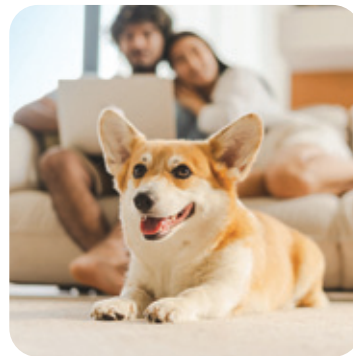




2024

Corporate Sustainability Report



ABOUT THIS REPORT

This 2024 Corporate Sustainability Report (or Report) focuses on sustainability factors relevant for PennyMac Mortgage Investment Trust (NYSE: PMT), our business, and our communities, and will highlight our commitment to increased transparency in our business practices. We are pleased to share this Report with you as it demonstrates how our business creates value for our stakeholders.

This Report has been prepared in accordance with the principles and disclosures of the Global Reporting Initiative (GRI) Standards: Core Option and the Sustainability Accounting Standards Board (SASB) Mortgage Finance Standard. The GRI Standards aim to enable companies to understand and report on their impacts on the economy, environment and people in a comparable and credible way, thereby increasing transparency on their contribution to sustainable development. SASB's mission is to develop and disseminate sustainability accounting standards that help public companies disclose information that SASB deems to be material, decision useful information to investors. The SASB disclosures included in this Report are highlighted in the SASB Index Disclosures. The highlights and metrics shared in this Report represent the 2024 fiscal year and, where helpful, we have provided information related to events that occurred subsequent to the year end but prior to the publication of this Report.

We are committed to transparency in sustainability reporting, and we are working to continually improve our reporting as industry best practices evolve. We have redesigned and streamlined our Corporate Sustainability Report this year to help stakeholders identify the most decision-useful information, while maintaining consistency and transparency in our year-over-year data.

To view additional information online about PMT, as well as this Report, please visit our Investor Relations website at pmt.pennymac.com.

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MESSAGE FROM OUR CHAIRMAN AND CEO



As Chairman and CEO of PennyMac Mortgage Investment Trust (NYSE: PMT), I am pleased to present our 2024 Corporate Sustainability Report (referred to as the Report) to our stakeholders. From our inception, we've aimed to be a leader in the mortgage real estate investment trust (REIT) industry, built on integrity and reliability. Guided by our core values – Accountable, Reliable, and Ethical – we are dedicated to conducting our business operations responsibly, generating positive governance, social and environmental impacts, and fostering sustainable growth.

This Report serves as a companion to PMT's 2024 Annual Report to Shareholders and the 2025 Notice of Annual Meeting and Proxy Statement. It underscores our commitment to voluntarily report on our business impacts, while addressing the informational needs of our stakeholders.

Our approach to sustainability is fundamentally linked to our ability to generate long-term value and build business resilience. The strength of this approach was evident in our 2024 performance. In a year marked by significant interest rate volatility, PMT delivered strong, stable results. While many peers saw significant fluctuations, our book value per share remained relatively stable, a direct result of our disciplined risk management practices, particularly the active hedging of our mortgage servicing rights. This financial resilience is a clear testament to how integrating sustainability and prudent governance into our core strategy protects and enhances stakeholder value.

This resilience reflects our disciplined approach and the decisive actions we took throughout the year. We strategically managed our portfolio, extended our debt maturities, and renewed our key partnership with PennyMac Financial Services, Inc.

(NYSE: PFSI), our Manager, to ensure long-term operational stability. Our performance remains anchored by core investments that we believe are positioned for strong, long-term performance, solidifying our return potential for years to come.

At PMT, we remain steadfast in upholding the highest ethical standards. The oversight of our Board of Trustees ensures the integrity of our enterprise risk management, our inclusive workplace strategies, and our efforts to manage our environmental impact. This dedication to strong governance and ethical conduct is the bedrock of our operations and is fundamental to earning and maintaining the trust of our stakeholders.

I am proud of our team's ability to navigate a challenging environment and am even more excited about our prospects. We invite you to learn more about our ongoing commitment to a sustainable future within these pages and thank you for your continued trust and confidence in PMT.

Sincerely,

A handwritten signature in dark ink, appearing to read 'David A. Spector'. The signature is fluid and cursive, written over a light background.

David A. Spector
Chairman and Chief Executive Officer

ABOUT THE COMPANY



PennyMac Mortgage Investment Trust (or Pennymac) is a specialty finance company and mortgage real estate investment trust (REIT) that invests in residential mortgage loans and mortgage-related assets. We were organized in Maryland and began operations in 2009. We conduct substantially all of our operations, and make substantially all of our investments, through PennyMac Operating Partnership, L.P. (Operating Partnership) and its subsidiaries. A wholly-owned subsidiary of ours is the sole general partner, and we are the sole limited partner, of our Operating Partnership. Certain of the activities conducted or investments made by us that are described below are conducted or made through a wholly-owned subsidiary that is a taxable REIT subsidiary of our Operating Partnership.

The management of our business and execution of our operations is performed on our behalf by subsidiaries of PennyMac Financial Services, Inc. (NYSE: PFSI), which is a specialty financial services firm focused on the production and servicing of loans and the management of investments related to the U.S. mortgage market. Specifically:

- We are externally managed by PNMAC Capital Management, LLC (PCM or our Manager), a wholly-owned subsidiary of PFSI and an investment adviser registered with the United States Securities and Exchange Commission that specializes in, and focuses on, U.S. mortgage assets.
- Our loan production and servicing activities are performed on our behalf by another wholly-owned PFSI subsidiary, PennyMac Loan Services, LLC (PLS or our Servicer).

Our business includes three segments: credit sensitive strategies, interest rate sensitive strategies and correspondent production. Non-segment activities are included in our corporate operations.

- The credit sensitive strategies segment represents our investments in CRT arrangements referencing loans from our own correspondent production and subordinate MBS.
- The interest rate sensitive strategies segment represents our investments in MSRs (including both base servicing and excess servicing spread (ESS), collectively referred to as MSR), Agency and senior non-Agency MBS and the related interest rate hedging activities.

- The correspondent production segment represents our operations aimed at serving as an intermediary between lenders and the capital markets by purchasing, pooling and reselling newly originated prime credit quality loans either directly or in the form of MBS, using the services of PCM and PLS.
- The corporate operations includes management fee and corporate expense amounts as well as certain interest income and expense.



On August 4, 2009, our common stock was listed on the New York Stock Exchange under the ticker symbol "PMT." Our corporate headquarters office is located at 3043 Townsgate Road, Westlake Village, CA 91361.

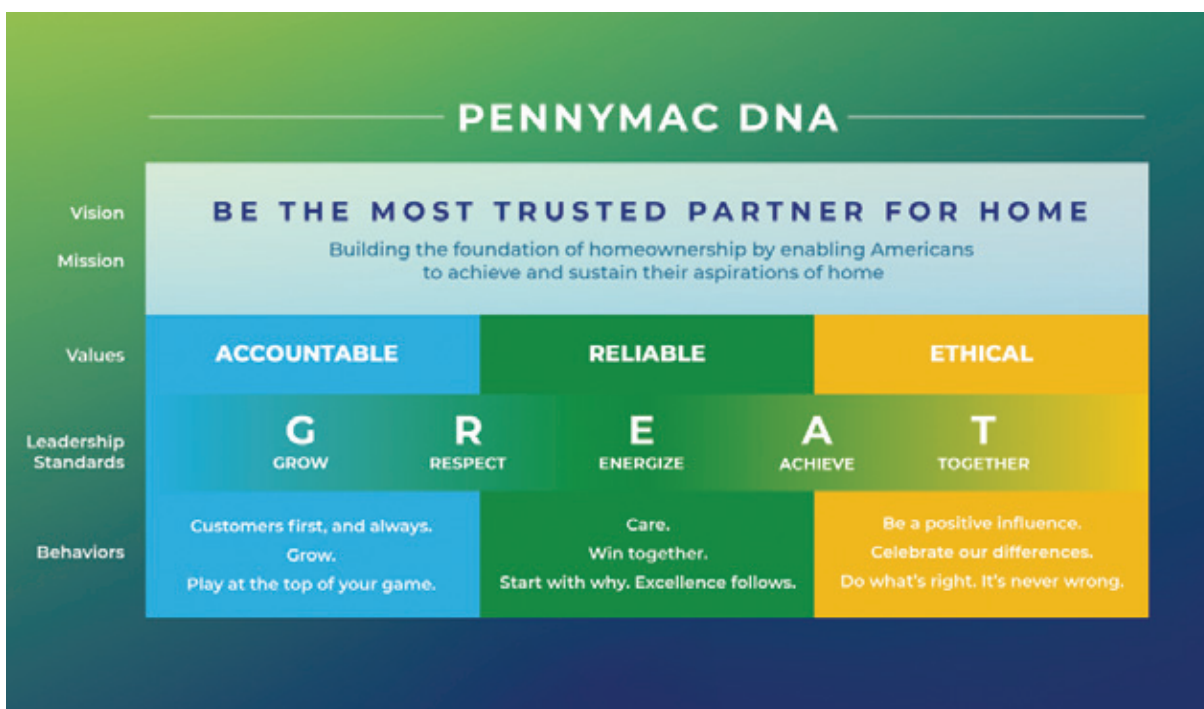
OUR VISION, MISSION, CORE VALUES AND LEADERSHIP STANDARDS



Our Pennymac DNA

Our Manager's **VISION** is to be the most trusted partner for home, and our Manager's **MISSION** is to build the foundation of homeownership by enabling Americans to achieve and sustain their aspirations of home. One of the key drivers of our long-term success has been our strong organizational culture. We recognize the significance of creating an environment that can align with our Manager's vision and mission, sustain our successes and embed a common DNA around our values across our workplace. Our Manager's values are reflected in the phrase "We A.R.E. Pennymac" and establish our commitment to being Accountable, Reliable and Ethical in everything we do.

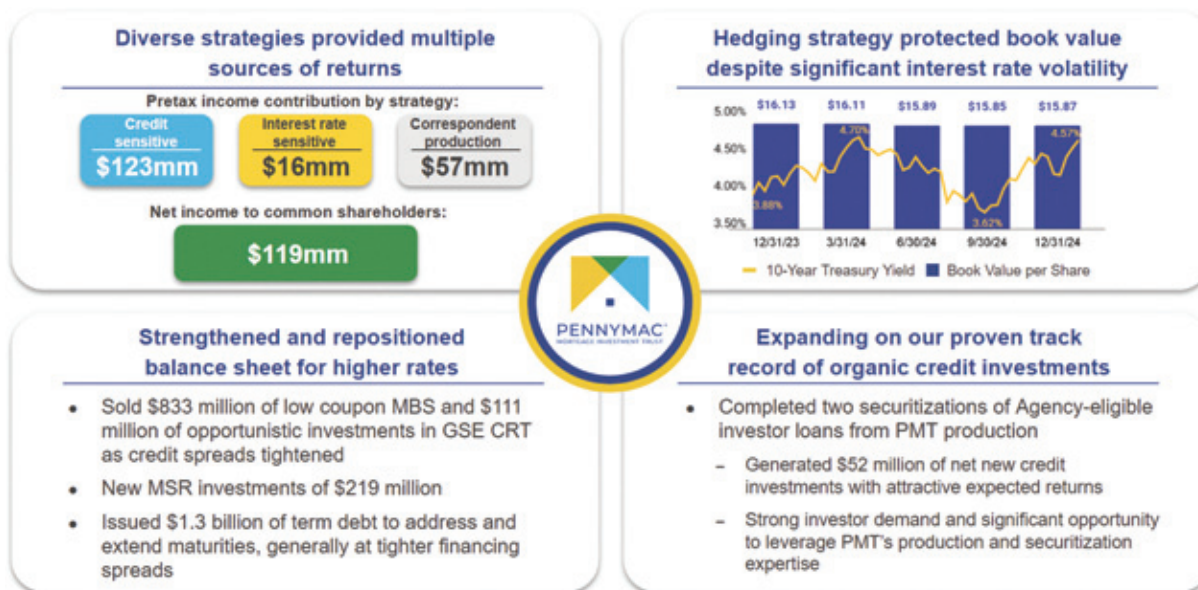
We utilize an external management structure and have limited employees of our own; therefore, the management of our business and execution of our operations is performed on our behalf by our Manager, our Servicer and their affiliates. Our core values are reinforced by our G.R.E.A.T. leadership standards, which embody a steadfast commitment to GROW, RESPECT, ENERGIZE, and ACHIEVE TOGETHER. Our foundational behavioral standards help define the conduct we demonstrate daily with customers, colleagues and other stakeholders, which ultimately supports the achievement of our long-term business goals.



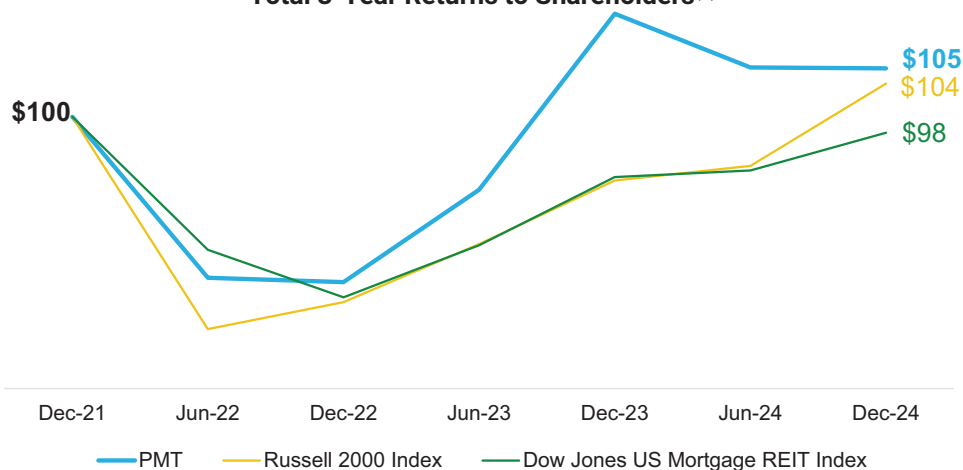
OUR 2024 CORPORATE HIGHLIGHTS

Corporate Highlights⁽¹⁾

PMT's organic investment creation driven by conventional correspondent production volumes.



Stronger returns to shareholders compared to the broader mortgage REIT industry Total 3-Year Returns to Shareholders⁽²⁾

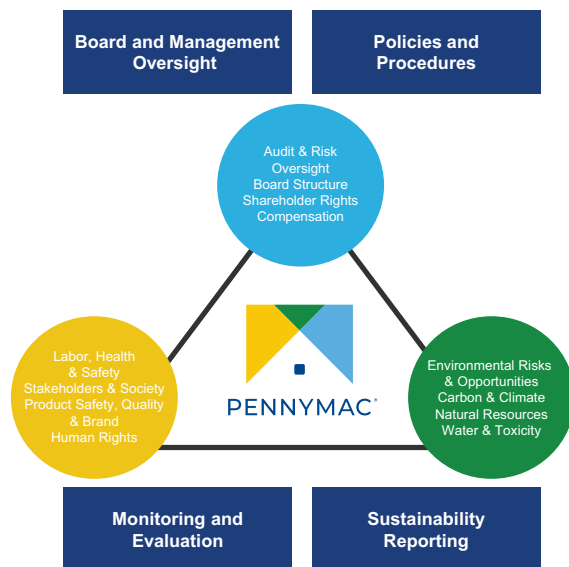


- (1) For complete information regarding our 2024 financial performance, shareholders should read "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the audited consolidated financial statements and accompanying notes thereto contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which was filed with the SEC on February 20, 2025 and is being made available to shareholders with this Proxy Statement as a part of our 2024 Annual Report to Shareholders.
- (2) Assumes \$100 invested in PennyMac Mortgage Investment Trust common shares and other stock market indices. The graph above displays certain information comparing the cumulative total return on our common shares to the cumulative total return of the Russell 2000 Index and the Dow Jones US Mortgage REIT Index. The comparison period is from December 31, 2021, and the calculation assumes reinvestment of any dividends.

OUR CORPORATE SUSTAINABILITY APPROACH

Corporate Sustainability as a Foundational Discipline

Our Corporate Sustainability Program was established as a core foundational discipline in 2020. We maintain a Corporate Sustainability Policy, which defines the framework, requirements and governing platform for how we identify and manage the sustainability impacts of our operations in furtherance of our strategic plan objectives.



The primary components of the Corporate Sustainability Policy are Board and Management Oversight, Policies and Procedures, Monitoring and Evaluation, and Sustainability Reporting.

Our **Board and management oversight** program component establishes who is responsible for providing oversight and making critical decisions. Currently, our Manager's Senior Managing Director, Chief Human Resources Officer and our Managing Director, Corporate Sustainability report to our Chief Executive Officer and provide regular updates to the Nominating and Corporate Governance Committee of our Board of Trustees, or the Board.

We also establish **policies and procedures** that support and define the controls necessary to manage identified sustainability risks and opportunities.

Through ongoing **monitoring and evaluation**, we are able to measure those sustainability factors that are material to our business operations.

Finally, our commitment to **sustainability reporting** demonstrates to our internal and external stakeholders our commitment to corporate sustainability disclosures that we believe to be decision-useful, transparent, accurate and complete.

Corporate Sustainability Governance

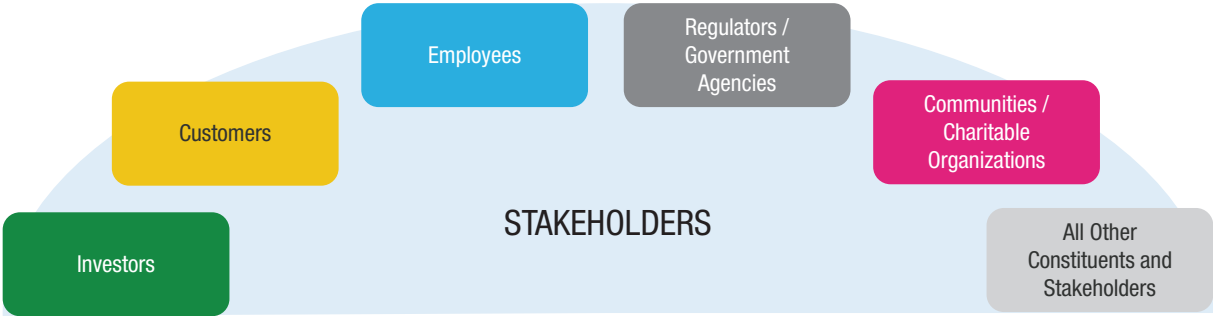
Our Corporate Sustainability Program is currently supported by the following governance structure:



Stakeholder Engagement

Our Corporate Sustainability approach starts with acknowledging that our stakeholders are the beneficiaries of our growth and success as an enterprise. We engage with a variety of stakeholders, as we collaborate, inform, listen and respond to views or concerns. This process helps to identify risks and opportunities as it relates to our business and facilitates the identification and establishment of sustainable business strategies.

