



# Trading Policy

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#### References within this document

Within this document, a reference to Genworth or 'the Company' refers to Genworth Mortgage Insurance Australia Limited and its subsidiary companies.

References to the Board are to the Boards of Directors of Genworth and its subsidiary companies unless a specific Board is specified. All References to amounts are in Australian Dollars (AUD).

## 1. Introduction

This document sets out Genworth's policy on dealing in:

- Genworth Securities;
- Securities of Genworth Financial, Inc. ("**GFI**"); and
- Securities of other entities (as relevantly referenced in this Policy),

by its employees, officers and directors of the Company and any of its subsidiaries and each of their respective associates. It also applies to any individual person working directly for Genworth or any of its subsidiaries under a contract other than a contract of employment (such as a consultant, independent contractor or adviser). Each of these persons is referred to in this Policy as a "**Genworth Employee**".

Insider trading includes trading in, encouraging others to trade in, or in some cases communicating information about, shares or other Securities while in possession of price sensitive information that is not generally available to the public ("**Insider Trading**"). Schedule A sets out section 1043A of the Corporations Act. The law prohibits people in possession of price sensitive information that is not generally available to the public from Dealing in Securities (as defined below in Section 3) or passing on information to others who may Deal in Securities. This prohibition applies regardless of how the information has been learned. Such action may result in individual prosecution and result in a lack of confidence in the market for the Company's Securities, harming both the Company and its shareholders. Accordingly, the Company has established this Trading Policy (the "**Policy**"), among other things, to assist it and Company Personnel (as defined below in Section 2) in being aware of their obligations and complying with the prohibitions against Insider Trading.

The procedures and restrictions set forth in this Policy are only a general framework to assist Company Personnel in ensuring that any purchase or sale of Securities occurs without actual or perceived violation of applicable Securities laws. Company Personnel have the ultimate responsibility for complying with applicable Securities laws and should obtain additional guidance, including independent legal advice, as may be appropriate for their own circumstances.

## 2. Scope

### Persons that are subject to this Policy

All Genworth Employees are required to observe and comply with this Policy insofar as its provisions apply to them and must ensure that any family member (spouse or other person living in the household or a dependent child of any of those individuals) also complies with the Policy.

For the purposes of this Policy, the persons listed above are collectively referred to as "**Company Personnel**".

### Trades that are subject to this Policy

Under this Policy, all references to dealing in Securities of the Company include:

- (i) any sale or purchase of shares of the Company, including the exercise of stock options granted under the Company's share rights plan, if established, and the acquisition and disposal of shares or any other Securities pursuant to any Company benefit plan or arrangement (other than pursuant to the vesting of share-based compensation arrangements or an automatic Securities purchase plan, where the Company Personnel do not have direct control of each individual acquisition); and

- (ii) any derivatives-based or other transaction or arrangement, including debentures, options to subscribe for new shares and options over existing shares and warrant contracts, that would be required to be reported by insiders in accordance with applicable laws or regulations relating to derivatives or equity monetisation transactions.

Each Genworth Employee is also required to observe and comply with the GFI Insider Trading Policy in relation to all dealings in GFI Securities.

## 3. Insider Trading Laws

### Prohibition

If Company Personnel have any inside information about Genworth or any related company to Genworth (or another entity, such as a company with which Genworth is considering a transaction) which is not publicly known, it is an offence to:

- Deal in Genworth Securities (or Securities of the other entity);
- advise or procure another person to Deal in Genworth Securities (or Securities of the other entity); or
- pass on inside information to someone else (such as colleagues, family or friends) knowing (or where it should have reasonably been known) that the other person will, or is likely to, use that information to Deal in, or procure someone else to Deal in, Genworth Securities (or Securities of the other entity).

### Inside information

Inside information is information that:

- is not generally available; and
- if it were generally available, a reasonable person would expect it to have a material effect on the price or value of Genworth Securities or Securities of another entity.

