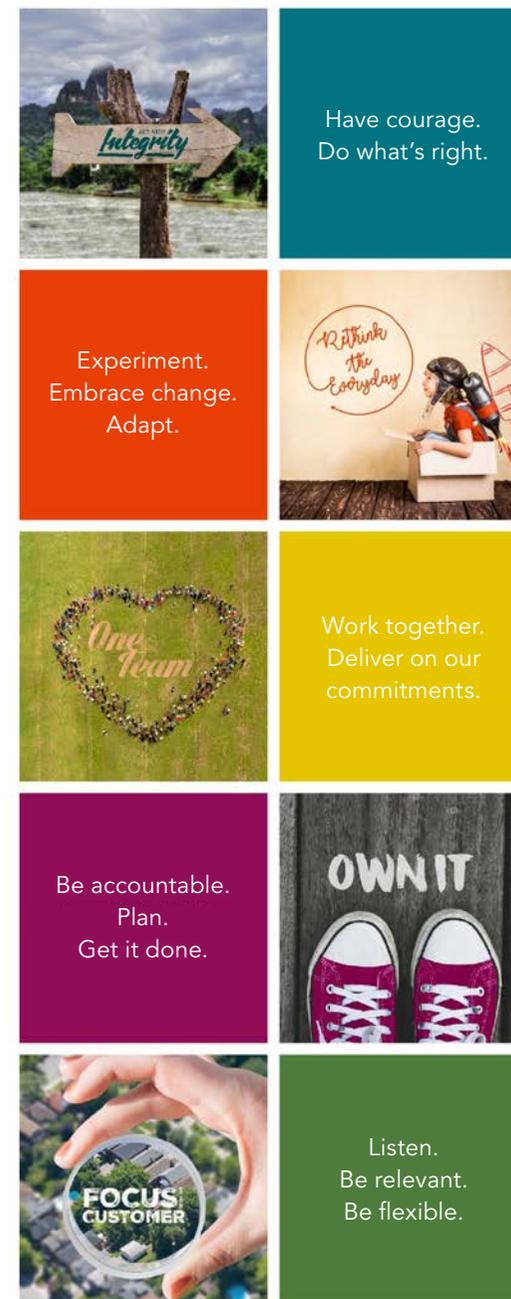
In addition, the final report and recommendations following the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry was delivered on 4 February 2019. The Board has formally endorsed the adoption of the six 'norms of conduct' identified in the Interim Report of the Financial Services Royal Commission from September 2018 as part of its compliance framework being:

1. Obey the law;
2. Do not mislead or deceive;
3. Be fair;
4. Provide services that are fit for purpose;
5. Deliver services with reasonable care and skill; and
6. When acting for another, act in the best interests of that other.

These six 'norms of conduct' support the Genworth values launched in February 2017 which are part of a framework to develop and enhance our corporate culture now and into the future. Our values are:

- **Act with integrity** – have courage; do what's right;
- **Rethink the everyday** – experiment; embrace change; adapt;
- **One team** – work together to deliver on our commitments;
- **Own it** – be accountable; plan; get it done; and
- **Focus on your customer** – listen; be relevant; be flexible.

Our values form a key part of individual performance assessments and is weighted equally to achievement of performance objectives. Understanding the importance of culture to Genworth's success, the Board has included culture enhancement and employee engagement metrics as part of the 2019 short-term incentive plan scorecard. In addition, we will continue to measure our culture in 2019 to gain further insights into our cultural progress and where we need to focus our culture change efforts.



5.2.4 Diversity and inclusion

Diversity and inclusion in the workplace is integral to the sustainability of our organisation. We value the contribution that people with different backgrounds, experience and perspectives bring to our organisation. Importantly we believe that our people should reflect the diversity of our customers and the communities they serve.

Genworth's Chairman, Ian MacDonald is a member of the 30% Club, a global campaign designed to accelerate progress towards better gender balance at all levels of organisations. As a member of the 30% Club, our Chairman has made a public commitment to gender diversity as a business imperative. In addition, our CEO, Georgette Nicholas is a Workplace Gender Equality Agency Pay Equity Ambassador. Our commitment to diversity and inclusion is evidenced through our employment practices including recruitment, training, development, remuneration, talent identification, succession planning and flexible work arrangements.

Testament to our commitment is the fact that 90% of our employees who participated in our 2018 employee engagement survey responded that they believe that 'people of all backgrounds

(cultural, gender, age, religion, etc.) can succeed in Genworth Australia.'

In terms of pay equity, every year we undertake a pay equity analysis. In 2018, Genworth's gender pay gap calculations showed on average a 5% overall pay gap between males and females (down 2% from a 7% overall pay gap in 2017). While these figures compare favourably to Australian averages of a 22% total pay gap across all industries; and a 32% total pay gap in Financial and Insurance Services, they highlight an opportunity for us to continue to progress female representation at more senior levels of the Company.

Our pay equity analysis also concluded that females at Genworth performing roles of 'equal value' to men (i.e. like-for-like roles) were not systemically disadvantaged.

In February 2019, Genworth was recognised for the fourth consecutive year by the Workplace Gender Equality Agency as an Employer of Choice for Gender Equality for 2018–19. In addition, Genworth was recognised by the Australian Property Institute as a winner of its 2018 Workplace Diversity and Culture Award.

Diversity and inclusion



CASE STUDY: Job support

In 2018, a part-time sourcing and facilities assistant role was hired through Job Support, an employment service specialising in helping moderately intellectually disabled people find meaningful paid employment. The service supports over 760 people with a moderate intellectual disability in jobs throughout Sydney. The Job Support program is part of the Disability Employment Network.

FLEXIBLE WORKING CASE STUDY: Project home

In 2018, Genworth undertook a significant project to transform its physical work environment to be one that enables our people to work more collaboratively and flexibly.

Technology has played a significant role in enabling us to adopt a more inclusive work environment and provide employees with flexibility around where they work and how they engage with colleagues.

We have had a strong uptake of flexible work arrangements across our business with 62% of women and 29% of men taking up this work option.

Genworth continues to focus on mainstreaming flexible working to make the business more agile and to enable its people to balance their work/life commitments.

5.2.4 Diversity and inclusion (continued)

Progress against measurable targets

Each year, our Board commits to measurable diversity and inclusion targets against which progress is reviewed at the end of the year. In 2018, Genworth made measurable progress against our diversity and inclusion objectives.

