

MGIC

2023 CORPORATE SUSTAINABILITY REPORT

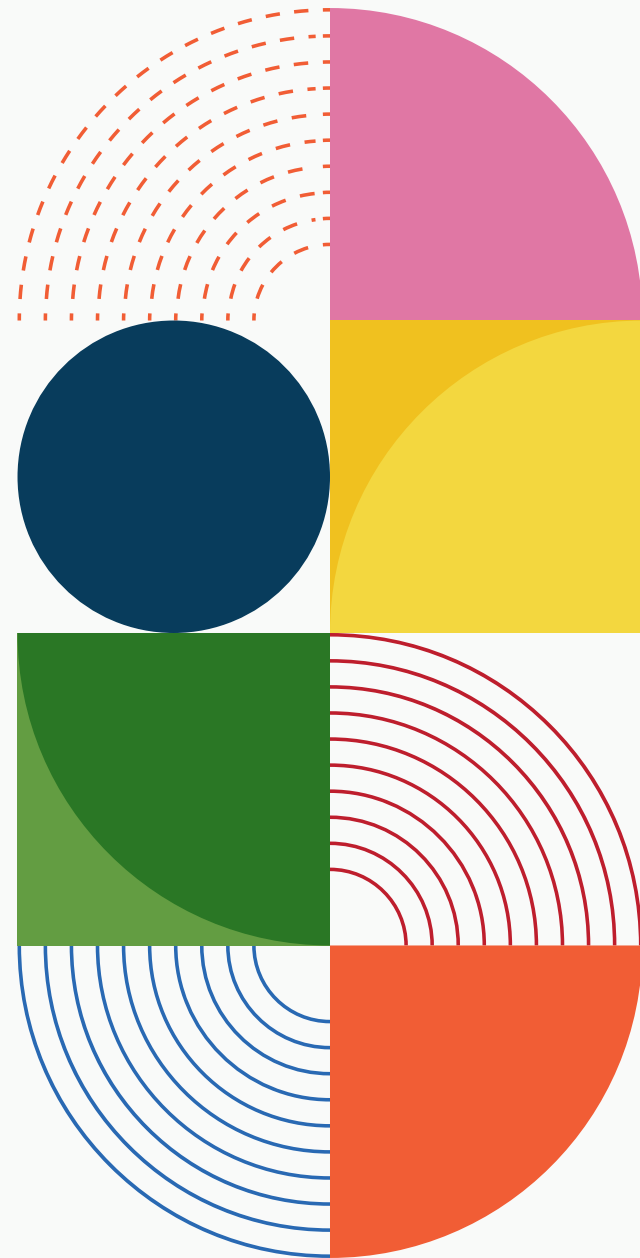


Table of Contents

Letter from Our CEO	4
The MGIC Story	5
Introduction	6
About This Report	7
MGIC's Corporate Sustainability Strategy	8
Governance and Leadership	11
Corporate Governance and Business Ethics	12
Risk Management and Impacts of Climate Change	14
Data Security and Customer Privacy	15
Vendor Management	16
Investment Management	16
Public Policy	17
Human Capital	18
Diversity, Equity, and Inclusion	19
Co-Worker Satisfaction and Career Development	21
Labor Practices and Co-Worker Wellbeing	25

Social Impact 26

Access and Affordability	27
Transparent Information and Fair Advice to Customers	30

Community Engagement 31

Giving Back, Together	32
-----------------------	----

Environment 35

Greenhouse Gas Emissions and Energy Management	36
Paper and Waste Management	39

Appendix 40

Corporate Sustainability Data Table	41
Sustainability Accounting Standards Board (SASB)	45
United Nations Sustainable Development Goals (UN SDGs)	47
Task Force on Climate-Related Financial Disclosures (TCFD)	48



Forward Looking Statements

Certain statements in this report may be “forward-looking statements.” These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. These statements are not guarantees of future results or occurrences. Actual results and financial conditions may differ materially from those included in these statements due to a variety of factors, including, among others, the precautionary statements included in our filings with the Securities and Exchange Commission (SEC). Any statements made, including forward-looking statements, speak only as to the date they are made, and we do not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made. In addition, while this report describes potential future events that may be significant, the significance of those potential events should not be read as equating to materiality as the concept is used in our filings with the SEC. This report does not create legal rights in any person.



Letter from Our CEO



As pioneers of private mortgage insurance since 1957, MGIC has helped more than 13.5 million families achieve homeownership sooner. This is a touchstone we keep coming back to when we think about the work we do, how we do it, and why we do it. Homeownership can be a powerful vehicle for financial stability and generational wealth, which means that our impact — and our responsibility — extends well beyond the walls of our company, beyond our investors, beyond our customers, and even beyond the consumers who use our product. Our work supports resilient communities and the social fabric at large.

We believe that keeping this holistic picture in mind is critical to doing well by each of these audiences to whom we are accountable. This is also good and responsible business practice, aligned with modern stakeholders' continued expectations that businesses not only perform well, but do good. These are expectations that I for one welcome. I believe companies like ours have an incredible opportunity to lead the way when it comes to solutions and impact, and I am glad to partner with stakeholders who hold equally ambitious standards and vision for what top-performing companies can achieve.

Our strategy focuses on initiatives that honor these ambitious standards and focus on the long-term sustainability of MGIC's business. In the following pages, you will see how this commitment bears out across all areas of the work we do at MGIC, from our internal focus on Diversity, Equity, and Inclusion and the employee experience, to our external emphasis on community involvement and greenhouse gas emission assessment.

These initiatives benefit greatly from our highly engaged Board of Directors, who provide essential vision and oversight, in partnership with our Corporate Sustainability Executive Council, who advance these efforts at the management level, cascading our priorities down through each functional area of our business. As you will see in this report, this combination of high-level vision and day-to-day commitment is a very effective combination, one that helps MGIC maximize both the value we create for our stakeholders and the value on which we were founded: that of strong communities through homeownership.

Tim Matthe

Our work supports resilient communities and the social fabric at large.



The MGIC Story

MGIC Investment Corporation (NYSE: MTG) is the parent company of Mortgage Guaranty Insurance Corporation (MGIC). We are a Wisconsin corporation, with long, proud roots in our community. We were founded in 1957 by Max Karl, a Milwaukee real estate attorney who invented the modern form of private mortgage insurance (“PMI”) to make the home buying process less expensive for borrowers and less cumbersome than government-sponsored mortgage insurance for lenders.

Through MGIC and other subsidiaries, we provide PMI, other mortgage credit risk management solutions, and ancillary services.

Our product, PMI, makes it possible for borrowers with low down payments to become homeowners and realize the benefits of owning a home. For more than 65 years, our product has benefited families by helping them overcome the down-payment hurdle. With PMI, people can buy homes with as little as 3% down, and the risks to lenders are mitigated because MGIC insures a portion of the mortgage loan in the event of default. For many families, the difference between saving for a 3% or a 20% down payment can be counted in years. During those years, where home prices may continue to rise, the amount of savings needed to accumulate a 20% down payment increases. We take pride

in knowing that our efforts have helped people get the keys to their own home sooner than otherwise possible. To date, we have helped more than 13.5 million families achieve homeownership sooner.

With a focus on sustainable homeownership, MGIC provides a critical component of our country’s residential mortgage finance system by protecting mortgage investors from credit losses. We provide our customers, which include banks, mortgage bankers, mortgage brokers, credit unions, mortgage loan servicers, mortgage investors, and the government-sponsored entities with credit loss protection. This protection reduces (and in some instances eliminates) the losses they would experience if a homeowner defaults on a mortgage loan and because most mortgages in the conventional mortgage market are sold to the government-sponsored entities, PMI protects taxpayers by acting as the first layer of protection against the risk of loss on a mortgage.

We believe that homeownership can open the door to economic and social benefits, like wealth accumulation, family stability, improved education, safer neighborhoods, and higher civic engagement. Not to mention, peace of mind. At MGIC, we take pride in knowing that what we do matters. That central idea – the value we place on homes and the people in them – influences the way we approach our business and our responsibilities. We believe in transparency, honesty, and active communication throughout our organization and with our partners and customers as we work together to help families achieve the goal of homeownership.

OUR 2022 SERVICES

238,500 ENABLED APPROXIMATELY 232,000 HOMES TO BE PURCHASED AND 6,500 HOMES TO BE REFINANCED IN 2022.

OUR INSURANCE IN FORCE AT YEAR-END 2022

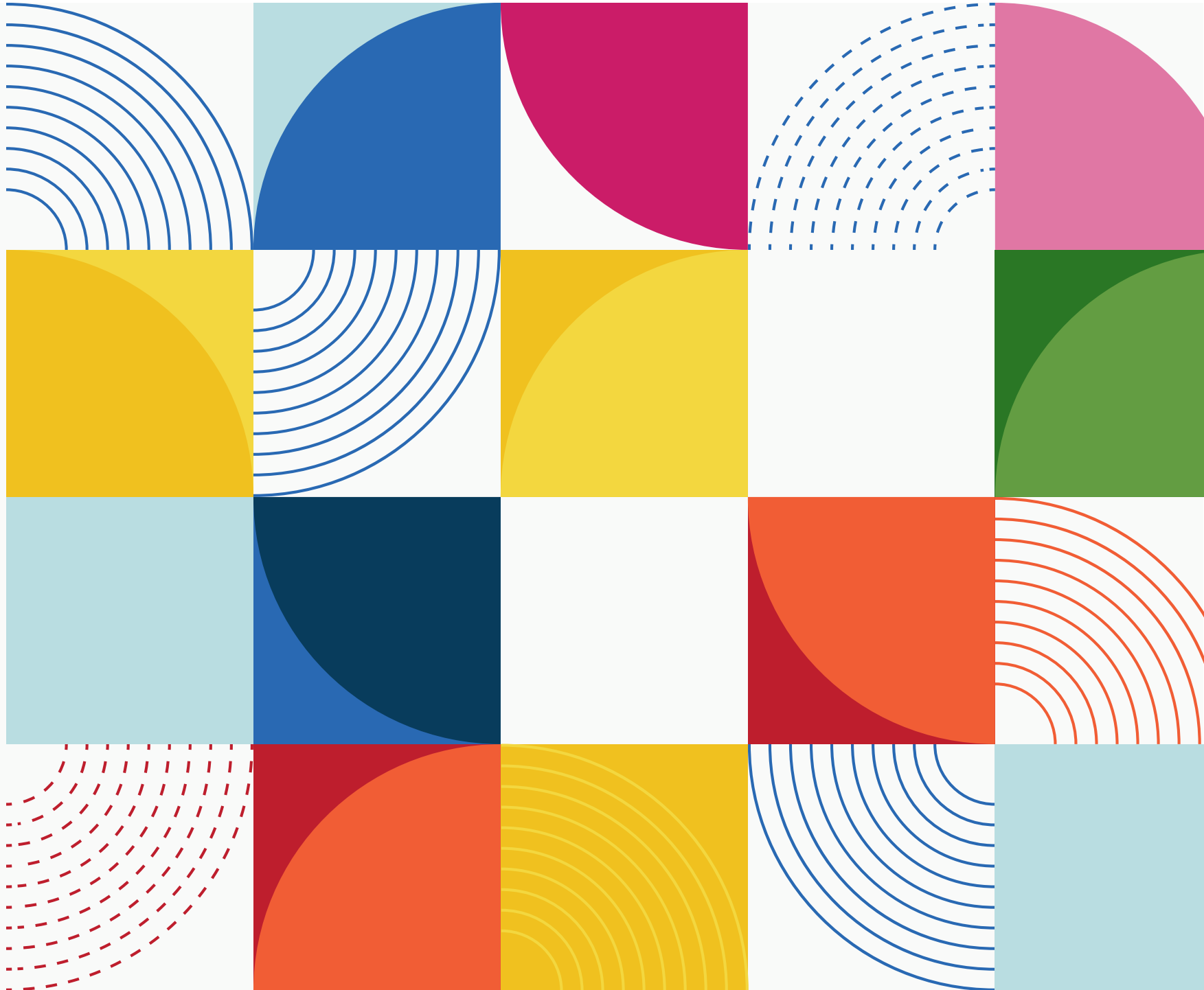
1,180,000 ENABLED APPROXIMATELY 987,000 HOMES TO BE PURCHASED AND 193,000 HOMES TO BE REFINANCED AS OF YEAR-END 2022.

FAST FACTS

- MGIC invented the modern form of PMI in 1957 from our hometown of Milwaukee.
- Since 1957, we have helped more than 13.5 million people attain homeownership sooner.
- We employed 693 co-workers in 2022.