We are committed to cultivating relationships with all of these key stakeholders. We also engage with a number of other constituents and stakeholders including, but not limited to, business partners, vendors, and trade associations.



Our Key Sustainability Topics

Pennymac maintains a balanced approach to identifying key sustainability topics that we believe align with our organizational priorities. Through ongoing environmental scans and benchmarking routines, we maintain awareness of key trends and drivers that continue to shape and evolve our sustainability strategies and reporting priorities. As part of our latest assessment of key sustainability topics, several areas have been influenced by recent shifts in our industry and feedback from stakeholders concerning current and emerging governance, social, and environmental trends. This assessment included an evaluation of various reporting frameworks and standards, including, but not limited to, Institutional Shareholder Services (ISS), the Global Reporting Initiative (GRI), and the Sustainable Accounting Standards Board (SASB). Following a thorough peer benchmarking analysis and dialogue with key internal stakeholders, we have identified the following key sustainability topics. By prioritizing these areas, we aim to drive positive business outcomes, realize sustainable growth, and contribute meaningfully to our organization and the customers and communities that we serve.

The following topics were identified as most important to our internal and external stakeholders as part of our key sustainability topics assessment:

PENNYMAC'S KEY SUSTAINABILITY TOPICS	
• Business Ethics and Corporate Governance • Customer Satisfaction and Loan Transparency • Data Privacy and Cybersecurity • Enterprise Risk Management and Compliance (including Climate and Environmental Risk) • Transparency and Accountability in Financial and Non-Financial Reporting • Fair, Affordable and Responsible Lending	• Executive Compensation and Benefits • Socially Responsible Products and Services • Stakeholder Engagement • Talent Retention, Development and Attraction • Employee Wellness and Workplace Engagement

SASB Materiality Mapping

SASB categorizes PennyMac Mortgage Investment Trust as part of the Mortgage Finance industry. Based upon the SASB Materiality Map, the table below shows those Environment, Social Capital, Human Capital, Business Model and Innovation, and Leadership and Governance sustainability issues that have been identified by SASB as most likely to be useful to investors within the Mortgage Finance, Asset Management and Custody Activities, Commercial Banks and Consumer Finance industries within the Financials sector.

For the Mortgage Finance industry, Selling Practices & Product Labeling includes factors related to Lending Practices and Discriminatory Lending, and Physical Impacts of Climate Change, includes factors related to Environmental Risk to Mortgaged Properties.

Dimension	General Issue Category	Mortgage Finance	Asset Mgmt & Custody Activities	Commercial Banks	Consumer Finance
Environment	GHG Emissions				
	Air Quality				
	Energy Management				
	Water and Wastewater Management				
	Waste & Hazardous Materials Management				
	Ecological Impacts				
Social Capital	Human Rights & Community Relations				
	Customer Privacy	P			X
	Data Security	P		X	X
	Access & Affordability	P		X	
	Product Quality & Safety				
	Customer Welfare				
	Selling Practices & Product Labeling	X, P	X		X
Human Capital	Labor Practices				
	Employee Health & Safety				
	Employee Engagement	P	X		
Business Model & Innovation	Product Design & Lifecycle Management		X	X	
	Business Model Resilience				
	Supply Chain Management				
	Materials Sourcing & Efficiency				
	Physical Impacts of Climate Change	X, P			

Dimension	General Issue Category	Mortgage Finance	Asset Mgmt & Custody Activities	Commercial Banks	Consumer Finance
Leadership & Governance	Business Ethics	P	X	X	
	Competitive Behavior				
	Management of the Legal & Regulatory Environment	P			
	Critical Incident Risk Management	P			
	Systemic Risk Management			X	

Note: The SASB Standards vary by industry based on the different sustainability issues, risks and opportunities within an industry. An “X” indicates those sustainability issues deemed by SASB as most likely to be useful to an investor; however, individual companies may choose to report on different sustainability issues based on their unique business model. See SASB Standards, “Materiality Finder”. Website: <https://www.sasb.org/standards/materiality-finder/>. A “P” indicates those additional sustainability issues deemed by management as most likely to be useful to an investor.

OPERATING ETHICALLY, RESPONSIBLY AND SUSTAINABLY

Strong governance is at the core of how we operate and is fundamental to our sustainable growth and success. We aim to maintain the highest standards of ethical conduct in our business operations and full compliance with all applicable laws and regulations.

Board of Trustees Leadership

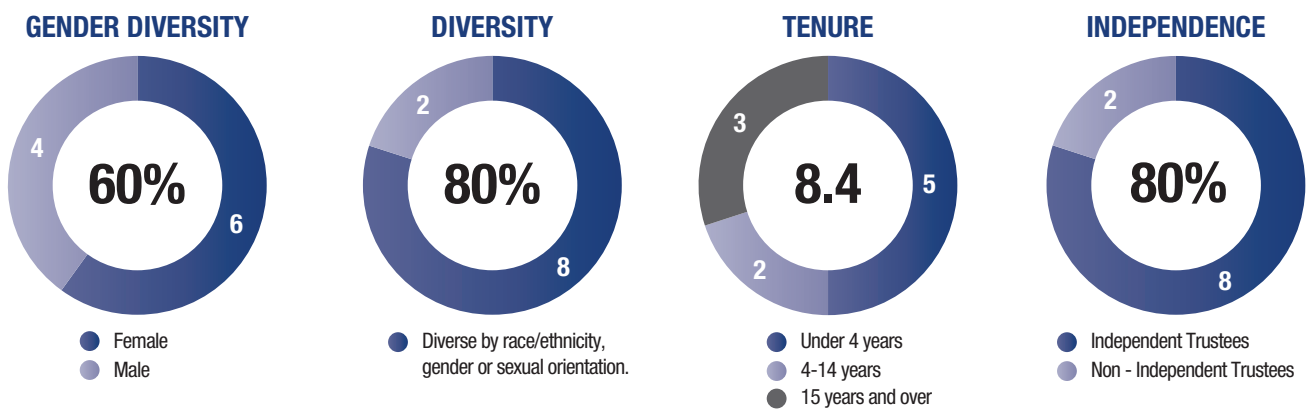
Our Board leadership structure is currently comprised of our Chairman and Chief Executive Officer, David Spector, our independent lead trustee, Preston DuFauchard, and our independent Board committees and committee chairs. Our Chairman and the independent lead trustee provide leadership to and work with our Board to define its structure and activities in the fulfillment of its responsibilities.

We believe that independent trustees and management have different perspectives and roles in strategy development. Our independent trustees bring experience, oversight and expertise from outside our company and industry, while the Chief Executive Officer brings company-specific experience and expertise. We believe our Chief Executive Officer is thus better situated to serve as Chairman of the Board because he is able to utilize the in-depth focus and perspective gained in running our company to effectively and efficiently lead our Board. As the trustee most familiar with our business and industry, he is capable of identifying new initiatives and businesses, strategic priorities and other critical and/or topical agenda items for discussion by our Board and then leading the discussion to ensure our Board’s proper oversight of these issues.

Our Board leadership structure is further strengthened through the appointment of an influential independent lead trustee with a strong voice. Our independent lead trustee works with our Chairman of the Board and other trustees to provide informed, independent oversight of our management and affairs.

Board Governance

We believe our Board possesses deep and broad skill sets and specific experience and expertise that facilitate strong oversight and strategic direction for us as a leading residential mortgage REIT.



Trustee Skills and Qualifications

	Accounting	Investment Banking / Finance	Industry Knowledge	Mortgage Banking	Business Operations	Corporate Sustainability	C-Suite Leadership/ Strategic Planning	Government/ Regulatory Relations	Risk Management	Technology
Board Member										
David A. Spector	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Doug Jones	✓		✓	✓	✓	✓	✓	✓	✓	✓
Scott W. Carnahan	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Donna M. Corley		✓	✓	✓	✓		✓	✓	✓	✓
Preston DuFauchard	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Setareh Pouraghabagher	✓		✓	✓	✓	✓	✓	✓	✓	
Catherine A. Lynch	✓	✓					✓		✓	
Nancy McAllister	✓	✓	✓	✓	✓			✓	✓	✓
Renee R. Schultz		✓	✓	✓	✓		✓	✓	✓	✓
Stacey D. Stewart		✓	✓		✓	✓	✓			
TOTAL	7	8	9	7	9	5	8	7	8	6
	Understanding and/or experience with accounting, auditing, financial reporting and the evaluation of financial statements	Understanding and/or experience with investment banking, investments and asset management	Understanding and/or experience in the financial services, real estate and housing industry	Understanding and/or experience with managing a mortgage lender or servicing business	Understanding and/or experience with managing human capital and business operations	Understanding and/or experience with environmental, corporate social responsibility, sustainability, corporate culture and diversity and inclusion initiatives	Understanding and/or experience leading and managing an organization	Understanding and/or experience with regulatory requirements, managing governmental and regulatory affairs and interacting with the government	Understanding and/or experience with risk evaluation, risk mitigation and risk management policies and procedures	Understanding and/or experience with managing information technology business processes.

Governance Best Practices

We continuously monitor developments, trends and best practices in corporate governance and consider feedback from shareholders and proxy advisory firms when enhancing our governance, policies and structure. A few of our corporate governance best practices are highlighted below:

✓ Shareholder Right to Amend the Bylaws. Our Second Amended and Restated Bylaws provide shareholders with the concurrent right to amend our Bylaws by the affirmative vote of a majority of all votes entitled to be cast on a matter pursuant to a proposal submitted by a group of up to five shareholders holding at least 1% of our outstanding common shares continuously for at least one year.	✓ Trustee Limitations on Number of Boards. A trustee who is currently serving as a chief executive officer of a public company, including our Chief Executive Officer, is not permitted to serve on more than two outside public company boards. No other trustee is permitted to serve on more than five outside public company boards.
✓ Majority Voting Standard in the Election of Trustees. Our Second Amended and Restated Bylaws provide for a majority voting standard for uncontested trustee elections and a plurality voting standard for contested trustee elections.	✓ Independent Lead Trustee. On March 19, 2024, the independent trustees of our Board elected Preston DuFauchard as our independent lead trustee for a second three-year term.
✓ Trustee Resignation Policy. Our Corporate Governance Guidelines include a requirement that any trustee nominee who fails to receive a majority vote in an uncontested election will promptly tender his or her resignation to the Board.	✓ Board Refreshment. We have robust processes to identify, evaluate and select qualified trustee candidates to become trustees and we regularly assess the size and composition of the Board. We have added five trustees since 2021.
✓ Shareholder Engagement. We value the perspectives of our shareholders. Our Investor Relations department regularly engages in outreach activities and discussions with a significant portion of our shareholders.	✓ Regular Executive Sessions. Our independent trustees meet privately on a regular basis. Our independent lead trustee presides at such meetings.
✓ Robust Share Ownership Guidelines. We have robust share ownership guidelines for our non-management trustees (five times base annual retainer) and executive officers (\$2 million for our Chief Executive Officer; \$500,000 for all other executive officers).	✓ Regular Board Evaluation. The Nominating and Corporate Governance Committee sponsors an annual self-assessment of the Board's performance as well as the performance of each committee of the Board.

Our Board's Role in Risk Oversight

Our senior management is responsible for designing, implementing and maintaining an effective and appropriate approach for managing enterprise risk. Our Board and each of its committees, and in particular the Audit and Risk Committees, have an active role in overseeing our enterprise risk management process, while supporting organizational objectives, improving long-term organizational performance and creating shareholder value. While our Board has the ultimate oversight responsibility for the risk management process, particularly with respect to those risks inherent in the operation of our businesses and the implementation of our strategic plan, the committees of our Board also share responsibility for overseeing specific areas of risk management as follows:

Committee	Primary Risk Oversight Responsibility
Audit	The Audit Committee focuses on risks associated with the Company's financial reporting processes and internal controls and receives an annual risk assessment report from our internal auditors. The Audit Committee also discusses with management the Company's major financial risks and the framework management has established to monitor and control such exposures, including the Company's risk assessment and risk management policies.
Compensation	The Compensation Committee focuses on oversight of our compensation policies and practices, including whether such policies and practices balance risk taking and rewards in an appropriate manner that is in alignment with shareholder interests and does not encourage excessive risk taking.
Finance	The Finance Committee focuses on risks relating to our Company's liquidity and capital resources and our investment policies and strategies.
Nominating and Corporate Governance	The Nominating and Corporate Governance Committee focuses on risks associated with proper board governance, including the independence of our trustees and the assessment of the performance and effectiveness of each member and Board committee. The Nominating and Corporate Governance Committee also has specific oversight responsibility for risks relating to our corporate sustainability policies, practices and initiatives, including human capital management, community involvement, corporate governance and stakeholder reports.
Related Party Matters	The Related Party Matters Committee focuses on risks arising out of potential conflicts of interest including between us, on the one hand, and PFSI, on the other hand.
Risk	The Risk Committee oversees our enterprise risk profile and management's approach for assessing, monitoring and controlling risks, such as production and servicing risks, credit risks, mortgage compliance risks, information technology and cybersecurity risks, climate risks, litigation risks and other risks. The Risk Committee, as well as other members of the Board, receive updates from the Company's Chief Information Officer and Chief Information Security Officer on the overall data privacy and cybersecurity risk environment, including risk assessments and reports.

While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through committee reports about the nature of all such risks.

Board Composition

Six women serve as trustees representing 60% of our total Board members. In addition, we have three trustees who self-identify as representing underrepresented communities, including two trustees of African-American heritage, and one trustee of gay, lesbian, bisexual or transgender orientation.

Our Board maintains a policy regarding the evaluation of trustee candidates which states that the Board in its selection of trustee candidates will consider the overall Board balance of a broad spectrum of viewpoints, backgrounds and experiences. Our Board has also established trustee selection criteria which provides that the Board in its selection of trustee candidates may consider a number of factors that contribute to a wide range of skills and perspectives, including personal and professional backgrounds that contribute to a broad range of viewpoints on the Board.

Executive Compensation

We utilize an external management structure and have limited employees of our own; therefore, the management of our business and execution of our operations is performed on our behalf by our Manager, our Servicer and their affiliates pursuant to a management agreement and other related party agreements. Our executive officers are employed by our Manager and, therefore, receive compensation from our Manager. While our Manager may use a portion of our management fee to compensate its executive officers, we do not specifically allocate any portion of the management fee to such compensation and our management agreement does not require any such allocation related to PFSI's compensation arrangements with our named executive officers.

Although our named executive officers are generally compensated by their employer, PFSI and its affiliates, our Compensation Committee has granted, and may continue to grant, from time to time, equity-based awards designed to align the interests of employees of PFSI and its affiliates who provide services to us with those of our shareholders, by allowing such employees, including our named executive officers, an opportunity to share in the creation of value for our shareholders through capital appreciation and dividends. Currently, these equity-based awards are in the form of performance-based restricted share units, or PSUs, and restricted share units, or RSUs, and are granted by our Compensation Committee in its discretion under our 2019 Equity Incentive Plan.

In order to help ensure that our executive compensation program aligns with the interests of our shareholders and focuses on long-term performance, we grant PSUs that vest upon our Company's satisfaction of performance measures tied to return on equity, or ROE, and relative total shareholder return, or TSR. PSU and RSU awards granted to our named executive officers are designed to align their interests with those of our shareholders by providing each named executive officer providing services to us through PFSI and its affiliates with an ownership or ownership-based interest in our Company and a stake in our long-term success. Our PSU and RSU awards are also designed to further motivate our named executive officers to achieve exceptional Company and individual performance and reward them for such performance through a long-term incentive structure that does not encourage excessive risk taking.

Our Manager, through its executive compensation program, seeks to:

- Maintain a pay-for-performance culture where total compensation for our executives is performance based;
- Align the interests of our executives with those of our shareholders with a significant emphasis on long-term equity incentives and performance-based compensation;
- Assess executive compensation against market compensation benchmarks prepared by our independent Board consultant;

- Facilitate the attraction, motivation and retention of highly talented executives who will be crucial to our long-term success and sustainability;
- Encourage executives to focus on achieving our annual and long-term business goals; and
- Appropriately compensate its executives who also provide support of our Company in its role as our external Manager, loan servicer and other service provider.

In addition, we utilize the services of an outside independent compensation consultant engaged directly by the Compensation Committee to advise on executive compensation matters.

Our Code of Business Conduct and Ethics

Code of Business Conduct and Ethics

In alignment with our commitment to being accountable, reliable and ethical in everything that we do, our Code of Business Conduct and Ethics sets forth the basic principles and guidelines for resolving various legal and ethical questions that may arise in the workplace and in the conduct of our business. Specifically, this code provides that we treat all persons with dignity and respect; we deal fairly and honestly with every person and entity we come in contact with in the course of our business activities; and we do not pursue any business opportunity that would require any violation of the law. This code is applicable to all of our trustees, officers and employees, and we expect the same level of ethical business conduct from our vendors as described in the following section. Our Chief Legal Officer, and where applicable, specified members or committees of our Board, are responsible for overseeing and monitoring compliance with the code.

In addition, we have adopted a Code of Ethics for the Chief Executive Officer and Senior Financial Officers, which sets forth specific policies to guide these individuals in the performance of their duties. The Code of Business Conduct and Ethics and the Code of Ethics for the Chief Executive Officer and Senior Financial Officers are available on our website at pmt.pennymac.com.