	Objective	Outcomes
 <p>Culture</p>	<p>Creating an inclusive culture where differences are valued and diversity and thought and experience are effectively leveraged.</p>	<ul style="list-style-type: none"> • >89% positive response on diversity and inclusion questions in our 2018 employee engagement survey; • Acknowledgement of the diversity of employees through awareness-raising campaigns and celebrations including International Women’s Day, Chinese New Year, Mardi Gras, Diwali, Family Day, International Day of People with Disabilities and NAIDOC Week; • Support for people with differing intellectual abilities via a partnership with Job Support; and • Increased the capability of people leaders to create an inclusive workplace by providing tools to better respond to the diverse needs of their team members through inclusive leadership training and a bespoke leadership program.
 <p>Senior leadership</p>	<p>Providing visible leadership around diversity both internally and externally.</p>	<ul style="list-style-type: none"> • Regular participation by members of the Senior Leadership Team and Board in internal and external diversity-related forums; • Hosted a Diversity and Inclusion panel discussion, ‘Diversity Matters’ attended by the Board, Senior Leadership Team, other Genworth employees, customers, suppliers and other external stakeholders; • The CEO continued in her role as a WGEA Pay Equity Ambassador and Genworth participated in a panel discussion on gender pay equity hosted by the WGEA; • Genworth was recognised by the WGEA as an Employer of Choice for Gender Equality for the fourth consecutive year; and • Genworth was the winner of the Australian Property Institute’s workplace diversity and culture award.
 <p>Flexible work practices/pay equity</p>	<p>Objective: Support and role modelling for flexible working to make our business more agile and enable our people to balance work/life commitments.</p>	<ul style="list-style-type: none"> • 62% of all female employees and 29% of all male employees have some form of formal flexible work arrangement; and • In the 2018 employee engagement survey, 84% of employees indicated they have the flexibility they need to manage work and caring responsibilities.
 <p>Recruitment and development</p>	<p>Achieving and sustaining gender diversity within the leadership of Genworth.</p>	<p>As at 31 December 2018:</p> <ul style="list-style-type: none"> • 44% of the Board were female; • 43% of the Senior Leadership Team were female; and • 38% of ‘other’ managers were female.

5.2.4 Diversity and inclusion (continued)

Table 11: Total workforce by gender and region

Region		#	% of total
New South Wales	Male	116	51%
	Female	90	39%
Victoria	Male	5	2%
	Female	5	2%
Queensland	Male	5	2%
	Female	4	2%
South Australia and Western Australia	Male	1	0%
	Female	2	1%
Total		228	100%

Table 12: Employee totals, new hires and departures by age, gender and region

Category	Employee headcount	% total employees	Total # of new hires	Rate of new hires	Total # of employees who left employment	Rate of employees who left employment
<30 years	18	8%	15	7%	12	5%
30–50 years	166	73%	18	8%	26	11%
>50 years	44	19%	3	1%	7	3%
Total	228	100%	36	16%	45	20%
Male	127	56%	18	8%	28	12%
Female	101	44%	12	5%	17	7%
Total	228	100%	36	16%	45	20%
New South Wales	206	90%	36	16%	43	19%
Queensland	9	4%	0	0%	2	1%
Victoria	10	5%	0	0%	0	0%
South Australia	1	0%	0	0%	0	0%
Western Australia	2	1%	0	0%	0	0%
Total	228	100%	36	16%	45	20%

On a rolling 12-month basis Genworth's voluntary turnover as at 31 December 2018 was 8.7%. This is less than the benchmark weighted average for voluntary attrition of 13.8% reported in the Aon General Insurance Industry Remuneration Report, October 2018. The 2018 overall absenteeism rate for sick leave was 1.5%. The absenteeism rate for both sick leave and carers leave for the year was 2.2%.

Please note all tables include data as at 31 December 2018.

5.2.4 Diversity and inclusion (continued)

Table 13: Return from parental leave

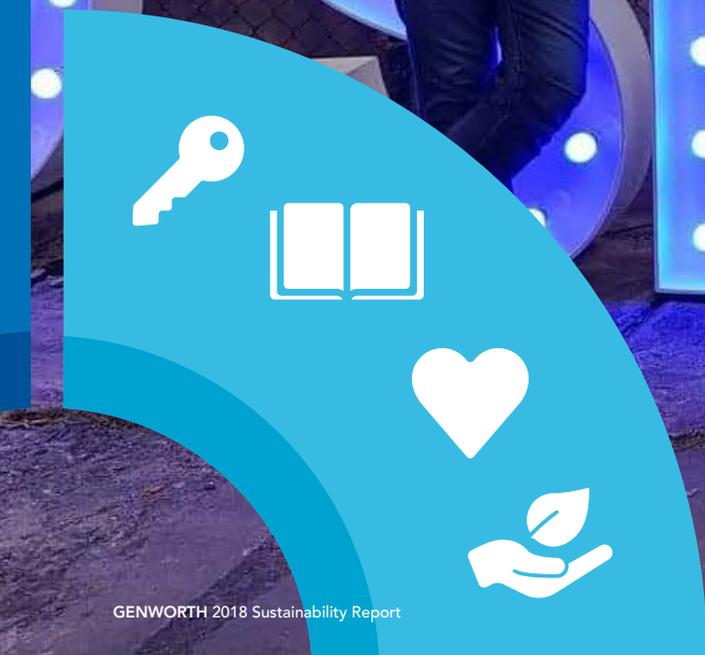
Gender	# of employees on Parental Leave during 2018	% of employees who were on Parental Leave during 2018 still employed by the company in December 2018
Male	2	100%
Female	12	100%

Table 14: Composition of senior leadership team by gender, age group and region

Category	Employee headcount	% total employees
<30 years	0	0%
30–50 years	4	50%
>50 years	4	50%
Total	8	100%
Male	5	63%
Female	3	37%
Total	8	100%
NSW	7	88%
Victoria	1	12%
Total	8	100%

Table 15: Composition of Board by gender, age group and region

Category	Employee headcount	% total employees
<30 years	0	0%
30–50 years	0	0%
>50 years	9	100%
Total	9	100%
Male	5	56%
Female	4	44%
Total	9	100%
NSW	5	56%
Queensland	1	11%
Victoria	1	11%
United States	2	22%
Total	9	100%



5.3 Community

5.3.1 Supporting home buyers

Whilst our customers are other financial services businesses, we recognise that our product offerings, by facilitating home ownership, have an impact on the social fabric of society. As a result, making a positive contribution to the communities that we are part of, is integral to our business strategy. We do this by:

- helping Australians obtain loans to buy homes sooner, through the risk and capital management solutions we provide to our lender customers;
- assisting borrowers during times of financial stress to stay in their homes via our loss mitigation services and hardship program;
- supporting home buyers through borrower education; and
- contributing to causes that address homelessness, education and basic needs through our charitable donations and volunteering initiatives.

Home ownership is widely recognised for the many advantages it can create for the individual and the broader community. The distinct advantages of home

ownership includes stronger connections with the community as well as intangible benefits of social stability, economic reliability and community assurance ¹.

Our goal as a business is to help Australians buy a home by facilitating their ability to obtain a loan through the risk and capital management solutions we provide to our lender customers.

This is particularly the case for first home buyers and the self-employed, who are credit worthy but may not have saved the 20% deposit typically required by many lenders or do not have a long credit history.

By facilitating the transfer of risk from the lender, we make it possible for home buyers to obtain a loan and purchase a home sooner.

