WALKER & DUNLOP

2021 Environmental, Social, and Governance Report

The following document contains disclosure of environmental, social, and governance (ESG) metrics relevant to Walker & Dunlop, Inc.'s business, as well as select, relevant metrics in the Sustainability Accounting Standards Board (SASB) standards for the Financials, Mortgage Finance industry classification, as well as SASB metrics from other SASB industries, in particular those related to human capital management. As a commercial real estate services firm, many of the SASB standards for the Mortgage Finance industry do not directly apply to our operations. We have provided disclosure where applicable and supplemented the narrative with our efforts which we believe are most relevant to our business. Throughout this document, we also indicate where we believe our practices support efforts to meet the United Nations' Sustainable Development Goals (UN SDGs). This document is also supplemented by a summary of our disclosures within the framework of the Taskforce on Climate-related Financial Disclosures, which can be found in the Environmental section of the report. This document covers ESG disclosures for Walker & Dunlop, Inc., and its subsidiaries (together, "Walker & Dunlop," "W&D", "our," or "we") from January 1, 2021, through December 31, 2021, unless otherwise noted.

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ABOUT US

Walker & Dunlop (NYSE: WD) is one of the largest providers of capital to the commercial real estate industry in the United States, enabling real estate owners and operators to bring their visions of communities — where Americans live, work, shop, and play — to life.

Our people, brand, and technology make W&D one of the most insightful and customer-focused firms in our industry. With more than 1,400 employees across every major U.S. market, Walker & Dunlop has consistently been named one of Fortune's Great Places to Work® and is committed to making the commercial real estate industry more inclusive and diverse while creating meaningful social, environmental, and economic change in our communities.

See Our Rankings

ACTIVITY METRICS

	2021	2020	2019	2018
Transaction Volume ($M)	68,166	41,084	31,967	28,048
Total Revenue ($M)	1,259	1,084	817	725
Net Income ($M)	266	246	173	161
(1) Number and (2) value of mortgages originated by category: **(a) residential [1]** **(b) commercial** **[SASB: FN-MF-000.A]**	(a) 0; $0 (b) 2,084; $49.0B	(a) 0; $0 (b) 1,626; $35.0B	(a) 0; $0 (b) 1,482; $26.6B	(a) 0; $0 (b) 1,337; $25.3B
(1) Number and (2) value of mortgages purchased by category [2]: **(a) residential** **(b) commercial** **[SASB: FN-MF-000.B]**	(a) 0; $0 (b) 0; $0	(a) 0; $0 (b) 0; $0	(a) 0; $0 (b) 0; $0	(a) 0; $0 (b) 0; $0
Full-time Employees (as of December 31)	1,305	988	823	723

[1] *Walker & Dunlop does not originate residential mortgages, only commercial loans, including for multifamily, office, industrial, retail, hospitality, and healthcare properties. Accordingly, we believe that the SASB Mortgage Finance's Discriminatory Lending topic [FN-MF-270] regarding residential mortgages and remuneration structure of originators is not applicable to the Company.*

[2] *Walker & Dunlop does not purchase commercial real estate or residential real estate loans. Accordingly, we believe that the SASB Mortgage Finance's Activity Metric [FN-MF-000.B] is not an accurate reflection of the operations of the Company.*

WALKER & DUNLOP'S ESG PROGRAM OBJECTIVES

We believe that a healthy environment, properly managed resources, and vibrant communities are keys to a secure and prosperous future. At Walker & Dunlop, we believe community starts here. We view our ESG Program as a process of continuous improvement as we measure and monitor our carbon footprint, look for ways to reduce emissions, and facilitate eco-friendly, green financing for our clients. We seek to attract, hire, include, develop and retain diverse talent across our organization, facilitate the financing of affordable housing, and contribute to the communities in which we live and operate while upholding our code of ethics and corporate governance principles.

Effective corporate governance is critical to executing on our long-term strategy, fulfilling our responsibilities, and delivering value to all our stakeholders. Our governance of ESG-related matters reflects our commitment to strong leadership and oversight at the highest levels of senior management up to the Board of Directors. Further detail of our ESG oversight is included in *the Governance section* of the report.

At the end of 2020, we set specific ESG-related goals as a subset of our five-year strategic growth plan, the *Drive to '25*:

- Continue to neutralize our Greenhouse gas (GHG) emissions each year
- Reduce GHG emissions by 50% from 2019 levels on a per-employee basis
- Increase the proportion of women and underrepresented groups in management positions to 35% and 25%, respectively
- Increase the proportion of women and underrepresented groups among top company earners to 15% each
- Donate 1% of annual income from operations to charitable organizations
- Originate $60 billion of affordable lending (cumulative over the next five years)

We are still in the beginning stages of the *Drive to '25* and have already made meaningful strides in each of these ESG components. All these goals are discussed further on in this report.

ENVIRONMENT

As a leader in the commercial real estate finance industry, we recognize our responsibility to reduce our environmental impact through both our operations and our lending practices. In 2018, we established an employee-led Green Task Force, which focuses on engaging employees in the reduction of resource and electricity usage, waste, employee commuting and the company's carbon footprint. Since 2017, we have remained carbon neutral through the purchase of Renewable Energy Credits (RECs) and carbon offsets. We are also actively involved in the Fannie Mae Green Rewards and Freddie Mac Green Advantage programs, which help property owners reduce their energy and water consumption in multifamily properties. In 2021, we were ranked the #1 Fannie Mae Green lender[1] in the United States, having financed over $1.5 billion of Green Rewards loans.

We engage in environmentally friendly office practices, such as "bean to cup" coffee machines, reusable water bottles, and default double-sided printing on all copy machines while encouraging environmentally friendly commuting, including a flexible telecommuting policy, a pre-tax public transit program, and sustainability-related rewards. In 2021, we transitioned all of our offices to "paperless" through the removal of disposable plates, cups, and cutlery in the kitchens as well as the removal of convenience printers throughout the office space to reduce our paper waste.

Our carbon footprint is measured through a third-party consultant adhering to the Greenhouse Gas Protocol. We have targeted our emissions and energy reduction efforts by measuring and setting goals to reduce all our emissions, both direct and indirect.

Oversight and management of ongoing sustainability commitments have a clear governance and accountability structure as a result of a company-wide culture that encourages ideas, questions, feedback, engagement, and training related to the environmental impact of our business practices.

[1]Green Loans are defined as loans for properties with Green Building Certifications or loans targeting a 30 percent reduction or more in energy and water consumption, inclusive of at least 15 percent energy reduction consumption.

ENERGY & GHG EMISSIONS

Green Buildings (Leased)

We do not own or operate any buildings that our employees occupy, but of the 54 buildings in which we leased space in 2021, 23% of our total occupied square footage (52,544 square feet of 231,409 square feet) was in a green certified building.[1]

As tenants, in most cases, we are not able to retrofit or improve these leased spaces to align with green certification requirements; however, we are focused on improving our leased spaces to increase energy efficiency and decrease water usage in cases that our leases permit us to make such improvements. We will continue to pursue green building certifications when considering lease renewals and new office locations. For example, we relocated our corporate headquarters in Bethesda, Maryland in January 2022, and when considering options for the new lease, we prioritized relocating to a LEED-certified building. We selected a LEED Gold property, and when designing our own office, we made additional improvements throughout the space that helped us achieve a LEED Gold Certification. Compared to our old headquarters, we project 40% energy savings in our new office.

Investment in Renewable Energy

During 2021, we made the decision to invest in renewable energy farms with the financial benefit of receiving the tax credits associated with these farms. We invested $5.6 million in a 10-megawatt solar energy portfolio comprised of two newly constructed solar energy plants, located in Glenfield and Lowville, New York, respectively. Each megawatt of solar generated energy can power approximately 160 homes each year. The investment was made through a joint venture with 1st Source Bank, a regional bank based in South Bend, Indiana that specializes in solar projects less than 20 megawatts and prioritizes long term relationships with developers and investors. Walker & Dunlop has not made any additional renewable energy investments in 2022, but we will continue to navigate future ventures in the renewable energy space and fortify our commitment to reducing our environmental footprint.