During 2024, our Code of Business Conduct and Ethics included the following topics:

- | | |
|--|---|
| • Bribery / U.S. Foreign Corrupt Practices Act | • Fair Dealing |
| • Communications with Press and Others | • Insider Training |
| • Company Assets / Communication Resources | • Lobbying Activities |
| • Company Books and Accounting Records | • Political Contributions and Activities |
| • Company Opportunities | • Prohibited Interactions with the Government Officials / Employees |
| • Competitive Information | • Record Retention |
| • Confidential Information | • Reporting Violations / Whistleblower Reporting |
| • Conflicts of Interest | • Trademarks, Copyright and Other Intellectual Property |
| • Discrimination and Retaliation | |
| • Entertainment, Gifts and Gratuities | |

Vendor Management and Statement of Vendor Ethics

Every vendor in our network, ranging from brokers and correspondent lenders to those providing goods and services supporting our employees and overall company operations, plays an important role in advancing our mission and achieving our company objectives. To this end, we maintain a Statement of Vendor Ethics outlining business conduct and ethics expectations for all vendors. A number of these expectations and requirements are reiterated in our contract templates. Vendors must operate in full compliance with applicable laws, rules, and regulations of the jurisdictions in which they operate.

We have established strict ethical business standards to guide our activities, as it relates to our legal requirements around anti-bribery, anti-corruption, anti-money laundering, confidentiality, human rights, non-harassment and non-discrimination, fair wages and benefits, health and safety, forced labor, human trafficking and slavery, child labor, wage and hour laws, fair treatment policies, and environmental and social sustainability. We expect all vendors to adhere to these standards as required by law.

We monitor compliance using a reasonable, risk-based approach and framework suitable for our vendors, conducting site visits and regular due diligence. Additionally, we continually assess and strive to improve vendor performance in areas such as compliance and financial health, employing scorecards and corrective action processes to facilitate continuous enhancement.

Whistleblower and Ethics Hotline Reporting

Section 301 of the Sarbanes-Oxley Act of 2002 requires the Audit Committee of our Board to establish procedures for: the receipt, retention and treatment of complaints received regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by our employees, members, partners, officers, and trustees and its subsidiaries of concerns regarding questionable accounting or auditing matters. Accordingly, our Audit Committee has established procedures for the receipt, retention and treatment of complaints and concerns. Our Whistleblower Policy is intended to encourage employees to confidentially and anonymously report, without fear of retaliation, concerns or complaints regarding the actual or suspected violation of accounting or auditing rules and principles, federal securities laws and ethics rules and standards, including the Code of Business Conduct and Ethics and Code of Ethics for the Chief Executive Officer and Senior Financial Officers. Confidential and anonymous reporting is provided through various means, including a toll-free hotline that is available 24 hours, 7 days a week.

Regulatory Compliance

Our Servicer has a comprehensive compliance management system (or CMS) that is designed to ensure compliance with applicable mortgage origination and servicing laws and regulations. The components of our Servicer's CMS include: (i) oversight by senior management and our Board to ensure that our compliance culture, guidance, and resources are appropriate; (ii) a compliance program to ensure that our policies, training and monitoring activities are complete and comprehensive; (iii) a complaint management program to ensure that consumer complaints are appropriately addressed and that any required actions are implemented on a timely basis; and (iv) independent oversight to ensure that our Servicer's CMS is functioning as designed.

An important component of the CMS is our Manager's Management Risk Committee. This committee oversees the CMS and supports our cultural initiatives that reinforce the importance of regulatory compliance. The Management Risk Committee also reviews changes in the internal and external environment, approves mortgage compliance policies, review monitoring to ensure compliance with those policies and validates any required remediation is

implemented on a timely basis. The Management Risk Committee has identified individuals throughout the organization to oversee specific areas of risk, including members of our Manager's senior management from all areas of the company impacted by mortgage compliance laws and regulations. The Management Risk Committee meets on a regular basis throughout the year and provides reports to the Risk Committee of our Board.

Anti-Money Laundering, Anti-Corruption and Fraud Prevention

AML Program and Know Your Customer Due Diligence. We are firmly committed to compliance with all applicable Anti-Money Laundering (AML) and Office of Foreign Asset Control (OFAC) laws and regulations, as well as the detection, prevention and reporting of mortgage fraud and other suspicious or criminal activities. Our Manager has established an enterprise-wide Anti-Money Laundering Compliance Program ("AML Program"), including a Know Your Customer (Customer Identification) Program that consists of customer identification, due diligence, and verification and is reasonably designed to comply with all applicable laws and regulations relating to the prevention of money laundering and terrorist financing, including the USA Patriot Act of 2001.

The AML Program provides for:

- Policies, procedures, and a system of internal controls designed to ensure ongoing compliance with applicable AML and economic laws and regulations;
- Designation of AML compliance officers who are responsible for coordinating and monitoring day-to-day compliance with the AML Program for their businesses;
- Procedures for independent testing for compliance with the AML Program and applicable laws;
- Anti-money laundering training for appropriate personnel; and
- Appropriate risk-based measures for monitoring transaction activities of customer accounts.

OFAC Program. As part of the AML Program, our Manager also has implemented policies and procedures designed to comply with the prohibitions and restrictions mandated by OFAC and all other sanctions laws and regulations applicable in the jurisdictions in which we operate. This OFAC Program provides for appropriate internal controls for identifying suspect accounts and transactions, as well as the reporting of blocked and rejected transactions to OFAC. The OFAC Program includes the screening of borrower, vendor, and correspondent lender and broker names against Specially Designated Nationals and Blocked Persons lists which is designed to prevent us from entering into a contractual relationship with sanctioned individuals.

AML Training. AML training is conducted on an annual basis as directed by our Manager's Chief Compliance Officer. All impacted employees are required to complete the AML Training on an annual basis. In addition, all newly hired employees receive AML Training and are required to acknowledge completion of the training within 60 days of hire date. Any exemption from completing the annual AML Training must be approved by the Chief Compliance Officer. Reasonable steps are also undertaken to determine if the corporate training program is designed to ensure that employees receive adequate training commensurate with their individual duties and responsibilities to ensure the effectiveness of Pennymac's processes to detect, investigate, and report fraud or other suspicious activity.

Political Contributions and Advocacy

We do not: (i) contribute to or make expenditures on behalf of any federal, state or local candidates for election, referenda, or initiatives; (ii) contribute to or make expenditures on behalf of political parties; (iii) contribute to or make expenditures on behalf of political committees or other political entities organized and operating under 26 U.S.C. Sec. 527 of the Internal Revenue Code; (iv) contribute to any charity or non-profit organization at the request of any federal, state or local governmental office holder or any candidate for such an office; (v) donate Company time, resources, products or services to any of the foregoing; or (vi) pay for advertisements, printing or other campaign expenses.

Laws of certain jurisdictions prohibit the use of our funds, assets, services or facilities on behalf of a political party or candidate. Our employees may not be paid for any time spent running for public office, serving as an elected official or campaigning for a political candidate. Nor will we compensate or reimburse them, in any form, for a political contribution that they intend to make or have made.

We do not directly engage in any lobbying activities and our involvement with trade associations is generally limited to those associations with similar industry interests, such as the American Association of Residential Mortgage Regulators, the Broker Action Coalition, the Housing Policy Council, the Mortgage Bankers Association (including a number of State and local associations), the Mortgage Industry Standards Maintenance Organization, the National Association of Minority Mortgage Bankers of America, and the Structured Finance Association.

Enterprise Risk Management

Enterprise Risk Management Framework

Risk identification, assessment and monitoring are important processes for our Board and our leadership teams. Through an Enterprise Risk Management (or ERM) framework, our Manager is able to identify, quantify, manage, monitor,

and mitigate financial risks, such as credit risk, interest rate risk, prepayment risk, liquidity risk, and other market-related risks, as well as operational and legal risks, including cybersecurity, related to our business, assets, and liabilities.

Important objectives of risk management are to ensure oversight, risk assessment, policy and procedure, and monitoring activities are functioning as designed and to ensure there is a culture that supports risk awareness and the documentation of controls and that minimizes reputational exposure.

The primary components of the ERM Framework are (i) Board and Management Oversight, (ii) Risk Assessments, (iii) Policies, and (iv) Monitoring. These components are accompanied by certain leadership and behavior standards, which guide desired employee conduct in the absence of policies.

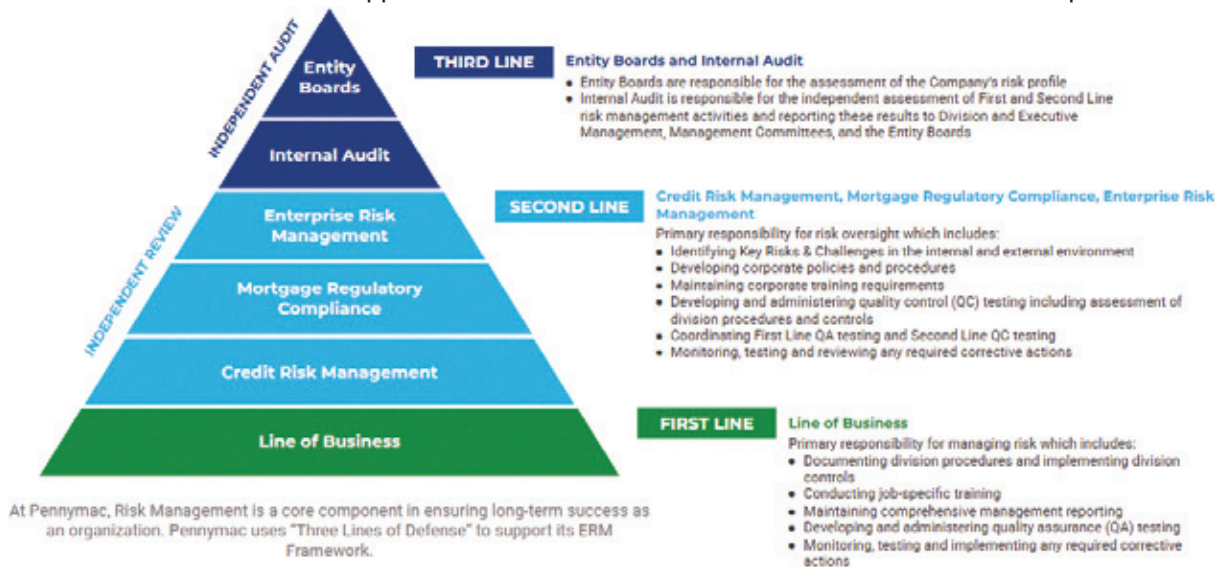


Board and Management Committee Governance

Our current governance structure is led by our Board and its six standing committees: the Audit Committee, Compensation Committee, Finance Committee, Nominating and Corporate Governance Committee, Related Party Matters Committee, and Risk Committee. In addition, a number of our Manager’s management committees and subcommittees focus on firmwide, production, and servicing-related risk, holding decision-making responsibilities for risk assessment and management activities.

Three Lines of Defense

We use “Three Lines of Defense” to support our ERM Framework. These Lines of Defense are comprised of:



Tax Strategy

Our tax strategy focuses on income deferral at both the federal and state levels based on unique rules for mortgage servicing rights as well as the reduction of state taxes by managing our state footprint. We continue to explore opportunities to position jobs in locations where we can realize new hire credits. Our tax planning is undertaken with a commitment to compliance and an emphasis on protecting our reputation. The Tax Department works closely with the Chief Financial Officer in developing and implementing our tax strategy.

Incident Management and Business Continuity



Our Manager’s Incident Management and Business Continuity Program is governed by an Incident Management and Business Continuity Policy. This ensures that we are able to proactively prepare for, respond to, and recover from such disruptions in a timely and effective manner. Disruptions can be caused by natural or man-made events or actions (e.g., earthquakes, fires, pandemics, terrorist attacks) and are sometimes unexpected. As part of our Incident Management and Business Continuity Program, we maintain policies and procedures that advance an enterprise-wide plan for ensuring the timely response, recovery, and resumption of business operations in the event of a significant business disruption.

Our program includes roles, responsibilities, and procedures to effectively manage incidents and ensure business continuity, in accordance with Federal Financial Institutions Examination Council (FFIEC) guidelines, the International Standards Organization Business Continuity Standards—ISO 22301, and the Disaster Recovery Institute International (DRII) standards, each of which provides a framework for building organizational resilience with the capability of effective responses that safeguard the interests of our key stakeholders, reputation, brand, and value-creating activities. At a division level, we develop risk assessments, business impact analyses, business continuity plans, and technology recovery plans that are updated and tested regularly to ensure minimal disruption in the event of a business continuity event.

Strong governance is at the core of our Manager's business continuity practices. Through multiple layers of oversight, including the Board and our Manager's Management Committees, our Incident Management and Business Continuity Program receives regular evaluation and guidance to ensure it remains responsive to emerging risks and regulatory requirements. We have procedures in place to ensure that all appropriate employees receive training and development in the use of our business continuity management system and other relevant topics.

Data Privacy and Cybersecurity

Our and our Manager's Cybersecurity Program prioritizes detection, analysis, response and prevention of cybersecurity threats under the purview of regular internal and third-party assessments and enterprise risk management governance reviews. It is informed by the National Institute of Standards and Technology's (NIST) cybersecurity framework, which is used to assist with our overall enterprise risk management framework, along with our compliance requirements under federal, state, and Government-Sponsored Enterprise cybersecurity regulations. We have not identified any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected, or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. Our Risk Factors include further detail about our material cybersecurity risks.

Our Chief Information Officer (CIO) and Chief Information Security Officer (CISO) each have over 25 years of information system experience and are primarily responsible for implementing the Cybersecurity Program and managing our information security personnel and consultants. The CIO has served in a variety of information technology leadership positions in the finance industry and holds a Bachelor of Science in Electrical Engineering. The CISO has served in a variety of cybersecurity operations, cybersecurity architecture, and critical infrastructure cybersecurity enhancement programs in the finance industry, the utility industry, and in government, and holds a Bachelor of Science in Management Information Systems and Decision Sciences.

The Cybersecurity Program is integrated into our and our Manager's enterprise risk management framework that assesses, identifies and protects our and our Manager's enterprise information systems, data and business operations from various security threats and contains the following elements:

- Information Security Risk Assessment — Conducting internal and external risk and control assessments, quality control and assurance testing.
- Identity and Access Management — Managing enterprise identity and access control systems.
- Security Architecture — Managing security architecture, including secure code deployment standards, architecture security reviews, and cybersecurity advisory support.
- Security Engineering — Designing, implementing and operating security technologies, including but not limited to malware protections, security event and incident management, data loss prevention, and phishing defenses.
- Security Operations — Ensuring continuous operational coverage of security events and alerts, maintaining and executing processes for triage, containment, investigation, escalation/communication and threat intelligence.

- **Attack Surface Management** — Managing vulnerability and patch management, network penetration testing, application security testing and exercises, including cyber-attack simulations and tabletop exercises with senior management to detect control gaps.
- **Third-Party Assessments** — Coordinating, reviewing, and analyzing third-party providers' assessments of the Cybersecurity Program. Internal Audit may also perform a periodic cybersecurity program audit that may be supported by external consulting firms.
- **Third-Party Service Provider Reviews** — Identifying and reviewing material risks from cybersecurity threats associated with certain third-party service providers.

During the last three years, we and our Manager have not experienced any material losses or other material consequences relating to technology failure, cyberattacks, or other information or security breaches. During 2024, we and our Manager also did not receive any material substantiated complaints concerning incidents of customer privacy and losses of customer data.

Information Security Monitoring and Incident Reporting

We and our Manager continuously monitor our enterprise information systems and user activity to detect anomalous activity and identify potential security related incidents. Our cybersecurity monitoring and incident reporting program is informed by NIST guidelines and is internally and externally monitored. When a potential cybersecurity incident is detected, we and our Manager gather the necessary information to classify the incident by type and severity and activate containment plans and response teams depending on the nature of the incident. Cybersecurity incidents that may impact enterprise business operations, compromise critical systems or result in unauthorized access to critical data will be escalated to the CISO and an internal incident response team comprised of senior IT, business operations and compliance personnel to coordinate any internal and external responses. The CISO and the internal incident team will also elevate any material cybersecurity incidents or unauthorized occurrences that jeopardize the confidentiality, integrity or availability of enterprise information to senior management and the Board.

Enterprise Risk Management Framework and Governance

The Cybersecurity Program is integrated with our and our Manager's enterprise risk management framework and is primarily managed by the CIO, the CISO, and other information security personnel and consultants, and is overseen by risk management, internal audit, senior management, and the Board to ensure the confidentiality, integrity, and availability of the Company's enterprise information systems, data and business operations. The Cybersecurity Program utilizes specialized third-party cybersecurity service providers to periodically perform penetration testing across certain internet-facing and business-critical applications, as well as external and internal network penetration tests. Our and our Manager's Enterprise Risk Management unit separately provides independent oversight and monitoring of the Cybersecurity Program through periodic quality control testing and regulatory compliance verification of the Cybersecurity Program's controls. Our Internal Audit unit is an independent corporate function reporting to the Audit Committee of the Board that also reviews the effectiveness of the Cybersecurity Program and whether it is effectively integrated into our and our Manager's overall enterprise risk management framework. Additionally, our and our Manager's Enterprise Risk Management and Internal Audit units may from time to time separately engage consulting services to perform independent cybersecurity controls audits and provide expert guidance.

Leadership and Governance

The Board maintains comprehensive oversight of the Cybersecurity Program through a structured evaluation process. This process involves regular assessment of detailed cybersecurity reports submitted by senior management leaders,

most notably our CIO and CISO. These reports are supplemented by additional insights from specialized Board committees and independent third-party security consultants, providing multiple perspectives on our security stance.

Within this governance framework, the Risk Committee plays a pivotal role by overseeing our enterprise-wide risk management approach. Their purview specifically encompasses the complex and evolving risks associated with cybersecurity threats, IT infrastructure operations, and data privacy. This committee ensures that appropriate risk mitigation strategies are implemented across all digital assets and information systems.

The Audit Committee contributes to this oversight by supervising both internal and external auditors who conduct independent assessments of the Cybersecurity Program's effectiveness. These audits provide objective verification that our security controls are functioning as intended and identify potential improvement areas, helping to strengthen our overall security posture.

To maintain consistent visibility into our cybersecurity posture, the CIO and CISO deliver regular reports containing key risk metrics and performance indicators to senior management and the Board. These metrics provide quantifiable measurements of the Cybersecurity Program's performance and emerging threat exposure. Additionally, the CIO and CISO prepare an annual comprehensive review examining the evolving threat landscape, evaluates our Cybersecurity Program's maturity, and outlines strategic initiatives for continuous improvement.

