

2025 TCFD REPORT

WALKER & DUNLOP®





INSIDE THE REPORT

1. INTRODUCTION	3
About Us	3
About This Report	4
2. GOVERNANCE	5
Board Oversight	5
Senior Management	7
3. STRATEGY AND RISK MANAGEMENT	9
Risk Management of Climate Risks	9
Process to Determine Climate-Related Risks and Opportunities	10
Climate-Related Risks and Opportunities	14
4. METRICS AND TARGETS	26
Climate Metrics	27
Climate Targets	28

INTRODUCTION

ABOUT US

[Walker & Dunlop](#) (NYSE: WD) is one of the largest commercial real estate finance and advisory services firms in the United States and internationally. Our ideas and capital create communities where people live, work, shop, and play. Our innovative people, technological capabilities, and breadth of our brand make us one of the most insightful and client-focused firms in the commercial real estate industry.

Through investments in people, brand, and technology, we have built a diversified suite of commercial real estate services to meet the needs of our customers. Our services include multifamily lending, property sales, appraisal, valuation, and research; commercial real estate debt brokerage and advisory services; investment management; and affordable housing lending, tax credit syndication, development, and investment. We leverage our technological resources and investments to provide an enhanced experience for our customers, identify refinancing and other financial and investment opportunities for new and existing customers, and drive efficiencies in our internal processes.

TAKE A CLOSER LOOK



Offices & Locations



Corporate Responsibility



ABOUT THIS REPORT

The Task Force on Climate-related Financial Disclosures (“TCFD”) was established by the Financial Stability Board with the goal of developing voluntary, consistent climate-related financial disclosures that are decision-useful to all relevant stakeholders. The recommendations of the TCFD are focused on four thematic areas to represent core operational pillars, including: (1) governance; (2) strategy; (3) risk management; and (4) metrics and targets. In this report, we discuss our approach to each of these four pillars. The report covers the calendar year 2025, unless otherwise noted.

The evaluation of our business through the lens of the TCFD recommendations has added tremendous value to both our sustainability reporting, in driving increased transparency for our stakeholders, and to our operations in our ability to recognize and address climate-related risks and opportunities to our business. This report is the result of the input and expertise of an internal, cross-functional working group that identifies and rates climate-related risks and opportunities in partnership with a third party. We view our TCFD journey as ongoing and will continue to evaluate and redefine the impacts that climate change may have on our business.

