

# Standard

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## COMPANY

Nationstar

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## DOCUMENT NAME

Environmental, Social, and Governance (ESG) Corporate Standard

## INTRODUCTION

This Standard outlines the components of Nationstar Mortgage, LLC d/b/a Mr. Cooper (the “Company”) Environmental, Social, and Governance (ESG) framework. ESG factors and the manner in which they are evaluated and perceived by various stakeholders can significantly impact a company’s financial performance, and thus, an ESG Standard is necessary to guide the ongoing development of MCG’s ESG program.

## DEFINITIONS

**ESG** — *Environmental, Social, and Governance*; Collectively, these factors describe the impact of a particular company's business activity in society and the manner in which the Company is managed.

**Environmental** — This ESG factor primarily involves a company's influence and impact on the environment and the company's ability to manage the risks and opportunities associated with climate change and the transition to a low-carbon economy.

**Social** — This ESG factory primarily pertains to the Company's ability to deal with social issues including human capital, labor rights, and diversity.

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Governance — This ESG factor primarily relates to internal company affairs and its relationship with the main company Stakeholders, including Team Members, Shareholders, and the Communities it serves.

## STATEMENT

### Scope

This Standard applies to all Team Members of Nationstar Mortgage LLC d/b/a Mr. Cooper ("Company"), its Subsidiaries, Team Members, and Contractors. Any reference to the "Company" will also be a reference to the Company's Parents, Subsidiaries, Partners, Divisions, and affiliated Entities for whom a Team Member works or has worked.

### Overview

Nationstar Mortgage LLC d/b/a Mr. Cooper is committed to continuing to build a sustainable business that will positively benefit society and generate economic benefit in an environmentally and socially responsible manner.

### Roles and Responsibilities

The following are roles and responsibilities as it relates to this document:

Board of Directors - Receives periodic reports from Executive Management regarding the ESG program and provides oversight.

Executive Management - Sets strategy for and oversees the execution of the Company's environmental, social, and governance initiatives and activities. Approves the ESG Program, sets clear expectations and goals regarding environmental, social, and governance activities, and periodically reports to the Board concerning the Company's Environmental, Social, and Governance Program.

Executive Vice President, Corporate Social Responsibility (EVP, CSR) - Ensures that the Company implements and maintains an effective Environmental, Social, and Governance Program.

Environmental, Social, and Governance Working Group - Guides the Company's strategies and standards for ESG initiatives and activities. The ESG Working Group will be comprised of representatives from CSR, DE&I, Risk Management, Information Security, Legal, Investor Relations, Facilities, and Human Resources.

Team Members, Contractors, and Third-Party Service Providers - Commensurate with their specific duties and responsibilities at or for the Company are subject to this Standard.

### ESG Components

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ESG is managed in accordance with Investor and regulatory requirements and the Company's standards. ESG factors include, but are not limited to, the following:

- Environmental
  - Climate change
  - Energy consumption
  - Natural resources management
  - Pollution and waste management
- Social
  - Human capital management
  - Diversity
  - Human rights
  - Vendor conduct
  - Labor, health, and safety
  - Privacy and data security
  - Product safety, quality, and brand
- Governance
  - Board structure
  - Compensation/pay
  - Shareholder interests
  - Corporate codes of conduct
  - Audit risk and oversight

## The Company's ESG Principals

- Nationstar Mortgage LLC d/b/a Mr. Cooper seeks to be an environmentally responsible company and take measures to improve the physical environment including reducing its carbon footprint, decreasing emissions of greenhouse gases and regulated air pollutants, conserving energy, and reducing waste in operations.
- Nationstar Mortgage LLC d/b/a Mr. Cooper has policies and procedures in place to decrease the risk of turnover and associated costs of rehiring and the loss of intellectual and human capital through attrition. Nationstar invests heavily in the development of its Team Members.
- Nationstar Mortgage LLC d/b/a Mr. Cooper does not discriminate with respect to any protected class and strives to maintain a diverse, equitable, and inclusive workplace for all.
- Nationstar Mortgage LLC d/b/a Mr. Cooper follows all labor, health, and safety laws, always respects human rights, and does not engage in unlawful and socially unacceptable practices such as: child labor, human trafficking, bonded labor, or other forms of modern slavery.
- Nationstar Mortgage LLC d/b/a Mr. Cooper Supplies and Vendors are held to the same ESG standards as Nationstar, where applicable.
- Nationstar Mortgage LLC d/b/a Mr. Cooper has implemented a publicly available data protection policy and provided rights to individuals regarding the control of their data. In addition, Nationstar has policy and training on data security and privacy-related risks.
- Nationstar Mortgage LLC d/b/a Mr. Cooper's product safety strategy includes a complaints resolution procedure, Team Member training on Consumer product safety, a hotline for Borrower complaints, and loan modification programs or other programs to assist Borrowers facing financial difficulties.

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- Nationstar Mortgage LLC d/b/a Mr. Cooper ensures that its management structures, governance, and policies reflect the need for transparency, accountability, and probity in the management of its business.

## Rating Agencies and Reporting

Investment Advisory Services and Professional Asset Managers rely upon data provided by ESG ratings agencies to inform their investment decisions. ESG data can come from numerous sources such as: public information, Third-Party research, company reports, direct engagement, and regulatory filings. Third-Party Service Providers and Clients also utilize ESG data to evaluate Nationstar Mortgage LLC d/b/a Mr. Cooper.

The Environmental, Social, and Governance Committee is responsible for collecting, collating, and analyzing data that informs rating agency reports to maximize the Company's scoring and ratings by these entities. Annually, Nationstar Mortgage LLC d/b/a Mr. Cooper will release an ESG & Sustainability report that includes components of the Company's Environmental, Social, and Governance Program.

## Adherence

All impacted Nationstar Mortgage LLC d/b/a Mr. Cooper Team Members, subsidiaries, and Contractors are responsible for complying with this Standard.

## Exceptions

Revisions or changes to this Standard must be approved by the SVP, Diversity, Equity, & Inclusion.