

2024 Task Force on Climate-Related Financial Disclosures (TCFD) Report



radian

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Introduction

The Financial Stability Board (FSB) established the Task Force on Climate-Related Financial Disclosures (TCFD) in December 2015 to develop a framework of recommendations for standardized climate-related financial reporting. These recommendations focus on four key areas essential to business operations: governance, strategy, risk management, and metrics and targets.

This report outlines our progress during the 2024 reporting year (January 1, 2024 – December 31, 2024), detailing how we have refined our processes to integrate the TCFD recommendations into our business practices.

About Radian

Radian is a catalyst for homeownership that transforms risk into opportunity through services and technologies that empower housing and capital market participants to act with confidence. The Radian family of companies is shaping the future of mortgage and real estate services through products and services that include industry-leading mortgage insurance and a comprehensive suite of mortgage, real estate, and title services. We take an enterprise approach under our *One Radian* strategy, which leverages the value of our employees across our diversified businesses to better serve our customers.



Radian Group Inc. serves as the holding company for operating subsidiaries through which we offer our products and services and does not have any operations of its own. We are a mortgage and real estate services company, providing both credit-related mortgage insurance coverage and an array of products and services across the residential real estate and mortgage finance industries. We have one reportable business segment—Mortgage Insurance.

Our Mortgage Insurance segment aggregates, manages and distributes U.S. mortgage credit risk for the benefit of mortgage lending institutions and mortgage credit investors, principally through private mortgage insurance on residential first-lien mortgage loans to mortgage-lending institutions and mortgage credit investors.

In addition, we provide other mortgage and real estate products and services to our existing and new customers through our Mortgage Conduit, Title, Real Estate Services and Real Estate Technology businesses, which we report in our All Other category. These businesses are not material either individually or in the aggregate and therefore do not constitute a reportable segment.

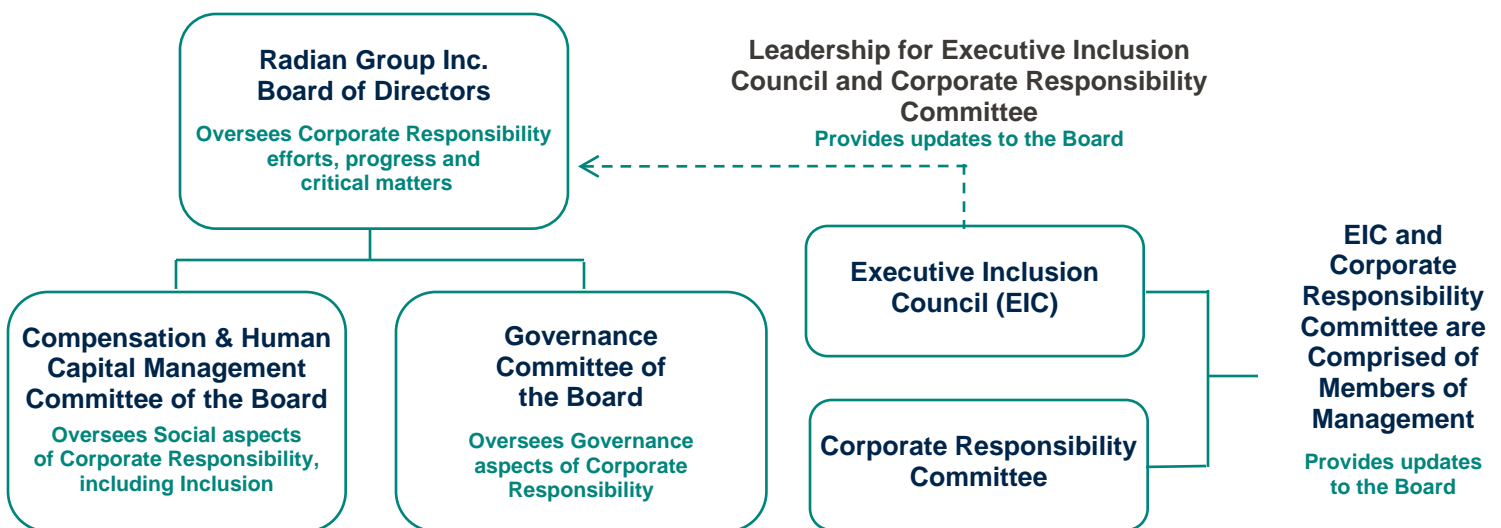
Governance of Climate Change Matters

TCFD guidance requests that companies disclose the organization’s governance around climate-related risks and opportunities, including the roles of both the Board of Directors (Board) and management.