[1] Of the 54 property managers, only eight reported their buildings having a green certification, such as LEED and Energy Star. Many of the property managers either declined to respond or were non-responsive to our questions. It is likely that additional office buildings are green certified, but we do not have complete information at this time.

Carbon Neutrality

We are committed to remaining carbon neutral each year, through purchasing RECs for 100% of our electricity use and purchasing verified carbon offsets to offset all remaining emissions. We have also set targeted emissions reduction goals to reduce emissions intensity, on a per-employee basis. Our 2021 emissions offset with RECs and carbon offsets, will have the equivalent impact of sequestering carbon by 5,238 acres of U.S. forests in one year.

Carbon Footprint

Our carbon footprint approach involves an assessment of direct and indirect emissions resulting from our 2021 operations. Our total carbon footprint, which includes direct (energy consumption at offices) and indirect emissions (business travel, commuting, and waste) was 4,426 MTCO2e in 2021. This is a 53% increase from 2020 during which our total carbon footprint reached 2,898 MTCO2e. A majority of this change is due to a substantial increase in employee business travel and commuting as a result of our employees attending in-person meetings again and our offices opening back up after COVID-19. This year-over-year change is also due to an increase in facilities energy usage and waste generation with more employees in the office. Similarly, our total carbon footprint per employee in 2021, 3.38 MT CO2e/Employee, increased by 16% from 2.92 MT CO2e/Employee in 2020.

CARBON EMISSIONS [1]	2021	2020	2019	2018
Scope 1 emissions (metric tons CO_2e)	710	297	431	400
Market-Based Scope 2 emissions (metric tons CO2e)	0[2]	889	N/A	N/A
Location-Based Scope 2 emissions	1,186	979	996	866
Emissions Intensity (Scope 1 and 2 metric tons CO_2e per $M Total Revenues)	1.7	1.3	1.8	1.8
Scope 3 emissions (metric tons CO_2e) [3]	2,529	1,622	3,643	3,624
Total Emissions (Scope 1, 2 and 3)	4,426	2,898	5,070	4,559
Emissions on a per-employee basis	3.38	2.92	6.15	6.61

EMISSIONS INTENSITY METRICS[4]	2021	2020	2019	2018
Square footage (SF)	251,224	247,505	234,701	196,853
Emissions per 1,000 SF	17.67	11.71	22.40	23.26
Revenue ($B)	$1.259	$1.084	$0.817	$0.725
Emissions per million USD in revenue	3.51	2.67	6.43	6.31
Number of Sites	51	47	44	35

2025 Goal *Reduce total (Scope 1, 2, and 3) emissions by 50% from 2019 levels on a per employee basis.*

[1] *GHG emissions methodology is based on the GHG Protocol Corporate Accounting and Reporting Standard. We emphasize collecting actual activity data (e.g., utility bills) for the year and then scale data gaps using reported data from previously reported years. We also apply facility-specific emission factors whenever possible (e.g., based on local electricity grid factors for electricity). 2021 employee commuting emissions were calculated by conducting a survey of employee commute habits in 2021 to determine number of commuting days, commute distances, and commute modes. We extrapolated commuting data for employees that did not respond to the survey. Location-based electricity emissions are included in totals and intensity metrics in this deck and are calculated based on regional grid emission factors, where utility emission rates are not available. Market-based electricity emissions are based on utility-specific emission rates where available and residual mix emission factors. Market-based emissions account for renewable energy contractual instruments (i.e., direct contracts, certificates, or supplier-specific information).*

[2] *Market-based emissions account for renewable energy contractual instruments (i.e., direct contracts, certificates, or supplier-specific information). Market-based emissions are zero due to Walker & Dunlop's purchase of RECs.*

[3] *Scope 3 includes employee travel (air, rental cars, employee-owned vehicles, taxi/car service, rail, and hotel stays), employee commuting, and waste.*

[4] *Calculated using Total Emissions (Scope 1, 2 and 3).*

Our carbon emissions sources can be subdivided into three categories: Scope 1 which is composed of direct emissions from owned or controlled sources (i.e., stationary combustion and refrigerants); Scope 2 which covers indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed; and Scope 3 which includes all other indirect emissions that occur in our value chain. From 2020 to 2021, carbon emissions from all sources, with the exception of hotel stays, waste, and rental cars increased. Business travel and commuting emissions together have consistently contributed about ~70% of total emissions between 2016 through 2019, but in 2021 these categories fell to ~43% of total emissions due to the office restrictions imposed in response to the COVID-19 pandemic.

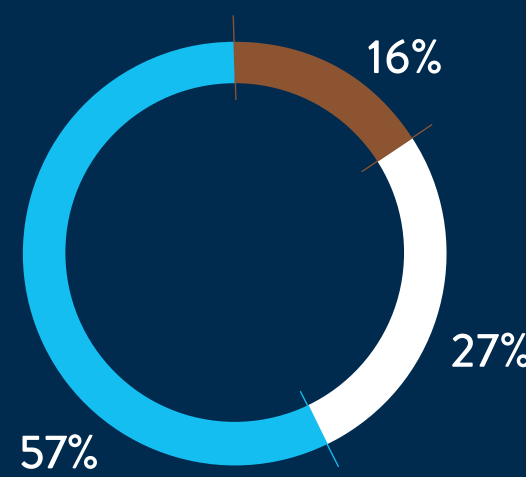
We are committed to remaining carbon neutral each year and will offset 100% of our emissions through the purchase of RECs for 100% of our electricity use, and purchase verified carbon offsets to offset all remaining emissions. In addition, by 2025, we have set a goal to reduce emissions (Scope 1, 2, and 3) by 50% from 2019 levels on a per employee basis. In 2021, we achieved this goal, reducing our emissions per employee by exactly 50% from a 2019 base year. In 2021, we updated our work from home policy from allowing two remote days per month to two remote days per week, which was a large factor in achieving this emissions reduction goal by 2025. Employee commuting and travel are the largest components of our Scope 3 emissions, so an increase in teleworking should positively impact our Scope 3 emissions. Walker & Dunlop will continue to monitor our total emissions produced in 2022 to determine if we should revise our emissions reduction target to a more ambitious level.

Also, as many of our large leases expire in the next few years, we will prioritize transitioning our leases to LEED, Energy Star or other Green-certified buildings.

GHG Emissions by Scope

From 2020 to 2021, emissions have increased at a higher rate than employees, square footage, and revenue. The increase in emissions is in part due to the increase in employees, square footage, and business travel and commuting due to the gradual return to pre-COVID-19 pandemic travel habits.

- Scope 1 Emissions
- Scope 2 Emissions
- Scope 3 Emissions

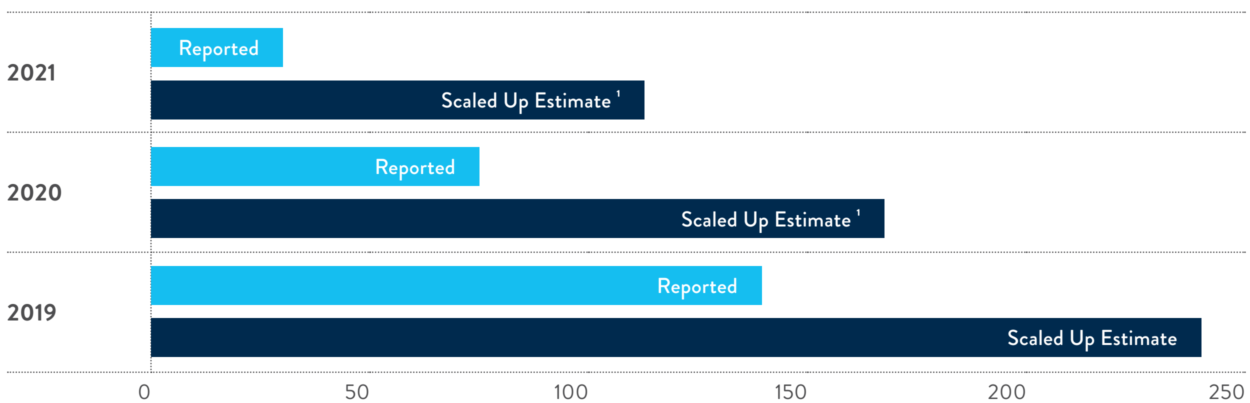


WASTE & RECYCLING

Recycling

In 2021, our landfill/waste-to-energy diversion rate was 51% based on reported data. This rate mainly reflects recycling, with two of our offices composting. Some sites only reported recycling data, which likely skews the diversion rate upward. We actively engage with employees on waste generation and recycling practices and seek to implement waste reduction policies like our 2021 initiative to transition all office kitchens to paperless.