Technology Advancements

The Cybersecurity Program maintains a proactive stance in the rapidly evolving digital landscape through strategic investment in advanced technologies and continuous professional development. By implementing an adaptive security architecture that leverages artificial intelligence, cloud technologies, and industry best practices, we can anticipate emerging threats before they impact our operations. This forward-looking approach enables us to analyze threat patterns, automate routine security processes, and allocate our human expertise to complex security challenges that require nuanced decision-making and strategic oversight.

Beyond technological solutions, we foster a culture of innovation, where team members regularly participate in specialized training programs, industry conferences, and collaborative research initiatives with technology partners. This commitment to knowledge exchange and skills development ensures our security professionals remain at the forefront of industry advancements while strengthening our collective resilience against cyber threats. Through these combined efforts, our cybersecurity capabilities continue to evolve in parallel with technological innovation, safeguarding our digital assets and maintaining the trust of our stakeholders in an increasingly interconnected business environment.

Training and Development

Cybersecurity, data security and privacy require organization-wide commitment, particularly for our Company where sensitive information forms the foundation of our operations. Equipping our employees with the expertise to properly handle data is essential for safeguarding our confidential assets. Our Cybersecurity Program delivers comprehensive annual cybersecurity, data security and privacy training complemented by a multitude of ongoing educational initiatives emphasizing regular reinforcement and targeted threat training aligned to higher-risk job functions. Beyond basic awareness, we make substantial investments in developing our information security professionals through specialized technical training, leadership development, industry conference participation, realistic incident simulations, engagement in professional communities, and intensive technology immersion sessions—ensuring our team remains at the forefront of evolving security practices.

IMPROVING THE LIVES OF CUSTOMERS, EMPLOYEES AND COMMUNITIES



Responsible Lending

Transparency in Loan Products

Transparency of information in our Manager's and Servicer's loan products and services is a critical component in empowering borrowers to make sound financial decisions. Our Servicer's dedication to responsible lending is demonstrated through strict lending and affordability criteria; clear and transparent marketing of products and services, reliable customer service during financial difficulties, and initiatives to enhance the financial literacy and capability of customers.

During the development of loan products and services, our Manager engages with a number of internal and external stakeholders. There is a commitment to advancing affordable homeownership, empowering customers to take control of their finances, and promoting financial literacy and borrower education. Our Manager's senior management team, consisting of individuals from multiple disciplines throughout the organization such as Credit Risk, Correspondent Production, Third Party Origination, Consumer Direct Lending, Mortgage Fulfillment, Legal, and Mortgage Regulatory Compliance, meets regularly to discuss the development of loan products and services.

Through Pennymac Home Connect, borrowers are provided with specific steps to guide them through the homebuyer journey, including considerations for determining the best time to purchase a home, understanding how the credit score impacts mortgage rates, pre-screening for a new mortgage and making an offer on a home.

Customer Satisfaction

As one of the leading mortgage service providers in the country, our Servicer places great emphasis on customer service to ensure that homeowners have the best possible experience throughout their home-buying journey. The goal is to consistently improve the customer experience through actively monitoring and addressing the root causes of any issues that could adversely impact customer satisfaction. Our Servicer is dedicated to providing customer service at a level that ensures customers can easily connect with them and receive the support they need. Multiple channels are offered for customers to connect, ensuring they can reach out in the way that is most convenient for them, including via phone, mail, and online.

Insight into customer satisfaction offers a great opportunity for driving consumer loyalty, reduced costs, product improvements, quality service, and regulatory compliance. Our Servicer’s proactive complaint management system is handled through dedicated complaint response teams and governed by corporate policy requirements and executive management oversight, all of which ensure consumer complaints are addressed in an efficient and effective manner. In addition to a steadfast commitment to resolving consumer concerns, our Servicer also engages with customers through an assortment of surveys soliciting feedback to offer insight into ways to further improve its dedication to the highest customer satisfaction.

For example, our Servicer leverages Customer Satisfaction Surveys, which gives customers an opportunity to provide feedback regarding their experience when speaking with a customer service representative, or to seek assistance with a member of the customer service satisfaction transfer action team. Upon the completion of an inbound call, customers are presented with a satisfaction survey. For December 2024, our Servicer’s customer satisfaction percentages exceeded 97% for the five office site locations where Customer Satisfaction Surveys were conducted.

Sustainable Homeownership

Homeownership is a critical driver of wealth creation and economic mobility for families and entire communities. At Pennymac, we are building the foundation of homeownership by enabling Americans to achieve and sustain their aspirations of home. For low- to moderate-income individuals and families, the journey to homeownership can be challenging and confusing. Our Manager is committed to building trust and quality in the home loan experience from beginning to end.

Affordable Lending for Low-Income and First-Time Homebuyers

Our Manager provides a number of resources and affordable loan products for first-time homebuyers, homebuyers with compromised credit, and low-income buyers, including:

Fannie Mae’s HomeReady®	Freddie Mac’s HomeOne®	MH Advantage™ and CHOICEHome®
Improves housing affordability by offering low down payment options and flexible funding for down payments	Offers qualified first-time homebuyers flexible financing with a low 3% down payment requirement	Offers loans with high loan-to-value ratios, up to 97%, to buyers of manufactured homes with high-quality, real-property factory-built residences built to HUD code
Fannie Mae’s RefiNow™	Freddie Mac’s Home Possible®	VA Home Loans
Offers an affordable refinancing option to help reduce monthly housing costs	Offers low down payment options and credit flexibility for very low- to low-income borrowers	Offers low interest rates, no down payments and no monthly mortgage insurance premiums for eligible veterans
Community Seconds® / Affordable Seconds®	Affordable Products / Manufactured Housing	FHA Home Loans
GSE-offered products that provide down payment assistance and allows up to 105% combined loan-to-value	Offers loans for manufactured housing, which promotes affordable homeownership and equity building	Offers below-average interest rates, easier credit requirements, and low down payments

Our Manager offers a First-Time Homebuyer Loan Guide to help clarify the home buying process and help buyers gauge when they are financially ready to take on the responsibility of homeownership. Resources are also provided to help first-time borrowers understand how credit standing, debt-to-income ratio, and income levels have an impact on the ability to obtain favorable mortgage loan terms. Additionally, our Manager provides customers with information regarding down payment requirements, closing costs and other fees, as well as a calculator to help determine how much home the individual can afford.

Borrowers are provided with information regarding other programs and resources such as grants, tax deductions, and closing assistance, which can help make home ownership a reality. They also receive information regarding federal programs and nonprofit programs that provide an avenue to homeownership.

VA Home Loans

For veterans and military family members, sustainable homeownership is supported through a Veterans Affairs (VA) Home Loan Program. Through this program, eligible service members and veterans are able to take advantage of several benefits such as lower interest rates, and no down payment requirements, lower closing cost limits, lower interest rates, relaxed credit requirements, less strict debt-to-income requirements, or no monthly mortgage insurance premiums, depending on the mortgage type. In 2024, our Manager financed over \$5.78 billion VA loans. As the servicer for nearly \$125 billion in unpaid principal balance covering nearly 500,000 loans for veterans, service members and their family members, our Manager ranked nationally as the #3 VA issuer/servicer as of December 31, 2024 according to Inside FHA/VA Lending Top 50 Lenders by dollar amount for the fourth quarter 2024 report. Our Manager also extends veteran support beyond the VA loan program and supports the recruitment of active, reserve, veteran and retired military employees. Resources are also provided to inform buyers of resources such as the Military Housing Assistance Fund and the Specially Adapted Housing Grant Program.



Green Mortgages

Our Manager partners with Federal Home Loan Mortgage Corporation (Freddie Mac) to provide loans that meet the eligibility requirements of their GreenCHOICE Mortgages® program, which is committed to facilitating the financing of energy efficient home improvements and energy efficient homes. Green mortgage programs such as these are an important step in helping to reduce the financial burden associated with home utility costs, thereby increasing the financial resiliency of borrowers and enabling them to attain and sustain homeownership.

Through the Federal National Mortgage Association (Fannie Mae), our Manager also provides loans that meet the eligibility requirements of their HomeStyle® Energy Mortgage program. This program provides flexible financing to borrowers who desire to make upgrades to conserve energy, reduce utility costs and make their homes more resilient. These mortgages may be used for upgrades to energy and water systems including solar panel integration, air sealing, property improvements, window and door installations, and pay off of other energy-related debt.

Financial Literacy and Borrower Education

A well-educated borrower is much more likely to succeed with a mortgage loan, which is exactly what we want for customers. To ensure that borrowers have clarity and understanding of the responsibilities that come with owning a home, some of the loan products that are offered, such as the Fannie Mae HomeReady® Mortgage, may require homeownership education and housing counseling. These requirements equip borrowers with the necessary skills to manage their responsibilities, which promotes sustainable homeownership and ultimately is beneficial for the borrower, for us, our Manager, our Servicer, and the industry as a whole.

State-Funded Assistance and Sustainable Homeownership

Homeowners who are having difficulty making their current mortgage payments may be eligible for State Homeowner Assistance Funds (HAF) programs. These programs provide assistance to families that have suffered short- and long-term financial hardships. While not all states offer these programs, and each state's program may be different, they generally offer one or more of the following types of mortgage assistance: loan modification assistance, reinstatement assistance and unemployment assistance. These state programs are designed and administered at the state level, and homeowners are required to apply directly with their state agency. Our Manager provides the state with requested information and works with the state to ensure that assistance is timely and appropriately applied to the homeowner's loan.

Human Capital Management

Our long-term growth and success is highly dependent upon our Manager's employees and their ability to maintain a workplace representing a broad spectrum of backgrounds, ideas and perspectives. As part of these efforts, our Manager strives to offer competitive compensation and benefits, foster a community where everyone feels a greater sense of purpose, and provide employees with the opportunity to give back and make an impact in the communities where they live and serve. Our Manager seeks to position employees in roles that best suit them, while building their skills for optimal performance and customer satisfaction. This enables them to deliver the unparalleled expertise, best-in-class service, and innovative solutions that customers expect.

As of December 31, 2024, we had seven employees. All of our officers are employees of our Manager or its affiliates (collectively referred to herein as our Manager). In 2024, 100% of our workforce were employed in full-time positions. Our and our Manager's long-term sustainability as an organization is highly dependent upon the ability to execute on a number of human capital management strategies related to talent acquisition and development, workplace engagement, culture and connection, employee wellness and safety, and community involvement.

Employee Engagement and Satisfaction



Our people are, and have always been, the heart of our great company. To that end, we and our Manager continue to prioritize and monitor the engagement and satisfaction of employees through a number of methods. Newsweek partners with the Best Practice Institute to determine which companies truly set themselves apart when it comes to employee experience, a positive work environment, and culture; and in March 2024, Newsweek sent all of our Manager's employees an employee satisfaction pulse survey to learn more about what makes us such a great place to work. These confidential responses are important in helping to understand what makes our Manager great and how they can be greater. Based on the feedback received in the employee satisfaction pulse survey,

Pennymac was officially designated as a "Most Loved Workplace" and as a "Top 100 Company" for the second year in a row. Employees highlighted a number of areas that contribute to Pennymac being a Most Loved Workplace, including: CEO role model and reinforcement of core values, systemic collaboration, positive vision of the future, company respect, company support, alignment of company values, company programs and practices, and benefits.

Divisional Employee Sentiment Surveys. As part of our Manager's commitment to understanding the pulse of Pennymac, they also engage directly with division leaders. These individuals serve as conduits between the senior and executive management and operational staff, possessing invaluable insights into day-to-day operations. By fostering open dialogue with division leaders, a stronger understanding of employee experience, engagement, and satisfaction levels is gained. Through employee experience surveys, our Manager is able to obtain firsthand knowledge of team dynamics, challenges, and successes. Ultimately, the goals are to better understand key areas of strength, identify opportunities for improvement and implement targeted strategies for enhancing employee satisfaction and fostering a stronger culture of engagement.

Talent Acquisition

The ability to attract and retain a talented workforce is critical to our and our Manager's sustainable growth and success. Our Manager has a highly experienced and specialized team of human resource professionals, led by the Senior Managing Director, Chief Human Resources Officer, who are charged with executing enterprise-wide workforce planning and talent acquisition strategies. Our Manager leverages a number of creative sourcing and automation tools and fosters relationships with external technical and professional associations in order to proactively build and maintain a robust and high-potential candidate pipeline to meet current and future workforce needs.



PCU Rotational Analyst Program

Our Manager is deeply committed to attracting and developing the next-generation of mortgage industry professionals. Launched in 2021, the PCU Rotational Program includes full-time Financial/Business Analyst roles, providing participants from all backgrounds with invaluable opportunities to learn and develop in different areas of the business. Reflecting a broad spectrum of backgrounds and perspectives, the 2024 PCU Rotational Program analysts graduated from 27 universities across 11 states.

Through an extensive onboarding experience, executive mentorship, and a blended career development path, our Manager is dedicated to fostering the growth and success of its program participants. As of the first quarter of 2024, our Manager has retained 61% of participants since the program's inception, a testament to the investment in their professional journeys.

Digital Technology Organization Rotational Program

Our Manager's Digital Technology Organization (DTO) Rotational Program in Raleigh, NC is a dynamic opportunity designed for new and recent college graduates looking to make a significant impact on the lending experience. This program offers a unique chance to rotate through various teams, gaining diverse exposure to cutting-edge technology solutions that improve the mortgage loan process for our customers. Participants benefit from a supportive cohort-based model, fostering strong peer connections, and engage in a collaborative workspace with regular in-person events. It's an ideal environment for ongoing development and career growth within one of America's fastest-growing mortgage companies.

Veterans Recruitment

Pennymac has been designated as a Military Friendly® Employer, recognizing the value veterans bring to our workplace. We actively recruit veterans through partnerships with organizations like DAV/RecruitMilitary, and we are the third-largest VA loan servicer in the U.S., managing nearly 500,000 VA loans. This demonstrates our dedication to supporting veterans not only as employees but also as homeowners. We proudly stand with our veterans and thank them for their service to our country.



During 2024, Pennymac proudly announced its participation in the U.S. Army Partnership for Your Success (PaYS) program. This significant step formalized our deep commitment to supporting military veterans as they transition to civilian careers. Recognizing the invaluable skills, leadership qualities, and dedication inherent in those who have served, Pennymac's involvement in PaYS ensures that qualified transitioning veterans are exposed to fulfilling career opportunities. The signing ceremony at our Manager's headquarters marked the beginning of a powerful initiative to bridge the gap between military service and successful civilian employment. We proudly stand with our veterans and thank them for their service to our country.

Talent Development

Talent development is a critical component of the employee experience at Pennymac. Talent development priorities start with creating more visibility and opportunities for each employee to directly contribute to our growth and success. We and our Manager are committed to ensuring that all employees have access to skill development and career growth opportunities. As part of that commitment, we recognize the importance of providing clarity in roles and responsibilities, establishing development networks and relationships, and fostering continued growth and learning that lead to promotion opportunities. Throughout the course of the year, there is an investment in significant resources and training programs to help employees further develop their knowledge, skills and experience.

G.R.E.A.T. Leadership Standards. At Pennymac, employees are leaders in the industry, and each is a leader in very unique ways. In that regard, we believe that it is important for employees to understand how "leadership" is defined within Pennymac. A clear understanding and shared language helps everyone know what to expect, recognize, and model as we all continue to develop as leaders. During 2023, we introduced the Pennymac G.R.E.A.T. Leadership Standards: Grow, Respect, Energize, Achieve, Together. These G.R.E.A.T. Leadership Standards capture who we are today, and lay out a clear path for us to aspire to be in the future. They challenge each of us to Be Great every day.



Career Development. At Pennymac, career development is employee driven, manager supported and company enabled. A number of resources are available via our intranet, including access to a career desk, job descriptions, PennyCareers, career plan tools, tuition reimbursement and mentorship programs. During 2024, we made significant

enhancements to the human resources-related information hosted on our intranet to support more intuitive navigation for our employees, increasing access to available professional and career development tools and resources.

Mentorship Programs. One of the key development priorities at Pennymac is curated mentorship. Our Manager sponsors an enterprise-wide mentor program pursuant to which curated tools are provided to foster skill-building, professional growth, and cross-divisional relationships, empowering individuals to own their career development. Results are illustrated through more productive, satisfied, long-term employees affecting a positive cultural impact across the organization. In the traditional mentorship context, mentees are paired 1:1 with an executive mentor and explore one of four learning paths over the course of five months. Each path is accompanied by curated resources and discussion guides to facilitate learning.

In 2024, the Enterprise Mentor Program facilitated 120 mentee-mentor pairings across our Company.

Instructor Led Development Programs. During 2024, Pennymac's Corporate Learning Team expanded its catalog of Instructor-led virtual classes, organized them into a set of four series, and promoted them to team members interested in personal and professional growth. The team increased its offerings to 30 classes in the year, reaching approximately 340 employees. These sessions were focused on four foundational areas:

- **Learning Council:** In support of our focus on employee and culture development, our Corporate Learning Team created the Pennymac Learning Council, which brings together, on a recurring basis, a group of learning experts and advocates from across the company who have the opportunity to collectively accelerate learning initiatives across the organization. This structure helps facilitate dialogue and deliverables that foster collaboration and drive meaningful initiatives.
- **Monthly Learning Offerings and Employee Development Series:** Classes are available to all employees and feature various topics for personal and professional development. A number of virtual and instructor-led courses are offered in furtherance of our commitment to helping employees continue to learn, grow and advance their careers.
- **Division Showcase Series:** Classes are available to all employees and provide information to help them gain a better understanding of the complexities of the mortgage industry and how the different teams across the enterprise work together to deliver for the customer and for stakeholders. Participants learn from our best-in-the-industry leaders about various divisions. Each session, facilitated by a senior division leader, provides an overview of their group's role and function, how they serve customers, and how they connect with, contribute to, and support other areas within Pennymac.
- **Manager Effectiveness Series and Manager Development Program:** Classes in this series cover topics designed for people managers to help them navigate through the responsibilities and expectations of a manager. In support of company-wide efforts to reinforce our Manager's in-office workplace culture, a four-month, in-person Manager Development Program is offered that helps to increase leadership skills of cohorts of first-time managers by focusing on our G.R.E.A.T. leadership standards.