Board Oversight

Our full Board is involved in the oversight of our Corporate Responsibility program and practices that could affect the Company, including environmental/climate matters.

Our Board seeks to understand and oversee how senior management addresses the most critical risks relating to our business and to ensure there is an effective governance process in place for reviewing the systems and processes that management has developed to identify, manage and mitigate material risks, including those that could arise in the future. The Board has formed a standing committee, the Risk Committee, for the primary purpose of overseeing the Company’s management of material risks. In carrying out this responsibility, the Risk Committee’s primary role is coordination, working with the full Board and other committees to ensure the effective oversight of material risks.



The Board, or through its Risk Committee and other standing committees, regularly meets to receive and discuss risk-related reports, including:

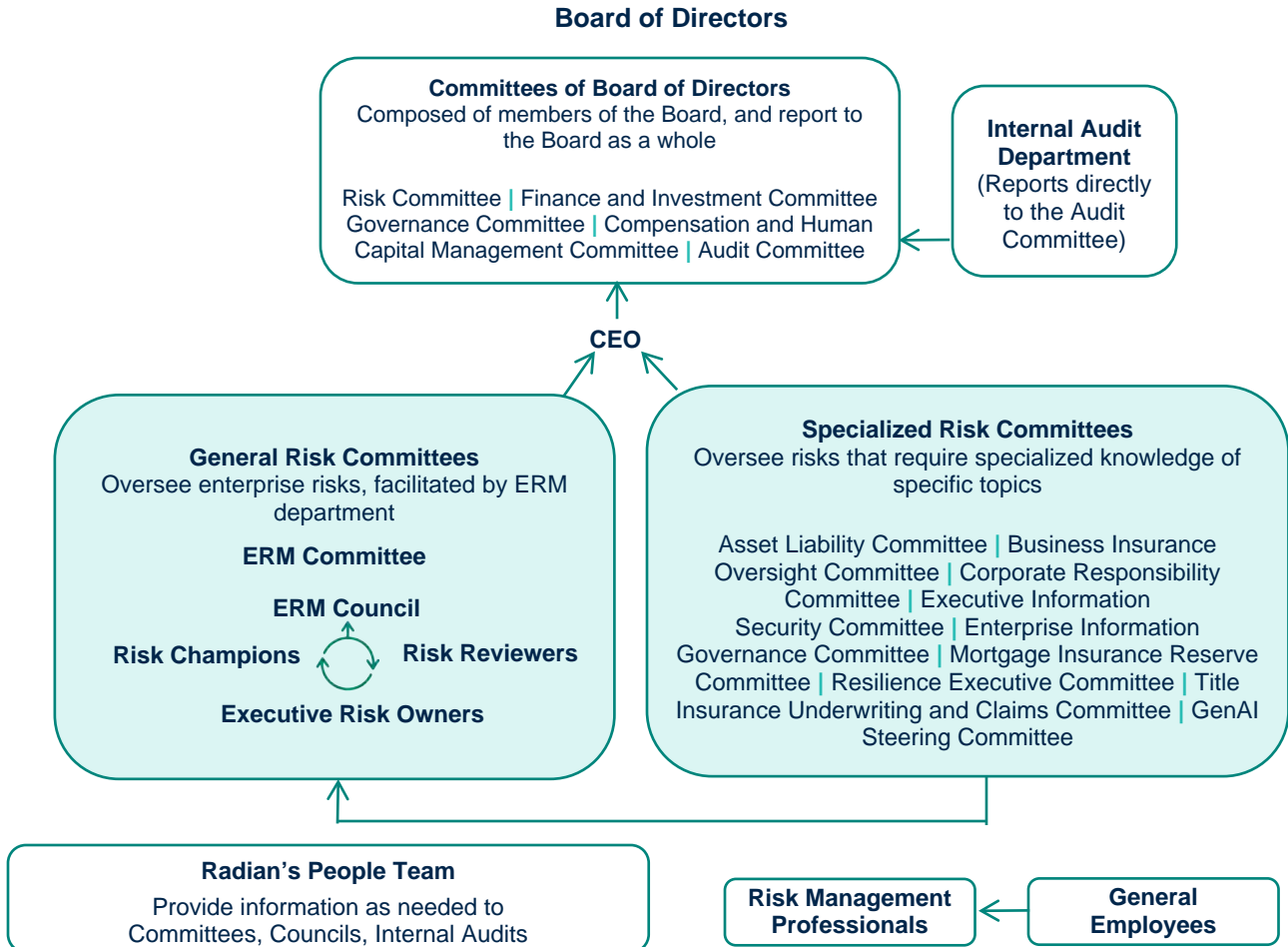
- (i) our Enterprise Risk Management (“ERM”) function regarding the most significant risks we are facing, and the steps being taken to assess, manage and mitigate those risks;
- (ii) our information security function regarding cybersecurity-related risks and our efforts to mitigate such risks; and
- (iii) our compliance programs and our efforts to embed a culture of compliance throughout the organization to encourage ethical behavior and mitigate risks of regulatory non-compliance.