Solid Waste (Short Tons)



[1] Scaled-up estimate calculates the data gaps from unreported facility data by using reported data from previous years

Key Climate-Related Risks

	Time Horizon	Description
Physical		
Acute	Short-term (0-1 years) Medium-term (1-5 years) Long-term (5-10>10 years)	Risk of severe weather events (e.g., natural disasters such as flooding, hurricanes, tornados) impacting offices that we lease and occupy, commercial real estate properties that we finance and our clients who own these properties, and key vendors that we work with.
Chronic	Short-term (0-1 years) Medium-term (1-5 years) Long-term (5-10>10 years)	Risk of (1) extreme variability in weather patterns; (2) rising mean temperatures; and (3) rising sea levels impacting offices that we lease and occupy, commercial real estate properties that we finance and our clients who own these properties, and our key vendors with operations located in these high-risk areas. Risk of (1) extreme variability in weather patterns; (2) rising mean temperatures; and (3) rising sea levels causing increased insurance premiums and potential for reduced availability of insurance on offices we lease and occupy and commercial real estate properties we finance in high-risk areas. Risk of (1) extreme variability in weather patterns; (2) rising mean temperatures; and (3) rising sea levels impacting company borrower bases that are located in susceptible high-risk areas.
Transitional		
Policy & Legal	Short-term (0-1 years) Medium-term (1-5 years)	Risk of regulatory change as it relates to emissions reporting obligations, emissions taxes, or cap and trade policies.
Market	Medium-term (1-5 years) Long-term (5-10>10 years)	Risk of climate driven migration shifting current markets that we serve and in which we operate.
Reputation	Short-term (0-1 years) Medium-term (1-5 years) Long-term (5-10>10 years)	Risk to reputation (with all stakeholders, including clients, workforce, general marketplace) based on our response, or lack thereof, to mitigate climate change and address potential risks.

Key Climate-Related Opportunities

	Time Horizon	Description
Market	Short-term (0-1 years) Medium-term (1-5 years) Long-term (5-10>10 years)	Opportunity of climate migration shifting current markets we serve to different markets and potentially creating new markets. Opportunity for new business offering to provide sustainability services and advice to clients to help them achieve sustainable building improvements
Technology	Short-term (0-1 years) Medium-term (1-5 years) Long-term (5-10>10 years)	Opportunity from technological advances (such as office building automations and renewable technologies) that would positively impact our related costs and revenues.
Reputation	Medium-term (1-5 years) Long-term (5-10>10 years)	Opportunity for improved reputation (with all stakeholders, including clients, workforce, and general marketplace) based on our response to mitigate climate change and address potential opportunities (adopting improved technologies, providing advisory services to clients, etc.). Opportunity for improved reputation by offering sustainability consulting advice via our partnerships with the Fannie Mae Green Rewards and Freddie Mac Green Advantage programs, ultimately maximizing value to clients.

Task Force on Climate-related Financial Disclosures

In accordance with our mission to become the premier commercial real estate finance company in the U.S., we are taking actionable steps to improve our sustainability solutions by addressing the implications of climate change in our operations, products, and partnerships. We recognize the vital responsibility of lessening corporate impacts on climate change and are committed to playing a role in its mitigation. This responsibility led us to formally adopt the Task Force on Climate-related Financial Disclosure (TCFD), whose framework provides clear and effective risk evaluations associated with climate change.

Our full TCFD report, which was published in the summer of 2022, not only provides transparency on our climate-related risks and opportunities, but also outlines our strategic approach to managing these identified risks and pursuing these climate-related opportunities. This report describes how we are working to integrate relevant climate change considerations into governance, strategy, risk management, and metrics/targets that we believe will provide long-term benefits to our business, our clients, and all of our stakeholders.

Following TCFD guidance, we outlined our key climate-related risks and opportunities as reflected to the left.

ENVIRONMENTAL RISK TO MORTGAGED PROPERTIES

Description of How Climate Change and Other Environmental Risks are Incorporated into Mortgage Origination and Underwriting

[SASB FN-MF-450a.3]

As the largest Fannie Mae Delegated Underwriting and Servicing™ ("DUS[1]") Lender and the fourth-largest Freddie Mac Multifamily Optigo® Seller/Servicer in the country, we are actively involved in the Fannie Mae Green Rewards and Freddie Mac Green Advantage programs, both of which provide financing to multifamily properties to finance energy and water efficiency improvements that will contribute to the mitigation of climate change and related environmental risks. Through our lending activities with other capital providers across the country, in multifamily, office, industrial, retail, and beyond, we help property owners reduce their energy and water consumption through property improvements and are active in financing LEED and other green-certified properties. Over the past three years, we have financed nearly $9 billion of Green-certified buildings, representing approximately 8% of our total lending volume. In 2021, we were ranked the #1 Fannie Mae DUS Producer for Green Financing.

We also actively monitor the ways in which climate change and environmental risks, particularly related to physical climate events, could impact our business. Severe weather events could have permanent impacts on the commercial real estate markets in which we operate and transact. Markets at high risk of severe weather events may make properties in those areas more expensive to maintain, potentially weakening the performance of those properties and adversely impacting the performance of our at-risk portfolio. We manage this risk by maintaining a geographically diverse portfolio. Additionally, we take physical climate risk into account when underwriting transactions and with the management of our at-risk servicing portfolio.

[1] *DUS program grants approved lenders the ability to underwrite, close, and sell loans on multifamily properties to Fannie Mae without prior Fannie Mae review.*

Physical Climate-Related Risk by Area:

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

[SASB FN-MF-450a.1]
[SASB FN-MF-450a.2] [1]

When assessing climate change-related risks, we consider current and emerging regulations, legal affairs and potential for litigation, technological advances, market influences, and more generally, the potential physical impacts from climate change. We both assess and manage these risks through our Risk Committee's Enterprise Risk Management (ERM) process as managed by the Risk Committee and ultimately overseen by the Board of Directors. Through identifying these risks, we are also able to identify related opportunities to improve our operations and business model. We regularly reassess and update risk management policies and programs to align with best practices and aim to anticipate emerging risks and opportunities. We disclose climate risks in two categories: physical risks and transitional risks. Physical risks include both acute risks – natural disasters, etc. – that are projected to worsen as a result of climate change, and chronic risks – permanent increases in temperature, sea levels, etc. – that impact buildings and infrastructure. Transitional risks comprise the transitions companies will have to make as we move to a lower-carbon economy as a result of climate change impacts.

We actively monitor the climate-related risks that could impact our at-risk servicing portfolio. As of December 31, 2021, of our $50 billion at-risk servicing portfolio, comprised of over 2,900 loans, 200 of these loans, are located in a Special Flood Hazard Area (SFHA). These affected loans represent 7% of our at-risk servicing portfolio on a loan count basis. 697 of these loans, representing a UPB of $15.1 billion, are located in either High or Very-High Hurricane Risk Areas (as defined by ESRI's Hurricane Risk Index). These affected loans represent 23% of our at-risk servicing portfolio on a loan count basis and 30% on a UPB basis. If these loans were to default due to destruction caused by severe weather events, we would retain some risk of loss because of our risk-sharing obligations. To mitigate this risk, we require that borrowers with properties in these high-risk areas carry appropriate levels of flood and/or windstorm insurance. The insurance coverage is reviewed both prior to loan closing and annually throughout the term of the loan.