Examples of price sensitive information include, but are not limited to:

- financial performance against budget;
- a possible acquisition or sale of any assets by Genworth (or another entity);
- a possible change in Genworth's capital structure;
- a proposed dividend;
- changes in Senior Management;
- entry into or termination of customer contracts; or
- a possible claim by or against Genworth or other unexpected liability.

Because of the continued investment in Genworth by GFI, inside information about Genworth may also constitute inside information in respect of GFI. Accordingly, this Policy also restricts dealings in relation to GFI Securities.

### Dealing in Securities

Dealing in Securities includes applying for, acquiring, disposing of, or entering into an agreement to apply for, acquire or dispose of, Genworth Securities or Securities of another entity.

## Consequences of Insider Trading

Penalties for Insider Trading can include:

- criminal liability including large fines or imprisonment;
- civil penalties;
- civil liability, which may include being sued by another party or Genworth, for any loss suffered as a result of illegal trading; and
- termination of employment.

## 4. Restrictions on Trading

### Trading Pre-Clearance

To assist each of the Company Personnel specified below (each a “**Prescribed Person**”) to avoid any trade in Genworth Securities that may contravene or be perceived to contravene applicable Insider Trading laws, these individuals are required to notify Genworth’s Company Secretary (or as an alternate, the Chief People and Culture Officer or another appointed delegate if the Company Secretary is not contactable) of any proposed trade of Genworth Securities before entering into the trade to confirm that there is no Inside Information that has not been generally disclosed.

Prescribed Persons are any of the following:

- (a) a Director of the Company or any of its subsidiaries;
- (b) Senior Management of the Company or any of its subsidiaries;
- (c) an employee of the Company or any of its subsidiaries who reports directly to Chief Financial Officer;
- (d) an individual that has been notified in writing by the Company Secretary or Senior Management that the individual’s trades in Securities of the Company will be subject to pre-clearance in accordance with this Policy;
- (e) a family member, spouse or other person living in the household or a dependent child of any of the foregoing individuals; and
- (f) any Genworth Employee who is in possession of non-public price sensitive information.

Such notification shall be made by filing a Trade Notice in the form of Schedule B to this Policy with the Company Secretary no later than 12:00 noon (Australian Eastern Standard time) on the second business day before the date of entry into the proposed transaction. Such filing must be made by sending an e-mail to the Company Secretary or by delivering the notice in person to the Company Secretary (or, in each case the Chief People and Culture Officer or appointed delegate if the Company Secretary is not contactable).

Prior to the date of the proposed transaction, the Company Secretary may notify any individual that has filed a Trade Notice in accordance with this Policy whether the Company reasonably believes that there is Inside Information that has not been generally disclosed or otherwise anticipates that the proposed trade will contravene applicable Insider Trading laws or this Policy, and whether or not the proposed trade may be made.

If an individual has filed a Trade Notice in accordance with the foregoing and has not received a response from the Company Secretary prior to the proposed date of the trade, the individual must not proceed with such trade. If the individual receives clearance from the Company Secretary, then the individual may proceed with the trade on the basis that they may only do so in accordance with applicable Securities laws and this Policy.

Company Personnel required to obtain pre-clearance pursuant to the GFI Insider Trading Policy will need to comply with the GFI Insider Trading Policy in relation to any dealings in GFI Securities.

## **Trading Windows**

A Prescribed Person must only enter into a trade in relation to Genworth Securities during the following periods (each a “**Trading Window**”):

- (a) the period of 4 weeks commencing at the beginning of trade on the second trading day following:
  - a. the announcement of the Company’s first quarter results;
  - b. the announcement of the Company’s half year results;
  - c. the announcement of the Company’s third quarter results;
  - d. the announcement of the Company’s full year results; and
  - e. the date of the Company’s Annual General Meeting; and
- (b) the duration of any offer period for an offer of Securities by the Company made pursuant to a prospectus, product disclosure statement, cleansing notice or other disclosure document (as applicable).