Once purchased, we are committed to helping borrowers stay in their homes in times of unexpected financial stress. Our Loss Mitigation team of specialists proactively work with our lender customers to aid borrowers, if they are facing difficulty in meeting loan

repayments due to unforeseen circumstances or an unexpected life event. Every case is assessed individually to give the borrower the best chance of staying in their home. Our Loss Mitigation team plays an active role in working with our lender customers to mitigate losses by rehabilitating defaults and providing collateral insights.

Common types of assistance provided by Genworth and our lender customers to borrowers include:

- repayment breaks for short periods of time to allow borrowers to get back on their feet;
- state government mortgage assistance schemes;
- time extensions to allow the borrower to seek financial counselling advice;
- time extensions to allow the borrower to sell their home; and
- access to our Hardship Program which in conjunction with our lender customers may provide degrees of financial assistance or forbearance to borrowers.



In 2018, Genworth facilitated:

9,873

borrower hardship cases via our lender customers (FY17: 9,621)

Our hardship ratio (hardships facilitated/ number of new delinquencies) was:

92.3%

during FY18, (FY17: 84.8%)

¹ Social aspects of home ownership. Senate Select Committee on Housing Affordability in Australia.

5.3.1 Supporting home buyers (continued)

CASE STUDY: Helping Australians during challenging times

Caring for a terminally ill mother

Anne* had to stop working and care for her terminally ill mother. During this period, she was unable to make loan payments and other outgoings such as council rates.

Initial assistance consisted of our lender customer paying the arrears rates to avoid the council selling the house.

Further hardship assistance was provided for three months after Anne's mother passed away and another six months was offered to gain employment and recover financially. The overall arrears/hardship period occurred between October 2017–January 2019. During this period Anne was able to meet her monthly repayment for six months with the arrears amounts recapitalised into the loan.

By listening to the situation and offering hardship provisions, Genworth and our lender customer were able to help keep Anne in her home. Anne is now currently employed and meeting her repayments.



Entrepreneurial spirit

Tony* a homeowner in Western Australia was made redundant due to a lack of work. He struggled to find stable employment and applied for hardship. In combination with our lender customer, Genworth agreed to a serviceability arrangement which enabled Tony to substantially reduce his monthly mortgage repayments and have his arrears absorbed into his loan balance for a period of time while he was re-establishing himself.

With employment conditions still challenging, Tony decided to take an entrepreneurial approach by starting a successful business. Over time Tony has built his business and increased his loan repayments, and is now servicing his monthly repayments in full. Importantly, this arrangement enabled Tony and his family to stay in their home.



Extended hardship for a sick family

In November 2018, the family was granted hardship application after their child was diagnosed with cancer and needed to undergo treatment. Joan* was also diagnosed with multiple sclerosis and could not continue her casual work. With the child being in hospital for long periods of time, Stephen* needed to take unpaid time off work to tend to the sick child as well as the other two kids.

In early 2019, the doctor's diagnosis included a recommendation that the child would require another 12 months of around the clock care. To help ease the burden, Genworth and the lender approved an extended hardship period of a further 12 months of reduced payments.



* The names have been changed.

5.3.2 Borrower education

Another area that we focus on is borrower education.

We believe that it is important to assist our lender customers in providing information to borrowers that promotes transparency around LMI and enables borrowers to make informed and responsible home ownership decisions.

The following educational tools are available on our website.

E-learning modules

Three e-learning modules for our lender customers to educate them about LMI and help them explain it to their borrower customers.

For more, please visit [online learning](#) on our website.



Buy or rent - which option is better?

Try our calculator to see how the numbers stack up for you.

[Read more](#)

Genworth 

Online information and tools

Genworth has three calculators available for our stakeholders. Our [LMI premium estimator](#) provides an indicative price of the LMI premium payable on a loan. The [servicing estimator](#) provides an indication of a borrower's ability to afford loan repayments. Finally, a [buy or rent calculator](#) which considers whether you should buy your home now, later or continue renting.

In addition, our website is kept up to date with product information as well as online tools and tips for homebuyers. Such as step-by-step guides for buying property, managing mortgage stress, the benefits of LMI and a fact sheet which explains how LMI works.

It's My Home magazine

The fourth edition of our free first home buyer magazine was published in digital and print versions in April 2018. This publication is designed to help navigate the home buying process. Most of the 20,000 hard copies of the fourth edition have been distributed to lenders and brokers and their borrower customers.



5.3.3 Charitable donations

Genworth has a well-established charitable donation policy. The overarching theme of this policy is to help address homelessness, education and basic needs in the community.

In 2018, Genworth raised \$254,000 in charitable donations, representing 0.3% of Underlying Net Profit after Tax (FY17: 0.1%). More than 90% of the total donations was made to Genworth's three community partners:

- St Vincent de Paul Society;
- Forsight Australia; and
- OzHarvest.

In addition to our corporate donations we continued our 'Milestone Anniversary Donation' program, pursuant to which we make a \$1,000 donation to a registered charity selected by an employee who is celebrating a 10, 15 or 20-year work-anniversary with Genworth.

Genworth also has established several staff donation programs. These include:

- workplace giving;
- make-a-difference day;
- employee sponsored donations; and
- and new addition in 2018, 'employee aware & care' – provides employees with the opportunity to raise awareness for a personal passion

charity by profiling via Workplace and employees vote between two charities to receive either \$500 or \$250 donation per month.



CASE STUDY: Vinnies CEO Sleepout

In June 2018, the senior leadership team spent the night sleeping on cardboard outside and raised \$32,549 as well as awareness for people in Australia experiencing homelessness. The overall event raised \$6.9 million.



5.3.4 Volunteering

In addition to charitable donations, Genworth has a comprehensive volunteering program.

Our employees are granted paid time annually (in addition to their annual leave entitlements) to volunteer and participate in charitable programs that benefit the community.

Not-for-profit organisations that we partner with as part of our volunteering program include OzHarvest's 'Cooking for a Cause', Forsight Australia's 'Backyard Blitz' and various initiatives for the St Vincent de Paul Society.

In 2018 we had 33 volunteer events in our corporate calendar (FY17: 24 events). Most of these volunteering events were dedicated to addressing housing, shelter and homelessness. The remaining events related to the sustainability of food and its redistribution to charities. More than half (63%) of our employees participated in these volunteering events contributing in excess of 1,260 paid work hours (FY17: 780+ hours).



33

Genworth sponsored volunteer events in 2018

63%

of Genworth employees volunteered

1,260+

paid work hours committed to volunteering

Further information

For more about our community impact at Genworth, visit [volunteering programs](#) on our website.

CASE STUDY: Our partnerships



Forsight Australia: Backyard Blitz

In 2018 employees from Finance, Operations and Risk teams participated in a series of 'Backyard Blitzes', making upgrades and improvements to Forsight Australia's group homes to make them compatible for the deaf, blind and wheelchair bound.



OzHarvest: Cooking for a Cause

OzHarvest is Australia's leading food rescue organisation, with a driving purpose to Nourish Our Country. In 2018, Genworth employees participated in a Cooking for a Cause event. Such classes provide corporate teams a hands-on cooking experience in the OzHarvest kitchen to transform rescued food waste and make a positive impact to local communities.