For more detail on the climate related-risks we deem to be material to our business, please view our full TCFD report.

[1] The (1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region are not disclosed. The Company is reviewing the feasibility of capturing and reporting such data for future disclosure

HUMAN CAPITAL & DEVELOPMENT

DIVERSITY, EQUITY, AND INCLUSION

DE&I Efforts

At Walker & Dunlop, we treat all individuals with empathy and respect and create opportunities for our employees to belong and thrive. Through a growing range of initiatives, we work to ensure a safe and supportive work environment across all our offices and to actively expand the range of perspectives and experiences that contribute to our shared success.

As outlined in our *Drive to '25* ESG goals, by 2025 we plan to increase the proportion of women in management positions to 35%, up from 27% in 2021, and the proportion of underrepresented groups in management positions by 25%, up from 14% in 2021.

For the first time, in 2021, we assigned DE&I goals to all employees across the organization, and we directly linked them to 2021 bonus payments. This is in addition to outlining concrete, compensation-related DE&I goals for senior management.

As a company, we recognize that we must continuously improve and change, especially as we grow. In January 2021, we reached the 1,000-employee milestone, and by the end of the year, we had more than 1,300 employees. While this growth is needed to support strong business performance, it also means that we need to consider how our community, culture, and

2025 Goal — *Increase the proportion of women in management positions to 35%*

2025 Goal — *Increase the proportion of underrepresented groups in management positions by 25%*

2021 DEI Goals and Achievements

2021 Goal	2021 Achievements
Achieve year-over-year (YOY) growth in the number of women in our top 20% compensated employees	Achieved YOY growth of **51%** Ended 2021 at **14% (target was 10%)**
Achieve YOY growth in the number of racially/ ethnically diverse persons in our top 20% compensated employees.	Achieved YOY growth of **6%** Ended 2021 at **6% (target was 7%)**
Achieve YOY growth in the number of women in management positions (AVP/Associate Director +).	Achieved YOY growth of **39%** Ended 2021 at **27% (target was 26.5%)**
Achieve YOY growth in the number of racially/ ethnically diverse persons in management positions (AVP/Associate Director +).	Achieved YOY growth of **67%** Ended 2021 at **14% (target was 12%)**

employee experience are changing. We are mindful that while some employees find that their experience at Walker & Dunlop is supportive and rewarding, others may feel that they need more to make their time here meaningful.

We conduct an annual engagement survey to assess our inclusiveness, in addition to a number of other experiences, from the perspective of our employees. In 2020, 73% of respondents felt they can be themselves at work, whereas in 2021, 90% of respondents felt that way. In 2020, 84% of our employees agreed that people at Walker & Dunlop are treated fairly regardless of their age, 91% agreed that people are treated fairly regardless of their gender, and 93% agreed that people are treated fairly regardless of their race. In 2021, those percentages went up to 94%, 93%, and 95% for age, gender, and race, respectively. It is important to highlight that these scores typically decrease as companies grow in size; yet our scores increased synchronously with our growth in size, suggesting a promising trend for our workplace inclusiveness.

We compete for the best-qualified candidates for each position. As U.S. demographic statistics trend toward a more racially, ethnically, and gender diverse employee and client population, we will continue to lead as a best-in-class employer by ensuring our personnel efforts are applying best practices to recruit, support, engage, and retain a diverse employee base. For us, diversity is ensuring that we have employees with different backgrounds, perspectives, and experiences in order to bring diversity of thought, which is vital at every level of the business. We embrace a culture of growth, learning, and acceptance.

Building on our annual engagement survey, to determine what and where we needed to improve, we partnered with several external vendors to conduct anonymous audits, benchmarking and surveys, implemented new training and development programs, and endeavored to improve our existing policies and procedures to make them more inclusive and reflective of our company values.

We embarked on two equity audits: one through Management Leadership for Tomorrow (MLT)'s Black Equity at Work Certification, of which we are an inaugural corporate sponsor, and another through COQUAL with a broad equity focus. Part of our COQUAL audit included completely anonymous virtual focus groups where each employee could safely share their feelings and experiences. These sessions specifically focused on inclusion, belonging, and the factors that influence someone's ability to grow and succeed in their career. We listened to all the feedback from these sessions, using direct employee feedback as a critical part of our effort to build a more diverse and inclusive workplace, really examining our company's culture in the effort to improve.

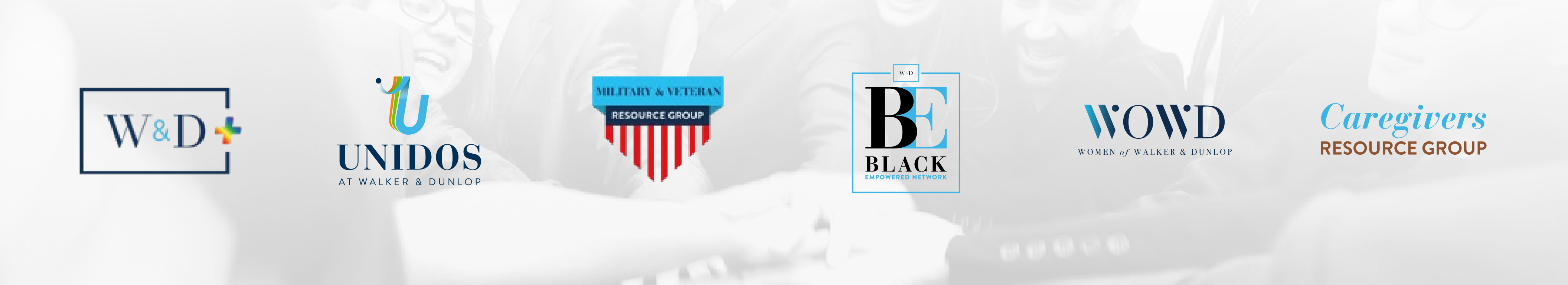
We participated in the Bloomberg Gender-Equality Index for the first time in 2021. The Index tracks the performance of public companies committed to disclosing their efforts to support gender equality. This was a significant step and part of our overall ESG plan to highlight our DE&I efforts with potential investors. The process of participating in the index involved collecting data across the following five key pillars that allowed us to assess and measure our current gender equality (all data captured was for fiscal year end 2020): female leadership & talent pipeline, equal pay & gender pay parity Inclusive culture, anti-sexual harassment policies and developing a pro-women brand. We will continue to aim for inclusion and improvement in the Index in the future.

Finally, we participated in the inaugural Mortgage Bankers Diversity survey conducted of member organizations established to build a baseline understanding of DE&I at member firms.

As a result of the feedback channels we created, we made a number of improvements to our offerings and policies. Some highlights include Adoption Assistance, required DE&I training, piloted a women's focused mentor program, and piloted a Black employee focused sponsor program.

Our six employee resource groups ("ERGs") are W&D+ (LGBTQIA+ alliance group), , W&D Black Empowered Network, Unidos@WD (Hispanic and LatinX resource group), Military and Veteran Resource Group, WoWD (Women of Walker & Dunlop), and Caregivers Resource Group, which each strive to support our employees personally and professionally by ensuring they find a place of belonging and shared experience in the workplace.

OUR ERGS



We continued our commitment to train our managers and employees to develop their skills around inclusivity and building diverse teams through four-part course — "Brave Spaces: Equitable and Inclusive Allyship in Practice." This course helped managers and individual contributors to deepen their understanding and practice of equity and inclusion by creating inclusive practices and procedures within our organization. The goal is that this will lead to increase employee inclusion, belonging, innovation and retention, while preparing executives and managers to lead in a more complex, inclusive environment. The training was open to all employees, and we have had more than half of our employees participate in each of the sessions.