Introduction

About This Report	7
MGIC's Corporate Sustainability Strategy	8





About This Report

This report covers MGIC’s corporate sustainability initiatives and progress during our 2022 fiscal year (FY 2022). We have aligned our disclosures with several key ESG frameworks and standards, including the SASB Standards, now housed under the International Sustainability Standards Board (ISSB); the United Nations Sustainable Development Goals (SDGs); and the Task Force on Climate Related Financial Disclosures (TCFD). Please refer to the Appendix at the end of this report for more information.

Unless otherwise noted, all quantitative company data provided covers our FY 2022, reflecting data for the period from January 1st through December 31st, 2022. If information on initiatives that occurred after the end of FY 2022 is included, it is noted as such. Throughout the report, we also point to additional sources of information on our corporate website and other website references for convenience. Please see our **Forward-Looking Statements** at the beginning of this report for more information.



MGIC's Corporate Sustainability Strategy

As we work to be the best-in-class mortgage credit risk enhancement provider, we seek to create value for our stakeholders through practices and initiatives that are intended to support the long-term sustainability of our business and make us a stronger, more relevant, and profitable enterprise.

Corporate Sustainability Pillars

MGIC's corporate sustainability strategy, intended to complement our overall corporate strategy, is structured around how we strive to do right by our borrowers, customers, co-workers, shareholders, community, and the environment. We believe in:

DOING RIGHT BY OUR SHAREHOLDERS. We seek to maintain the long-term sustainability and profitability of our business model by engaging in sound corporate governance practices that help us to effectively identify and manage risks facing our business and operations, including those risks related to changing climate conditions.

DOING RIGHT BY BORROWERS. Since we founded PMI in 1957, our core business has been designed to reduce barriers to homeownership by making it possible for a borrower to prudently buy a home with less than 20% down. As a business, we are structured to deliver a product that helps borrowers get the keys to their own homes earlier, opening the door to the economic and social benefits of sustainable homeownership.

DOING RIGHT BY OUR COMMUNITY. We positively impact the community by supporting numerous philanthropic initiatives, including programs focused on community development, homeownership, arts and culture, education, and human services. Through these efforts we seek to foster vibrant, diverse, and sustainable communities.

DOING RIGHT BY OUR CO-WORKERS. We strive to build a culture where everyone belongs and where diversity and inclusion drive a sense of purpose and connection. We are committed to creating a workplace where co-workers can thrive and attain professional and personal success. As co-workers, we seek to uphold ethical standards to maintain fair practices in serving the business.

DOING RIGHT BY OUR CUSTOMERS. We protect mortgage originators and investors from credit loss through all economic cycles and we strive to maintain high standards for our business conduct and ethics, customer service, and privacy practices.

DOING RIGHT BY THE ENVIRONMENT. We endeavor to serve as good stewards of the environment so that we may achieve our goals without compromising the ability of future generations to sustain their needs.



Corporate Sustainability Oversight

BOARD OF DIRECTORS

Our board of directors sets the tone for MGIC regarding our commitment to responsible business practices and to sound corporate sustainability practices. The board, supported by five committees that meet regularly and report back to the full board, oversees the various specific risks associated with sustainability and ESG matters.

Incorporation of ESG in Executive Compensation

MGIC's executive compensation plan is designed to align the management team with long-term shareholder interests and to support our business strategies, one of which is to foster an environment that embraces diversity and best positions our people to succeed. In 2022, 25% of the short-term incentive plan was based on relevant qualitative factors that include how effectively our leaders demonstrated our commitment to social responsibility to all our stakeholders, including co-workers, customers, investors, and the communities in which we operate. Through the inclusion of this qualitative factor in our short-term incentive program, our executives are incentivized to foster a workplace experience that attracts, develops, and retains the best talent by emphasizing engagement, diversity and inclusion, and collaboration. For more information about executive compensation, please view our latest proxy statement.

COMMITTEES OF THE BOARD OF DIRECTORS

Risk Management: Responsible for the company's enterprise risk framework. This includes oversight of key company risks including mortgage credit risk and climate change risk.

Management Development, and Nominating and Governance: Oversight of corporate governance, executive compensation, and operational risks related to human capital.

Securities Investment: Oversight of our investment portfolio, which may include consideration of ESG factors.

Audit: Oversight of certain key risks, including disclosure controls related to our corporate sustainability and ESG-related reporting.

Business Transformation and Technology: Oversight of technology strategies, initiatives, and risk management, including cybersecurity and business continuity.

SENIOR LEADERSHIP TEAM

In 2022, we created the Senior Leadership Team ("SLT"). Our SLT is composed of our Chief Executive Officer, President and Chief Operating Officer, Chief Risk Officer, Chief Financial Officer, Chief Human Resources Officer, Chief Information Officer, General Counsel, and Executive Vice President of Sales. The SLT serves as the primary governance body at the management level, excluding risk oversight, which is managed by SMOC. The SLT is chaired by our Chief Executive Officer. Members of the SLT meet with the board or relevant committees of the board on a quarterly basis, depending on the topic.

SENIOR MANAGEMENT OVERSIGHT COMMITTEE

Our Senior Management Oversight Committee ("SMOC") is composed of our Chief Executive Officer, President and Chief Operating Officer, Chief Risk Officer, Chief Financial Officer, General Counsel, and Executive Vice President of Sales, and serves as the primary risk-governance body at the management level. The SMOC is chaired by our Chief Risk Officer, the principal management liaison to the Risk Management Committee of the board. Members of the SMOC meet with the board or the appropriate committee of the board on a quarterly basis, depending on the topic.

CORPORATE SUSTAINABILITY EXECUTIVE COUNCIL

The responsibility for implementation and management of our corporate sustainability strategy has been delegated to our Corporate Sustainability Executive Council ("CSEC"), a cross-functional team of senior executives that operationalizes the company's corporate sustainability policies and strategy. The Corporate Sustainability Executive Council consists of our President and Chief Operating Officer, Chief Risk Officer, Chief Financial Officer, General Counsel, Senior Vice President of Investor Relations, and Chief Human Resources Officer. The CSEC is chaired by our General Counsel. The CSEC meets monthly or as needed to report and review the current state of our Corporate Sustainability initiatives as well as to discuss future programs and initiatives.



Materiality Assessment

2022 MATERIALITY ASSESSMENT

In 2022, MGIC completed a materiality assessment in order to better understand the relative significance of ESG topics to both internal and external stakeholders. The results and findings of our materiality assessment continue to inform our corporate sustainability roadmap and disclosures and help build on our existing efforts. For more information, please reference our 2022 ESG report.

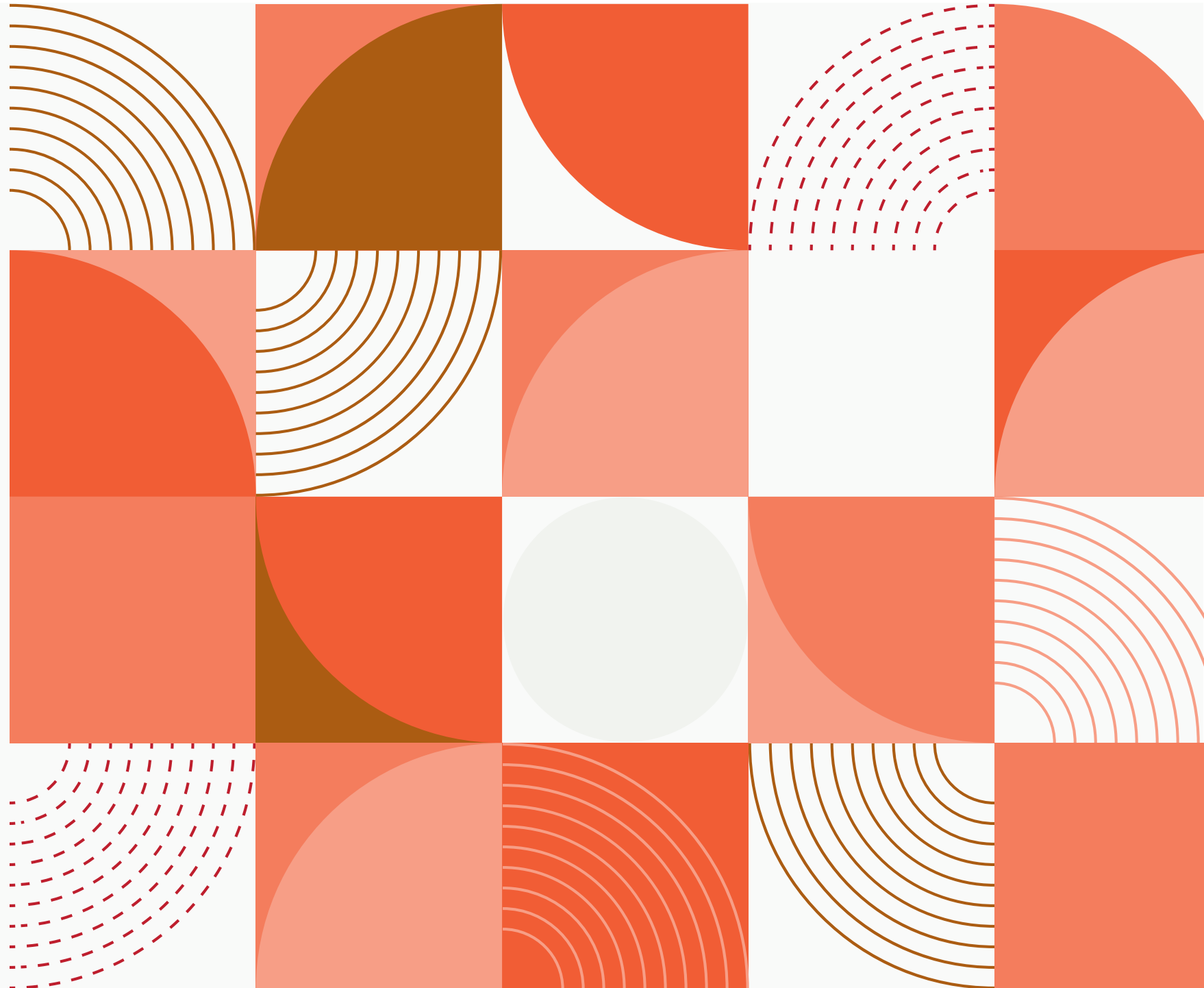
Stakeholder Engagement

During the year, our SVP of Investor Relations and other key company leaders engage with our various stakeholders, including co-workers, shareholders, regulators, community organizations, suppliers, and customers on a range of relevant topics. We regularly invite shareholders who, combined, own approximately 70% of our common stock, to meet with us to discuss important topics such as performance against our business strategies; environmental, social and governance matters; and our executive compensation program. We value the views of our shareholders and will continue to engage with them and solicit their feedback. For further information on how we engage with our co-workers and communities, please refer to [Human Capital](#) and [Community Engagement](#).