A number of development programs are offered to employees in specific divisions, including our Manager's Mortgage Fulfillment, Servicing and Information Technology Divisions.

Annual Performance Review. We utilize a performance management system to manage and execute employee performance reviews in mid-year and year-end cycles during the calendar year. Full-time employees with at least 90 days of service are eligible for a performance review. Employees are reviewed for both goal achievement and company core competencies. During the first quarter of each year, company strategic goals are distributed from executive leadership to each business unit across the enterprise. Business unit leadership assigns applicable performance goals to employees which are entered into the performance management system. Additional goals that are specific to the business unit or employee may also be entered into the performance management system for

evaluation. Employees are evaluated on company behavioral standards that demonstrate the manner or standards in which work is performed. Additionally, managers are assessed based on how they embody certain core competencies, including Pennymac's A.R.E. core values and G.R.E.A.T. leadership standards.

In 2024, at least 90% of our Manager's employees received mid-year and annual performance reviews. In 2024, a voluntary individual development plan process was also rolled out to encourage more formal, documented development plans. Approximately 50% of the target population completed development plans, up from 30% in the prior year.

New Hires and Employee Turnover. Our Manager has an active Talent Acquisition team that partners with external organizations, including college and university campuses, to identify strong new hires and experienced professionals with various backgrounds and perspectives. During 2024, our Manager hired 879 employees (51.4% women, 48.6% men). Notwithstanding the measures in place to attract, develop and retain our employees, attrition is a normal part of any workplace. During 2024, our Manager's voluntary employee turnover rate was 14.4% (54.1% women, 45.9% men) and involuntary employee turnover rate was 3.7% (39.0% women, 61.0% men). With limited public disclosure available for comparison, we believe these turnover rates are in line with, or better than, industry norms.

Succession Planning

Succession planning is a strategic priority and it is critical to ensure continuity in our operations. With our succession planning strategy, we take a targeted approach to ensuring that we cultivate a strong pipeline of executives who will deliver on future business growth. Our succession planning tools and processes are designed to address organization capability issues through the ongoing evaluation of leadership depth and succession capability. Succession planning components include talent reviews, executive development plans, and other tools to evaluate key talent and identified successors and to ensure a sustainable talent bench for the Chief Executive Officer role and all Managing Director and Senior Managing Director roles.

Our Board oversees management's succession plan for the Chairman and Chief Executive Officer and key positions at the executive officer level. Our Board annually reviews succession plans for the Chairman and Chief Executive Officer and executive management. In addition, the Chairman and Chief Executive Officer annually provides to our Board his assessment of executive leaders and their potential to succeed at key executive management positions.

On an annual basis, a succession plan also is developed for certain other roles identified as key positions and is reviewed and approved by the Chief Executive Officer, the Senior Managing Directors and the SMD, Chief Human Resources Officer. The succession plan includes: a list of individuals identified as successor candidates by role, the associated readiness of each successor, and details regarding positions at risk where the successor bench lacks ready successors. These plans are also reviewed by our Board.

Required Training

All full-time equivalent employees are required to complete certain training courses, including Fair Lending Compliance Overview; Privacy in the Mortgage Industry; Regulatory Compliance for Mortgage Lenders; Avoiding UDAAP Violations; Preventing Discrimination & Harassment; Digital Security Awareness; Ethical Practices (including anti-corruption training); Anti-Money Laundering (AML) and the Prevention of Mortgage Fraud and Elder Financial Abuse; Safety, Security & Workplace Incident Training; Wage & Hour; Insider Trading & Code of Conduct acknowledgement which equates to 5-10 annual hours of required compliance training.

These courses are organized and aligned with our key organizational priorities and support our employees generally, as well as in their specific areas of responsibility. A Quick Hit option has been added to all applicable annual

compliance training requirements. This allows participants to shorten the required training time if they are able to pass the test of key concepts retention. In addition, we offer voluntary learning modules that are designed to enhance awareness and promote collaboration and innovation in the workplace.

As of December 2024, the annual completion rate for our mandatory compliance courses was 99.9% company-wide. Employees also have access to various training platforms, including new hire training, management training, and free access to LinkedIn Learning to help further develop their careers. Our Manager's Senior Managing Director, Chief Human Resources Officer is responsible for overseeing the Human Resource Department in its efforts to monitor compliance with the corporate and division-level compliance training curriculum.

Workplace Engagement and Connection

Our and our Manager's continued growth and success is a direct reflection of the talent and dedication of our people. We are committed to attracting, retaining and developing a highly talented and performance- focused workforce that leverages a variety of backgrounds and experiences that make our employees unique and valuable. We strongly believe that an engaged and productive workforce that is reflective of the communities where we live and serve strengthens our ability to deliver the most innovative solutions for our stakeholders.

Workplace Engagement Policies

We are dedicated to fostering a workplace culture where all employees feel valued, respected, and empowered to contribute their best. This commitment to engagement is a core component of our business strategy and differentiates us as an employer of choice.

To support a more inclusive workplace for all, our policies strictly prohibit all forms of discrimination and harassment against applicants and employees based on race, color, religion, gender (including gender identity, sexual orientation, and pregnancy), national origin, age, disability, genetic information, or any other legally protected characteristic. We integrate principles of inclusion across all aspects of the employee lifecycle and experience, from attraction and recruitment to onboarding, ongoing development, and eventual separation, aiming to create a workplace where every individual has the opportunity to thrive and contribute fully.

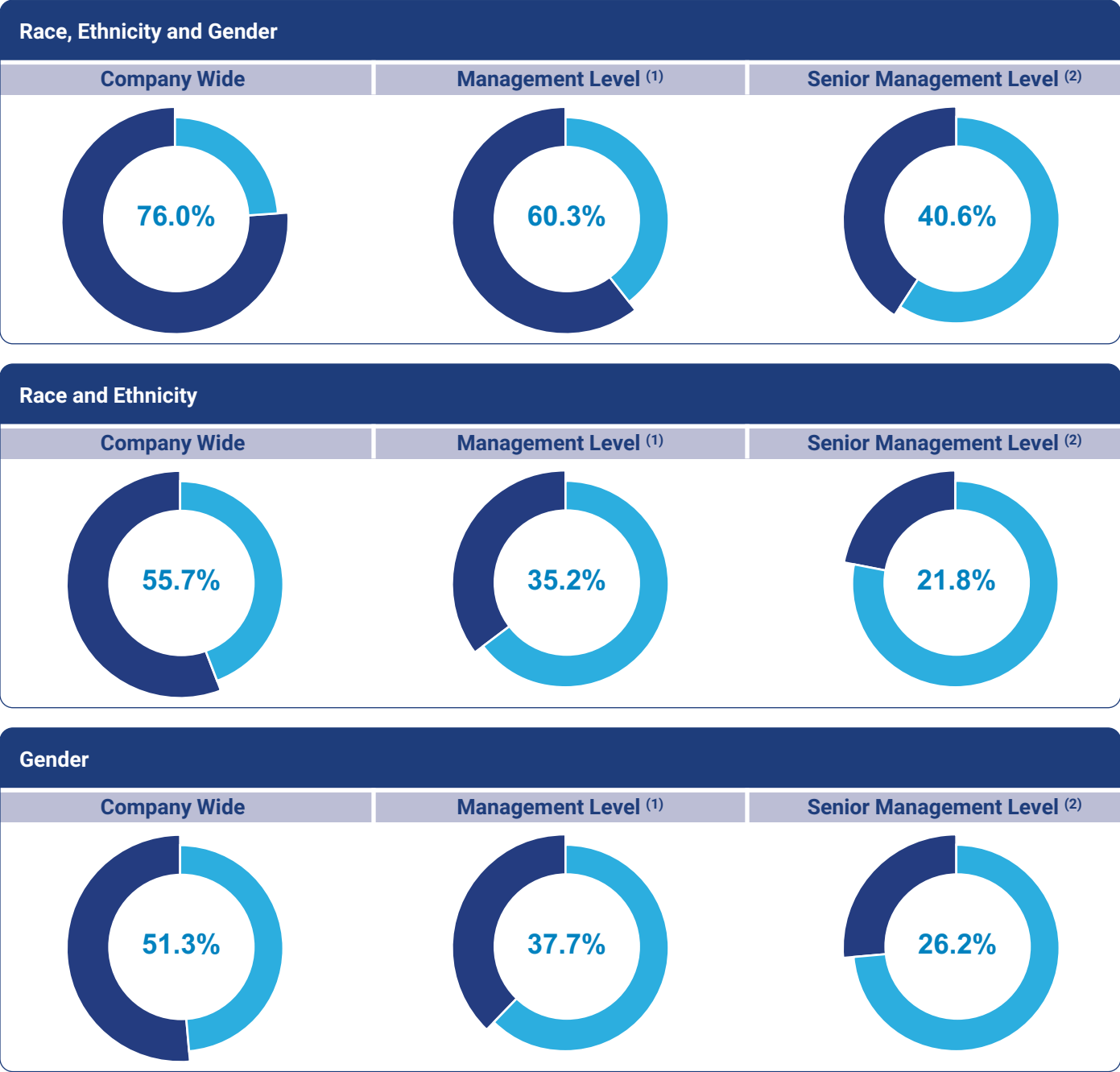
Anti-Discrimination Policy, Investigation and Response

Pennymac maintains an Unlawful Discrimination and Harassment Policy to (i) define and forbid discriminatory and/or harassing conduct, (ii) prohibit the condoning or perpetuating of such conduct; and (iii) provide an efficient means for reporting and resolving complaints of discrimination and/or harassment on the basis of race, religion, creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy, veteran status, sexual orientation, marital status, sex, gender identity, gender expression, age or any other category protected by federal, state or local law. If we receive a complaint of a violation of the Unlawful Discrimination and Harassment Policy, we will undertake a fair and impartial investigation and respond to any such complaint in a timely manner. Such an investigation will provide all parties with appropriate due process and reach a reasonable conclusion based on the evidence collected. If the investigation reveals that a policy violation or other inappropriate conduct has occurred, we will take disciplinary and/or other corrective action, up to and including termination of employment, as deemed appropriate under the circumstances.

2024 Workforce Demographics

All of our senior officers are employees of PFSI or its affiliates and we had seven employees as of the end of Fiscal 2024. Our business is highly dependent upon PFSI's and our employees, as well as their and our ability to maintain a workplace representing a broad spectrum of backgrounds, ideas, perspectives and experiences.

PFSI had approximately 4,100 domestic employees as of the end of fiscal year 2024. As of the end of Fiscal 2024, PFSI's workforce was 51.3% female and 48.7% male, and the ethnicity of our workforce was 43.8% White, 23.4% Hispanic or Latino, 13.9% Black or African American, 14.5% Asian and 4.4% other (which includes American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, Two or More Races, or Not Specified as defined in our EEO-1 Report filed with the Department of Labor). PFSI's EEO-1 data as of December 31, 2024, can be found by [clicking here](#). Also provided below is PFSI's workforce demographics company-wide, at the management level, and at the senior management level:



■ Reflects representation of women and underrepresented racial/ethnic groups (including individuals who self-identify as Black or African American, Hispanic or Latino, Asian, American Indian/Alaskan Native, Native Hawaiian or Other Pacific Islander, and Two or More Races).

(1) Includes Vice President to Senior Managing Director roles
 (2) Includes Senior Vice President to Senior Managing Director roles

Culture and Innovation

Consistent with our commitment to creating a culture and workplace where employees thrive, we sponsor a number of initiatives year round to cultivate a community that exemplifies Pennymac's GREAT leadership standards and A.R.E. core values.

GREAT Days

Our Manager launched a GREAT Days initiative in 2023, with executive leaders visiting Pennymac sites across the country to celebrate and recognize employee contributions to the company's success. This impactful program continued in 2024, reaching many of our office locations. The positive feedback received from employees following these events underscored the value of this direct engagement with leadership.

At each site, leadership teams held meetings to discuss the state of Pennymac and share insights into our industry, underscoring our strong foundation for ongoing success. The day concluded with a site-specific GREAT Day after-hours event, providing a relaxed atmosphere for team members to connect and socialize over food, beverages, and entertainment. These opportunities fostered stronger relationships and a greater sense of unity across different teams and locations. We are excited to continue the GREAT Days initiative in 2025.



Business Resource Groups (BRGs)

As part of a successful approach to leveraging a broad array of perspectives within the workforce, our Manager maintains six formally recognized and company-supported BRGs, covering a range of shared identities, backgrounds, and interests. These voluntary, employee-led BRGs play an essential role in our Manager's efforts to attract, develop, and engage a high-performing workforce. They support organizational efforts to leverage different perspectives, generate innovative ideas, and advance community projects that align with our vision, mission, core values, leadership standards, and Company culture.

For example, during 2024 one of the BRGs collaborated directly with members of our Manager’s Consumer Direct Lending Division on a key initiative, with the aim of contributing to positive business outcomes with customers. Through these BRGs, employees are empowered to build connections, broaden their views, discuss common topics of interest, and engage in networking, mentorship, and career development opportunities, ultimately enhancing overall business performance and competitive advantage.

Our Manager currently maintains the following BRGs:



BOLD
BLACK ORGANIZATION FOR
LEADERSHIP AND DEVELOPMENT



HOLA
HISPANIC OR LATINO/LATINX AND ALLIES



InspirASIAN
ASIAN, PACIFIC ISLANDER, DESI AMERICAN EMPLOYEES AND ALLIES



PRIDE
LGBTIAQ+ EMPLOYEES AND ALLIES



SERVE
SUPPORTING AND ENGAGING RESERVIST
AND VETERAN EMPLOYEES



wEMRG
WOMEN EMPOWERING MENTORSHIPS,
RELATIONSHIPS, AND GROWTH

Heritage and Inclusion Months

As part of our Manager’s efforts to ensure a workplace where every employee feels empowered, valued, respected, and supported, they actively promote initiatives for development and engagement, alongside their commitment to attracting talent that is reflective of our communities. A key aspect of this is year-round recognition and celebration of the varied backgrounds and cultures within our workforce. A number of activities and programs are hosted that are designed to drive employee engagement and collaboration. For example, we proudly observe Women’s History Month to highlight the contributions of women within Pennymac and beyond, and we recognize the sacrifices and dedication of our veterans and military families during National Veterans and Military Families Month. These events, open to all employees and amplified by our site- and division-based culture teams, are crucial in cultivating a strong sense of appreciation.



Workplace Culture Initiatives

During 2024, a number of workplace culture initiatives were implemented to recognize, support and engage our and our Manager’s employees across the enterprise. We coordinated remote and in-person activities, including virtual contests to drive employee engagement and promote a culture of inclusion. These activities, for example, included an Earth Day contest and an office costume contest. In addition, we partner with local and national vendors to offer employee discounts throughout the year. We believe that investing in these experiences directly contributes to increased employee satisfaction and a stronger sense of community.

At several office sites, there are local and divisional culture representatives, including the PULSE Culture Team at the corporate headquarters location, the Associate Culture Teams within our Mortgage Fulfillment Division, the Employee Culture Committee within our Servicing Division, the IT Culture Committee, and other forums that have been established to drive increased employee engagement across the enterprise.

Throughout the year, we also recognize employees who celebrate their milestone anniversaries. To show our appreciation, we provide employees reaching their 5- and 10-year service anniversaries with milestone gifts. These moments of celebration underscore our appreciation for the dedication and commitment of our team members.



Rewarding Innovation



Through our Manager’s My Two Cents program, employees are encouraged to take an active role in identifying and recommending solutions, and react quickly to changing environments. This program is designed to promote innovative suggestions and thoughtful ideas, and to award employees (up to the vice president level) who submit recommendations for increasing efficiencies, decreasing costs, and driving company success. Submitted ideas are evaluated based on merit and, if approved, the employee may receive a financial reward.

Peer-to-Peer Recognition

Additionally, our Manager hosts Pennymac Perks, a companywide, points-based platform that facilitates peer-to-peer and manager-to-employee recognition and awards. Certain leaders are provided with a budget to recognize eligible employees with financial rewards, which may be redeemed for gift cards, hotel stays, or Pennymac-branded merchandise. Some employees can also award non-financial awards, known as perks, to reinforce exemplary behavior. Furthermore, in partnership with the Pennymac Perks platform, our Manager launched a Pennymac Store in 2021, enabling all employees and contractors to purchase Pennymac-branded merchandise and apparel using Pennymac Perks and/or personal funds.



Our Manager also maintains its VIP (Very Inspiring Pennymac’er) Program to drive peer-to-peer recognition of employees who go above and beyond in understanding their internal customers’ needs. In addition to recognizing individuals who embody what it means to focus on the internal customer, the program recognizes teams that work together internally to demonstrate the behavioral standard: Customers First, and Always.

Employee Health and Wellness

At Pennymac, we and our Manager prioritize the health and wellness of employees. We firmly believe that employees who are healthy and engaged cultivate a more engaged and thriving workplace and more consistently maintain high levels of productivity, which further enables them to provide excellent service and drive positive business impact. We are committed to inspiring employees to make informed decisions about their mental, physical, and financial wellness.

In October 2024, our Manager launched AMPLIFY, an enterprise-wide initiative to enhance employee engagement and wellness through a dedicated focus on the three elements of wellness: mental, physical and financial. Through AMPLIFY, our goal is to connect our employees to a wide range of wellness resources, ensuring support for their mental strength, physical health and financial security.

Mental Wellness

Cultivate mental strength through meaningful social connections, emotional support, and resilience building

As part of our focus on employee mental wellness, we offer a number of resources designed to support emotional wellbeing, stress management, and mental health education. We offer an Employee Assistance Program where licensed counselors can provide our employees and their immediate family members, free of charge, with access to a wide array of resources and support, including the following:

- Confidential Counseling
- Parenting & Child Care Resources
- Financial Coaching
- Identity Theft Resolution
- Legal Consultation
- Eldercare and Caregiver Solutions
- Self-Help and Resiliency Resources
- Face-to-Face Counseling

Counselors are available 24 hours a day, 7 days a week, for confidential assistance. In addition to our Employee Assistance Program, our Manager also offers mental fitness tools and resources through our wellness program, telehealth mental health services, a mental health toolkit and other benefits.