In addition, in 2021, we hosted our very first DE&I Leadership Summit. The half-day event featured expert speakers covering topics around allyship, belonging, and inclusive leadership. We further explored these topics through workshops and conversations that enabled participants to dig deep and show up as their authentic selves. We are working to further systemize DE&I training across the organization, focusing on providing appropriate training, programming and manager support based on employee level and leveraging the new learning management system we deployed in 2021.

We are interested in cultivating a vibrant culture not only here at Walker & Dunlop but also within our surrounding communities to create a diverse pipeline of future employees and leaders. We have partnered with North Carolina Central University (NCCU) School of Business to launch its forthcoming real estate MBA program. NCCU, a top historically black university, prioritizes the development and growth of talented minority students – a mission that aligns with our commitment to forming meaningful relationships with organizations providing innovative opportunities to diverse communities.

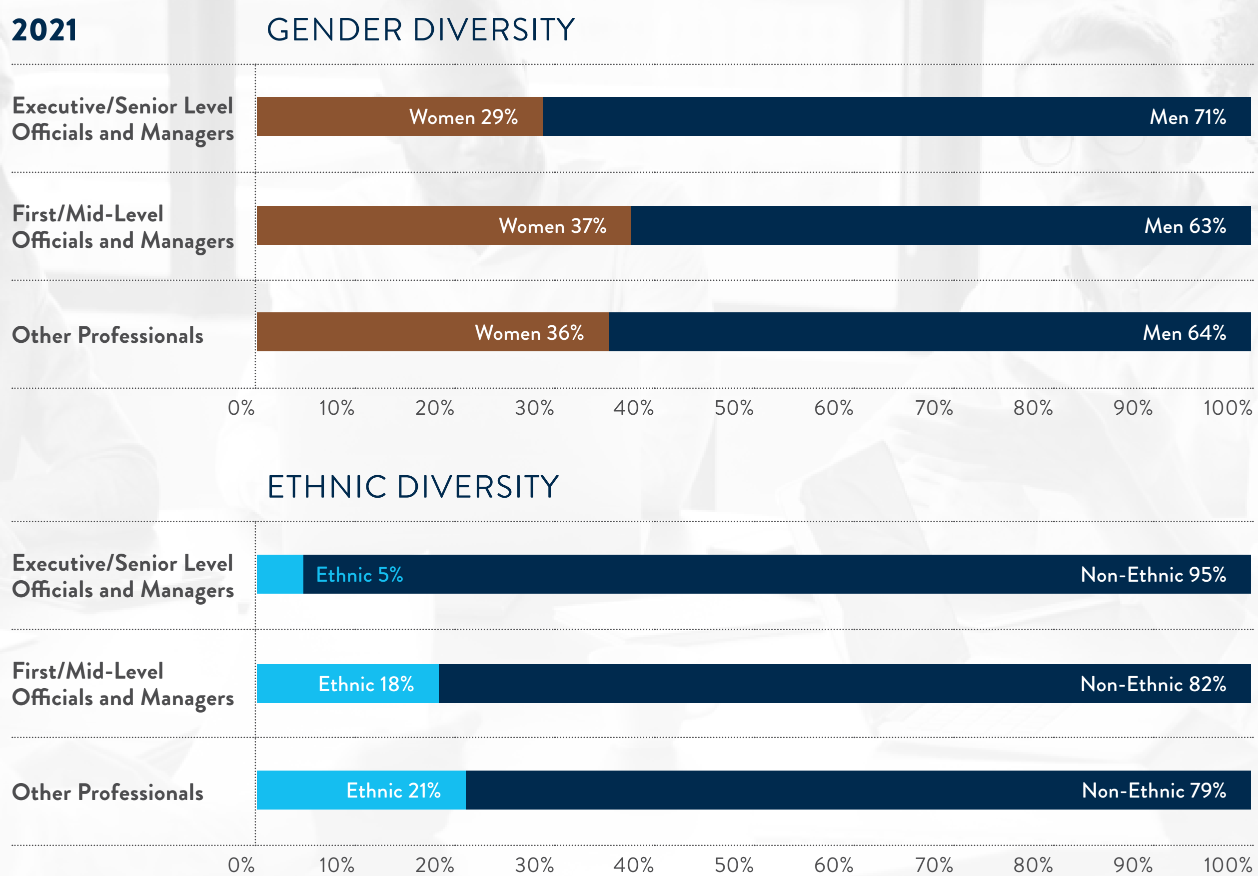
Beyond academic institutions, in partnership with some of the biggest names in the business such as KKR, Freddie Mac, and Fannie Mae, we launched CREUnited. CREUnited is an alliance between key players in the commercial real estate industry focused on developing sustainable solutions for underrepresented groups. Over the past 12 months, CREUnited members have been intentional in understanding the systemic issues and changes required to increase diverse ownership in our industry. The foundation of CREUnited is built on relationships and removing barriers prohibiting growth and access to capital for diverse sponsors. CREUnited's corporate partners are leveraging their platforms to provide channels of education, capital, and partnerships with minority owned CRE firms. We are learning how to grow the initiative by executing on deals and not hypotheticals. Since the inception of the program, Walker & Dunlop has seen over $500 million of deal flow through CREUnited, and we continue to market the program to diverse sponsors. By year end 2022, our goals are to have at least 35 diverse sponsors in the program and $1 billion of business closed.

To learn more about our diversity, equity, and inclusion efforts, view our DE&I brochure.

Equal Employment

Beyond the words printed in our Employee Handbook or stated by our CEO, Willy Walker, when he welcomes employees through our New Employee Orientation meetings, Walker & Dunlop invests significant resources to make us a best-in-class employer. We are working to be a more diverse and inclusive company and change the face of commercial real estate finance in the coming decades.

Percentage of Gender and Racial/Ethnic Group Representation for (1) Management and (2) All Other Employees[1]



[1] *Following the EEO-1 definitions of Executive/Sr. Level and First/Mid-level*

Gender Pay Gap [13]

All Walker & Dunlop Employees: 73%

The gender pay gap is determined by comparing the mean total compensation between men and women at the company. This gap reflects our current organizational structure that has men over-represented in both senior positions and areas of the business that are commission-based. By 2025, we plan to increase the proportion of women and underrepresented groups among top company earners to 15%, up from 14% and 6%, respectively, in 2021 and 9% and 6%, respectively, in 2020. This will be a key driver in our efforts to decrease this pay gap over time.

2025 Goal *Increase the proportion of women and underrepresented groups among the top 20% company earners to 15%*

Equitable Compensation

Annually, Human Resources conducts a pay equity analysis to compare base salary and total compensation across genders and ethnicity. The analysis controls for the variables of age, performance rating, job code, and functional department to determine if there is a pay gap based on gender or ethnicity within those controls. We implemented a new tool starting in 2020 to support more real time and deeper analysis of compensation and roles by gender and ethnicity compared to the market and internal equity. We purchase compensation surveys for purposes of external benchmarking of compensation in the markets where we compete. This enables us to better control for equitable pay in our hiring practices by providing guidance around managing salary ranges while considering an individual's experience as appropriate. Our Recruiting, Employee Relations, and Compensation teams, with support from the Legal team, also engage in ongoing, personalized equity analyses. These analyses are typically conducted when positions open, when employees are hired, or when promotion or bonus determinations are made. Our recruiters and managers also receive dedicated training on our EEO standards, including on pay equity.

[13] *Gender pay gap calculated using Bloomberg's Gender Equality Index methodology: Includes all employees at Walker & Dunlop as of 12/31/21 and their income for the year-ended regardless of when an employee started working at the Company during the fiscal year.*

EMPLOYEE RECRUITMENT, ENGAGEMENT & RETENTION

Employee Engagement

We pride ourselves on having big company capabilities with a small company feel, where our employees feel that they are part of the W&D family. Our teams and departments work well together based on relationships founded in deep respect. We've been recognized repeatedly as a Great Place to Work by *Fortune Magazine* and *The Washington Post*. Annually, as noted above, we conduct a company-wide employee engagement survey facilitated by a third party, which focuses on the employee experience, corporate culture, and various metrics that make an organization a "great place to work." In 2021, almost half of our employees participated. 95% of the respondents indicated that, taking everything into account, they believe W&D is a great place to work.