For the purposes of this Policy, the date of the announcement of the Company’s financial results will be earlier of the date the Company issues an announcement in respect of the Company’s interim or annual financial statements, and the date the interim or annual financial statements (as applicable) is released to the market.

The Company Secretary may declare at any time that a Trading Window has closed and notify Prescribed Persons that have filed a Trade Notice accordingly. The fact that the Trading Window has closed and that there is a restriction on trading may itself constitute Inside Information or information that may lead to rumours and must be kept confidential.

## **No speculative short term trading or short selling**

Company Personnel must not trade in Genworth Securities on a short term basis or for speculative trading gain and must not engaging in ‘short selling’ any Genworth Securities.

Generally, short term trading is trading that has the intention or the effect (or may be perceived to have the intention or the effect) of realising a gain due to particular information or circumstances and not an investment based on long term fundamentals. Short selling generally involves borrowing a security and selling it in the hope that it can be bought back at a lower price at some point in the future and the short position closed out at a profit.

Company Personnel should take a conservative view about what might constitute short term trading or short selling, given particular circumstances and context. Company Personnel who requires guidance should not trade in Genworth Securities pending receipt of that guidance and should contact the Company Secretary.

## **Hedging, margin lending and other secured financing arrangements**

Company Personnel must not, without the prior written consent of the Company Secretary, enter into or agree to enter into:

- any hedging arrangements in relation to any Genworth Securities (including any arrangement (with anyone) that has the effect of limiting the exposure of Company Personnel to risk relating to Genworth Securities); or
- any margin lending or other secured financing arrangements in connection with any Genworth Securities.

Any request of the Company Secretary for consent to the above arrangements should include full details of the proposed arrangements and provide reasons why giving consent is appropriate. The applicant must not enter into or agree to enter into such arrangements until he or she has received the specific written consent (which may include e-mail) from the Company Secretary.

## **Exemptions**

Prescribed Persons who wish to trade Genworth Securities outside of a Trading Window may apply to the Company Secretary for an exemption. Any such request should describe the nature of the proposed trade and reasons why granting the exemption is appropriate and must be accompanied by a Trade Notice.

The Company Secretary will consider such requests and inform the applicant whether or not the proposed trade may be made and in each circumstance a waiver to trade in Securities is granted, the duration of the waiver will be one trading day. The applicant must not enter into any such trade until he or she has received the specific written approval (which may include e-mail) from the Company Secretary.

## **Other requirements regarding trading pre-clearance, consents under or exemptions to this Policy**

The following general principles apply to any trading pre-clearance, consent or exemption under this Policy (unless otherwise stated in this Policy or in any such trading pre-clearance, consent or exemption):

- such trading pre-clearance, consent or exemption will be valid for a period of five trading days from the date it is given, or, if given within five trading days before a Trading Window closes, until that Trading Window closes;
- Genworth, through the Company Secretary, may give or refuse any trading pre-clearance, consent or exemption under this Policy in its absolute discretion and without giving reasons;
- any trading pre-clearance, consent or exemption under this Policy can be withdrawn if new information comes to light or there is a change in circumstances;
- if any trading pre-clearance, consent or exemption under this Policy is refused (or not given), the person seeking that pre-clearance, consent or exemption must keep that information confidential and not disclose it to anyone.

Irrespective of the Company Secretary granting trading pre-clearance, consent, or an exemption under this Policy, nothing in such pre-clearance, consent or exemption, or in this Policy, shall relieve or purport to relieve an individual from their obligations to comply with applicable Insider Trading laws or with the other sections of this Policy (to the extent applicable). This is the case whether an exemption under this Policy was granted in exceptional circumstances or otherwise.

## **5. Securities of Other Companies**

In the course of the Company's business, Company Personnel may obtain information about another publicly traded company, including but not limited to GFI, that has not been generally

disclosed. Insider Trading laws prohibit such Company Personnel from Dealing in Securities of that other company while in possession of such information or communicating such information to another person. The restrictions on Insider Trading apply to all Company Personnel with respect to both Dealing in the Securities of another company while in possession of such information, and communicating such information.