Physical Wellness

Embrace a healthier lifestyle through active living, balanced nutrition, and preventative care

We offer a quality and comprehensive selection of health and welfare benefits to eligible employees. These include two medical plan offerings, two dental plans, vision, Health Savings Accounts, Flexible Spending Accounts (FSA) -Health, FSA – Limited Purpose, FSA – Dependent Care, Basic Life Insurance, Long-Term Disability, Supplemental Life (employee, spouse, and child) and voluntary Short-Term Disability for states that do not offer a state disability plan.



In addition to our health and welfare benefits, we also offer an integrated wellness program that offers employees opportunities and incentives to create healthy habits and reach their highest levels of wellness. Our goal is to encourage employees to commit to improving long-term outcomes based on how to eat, work, move and live. Through this wellness initiative, we believe we can create a culture and work environment where everyone enjoys improved health and productivity.

Throughout the year, we identify opportunities to raise the importance of prioritizing health and wellness, for example during American Heart Month. During this time, we raise awareness for heart disease with a focus on cardiovascular health and encourage our employees to keep their blood pressure, cholesterol, and blood sugar levels in a normal range to help lower the risk for heart disease and heart attack. Employees wore red to show support and awareness of heart disease.

Financial Wellness

Take control of your financial future by budgeting, saving, and investing for retirement

We and our Manager are committed to the financial wellness of employees as demonstrated by programs that are designed to enhance organizational performance and recognize and reward employees for their significant contributions. We and our Manager provide fair and competitive total rewards packages with the goal of attracting, retaining, and engaging talented employees at all levels in alignment with our business strategy. We seek to provide compensation programs that are market competitive, performance driven and meet the needs of our workforce, including the following:



- Competitive base salary that is reviewed on an annual basis
- Performance-based annual and long-term incentive plans
- Comprehensive group benefits plans (e.g., life insurance, health care, medication, dental care, Long-Term Disability, Short-Term Disability, vision care, etc.)
- Retirement and savings plans to help employees prepare for their financial future, including our 401(k) plan (full-time and part-time employees only)
- Tuition reimbursement to invest in our employees' future career growth and help further their skills, knowledge, and competencies through certification or higher education
- Up to 12 weeks of paid parental leave per birth, adoption, or foster care placement, available to full-time employees who are new parents, including birth mothers, fathers, adoptive parents, and foster care placements

Living Wage. Our and our Manager's compensation programs are designed and actively administered to provide employees with a compensation package that is fair and appropriate for the markets where business is conducted. A number of factors are considered in determining the appropriate pay levels including, but not limited to, relevant experience, education, performance, living wage in states where we operate, and market data through compensation surveys and benchmarking.

Pay Equity. Pennymac is focused on providing employees a fair, equitable and market competitive compensation package. Considerations around pay equity are managed throughout an employees' life cycle. Pennymac reviews employee compensation to evaluate any noticeable disparities amongst employees performing the same or substantially similar jobs. Pennymac conducts a compensation evaluation for all new hires, semi-annual compensation cycles and monthly off cycles compensation changes to ensure incumbents are compensated according to the objective, job and performance-related factors.

Workplace Safety

We are committed to the highest standards of health and safety for our employees, customers, investors, vendors and general public. Within our Injury and Illness Prevention Program Plan is our commitment to reducing work related injuries and illnesses and ensuring a safe and healthy environment for our employees. Pennymac is dedicated to providing best-in-class service in the workplace and minimizing business disruptions including those caused by

preventable occupational injuries and illnesses. We believe all work-related injuries and illnesses are preventable, and we recognize health and safety responsibilities as key indicators of operational excellence. Our Manager's Safety and Security Team strives to equip our employees with the resources necessary to ensure a safe, healthy, secure and happy working environment. We implement a variety of OSHA (occupational safety and health and administration) policies and procedures to safeguard the wellbeing of our employees and mitigate any significant negative impacts on occupational health and safety associated with our operations. These measures include:

- Emergency Action Plan
- Injury and Illness Prevention Program Plan
- Emergency Maps and Assembly Points
- Floor Wardens trained in First Aid, CPR, & AED use
- First Aid & AED equipment at each site
- Physical Access Control Policy and Procedures
- Workplace Violence Prevention and Physical Threats Policy and Procedures

We and our Manager follow set procedures to ensure our compliance with all applicable OSHA requirements. We have a dedicated team of employees who manage and support our programs and initiatives that address a number of common workplace safety, health and security concerns across the organization. To guarantee the continuing effectiveness of our workplace safety program, we require all employees to take part in annual safety training. In addition, all office sites are systematically evaluated on a regular basis to assess compliance with applicable OSHA standards and best practices.



During the year, our Manager provided Safety, Security, & Workplace Incident Prevention Training to all employees and shared resources with tips about safety and security – both inside and outside of the office. We also provide other specialized safety and security training and host engagement activities that feature vendors and public safety departments, such as local police, fire, and health departments, as well as local businesses.

As part of our due diligence, we investigate all workplace accidents and occupational diseases. During 2024, 25 workplace accident cases were reported, 227 employees completed ergonomic training, and 15 employees filed workers compensation claims. There were no reports of work-related fatalities or occupational diseases. Our OSHA total recordable incident rate (TRIR; rate per 200,000 hours worked) was 0.352 for 2024.

Philanthropy and Community Engagement

The Pennymac Corporate Philanthropy Program is governed by a philosophy of giving that prioritizes the support of causes and issues that are important in our local communities, and drives a culture of employee engagement and collaboration throughout our organization.

Strategic Approach to Philanthropy

Our Corporate Philanthropy Program consists of four components: Employee Matching Gifts, Volunteer Grants, Charitable Donations and Corporate Sponsorships. We take a strategic approach to charitable giving and prioritize five philanthropic focus areas: Community Development and Affordable Housing, Financial Literacy and Economic Inclusion, Human and Social Services, Health and Medical Research, and Environmental Sustainability. Within these focus areas, we are able to drive progress to support a number of issues that have impacted communities in need, including accessible housing, housing insecurity and homelessness, food insecurity and hunger, disaster recovery and child and family services.

Our Community Impact

Community impact is at the core of our sustainability strategy, embodying our commitment to fostering positive social impact and driving meaningful engagement with the communities where we operate. During 2024, our Manager distributed approximately \$2.4 million to local and national charities.



In June 2024, our Manager had the honor of partnering with the Kurland Family Foundation and serving as the Title Sponsor for the 3rd Annual Stanford L. Kurland Memorial Golf Classic. Created in memory of our late founder, mentor and friend, Stan Kurland, this event has raised over \$4.6 million since its inception for the benefit of the UCLA Brain Tumor Center to make significant strides in the ultimate goal of finding a cure for brain tumors. Chairman and CEO David Spector spoke at the event, along with Stan's wife Sheila Kurland. Dr. Timothy Cloughesy, Director of the UCLA Neuro-Oncology Program and Professor of Clinical Neurology, and Co-Director of the UCLA Brain Tumor Center and Dr. David Nathanson, Associate Professor of Molecular and Medical Pharmacology UCLA, also spoke at the event about developing new treatments for brain tumors and making Stan's goal of finding a cure into a reality.



During 2024, Pennymac also donated \$250,000 to the MBA Opens Doors Foundation, which was established by the Mortgage Bankers Association to help vulnerable families with critically ill or injured children stay in their homes while in treatment.

Through The MBA Opens Doors Foundation home grant program, they provide mortgage and rental payment assistance grants to parents and guardians, allowing them to stay with their children without fear of losing their homes. We also committed to a Company match of employee of employee donations to the MBA Opens Doors Foundation.

As part of our GivingTuesday campaign, Pennymac donated over \$745,000 to local charitable organizations identified by site leaders from our offices all across the United States. These funds were provided to local charities that had significant meaning to the employees across our many office sites.

During 2024, Pennymac supported over 1,500 unique charitable organizations that align with our philanthropic focus areas. A few of those charitable organizations are highlighted below:



Employee Giving and Matching Gifts Program

Our Manager launched the Pennymac Matching Gifts Program in January 2022 to encourage full-time and part-time employees to become personally involved in the wellbeing of the communities where we live and operate. This Matching Gifts Program offers a company match to eligible charitable organizations that aligned with our Manager's core values, vision, mission and/or philanthropic focus areas. To maximize the impact of employee charitable giving, our Manager matches, dollar for dollar, individual donations made by eligible employees to eligible charitable organizations, up to a maximum match amount of \$2,000 per employee per year.

Volunteerism and Volunteer Grants Program

Our Manager launched the Pennymac Volunteer Grants Program in January 2023 to cultivate a culture of volunteerism and maximize the impact of employee volunteer time. With the Volunteer Grants Program, every 10 hours of volunteer service that an employee completes for an eligible charity can be logged in order to earn a volunteer grant to that organization in the amount of \$100. Pennymac will contribute up to \$2,000 per employee per year as between the Matching Gifts and Volunteer Grants Programs.

In March and April of 2024, volunteer fairs were hosted in several sites across our geographical footprint as part of Global Volunteer Month to help make a difference in our communities. We encouraged team members to volunteer for their favorite charities and log their hours. A few charities that we have supported are listed below:



Demonstrating their collective commitment to the fight against breast cancer, a group of dedicated team members from our Tampa office site rallied together in 2024 to participate in the American Cancer Society’s Making Strides Walk, raising crucial awareness and funding that will empower research and ignite hope for countless individuals.



Our Agoura, Moorpark, Pasadena, and Westlake Village teams demonstrated remarkable unity and commitment at the 2024 Heart and Stroke Walk, collectively raising over \$15,000 thanks to the dedicated efforts of more than 60 walkers forming four Heart to Home Teams. Their enthusiastic participation significantly boosted crucial awareness for cardiovascular health and provided vital support for the American Heart Association’s impactful mission. This collective achievement underscores our organization’s dedication to community well-being and the power of teamwork in contributing to meaningful causes. The funds raised will directly contribute to life-saving research, education, and advocacy initiatives championed by the AHA.

Southern California Pennymac employees dedicated their time and expertise to volunteer with Junior Achievement of Southern California's JA Finance Park program. This immersive experience provides local students with practical, real-world financial literacy education, empowering them to make informed economic decisions. Our Pennymac volunteers guided students through simulated financial scenarios, offering valuable insights into budgeting, saving, credit, and investing. By sharing their professional knowledge and personal experiences, these Pennymac'ers played a crucial role in shaping the financial futures of young individuals in our Southern California communities, fostering a deeper understanding of economic principles and responsible financial habits.



In September 2024, a group of Pennymac team members from our Tampa office, along with their supportive family and friends, volunteered their time at Feeding Tampa Bay. This vital food and rescue distribution organization serves the West Central Florida community. Their efforts that morning resulted in the sorting, packing, and moving of an impressive 8,263 pounds of food, which translates to approximately 6,685 meals for those in need. This impactful contribution highlights our team's commitment to giving back to the local communities where we live and work. Their hands-on efforts directly addressed a critical need within the Tampa Bay area, demonstrating the power of collective action.

In March 2024, Pennymac Servicing Division team members at our Summerlin, Moorpark, Fort Worth, and Plano offices hosted volunteer fairs. This initiative successfully fostered a stronger connection between our employees and the communities where they live and work. Many team members found meaningful opportunities to contribute their time and skills to causes they care about.



Company Recognition and Awards

For the second year in a row, Pennymac was recognized in Newsweek’s annual Top 100 Most Loved Workplaces® list, a result of a collaboration with the Best Practice Institute (BPI), a leadership development and benchmark research company. The honored organizations, including Pennymac, were recognized for creating a workplace where employees feel respected and inspired. We believe that this award demonstrates our team’s dedication to building an inclusive culture where everyone can thrive.



This recognition is especially meaningful because it reflects direct team member feedback emphasizing our core values and strong support for career growth alongside an inclusive, engaged, and team-oriented workplace, fostered by “GREAT Days,” open communication rewarding innovation, and interactive benefits.



In 2024, Mortgage Women Magazine proudly named Pennymac a Top Employer for Women. This prestigious selection highlights companies known for creating meaningful experiences, providing women with essential tools, resources, and support, and featuring women in prominent leadership roles. As a leading employer for women in 2024, we remain deeply committed to cultivating an environment that encourages, supports, develops, and empowers women to achieve their full potential, championing the success of every woman at Pennymac. Our dedicated

programs, strategic initiatives, and formal mentoring opportunities are specifically designed to reinforce this enduring commitment.

In 2024, Pennymac received recognition from Built In, appearing three times on their Best Places to Work list. The Company was celebrated as a Best Overall Place to Work and a Best Large Place to Work in Dallas, and as a Best Large Place to Work in Los Angeles. These accolades acknowledge our prioritization of our team members through a strong workplace culture, robust benefits packages, and attractive perks. We value the talent and innovation of our employees and remain dedicated to providing the resources and opportunities necessary for their continued professional development within a positive and supportive framework across our key office locations.



Freddie Mac’s 2024 Servicer Honors and Rewards Program (SHARP) recognized our Servicer with a Silver award in the category for servicers managing 200,000 or more Freddie Mac mortgages. This distinction acknowledges Pennymac’s demonstrated excellence in servicing quality, robust risk management practices, and a commitment to sustainable homeownership, resulting in strong portfolio performance and proactive delinquency mitigation. The data-driven SHARP ranking emphasizes our Servicer’s effective and impactful servicing operations within a substantial portfolio, reflecting their dedication to both homeowners and housing market stability.

For the second consecutive year, National Mortgage Professional (NMP) has recognized Pennymac as a Best Military Lender, honoring our exceptional commitment to the nation's military community. For over sixteen years, our dedicated VA Home Loan Program has proudly supported over one million VA homeowners, expressing profound gratitude for their service. Beyond this, Pennymac actively supports the military community through recruitment and volunteer initiatives focused on veterans and their families. We are proud to support our military heroes in multiple ways.



According to Scotsman Guide's 2024 rankings, Pennymac proudly holds the number one position as a Top FHA Lender in the nation based on the previous year's substantial production numbers. This prestigious recognition from a well-respected industry benchmark, known for its longevity and rigorous verification process, underscores Pennymac's significant volume and clear leadership in facilitating FHA loans across the country, helping countless individuals and families achieve homeownership. This achievement reflects our unwavering commitment to serving a broad range of borrowers and our expertise in navigating the complexities of FHA lending. We are honored by this distinction and remain dedicated to providing accessible and responsible mortgage solutions.

Employee Recognition and Achievements

From time to time, our Manager's employees are recognized externally and it is always an opportunity for us to celebrate their accomplishments. A few examples are provided below:



ADVANCING SUSTAINABILITY IN OUR OPERATIONS



Our Environmental Responsibility

We acknowledge our responsibility to maintain environmental resources sustainably. Recognizing the importance of climate change to our various stakeholders, we are committed to minimizing our environmental footprint. This commitment is formalized through our Corporate Sustainability Policy and an enterprise-level environmental policy statement, which outlines our approach to managing environmental impacts. While our business has not identified significant environmental risks, consistent with industry standards, we are dedicated to doing our part.

We have not identified any significant environmental risks posed by our business, a finding consistent with the SASB Materiality Map for the Mortgage Finance sector, which typically deems such risks as not financially material.

Our Environmental Impact

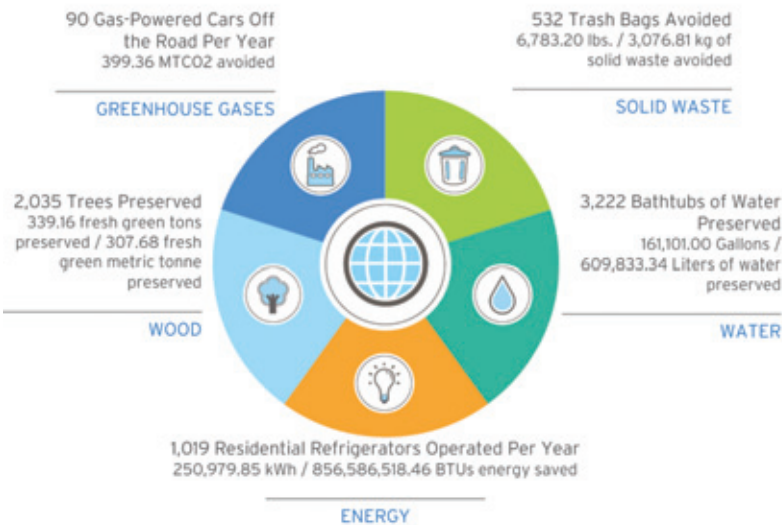
We prioritize minimizing our environmental impact while building a sustainable and profitable business. As a mortgage industry leader, operational efficiency drives our efforts. As a residential mortgage REIT, our operations are not energy-intensive relative to many other industries, resulting in a limited carbon footprint. Our Manager's facilities teams work to improve environmental performance through sustainability awareness and best practices. As part of our Manager's environmental management system, key office site initiatives focus on reducing our footprint through waste reduction and management, energy efficiency, and water conservation.

Waste Reduction and Management

Waste reduction is at the core of our business model and low-cost operations. In an effort to encourage printing from centralized locations in office buildings and reduce waste, we do not provide personal printers in workstations and in most individual offices. We have also focused on transitioning customers to online platforms to support the digital delivery of documents and statements. During 2024, approximately 57% of our Manager’s customers used electronic statements, and approximately 88% elected to receive other communications electronically, which resulted in a reduction in the use of approximately 58 million sheets of paper and 40 million envelopes. For our consumer direct lending channel, approximately 74% of our Manager’s customers who received disclosures in connection with loan applications opted for eConsent. Of the applications that were locked, 100% of customers opted for eConsent. Approximately 56% of the disclosure packages were electronically executed.

USPS BlueEarth™ During 2024, our Manager also participated in the USPS BlueEarth Secure Destruction program, a service offered to reduce costs associated with receiving, handling and destroying return-to-sender mail that includes privacy protected information. This program allows us to reduce our carbon footprint, increase our recycling efforts, and reduce the handling costs related to the reverse logistics associated with returning mail to our office sites.

When elimination of our paper use is not an option, our Manager strives to divert waste from landfills through recycling. A secure shredding program is the most widespread recycling program, resulting in approximately 76.92 metric tonnes of paper being shredded and recycled in 2024. A summary of our recycling and landfill diversion statistics is provided below to provide a comparative representation of the positive environmental impacts of our secure shredding program*:



* Source: The Paper Calculator™ from the Environmental Paper Network, a science-based and peer- reviewed study with a publicly-available lifecycle methodology that compares the impacts of using recycled paper to virgin paper.