The Board further considers current and potential future strategic risks facing the Company as part of its annual strategic planning session with management, which include climate-related risks and opportunities as they arise.

The Board is informed of our greenhouse gas emissions (GHG) at least annually in connection with the preparation of our Corporate Responsibility Report and receives regular updates on our Corporate Responsibility program and practices, including information about climate change.

To ensure the Board is equipped with the knowledge to exercise its role of oversight effectively, our directors receive education and training sessions focused on current and emerging topics, which periodically, include Corporate Responsibility matters.

ERM Governance



Management Oversight

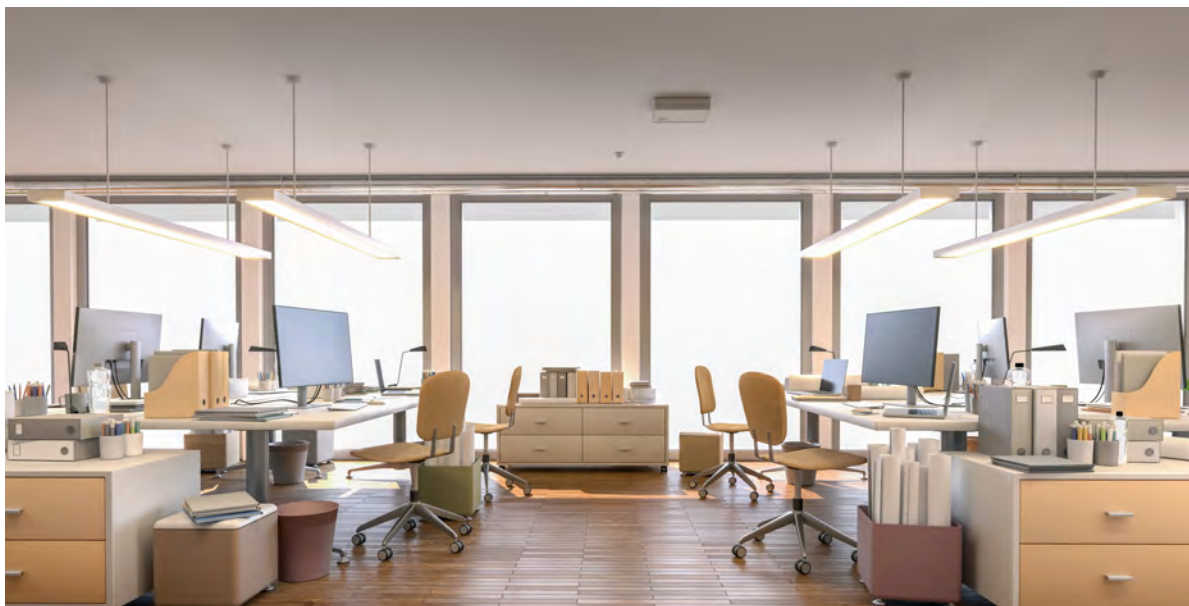
Radian takes an integrated approach to managing the Company's climate-related risks and opportunities, with responsibility embedded into the Company's existing governance and risk management structures.

Business risks, including those associated with climate change, are identified and assessed by the ERM Council, consisting of mid-to senior level employees, and its results are shared with the ERM Committee at least quarterly. The ERM Committee and Council are responsible for assisting the Board of Directors in the oversight of Radian's ERM program, including identifying, assessing, managing, and monitoring risks across the Company.

Our senior executive management team regularly monitors and discusses risks related to our businesses through various management committees. The Corporate Responsibility Committee is comprised of a cross-functional management team responsible for assisting leadership and ensuring the business considers climate-related risks and opportunities throughout its strategy development, reporting and communications.

Oversight of Corporate Responsibility involves employees with varied experiences and disciplines including, but not limited to environmental, health and safety, operations, legal, investor relations, government affairs, risk management, corporate governance, finance, human capital management and communications.

The ERM Committee and Corporate Responsibility Committee engage with subject matter experts across our businesses to ensure climate-related risks and opportunities are accurately identified, assessed, and managed.



Strategy and Risk Management

TCFD guidance recommends that companies disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material. TCFD guidance requests that companies disclose how the organization identifies, assesses and manages climate-related risks.

We recognize that climate change is complex and presents a range of risks and opportunities that may impact our ability to successfully execute our business strategy over time.

To ensure our business remains resilient, we aim to identify, assess and manage the current and emerging climate-related risks and opportunities across our operations as per the TCFD-aligned guidance.

We have identified three transition risks, representing those risks associated with the transition to a decarbonized economy. In addition, we have identified two physical risks, representing those risks associated with the physical impact of climate change.

We aim to continue to assess our climate risk to ensure we accurately identify, assess and account for new and evolving climate change related risks and opportunities associated throughout our business strategy and decision making.



Climate-Related Risks

Type	Climate-Related Risk	Description
Transition Risk - Policy and Legal	Enhanced reporting obligations due to climate change	<p>Sustainability and climate-related reporting requirements are likely to increase over time, which may result in increased operating costs for the business. Radian must comply with emerging regulations including, California's climate-related financial disclosures.</p> <p>Although we have established policies and procedures to help us comply with applicable laws and regulations, many emerging sustainability regulations are complex. Establishing the robust processes, structures and due diligence needed to comply with future reporting obligations may result in additional increasing operating costs for our businesses.</p> <p>If Radian is unable to comply with future reporting requirements, we may be subject to fines, penalties and restrictions on our ability to conduct business, as well as face potential reputational damage amongst stakeholders.</p>
Transition Risk – Reputation	Increased stakeholder concern or negative stakeholder feedback	<p>As requests for robust sustainability data and ambitious climate targets grow over time, Radian will need to continue to develop and evolve its ability to comply. Damage to our reputation may occur if our sustainability strategy and efforts do not align with those of our stakeholders' expectations. This could negatively impact our ability to recruit and retain key employees, engage with new customers and access capital.</p>
Transition Risk – Market	Uncertainty in the market	<p>Our businesses, results of operations and financial performance could be adversely impacted by climate change and extreme weather events, especially if these occurrences negatively impact the overall real estate market and the broader economy. Climate change may increase the frequency and severity of natural disasters such as hurricanes, tornadoes, floods and forest fires and drive other ecologically related changes such as rising sea waters, which in turn could negatively affect regional economies in ways that impact home values or unemployment, and therefore, the credit performance of the mortgages we insure in affected areas.</p>
Physical Risk – Acute	Extreme weather events and natural disasters	<p>Climate change may increase the frequency and severity of natural disasters such as hurricanes, tornadoes, floods and forest fires causing potential damage and disruption to business operations (people, technology, sites, suppliers, etc.), possibly resulting in a need for increased resources, mitigation, and more robust resilience strategies across the enterprise. In addition, our business is highly dependent on the effective operation of our information technology systems, which are vulnerable to damage or interruption from power outages, computer and telecommunications failures and catastrophic events that may be exacerbated due to climate change.</p> <p>The inability of a mortgage borrower to obtain hazard and/or flood insurance, or the increased cost of such insurance, could lead to an increase in mortgage delinquencies on loans we insure or a decrease in home prices in affected areas. If we were to attempt to limit our new insurance written (NIW) in affected areas, lenders may choose not to do business with us.</p> <p>Natural disasters could also lead to increased reinsurance rates or reduced availability of reinsurance for the insurance we write. This may cause us to retain more risk than we otherwise would retain and could negatively affect the capital adequacy and risk management strategies of our insurance subsidiaries and our enterprise results of operations.</p> <p>Extreme weather events, such as hurricanes, have the potential to lead to increased mortgage insurance delinquencies and claims liability for Radian Guaranty. We account for any increase in delinquencies during natural disasters, such as hurricanes, by posting reserves that represent our best estimate of claim liability on the affected mortgage insurance policies.</p>
Physical Risk – Chronic	Long-term shifts in weather patterns	<p>Climate change may result in long-term shifts in weather patterns and drive ecologically related changes such as rising mean temperatures, rising sea water and water stress. This could negatively affect regional economies in ways that impact home values or unemployment, and therefore, the credit performance of the mortgages we insure in affected areas.</p> <p>Climate change may also impact the value of, and cause volatility in, our investment portfolio, and we might not achieve our investment objectives. Climate change and the frequency, severity, duration, and geography of other ecological-related changes are inherently uncertain, and we cannot predict the ultimate impact these events may have on our business and financial condition.</p>