St Vincent de Paul: Sydney Night Van

Sydney Vinnies Van Services (SVVS) is one of the many homelessness services operated by Vinnies across NSW. In 2018, Genworth hosted, in partnership with SVVS, three BBQs in Martin Place, serving up to 200 people a night. In addition to catering a hot meal, Genworth provided blankets, re-useable water bottles, toiletries and companionship.

5.4 Marketplace

Genworth contributes to the marketplace by:

- generating economic value;
- supporting the Australian residential mortgage market;
- facilitating competition in the sector; and
- supporting innovation and collaboration with other market participants.



5.4.1 Direct economic value generated

Table 16: Direct economic value generated by Genworth in 2018 (\$'000)¹

Revenue		439,518
Direct economic value distributed¹		
Operating Costs	(11,074)	
Employee wages & Benefits	(44,194)	
Payments Direct to Government:		
AU entities	(28,782)	
Payments to Providers of Capital	(121,618)	
Total economic value distributed		(205,668)
Direct economic value retained		233,850

¹ GRI methodology applied: figures differ materially from International Financial Reporting Standards and cannot be compared to or provide any accurate indication of Genworth's profitability as reported in its statutory accounts as at 31 December 2018.



5.4.2 Supporting the Australian residential mortgage market

Genworth has been operating in the Australian residential mortgage market for more than 50 years. Our business model is designed to provide capital support, reduce risk exposures and deliver underwriting and loss mitigation services that help our lender customers maintain quality residential lending standards. We work with our lender customers, regulators and policy leaders to promote a stronger and more sustainable housing market in Australia.

Our insurance policies protect our lender customers against the risk of financial loss in the event of default by a borrower/home buyer. Our LMI offering is typically taken out by lender customers to cover 100% of the risk of loss on high LVR loans. Our policies therefore assist our lender customers to manage the risk of significant losses, including from catastrophic economic events or scenarios. By facilitating a greater spread of risk and diversification of lenders exposures we help support the financial stability of the Australian market.

Since 2000, Genworth has written 3.3 million polices valued at \$761 billion.

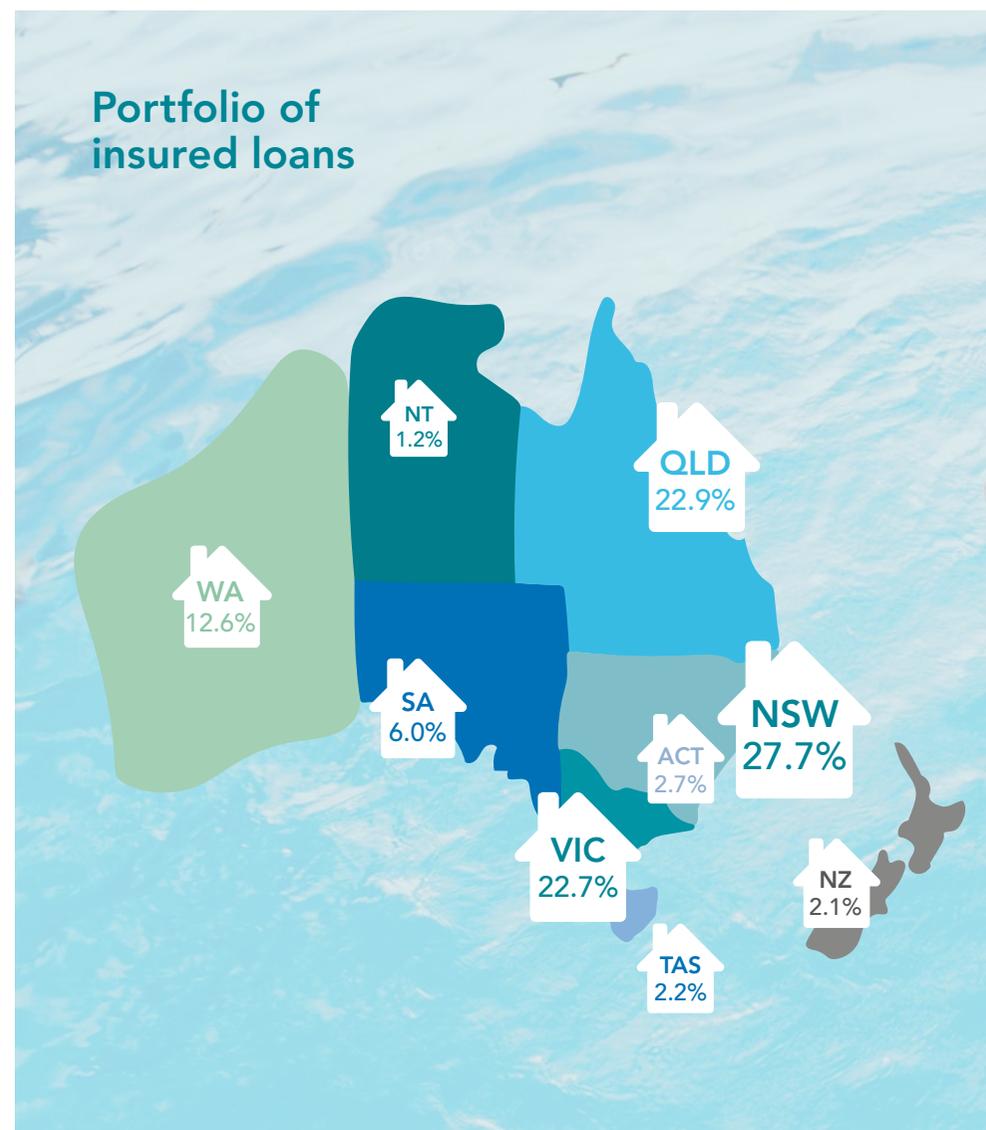
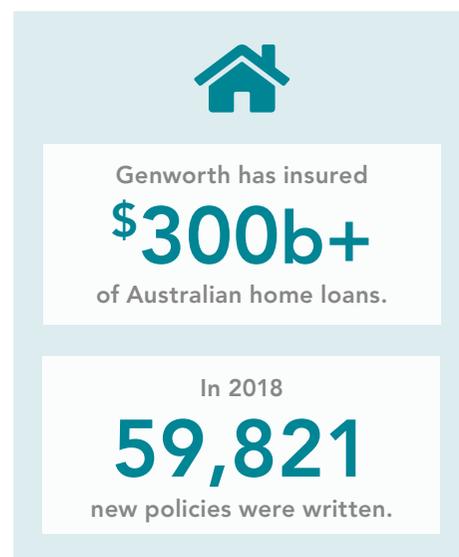
At 31 December 2018, Genworth insurance covered over \$300 billion of Australian home loans. Of this amount, \$22.2 billion represented new loans that we provided insurance cover for in 2018.

We also had more than 1.3 million policies in force and facilitated 59,821 home loans

through policies written during the year. Of the Insurance-in-Force we had in place, 74% related to owner-occupied home loans and 26% related to investment property loans.