Beyond paper and confidential materials, recycling for cardboard boxes, plastic and glass bottles and containers, aluminum and other recyclable waste is provided in certain office sites.

Electronic Waste Reduction Initiatives



Our Manager's goal is to divert as many electronics as possible from landfills by reusing or recycling them. Their priority is to reuse electronics internally. When that is not possible, they market these materials for reuse through approved vendors or recycle them. To address the growing challenges associated with electronic waste (e-waste), several of our Manager's office sites coordinate with third parties for e-waste recycling. This helps divert hazardous waste from landfills, where toxic substances can leach the soil. In 2024, our Manager recycled approximately 15,150 pounds of e-waste across the enterprise. Continuous evaluations and assessments of e-waste reduction initiatives are conducted to ensure that used electronics are collected, reused or recycled in an environmentally responsible manner.

In 2022, our Manager launched the Mini-Pennymac'er Computer Program, a computer reuse initiative that was created as a way to provide computer tools to deserving students of current employees. This effort serves the dual purpose of providing access to technology for families in need, while advancing our sustainability and electronic waste (e-waste) reduction goals. Recipients receive either a desktop computer or a laptop computer along with at least one monitor. The computers are refurbished, wiped clean, and delivered to each recipient. Through the Mini-Pennymac'er Computer Program, approximately 1,958 pounds of electronic equipment was recycled during 2024, which prevented approximately 6,200 pounds of carbon emissions from entering into the atmosphere (Source: Carbon Footprint Calculator provided by ERI, the largest fully integrated electronics and information technology asset disposition provider and cybersecurity-focused hardware destruction company in the United States).

Recognizing that easy access to printers is one of the forces that drives paper consumption, the majority of desk-top printers have been removed and replaced with multi-functional devices. In addition, printing devices are generally provided only where printing is justified from a business perspective with an aim to significantly reduce our environmental impact, resulting in a reduction in impression cost (the cost to print each page), the number of pages printed overall, energy consumption, office space, and toner consumption.

External Partnerships to Promote Environmental Sustainability

We nor our Manager do not have operations or projects that significantly impact critical habitats or any other areas with high recognized biodiversity value. We prioritize and recognize sustainable initiatives that have positive impacts on our environment. We provide solutions that champion the efficient use of resources, and in 2024, we furthered our commitment to protecting our planet by donating 15,000 trees and supporting an additional 8,000 trees through our Manager's partnership with One Tree Planted. Recognizing the critical role of trees in purifying air and water, preventing natural disasters, and supporting biodiversity, our contributions aided reforestation efforts across the nation. This impactful initiative significantly contributes to the reduction of carbon dioxide (CO₂) emissions.



ONETREEPLANTED

Energy Efficiency

Reducing energy consumption in our office locations is a priority for our Manager. An energy management system is utilized in several office sites, including our corporate headquarters, to control and manage heating, ventilation, air conditioning (HVAC) and lighting to curb energy use when it is least required. We continue to explore opportunities to further improve our performance in this regard, including our Manager’s installation of new energy-efficient HVAC units in our Phoenix and Summerlin office sites. In 2024, our Manager continued to upgrade some of the existing energy management systems to benefit from the latest technologies, which allows us to more effectively manage energy consumption and realize annual savings.

Our Manager has prioritized the use of energy-efficient LED lighting inside office buildings, with continued LED lighting retrofitting for existing office buildings in our Westlake Village, CA, Moorpark, CA, and Phoenix, AZ office sites. We expect to continue with this conversion over the next few years. Many of these office buildings have adopted the use of LED fixtures for exterior lighting. The corporate headquarters location also contains a solar system that provides energy credits for the facility.

In addition to improving building efficiency and energy monitoring, energy efficiency and carbon emissions reduction is also supported by proactively ensuring that electronic vehicle charging stations are made available for a number of our office sites, including the Westlake Village, CA, Moorpark, CA, Pasadena, CA, Roseville, CA, Cary, NC, and Summerlin, NV locations.

The table below details our Manager’s energy consumption for select sites in 2024.*

Energy Usage (in kWh)	Moorpark, CA	Fort Worth, TX	Summerlin, NV
Electricity	1,970,546	2,221,321	805,163
Natural Gas	296,236	291,728	282,227
Total Energy Consumption	2,266,782	2,513,049	1,087,390

* Data excludes properties where we do not have operational control. Data is calculated predominantly via utility bills via a third-party utility bill management system.

Water Recycling and Conservation

Our Manager’s office sites are not water intensive as compared to companies in certain industries such as food and beverage and infrastructure. Even so, we may encounter water risks in the areas where we operate and recognize the environmental benefits of proactively managing our water consumption. In order to realize sustainable water management within operations, property managers in certain markets, such as California, prioritize landscaping that doesn’t require high volumes of water. Many of our Manager’s buildings are equipped with water-saving features, such as low-flow, touchless water fixtures and faucets, hands-free flushing sensors and other water-reducing hardware. We also encourage our property managers to explore sustainable technologies, including a water-saving technology that improves the efficiency of water systems in our office sites. Wherever possible, our Manager chooses buildings with sound wastewater management practices to ensure that our wastewater discharges comply with local and national standards. We and our Manager do not have any business operations outside of the United States and therefore do not use water outside of our primary domicile.

Our corporate headquarters is located in Westlake Village, CA and water is provided by Calleguas Municipal Water District. Nearly all potable water delivered to our office site is purchased by Calleguas from the Metropolitan Water District of Southern California. Calleguas’ activities extend beyond the distribution of imported water. The District is

active in regional water planning, conservation, watershed protection and development of reclaimed water. Calleguas operates three small distribution systems providing recycled wastewater for irrigation use.

We continue to work with our distributed facilities teams to gather data from property managers and/or local municipalities which will enable us to monitor and manage total water usage across our national footprint, where such data is available. For example, in our Summerlin, NV location, we have been tracking our water usage which was 2.7 million gallons in 2024, down from 3.5 million gallons of water usage in 2022.

During 2024, we did not experience any major environmental controversies and there were no incidents of non-compliance with water quality, permits, standards or regulations.

Climate and Environmental Risk Management

The Risk Committee receives regular reports regarding our Enterprise Risk Management Program, including information regarding climate and environmental-related risk and opportunities. The Risk Committee regularly reports to the full Board on information regarding enterprise risk, including, but not limited to, climate risks, production and servicing risks, credit risks, mortgage compliance risks, information technology and cybersecurity risks, litigation risks and other risks.

Our primary business activities relate to mortgage banking. Our loan production and servicing activities are performed on our behalf by affiliates of our Manager and its affiliates. Our correspondent production activities involve the purchase, pooling and reselling of newly originated prime credit quality loans either directly or in the form of mortgage-backed securities. The growth and success of our mortgage banking activities is dependent on our Manager's ability to properly mitigate risks that could impact the value of such loans. In light of the increased focus on climate-related risks and the evolving regulatory environment in support of climate-related financial disclosures, we are committed to being responsive to the informational needs of our various stakeholders.

We have engaged with a mortgage and climate risk analytics firm to provide consulting services as part of our efforts to identify, assess and manage certain climate and environmental risks to our mortgage loan and servicing portfolio. The engagement will assist in the development of our climate risk strategy and the incorporation of climate and natural hazard risk into our enterprise risk management framework while taking into consideration our commitment to fair lending compliance.

As part of this engagement, the first phase of our climate risk assessment was conducted to quantify exposure to certain acute physical risks, using a combination of climate catastrophe modeling and analytics and mortgage asset valuations. A scenario analysis of 10,000 historical and simulated climate event years was conducted to generate a probability distribution of property damage on portfolios with and without hazard insurance. The modeled property damage was translated into borrower behavior, which was used to calculate the resulting mortgage asset losses based upon the types of risk held with each mortgage asset (e.g., MSR, CRT, whole loans, etc.). Based on this scenario analysis, potential strategies were identified to mitigate certain acute physical risks.

In the second phase of this engagement, we focused on the quantification of exposure to chronic physical risks, as well as the impacts of rising temperatures on acute physical risks. This included modeling the impact that rising temperatures and chronic risks will have on insurance premiums and home prices, and the resulting impact on borrower ability to repay and loss severities. We will also continue in our actions to integrate these climate and environmental risks into our enterprise risk management framework and will further refine assumptions used in the above-mentioned climate risk assessment to more precisely quantify our exposure to certain acute and chronic physical risks, and transition risks.

Climate-Related Physical and Transition Risks

There is an increasing global concern over the risks of climate change and related environmental sustainability matters. The physical risks of climate change may include rising average global temperatures, rising sea levels and an increase in the frequency and severity of extreme weather events and natural disasters, including floods, wildfires, hurricanes and tornados, and these events could impact our owned real estate and the properties collateralizing our loan assets or underlying our MSR assets and the local economies of certain areas in which we operate.

Although we believe our owned real estate and the properties collateralizing our loan assets or underlying our MSR assets are appropriately covered by insurance, we cannot predict at this time if we or our borrowers will be able to obtain appropriate coverage at a reasonable cost in the future, or if we will be able to continue to pass along all of the costs of insurance. There also is a risk that one or more of our property insurers may not be able to fulfill their obligations with respect to payment claims due to a deterioration in its financial condition or may even cancel policies due to increasing costs of providing insurance coverage in certain geographic areas.

Numerous treaties, laws and regulations have been enacted or proposed in an effort to regulate climate change, including regulations aimed at limiting greenhouse gas emissions and the implementation of “green” building codes. These laws and regulations may impact the rates at which we obtain property insurance and result in increased operating costs, or impose substantial costs on our borrowers or affect their ability to obtain appropriate coverage at reasonable costs. We may also incur costs associated with increased regulations or investor requirements for increased environmental and social disclosures and reporting. Additionally, climate change concerns could result in transition risk. Changes in consumer preferences and additional legislation and regulatory requirements, including those associated with a transition to a low-carbon economy, could increase expenses or otherwise adversely impact our operations and business.

Environmental Impact on Our Properties

Climate change, adverse weather conditions, man-made or natural disasters, pandemics, wars and armed conflicts, terrorist attacks and other long term physical and environmental changes and conditions could adversely impact properties that we own or that collateralize loans we own or service. In addition, such adverse conditions and long term physical and environmental changes could impact the demand for, and value of, our assets, as well as the cost to service or manage such assets, or directly impact the value of our assets through damage, destruction or loss, and thereafter materially impact the availability or cost of insurance to protect against these events. Real estate value declines could also decrease the value supporting certain of our assets, such as CRTs and subordinate bonds, where we may provide a credit guaranty or otherwise be responsible for all or a portion of any credit losses.

Upon the occurrence of a catastrophic event, we may be unable to continue our operations and may endure significant business interruptions, reputational harm, delays in servicing our customers and working with our partners, interruptions in the availability of our technology and systems, breaches of data security, and loss of critical data, all of which could have an adverse effect on our future operating results. Catastrophic events may also be uninsurable or not economically insurable and might make the insurance proceeds insufficient to repair or replace a property if it is damaged or destroyed.

The table below provides a description of the range of key climate-related risk considerations that could impact our and/or our Manager's overarching risk management approach:

Risk	Description	Potential Impacts to the Company (or our Servicer)
Credit	Climate risk drivers could lead to a reduction in the borrowers' ability to repay loans or our Servicer's ability to fully recover the value of properties owned or that collateralize loans owned or serviced in the event of default.	• Borrower not insured for the loss, or underinsured • Property values decline due to increased perceived risk or higher hazard insurance costs
Market	Physical and transition risk could have an adverse impact on the valuation of mortgage related assets, including the potential to trigger valuation adjustments where climate risk is not yet taken into consideration, the correlation between certain assets, or the liquidity of certain assets.	• Write downs on mortgage assets as investors incorporate climate risk into their investment decisions. • Shock to prepayment speeds for insured losses or increase in turnover driven by homeowners fleeing communities. • Price correlations change resulting in less effective hedge.
Liquidity	Climate-related disruptions could have an adverse impact on the accessibility of the capital markets and costs of capital.	• Increase in warehouse banks rates or added exposure limits to certain geographies • Increase in term financing rates as lender factor climate-related exposures embedded in mortgage assets • Increase in need for liquidity to fund borrower advances
Operational / Compliance	Increased severity of climate-related events could potentially increase our legal and regulatory compliance risk exposure associated with an increasing number of customers impacted by disasters, or government policy changes.	• Increase in volume of new federal, state, and local regulations to provide assistance to impacted borrowers • Increase in legal exposure for inadequate risk disclosure
Reputation	Changing market or consumer sentiment regarding actions to mitigate climate-related risks could result in increased reputational risk.	• Change of public sentiment towards lenders who lend in high risk geographies or are viewed as doing too little to assist impacted borrowers
Policy and Legal	Widespread adoption of policy change and regulations around climate-related disclosures may lead to an increase in climate-related litigation.	• Increase in climate-related litigation as a result of new policy and legal regulatory framework

We are committed to quantifying and understanding these risks and, as appropriate, developing strategies to mitigate them.

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

The Global Reporting Initiative (GRI) is the independent, international organization that helps businesses and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts. PMT supports GRI because it provides guidance frameworks for how businesses can collect, analyze, and report information related to various sustainability topics. Accordingly, our Corporate Sustainability Report this year includes a GRI Content Index that has been developed to align with the GRI standards.

The index below includes GRI standards that are relevant for our business activities. Unless otherwise noted, all data and descriptions are as of or for the fiscal year ended December 31, 2024. For additional information about our financial performance, please refer to our quarterly earnings materials, as well as quarterly and annual reports on Form 10-Q and Form 10-K, respectively.

Certain information may not be disclosed herein because that information (i) could cause a competitive disadvantage to our business if publicly disseminated; or (ii) is not currently collected in a manner wholly correlative with the related GRI metric.

GRI Content Index	
Statement of use	PennyMac Mortgage Investment Trust has reported the information cited in this GRI content index for the period ended December 31, 2024 with reference to the GRI Standards.
DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	
2-1 Organizational details	• 2024 Annual Report on Form 10-K (Cover, Business, and Exhibit 21.1)
2-2 Entities included in the organization's sustainability reporting	We do not disclose the full list of legal entities. Consistent with financial reporting, all of our consolidated entities are covered in this report. • 2024 Annual Report on Form 10-K (Exhibit 21.1)
2-3 Reporting period, frequency and contact point	We publish our Corporate Sustainability Report annually. • About This Report
2-4 Restatements of information	There have been no restatements of information from prior periods.
2-5 External assurance	Our sustainability reporting has not been externally assured.
2-6 Activities, value chain and other business relationships	• Workplace Engagement • Vendor Management and Statement of Vendor Ethics • 2024 Annual Report on Form 10-K
2-7 Employees	• 2024 Annual Report on Form 10-K
2-8 Workers who are not employees	We may engage external service providers who may be responsible for performing noncore business activities or engage nonemployee resources who are employed by an external third party but support Company processes. These nonemployee resources work under the supervision of an external third party in the third party's facility. We may engage external service providers or nonemployees for a variety of different business purposes, including project-based work for a defined period of time, specialized/ niche skill sets that are not readily available or professional and outsourced services.
2-9 Governance structure and composition	• Our Corporate Sustainability Approach • Corporate Governance • Our Board's Role in Risk Oversight • 2025 Proxy Statement—Corporate Governance
2-10 Nomination and selection of the highest governance body	• Nominating and Corporate Governance Committee Charter • 2025 Proxy Statement—Corporate Governance

2-11 Chair of the highest governance body	The Chair of the Board of Trustees is our Chief Executive Officer; there is also a non-executive Independent Lead Trustee of the Board • 2025 Proxy Statement—Corporate Governance
2-12 Role of the highest governance body in overseeing the management of impacts	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Our Board’s Role in Risk Oversight • Our Code of Business Conduct and Ethics • Whistleblower and Ethics Hotline Reporting • Audit Committee Charter • Nominating and Corporate Governance Committee Charter • Risk Committee Charter • Compensation Committee Charter • 2024 Annual Report on Form 10-K • 2025 Proxy Statement—Corporate Governance
2-13 Delegation of responsibility for managing impacts	• Our Corporate Sustainability Approach • Our Board’s Role in Risk Oversight • Corporate Governance Guidelines • Board of Trustee’s Committee Charters • 2024 Annual Report on Form 10-K • 2025 Proxy Statement—Corporate Governance
2-14 Role of the highest governance body in sustainability reporting	Our Board-level Audit Committee and Executive-level Disclosure Committee have oversight of controls and procedures related to our sustainability reporting, including both voluntary disclosures and regulatory filings. Our Senior Managing Director, Chief Human Resources Officer, and Managing Director, Corporate Sustainability provides senior management oversight and report directly to our Chairman and Chief Executive officer and the Nominating and Corporate Governance Committee. • Our Corporate Sustainability Approach • Our Key Sustainability Topics
2-15 Conflicts of interest	• Related Party Matters Committee
2-16 Communication of critical concerns	• Code of Business Conduct and Ethics • Whistleblower and Ethics Hotline Reporting • 2025 Proxy Statement—Code of Business Conduct and Ethics
2-17 Collective knowledge of the highest governance body	• Our Corporate Sustainability Approach • Our Board’s Role in Risk Oversight • 2025 Proxy Statement—Trustee Skills and Qualifications
2-18 Evaluation of the performance of the highest governance body	• 2025 Proxy Statement—Board Evaluations
2-19 Remuneration policies	• 2025 Proxy Statement—Compensation Discussion and Analysis
2-20 Process to determine remuneration	• 2025 Proxy Statement—Compensation Discussion and Analysis
2-21 Annual total compensation ratio	• 2025 Proxy Statement—CEO Pay Ratio
2-22 Statement on sustainable development strategy	• Letter from our CEO—Annual Report • Message from our Chairman and CEO—Corporate Sustainability Report
2-23 Policy commitments	• Our Code of Business Conduct and Ethics • Pennymac Statement on Human Rights • Pennymac Statement of Vendor Ethics • Code of Business Conduct and Ethics • Code of Ethics for CEO and Senior Financial Officers • Related Party Transactions Policy • Corporate Governance Guidelines • Corporate Sustainability Framework Policy
2-24 Embedding policy commitments	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board’s Role in Risk Oversight • Our Code of Business Conduct and Ethics • Code of Business Conduct and Ethics • Whistleblower and Ethics Hotline Reporting • Enterprise Risk Management • Incident Management and Business Continuity • Data Privacy and Cybersecurity