Governance and Leadership

Corporate Governance and Business Ethics	12
Risk Management and Impacts of Climate Change	14
Data Security and Customer Privacy	15
Vendor Management	16
Investment Management	16
Public Policy	17





Corporate Governance and Business Ethics

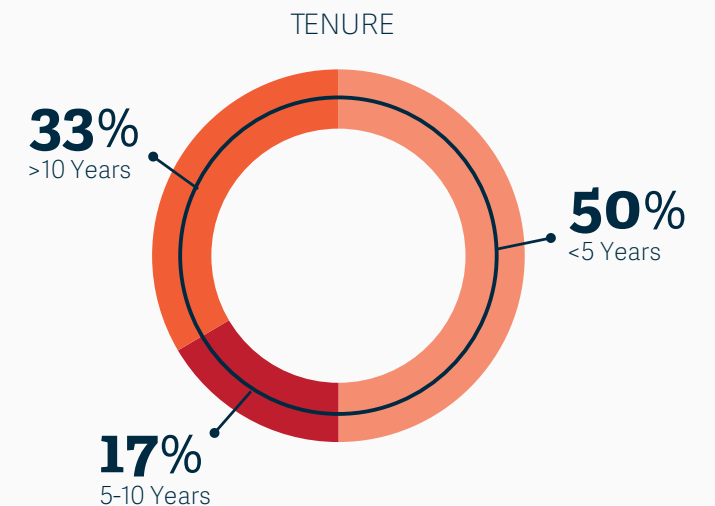
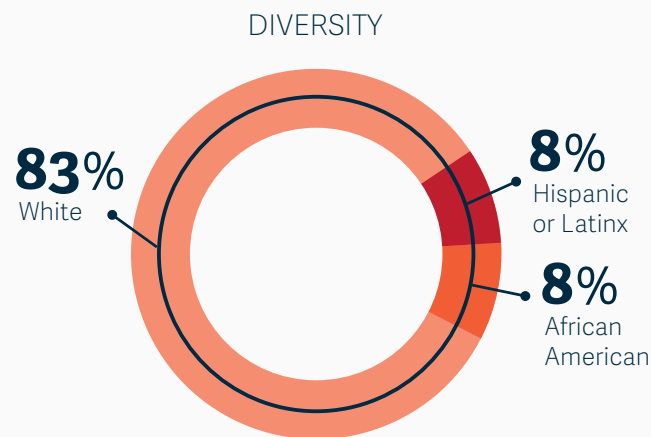
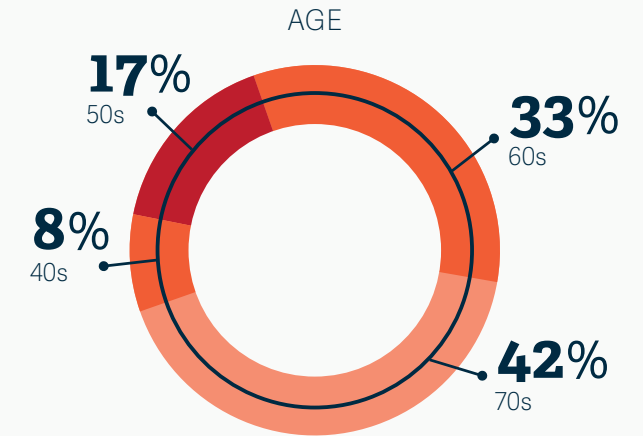
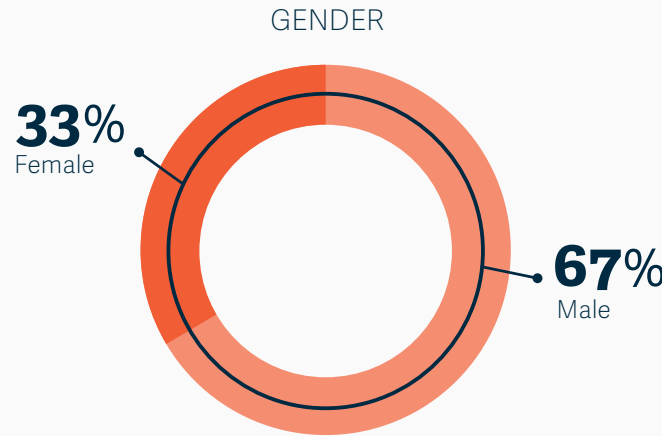
Board Independence and Diversity

Our Corporate Governance guidelines require a substantial majority of our directors to be independent. Of the 12 directors standing for election at our 2023 annual meeting of shareholders, 10 are independent.

The board believes that it benefits from a Chairman who is highly familiar with our business and strategic plans, complemented by an experienced, independent, and engaged Lead Director. Curt S. Culver, our former CEO, serves as Chairman of the Board and Michael E. Lehman serves as our independent Lead Director.

Our board benefits from its diversity with regard to director tenure, age, gender, and race. We seek members with a diverse body of talent and expertise relevant to our industry. There are four female directors standing for election at our 2023 Annual Meeting of Shareholders, and in 2022 we were recognized by Milwaukee Women, Inc., an organization that measures board gender diversity at the 50 largest public companies in the state of Wisconsin.

The following charts reflect the gender, racial/ethnic, tenure, and age diversity of the directors standing for election at our 2023 Annual Meeting of Shareholders.



May not add to 100% due to rounding



Business Ethics

Our **Code of Conduct and Ethics**, approved by our board of directors, applies to all regular, on-call, and temporary co-workers, who undergo mandatory annual training and certify compliance to the Code. 100% of employees acknowledged and received Code of Conduct training in 2022. Specific groups of co-workers also received additional training designed to manage risks related to their particular roles and responsibilities within the organization.

In 2022, MGIC's Code of Conduct Training covered the following topics:

1. Conflicts of Interest
2. Harassment
3. Insider Training
4. Confidential Information
5. Competitive Information
6. Real Estate Settlement Procedures Act (RESPA)
7. Antitrust
8. Unfair, Deceptive, or Abusive Acts or Practices (UDAAP)
9. Accounting Records and SEC Disclosures
10. Copyright and Patent Laws
11. Political Activity
12. Social Media
13. MGIC Communication Systems

Beyond legal standards, co-workers are expected to observe the company's high standard of business conduct, confidentiality, and personal ethics through honesty and integrity in all interactions with fellow co-workers, customers, suppliers, government agencies, and the public.

All co-workers are obligated to report any situation in which the policies described in the Code of Conduct and Ethics are not observed. Complaints can be reported in any of the following methods:

- Compliance Hotline by telephone or website
- Immediate supervisor, who shall advise the Chief Compliance Officer
- Chief Compliance Officer
- General Counsel
- Senior Vice President of Human Resources
- Vice President of Internal Audit

The purpose of the hotline is to provide co-workers, investors, customers, suppliers, and others a mechanism to report concerns or allegations regarding accounting, internal accounting controls, auditing matters, fraud, or other matters related to the company. Reporters may remain anonymous, and the confidentiality of the content of reports is maintained to the extent possible. We strictly prohibit retaliation against anyone who reports concerns or allegations in good faith.

COMPLIANCE

We believe that each of our co-workers is responsible for compliance. We all have a collective duty and responsibility to hold each other accountable for our actions and to act with integrity and respect at all times. Our Chief Compliance Officer has designated Compliance Coordinators who are subject matter experts in specific areas of compliance in their departments. The Compliance Coordinators serve as the point of compliance contact and an accountability partner for their teams. Our Chief Compliance Officer meets with our Audit Committee on a quarterly basis and provides relevant updates on initiatives and issues.

HARASSMENT POLICY

We are committed to creating an environment that is free from harassment and discrimination. The Harassment Policy is addressed in our Co-worker Handbook and the MGIC Code of Conduct and Ethics. We encourage all co-workers to share their concerns, seek information, provide input, and resolve problems and issues through their immediate manager, or when appropriate, another manager. The third-party Compliance Hotline is also available for co-workers to submit harassment information or complaints (anonymously if they choose). Unlawful discrimination or retaliation will not be tolerated against any co-worker who in good faith expresses their concerns to us.



Risk Management and Impacts of Climate Change

Our senior management is charged with identifying and managing the risks facing our business and operations. The board is responsible for oversight of these risks. In this regard, the board seeks to understand the risks we face and oversees how management addresses those risks, including the processes that management uses in doing so.

The company has an enterprise risk management (ERM) framework appropriate with the size, nature, and complexity of our business. Through the ERM framework we endeavor to operate under a clear, well-documented, shared understanding, by both senior management and the board, of our company's key risks. We continually strive to appropriately monitor, manage, and report on such risks.

The SMOC serves as the primary risk governance body at the management level and oversees the ERM. It seeks to maintain an enterprise-wide view of risk by managing the risks associated with strategic and business issues that are deemed critical to the company. The SMOC is chaired by our Chief Risk Officer, who is the principal

management liaison to the Risk Management Committee of the board. The company's Risk Management Department produces various analyses, reports, and key risk indicators that are reported quarterly to the SMOC and the board. Each of the board committees also receives regular reporting about the risks they oversee. Please refer to our most recent 10-K for a discussion on key risk factors.

Assessing Climate Risk

We are committed to continuing to evaluate and evolve our understanding of the increasing impacts of climate change on our business, our customers, and homeowners.

Under our ERM framework, oversight of climate risk sits with the Risk Management Committee of the Board.

CLIMATE CHANGE AND OUR BUSINESS

While our traditional mortgage insurance policy generally excludes property damage caused by weather, earthquakes, floods, or other natural catastrophes, we do recognize that changes to existing laws and regulations or an economic downturn related to climate-based events, including the transition to a net zero carbon world, could affect our business.

Historically, our losses have been most affected by home price declines; therefore, our Risk Management department monitors national and regional housing markets in an attempt to understand the size and scope of a potential home price decline caused by any source, climate change-related or not. Our Risk Management department also

closely follows regulatory and industry trends to better enable it to respond to action that may be taken by the Federal Housing Finance Agency (FHFA) or the Securities and Exchange Commission (SEC) around climate change.

2022 PROGRESS

Over the last two years, we have dedicated time and resources to assessing how to incorporate climate-related and other emerging environmental risks into our management of enterprise-level risks.

During 2022, the third-party home price forecasts that we employ began incorporating its view of climate risk. Because our internal mortgage forecasting models directly incorporate these home price forecasts, such climate risk factors are now contemplated in our modeled MI losses.

We are committed to continuing to evaluate and evolve our understanding of the increasing impacts of climate change on our business, our customers, and homeowners.



Data Security and Customer Privacy

We endeavor to maintain an information security program that protects the integrity, confidentiality, and availability of the company’s information assets while protecting customer and consumer data.

Information Risk Management Program Highlights

Governance	The Business Transformation and Technology Committee of the board was formed in 2022 and has responsibility for oversight of risks related to data security.
	Our Chief Information Security Officer (CISO) oversees the Information Risk Management Program and our Information Security Policy (ISP). The CISO has oversight of all matters relating to information security, including compliance, responding to inquiries from customers, and operation of the company’s ISP.
	The CISO reports to our Business Transformation and Technology Committee as needed.
Policies	Our Information Security Policy governs our approach to data security. All of our co-workers read and acknowledge our ISP annually.
Training and Engagement	Our co-workers participate in annual training regarding information security.
	Topics addressed include highlights of the ISP, phishing, password security, physical security, data security, ransomware, malware protection, social media threats, and mobile device protection.
	We also publish a quarterly newsletter for our co-workers that covers many topics related to internet security.
Privacy Practices	Quarterly phishing simulations are employed to monitor co-worker understanding, and we follow up with additional education materials and testing as necessary.
	We are subject to laws and regulations related to use and disclosure of consumer information, including the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Gramm-Leach-Bliley Act, the California Consumer Privacy Act, and additional related regulations.
Monitoring and Evaluation	We do not disclose confidential information to third parties for marketing purposes. For details on our privacy practices, please see our Customer Privacy Statement and our Consumer Privacy Statement .
	We obtain an annual, externally audited Service Organization Control 2 (SOC2) report that is available to our customers.

INCIDENT RESPONSE

We have a Computer Incident Response Team (CIRT) that is staffed with security experts who are responsible for evaluating technical issues about an incident, applying that knowledge to prevent further damage, and relaying information to appropriate parties. This team practices cyber breach preparedness to ensure readiness to respond to any incidents efficiently and effectively, should they arise. Each year, MGIC also conducts a penetration test by a third-party, rotating vendors every two years, as a prudent practice.

VENDOR SECURITY

MGIC’s Information Risk Management team reviews the security practices of certain vendors who process, store, or transmit confidential information.

The review is accomplished through a third-party security questionnaire or review of a vendor’s SOC2 report. Vendor responses are reviewed to evaluate the vendor’s ability to protect the confidential information under its control. This process is overseen by MGIC’s CISO.

Our co-workers participate in annual training regarding information security.



Vendor Management

In conducting our business, we partner with several types of vendors and suppliers. To convey the guiding principles that are important in any MGIC business relationship, we developed a **Supplier Code of Conduct** which lays out the basic principles of fairness, ethical behavior, and legal compliance standards that apply to our business and to all of our suppliers. We expect that all business activities are conducted with honesty and integrity and demonstrate the highest standards of business ethics, including anti-discrimination, fair wages and benefits, and fair treatment policies.

All suppliers are required to comply with this code when doing business with MGIC, and must notify their employees, suppliers, agents, and subcontractors of this obligation to ensure that their personnel comply.

Investment Management

Our company's investment assets are primarily managed by external investment managers under the supervision of our Chief Financial Officer and Treasurer.

Each of our external investment managers have demonstrated capabilities to incorporate ESG factors into research, engagement, and strategy to achieve specific outcomes.

We recognize the relevance of ESG factors in assessing the sustainability of our investments and the effect that material ESG factors may have on long-term investment returns. Throughout 2022, we continued to engage with our external investment managers regarding ESG integration into investment decisions. Through their expertise on ESG and sustainability research, integration, engagement, and stewardship, our external managers will be instrumental in identifying specific risks and opportunities that could impact our long-term investment returns.