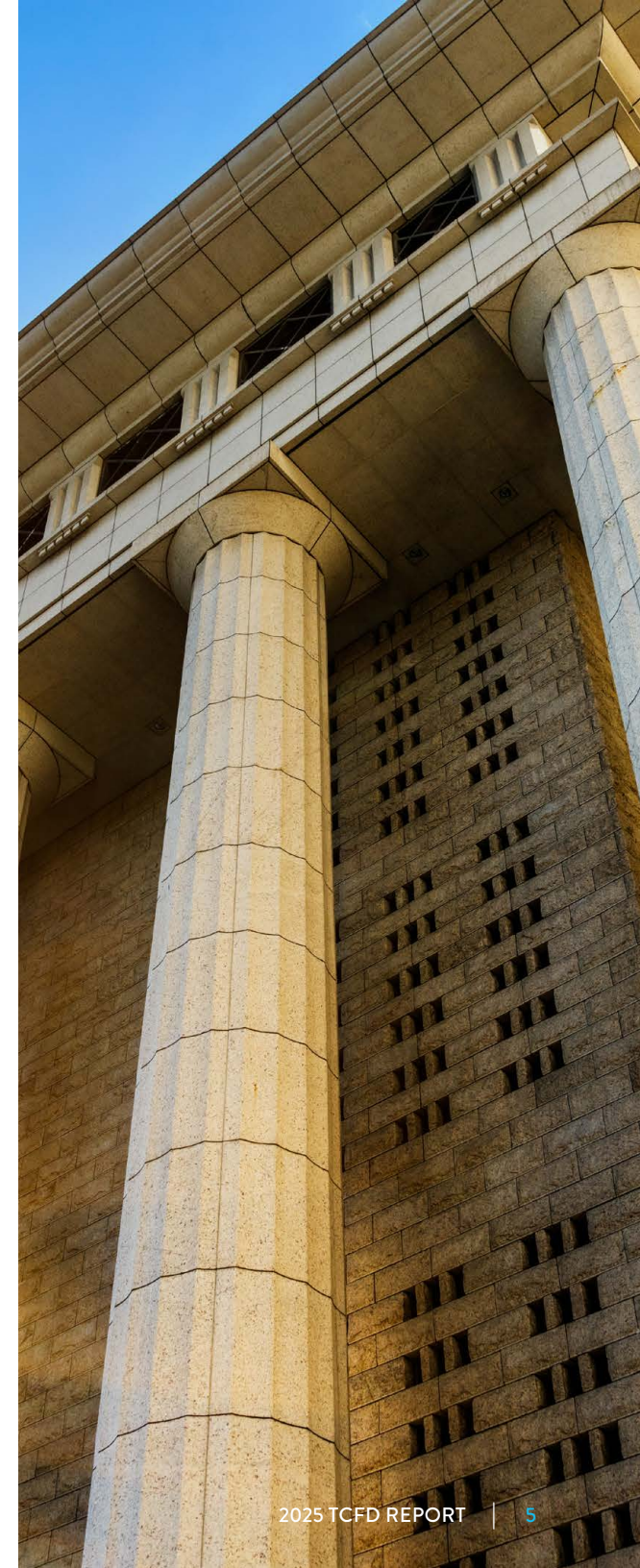
GOVERNANCE

BOARD OVERSIGHT

Effective corporate governance is critical to executing on our long-term strategy, fulfilling our responsibilities to clients, and delivering value to all our stakeholders. Our governance of climate and sustainability-related matters reflects our commitment to strong leadership and oversight at the highest levels of senior management up to the Board of Directors.

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. In accordance with NYSE Corporate Governance Standards, the Audit and Risk Committee Charter assigns to the Audit and Risk Committee the responsibility to review our policies and procedures with respect to risk assessment and risk management. The Audit and Risk Committee receives regular reports from our Executive Vice President, General Counsel, and Secretary, Chief Risk Officer, and SVP of Internal Audit on the Company's inventory of key risks and the risk management controls and other monitoring mechanisms related to the risks and how management identifies new and emerging risks.

An important feature of the Audit and Risk Committee's risk oversight function is to receive regular updates from our CISO and Internal Audit. Each year the SVP of Internal Audit, who reports directly to the Audit and Risk Committee, receives input from senior management on strategic initiatives, emerging risks, changes to business lines, etc. to help our internal auditors 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 is approved annually by the Audit and Risk Committee, and our internal auditors will report their results to the Audit and Risk Committee on a quarterly basis, or more frequently as needed. The SVP of Internal Audit also meets with the Audit and Risk Committee in executive session at least quarterly. In addition, our General Counsel & Secretary meets regularly with the Audit and Risk Committee and the Nominating and Corporate Governance Committee and provides them with regular updates regarding material litigation and legal and regulatory compliance matters.