As at 31 December 2018, we maintained a regulatory capital base of \$1.9 billion and our Cash and Investment portfolio had a market value of \$3.2 billion (of which more than 83% was held in cash and highly rated fixed income securities). We also had \$800 million of reinsurance in place giving Genworth claims paying ability in excess of \$4.0 billion.

In 2018, both Standard & Poor's Ratings Services and Fitch reaffirmed Genworth Financial Mortgage Insurance Pty Limited's financial strength rating at 'A+'.



5.4.3 Facilitating competition

Competition between lenders provides choice and innovation for borrowers and assists affordability. Genworth supports a broad range of more than 100 lenders in the Australian market including banks, mutuals, building societies, credit unions and many smaller and regional based lenders as well as fintechs and non-authorized deposit taking institutions.

Our risk and capital management solutions enable smaller lenders and regional lenders to reduce the amount of risk they carry on their balance sheets and lowers the level of capital they are required to hold against their home loans.

By helping a greater range of lenders to operate in the Australian residential mortgage market, Genworth helps promote competition and assists in a greater choice of lenders being available to home buyers.



5.4.4 Supporting innovation and collaboration

Tic:Toc – innovation

A key focus of Genworth has been on identifying innovative ways to access new distribution channels for LMI.

This has resulted in us taking a small equity stake in Tictoc Online Pty Limited (Tic:Toc), a fintech in the online origination space, which operates as a direct-to-consumer and partner platform. We have also been appointed as Tic:Toc's exclusive LMI provider on its digital loan platform thereby enabling Tic:Toc to provide high LVR loans to prospective home buyers.

Our investment in Tic:Toc is indicative of our support of start-up businesses and utilisation of technology to better address the evolving expectations of borrowers and lenders.

Stone & Chalk – corporate partnership

As outlined in our 2017 Sustainability Report, Genworth was appointed as a Stone & Chalk corporate partner in December 2016 and continues to hold this designation. Stone & Chalk is an independent, not-for-profit Fintech hub with incubator facilities in Sydney and Melbourne. It is home to over 140 start-ups with 680 people in residence.

During 2018, Genworth executives participated in Stone & Chalk's monthly corporate partners' meetings to collaborate in support of the fintech community and monitor emerging start-ups that may offer capabilities that complement our business. The year saw multiple examples of collaboration and sharing of insights and learnings that have helped these start-ups develop and grow their businesses and helped Genworth gain a better understanding of the innovation taking place in the market.



6. Governance and risk management

Genworth recognises the need to establish and maintain corporate governance policies and practices which reflect the requirements of the market regulators and the expectations of stakeholders that deal with us.

Our governance practices are underpinned by our responsibilities as an APRA regulated and ASX listed entity. Our corporate governance policies and practices remain under constant review as both regulation and good practice evolve.

Corporate governance

Our corporate governance materials including key policies, codes of conduct and board committee charters are found in the corporate governance section of our [website](#).

We embed sustainability into our operations and culture. For the financial year ended 31 December 2018, we issued a [Corporate Governance Statement](#), which sets out our main corporate governance practices for the year including an explanation of practices

which demonstrate compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Code of conduct

Genworth acknowledges the need for high standards of corporate governance practices and ethical conduct by all its directors and employees.

We have adopted a code of conduct, Integrity First, which sets out Genworth's commitment to maintaining high levels of integrity and ethical standards in its business practices. The code of conduct sets out for all directors, management and employees, the standards of behaviour expected of them. It contains the key information our people must understand in order to comply with applicable laws, employ a consistent approach to key integrity issues and conduct ourselves appropriately.

The [code of conduct](#) sets out Genworth's policies on various matters, including conflicts of interest, public and media comment, use of Genworth's resources, security of information, intellectual property/copyright, discrimination and harassment, corrupt conduct, occupational health and safety and insider trading.

In addition to their obligations under the Corporations Act in relation to inside information, all directors, employees and consultants have a duty of confidentiality to Genworth in relation to confidential information they possess.

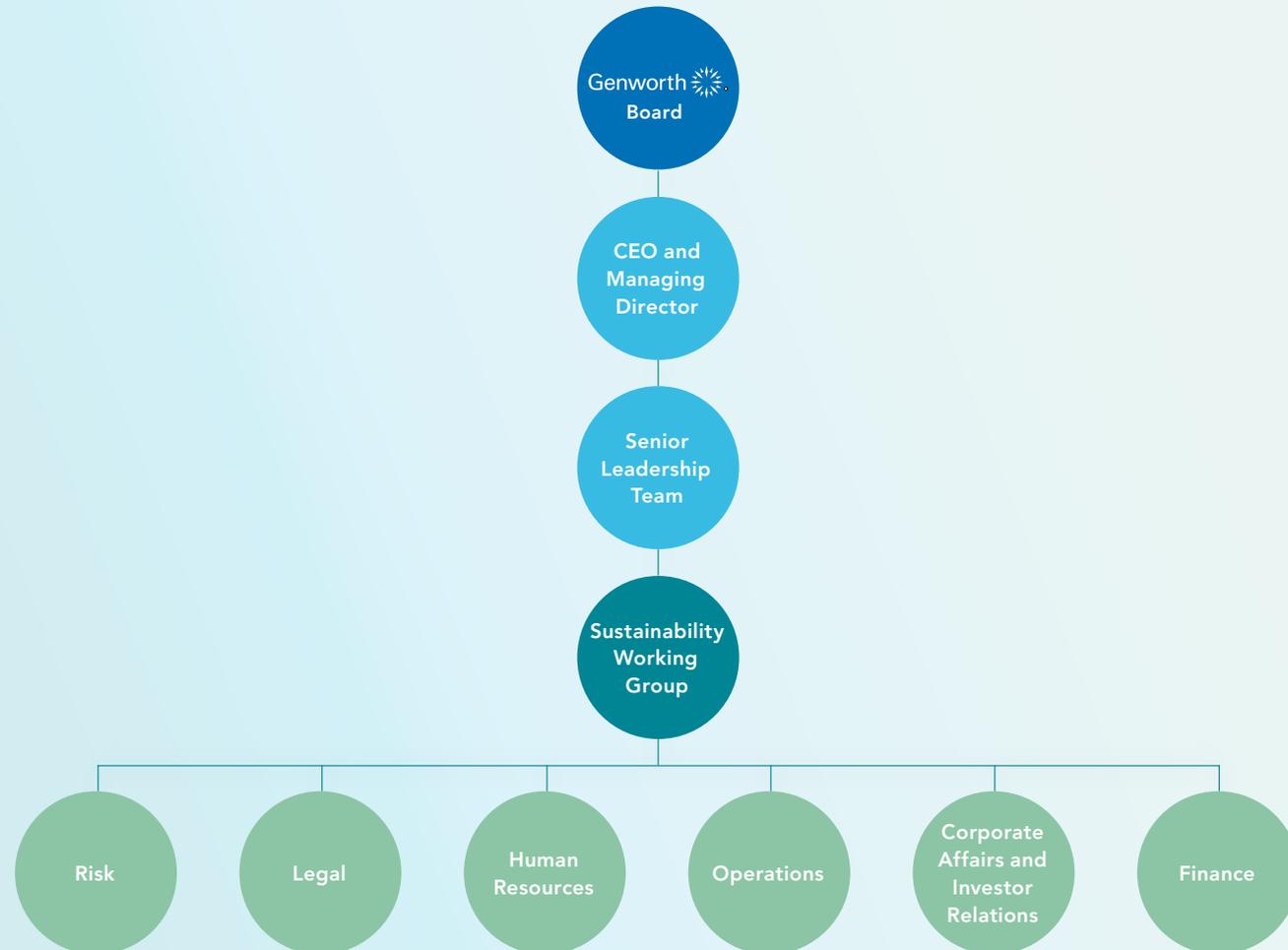


6. Governance and risk management (continued)

Sustainability governance

We have established a Sustainability Working Group with representatives from various functions across our business such as Risk, Legal, Human Resources, Operations, Corporate Affairs and Finance.