2-25 Processes to remediate negative impacts	- Stakeholder Engagement - Governance Best Practices - Whistleblower and Ethics Reporting Hotline - Enterprise Risk Management - Advancing Environmental Sustainability in Our Operations
2-26 Mechanisms for seeking advice and raising concerns	- Our Code of Business Conduct and Ethics Code of Business Conduct and Ethics - Whistleblower and Ethics Hotline Reporting
2-27 Compliance with laws and regulations	2024 Annual Report on Form 10-K—Legal and Regulatory Compliance
2-28 Membership associations	- Political Contributions and Advocacy - Sponsorships and Affiliations
2-29 Approach to stakeholder engagement	- Stakeholder Engagement 2025 Proxy Statement—Stakeholder Engagement
2-30 Collective bargaining agreements	- Our Code of Business Conduct and Ethics Code of Business Conduct and Ethics
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	Our Key Sustainability Topics
3-2 List of material topics	Our Key Sustainability Topics
3-3 Management of material topics	- Our Corporate Sustainability Approach - Key Sustainability Topics
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	2024 Annual Report on Form 10-K—Management’s Discussion and Analysis of Financial Condition and Results of Operation
201-2 Financial implications and other risks and opportunities due to climate change	2024 Annual Report on Form 10-K—Risk Factors
201-3 Defined benefit plan obligations and other retirement plans	- Financial Wellness 2025 Proxy Statement – Executive Compensation Highlights
201-4 Financial assistance received from government	2024 Annual Report on Form 10-K—Risk Factors—Dependence on GSEs and Government Agencies
GRI 202: Market Presence 2016	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	We are committed to the financial wellness of our employees as demonstrated by our programs that are designed to enhance organizational performance and recognize and reward employees for their significant contributions. We provide fair and competitive total rewards packages with the goal of attracting, retaining, and engaging talented employees at all levels in alignment with our business strategy. We seek to provide compensation programs that are market competitive and meet the needs of our workforce. Financial Wellness – Pay Equity, Living Wage
202-2 Proportion of senior management hired from the local community	During 2024, all of our employees were hired locally within the United States.
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	Philanthropy and Community Engagement
GRI 205: Anti-corruption 2016	
3-3 Management of material topics	- Our Corporate Sustainability Approach - Our Key Sustainability Topics - Operating Ethically, Responsibly and Sustainably - Our Board’s Role in Risk Oversight
205-1 Operations assessed for risks related to corruption	None of our operations have been assessed for risks related to corruption

205-2 Communication and training about anti-corruption policies and procedures	• Our Code of Ethics and Business Conduct • Enterprise Risk Management • Anti-Money Laundering, Anti-Corruption and Fraud Prevention • Code of Business Conduct and Ethics • Code of Ethics for CEO and Senior Financial Officers
205-3 Confirmed incidents of corruption and actions taken	• Anti-Money Laundering, Anti-Corruption and Fraud Prevention
GRI 206: Anti-competitive Behavior 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	• 2024 Annual Report on Form 10-K—Legal Proceedings—Commitments and Contingencies
GRI 207: Tax 2019	
207-1 Approach to tax	• Tax Strategy
207-2 Tax governance, control, and risk management	• Tax Strategy
207-4 Country-by-country reporting	We do not file taxes outside of the United States.
GRI 302: Energy 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
302-1 Energy consumption within the organization	• Energy Efficiency
302-4 Reduction of energy consumption	• Energy Efficiency
GRI 303: Water and Effluents 2018	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
303-1 Interactions with water as a shared resource	• Water Recycling and Conservation
303-2 Management of water discharge-related impacts	• Water Recycling and Conservation
303-3 Water withdrawal	• Water Recycling and Conservation
303-4 Water discharge	• Water Recycling and Conservation
303-5 Water consumption	• Water Recycling and Conservation
GRI 306: Waste 2020	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
306-1 Waste generation and significant waste-related impacts	• Waste Reduction and Management
306-2 Management of significant waste-related impacts	• Waste Reduction and Management
306-3 Waste generated	• Waste Reduction and Management
306-4 Waste diverted from disposal	• Waste Reduction and Management
306-5 Waste directed to disposal	• Waste Reduction and Management

GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	• New Hires and Employee Turnover
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	• Peer-to-Peer Recognition • Financial Wellness • Philanthropy and Community Engagement
401-3 Parental leave	• Financial Wellness
GRI 402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	Pennymac is headquartered in the State of California. Worker Adjustment and Retraining Notification (WARN) protects employees, their families, and communities by requiring employers to give a 60-day notice to the affected employees and both state and local representatives before a plant closing or mass layoff. Advance notice provides employees and their families time to transition and adjust to the potential loss of employment, time to seek alternative jobs and, if necessary, time to obtain skills training or retraining to successfully compete in the job market.
GRI 403: Occupational Health and Safety 2018	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
403-1 Occupational health and safety management system	• Workplace Safety
403-2 Hazard identification, risk assessment, and incident investigation	• Workplace Safety
403-3 Occupational health services	• Workplace Safety
403-4 Worker participation, consultation, and communication on occupational health and safety	• Workplace Safety
403-5 Worker training on occupational health and safety	• Workplace Safety
403-6 Promotion of worker health	• Workplace Safety
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• Workplace Safety
403-8 Workers covered by an occupational health and safety management system	• Workplace Safety
403-9 Work-related injuries	• Workplace Safety
403-10 Work-related ill health	• Workplace Safety
GRI 404: Training and Education 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
404-1 Average hours of training per year per employee	• Mandatory Training
404-2 Programs for upgrading employee skills and transition assistance programs	• Talent Development
404-3 Percentage of employees receiving regular performance and career development reviews	• Talent Development
GRI 405: Equal Opportunity 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight

405-1 Composition of governance bodies and employees	• 2024 Workforce Demographics
GRI 406: Non-discrimination 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
406-1 Incidents of discrimination and corrective actions taken	• Anti-Discrimination Policy, Investigation and Response
GRI 407: Freedom of Association and Collective Bargaining 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	• Our Code of Ethics and Business Conduct
GRI 2: General Disclosures 2021	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
408-1 Operations and suppliers at significant risk for incidents of child labor	• Our Code of Ethics and Business Conduct
GRI 409: Forced or Compulsory Labor 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	• Our Code of Ethics and Business Conduct
GRI 410: Security Practices 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
410-1 Security personnel trained in human rights policies or procedures	• Our Code of Ethics and Business Conduct
GRI 411: Rights of Indigenous Peoples 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
411-1 Incidents of violations involving rights of indigenous peoples	• Our Code of Ethics and Business Conduct
GRI 413: Local Communities 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
413-1 Operations with local community engagement, impact assessments, and development programs	• Philanthropy and Community Engagement

413-2 Operations with significant actual and potential negative impacts on local communities	We have not been informed that any of our operations have significant actual and potential negative impacts on local communities.
GRI 415: Public Policy 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Our Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
415-1 Political contributions	• Political Contributions and Advocacy
GRI 417: Marketing and Labeling 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
417-1 Requirements for product and service information and labeling	• Responsible Lending
GRI 418: Customer Privacy 2016	
3-3 Management of material topics	• Our Corporate Sustainability Approach • Key Sustainability Topics • Operating Ethically, Responsibly and Sustainably • Our Board's Role in Risk Oversight
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	• Data Privacy and Cybersecurity

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX DISCLOSURE

The Sustainability Accounting Standards Board (SASB) is an independent organization that sets standards to guide the disclosure of financially material sustainability information by companies to their investors. PennyMac Mortgage Investment Trust (NYSE: PMT) supports SASB because it provides a framework for the generation of comparable and reliable information, which is consistent with our commitment to provide transparent, decision-useful, and relevant governance, social and environmental data as it relates to our business activities. Accordingly, our Corporate Sustainability Report was developed to align with the SASB standards.

The index below includes SASB standards that are relevant for our Mortgage Finance activities. Unless otherwise noted, all data and descriptions are as of or for the fiscal year ended December 31, 2024. For additional information about our financial performance, please refer to our quarterly earnings materials, as well as quarterly and annual reports on Form 10-Q and Form 10-K, respectively.

Certain information may not be disclosed herein because that information (i) is not considered by SASB as likely to affect our enterprise value as a Company in the Mortgage Finance industry or is privileged or confidential; (ii) could cause a competitive disadvantage to our business if publicly disseminated; or (iii) is not currently collected in a manner wholly correlative with the related SASB metric.

Mortgage Finance Standard

Activity Metrics

(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial ORIGINATED MORTGAGES (Dollars in thousands)	FN-MF-000.A	
	December 31, 2024	
	Number	Value (\$)
Residential	–	–
Commercial	–	–
Total	–	–

(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial PURCHASED MORTGAGES (Dollars in thousands)	FN-MF-000.B	
	December 31, 2024	
	Number	Value (\$)
Residential	839,571	227,322,554
Commercial	–	–
Total	839,571	227,322,554

Lending Practices

(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above or below 660 RESIDENTIAL LOANS BY FEATURES AND FICO SCORE (Dollars in thousands)	FN-MF-270a.1			
	December 31, 2024			
	FICO ≤ 660		FICO > 660	
	Number ⁽¹⁾	Value (\$)	Number ⁽¹⁾	Value (\$)
Hybrid or option ARM	1	512	11	6,896
Higher rate	4	1,103	15	5,157
Prepayment penalty	–	–	–	–
Other residential mortgages	72	10,698	3,853	1,580,650
Total	77	12,314	3,879	1,592,702

(1) Represents residential mortgage loans serviced by PennyMac Loan Services, LLC (our Servicer).

(1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660 RESIDENTIAL MORTGAGE MODIFICATIONS (Dollars in thousands)	FN-MF-270a.2			
	December 31, 2024			
	FICO ≤ 660		FICO > 660	
	Number ⁽¹⁾	Value (\$)	Number ⁽¹⁾	Value (\$)
Modifications ⁽²⁾	870	236,714	4,804	1,666,457
Foreclosures	–	–	5	879

(1) Represents residential mortgage loans serviced by PennyMac Loan Services, LLC (our Servicer).

(2) Includes COVID-19 related loan modifications, payment deferrals and partial claims.

Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators

FN-MF-270a.3

Refer to Note 17 – Commitments and Contingencies (pgs. F-56) of the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 for disclosure of material legal proceedings.

Description of remuneration structure of loan originators

FN-MF-270a.4

The incentive programs for our Servicer's mortgage loan officers focus on payment for the origination of mortgage loans. To ensure that small balance customers have equal treatment as large balance customers and to provide all of our mortgage loan officers with an equal incentive for their efforts, compensation is based on unit volume as opposed to dollar volume. Our Servicer establishes a base payout compensation level, which may be adjusted based on a number of productivity and behavioral modifier factors such as timely submission of loan applications, and compliance with service and regulatory requirements.

Discriminatory Lending

(1) Number, (2) value, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers, by FICO scores above and below 660

FN-MF-270b.1

The management of our business and execution of our operations is performed on our behalf by subsidiaries of PennyMac Financial Services, Inc. ("PFSI" or "PennyMac"). PFSI is a specialty financial services firm focused on the production and servicing of loans and the management of investments related to the U.S. mortgage market.

Specifically:

- We are managed by PNMAC Capital Management, LLC ("PCM" or our "Manager"), a wholly-owned subsidiary of PennyMac and an investment adviser registered with the United States Securities and Exchange Commission ("SEC") that specializes in, and focuses on, U.S. mortgage assets.
- Our loan production and servicing activities (as described below) are performed on our behalf by another wholly owned PennyMac subsidiary, PennyMac Loan Services, LLC ("PLS" or our "Servicer").

We are not a lender and we do not originate loans; however, our correspondent production segment involves purchases of loans from approved mortgage originators that meet specific criteria related to management experience, financial strength, risk management controls and loan quality.

Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending

FN-MF-270b.2

Refer to Note 17 – Commitments and Contingencies (pgs. F-56) of the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 for disclosure of material legal proceedings.

Description of policies and procedures for ensuring nondiscriminatory mortgage origination

FN-MF-270b.3

Our Manager and/or its affiliates make its credit decisions based on the creditworthiness of the applicants pursuant to a Fair Lending and Servicing Policy, which prohibits discrimination against an applicant on a prohibited basis regarding any aspect of a credit transaction, as well as any other aspect of its lending operations. The Fair Lending and Servicing Policy is approved by our Manager's Mortgage Regulatory Compliance Committee. To support the commitment to fair lending and servicing, there are a number of corporate policies that identify specific requirements drawn from applicable fair lending laws and regulations, including the Equal Credit Opportunity Act (ECOA) Policy, Fair Housing Act (FHA) Policy, Home Mortgage Disclosure Act (HMDA) Policy, Americans with Disabilities Act (ADA) Policy, and Unfair, Deceptive, or Abusive Acts or Practices (UDAAP) Policy.

As such, our Manager and/or its affiliates do not discriminate based on a person's race, color, ethnicity, national origin/ancestry/genetic information, religion, gender (including gender identity or expression), sexual orientation, marital status, familial status, age, receipt of income from public assistance programs, military status, applicant's good faith exercise of any rights under the Consumer Protection Act, handicap/disability/medical condition, or an applicant's status as a victim of domestic violence or any other impermissible factor.

These requirements are integrated into operational procedures and subject to review and/or audit by our Manager's Mortgage Regulatory Compliance Committee, Internal Audit, and federal and local regulators.

Environmental Risk to Mortgaged Properties

(1) Number and (2) value of mortgage loans in 100-year flood zones (Dollars in thousands)	FN-MF-450a.1 December 31, 2024	
	Number ⁽¹⁾	Value (\$)
Residential	29,670	8,410,030
Commercial	–	–
Total	29,670	8,410,030

(1) Represents residential mortgage loans serviced by PennyMac Loan Services, LLC (our Servicer).

Our primary business activities relate to mortgage banking. Our loan production and servicing activities are performed on our behalf by our Servicer. Our correspondent production segment involves the purchase, pooling and reselling of newly originated prime credit quality loans either directly or in the form of mortgage-backed securities, using the services of PCM and PLS. Accordingly, we do not have a significant investment in mortgage loans. The loans we purchase or originate for subsequent sale are underwritten and serviced in compliance with applicable federal and state laws and regulations and in compliance with the standards of the government or government-sponsored agencies guaranteeing or insuring the loans or securities the loans are sold into. Such agencies include the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, each of which is a government-sponsored entity; and U.S. Government Agencies, including the Government National Mortgage Association, the Federal Housing Administration, the Veterans Administration, and the U.S. Department of Agriculture.

(1) Total expected loss (EL) and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather related natural catastrophes, by geographic region

FN-MF-450a.2

We are not able to tie the effects of specific weather-related natural catastrophes to specific impacts on earnings as calculated in accordance with generally accepted accounting principles earnings or asset valuations, as most of our exposure to these events are held in mortgage servicing rights which are valued in aggregate and not allocated at the loan level. No specific weather-related event has significantly impacted our business during the most recent fiscal year.

In connection with our business activities, we are exposed to risks associated with adverse weather conditions, man-made or natural disasters such as hurricanes, tornadoes, earthquakes, pandemics, such as COVID-19, floods, droughts, fires and other environmental conditions that can adversely impact properties that we own or that serve as collateral for loans we own or service, as well as properties where we conduct business.

We continuously monitor environmental risks and have developed policies and procedures for mitigating such risks, to the extent possible. Monitoring includes regular scans for states of emergency, Presidentially Declared Disaster areas and mandatory evacuation zones for both pre-emptive and responsive actions.

Our Servicer follows all industry and regulatory requirements related to hazard and flood insurance within its originations and servicing functions. This protects us and homeowners by ensuring there will always be adequate coverage for the balance of a mortgage obligation should a property become damaged by a covered peril. Coverage must be provided by a licensed insurance company that meets certain financial strength ratings.

As part of our Servicer's originations activities, property inspections are required on loans in Presidentially Declared Disaster areas that have been originated, but not yet delivered to end investors and, if applicable, delivery to end investors is delayed until properties have been deemed undamaged or the damage has been repaired. In certain cases (generally a mandatory evacuation triggered by an impending event), originations transactions may be delayed until the event has passed and the impact is known with certainty.

As part of our Servicer's servicing activities, they are able to quickly implement disaster protocols to assist impacted borrowers with a full range of forbearance, modification and other borrower assistance options. Our Servicer works closely with borrowers and insurance carriers to assure that repairs are made to impacted properties.

Trademark Attribution

Servicer Total Achievement and Rewards™ and **STAR™** are registered trademarks of Fannie Mae.

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Legal Disclaimer

This Report is for informational purposes only. It is not intended to be relied on to make any investment decisions, and is neither an offer to sell nor a solicitation of an offer to buy any securities or financial instruments from PennyMac Mortgage Investment Trust or its affiliates. This Report covers our owned or operated businesses and does not address the performance of our suppliers, contractors or partners unless otherwise noted. We have prepared the information contained herein solely to provide a general overview of our sustainability activities.

In addition, the information in this Report is summarized and is not a complete description of all of our activities; therefore, we have made qualitative judgments as to certain information to include that could be determined to be inaccurate or incomplete. We did not employ any third-party firm to audit this Report.

Forward-Looking Statement

This Report contains forward-looking statements relating to the manner in which we intend to conduct our business activities based on our current plans and expectations. These statements are not promises of our future conduct or policy and are subject to a variety of uncertainties and other factors, many of which are beyond our control. Therefore, the actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed in this Report, may differ materially in the future. The statements of intention in this Report speak only as of the date of this Report and we do not undertake to publicly update any statements in this Report. As used in this Report, the term “PMT” and terms such as “the Company,” “our,” “its,” “we,” and “us” may refer to one or more of our consolidated subsidiaries or affiliates or to all of them taken as a whole. In addition, the term “Pennymac” generally refers to PMT and PFSI and their affiliates. All these terms are used for convenience only and are not intended as a precise description of any of the separate entities, each of which manages its own affairs.



CORPORATE SUSTAINABILITY