## 6. Timing of Grants of Security-Based Compensation Arrangements

### Limitation on Share Rights Exercise Prices

In no event shall the Company set share rights exercise prices, or prices at which equity may otherwise be issued, on the basis of market prices which do not reflect material information of which the Company's management is aware but which has not been disclosed to the public, subject to any exemptions available under applicable law or stock exchange rules.

## 7. Reporting

The Directors of Genworth must notify the Company Secretary if their interest in Genworth's Securities changes, as soon as possible after such change occurs and otherwise in accordance with their agreement with the Company under ASX Listing Rule 3.19B.

## 8. Policy Adherence

This Policy will be made available to all Company Personnel. It is a condition of their appointment, employment or engagement that each of these persons at all times abide by the standards, requirements and procedures set out in this Policy unless a written authorisation to proceed otherwise is received from the Company Secretary. Any such person who violates this Policy may face disciplinary action up to and including termination of his or her employment. The violation of this Policy may also violate certain Insider Trading laws. If it appears that Genworth Employee may have violated such Insider Trading laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

## 9. Review of Policy

This Policy shall be reviewed by the Board once every three years, or more frequently if required.



## 10. Definitions

**Board** means the board of directors of Genworth Mortgage Insurance Australia Limited.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Company Secretary** means the Company Secretary appointed by Genworth or a delegate authorised by the Chief Executive Officer or to act in his or her place in accordance with the requirements of this Policy.

**Genworth** means Genworth Mortgage Insurance Australia Limited ACN 154 890 730 and includes its subsidiaries and entities it controls.

**Genworth Securities** includes Genworth shares, debentures, options to subscribe for new shares and options over existing shares, warrant contracts, contracts for difference and other derivatives relating to Genworth shares.

**Securities** means shares, debentures, options to subscribe for new shares and options over existing shares, warrant contracts, contracts for difference and other derivatives relating to shares.

**Senior Management** means those persons having authority and responsibility for planning, directing and controlling the activities of Genworth, directly or indirectly, including personnel:

- who make, or participate in making, decisions that affect the whole, or a substantial part, of the business of Genworth (including for the avoidance of doubt, the Chief Executive Officer and Chief Financial Officer); and
- who report to the Chief Executive Officer.

## 11. Document information

### Version history

Version no	Approved date
1.0	13/03/2014
2.0	26/03/2015
3.0	19/02/2020

*Notes:*

1. Genworth must provide its Trading Policy to the ASX company announcements office for release to the market (ASX Listing Rule 12.9).
2. In the event of a material change to this Trading Policy, Genworth must provide the amended Trading Policy to the ASX company announcements office for release to the market within 5 business days of the material changes taking effect (ASX Listing Rule 12.10).

### Reference documents

The following documents have been referenced in the preparation of this policy.

Ref.	Document name	Business Owner
1	GFI Insider Trading Policy	GFI
2	Charter – Board	Board
3	Policy – Disclosure	General Counsel & Company Secretary
4	IT Security Manual	Chief Information Officer
5	Operational Control Framework (OCF) Policy	General Counsel & Company Secretary

## SCHEDULE A

### Section 1043A of the Corporations Act

**1043A(1) [Prohibited conduct by person in possession of inside information]** Subject to this Subdivision, if:

- (a) a person (the **insider**) possesses inside information; and
- (b) the insider knows, or ought reasonably to know, that the matters specified in paragraphs (a) and (b) of the definition of **inside information** in section 1042A are satisfied in relation to the information;

the insider must not (whether as principal or agent):

- (c) apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products; or
- (d) procure another person to apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products.

**Note 1:** Failure to comply with this subsection is an offence (see subsection 1311(1)). For defences to a prosecution based on this subsection, see section 1043M.

**Note 2:** This subsection is also a civil penalty provision (see section 1317E). For relief from liability to a civil penalty relating to this subsection, see sections 1043N and 1317S.