Public Policy

The evolving landscape of federal housing policy and extensive state-based regulation of insurance make it imperative to carefully consider issues related to public policy.

Our product is inherently aligned with increased access to sustainable homeownership.

As such, we support or are members of organizations whose missions are to increase access to homeownership in a responsible and prudent manner. We support research associations, social welfare groups, industry trade associations, nonprofit organizations, advocacy professionals, and other groups that share our key priorities.

Our priorities with these organizations are to ensure a healthy regulatory system and promote private market solutions to federal housing policy. We may not agree with every position taken by a specific organization or committee and carefully weigh the benefits of being a member of such organizations.

Subject matter experts are responsible for working with organizations and associations that we support. Proposals related to our financial involvement in public policy matters are approved by senior management.

MGIC POLITICAL ACTION COMMITTEE

The Mortgage Guaranty Insurance Corporation Political Action Committee (PAC) is a voluntary, nonpartisan political action committee composed of eligible individual co-workers and directors. Their personal contributions collectively support candidates for federal office. Individual candidate contributions made by the PAC are approved by the Board of Directors of the PAC. The PAC seeks to maintain a balance in terms of its support of each of the two major political parties. The candidates supported by the PAC are chosen based upon their relevance to our business or specific public policy objectives, even if we may not be in agreement with every position taken by a specific candidate. PAC activities are reviewed by our Internal Audit Department and the Audit Committee of the board.

INDUSTRY PARTICIPATION

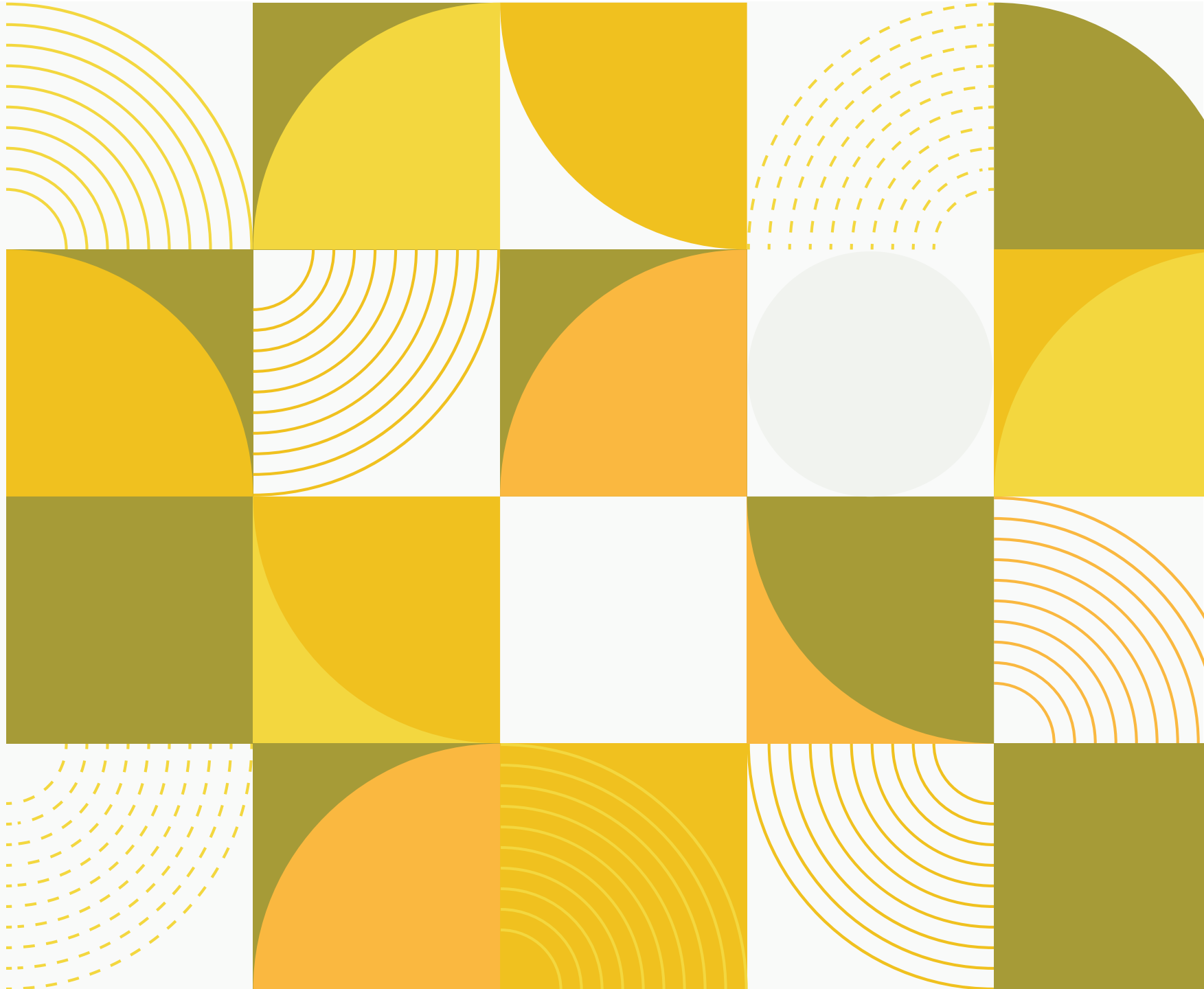
MGIC supports the efforts of various organizations specific to national and Milwaukee-based affordable housing policy. National organizations we actively support or are members of include:

- U.S. Mortgage Insurers
- Mortgage Bankers Association – *MGIC is a member of the MBA's Affordable Housing Advisory Board*
- Structured Finance Association
- Reinsurance Association of America
- Housing Policy Council
- Urban Institute
- National Housing Conference
- Federal Home Loan Bank of Chicago
- Coalition of Community Development Financial Institutions
- National Association of Hispanic Real Estate Professionals
- National Association of Real Estate Brokers
- National Conference of State Housing Agencies
- National Association of Local Housing Finance Agencies

Specific to our local (Milwaukee) affordable housing policy, we initiated support of the Community Development Alliance (CDA), Take Root Milwaukee, Urban Economic Development Association (UEDA), and the Wisconsin Public Policy Forum. We also continue to engage with the housing workgroup of MKE United, a program of the Greater Milwaukee Committee (GMC). Read more in the [Access and Affordability](#) section of this report on page [27](#).

Human Capital

Diversity, Equity, and Inclusion	19
Co-Worker Satisfaction and Career Development	21
Labor Practices and Co-Worker Wellbeing	25





Diversity, Equity, and Inclusion

Diversity of thought, uniqueness of experiences, and the power of inclusion fosters an environment where business can be conducted purposefully and with the benefit of various perspectives.

MGIC is committed to creating an environment that provides rich experiences in the areas of Diversity, Equity, and Inclusion (“DEI”) for co-workers and partners. This is important work, and we know it will continue to be. In fact – in the spirit of continuous improvement – we’ll never arrive at a final destination. While the work and the journey will always continue, we will strive to hold ourselves accountable and be transparent along the way.

2022 DEI Highlights

To better structure our efforts and to hold ourselves accountable to year-over-year progress, in 2022 we formalized the DEI Executive Council, an internal group that consists of executive and cross-functional management and reports to the CEO and Corporate Sustainability Executive Council on a regular basis. We are proud of this significant milestone and many others we achieved this year, which are detailed below.

Launch of DEI Executive Council: To champion MGIC’s DEI efforts, we launched our DEI Executive Council, co-chaired by our General Counsel and our Vice President of Systems Development. The Council consists of our Senior Vice President and Chief Human Resources Officer, Vice President of Product Development, Vice President of Marketing, Vice President of National Accounts, Manager of Internal Communications, Senior Community and Inclusion Advisor, Vice President of Loss Mitigation, and Assistant General Counsel.

DEI Observance Days: We introduced our first formal company-wide DEI observance schedule. Throughout the year, hundreds of co-workers participated in activities to observe Dr. Martin Luther King Jr. Day, Women’s History Month, Pride Month, Disability Employment Awareness Month, and more. In addition, beginning in 2023, co-workers will be able to participate in how the company observes these important events and create thoughtful, impactful experiences for everyone.

DEI Microsite Launched: The site was launched on our internal co-worker platform, The Max, to serve as a hub for DEI-related news, information, and opportunities to get involved.

DEI Workshops Launched: All MGIC Officers participated in DEI Workshops led by our external consultant. In addition, our National Sales Meeting included a guest speaker on the topic of DEI, which included a discussion on the importance of a DEI lens in interacting with customers.

Community Grant Program Announced for 2023: To align with key monthly DEI observances in 2023 such as Black History Month and Women’s History Month, MGIC will award a community grant to an organization supporting, advancing, or celebrating the group based on co-worker nominations. For each observance, we will donate to the selected cause and use our platforms to shine a light on the important work they do.

PRIDE MONTH

To celebrate Pride Month, we focused on listening, learning, and acting. As part of our awareness campaign, we posted resources to MGIC’s intranet site, The Max, to help broaden our perspectives. We also facilitated a virtual fireside chat with LGBTQ+ allied organizations in the Milwaukee area and hosted a snack drive to support homeless LGBTQ+ youth in Milwaukee.



Strengthening our DEI Investments: Co-Workers and Community

BUSINESS RESOURCE GROUP (BRG)

As we continue to develop the roles and responsibilities of our newly formed DEI Executive Council, we are in the process of assessing how MGIC's existing BRG, Inclusion and Diversity Encourage Authentic Leadership (IDEAL), can build on our DEI efforts. In 2022 and previous years, IDEAL was responsible for sponsoring events and fostering dialogue in observance of heritage days such as Women's History Month. Our DEI Executive Council includes a BRG leader to help facilitate how to shape the next iteration of the BRG.

PROFESSIONAL MEMBERSHIP

In 2022, we continued as a member of the Hispanic Professionals of Greater Milwaukee (HPGM). As a member, we supported their annual gala and their scholarship fund. We also had one MGIC co-worker participate in their board pipeline initiative. To continue to broaden our diverse recruitment strategy, we utilized HPGM's job board sites to post our job opportunities and had one successful hire.

We also continued as a member of the Wisconsin LGBT Chamber of Commerce, playing an active role in their events. In February, we partnered with the organization on a workforce development project for youth. As part of the project, MGIC talent acquisition professionals shared perspectives and best practices around social media and the job search in a video that was shared with participants.

REGION OF CHOICE CORPORATE PLEDGE

In 2022, we continued to support the work of the Metropolitan Milwaukee Association of Commerce's "Region of Choice Corporate Pledge" ("MMAC") working toward the collective goal to increase both African American or Latino/Hispanic managers and to increase total employment of African Americans or Latinos/Hispanics across the Milwaukee metropolitan region by 2025. The region's collective efforts continue to put the MMAC Region of Choice on track to meet or exceed these goals.

We continued as members of the Hispanic Professionals of Greater Milwaukee (HPGM) to broaden our diverse recruitment strategy.





Co-Worker Satisfaction and Career Development

Gathering Feedback and Gauging Sentiment

We value insight and feedback and provide several forums and opportunities to hear from our co-workers.

ENGAGEMENT SURVEY

We recognize the value in giving co-workers an opportunity to express what they think is working well at MGIC and to suggest opportunities for improvement. On an annual basis we conduct a comprehensive employee engagement survey to gain visibility.

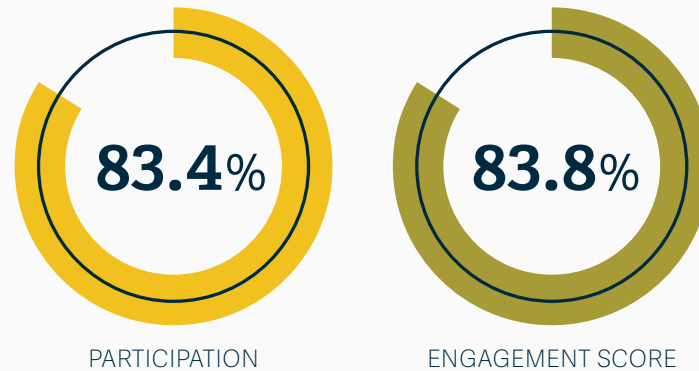
In 2022, we expanded our survey questions related to inclusion and belonging to get a closer understanding of co-workers' lived experiences, to draw more co-workers into the conversation, and to help inform our DEI action plan. DEI, job satisfaction, and feeling support from teammates were some of our highest-ranking factors in the survey.

Company-wide survey results are shared with all co-workers for transparency and department-level results are shared by department leads to aid in team-level listening and planning.

We will continue to use feedback from our surveys to inform the actions we take in improving our internal practices and our co-worker experience, and we expect leaders at all levels of the company to play an active role in taking meaningful action in response.

Beyond the annual engagement survey, we use a number of additional listening mechanisms to gauge co-worker sentiment. These include new hire and exit surveys, CEO listening sessions and Q&A collection ahead of quarterly Town Halls, and monitoring intranet search trends and external review sites such as Glassdoor.

2022 Engagement Survey Metrics



TOP 5 QUESTIONS

94% MY DIRECT TEAM IS ABLE TO WORK TOGETHER EFFECTIVELY WITHING MGIC'S HYBRID WORK MODEL.

89% I AM PROUD TO WORK FOR MGIC.

88% MY MANAGER WELCOMES A VARIETY OF PERSPECTIVES.

87% I FEEL SUPPORTED BY MY TEAMMATES AND CO-WORKERS.

86% I UNDERSTAND HOW MY ROLE CONTRIBUTES TO MGIC'S BUSINESS STRATEGIES & PRIORITIES.



EXECUTIVE COMMUNICATION AND TRANSPARENCY

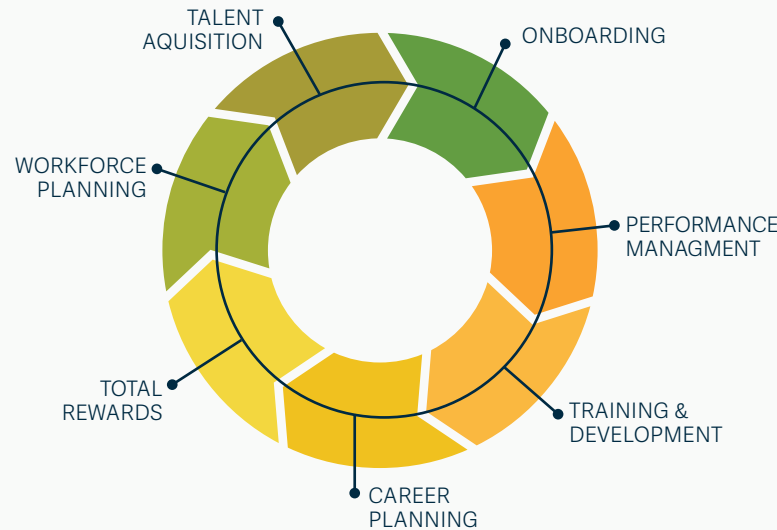
We hold an annual all-company meeting in Q1 of every year to share high-level direction, vision, and priorities for the business. Quarterly meetings are also held to share updates on our financials, community and inclusion efforts, employee experience, and education on other topics important to our business. In 2022, we put special focus on the interest rate environment, evolving customer experience, and our affordable housing work.

Additional executive communication includes rotating weekly emails from executive leaders to discuss our business and culture, and to share personal reflections. This is a valuable way to maintain consistent communication and for our leaders to connect with the wider co-worker audience.

Talent Practices and Career Development

In 2022, we rolled out an end-to-end career development framework aimed at strengthening our talent pool and setting clear expectations based on role. Our goal is to deliver consistency and transparency to current and future co-workers.

Talent and Career Development Framework



WORKFORCE PLANNING

This element of our talent practices focuses on defining the skills and experiences needed to get work done, which ties into the role and job level in the organization. In 2022, we developed a repeatable method for performing job evaluations for new and existing roles, with a goal of defining jobs consistently across the company based on the function of the role and the skills required.

TALENT ACQUISITION

We continue to explore new solutions to increase the pipeline of candidates and build on our commitment to diversity. This includes our summer internship program, partnering with higher-education institutions, participating in professional organizations, and offering scholarships. We are developing intentional and solid relationships with local universities, colleges, and nonprofits to build a steady pipeline of diverse candidates. The primary higher-education institutions we work with are the University of Wisconsin-Milwaukee, the Milwaukee School of Engineering, and Marquette University. We consistently post new jobs on their websites to attract talent and participate in initiatives like mock interviews, to offer students the opportunity to practice their interviewing skills and get to know local talent. Our talent strategy also includes ensuring that we are present at networking events and that our roles are posted on local nonprofit job boards that serve diverse candidates.

Another key effort in 2022 addresses how we market and title our jobs. We developed a stronger titling convention that uses common market descriptors and improves our ability to find candidates for our open roles. This also provides a clearer path for co-workers to understand how their current role would translate within a different department.



Intern and Scholarship Program

To support early talent, in 2022, we made an intentional effort to create valuable MGIC summer internship experiences for students in the Milwaukee area. Eleven interns participated in the program in 2022; eight of those 11 interns have continued their internships during the academic year, and three of those eight will be joining MGIC as full-time co-workers after graduation. Further, we launched a new partnership with the University of Wisconsin-Milwaukee, a Student Success and Talent Pipeline program that provides UWM students from diverse backgrounds with opportunities to gain meaningful work experiences within Milwaukee area companies.

We also worked with All in Milwaukee, a nonprofit that partners with local companies to sponsor students to attend colleges or universities, to help diverse talent stay in Milwaukee. So far, we have sponsored two individuals through this program.

We further demonstrate our commitment to the value of education by offering scholarships to dependent children of both full- and part-time MGIC co-workers. In 2022, we awarded four students scholarships for full-time study at accredited institutions.

ONBOARDING

Our onboarding process is a co-worker’s first introduction to our company culture. We support our new team members fully in their orientation and onboarding process, whether that be in-person or virtual. We strive to help new and tenured co-workers feel connected to the organization and to their teams through:

- Our “Path to Success” online program, which is delivered to all new hires
- A special “Welcome to MGIC” care package is mailed to the homes of new co-workers
- Regular “check-ins” between new co-workers and Human Resources after 90 days and six months to gather their feedback
- Responsive and quick assistance from IT to help set up and troubleshoot remote environments



MGIC mortgage guaranty insurance can help make 1965 a banner year for your institution—if you and your Board will give it a chance.

MGIC does not cost your institution one red cent because the borrower pays the premium—and the premium is one-half that of the government kind.

MGIC suggests: (1) If you're not using your MGIC franchise, start using it today; and (2) If you're not an MGIC-approved lender, call or write us RIGHT NOW—while you're reading this message!



600 Marine Plaza • Milwaukee, Wisc. 53202 • Dial 414-272-8060



THE MAGIC OF MORTGAGE LENDING

MGIC coverage is available throughout the United States except Connecticut, Maine, New Jersey, New York, Rhode Island and Vermont.

This advertisement published by Mortgage Guaranty Insurance Corporation in *Savings & Loan News* for October 1964.



TRAINING AND DEVELOPMENT

We encourage our co-workers to continue to expand their skills, knowledge, and professional connections. We offer self-paced on-the-job opportunities through on-site, virtual, and online venues. Along with role-specific training, available topics focus on Business and Industry, Inclusion and Diversity, Information Security, Wellness, Onboarding, Technology, Hybrid Work, and Leadership Skills. All co-workers also have access to the entire LinkedIn Learning catalog, which covers a wide range of skills, from Excel to machine learning to web development.

In addition to these course offerings and external education opportunities, we also support co-workers seeking higher education that is relevant to their career. Tuition assistance is available for undergraduate, graduate, and non-degree coursework.

PERFORMANCE MANAGEMENT

To help co-workers map out their short-term and long-term priorities and goals, we practice a robust goal-setting process where co-workers and their managers have productive conversations regarding career growth and collectively set objectives aligned with business strategies for the year.



TOTAL REWARDS

Total rewards include the benefit programs we provide as well as all elements of our compensation package and other perquisites that co-workers receive. These components work together to provide an overall package for co-workers that is designed to reward performance while also attracting talent to join MGIC.

In 2022, we gathered market data to seek to ensure we are paying co-workers fairly and competitively for the work they do, and the level at which they do it at.

Our annual bonus program is a variable pay program designed to strengthen the connection between strong individual and company performance and rewards. In 2022, we extended this program to all non-sales, non-temporary co-workers.



Labor Practices and Co-Worker Wellbeing

We strive to provide a healthy and safe environment for all co-workers. We offer a comprehensive benefits package that considers physical, mental, and financial aspects of co-worker health. In addition to comprehensive medical, vision, and dental coverage, we are proud to offer a company-matching 401(k) savings plan and profit sharing to all eligible co-workers. When MGIC succeeds, our co-workers should succeed too.

In 2022, we expanded our benefits surrounding community engagement efforts by providing all co-workers with four hours of paid time off annually to “give back together” in our local communities. We also provided up to 7.5 hours of paid time off for co-workers to serve as poll workers during a primary or general election.

SUMMARY OF 2022 BENEFITS:

- **Medical, Vision, and Dental Coverage:** Our medical plan pays 100% of care after deductible for in-network providers. A vision benefit plan is included at no cost when co-workers enroll in our medical plan. 100% of dental preventative care for in-network providers is covered by the dental plan.
- **Health Savings Account:** We contributed to the Health Savings Accounts for eligible co-workers who elected to enroll in our medical plan. In 2022, the annual contribution was \$1,000 for families and \$500 for single coverage.
- **Dependent Care Account:** Co-workers may contribute up to \$5,000 (pre-tax) per year to pay for child/dependent care.
- **Employee Assistance Program:** An Employee Assistance Program (EAP) is available to all MGIC employees and their dependents and provides professional and confidential assistance for personal problems.
- **Savings Plan:** We matched 100% of up to 4% of co-worker plan eligible pay contributed to 401(k) Before-Tax Savings or Roth 401(k) After-Tax.
- **Profit Sharing:** Our profit-sharing award in 2022 was 5%.
- **Adoption Reimbursement:** MGIC offers an adoption expense reimbursement program for expenses associated with a co-worker’s adoption of a child under 16 years of age.

HYBRID WORKING ENVIRONMENT

Our hybrid approach to working provides flexibility and support to co-workers without compromising on success or belonging. Over the past year we have equipped all co-workers with new laptops, and meeting room technology has been upgraded for seamless integration of live and remote participation.

In our 2022 co-worker engagement survey, 94% of co-workers ranked the following statement a 4 or 5 (on a 5-point scale): “My direct team is able to work together effectively within MGIC’s hybrid work model.” Additionally, we saw no statistically significant difference in overall engagement between co-workers based on proximity to our home office vs. full-time remote.

EMERGENCY RESPONSE

Our safety systems are monitored 24 hours a day, 7 days a week. We assign Emergency Coordinators who are responsible for overseeing the emergency procedures in their area and lead regular evacuation drills. Information about co-worker health and safety is made available to all co-workers on The Max.

Social Impact

Access and Affordability

27

Transparent Information and Fair Advice to Customers

30



Access and Affordability

Affordable and sustainable housing improves communities, increases family wealth, and helps close racial and ethnic gaps in homeownership. As a recognized leader in mortgage finance and a good corporate citizen, MGIC believes in active engagement for positive affordable housing outcomes.

Homebuyer Education

We offer homebuyer education resources to further increase accessibility to homeownership by better preparing consumers for the homebuying process. Our homebuyer education website, Readynest.com, had more than 1.2 million page views in 2022, providing convenient, easy-to-understand, no-cost tutorials that break down the home-buying process. This includes understanding credit, budgeting, obtaining a mortgage, and being a successful homeowner. We also provide information to homebuyers about potential sources of down payment assistance. In 2022, over 44,000 people took our homebuyer education course, which is available in English and Spanish, and over 4,100 people completed landlord education.

HOMEBUYER EDUCATION

1,259,041 PAGE VIEWS IN 2022

HOMEBUYER EDUCATION COURSE COMPLETIONS:

44,366 IN ENGLISH

118 IN SPANISH

Affordable Housing Strategy

Through our affordable housing effort, we seek to advance the values of diversity, equity, and inclusion through sustainable homeownership opportunities. In 2022 we hired a community lending and advocacy professional to spearhead our efforts.

To advance our affordable housing strategy, our efforts are organized into four key areas: Product, Partnerships & Promotion, Research, and Policy.

Area of Focus	Purpose
Product	Invest in the R&D of prudent solutions that achieve our desired outcomes.
Partnerships & Promotion	Increase awareness of homeownership solutions and support entities that advance our desired outcomes.
Research	Invest in research that advances affordable housing solutions and supports sustainable homeownership.
Policy	Advance and support sound affordable housing policy objectives.

Our Affordable Housing Strategy Statement defines our commitment to advancing the values of diversity, equity, and inclusion and engaging and collaborating with stakeholders toward the goals of:

1. Increasing the number of families prepared and ready to own a home
2. Expanding sustainable homeownership opportunities for creditworthy home buyers
3. Closing the racial/ethnic gaps in homeownership



Product

Loan products designed to increase access to homeownership require a delicate balance between prudent expansions of credit and risk mitigants to promote long-term, sustainable homeownership. In 2022, we continued to insure the government-sponsored enterprise's (GSE's) legacy affordable housing programs, as well as new programs they introduced during the year.

GSE Affordable Housing Programs

Fannie Mae	Freddie Mac	Program Description
HomeReady	Home Possible	Standard programs available to households earning up to 80% AMI
HFA Advantage	HFA Preferred	HFA programs available to households earning up to 80% AMI
MH Advantage	Choice Home	Programs offering mortgage financing for loans secured by CrossMod homes, a higher-end class of manufactured housing
Refi Now	Refi Possible	Programs designed to address the refinancing needs of underserved populations that disproportionately missed out on the 2020-21 refinancing boom (New in 2022)

In addition to supporting the GSE's affordable lending programs, we also adopted changes made to their automated credit risk underwriting engines, Fannie Mae's Desktop Underwriter (DU) and Freddie Mac's Loan Product Advisor (LPA), that are designed to prudently increase access to homeownership for applicants who lack traditional credit.

For portfolio lenders in 2022, we continued to offer **Community Pro**, our own affordable housing program, and a suite of other programs known as **Portfolio Playbook**.

Special Purpose Credit Programs (SPCPs)

As part of our affordable housing strategy, we work closely with several lenders, large and small, on their development of Special Purpose Credit Programs (SPCPs) intended to be compliant with a provision of the Equal Credit Opportunity Act (ECOA) as a way to address populations historically underserved by traditional mortgage programs.

More information is available on our blog, MGIC Connects, [here](#).





PARTNERSHIPS & PROMOTION

Our partnerships with industry trade groups and organizations are important to advancing our affordable housing efforts. Our partnerships are multi-faceted: in addition to contributing to policy discussions through our participation on the Mortgage Bank Association's (MBA) Affordable Housing Advisory Board, we have been able to take part in a number of other MBA efforts to further the goal of affordable and accessible housing. These include participation in a joint initiative between the MBA and the NCSHA to promote enhanced access to Housing Finance Agency (HFA) loan programs through standardization and transformation (HFAST), participation in a workgroup focused on how to connect Single-Family Rental (SFR) to homeownership strategies, signing the MBA's [Home for All Pledge](#), and participation in the MBA's [Convergence](#) initiative.

In 2022, we re-engaged with National Association of Hispanic Real Estate Professionals (NAHREP), a trade group for Latino real estate agents, and National Association of Real Estate Brokers (NAREB), whose members are Black real estate agents also known as Realtists. By participating in these organizations' national conferences, we had an opportunity to engage in the racial/ethnic equity in homeownership discourse and connect with lenders to discuss programmatic solutions.

Local Efforts

In Milwaukee, we are channeling our affordable housing efforts through partnerships with several organizations that are advancing strategies for collective impact:

- **Participation in the Community Development Alliance (CDA).** The CDA is an affiliation of community development funders and practitioners working on neighborhood improvement efforts in Milwaukee that came together to develop a Collective Affordable Housing Strategic Plan to improve housing stability.
- **Participation in Take Root Milwaukee (TRM).** Take Root Milwaukee is a consortium of over 50 community organizations, neighborhood groups, HUD-certified counseling agencies, realtors, and lenders working to promote sustainable homeownership in Milwaukee neighborhoods.
- **Participation in MKE United Greater Downtown Action Agenda's Housing Workgroup.** MKE United is a diverse cross-section of Milwaukee leaders from government, community, nonprofit, and business sectors focused on implementing an inclusive vision for residential real estate in Milwaukee's Downtown and surrounding neighborhoods.

ARCS – Awareness, Readiness, Community, Support

We channeled our own experiences in affordable housing engagement into the development of a program called **ARCS** – an acronym for “Awareness, Readiness, Community, Support” – that we’re discussing with lenders nationally as a template framework for effective participation in community-based, ground-up affordable housing efforts. We introduced the framework with a series of five blogs, beginning in June of 2022 with a blog titled **“Asking the Right Questions.”** The blog series culminated in August 2022 with contributions from five different authors. To read the full series, visit MGIC Connects [MGIC's Affordable Homeownership Series Part 1: Asking the right questions.](#)

ACADEMIC RESEARCH

We are pursuing ongoing academic research opportunities that will advance affordable housing solutions and support sustainable homeownership. In partnership with the Data Science Institute at the University of Wisconsin-Milwaukee, MGIC is exploring how to increase wealth creation through homeownership in neighborhoods that historically have seen slower appreciation in home values, and in some cases, regression in home values.

POLICY

We are involved in public policy advocacy at the state and federal levels. Read more about MGIC's efforts to support national and Milwaukee-based affordable housing policy and initiatives below, as well as in the [Public Policy section](#) of this report.



Transparent Information and Fair Advice to Customers

Our company operates within a Business-to-Business (B2B) model. Our customers include banks, mortgage bankers, mortgage brokers, credit unions, mortgage loan servicers, and mortgage investors.

We play a key role in our country's residential mortgage finance system by providing credit loss protection to our customers. We aim to provide timely and accurate information to our customers as we work with them to make homeownership attainable for their borrowers. In 2022, our customer service team responded to 98,798 inquiries. We offer assistance through several channels, including our website, secure web platform, telephone, email, and social media. We regularly publish guides, bulletins, and news on our website to communicate coverage requirements and information to our customers.

Through these various channels, we provide tools and resources that are specifically aimed at assisting customers with their needs. These resources include Servicing, Underwriting, and Rescission Relief Guides, which provide information needed to service insured loans, including guidelines, requirements, and claim submission options.

We aim to provide timely and accurate information to our customers as we work with them to make homeownership attainable.

2022 METRICS:

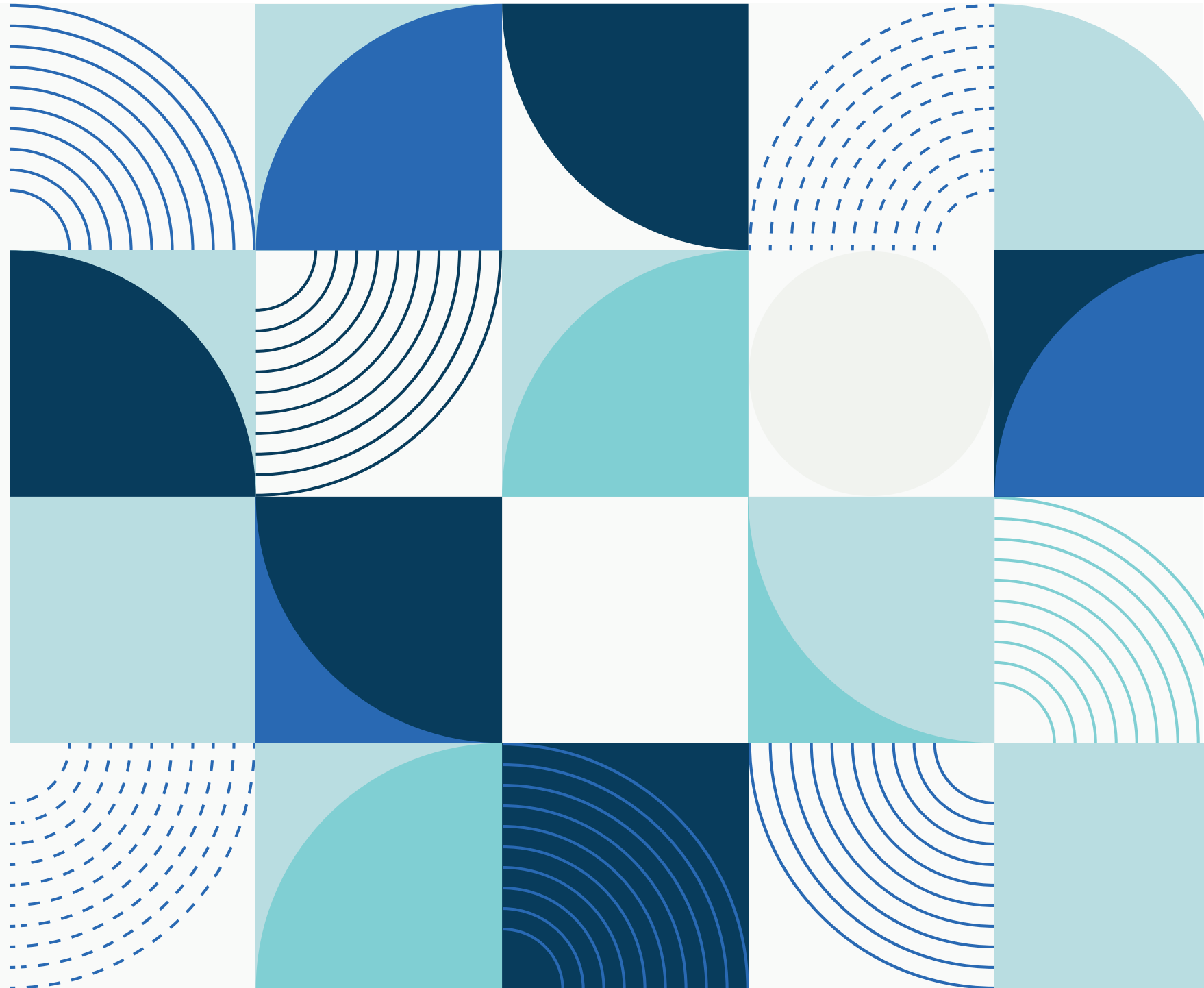
98,798 INQUIRIES RESPONDED TO BY CUSTOMER SERVICE

34,391 PHONE CALLS RECEIVED BY CUSTOMER INTERACTION CENTER

Community Engagement

Giving Back, Together

32





Giving Back, Together

At MGIC, we have always been committed to helping people live better lives through attainable homeownership. The idea of “home” extends beyond four walls and a roof, and we are dedicated to supporting community organizations whose missions strengthen our families, neighborhoods, and communities.

MGIC’s Giving Back, Together initiative reflects our desire to positively impact our community through financial giving, volunteerism, and MGIC representation.

Volunteering

We encourage our co-workers to engage in community action that matters to them and supports the work we do at MGIC and offer each employee four hours of paid volunteer time off annually. At February’s State of the Company event, our CEO Tim Mattke introduced MGIC’s collective challenge to reach a goal of 1,065 paid volunteer hours in 2022, a nod to celebrating our 65th year in business.

Co-workers exceeded this goal by logging 1,157 paid volunteer hours in 2022. Along the way we collected, packed, and delivered thousands of snacks, flash cards, laundry supplies, and holiday gifts; sorted food, packed backpacks, tended to gardens and farms, and painted and sided houses, just to name a few.

FEEDING AMERICA

Throughout the year, a number of MGIC co-workers volunteered at Feeding America’s Milwaukee warehouse to help sort food that was to be provided to local food pantries. An MGIC co-worker had this to say about the experience:

“A very rewarding and meaningful way to help our local communities. Also an opportunity to collaborate as a team and get to know each other. Can’t wait to do it again.”

– Jennifer Felden



UNITED WAY GIVING TREE

During the holiday season, co-workers came together to package the donated gifts for local children through United Way. Together, 80 co-workers sponsored and wrapped 115 gifts, 50 more than our original goal!





Engaging Employees

In 2022, community efforts were enhanced by the refresh of MGIC's Giving Back, Together microsite on The Max. The new microsite introduced co-workers to the various ways to use time and talent to maintain and grow the strong partnerships MGIC has established over the years, while at the same time encouraging additional engagement through volunteerism in the communities in which we live, work, and do business.

The microsite also provided much needed infrastructure to match co-workers seeking volunteer opportunities with organizations seeking volunteers.

Grant Programs

SALES REGION DIRECTED GRANTS PROGRAM

In 2022, we introduced co-worker informed grantmaking through the Sales Region Directed Grant Program. Our sales teams across the country financially supported 10 organizations nationwide. The program is intended to include remote co-workers in helping us contribute to community efforts in all the places we call home.

MGIC COMMUNITY GRANTS PROGRAM

Formally launched in November 2022, co-worker nominations are used to invite organizations to apply for open grant opportunities aligned to MGIC's DEI observance calendar. In 2022, co-workers submitted nominations for Black History Month 2023 and Women's History Month 2023, awarded to an organization(s) supporting, advancing, empowering, and/or celebrating these groups. Grants will be awarded during the respective observance month based on the merit of the applications received from nominated organizations.





Community Involvement

RED ARROW PARK

In 2022, MGIC continued to support Red Arrow Park, located in our own backyard, by funding a new weekly summer music and food truck series, "Heart(beats) of the City." Each Wednesday all summer long, Red Arrow Park truly was the beating heart of downtown Milwaukee, as people came together to take a break from their day to enjoy music, food, and each other's company.

In October 2022, MGIC was awarded with the Downtown BID's Public Space Activation Award for recognizing the value of Downtown Milwaukee's public spaces in fostering community and for making Red Arrow Park a vibrant civic space year-round.

Additionally, we, in partnership with the Saint Kate Hotel across the street, helped bring the holiday cheer back to our favorite downtown park through sponsorship of holiday lights.

BOYS & GIRLS CLUB OF GREATER MILWAUKEE

The Boys & Girls Club of Greater Milwaukee is an important organization to MGIC, and one we have supported for several years. Support takes the form of continued implementation of our multi-year financial commitment to the Graduation Plus Program, which aims to help youth obtain college access and continue life-long learning.

We contributed to the Grad Plus Let's Grow Initiative this year to help support the expansion of the program to serve an additional 100 high school students each year with the goal of eliminating the need for a waitlist.



HABITAT FOR HUMANITY

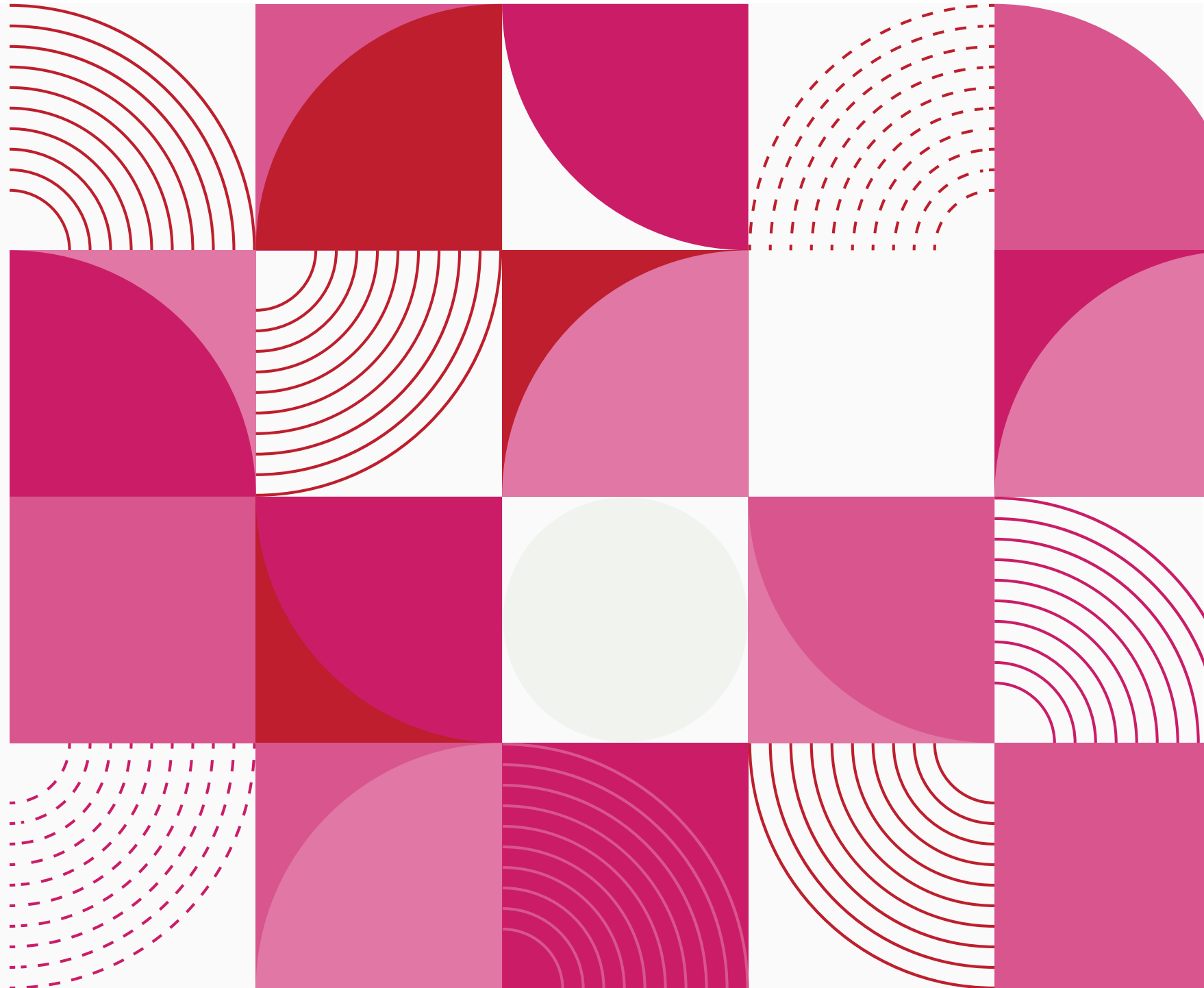
MGIC has partnered with Habitat for Humanity since 1997 to support their mission of partnering with people to help them build or improve a place they can call home. Since 2015, MGIC's support has included full sponsorship of one Habitat home in Milwaukee.

After a two-year pause due to the pandemic, MGIC co-workers returned to the Habitat build site in 2022. Led by MGIC's internal Habitat Committee, a group of passionate co-workers who organize MGIC's participation in build days, co-workers installed drywall, painted walls, hung windows, and performed various tasks to support Habitat's efforts on five different build days throughout the year. In addition to the five build days organized by the MGIC Habitat Committee, seven co-workers from MGIC's summer internship program spent a day on the Habitat build site, painting, building community, and giving back, together.



Environment

Greenhouse Gas Emissions and Energy Management	36
Paper and Waste Management	39





Greenhouse Gas Emissions and Energy Management

Greenhouse Gas (GHG) Emissions Inventory

In 2022, we completed our first GHG emissions assessment to understand our baseline Scope 1 and 2 emissions for the 2021 calendar year.

	2021	Units
Scope 1 Emissions		
Stationary Combustion	117	t CO2e
Mobile Sources	386	t CO2e
Refrigeration/AC	128	t CO2e
Fire Suppression	30	t CO2e
Total Scope 1 Emissions	662	t CO2e

	2021	Units
Scope 2 Emissions		
Electricity (Market Based)	2,039	t CO2e
Electricity (Location Based)	1,881	t CO2e
Purchased Steam	984	t CO2e
Scope 2 (Market Based)	3,022	t CO2e
Scope 2 (Location Based)	2,865	t CO2e

	2021	Units
Total Organization Emissions		
Total Scope 1 & 2 (Market Based)	3,685	t CO2e
Total Scope 1 & 2 (Location Based)	3,527	t CO2e

Intensity Factors	2021	Unit
Scope 1 & 2 Emission Intensity per Square Foot (Market Based) (t CO2e/ 1000 sqft)	11.47	t CO2e/ 1000 sqft
Scope 1 & 2 Emission Intensity per Square Foot (Location Based)	10.98	t CO2e/ 1000 sqft
Scope 1 & 2 Emission Intensity per Revenue (Market Based)	3.11	t CO2e/ million USD
Scope 1 & 2 Emission Intensity per Revenue (Location Based)	2.97	t CO2e/ million USD

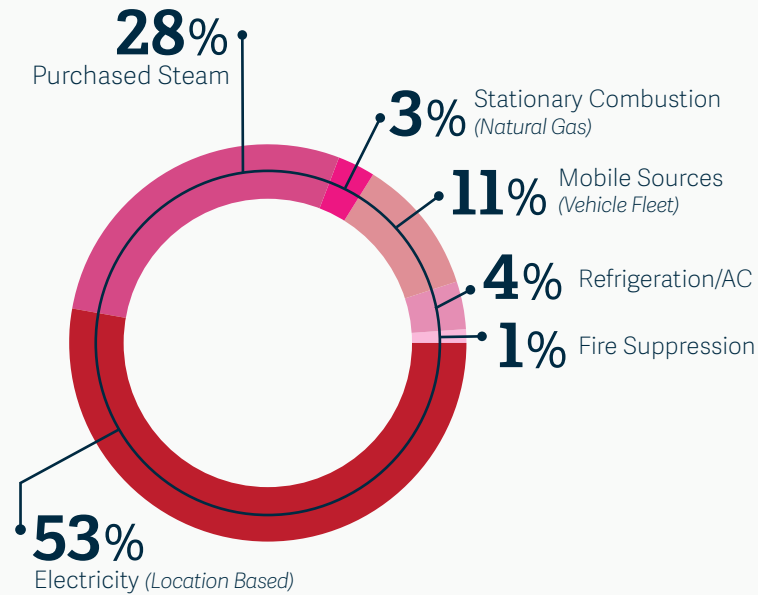
Other Metrics	2021	Unit
Total Electricity Consumption	4,196	MWh



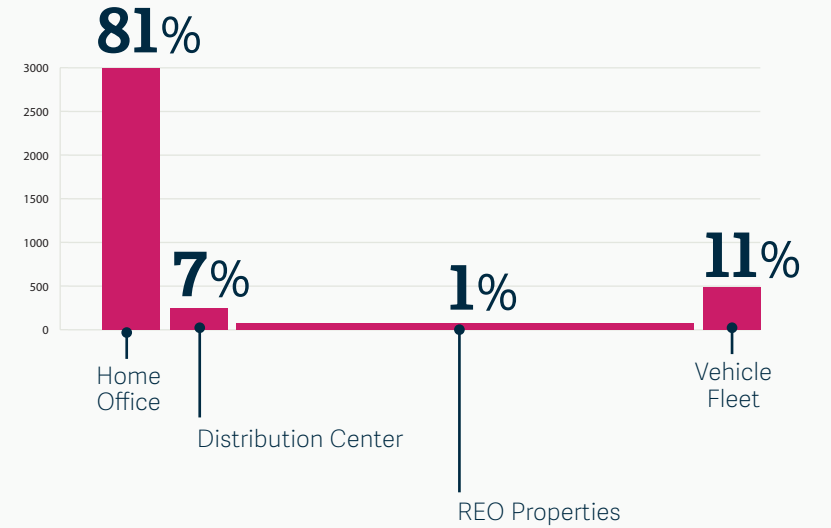
Greenhouse Gas (GHG) Emissions Inventory *continued*

We measured our GHG emissions in alignment with the GHG Protocol corporate standard. Through this exercise, we were able to identify electricity and purchased steam as top emission sources. We assessed GHG emissions associated with our Home Office (two buildings that include an on-site data center), distribution center, REO properties, and vehicle fleet. Emissions associated with our Home Office accounted for around 81% of our total GHG emissions, followed by our vehicle fleet (approximately 11%) and our Distribution Center (approximately 7%). GHG emissions associated with our REO properties in the 2021 calendar year were near-negligible (less than 1% for all properties).

GHG Emissions by Source



2021 Total Market Based Emissions (t CO2e)





Energy Reduction

We continue to assess and implement energy reduction strategies throughout our real estate footprint. We own and operate three buildings in Milwaukee, Wisconsin, where we are headquartered. We also lease a fourth site used as a back-up data center to ensure business continuity.

To increase the efficiency of our data center, we ensure cooling units cycle on and off as needed and do not run continuously. LED lighting is activated only when the room is occupied. Several data center cooling units and dry coolers are scheduled for replacement in 2023 and 2024, and the new equipment is expected to be more efficient. MGIC continuously monitors power in the data center using EMONS and the Building Automation System.

Additional energy reduction efforts at our Milwaukee campus include:

- Using a Building Advisor system that is designed to use information from building management and energy monitoring systems to proactively address energy inefficiencies
- Replacing building equipment with more efficient models
- Monitoring our steam usage through use of a steam meter so that we may identify potential leaks
- Tracking and reviewing annual energy consumption
- Offering mass transit discounts to co-workers to incentivize commuting alternatives

In 2021, we were recognized by the City of Milwaukee for our successful participation in the US Department of Energy's Better Buildings Challenge, which encouraged commercial building owners to effectively develop and implement energy efficiency projects at their properties.