Climate Scenarios

Implications for Strategy, Financial Planning, and Resilience

Begin evaluating the potential impacts of climate change on Radian's business, we considered two plausible futures: a low-warming pathway aligned with global efforts to limit temperature rise below 2°C, and a high-warming trajectory reflecting limited emissions reductions and significant physical risks. These futures frame key strategic, operational, and financial considerations for Radian's resilience planning.

We have identified key areas where potential climate futures may influence our business decisions and risk management approaches over the next 5–10 years.

Low-Warming Future

This future assumes strong, coordinated climate policies driving a rapid shift from fossil fuels to renewable energy, with carbon pricing and stringent regulations supporting the transition. In this environment, Radian may experience moderate increases in operating costs due to enhanced corporate responsibility reporting and compliance requirements and may also require investments in technology and processes to support reporting and operational efficiency. However, strategic advantages may emerge, such as aligning mortgage and real estate services with growing market demand for sustainability. A relatively stable operating environment would help ensure continued service delivery, while early alignment with market decarbonization trends may lead to long-term costs. These developments also support Radian's ability to stay ahead of evolving stakeholder expectations and regulatory obligations.

High-Warming Future

This future is characterized by limited policy action and fragmented global responses, leading to high levels of warming and escalating physical climate risks such as extreme weather events. Under these conditions, Radian may face higher capital and operating costs due to the need to strengthen both physical and digital infrastructure as well as build redundancies to withstand acute and chronic climate events. Premiums for our business insurance coverage may increase, and access to reinsurance could become more constrained. We may also need to adapt our product offerings for regions increasingly affected by climate risk, and we may face limitations on new business in high-risk areas due to heightened default or insurance concerns. Operational resilience may be challenged by disruptions to physical offices, data centers, critical utilities, and third-party service providers, requiring stronger contingency planning, geographic diversification, and investments in resilient technology infrastructure. Additionally, heightened regulatory and stakeholder scrutiny could increase the reputational and compliance risks of inaction.

These contrasting pathways could provide a foundation for deeper analysis, which helps us inform long-term planning. By enhancing our understanding of climate-related risks and considering how the future may evolve, we aim to ensure that our strategy, financial planning, and enterprise risk management processes remain adaptive and resilient.



Risk Management

We use an ERM framework designed to identify and evaluate the most significant risks we face and to calibrate risk mitigation strategies to account for challenges in the current business environment, as well as external factors that may negatively impact our operations.

A cross-functional team, guided by subject matter experts and experienced managers, follows a systematic method to identify, evaluate and monitor both known and emerging risks, including the impact of climate change.

We conduct quarterly risk reviews, during which various risk scoring metrics are reassessed, to account for changes in market conditions, and the regulatory environment, and other internal or external factors. Our risk assessment and reporting process facilitates program sustainability and promotes accountability for risk management activities across the Company.