**1043A(2) [Where communication of inside information by insider prohibited]** Subject to this Subdivision, if:

- (a) a person (the insider) possesses inside information; and
- (b) the insider knows, or ought reasonably to know, that the matters specified in paragraphs (a) and (b) of the definition of inside information in section 1042A are satisfied in relation to the information; and
- (c) relevant Division 3 financial products are able to be traded on a financial market operated in this jurisdiction;

the insider must not, directly or indirectly, communicate the information, or cause the information to be communicated, to another person if the insider knows, or ought reasonably to know, that the other person would or would be likely to:

- (a) apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products; or
- (b) procure another person to apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products.

**Note 1:** Failure to comply with this subsection is an offence (see subsection 1311(1)). For defences to a prosecution based on this subsection, see section 1043M.

**Note 2:** This subsection is also a civil penalty provision (see section 1317E). For relief from liability to a civil penalty relating to this subsection, see sections 1043N and 1317S.

**1043A(3) [Physical and fault elements]** For the purposes of the application of the Criminal Code in relation to an offence based on subsection (1) or (2):

- (a) paragraph (1)(a) is a physical element, the fault element for which is as specified in paragraph (1)(b); and
- (b) paragraph (2)(a) is a physical element, the fault element for which is as specified in paragraph (2)(b).

## DEFINITIONS

### Section 1042A - In this Division:

**able to be traded** has a meaning affected by section 1042E.

**Division 3 financial products** means:

- (a) securities; or
- (b) derivatives; or
- (c) interests in a managed investment scheme; or
- (ca) debentures, stocks or bonds issued or proposed to be issued by a government; or
- (d) superannuation products, other than those prescribed by regulations made for the purposes of this paragraph; or
- (e) any other financial products that are able to be traded on a financial market.

**generally available**, in relation to information, has the meaning given by section 1042C.

**information** includes:

- (a) matters of supposition and other matters that are insufficiently definite to warrant being made known to the public; and
- (b) matters relating to the intentions, or likely intentions, of a person.

**inside information** means information in relation to which the following paragraphs are satisfied:

- (a) the information is not generally available;
- (b) if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of particular Division 3 financial products.

**material effect**, in relation to a reasonable person's expectations of the effect of information on the price or value of Division 3 financial products, has the meaning given by section 1042D.

**procure** has a meaning affected by section 1042F.

**relevant Division 3 financial products**, in relation to particular inside information, means the Division 3 financial products referred to in paragraph (b) of the definition of inside information.

## SCHEDULE B

### Trade Notice

TO: Company Secretary

FROM: \_\_\_\_\_ (Employee's Name)

RE: Genworth Mortgage Insurance Australia Limited - Trading Policy.

DATE: \_\_\_\_\_

I or a family member, spouse or other person living in my household or a dependent child propose to \_\_\_\_\_ (buy/sell) Securities of Genworth Mortgage Insurance Australia Limited (the "Company") in the amount of up to \_\_\_\_\_ (number and type of Securities).

In accordance with the Company's Trading Policy (the "Policy"), I hereby certify that:

1. I have read and understand the Policy.
2. I do not have (and in the case of a trade by a family member, spouse or other person living in my household or a dependent child, such family member, spouse, other person or child does not have) knowledge of Inside Information (as defined in the Policy).
3. I understand that I may buy and sell Securities of the Company only during a Trading Window (as defined in the Policy) unless an exemption is granted in accordance with the Policy.
4. The trade referred to in this Notice will not be entered into unless I am notified by Genworth's Company Secretary or Chief People and Culture Officer under the Policy that the trade may be entered into. If such approval is given, I understand that I may only proceed with the trade on the basis that I am complying with all applicable Securities laws and the terms of this Policy
5. I understand that the Trading Window may be "closed" at any time at which it is determined there may be undisclosed Inside Information concerning the Company that makes it inappropriate for Company Personnel to be trading. I understand that the fact that the Trading Window has been "closed" may itself be Inside Information that should not be disclosed to or discussed with anyone.

DATE:

Name: (Employee's Name)

Title: