

# Pennymac Statement of Vendor Ethics

## Pennymac's Core Values

At Pennymac, we do the right thing for our customers, colleagues, business partners, shareholders and communities we serve.

- **Accountable** - Doing the right thing in an accountable way means we continuously seek to drive performance excellence through innovation, risk management and active measurement.
- **Reliable** - Doing the right thing reliably means we work together and commit ourselves fully to exceed customer expectations by operating with urgency and demonstrating our technical expertise.
- **Ethical** - Doing the right thing ethically means we behave with honesty, fairness and integrity to build the utmost trust among each other and with everyone our business serves.

*"These core values keep us focused, and everyone benefits. As a result, our customers have a positive experience, our employees can take real pride in their work, and our ethical reputation raises the bar for the rest of the industry."* - Stan Kurland, Founder.

Part of doing the right thing and being true to our values is ensuring that our partners have ethical practices. Pennymac requires that all vendors comply with applicable laws and regulations in their respective jurisdiction of operation. Although laws may vary by region, Pennymac expects all vendors to abide to the standards outlined in the Pennymac Statement of Vendor Ethics. This Statement of Vendor Ethics outlines the ethics standards that hold our vendors accountable, and that ensures that our business partnerships create a positive impact in the communities we serve together.

Pennymac has strict vendor management and onboarding controls in place to ensure compliance with applicable laws and regulations. Due Diligence is conducted with all vendors to minimize risk for Pennymac. Vendors are required to complete Due Diligence before conducting business with Pennymac. For all vendor Due Diligence communications, vendors are required to utilize our secure portal (ProcessUnity and DocuSign CLM). Due Diligence must be completed in a timely fashion.

## Business Conduct and Ethics

Vendors are required to conduct their business in accordance with all applicable laws and regulations and in accordance with the highest standards of business ethics. This is to protect the vendor's and Pennymac's business, customers, and employees.

- **Laws and Regulations**
  - Vendors are expected to comply with all applicable federal, state, provincial, local and international laws, rules, regulations and/or orders of any authority having jurisdiction that apply to them, their business and/or the products and/or services they provide to Pennymac, including, without limitation, all applicable laws relating to employment of their employees and the engagement of contractors, the protection of personal data and privacy, environmental and any other laws referenced in this Statement of Vendor Ethics.

- Integrity and Transparency
  - Vendors are expected to ensure that their employees uphold the vendor's reputation for integrity, ethical conduct and trust in their business operations. Pennymac expects that the vendor's business deals will be conducted in a transparent and accountable way and in accordance with applicable law.
- Anti-Corruption and Anti-Bribery
  - Pennymac expects its Vendors to fully comply with all anti-bribery and anti-corruption laws, including, but not limited to, the USA Patriot Act and the United States Foreign Corrupt Practices Act. Giving or offering to give money or anything of value by a vendor to a foreign official, a foreign political party, a party official or a candidate for political office in order to influence official acts or decisions of that person or entity, to obtain or retain business or to secure any improper advantage is unacceptable.
- Confidentiality
  - In performing services for Pennymac, Vendors may learn facts about Pennymac's business, plans, operations or "secrets of success" that are not known to the general public or to competitors ("confidential information"). Pennymac expects its Vendors to maintain the confidentiality of information entrusted to them by Pennymac or companies with which the Pennymac does business, except when disclosure is authorized or legally mandated. Vendors are expected to comply with all applicable U.S. or international laws relating to insider trading.
- Anti-Money Laundering
  - Vendors are expected to conduct their businesses in compliance with all applicable anti-money laundering laws and establish appropriate internal controls to ensure such compliance.

## Diversity, Equity and Inclusion

Pennymac values diversity, equity, and inclusion (DEI). We are committed to embedding DEI as a core strategic imperative and cultivating a collaborative workforce environment that enables every employee to achieve their full potential. Vendors are expected to uphold similar standards with their own employees and contractors.

- Non-Harassment and Non-Discrimination
  - Vendors are expected to treat their own employees, as well as Pennymac employees, with the highest level of respect and maintain a workplace free of harassment and discrimination.
  - Pennymac expects its vendors to follow applicable laws pertaining to non-harassment and non-discrimination in its business operations, including its hiring and employment practices
  - Vendors must not tolerate discrimination or harassment based on race, color, age, gender or gender identity, sexual orientation, ethnicity, genetic information, disability, pregnancy, religion, political affiliation, medical condition, veteran status, ancestry, union membership or marital status.

## Labor and Human Rights

Vendors must follow all applicable labor laws and regulations.

- Fair Wages and Benefits
  - Vendors are expected to provide fair compensation and benefits and to comply with applicable wage and hour laws, including minimum wage and overtime laws in the relevant jurisdiction(s), as well as to provide all payments due to, or on behalf of, Vendor's employees, including all required

income and social security withholding taxes, unemployment and disability insurance payments and taxes, and all other amounts of benefits owed or payable, to or on behalf of Vendors' employees.

- **Health and Safety**
  - Pennymac expects its vendors to provide healthy and safe work environments with potable water, restroom facilities, ventilation, lighting, and other necessary amenities. Vendors also are expected to provide applicable safety training to prevent harm to employees.
- **Forced Labor and Human Trafficking**
  - Pennymac denounces all forms of forced labor including, but not limited to, slavery and human trafficking. Vendors are expected to comply with all applicable laws pertaining to the prohibition of slavery, forced labor and human trafficking. We expect our vendors to implement reasonable due diligence procedures for their own vendors, subcontractors and others in their supply chains, and promptly notify Pennymac upon becoming aware of any actual or suspected breach of any forced labor- or human trafficking-related laws.
- **Child Labor**
  - Pennymac expects that its vendors will not use or employ child labor and will take all necessary means to ensure that they do not use or employ anyone under the applicable legal minimum working age. To the extent applicable, we expect our vendors to comply with all employment laws and regulations, including the International Labor Organization standards.
- **Work Hours**
  - Vendors are expected to follow all applicable laws and regulations governing work hours. Any requirement by our vendors that their employees be forced to work in excess of limits established by applicable law is unacceptable.

## **Environmental and Social Sustainability**

Pennymac is committed to operating in an environmentally and socially sustainable way. We believe that it is important to be good environmental stewards and drive positive social impact in the communities where we live and operate.

- **Environmental Sustainability**
  - Vendors are expected to follow all applicable environmental laws and regulations.
  - Vendors also are encouraged to take steps to monitor and mitigate any adverse environmental impacts of their business operations.
- **Social Sustainability**
  - Vendors are encouraged to be intentional about creating and sustaining positive social impact in their workplaces, in their operations and in the communities where they serve.

## **Administration**

Pennymac is committed to continuously reviewing this Statement of Vendor Ethics on a periodic basis, and may modify it from time to time.

Last Updated: 3/24/2022