The Sustainability Working Group reports to the Senior Leadership Team which is headed by the CEO and Managing Director. The CEO and Managing Director is a Director on the Genworth Board. This structure ensures that sustainability matters are reported through to the most senior executives in our organisation and to the Genworth Board.



6. Governance and risk management (continued)

Risk management

The Board has established five Board committees that assist it to oversee and develop Genworth's corporate governance policies and risk management framework: the Audit Committee, the Risk Committee, the Capital and Investment Committee, the Remuneration and Nominations Committee and the Technology Committee. Each plays an important role in ensuring effective governance is applied over Genworth's business and operations.

Genworth is committed to the identification, assessment, monitoring and management of all enterprise risks associated with its business activities and has put in place a Risk Management Framework and Risk Management Strategy in accordance with APRA requirements to ensure effective control systems and risk treatment plans are in place.

Our Risk Management Framework comprises the Risk Management Strategy, frameworks, systems, processes, structures, policies, and people to identify, measure, evaluate, monitor, report and control or mitigate all internal and external sources of material risk.

The Board is responsible for overseeing and approving the Risk Management Framework. The Enterprise-Risk

Management Committee has responsibility for managing and overseeing material risk areas, implementing risk management systems and remediation plans, and reporting on these areas to the Board and its Risk Committee. The Board works collaboratively with management in relation to all material risk areas.

Annual reviews consider various matters such as the framework's effectiveness in managing risk, the alignment of Genworth's strategy and risk appetite, the risk culture of the organisation, the appropriateness of policies that identify risks and controls, risk-related reporting and how remediation recommendations are actioned. These components were covered as part of the 2018 review process.

Economic, environmental and social sustainability risk

Management of macroeconomic risks and responses to changes in the economic environment are integral to our risk management practices.

In line with ASX Corporate Governance Principles and Recommendations (Recommendation 7.4) during 2018 Genworth conducted a review to identify any material economic, environmental

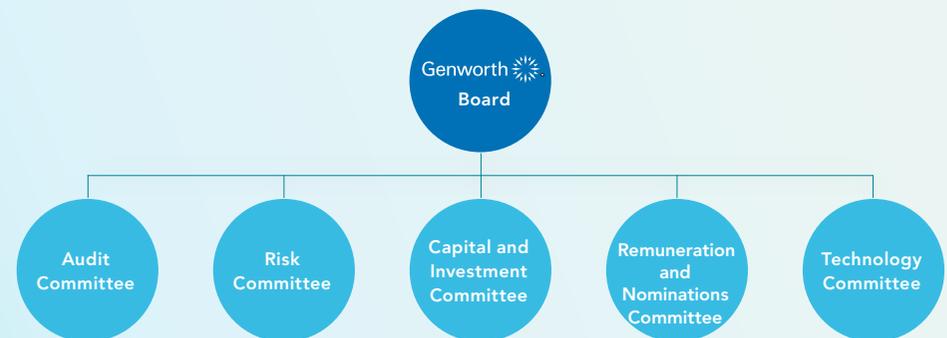
and social sustainability risks that could impact the business.

The management of climate change risk forms part of Genworth's Risk Management Framework. In 2018, a specific subgroup was created to identify, measure and monitor the implications of climate change risk across all aspects of Genworth's business which has so far identified three areas of focus relating to Genworth's:

1. corporate footprint;
2. insurance portfolio (considering potential impacts of climate change risk on prospective business and the current in-force portfolio); and

3. investment portfolio. (considering potential impacts of climate change risk on our investment portfolio).

Social sustainability risk and environmental risk are considered as part of our overall risk management practices. While Genworth does not have material exposures to these risks as part of its business model, the Board and senior management are committed to undertaking and evaluating Genworth's impact on the communities in which it operates and the environment. Regular consideration of potential risks enables risk mitigation activities to be devised where required.



7. Appendices



7.1 Environmental performance data and greenhouse gas data

Emissions inventory methodology

For this report, Genworth evaluated its direct and indirect energy sources. As a financial services company, our direct operations are not as energy intensive as businesses operating in high impact sectors such as manufacturing and construction. As a result, we do not use direct energy from natural gas and other fuels. In terms of indirect energy consumption, we collected data on actual electricity consumption across our three offices during 2017 and 2018. This data was obtained from our landlords who receive monthly utility bills and consumption reports directly from the utility providers.

Once the annual totals for direct and indirect energy consumption were determined, we used emission factors from the Australian Government Department of Environment and Energy's National Greenhouse Accounts Factors to estimate total GHG emissions associated with the direct and indirect energy consumption.

For Scope 3 Business travel – Air emissions, we used actual distance travelled from our 2017 and 2018 flight records and emission factors from the United Kingdom's

Greenhouse Gas Reporting: Conversion Factors 2018. Emission factors varied based on haul classification and travel class.

For Scope 3 Business travel – Hotel emissions, we used the Greenhouse Gas Protocol's Quantis Scope 3 Evaluator. This tool provides acceptable estimates of Scope 3 GHG emissions using activity and spend based methods. Our 2017 and 2018 records of hotel accommodations (i.e. number of hotel nights stayed) were entered into the model to estimate our Scope 3 Business travel-Hotel emissions.

For Scope 3 Employee commute, we used estimates for distance travelled from an employee survey on commuting conducted and emission factors from the United Kingdom's Greenhouse Gas Reporting: Conversion Factors 2018. Emission factors varied based on mode of transportation (no commute, walking, bicycling, driving, motorcycling, bus, train, light rail, and ferry). With a response rate of approximately 53%, we used the estimates from our survey to extrapolate our results to represent the total employees.

For Scope 3 Ground Transportation, we used the Greenhouse Gas Protocol's Quantis Scope 3 Evaluator. This tool provides estimates of Scope 3 GHG emissions using activity and spend based methods. Our 2017 and 2018 records of spend on ground transportation (i.e. taxis and town cars) used the evaluator to estimate our Scope 3 Ground transportation emissions¹.