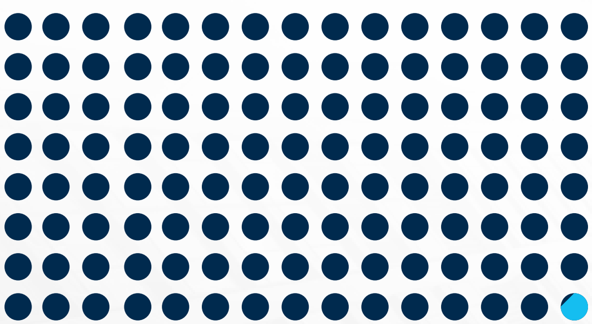
The results of the survey illustrated that our employees believe management has a clear view of where the organization is going and is honest and ethical in its business practices, people are willing to give extra to get the job done, and that our customers would rate the service we deliver as "excellent".

Periodically, we have supplemented this annual survey with employee engagement surveys created and facilitated internally to support the organization at the department or office level.

We have leveraged survey results to enact positive change across the organization. In response to our employees' feedback received through these surveys, we've identified new ways to reward and compensate employees, continued to build transparency in communication, and updated our feedback and review process to be more employee driven.

Customer service is extremely important to us, and we also leverage surveys to better understand how our clients perceive us. In 2021 we calculated our Net Promoter Score® ("NPS"), which measures customer experience and their overall perception of our brand. Out of 410 responders to our survey, 374 were "Promoters", producing a n NPS of 88, a very positive score out of a total scale of 100.

2021 Employee Distribution



Full Time: 1,298 Employees
Part Time: 7 Employees

Each circle represents 10 employees

Employee Turnover Rate

Voluntary: 12%
Involuntary: 3%
Total: 15%

Voluntary: 7%
Involuntary: 4%
Total: 11%

Voluntary: 8%
Involuntary: 3%
Total: 11%

Voluntary: 9%
Involuntary: 3%
Total: 12%

COVID-19 Response

In response to the COVID-19 pandemic, we swiftly pivoted to adapt to the new workplace demands and needs of our team, led by a COVID-19 Task Force composed of our Chief Human Resources Officer, our Senior Vice President of Office Services, our General Counsel, and our Special Assistant to the CEO. The COVID-19 Task Force played a crucial role in ensuring business continuity, providing frequent updates, and ensuring the mental and physical safety of all our employees.

In 2021, we continued to support our employees and clients through the evolving COVID-19 pandemic and maintained many of the programs and policies that we implemented during 2020 to foster connectivity and support for our employees. Led by our COVID-19 Task Force, we continue to monitor the changes and effects the pandemic has in different regions and act as needed to support our clients and colleagues with as little disruption as possible. We officially re-opened all offices in May of 2022, and we follow locally or nationally mandated protocols and update our workplace policies to reflect the latest recommendations by health authorities. We have all employees self-report positive cases and provide exposure notifications as applicable, make at-home tests available where possible, provide personal protective equipment (PPE) in all of our offices, and encourage eligible employees to get vaccinated.

We believe that being in the office with colleagues and team members is a significant part of what makes Walker & Dunlop a great place to work and has contributed to our success as a company, but we also recognize that many employees value the ability to work from home. To balance the importance of teamwork and collaboration in the office and our employees' desire to work from home on a part-time basis, we have implemented a new flexible work schedule that allows all employees to work remotely up to two days per week. Additional flexibility can be requested by individual employees based on health, personal, or family needs.

Additional Employee Benefits

We provide a competitive suite of benefits offerings, including medical, dental, and vision plans, HSA, FSAs, employer-paid life and disability coverage, employee assistance programs, generous leave programs, and 401(k).

In addition, we believe that a fit employee - physically, financially and emotionally - is a productive employee, so we maintain a robust health and wellness program. During the work week, we offer a variety of perks for keeping energized and healthy. We issue monthly monetary awards to employees for participating in their favorite wellness activities – earning up to $150 per month depending on their level of activity each month. In 2021, we paid $823,450 in wellness reimbursements. 49% of employees participated in the wellness portal by logging wellness activities and 43% of employees earned wellness reimbursements.

To meet a growing demand from our employees for ESG investments, we added two ESG funds as company-sponsored 401k investment options. The first fund is the ***BlackRock Advantage ESG US Equity Instl (BIRIX)***, an actively managed investment that provides broad allocation to U.S. equities and seeks attractive returns through both a traditional and ESG lens. It does this by investing in a portfolio of equity securities of companies with positive aggregate societal impact outcomes, as determined by BlackRock. The second fund, the ***Calvert International Responsible Index I (CDHIX)***, offers broad exposure to companies that meet The Calvert Principles for Responsible Investment (Calvert Principles). The Calvert Principles provide a framework for the evaluation of ESG factors and guide their active engagement efforts with company managements.

Talent Recruitment

Our company is made up of highly driven people. We find those people through a thoughtful recruitment process which includes leveraging our social media presence to give candidates a strong sense of our unique culture, engaging those candidates in carefully constructed phone interviews performed by experienced Talent Acquisition professionals, and functional interviews with several members of the hiring department. We build talent pipelines through our formal college recruiting program and have several partnerships with organizations that allow us a greater reach to diverse talent,including Project Destined, Mortgage Bankers Association's Commercial Real Estate Finance (CREF) Careers, Management Leadership for Tomorrow (MLT), Sponsors for Educational Opportunity (SEO), and Future Housing Leaders.

Our Intern Program ("Ignite") is designed to spark careers for the next generation of W&D employees. For the 2021 program, we partnered with SEO, MLT, ad MBA CREF to help identify diverse interns. As a result, of the 30 interns we hired across the U.S., 27% were women and 40% were people of color. Two of these diverse interns returned as fulltime Analysts in Capital Markets and Information Technology in 2022.

In 2021, out of 473 total new hires, 31% were racially/ethnically diverse and 38% were female. Additionally, our total applicant flow was 44% racially/ethnically diverse and 32% female. We will continue to work to improve the diversity of our new hires.

Performance Review Process

To ensure employees receive the feedback they need to succeed, we revamped our annual review process in both 2021 and 2022. The new Feedback and Review process provides employees with a comprehensive view of their performance by providing the gift of feedback from a variety of colleagues. Employees can receive 'Anytime Feedback' from their colleagues across the Company throughout the year, submitted through our Human Resources Information System, Workday. Employees are empowered to ask for 360 feedback in the new process as well and have the opportunity to highlight their accomplishments in a self-assessment. The Anytime and 360 feedback flows into their review form and influences their performance rating.

Learning and Development

We support the ongoing development and advancement of our employees by offering a variety of learning initiatives, including in-house and external trainings, various management trainings, self-insight activities, and online business and software training. We also pay for professional licensing and industry memberships, as well as offers tuition reimbursement for undergraduate and graduate level courses or other continuing education for full-time and certain part-time employees. With the implementation of a new online learning management system designed for workforce training and development, we have a more formal tracking system to gauge the number of employees who complete training hours each year. All employees have access to countless trainings, videos, and other informational content for a variety of topics including career development, benefits and wellness, skill development, productivity, IT, and software, and many more.

COMMUNITIES

COMMUNITY ENGAGEMENT

Philanthropic/Charity & Communities

At Walker & Dunlop, we are committed to make a lasting and meaningful impact on the communities in which we operate. In addition to our company efforts, providing employees with opportunities to give back to the community is an integral part of W&D's culture. We have set a 2025 goal to donate 1% of our annual income from operations to charitable organizations.