Radian categorizes risks based on their current or potential future impact on the organization. Climate-related considerations are interwoven into the risks that we monitor, including: climate and natural catastrophe, political and socio-economic, business interruption, model forecasting, counterparty disruption, supply chain disruption, and our various strategic and operational risks associated with our key business areas.



Risk Mitigation and Management

IT Disaster Recovery and Business Continuity

Efforts to Manage this Risk

- Radian's IT Disaster Recovery and Safety, Security, and Resilience programs are designed to assess and mitigate environmental risks, including natural disasters, that may impact Radian's sites, personnel, technologies, and critical business operations. The team coordinates across enterprise critical functions and leadership to identify and analyze risks and impacts, and to develop appropriate strategic and mitigative risk responses, business continuity plans, and recovery solutions. The management-led ERM Council, ERM Committee, Resilience Governance Committee, Executive Information Security Committee, Enterprise Information Governance Committee, and other enterprise-wide management committees regularly discuss, analyze, and work to mitigate the IT disaster recovery and business continuity risks across the organization.
- Radian's Safety, Security, and Resilience program annually assesses the risk of natural catastrophe across key office and geographic locations, including climate-related catastrophes and risks. The program generally has determined that these risks represent a low residual business interruption risk for the Company, largely due to strategic mitigation efforts and the geographic dispersion of sites, personnel, and technological infrastructure.

Mortgage Insurance

Efforts to Manage this Risk

- Radian Guaranty's mortgage insurance Master Policy generally excludes from coverage any costs or expenses related to repair or restoration of the property due to physical damage. If physical damage is the principal cause of the mortgage default and an insurance claim is submitted, Radian may deny the claim. Therefore, subject to certain conditions, Radian Guaranty's Master Policy generally does not provide protection against property loss or physical damage, including damage caused by hurricanes, severe weather events, or other natural disasters.
- Premiums for our mortgage insurance products are generally established based on performance models that consider a broad range of borrower, loan and property characteristics as well as current and projected market and economic conditions, which may include the impact of climate-related events on home prices and employment in specific geographic regions. If a property being underwritten for mortgage insurance is impacted by a natural disaster, a recertification of the property inspection and valuation may be required before insurance coverage is activated. For properties in our mortgage insurance portfolio impacted by a natural disaster, we work with the mortgage servicers to ensure that borrowers are offered loss mitigation options, such as payment forbearance, to assist borrowers through a short-term hardship.
- Radian Guaranty's portfolio of real estate owned (REO) properties is minimal and geographically disbursed throughout the country. Given this, it poses insignificant risk, and we mitigate this risk by obtaining hazard insurance for all REO properties.

Title Insurance

Title insurance does not cover claims resulting from environmental risks, including natural disasters such as hurricanes, so these are not factored into the underwriting of the title insurance product.

Radian Mortgage Capital

Efforts to Manage this Risk

Radian Mortgage Capital takes ownership of mortgage loans as part of its regular business activities and is subject to environmental risks impacting the mortgaged properties. Radian Mortgage Capital requires that all mortgage loans it owns benefit from hazard insurance policies on the property that provide for replacement cost coverage per Fannie Mae and Freddie Mac guidelines and relies on these hazard insurance policies to mitigate loss on the mortgage loans.



Metrics and Targets

TCFD guidance requests that companies disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

For the fourth consecutive year, Radian reported on our GHG emissions data for Scopes 1 and 2, aligning to the TCFD framework principles and providing insight into our carbon footprint.

The GHG inventory follows the Greenhouse Gas (GHG) Protocol (World Resources Institute [WRI], 2003, 2015, 2018) guidance and standards and is calculated using global warming potential (GWP) values sourced from The Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) (IPCC, 2014). The operational control approach has been applied to determine the organizational boundaries for this carbon inventory. By selecting the operational approach, only locations under Radian’s operational control are included in this inventory. Operating leases were held for all 10 Radian locations during the reporting period, meaning Radian had operational control over our leased spaces.