Through our diligent efforts to make improvements in our operations, we have reduced our electricity usage by 37% since 2010.





Paper and Waste Management

Recycling is a continuous effort and we have made strides to increase communication and awareness of recycling in our facilities. Recycling bins are available in all offices, conference rooms, communal kitchens, and co-worker lounges.

We also have an onsite recycling center that serves as a general collection point for co-workers. We work with a third party to collect and recycle hardware and equipment such as batteries, toners, laptops, monitors, computers, and other IT hardware.

We believe small changes can add up to a large impact.

All copy paper used in our offices is Sustainable Forestry Initiative (SFI) certified. To reduce paper usage, information is retained electronically whenever possible. It is company policy to shred all paper documents that are not required to be retained as records. The default settings on printers include black-and-white and double-page printing to reduce paper and ink waste.

2022 METRICS:

30,070 LBS TOTAL E-WASTE RECYCLED
(including batteries and IT hardware)

451,699 LBS TOTAL WASTE RECYCLED
(excluding toner, wood pallets, and lamps)

118 TOTAL NUMBER OF TONERS RECYCLED

416 TOTAL NUMBER OF WOOD PALLETS RECYCLED

152 TOTAL NUMBER OF LAMPS RECYCLED

Appendix

Corporate Sustainability Data Table	41
Sustainability Accounting Standards Board (SASB)	45
United Nations Sustainable Development Goals (UN SDGs)	47
Task Force on Climate-Related Financial Disclosures (TCFD)	48





Corporate Sustainability Data Table

Board Independence & Diversity	Unit	2022	2021
Total board members	#	13	13
Number of independent board members	#	11	11
Independent board chair	-	Yes	Yes
Percent of female board members	%	31	31
Percent of male board members	%	69	69
Percent of white board members	%	84	84
Percent of non-white board members	%	16	16 African American (8%) and Hispanic or Latinx (8%)
Percent of board members with tenure ≥ 10 years	%	31	31
Percent of board members with tenure 5–10 years	%	23	23
Percent of board members with tenure ≤ 5 years	%	46	46
Percent of board members in their 40s	%	8	8
Percent of board members in their 50s	%	23	23
Percent of board members in their 60s	%	38	54
Percent of board members in their 70s	%	31	15

Data Security & Privacy	Unit	2022	2021
Percent of employees required to do annual training on data security and privacy	%	100	100
Diversity of Co-Workers	Unit	2022	2021
Employee Resource Groups	Qualitative	Yes	Yes
Average Tenure (12/1/22 -12/31/22)	Years	12	14
Average Age	Years	49	50
% Women (Total)	%	56	59
% Women (Managers)	%	55	62
% Women (Officers)	%	37	34
% Racial/Ethnic Minorities (Total)	%	19	16
% Racial/Ethnic Minorities (Managers)	%	10	7
% Racial/Ethnic Minorities (Officers)	%	16	9
Number of courses/event completions related to diversity and inclusion	Courses and training events	1,105	283
Total training hours related to diversity and inclusion	Hours	1,333	249


Corporate Sustainability Data Table *continued*

Engagement, Training, & Development	Unit	2022	2021
Annual employee engagement survey	Qualitative	Yes	Yes
Completion rate for employee engagement survey	%	83.3	86.1
Voluntary turnover rate	%	17	7.91
Co-workers promoted	People	43	42
Completed training courses	Courses	5,818	4,035
Total training hours	Hours	8,167	3,986
External trainings (conferences, webinar, classes, etc.)	Training events	49	153
Total hours of external trainings	Hours	590	952

Co-Worker Wellbeing	Unit	2022	2021
Number of employees	People	693	711
Virtual health coaching sessions	Sessions	595	598
Virtual health coaching sessions	Hours	298	301
Percentage of co-workers who earned the maximum health plan premium discount	%	59.8% earned max discount, 8.8% earned partial discount	62
Individuals completing Advocate Aurora Health self-guided programs	People	222	187
Individuals who used our 1:1 Financial Education opportunity	People	94	116
Individuals who attended group session education opportunities	People	59	63


Corporate Sustainability Data Table *continued*

Affordable Housing & Corporate Sustainability Innovation	Unit	2022	2021
Number of households MGIC enabled to purchase a home (annual)	Households	232,000	327,000
Number of households enabled to refinance (annual)	Households	6,500	84,000
Number of households enabled to purchase a home (total insurance in force at year end)	Households	987,000	916,000
Number of households enabled to refinance (total insurance in force at year end)	Households	193,000	249,000
Number of page views on homebuyer education site	Page view	1,259,041	1.9 million
Number of people who took a homebuyer education course	People	44,980	Over 75,000
Signatory of MBA's Home for All Pledge	Qualitative	Yes	Yes

Selling Practices & Product Labelling	Unit	2022	2021
Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	\$	0	0
Complaints-to-claims ratio	Rate	No complaints filed	No complaints filed
Customer retention rate	Rate	90.64	92.3
Number of inquiries customer service team responded to	Inquiries	98,798	151,593
Community Engagement	Unit	2022	2021
Total number of employee volunteer hours	#	1,157 (paid hours)	-
Total number of employees who volunteered	#	More than 330	-
Total matched donations	\$	4,000 (Nine different education institutions through co-worker matching gifts program)	-
Total number of organizations MGIC donated to or supported	#	More than 25	More than 25



Corporate Sustainability Data Table *continued*

Environment	Unit	2022	2021
Percent reduction in electricity usage since 2010 baseline	%	37	40
Total electricity consumption	MWh		4,196
Scope 1 GHG emissions	t CO ₂ e		662
Scope 2 GHG emissions (location-based)	t CO ₂ e		2,865
Scope 2 GHG emissions (market-based)	t CO ₂ e		3,022
GHG intensity (per square foot – market based)	t CO ₂ e/ 1,000 sq. ft.		11.47
Total water consumed	Thousand cubic meters (m ³)	9,650	8,566
Total waste recycled	lbs	451,699	
Total e-waste recycled	lbs	30,070	



Sustainability Accounting Standards Board (SASB)

According to the Sustainability Accounting Standards Board (SASB) Industry Level Materiality Map, the following categories are “the most likely material issues for companies” in the insurance industry.

We do not squarely fit within a SASB industry classification and have opted to report relative to the insurance industry framework as the closest industry to mortgage insurance. The below table references accounting metrics within this report and other sources.

Topic	Accounting Metric	SASB Code	MGIC Response
Transparent Information & Fair Advice for Customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	FN-IN-270a.1	In accordance with Securities and Exchange Commission (SEC) requirements, the company discloses all material legal proceedings, other than ordinary routine litigation incidental to the business, in its Annual Reports on Form 10-K. In 2022, the company was not a party to any legal proceedings and did not suffer losses associated with marketing and communication of insurance and financial product-related information to customers.
	Complaints-to-claims ratio	FN-IN-270a.2	MGIC does not calculate a complaints-to-claims ratio. Our customers are banks, mortgage bankers, mortgage brokers, credit unions, mortgage loan servicers, and mortgage investors and the vast majority of our interactions are with these customers and not individual consumers. In 2022, there were no complaints filed with state insurance departments to the National Association of Insurance Commissioners’ Consumer Information Source that are included on the Closed Complaints Reports for MGIC and its subsidiaries. Details on customer inquiries and requests are described under Transparent Information and Fair Advice to Customers on page 30.
	Customer retention rate	FN-IN-270a.3	90.64%
	Number of inquiries customer service team responded to	FN-IN-270a.3	98,798
	Description of approach to informing customers about products	FN-IN-270a.4	See Transparent Information and Fair Advice to Customers section on page 30.






Sustainability Accounting Standards Board (SASB) *continued*

Topic	Accounting Metric	SASB Code	MGIC Response
Incorporation of Environmental, Social, and Governance Factors in Investment Management	Total invested assets, by industry and asset class	FN-IN-410a.1	Information on MGIC's assets can be found in our Annual Report on Form 10-K.
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	We are in the process of evaluating how to integrate ESG in our portfolio of assets. See Investment Management section on page 16.
Policies Designed to Incentivize Responsible Behavior	Net premiums written related to energy efficiency and low carbon technology	FN-IN-410b.1	This metric is not applicable to our business.
	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	FN-IN-410b.2	See Access and Affordability section on page 27.
Environmental Risk Exposure	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	See Risk Management and Impacts of Climate Change section on page 14.
	Total amount of monetary losses attributable to insurance payouts from: <ul style="list-style-type: none"> i. Modeled natural catastrophes and ii. Non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance) 	FN-IN-450a.2	See Risk Management and Impacts of Climate Change section on page 14.
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FN-IN-450a.3	See Risk Management and Impacts of Climate Change section on page 14.
Systemic Risk Management	Exposure to derivative instruments by category: <ul style="list-style-type: none"> i. Total potential exposure to noncentrally cleared derivatives ii. Total fair value of acceptable collateral posted with the Central Clearinghouse iii. Total potential exposure to centrally cleared derivatives 	FN-IN-550a.1	We do not have exposure to derivative instruments nor do we file a Schedule DB.
	Total fair value of securities lending collateral assets	FN-IN-550a.2	Zero
	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	We do not engage in systemic non-insurance activities. Details of ETF investments and related activity can be found in Schedule D of our annual and quarterly statements for our insurance subsidiaries.



United Nations Sustainable Development Goals (UN SDGs)

In 2015, the United Nations developed 17 Sustainable Development Goals (SDGs) with the aim of achieving a more sustainable future for the world. Five of the SDGs outlined below align to our ESG priorities. The table below references sections in this report that relate to each goal.

Goal	Name	Alignment to MGIC	Report Section(s)
	Good Health and Wellbeing	We place a strong focus on health and wellness of our co-workers. We offer our employees comprehensive benefits to promote their physical and mental wellbeing including a free onsite fitness center, mental health seminars, prevention programs, and more. In 2022, we offered 595 virtual health coaching sessions for our co-workers.	See Labor Practices and Co-Worker Wellbeing section on page 25 .
	Gender Equality	We celebrate our differences and endeavor to foster a diverse and inclusive company culture because it leads to better business outcomes and it is the right thing to do. 56% of our co-worker base is women, 55% of managers are women, and 31% of board members are women.	See Diversity, Equity, and Inclusion section on page 19 .
	Decent Work and Economic Growth	We have 693 employees, and we work with several organizations to promote career opportunities at the company. Our products are also meant to help homebuyers access affordable housing, which helps the economy grow in a sustainable way.	See Co-Worker Satisfaction and Career Development section on page 21 .
	Sustainable Cities and Communities	We continued to assess and implement energy reduction strategies throughout our building footprint. We also promote healthy and productive communities by being actively engaged through sponsorship, partnerships, and volunteering. Our total insurance in force in 2022 enabled over 987,000 households to purchase a home.	See Greenhouse Gas Emissions and Energy Management section on page 36 and Giving Back, Together section on page 32 .
	Take urgent action to combat climate change and its impacts	In 2022, we completed our first GHG emissions assessment to understand our baseline Scope 1 and 2 emissions. We are committed to continuing to evaluate and evolve our understanding of the increasing impacts of climate change on our business.	See Greenhouse Gas Emissions and Energy Management section on page 36 and Risk Management and Impacts of Climate Change section on page 14 .



Task Force on Climate-Related Financial Disclosures (TCFD)

In 2015, the G20's Financial Stability Board (FSB) appointed the Task Force on Climate-related Financial Disclosures (TCFD) to develop a framework for companies to provide investors and other stakeholders with relevant information about their climate-related risks and opportunities. Below, we have provided a table mapping TCFD's disclosure recommendations to the relevant sections in this report.

Pillar	Recommendation	MGIC Alignment in Report
Governance	a. Describe the board's oversight of climate-related risks and opportunities	See Corporate Sustainability Oversight section on page 9 and Risk Management and Impacts of Climate Change section on page 14.
	b. Describe the management's role in assessing and managing climate-related risks and opportunities	See Corporate Sustainability Oversight section on page 9 and Risk Management and Impacts of Climate Change section on page 14.
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	See Risk Management and Impacts of Climate Change section on page 14.
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	See Risk Management and Impacts of Climate Change section on page 14.
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks	See Risk Management and Impacts of Climate Change section on page 14.
	b. Describe the organization's processes for managing climate-related risks	See Risk Management and Impacts of Climate Change section on page 14.
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	See Risk Management and Impacts of Climate Change section on page 14.

MGIC



MGIC.COM