



# 2021 Modern Slavery Statement

This joint Statement is made by Genworth Mortgage Insurance Australia Limited ABN 72 154 890 730. This Statement sets out the actions taken by Genworth Mortgage Insurance Australia Limited and Genworth Financial Mortgage Insurance Pty Limited ABN 60 106 974 305 to identify and address modern slavery risks in its business operations and supply chain in the financial year 1 January 2021 to 31 December 2021.

## 1. Message from the Chief Executive Officer and Managing Director

I am pleased to present Genworth's modern slavery statement for the reporting period 1 January 2021 through to 31 December 2021.

At Genworth, we are committed to operating our business in a manner which supports and upholds human rights. We recognise this commitment can only be upheld through a shared responsibility across our people, our governments, our customers and our communities. Together we must strive to aid and support the eradication of modern slavery across all aspects of our business.

We hold ourselves to the highest standards of integrity in everything we do and hold ourselves accountable to those standards by sharing our commitments with the community. Consistent with this, I am pleased to share our commitment to addressing modern slavery and look forward to communicating our ongoing progress as we play our part to manage the risk of modern slavery.

This year's report has built on the work of our previous reporting year and provides an update on our commitment to combat modern slavery.

We understand and acknowledge that the eradication of modern slavery is an ongoing process, and we will continue to develop our response to support actions to combat modern slavery risks.

**Pauline Blight-Johnston**

Chief Executive Officer & Managing Director

## 2. About Us Structure and operations

Genworth Mortgage Insurance Australia Limited (GMA) is an Australian public company listed on the Australian Securities Exchange (ASX: GMA). Its wholly owned direct subsidiaries are Genworth Financial Mortgage Insurance Pty Limited (GFMI), and Balmoral Insurance Company Limited, and GFMI's wholly owned direct subsidiary is Genworth Financial Mortgage Indemnity Limited (collectively Genworth, we, our or us).

Genworth Mortgage Insurance Australia Limited and Genworth Financial Mortgage Insurance Pty Limited are reporting entities under the Modern Slavery Act 2018 (Cth).

Genworth is a leading provider of Lenders Mortgage Insurance (LMI) in Australia and for the reportable period of 1 January 2021 to 31 December 2021 this has been our principal activity.

Our product facilitates residential mortgage lending by transferring risk to Genworth and its predominately used in connection with high loan-to-value ratio (LVR) residential mortgage loans. We have provided our product, and tailored risk and capital management solutions for lender customers, for over 50 years, having been established as the Housing Loans Insurance Corporation in 1965 by the Federal Government.

All entities of Genworth use the same centralised procurement, risk, human resources, finance, technology, operations and legal teams to conduct operations. In addition, all entities of Genworth adopt the same policies, practices and procedures relevant to modern slavery, engage many of the same suppliers and operate in the same sector. As such the reporting entities have provided a single consolidated description of their actions to address modern slavery risks.

Genworth's business operations were in the relevant period primarily conducted from offices located in Sydney, Melbourne and Brisbane. Genworth has approximately 206 employees, of which 205 are located in Australia and one employee is located in New Zealand. In addition, Genworth engages professional service firms to assist in its operations outside of Australia in respect to residence, accounting, regulatory and governance matters.

## Our People

Our people are at the heart of what we do. They reflect the diversity of our customers and the communities they serve, and we value the contribution that each of our people make through the differing backgrounds, experience, and perspectives which they bring to our organisation. At Genworth we are committed to building a diverse and inclusive workplace and this is reflected by our strong support of flexible and inclusive workplace practices across the organisation.

Genworth has low risk of modern slavery practices for all entities of Genworth in the direct operations that are directly undertaken by Genworth's employees and which are covered by our policies and processes.

## Our Values

At Genworth we are committed to implementing the highest professional and ethical standard in our business practice. Our values represent who we are and what we stand for, and how we work and interact with each other, our customers, and the community we serve. To uphold and support these standards our people are accountable for demonstrating these values in everything they do:



Have courage; do what's right

Have courage.  
Do what's right.



Experiment; embrace change; adapt

Experiment.  
Embrace change. Adapt.



Work together to deliver on our commitments

Work together.  
Deliver on our commitments.



Be accountable; plan; get it done



Listen; be relevant; be flexible

Listen.  
Be relevant. Be flexible.

Our values underpin our company's culture and helps form the standard of behaviour we expect from our people.

We are committed to maintaining the highest standards of corporate governance to support Genworth's long-term performance and sustainability, and we continually seek to improve and grow our governance and risk management frameworks. This commitment incorporates interactions with Genworth's shareholders, customers, our people, regulators, and the community. Our governance practices are underpinned by responsibilities as regulated insurance entities, and GMA as a listed entity.

Genworth is committed to:

- Ethical and sustainable business practices
- Upholding human rights
- The highest workplace standards.

## Our Supply Chain

We have approximately 229 suppliers. Our suppliers are located within Australia and overseas.

At Genworth we strive to build supportive, transparent, and collaborative relationships with all our suppliers and strategic partners.

We recognise that as an organisation our suppliers are key to positively contributing to the social, economic, and environmental wellbeing of the communities that we are part of. Therefore an assessment of modern slavery risks forms part of our review of all potential supplier engagements.

Our Supplier Code of Conduct sets out the standards of behaviour we expect of Genworth, our people, and our suppliers. We do not tolerate any form of human trafficking, slavery and slavery-like practices or child labour within our business operations or that of our suppliers.

We believe mutual commitments between Genworth and our suppliers, to operate in accordance with community expectations of businesses, create sustainable value for all our stakeholders. We work collaboratively with our suppliers to foster relationships that align with the standards in the Supplier Code of Conduct and the interests of our stakeholders.

We have a diverse supply chain including single purchases with non-contracted suppliers through to high-value, critical use, or multi-year strategic engagements. Our supply chain includes technology and corporate service providers, investment managers, reinsurers, professional service and consultancy firms, facilities management, and other service providers.

Genworth considers its potential to cause, contribute to or to be directly linked to the risk of modern slavery practices in its supply chain for all Genworth entities as being low.

Genworth takes steps to identify, assess and manage the risk as set out in this Statement.

For the reportable year, 1 January 2021 to 31 December 2021, there were no identified instances of exploitative practices or human rights abuses in our supply chain.

Our Supplier Code of Conduct, it can be found here [Genworth - Investor Centre](#).

## 3. Our Policies and Procedures

As we improve our understanding of modern slavery and where it may exist in our operations and direct and indirect supply chain, we rely on a range of controls to reduce these risks. These include policies, training and awareness, due diligence and monitoring. These policies and procedures promote and instil good practices and behaviours and protect the human rights of our people and suppliers. These policies include:

- Anti-bribery and Corruption Policy
- Diversity and Inclusion Policy
- Family Violence Awareness Policy
- Code of Conduct
- Outsourcing Policy
- Procurement Policy - Sourcing & Supplier Management Procedures
- Sustainability Policy
- Whistleblower Policy
- Workplace Health and Safety Policy
- Workplace Standards Policy

These policies are available on our intranet. Most of these policies or their policy summary are publicly available and can be found here [Genworth - Investor Centre](#).

## 4. Ethical and Responsible Behaviour Code of Conduct

This past year Genworth refreshed and relaunched its Code of Conduct, acknowledging once again the need for high standards of corporate governance practice and ethical conduct by all employees and contractors, including Directors of Genworth's Board.

Our Code of Conduct brings to life the commitment of helping Australians achieve their dream of home ownership by guiding our people and those who represent us. This policy aids in fostering an environment at Genworth where individuals are encouraged and supported to raise issues and report concerns and sets out our dedication for maintaining high levels of integrity and ethical standards in its business practices.

The code of conduct details Genworth's policies on various matters, including conflicts of interest, discrimination and harassment, corrupt conduct, workplace health and safety, privacy and confidentiality protection and insider trading.

All employees are required to attest to their adherence with the code and undergo online compliance training for this annually.

### Supplier Code of Conduct

We acknowledge that our corporate governance practices and responsibilities do not stop with our people. We are committed to implementing the highest professional and ethical standards, not just through the practices of all employees and contractors, but our suppliers as well.

Genworth's Supplier Code of Conduct sets out Genworth's expectations of their suppliers. This policy outlines the standards and practices by the community of Genworth and its suppliers. It is an ongoing commitment that Genworth and its suppliers are held to account and forms part of Genworth's corporate social responsibility approach.

## Whistleblower Policy

Genworth maintains a Whistleblower Policy that seeks to promote proper and ethical professional conduct in the workplace. Employee understanding and awareness of this Policy is achieved through an e-learning module which promotes awareness of our external whistleblower service, and through periodic communications via internal social media and other internal communication channels. All employees are also required to undertake Genworth's annual Code of Conduct training, which outlines the various mechanisms to speak up including the Ombudsperson and the external whistleblower service. Our people can report to their manager or, if they wish, our independently operated whistleblower service provider.

We expect our suppliers to uphold its values and workplace standards and they too are encouraged to report on any concerns about their relationship with Genworth. This expectation and encouragement to report concerns to Genworth is set out in our Supplier Code of Conduct.

## Corporate Sustainability and Responsibility

Genworth places significant importance on managing sustainability and believes sustainability related issues extend beyond climate to include corporate social responsibility, culture, governance, and accountability. We are committed to ensuring that high corporate governance standards are upheld by us.

Our Sustainability Policy sets out our commitments to operate in a way that is economically, socially, and environmentally sustainable for both present and future generations, across four key areas:

- The environment
- Our people
- Community
- Marketplace

Each year we publish our Sustainability Report which reports on these four key areas.

Our Sustainability Policy can be found here [Sustainability - Genworth](#) and Sustainability Reports can be found here [Sustainability reports](#) ([www.genworth.com.au](http://www.genworth.com.au)).

## Training

All our people receive annual training to assist them to understand what modern slavery is and the Modern Slavery Act, the impact they have to our business, what our responsibilities are and what actions can and need to be taken.

Training consists of familiarising our people with our code of conduct, and our Workplace Standards Policy through annual online training and an acknowledgement that they have read and understood Genworth's expectations regarding the required standard of workplace behaviour. Our people also receive annual training on anti-discrimination and anti-bullying & anti-harassment in addition to other courses. Targeted Modern Slavery specific training is required annually for employees who are supplier relationship managers or owners, or are stakeholders within the Modern Slavery Act space.

## 5. Position on Modern Slavery

### Our Position on Modern Slavery

Genworth is committed to upholding the human rights of all workers and acknowledges the fundamental entitlement of all human beings to liberty and dignity. We endeavour, and expect our suppliers and stakeholders, to respect the standards in the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, International Labour Organisation on Fundamental Principles and Rights at Work in all business operations and supply chain.

### Actions to assess and address risk

The following steps have been taken to identify and address modern slavery risks within the supply chain for all entities of Genworth:

- Genworth implemented a new supplier risk management tool which enhances our management and oversight of Genworth's supplier relationships and risks. This tool provides the opportunity to revise and enhance the existing modern slavery risk assessments to seek to better gauge the risk of slavery and human trafficking within our supply chain and the effectiveness of our actions.
- All 229 of our suppliers were re-assessed for the risk of modern slavery practices, taking into account each supplier's risk of modern slavery due to the supplier's geographic location, industry type, the nature of its workforce and product production type.
- All suppliers were allocated a high, medium or low risk score taking into account the above factors;
- The majority of our suppliers fell in the Low or Medium risk category.
- We had 14 suppliers who were classed as high risk due to one or more of the above factors. Of those suppliers:
  1. Four suppliers fall into building services industry in Australia covering construction, security or asset management.
  2. Five are global suppliers in the IT industry and have operations in higher risk countries.
  3. The remaining suppliers are cleaning and transport & logistics suppliers located in Australia.
- The tool improved our reporting and data collection capabilities which allowed Genworth to prioritise high and medium risk suppliers and incorporate a data driven view of modern slavery risk.
- We sought and continue to seek to include our standard contractual requirements in relation to modern slavery and corruption risks upon renewal of existing supplier contracts and when entering new supplier contracts. However, it is not always possible to include all or some of our standard contractual requirements in all supplier contracts.
- We issued our revised Code of Conduct, acknowledging, once again, the need for high standards of corporate governance practice and ethical conduct by employees, third party contractors and Directors of Genworth's Board.

- We monitor relevant government and industry guidance on the assessment of modern slavery risks.
- We continue to apply a Supplier Code of Conduct that states Genworth will not tolerate any form and presence of human trafficking, slavery and slavery-like practices within its business operations or that of its suppliers.
- Our Sustainability Policy was updated to include Genworth's commitment to upholding human rights and the highest workplace standards.
- We revised our standard contractual requirements in relation to modern slavery and corruption risks. In addition to the obligation contained in our standard contractual requirements on suppliers to not use any form of forced labour, slavery, or servitude and to adhere to Genworth's Supplier Code of Conduct, suppliers represent and warrant that in its actual knowledge as of the commencement date of their agreement they nor any of its personnel has been convicted of an offence relating to slavery and human trafficking or has been subject to any investigation, inquiry, or enforcement proceedings. Our standard contractual requirements also include an obligation on suppliers to immediately give written notice to Genworth if it becomes aware of a possible, potential, suspected or actual breach by its personnel of any anti-slavery law or anti-corruption law.
- We continued to review suppliers' relevant policies and documentation, where available, including but not limited to Codes of Conduct, Codes of Ethics and Modern Slavery Policies.
- We required specific employees to undertake compulsory online training to assist them to understand modern slavery risk, the requirements of the Modern Slavery Act, what circumstances may be a slavery risk and how to report any potential issues or concerns.
- We used reporting procedures and mechanisms where our people and third parties can report any concerns regarding unethical or illegal conduct, including in relation to modern slavery. Our people can report to their manager or, if they wish, our people and third parties are able to report through our independently operated whistleblower service provider.

## Consultation

Genworth's procurement team centrally coordinated Genworth's identification, assessment and management of modern slavery risks for all entities of Genworth.

The consultation within the key areas of our business and relevant personnel for all entities of Genworth to prepare this Statement was with the single centralised procurement, enterprise and regulatory risk, human resources and legal teams.

## Effectiveness of actions

Genworth assesses the effectiveness of our actions by whether we have:

- Conducted a risk assessment of our suppliers; and
- Been able to obtain from our high risk supplier's contractual commitments in relation to modern slavery risks and/or other relevant information from those suppliers, such as the supplier's policies or codes of practice, about how they assess and manage modern slavery risks.

By conducting our risk assessment of all suppliers and obtaining contractual commitments and/or obtaining other relevant information from our high risk suppliers, we aim to be informed of and mitigate risk of modern slavery practices in the supply chain.

We continue to assess the effectiveness of the actions we undertake to identify and address modern slavery risk within our organisation and our supply chain.

We may conduct regular assessments of the conduct and practices of our suppliers with the standards of the Supplier Code of Conduct.

## Remediation

Genworth did not need to remediate an instance of modern slavery in the 2021 Year for any Genworth entity. Our approach to remediation is to address each issue as it arises and uphold our commitments to:

- Ethical and sustainable business practices
- Upholding human rights
- The highest workplace standards.

## On-going Activities

Genworth's on-going approach to identifying and assessing modern slavery risks in our business operations and supply chain includes:

- Targeted training for our procurement team and employees who have the responsibility to identify and manage modern slavery risk on behalf of Genworth.
- Engaging across our various stakeholders to assess and address modern slavery risk in our supply chain.
- Annual training for employees to assist them to understand what modern slavery is, the Modern Slavery Act, the impact of modern slavery to Genworth and its customers, and what actions employees can take.
- Conducting further risk assessments and due diligence on suppliers as required
- Seeking to improve processes to assess the ongoing effectiveness of our actions in attempting to address modern slavery risk in our business operations and supply chain.

This Statement was approved by the Boards of Genworth Mortgage Insurance Australia Limited and Genworth Financial Mortgage Insurance Pty Limited on [insert date].



### **Pauline Blight-Johnston**

Chief Executive Officer and Managing Director,  
Genworth Mortgage Insurance Australia Limited  
and Genworth Financial Mortgage Insurance Pty  
Limited 20 May 2022.