For water consumption and waste generation actual data was not available for our office buildings. Therefore we have estimated our 2017 and 2018 water and waste including recycling as follows:

- In Sydney, by calculating Genworth's proportion of net lettable area of the building multiplied by water and waste of the building; and
- In Melbourne and Brisbane, by calculating the Sydney head office water and waste per m² multiplied by the respective floor area of each office.

We anticipate working with our landlords in future years to understand how to isolate our actual water consumption and waste generation for each office.

Sources:

[Australian Government Department of Environment and Energy. 2018. National Greenhouse Accounts Factors.](#) Accessed 1 March 2019.

['Distance between postcodes.'](#) [Australia Post Codes, Infotec Gestiones Informaticas Ltd., Copyright © 2005-2019.](#) Accessed 1 March 2019.

[Greenhouse Gas Protocol. 2019. Quantis Scope 3 Evaluator.](#) Accessed 12 March 2019.

['Postcodes by State.'](#) [Postcodes Australia, postcodes-australia.com, Copyright © 2006-2019.](#) Accessed 1 March 2019.

[United Kingdom Government \(Department of Business, Energy, and Industrial Strategy. 2018. Greenhouse Gas Reporting: Conversion Factors 2018.](#) Accessed 1 March 2019.

['Working Days in Australia.'](#) [Working Days, workingdays.com, 2018.](#) Accessed on 1 March 2019.

¹ Used spend on town cars and cabcharge/taxis for estimate.

7.1 Environmental performance data and greenhouse gas data (continued)

Emissions tables

Table 17: 2017–2018 direct and indirect energy consumption

	Previous CSR Report	2017	2018	% Contribution	% Change (2017 to 2018)
	Total GJ	Total GJ	Total GJ		
Direct energy consumption	16.1	0.0	0.0	0.0%	0.0%
Indirect energy consumption	2,292.4	1,604.1	1,163.8	100.0%	(27.4%)
Total	2,308.5	1,604.1	1,163.8	100.0%	(27.4%)

Note: No Direct energy consumption in 2018.

Table 18: 2017–2018 direct energy consumption by primary source

Type	Previous CSR Report	2017	2018	% Contribution	% Change (2017 to 2018)
	Total GJ	Total GJ	Total GJ		
Non-renewable sources	Natural gas	14.9	0.0	0.0%	0.0%
	LPG	1.2	0.0	0.0%	0.0%
	Diesel/Oil	0.0	0.0	0.0%	0.0%
Renewable sources	N/A	0.0	0.0	0.0%	0.0%
Total	16.1	0.0	0.0	0.0%	0.0%

Note: No natural gas consumption in 2018. No LPG, diesel or oil sources used in 2018. No renewable direct energy sources used in 2018.

Table 19: 2017–2018 indirect energy consumption by primary source

Type	Previous CSR Report	2017	2018	% Contribution	% Change (2017 to 2018)
	Total GJ	Total GJ	Total GJ		
Non-renewable sources	Electricity	2,292.4	1,604.1	100.0%	(27.4%)
Renewable sources	N/A	0.0	0.0	0.0%	0.0%
Total	2,292.4	1,604.1	1,163.8	100.0%	(27.4%)

Note: No renewable Indirect Energy sources use in 2018.

Table 20: 2017–2018 direct and indirect emissions (scope 1 & 2) by source

Emissions Source	Previous CSR Report	2017	2018	% Contribution of direct and indirect emissions (scope 1 & 2) of ghg tonnes CO ₂ -e	% Change (2017 to 2018)
	Sum of direct and indirect emissions tonnes CO ₂ -e	Sum of direct and indirect emissions tonnes CO ₂ -e	Sum of direct and indirect emissions tonnes CO ₂ -e		
Purchased electricity	505.0	368.8	268.0	100.0%	(27.3%)
Natural gas	0.7	0.0	0.0	0.0%	0.0%
LPG	0.1	0.0	0.0	0.0%	0.0%
Diesel/Oil	0.0	0.0	0.0	0.0%	0.0%
Total	505.8	368.8	268.0	100.0%	(27.3%)

7.1 Environmental performance data and greenhouse gas data (continued)

Table 21: 2018 GHG emissions by scope and Australian states

	Direct emissions (Scope 1) tonnes CO ₂ -e	Indirect emissions (Scope 2) tonnes CO ₂ -e	% Contribution
New South Wales	0.0	249.7	93.1%
Victoria	0.0	5.1	1.9%
Queensland	0.0	13.3	5.0%
Total	0.0	268.1	100.0%

Table 22: 2017–2018 breakdown of scope 3 emission sources

Emissions Source	Previous CSR Report	2017	2018	% tonnes CO ₂ -e	% Change (2017 to 2018)
	Total tonnes CO ₂ -e	Total tonnes CO ₂ -e	Total tonnes CO ₂ -e		
Business travel – Air	7,533.6	454.3	347.4	3.6%	(23.5%)
Business travel – Hotel	8,073.0	8,073.0	8,954.0	93.6%	10.9%
Employee commute	0.0	141.5	138.2	1.4%	(2.3%)
Ground transportation	0.0	142.4	126.2	1.3%	(11.4%)
Total	15,606.6	8,811.1	9,565.8	100.0%	8.6%

Note: Employee commute and Ground transportation emissions not calculated in previous CSR report.

Table 23: 2017–2018 breakdown of non-hazardous waste disposal by office

Genworth Office	Previous CSR Report		2017		2018		% Change Municipal Solid	
	Municipal Waste (tonnes/ year)	Recycling (tonnes/ year)	Municipal Waste (tonnes/ year)	Recycling (tonnes/ year)	Municipal Waste (tonnes/ year)	Recycling (tonnes/ year)	Waste (2017 to 2018)	Recycling (2017 to 2018)
Sydney	9.6	18.2	7.6	35.6	8.4	36.4	10.8%	2.2%
Melbourne	0.6	1.2	0.5	2.3	0.5	2.3	10.8%	2.2%
Brisbane	0.2	0.3	0.2	0.7	0.2	0.7	10.8%	2.2%
Total	10.4	19.7	8.3	38.6	9.2	39.5	10.8%	2.2%

Table 24: 2017–2018 water consumption by office

Genworth Office	Previous CSR Report	2017	2018	% Contribution	% Change (2017 to 2018)
	Total Water Consumption (m ³ /year)	Total Water Consumption (m ³ /year)	Total Water Consumption (m ³ /year)		
Sydney	2,787.0	3,213.4	3,339.2	92.2%	3.9%
Melbourne	180.0	207.3	215.4	5.9%	3.9%
Brisbane	51.0	64.3	66.8	1.8%	3.9%
Total	3,018.0	3,485.0	3,621.4	100.0%	3.9%