Our primary unified charitable giving cause is ending homelessness and alleviating poverty in the U.S. Each year, we hold an annual fundraiser in support of our corporate charity partners who work towards eliminating the conditions that can lead to homelessness. W&D also offers a Matching Funds Program in which the Company matches employees' eligible charitable contributions of up to $1,000 per year. This includes matching our employees' volunteer time with a contribution of $50 per hour to their organization of choice. Between the Matching Funds Program, our annual fundraiser, and various philanthropic efforts throughout the year, W&D made $1.3 million in charitable donations in 2021. This donation represents 0.4% of our annual income from operations, an increase from 0.2% in 2020.

2025 Goal *Donate 1% of annual income from operations to philanthropic efforts*

Employee Volunteerism

At Walker & Dunlop, we are a community, connected by our values, our relationships, and our drive to make an impact. In 2021, we hosted a virtual volunteer week, encouraging employees to safely engage with community partners amidst COVID restrictions. In 2022 we expanded upon these efforts, launching a W&D Week of Service. This served as part of our new brand purpose campaign – Community Starts Here – and aligns with our *Drive to '25* goal of having every employee take part in at least one volunteer event, striving for 20 hours annually. Service activities included office-sponsored food donation drives, Red Cross blood drives, volunteer opportunities with Junior Achievement™, local food kitchen shifts, and other individual/group volunteer activities as selected.

Throughout the year, we work with organizations that align with our company's focus on ending homelessness: Back On My Feet, which combats homelessness through the power of running, community support and essential employment and housing resources, Community Solutions, which works toward a future without homelessness, in which poverty never follows families beyond a single generation, and Shelter to Shutters, which is dedicated to transitioning individuals from situational homelessness to economic self-sufficiency by engaging and connecting them to the real estate industry.

In addition, Company-sponsored volunteer events are scheduled in individual offices throughout the year. Employees are compensated for their time for volunteering. Individual employees can volunteer up to 4 hours (paid) per month at an organization of their choice.

2025 Goal *Every employee donates at least 20 hours of volunteer time annually*

COMMUNITY

Affordable Housing

Our business touches communities across the United States, and we are able to positively impact these communities through the financing we provide to much-needed affordable housing. In 2021, we financed $10.2 billion of affordable housing. We have set a goal to originate $60 billion of cumulative affordable lending[1] between 2021 and 2025.

Walker & Dunlop is committed to becoming part of the solution to creating, maintaining, and preserving affordable housing across the nation. In 2021, we hired an Affordable Chief Production Officer to lead our affordable housing finance division across multiple capital sources, including Fannie Mae, Freddie Mac, and private capital providers.

Later in the year, we acquired Alliant Capital, Ltd. and its affiliates, ADC Communities and Alliant Strategic Investments (together "Alliant"), immediately making Walker & Dunlop a market leader in affordable housing — providing lending, sales, and tax credit syndication capabilities. Alliant is the 6th largest low-income housing tax credit ("LIHTC") syndicator in the United States, and since its inception, has developed over 100,000 affordable housing units serving over 400,000 families. Alliant develops and finances affordable multifamily properties through three business lines; Alliant Capital, which is a leading LIHTC syndicator that provides financing and equity for the development of affordable housing. ADC Communities, which utilizes joint-venture relationships with developers to develop affordable housing properties, and lastly, Alliant Strategic Investments ("ASI"), which invests in preserving historic affordable and workforce housing throughout the country.

[1] *Following the FHFA definition of affordable housing*

2025 Goal ***Originate $60 billion of cumulative affordable lending between 2021 and 2025.***

ASI Impact Report

At ASI, the health and economic crisis of COVID-19 highlighted the critical need for quality housing and reinforced ASI's commitment to affordable housing that is sustainable, healthy, and stable, and which strengthens the very foundations of the communities they serve. Working alongside many of its partners, ASI creates and preserves affordable and workforce housing properties and ensures that these properties are vibrant and sustainable communities where residents can thrive. Their approach is to make thoughtful investments and support and enhance these investments with additional services emphasizing health and well-being, education, economic advancement, environmental impact, sustainable operations, and community engagement. ASI examines each investment through the lens Environmental, Social, and Governance (ESG) and holds accountability as a core tenet.

Each year, ASI issues its own Impact Report, highlighting how its socially responsible, multifamily investments directly and positively impact the daily lives of its residents and communities. For more information about how ASI incorporates ESG into its operations, please read their 2022 Impact Report.

CASE STUDY

VILLAGE GREEN APARTMENTS

At The Intersection of Sustainability and Affordability

At the core of our business is building communities, and because of that, we have made a fervent commitment to preserving and expanding the availability of affordable housing across the country, enabling more communities to thrive. The affordable housing crisis has continued to exacerbate, which was a driving force in our acquisition of Alliant Capital in 2021. As a combined platform, Walker & Dunlop and Alliant have the ability to provide much needed affordable housing to the market, benefiting all stakeholders involved. Particularly, ASI, which preserves affordable and workforce housing across the country, is committed to creating vibrant and sustainable communities where residents can thrive.

One of example of ASI's environmental and social impact is Village Green Apartments, an affordable multifamily property in its portfolio. Village Green is a 368-unit, affordable housing complex located in San Bernadino, California. It primarily serves families earning 60% or lower of the area median income (AMI). The property was acquired by ASI through a partnership in 2020, and since has become a case study of how ASI can develop both sustainable and socially responsible practices throughout its properties.

In 2021, ASI piloted an audit program to enhance the utility efficiencies of their communities and guide retrofits in areas like electricity, water, and waste management. Village Green was the first property to benefit from the project, and through the audit, all common area lighting at the property was replaced with LED lighting, and high efficiency toilets, showerheads, sink aerators and smart irrigation controllers were installed in all homes. As a result, Village Green has reduced utility expenses by $60,000 annually and has reduced annual utility consumption by 17 million gallons of water and 42K kWh of electricity. The water saved is equivalent to 34 Olympic swimming pools and the GHG emissions saved is equivalent to taking eight cars off the road. To date, ASI has commissioned a utility audit on 35% of its current properties, and they anticipate an average savings of 25% in electricity and natural gas costs and usage and 35% in water cost and usage.

CASE STUDY

ASI also partners with experienced and capable national non-profit resident service providers in many of its communities, with the objective to deliver programs and services to residents which positively impact their social and economic health. Programming addresses specific needs within each ASI community, and at Village Green, family support is of prime importance. For example, families at Village Green had a wonderful end of year at the Good Neighbor Program's Holiday Event. With the support of Toys for Tots, every single child who came through to receive a toy got one. The HAPI Foundation, one of ASI's ongoing community partners, provided donations for a dinner caterer, enabling ASI to feed over 160 families while providing crafts and activities. Beyond the obvious fun that was enjoyed by all, the holiday celebration had a deeper purpose. Recognizing the diversity of cultures, backgrounds, and religions, this was organized as a community-building event inclusive of all Village Green's residents.

GOVERNANCE

Board of Directors [1]

In May of 2022, an independent director retired from the board of directors, changing director independence to 75%, gender diversity to 25%, and ethnic diversity to 25%

Independence **77.8%**

Gender Diversity **22.2%**

Ethnic Diversity **22.2%**

Total Diversity **44.4%**

Average Age (years) **57.6**

Average Tenure (years) **7.5**

Industry Expertise [2] **87.5%**

Independent Lead Director **Yes**

Annual Election of Directors **Yes**

[1] As of 12/31/21

[2] Commercial real estate, commercial lending, and investment advisory/Mergers & Acquisitions

GOVERNANCE AND BUSINESS ETHICS

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Oversight of Corporate Strategy and Risk

Our Board of Directors regularly engages with members of Walker & Dunlop management to review short and long-term business strategy and performance in pursuit of our long-term objectives and sustainable shareholder value creation. During 2021, the Board of Directors held 14 meetings, including four regularly scheduled meetings at which time the Board's committees also convened. The Board continuously monitors risk oversight and designates one meeting each year at which the Board works with management to conduct an in-depth review of the Company's strategic plans and identify the principal issues and risks to accomplishing its strategy. While the full Board has primary responsibility for risk oversight, it utilizes its committees, as appropriate, to monitor and address the risks that may be within the scope of a particular committee's expertise or charter. For example, the Audit Committee oversees our financial statements, internal control over financial reporting, compliance with legal and regulatory requirements and the performance of our internal audit function. The Audit Committee also receives reports from our Chief Information Officer and our Director of Information Security, at least quarterly, on information security and cyber security matters. Generally, the ongoing monitoring of risk and risk mitigation activities have been implemented under the oversight of the full Board, which will use the Board committees as appropriate to oversee management's monitoring and mitigation of risks identified by management that are consistent with the respective Committees' oversight authorities. The Board believes that the composition of its committees, and the distribution of the particular expertise of each committee's members, makes this an appropriate structure to more effectively monitor the risks that relate to the committees' respective oversight authorities.