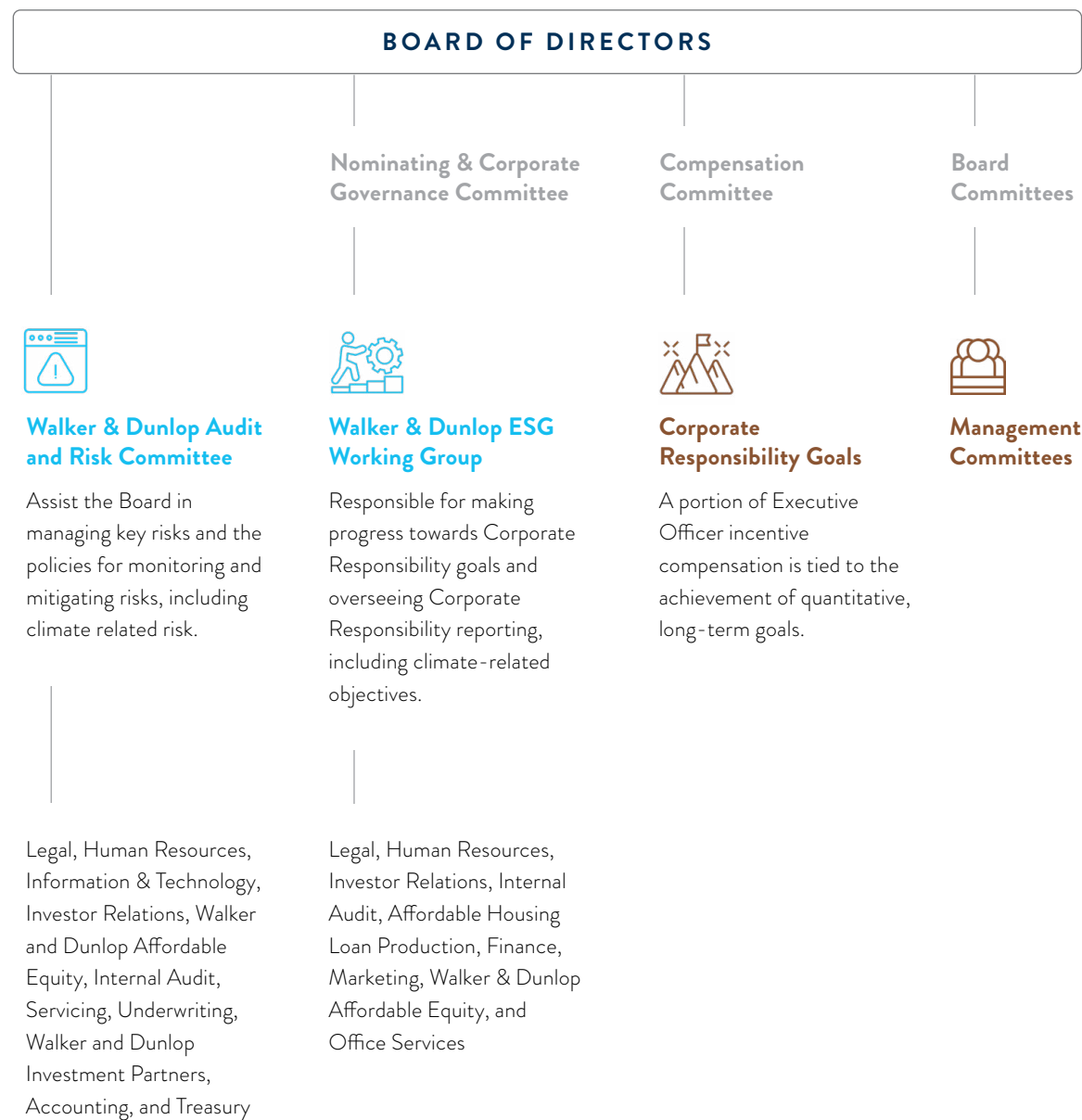


“

At Walker & Dunlop, our ideas and capital create communities where people live, work, shop, and play – and that commitment extends to our environmental impact. We take our role in building a more sustainable future very seriously and are doing this by committing to reducing our emissions intensity, focusing on growing our green financing activities, and empowering W&D to integrate sustainable practices into our operations.”

William M. Walker
Chairman & CEO
Walker & Dunlop

BOARD COMMITTEE AND MANAGEMENT STRUCTURE





“Climate change poses a significant risk to all aspects of the economy and society, and we are working across our organization to manage the impacts of climate change on our business, our clients, and our communities. As part of our overall risk management program, Walker & Dunlop has focused on diligently identifying, assessing, and managing our climate-related risks to reduce their financial and operational impacts and help us create more sustainable business operations.”

Dan Groman
General Counsel & Secretary

SENIOR MANAGEMENT

Our Executive Officers include the Chairman and CEO; Executive Vice President and Chief Operating Officer; Executive Vice President and Chief Financial Officer; Executive Vice President, General Counsel and Secretary; and Executive Vice President and Chief Human Resources Officer (CHRO). In partnership with the Board of Directors, the Executive Officers are ultimately responsible for Walker & Dunlop's strategic vision and executing on that strategy in the short and long term. Included in this is management of our Corporate Responsibility efforts, such as our Affordable Housing initiatives, sustainability initiatives, Human Capital commitments, and progress towards our long-term Corporate Responsibility goals.

Risk Oversight

The Board continuously monitors the Company's risk profile 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 its ongoing operations and accomplishing its strategy. While the full Board has primary responsibility for risk oversight, it utilizes its committees, as appropriate, to monitor and address risks that may be within the scope of a particular committee's expertise or charter.

ESG Working Group

In order to further support the Nominating and Corporate Governance Committee's oversight of ESG, we have an ESG Working Group, comprised of department heads of Investor Relations, Human Resources, Office Services, Internal Audit, and Marketing, as well as our General Counsel and Senior Vice President of Affordable Production. The working group is responsible for overseeing our short and long-term strategy related to our ESG efforts. The working group reports to the Nominating and Corporate Governance Committee of the Board of Directors and is responsible for driving and tracking progress towards our Corporate Responsibility Goals as well as overseeing Corporate Responsibility reporting and increasing communication across all facets of our Corporate Responsibility program.



STRATEGY AND RISK MANAGEMENT

RISK MANAGEMENT OF CLIMATE RISKS

As discussed under the Senior Management section above, our Audit and Risk Committee, which reports to the Board of Directors, is responsible for our policies and procedures with respect to risk assessment and risk management, including key risks to which we are subject, such as cybersecurity risk, credit risk, liquidity risk and market risk, climate-related risks that present physical hazards, and the steps that management has taken to monitor and control exposure to such risks, which is overseen in consultation with our management, and the full Board, as appropriate.

The Company has an Operational and a Financial Risk Committee. In its monthly meetings, the Risk Committees discuss enterprise-level risks, current mitigation strategies, fraud risk, and new/emerging risks, including climate-related risks.

Additionally, each year, every department completes a Business Impact Analysis (BIA) to anticipate the potential consequences of disruptions to each department's normal course of business, including disruptions that could occur because of climate-related events. The BIA includes strategies for mitigation and recovery in the case of these disruptions. Potential risk scenarios include physical risks identified above, such as natural disasters like severe flooding, hurricanes, and earthquakes, which could cause major damage to an office location and thus disrupt business continuity.

The BIA helps ensure operational resilience and functionality of operations during and after these identified disruptions – all in all, it is another crucial exercise to minimize risk and plan for risks that cannot be mitigated. The BIA for each department is reviewed by our Senior Vice President and Associate General Counsel, and the overall Business Continuity Plan is approved by our Executive Committee on an annual basis.

Over the past year, the Company has begun rebuilding its Enterprise Risk Management (ERM) program to better align with its size, complexity, and evolving regulatory expectations. This effort has been driven by continued organizational growth, increasing scrutiny from counterparties and regulators, and the need for a more structured, sustainable approach to risk identification, measurement, and oversight.

A key milestone in this transformation was the hiring of a Chief Risk Officer and the establishment of a dedicated Risk Management function. The Company is in the process of building out its second line of defense, including enhancements to the Compliance function, to provide independent oversight, credible challenge, and improved coordination across risk domains.

The ERM program is transitioning away from a static, inventory-based approach toward a more dynamic framework focused on the identification and active management of the Company's most significant enterprise risks. Current efforts are focused on refining the risk taxonomy, developing risk rating methodologies, and conducting targeted risk assessments to better understand key drivers of risk exposure. This includes the development of meaningful risk metrics, thresholds, and reporting designed to support timely decision-making by management.

Governance structures are also being enhanced to ensure clear accountability and escalation. Senior management committees are being formalized to facilitate regular discussion of key risks, emerging issues, and control effectiveness, with reporting designed to provide the Executive Committee and Board with a clear and actionable view of the Company's risk profile.

This remains an ongoing, iterative process. While progress has been made, the program is still maturing, with near-term priorities focused on deepening risk coverage, strengthening control environments, and aligning risk management practices with business strategy and external expectations. The Company believes that this new approach to ERM will help ensure the correct resources are in place to mitigate current and emerging risks.

CLIMATE SCENARIO ANALYSIS

We actively monitor the climate-related risks that could impact our at-risk servicing portfolio. In 2024, we conducted a formal Climate Risk Assessment and scenario analysis examining the potential impact of weather-related climate events on the properties in our at-risk portfolio, as well as its overall vulnerability in the transition to a low-carbon economy. We will evaluate future opportunities to conduct additional scenario analyses, including a transitional risk scenario analysis.

Following the analysis, we met with a broad group of climate-risk stakeholders at Fannie Mae to discuss the analysis given Fannie Mae's financial stake in the portfolio. Along with the results of the scenario analysis itself, we discussed the complexities of managing transitional risks related to property investments. Transitional risk management involves assessing the risks associated with the transition to a low-carbon economy, such as regulatory changes that could require properties to retrofit to gain energy-efficiencies.

We also discussed the long-term integration of climate risk considerations into broader business operations and regulatory compliance, a focus area for both Fannie and Walker & Dunlop. Importantly, Fannie did not request or propose any changes to our underwriting or portfolio risk management strategy after analyzing the scenario analysis results. Afterwards, we shared Fannie Mae's feedback and gave an informational overview of the analysis to further identify how our strategy may be affected by these climate-related risks down the line.





Scope/Methodology

Using the Intergovernmental Panel on Climate Change (IPCC)'s climate risk framework, this assessment focused on 1,500 properties selected based on both financial materiality and geographical coverage throughout the portfolio. Financial materiality was determined based on the Unpaid Principal Balance (UPB) of loans throughout the portfolio. The selected sample accounts for 80% of the portfolio's UPB and covers 96% of the portfolio's geographical spread.

Climate-related risks were assessed under two extreme climate scenarios (**+2 °C “middle-of-the-road”** and **+4 °C high impact scenario**) and two time horizons (2030 and 2050). Both scenarios combine IPCC's climate change scenarios of projected socioeconomic global changes, known as shared socioeconomic pathways (SSPs). Climate-related risks were assessed under two extreme climate scenarios (+2 °C “middle-of-the-road” and +4 °C high impact) and two time horizons (2030 and 2050). These scenarios use the IPCC's framework combining Shared Socioeconomic Pathways (SSPs) with Representative Concentration Pathways (RCPs).

SSP2-4.5 (≈ +2 °C warming, RCP4.5) assumes small shifts in societal, political, and economic trends, resulting in heterogeneous efforts globally towards reducing emissions. These risks include: 1) income inequality; 2) local, severe climate impacts; and 3) low likelihood of global catastrophes, like mass extinctions.

SSP5-8.5 (≈ +4 °C warming, RCP8.5) assumes limited political momentum and climate ambition with no climate change mitigation actions taken. These risks include: 1) rising temperatures; 2) changing rainfall patterns; and 3) increased frequency and intensity of extreme weather.

Using the same datasets that were used for the Sixth Assessment Report of the IPCC, the assessment accounted for 10 different hazards potentially impacting the portfolio. Each hazard has its own risk rating that considers both the current hazard rating of how often and how severely an area has been affected by certain hazards and how these patterns might change in the future.

Types of hazards we account for:



Heat (heatwaves and heat stress)

Periods of unusually hot and dry, or hot and humid weather



Wildfires

Uncontrolled fires that burn through natural vegetation (grasslands, forests, shrublands) and are caused by natural factors and human activities



Drought

Prolonged period of time (days, months or years) with no or very low precipitation



Water scarcity

Water stress arising from the imbalance between water consumption and supply



Heavy rainfall

Rainfall events occurring for one to several days, with total rainfall exceeding a certain threshold defined for a location



Flooding (riverine and coastal)

River flooding associated with precipitation in catchments and rising sea levels contributing to increased coastal flooding



Tropical cyclones

Wind speeds and return periods of 10,000 years of synthetic tropical storm data for tropical regions



Windstorms

Windstorms occur when mid-latitude (or extra-tropical as they are sometimes called) cyclones pass over a region leading to high wind speeds



Heavy snowfall

Heavy snowfall is characterized as high snow accumulation that disrupts normal activities



Cold waves

A cold wave is a weather phenomenon characterized by an extended period of unusually low temperatures for a particular region

Results/Mitigation Plans

The assessment identified three acute hazards that could present the greatest risk to Walker & Dunlop:

1 Heavy rain



Historically, the majority of the analyzed properties have shown a very high exposure to heavy rain. Heavy precipitation can lead to flooding, which can result in significant property damage. By 2030, all properties under both scenarios are projected to see a low to moderate increase in heavy rainfall intensity.

For the purposes of this report, we focused on potential impacts to the portfolio in the short term — i.e. 2030, which is the most relevant time frame related to the properties currently within our at-risk servicing portfolio.

While these identified hazards are not exhaustive, we will focus on these as the greatest physical hazards when engaging with our stakeholders to determine potential mitigation strategies going forward.

2 Windstorms



Historically, a very large portion of the analyzed properties have shown a very high exposure to windstorms. Windstorms can lead to falling debris and property damage. By 2030, all properties are projected to see a very low to moderate increase in wind gust intensity, with highest risks due to windstorms in properties located in New England and the Mid-Atlantic regions.

If these at-risk loans were to default due to destruction caused by these hazards, we would retain a portion of the risk of loss because of our risk-sharing obligations. Currently, we mitigate these risks by working together with Fannie Mae to ensure that borrowers with properties in these high-risk hazard areas carry appropriate levels of flood and/or windstorm insurance. As a lender, our risks include the borrower maintaining inadequate coverage limits or not having the necessary

3 Tropical cyclones



Historically, coastal properties along the eastern coast of the U.S. have been exposed to severe winds associated with tropical cyclones. These can lead to significant damage to both properties and infrastructure. By 2030, for both scenarios, there is a very high risk of hurricane-level winds for those properties near coastal regions in the eastern U.S.

funds to meet insurance deductibles. Insurance coverage is reviewed both prior to loan closing and annually throughout the term of the loan to maintain adequate protection.

Using the results of our Climate Risk Assessment, Walker & Dunlop will work with relevant stakeholders to analyze the ways these identified risks could impact our business and determine necessary mitigation practices building off existing processes.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

We consider climate change-related risks and opportunities across three time horizons – short, medium, and long term. Within the next year is our short-term horizon, within the next one to five years is our medium-term horizon, and within the next five to ten years (or beyond) is our long-term horizon. We deem our medium-term horizon to be the most applicable and relevant, as there are both physical and transitional climate-related risks that are likely to arise during this time frame that could have a financial impact on our business. Conversely, this time frame also has the possibility for the most climate-related opportunities, as it gives us the time to proactively respond by putting the right programs and infrastructure in place to take full advantage of potential opportunities.

Each year, we hold a TCFD Task Force meeting with various members of management (including employees from legal, servicing, underwriting, internal audit, and human resources) to discuss Walker & Dunlop's risks and opportunities. The group provides valuable input related to longer-term climate risks to our business and our policies and procedures around mitigating these risks.

Climate Risks

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. The Risk Committee utilizes an ERM process to both assess and manage these risks which is 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 seek to anticipate emerging risks and opportunities. We have identified the following short-, medium-, and long-term risks with a potential to have a substantive impact (whether financial or strategic) on our business.

We disclose climate risks in two categories: **physical risks** and **transition risks**. Physical risks include both **acute risks** – natural disasters, etc., and **chronic risks** – permanent increases in temperature, sea levels, etc. – that are projected to worsen as a result of climate change. Transition risks comprise the transitions that companies will have to make as we move toward a lower-carbon economy due to climate change impacts.



Key Climate-Related Risks

	Time Horizon	Description
Physical		
ACUTE	Short-term (0–1 years)	› Risk of severe weather events (e.g., natural disasters such as heavy rain, windstorms, tropical cyclones) impacting i) offices that we lease and occupy; ii) commercial real estate properties that we finance and invest in, and our clients who own these properties; and iii) key vendors that we work with.
	Medium-term (1–5 years)	
	Long-term (5–10>10 years)	
CHRONIC	Short-term (0-1 years)	› Risk of extreme variability in weather patterns, rising mean temperatures, and rising sea levels impacting i) offices that we lease and occupy; ii) commercial real estate properties that we finance and invest in, and our clients who own these properties; and iii) our key vendors with operations located in these high-risk areas.
	Medium-term (1-5 years)	
	Long-term (5-10>10 years)	
Transitional		
POLICY & LEGAL	Short-term (0–1 years)	› Risk of regulatory change as it relates to emissions- or general climate-related obligations as a corporation, or any federal/regional regulatory changes that impact the properties we finance and invest in.
	Medium-term (1–5 years)	
MARKET	Medium-term (1–5 years)	› Risk of climate-driven migration shifting current markets that we serve and in which we operate.
	Long-term (5–10>10 years)	
REPUTATION	Short-term (0–1 years)	› Risk to reputation (with all stakeholders, including clients, fund investors, workforce, general marketplace) based on our response, or lack thereof, to mitigating climate change and addressing potential risks.
	Medium-term (1–5 years)	
	Long-term (5–10>10 years)	

Acute Physical

Risk of severe weather events (e.g., natural disasters such as heavy rain, windstorms, tropical cyclones) impacting i) offices that we lease and occupy; ii) commercial real estate properties that we finance and invest in, as well as our clients who own these properties; and iii) key vendors that we work with.

Severe weather events such as heavy rain, windstorms, or tropical cyclones, among other hazards, associated with climate change could put our offices and employees at risk, as well as those of our key vendors (e.g., appraisal vendors, title insurance companies, and internet service providers) thus affecting our business continuity and our ability to maintain client services. Additionally, these severe weather events could impact areas in which our at-risk serviced loans are located. As the world continues to be impacted by climate change, the intensity and frequency of these severe weather events are likely to increase.

Our at-risk servicing portfolio is defined as a balance of loans that we service on behalf of Fannie Mae as a Delegated Underwriting and Servicing™ (DUS) lender subject to a pre-determined risk-sharing formula on which we

share the risk of loss. If these severe weather events were to impact these properties, they would adversely affect property performance and thus impact our credit performance and financial results.

In addition, we invest in commercial real estate properties through our subsidiaries Walker & Dunlop Affordable Equity and Walker & Dunlop Investment Partners. Walker & Dunlop Affordable Equity is one of the largest tax credit syndicators and affordable housing developers in the U.S. and provides alternative investment management services focused on the affordable housing sector through Low Income Housing Tax Credit (LIHTC) syndication and development of affordable housing projects through joint ventures. We advance funds to our joint venture developer partners for generally short durations in connection with our LIHTC operations. The funds are used to fund the joint venture partner in preparing properties for development and ultimately to be sold or syndicated into a LIHTC fund. To manage our risk of loss on these advances, we evaluate the underlying property fundamentals, the expected cash flows and economics of the LIHTC syndication, and the developer's track



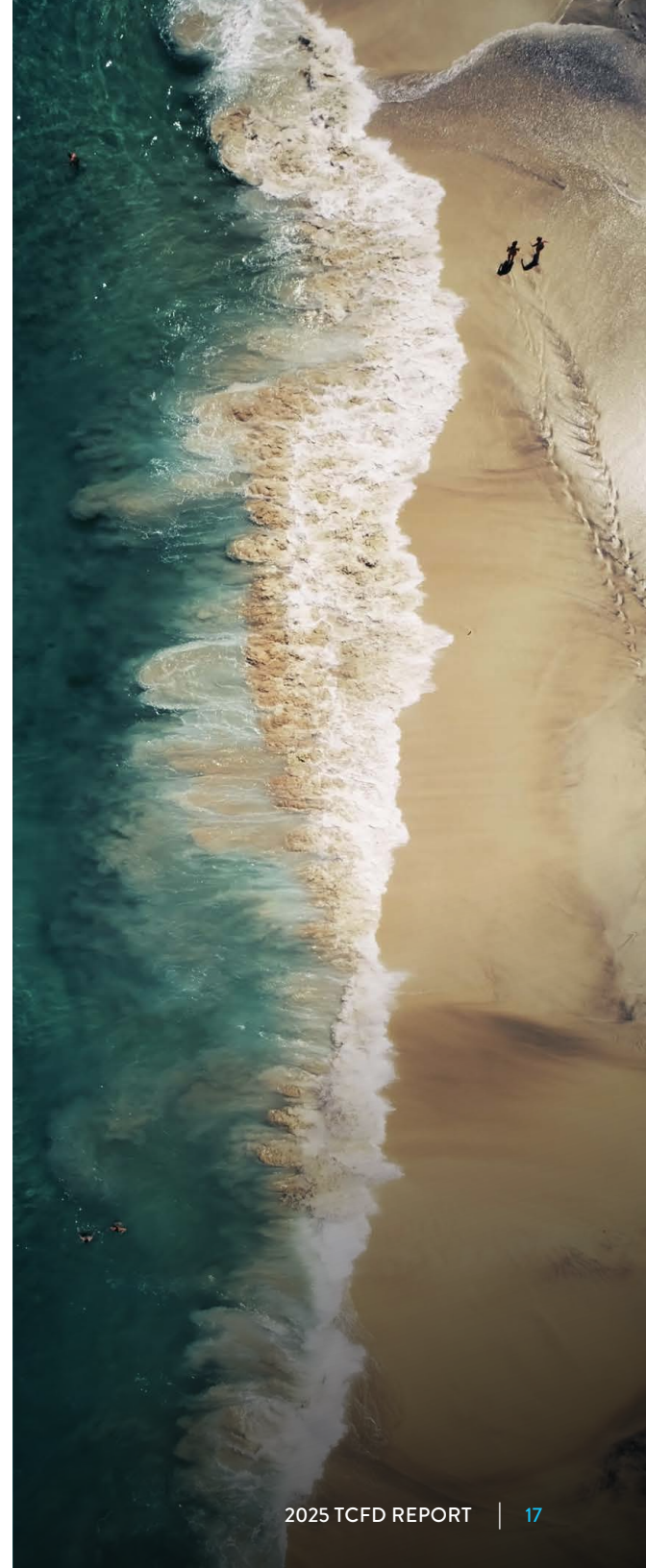
record. Additionally, we continually monitor progress on development deals and take appropriate actions as needed to mitigate our risk of loss, including securing appropriate insurance reserves and contractual agreements to cover any impacts from physical climate risks. Walker & Dunlop Affordable Equity has never incurred a material loss associated with these advances.

Additionally, Walker & Dunlop Investment Partners is a Registered Investment Advisor and the dedicated investment management arm of Walker & Dunlop providing our investors with tailored fund and separate account solutions in commercial real estate. The platform invests in both debt and equity with a focus on multifamily and alternative residential strategies. As of June 2026, Walker & Dunlop Investment Partners has \$18.7 million Assets Under Management consisting of funded investments and unfunded commitments. As with Walker & Dunlop Affordable Equity, Walker & Dunlop Investment Partners mitigates its risk of loss through insurance coverage and contractual agreements with fund investors.

Any destruction of or adverse impact to a real estate property resulting from potential disasters may adversely impact an investment's

receipt and benefit of positive growth and performance. Furthermore, these events may not only damage the properties themselves, but could also impact the broader economy in the region, including negative economic impact and population migration, among other adverse factors. In turn, this would impact our credit performance, fund returns, and overall financial performance.

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. However, we require that borrowers with properties in these high-risk areas carry appropriate levels of flood, windstorm, and/or catastrophic risk insurance, and this coverage is reviewed both prior to loan closing and annually throughout the term of the loan. As a lender, our true risk is if the borrower does not have the necessary funds to meet their insurance deductible, and thus total proceeds are not sufficient to either rebuild the property or payoff the loan in the case of a default. Because of our insurance coverage requirements, the primary risk of having assets exposed to severe weather events falls to those property owners/operators. As described earlier in this report, in 2024 we conducted a Climate Risk Assessment to



analyze the impacts of various climate change scenarios on the at-risk servicing portfolio, and we have used the results of that survey to better understand the risks to that portfolio and enhance our risk management process.

Related to our leased offices, the financial impacts of climate-change related events are difficult to quantify but could result in a loss of employee productivity and client business. We manage this risk through the function of our Office Services and Information Technology teams, which provide services related to the preparation and response to significant natural disasters to protect our employees and office properties as well as ensure business continuity.

For example, each of our offices has an Emergency Response Plan, which includes office closure policies, emergency evacuation plans, natural disaster planning and preparation procedures, and guidance in the case of a loss in building services.

For instance, in response to the Southern California wildfires that occurred in early 2025, our Calabasas, CA office temporarily closed due to power outages and safety concerns. Our Office Services team tailored a Business Continuity Plan in response to the

events with clear action steps for affected employees. Due to Walker & Dunlop's remote work capabilities, our employees were able to work fully remote with no loss of productivity during the office closure. Our team was able to seamlessly prepare a post-communication review to ensure that we are on track with our Business Continuity Plan and can effectively use this same process for other natural disasters that may occur across regions.

Furthermore, our Information & Technology department has a formal Disaster Recovery Plan to ensure continuity of business operations in the event of a climate change-related disaster or other unforeseen event. This plan summarizes recovery time capabilities that minimize or prevent an impact to revenue and reputation and is designed to protect our technology resources against a total outage in our primary data center; provide rapid recovery to support continuity of operations for critical business applications within recovery time objectives; and create clear expectations on protection and recovery strategies.

We host critical business systems in resilient, geographically diverse data centers to minimize the impact of an outage to our business operations due to an unforeseen site disaster.