7.2 GRI Index

GRI standard number	GRI standard title	Disclosure number	Standard disclosure title	2018 Genworth Australia Sustainability Report (Reference or response)	Section
Strategy and analysis					
GRI 102	General Disclosures	102-14	Statement from senior decision-maker	CEO and MD's message	Section 1
Organisational profile					
GRI 102	General Disclosures	102-1	Name of the organization	CEO and MD's message	Section 1
GRI 102	General Disclosures	102-2	Activities, brands, products, and services	Who we are	Section 3
GRI 102	General Disclosures	102-3	Location of headquarters	Corporate directory	Section 8
GRI 102	General Disclosures	102-4	Location of operations	Who we are	Section 3
GRI 102	General Disclosures	102-5	Ownership and legal form	Who we are	Section 3
GRI 102	General Disclosures	102-6	Markets served	Who we are	Section 3
GRI 102	General Disclosures	102-7	Scale of the organisation a. Total number of employees b. Total number of operations c. Net sales (for private organisations) or net revenues (for public sector organisations) d. Total capitalisation broken down in terms of debt and equity (for private sector organisations) e. Quantity of products or services provided	a. Our people b. Who we are c. Marketplace d. Who we are e. Who we are	Section 5.2 Section 3 Section 5.4 Section 3 Section 3
GRI 102	General Disclosures	102-8	Information on employees and other workers a. Total number of employees by employment contract and gender b. Total number of permanent employees by employment type and gender c. Total workforce by employees and supervised workers and by gender d. Total workforce by region and gender e. Report whether a substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors f. Any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries)	a. to e. Our people f. There are no seasonal variations in employment numbers during 2018	Section 5.2
GRI 102	General Disclosures	102-41	% of employees covered by collective bargaining agreements	100% of Genworth Australia employees were covered by collective bargaining agreements	Section 5.2
GRI 102	General Disclosures	102-9	Supply chain	Materiality and stakeholder engagement	Section 4
GRI 102	General Disclosures	102-10	Significant changes to the organisation regarding size, structure, ownership and its supply chain	Stakeholder engagement	Section 4.2
GRI 102	General Disclosures	102-11	Precautionary principle or approach	Governance and risk management	Section 6
GRI 102	General Disclosures	102-12	External developed economic, environmental and social charters	CEO and MD's message, About this report, Stakeholder engagement	Section 1, 2, 4.2
GRI 102	General Disclosures	102-13	Membership of associations (industry) and national or international advocacy – hold position on governance body, provide funding or views membership as strategic	Stakeholder engagement	Section 4.2

7.2 GRI Index (continued)

GRI standard number	GRI standard title	Disclosure number	Standard disclosure title	2018 Genworth Australia Sustainability Report (Reference or response)	Section
Identified material aspects and boundaries					
GRI 102	General Disclosures	102-45	Entities included in the consolidated financial statements	The Sustainability Report covers all entities included in Genworth's consolidated financial statements	–
GRI 102	General Disclosures	102-46	Defining report content and topic Boundaries	Materiality	Section 4.1
GRI 102	General Disclosures	102-47	List of material topics	Materiality	Section 4.1
GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality	Section 4.1
GRI 102	General Disclosures	102-48	Restatements of information	Restatement of environmental information	Section 5.1, 7.1
Stakeholder engagement					
GRI 102	General Disclosures	102-40	List of stakeholder groups	Stakeholder engagement	Section 4.2
GRI 102	General Disclosures	102-42	Identifying and selecting stakeholders	Stakeholder engagement	Section 4.2
GRI 102	General Disclosures	102-43	Approach to stakeholder engagement	Stakeholder engagement	Section 4.2
GRI 102	General Disclosures	102-44	Key topics and concerns raised	Our sustainability pillars	Section 5
Report profile					
GRI 102	General Disclosures	102-50	Reporting period	About this report	Section 2
GRI 102	General Disclosures	102-51	Date of most recent report	About this report	Section 2
GRI 102	General Disclosures	102-52	Reporting cycle	CEO and MD's message	Section 1
GRI 102	General Disclosures	102-53	Contact point for questions regarding the report	Corporate directory	Section 8
GRI 102	General Disclosures	102-54	Claims of reporting in accordance with the GRI Standards a. in accordance with the GRI standards b. GRI content index for chosen option	About this report This report contains standard disclosures from GRI Sustainability Reporting Guidelines	Section 2
GRI 102	General Disclosures	102-55	GRI content index	GRI Index	Section 7.2
GRI 102	General Disclosures	102-56	External assurance	About this Report The environmental data in this report has been subject to independent external assurance by Nova Consulting Group, Inc	Section 2
Governance					
GRI 102	General Disclosures	102-18	Governance structure	Governance and risk management	Section 6
Ethics and integrity					
GRI 102	General Disclosures	102-16	Values, principles, standards, and norms of behaviour	Our people, Governance and risk management	Section 5.2, 6
Disclosures on management approach					
GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality	Section 4.1
GRI 103	Management Approach	103-2	The management approach and its components	Materiality	Section 4.1
GRI 103	Management Approach	103-3	Evaluation of the management approach	Materiality	Section 4.1

7.2 GRI Index (continued)

GRI standard number	GRI standard title	Disclosure number	Standard disclosure title	2018 Genworth Australia Sustainability Report (Reference or response)	Section
Economic Performance					
GRI 201	Economic Performance	201-1	Direct economic value generated and distributed	Marketplace	Section 5.4
Energy					
GRI 302	Energy	302-1	Energy consumption within the organisation	Environment	Section 5.1
Water					
GRI 303	Water	303-1	Water withdrawal by source	Environment	Section 5.1
Emissions					
GRI 305	Emissions	305-1	Direct (Scope 1) GHG emissions	Environment	Section 5.1
GRI 305	Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Environment	Section 5.1
GRI 305	Emissions	305-3	Other indirect (Scope 3) GHG emissions	Environment	Section 5.1
Effluent and Waste					
GRI 306	Effluents and Waste	306-2	Waste by type and disposal method	Environment	Section 5.1
Compliance					
GRI 307	Environmental Compliance 307-1		Non-compliance with environmental laws and regulations	Not applicable, we have not identified any non-compliance with environmental laws and/or regulations	–
Employment					
GRI 401	Employment	401-1	New employee hires and employee turnover	Our people	Section 5.2
Occupational Health and Safety					
GRI 403	Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Our people	Section 5.2
Diversity and Equal Opportunity					
GRI 405	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Our people	Section 5.2
Local Communities					
GRI 413	Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Community	Section 5.3
Socioeconomic Compliance					
GRI 419	Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Not applicable, we have not identified any non-compliance with laws and regulations in the social and economic area	–

8. Corporate directory

Registered office

Genworth Mortgage Insurance Australia Limited

Level 26
101 Miller Street
North Sydney NSW 2060

Telephone

+61 1300 655 422

Website

genworth.com.au

ABN 72 154 890 730

Secretaries

Company Secretary

Prudence Milne, General Counsel
and Company Secretary

Assistant Company Secretary

Brady Weissel, Corporate Counsel
and Assistant Company Secretary

Investor information

Head of Corporate Affairs and Investor Relations

Helen Karlis

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Auditors

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Share registry

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Email

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Website

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Link Investor Centre

investorcentre.linkmarketservices.com.au

Australian Securities Exchange

Genworth Mortgage Insurance
Australia Limited (ASX:GMA)

Genworth ®