An important feature of the Board's risk oversight function is to receive regular updates from its committees and management, as appropriate. For example, each year our senior management will work with the head of our internal audit function, who reports directly to the Audit Committee, to develop an audit plan designed to address key corporate governance controls, financial reporting and internal control risks and pre-implementation reviews of significant corporate projects. This plan will subsequently be reviewed by the Audit Committee, and our internal auditors will report the audit results to the Audit Committee on a quarterly basis, or more frequently as needed. The internal auditors also meet regularly with the Audit Committee in executive session. In addition, our General Counsel meets regularly in executive session with the Audit Committee and the Nominating and Corporate Governance Committee and provides them with regular updates regarding material litigation and legal and regulatory compliance matters.

The Compensation Committee is responsible for overseeing compensation risk, including evaluating and assessing risks arising from our compensation policies and practices for all employees and ensuring executive compensation is aligned with performance. The Compensation Committee is charged with monitoring our equity-based compensation plans, including employee benefit plans. The Nominating and Corporate Governance Committee oversees risk related to our overall governance, including Board and committee composition, Board size and structure, director independence and ethical and business conduct.

The full Board is kept informed of each committee's risk oversight and related activities through standard reports to the Board by each committee chairperson, frequent non-member attendance at committee meetings and committee meeting minutes and resolutions which are made available to all directors. Strategic, operational, and competitive risks are presented and discussed at the Board's regular quarterly meetings. In addition to receiving direct information from its committees, the Board receives updates directly from members of management. For example, a committee of Senior Management comprised of the leaders of our balance sheet Loan Origination, Loan Underwriting, Servicing, Accounting, Legal, Human Resources, Investment Advisory, Information Technology, Investor Relations, Internal Audit and Treasury groups prepare a written report to the full Board at least quarterly, describing key risks faced by us and how they are addressed. Additionally, as needed between Board meetings, our Chairman and Chief Executive Officer, provides reports to the Board on the critical issues we face and the recent developments in our business units, including identified risks.

In 2021, we initiated formal Board-level oversight of ESG matters by our Nominating and Corporate Governance Committee ("NCG Committee"). The NCG Committee is responsible for periodically reviewing ESG-related programs and material ESG disclosures as well as monitoring and managing how our ESG strategy impacts our various stakeholders. The NCG Committee also supports the ongoing tracking and progress towards our ESG goals, as detailed in the Committee's charter. The NCG Committee's oversight began with a formal presentation on our ESG framework and disclosures and a discussion on ESG reporting priorities during the May 2021 Committee meeting. The NCG Committee receives regular updates on ESG matters, from various key stakeholders. During 2021, the NCG Committee received four formal updates on ESG matters during their regularly scheduled meetings.

During 2021, we formalized our ESG Working Group, comprised of department heads of Investor Relations, Human Resources, Office Services, Internal Audit, and Marketing, as well as our VP of Diversity and Inclusion, Deputy General Counsel, Senior Vice President of Affordable Production, and Vice President of Alliant Strategic Investments. The ESG Working Group is responsible for overseeing our short and long-term strategy related to our environmental, social, and governance efforts. The ESG Working Group reports to the NCG Committee of the Board of Directors and is responsible for driving and tracking progress towards our 2025 ESG Goals as well as overseeing ESG reporting and increasing communication across all facets of our ESG program.

For more information see our 2022 proxy statement.

Board Committee and Governance Committee Structure

Board of Directors

W&D Risk Committee

Assist the Board in managing key risks and the policies for monitoring and mitigating risks, including climate-related risk

Legal, Human Resources, Information Technology, Investor Relations, Internal Audit, Servicing, Underwriting, WDIP, Accounting, Treasury, Proprietary Capital

Nominating & Corporate Governance Committee

W&D ESG Working Group

Responsible for making progress towards 2025 ESG goals and overseeing ESG reporting, including climate-related objectives

Legal, Human Resources, Investor Relations, Internal Audit, DE&I, Finance, Marketing, Alliant Capital, Office Services

Compensation Committee

DE&I Goals

A portion of Executive Officer and all employee compensation is being tied to achievement of quantitative long-term DE&I goals

ESG in Executive Compensation

Our Compensation Committee reviews and monitors (1) the development and implementation of goals established from time to time for our performance with respect to ESG initiatives, (2) the development of metrics to gauge progress toward achievement of those goals, and (3) our progress against those goals. In 2021, our Compensation Committee approved a compensation plan for our executive officers that provides for awards based on pre-determined Company, individual and diversity, equity, and inclusion (DE&I) goals set by the Committee. The individual performance goals include corporate leadership and strategic initiatives designed to support the achievement of our *Drive to '25* strategy, and they are collectively weighted at 15%. The DE&I goals are designed to support the ultimate achievement of the DE&I goals included in our *Drive to '25* strategy, and they are weighted at 10%. Specifically, the 2021 DE&I goals include: achieving year over year growth in the number of women and underrepresented groups in management positions; achieving year over year growth in the number of women and underrepresented groups included in our top 20% compensated employees; transitioning to gender and ethnically diverse sales pitch teams by the end of 2021; conducting a third-party audit of our corporate culture and equity and developing an action plan to address the audit findings; and expanding our vendor selection process to promote gender and ethnic diversity.

Code of Business Conduct and Ethics

View Our Code

Training

Our Business Ethics Code is acknowledged by all employees approximately annually and published at the same time as we publish all Employee Handbook policy updates. In 2021, all our new employees were trained on and acknowledged the Business Ethics Code when we published our 2021 Employee Handbook policy updates.

Anti-Bribery & Corruption Policy

View Our Code*

*Please see page 9

Whistleblower Policy

View Our Code*

*Please see page 3

DATA SECURITY

Description of approach to identifying and addressing data security risks

Data Security and protecting the privacy of personal information is of the utmost importance to Walker & Dunlop. Data security risk assessments are conducted for service engagement, including, but not limited to, third party support, vendor connectivity, and systems handling sensitive data. Continuous security monitoring is performed to identify potentially nefarious behavior in our environment and escalated for investigation and remediation.

Operational procedures, management processes, structure of products, employee training, and use of technology are assessed, validated, and tested using industry-standard toolsets. The Technology and Information Working Group meets on a monthly basis to review threats to our environment and oversee our security controls. Further, cyber risks are reviewed and discussed monthly at the Company's Risk Committee and quarterly at the Company's Audit Committee. Risks identified during any of these processes are documented, reviewed, and approved by senior leadership.

Training

Walker & Dunlop believes in continuing education for all of its employees and routinely educates its employees through focused education, training, and simulated exercises. 100% of employees are required to complete annual security training.

Preparedness

At least annually, external penetration tests are performed to identify and remediate potential vulnerabilities in our applications and network. Cybersecurity tabletop simulations are performed with incident responders and leadership to practice response activities and refine our approach to reacting to and handling trending security threats.

Privacy Policy

Walker & Dunlop's Privacy Policy discloses how we collect, use, share, transfer and process information from our services and websites.

W & D

CONTACT

Ginna Semmes
Investor Relations, Walker & Dunlop

gsemmes@walkerdunlop.com

301-215-5506