Intensity Ratios		
	CO ₂ e MT per employee	Average Headcount
FY23	1.6834	1236.5
FY24	2.0174	1058.0

In 2024, Radian’s footprint consisted of 10 leased facilities under operational control. Scope 1 emissions included fugitive emissions from one location and stationary combustion from two locations. Scope 2 emissions included purchased electricity from all 10 leased facilities, as well as other forms of purchased energy like steam and cooling.

In 2024, Radian’s total carbon dioxide equivalent (CO₂e) emissions amounted to 2,134.40 metric tons, representing a 2.5% increase as compared to the same measure in 2023.

	Sum of CO ₂ e MT			
	2024	2023	2022	2021
Scope 1	34.96	2.62	9.60	31.17
Fugitive	–	2.62	9.60	31.17
Stationary Combustion	34.96	–	–	–
Scope 2	2,099.44	2,078.96	2,199.76	1,978.48
Purchased Electricity (Location Based)	1,735.79	2,078.96	2,199.76	1,978.48
Purchased Steam	363.12	–	–	–
Purchased Cooling	0.53	–	–	–
Grand Total	2,134.40	2,081.57	2,209.36	2,009.65

Limited Assurance of GHG Emissions (Scope 1 & Scope 2)

We engaged a qualified third party to perform a limited assurance engagement over our Scope 1 & Scope 2 greenhouse gas emissions for the reporting period. Limited assurance provides a moderate level of confidence that the reported data does not contain material misstatements. This process involved the external assurer performing analytical procedures, inquiries, and selective testing of data sources, methodologies, and calculations underlying our emissions inventory. Verification was conducted in accordance with ISO 14064-3:2019 *Specification with guidance for the validation and verification of greenhouse gas assertion*, which is an approved verification standard accepted by CDP. For a copy of our verification letter, please visit our [website](#).



Important Legal Information

Safe Harbor Statement

Cautionary Note Regarding Forward-Looking Statements / Disclaimers

All statements in this report that address events, developments, or results that we expect or anticipate may occur in the future are “forward-looking statements” within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act and the Private Securities Litigation Reform Act of 1995. In most cases, forward-looking statements may be identified by words such as “anticipate,” “may,” “will,” “could,” “should,” “would,” “expect,” “intend,” “plan,” “goal,” “contemplate,” “believe,” “estimate,” “predict,” “project,” “potential,” “continue,” “seek,” “strategy,” “future,” “likely” or the negative or other variations on these words and other similar expressions. These statements, which may include, without limitation, projections regarding our future performance and our sustainability goals, projects, plans, aspirations, commitments, and strategies, are made on the basis of management’s current views and assumptions with respect to future events.

These forward-looking statements speak only as of the date they were made, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. We operate in a changing environment where new risks emerge from time to time and it is not possible for us to predict all risks that may affect us. The forward-looking statements are not guarantees of future performance, and the forward-looking statements, as well as our prospects as a whole, are subject to risks and uncertainties, including those described in our Annual Report on Form 10-K for the year ended December 31, 2024 and our other filings with the U.S. Securities and Exchange Commission, that could cause actual results to differ materially from those set forth in the forward-looking statements.

For more information on Radian, including the risks and uncertainties we face, refer to the information contained in Radian Group Inc.’s Annual Report on Form 10-K for the year ended December 31, 2024, subsequently filed Quarterly Reports on Form 10-Q and other filings with the U.S. Securities and Exchange Commission, available on the [Investor Relations section of our corporate website](#).

Note on Non-Financial Reporting

Historical, current, and forward-looking sustainability-related statements included in this Corporate Responsibility Report were not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. Information and data reported herein reflect our goal to collect accurate information, including from third parties on which we rely, and is believed to be accurate based on information available as of the publish date. However, from time to time, we may make changes in previously reported values due to updated availability of new information, changes in calculation or estimation methodology, or correction of calculation or other errors and report such updated information on a retrospective basis in subsequent reports.

Our corporate responsibility reporting may also use certain terms, including those that the GRI Guidelines, SASB, or other reporting formats refer to as “material” topics, to reflect the issues of greatest importance to us and our stakeholders. Used in this context, these terms are distinct from, and should not be confused with, the terms “material” and “materiality” as defined by or construed in accordance with securities laws or as used in the context of financial statements and reporting.