Chronic Physical

Risk of extreme variability in weather patterns, rising mean temperatures, and rising sea levels impacting offices that we lease and occupy, commercial real estate properties that we finance and invest in, and key vendors that we work with in these high-risk areas.

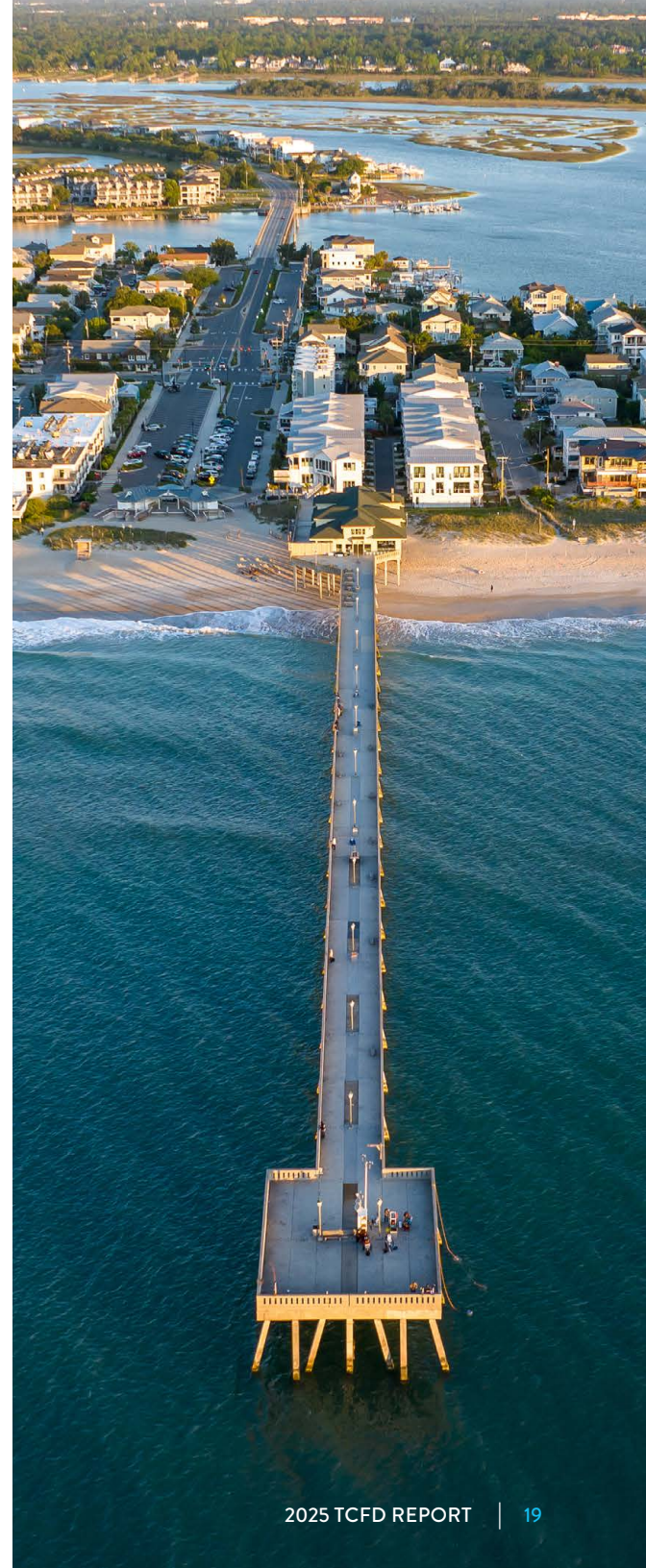
The increased severity of climate-related events, such as variability in weather patterns, could affect our operations and portfolio performance, to the extent such events impact our office locations and operations or affect the operations and properties in our at-risk servicing portfolio and of those we co-invest in through Walker & Dunlop Affordable Equity and Walker & Dunlop Investment Partners. Similarly, such events could also impact the operations of key vendors that are critical to our business, such as appraisers and title insurance companies. We have established business continuity and disaster recovery programs to support business continuity in the face of business disruption, including business interruption insurance to mitigate the impact if we cannot operate out of our offices due to chronic physical climate-related events. Additionally, we have relevant disaster insurance to further mitigate potential financial impacts of chronic physical climate

risks to our offices and the properties we finance and service. Furthermore, in the event that a climate-related casualty makes our offices uninhabitable, many of our office leases provide termination rights or rent abatement during the necessary repair period. For ensuring business continuity with key vendors, we have contingency plans in place to complete, for example, appraisals and title insurance recordings electronically in case a climate-related event was to prevent their normal operations.

Chronic Physical

Risk of extreme variability in weather patterns, rising mean temperatures, and 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 and invest in high-risk areas.

The rise in the frequency and intensity of catastrophic risks – such as hurricanes, wildfires, flooding, tornadoes, and other events tied to climate change – could cause significant risk for insurance companies, thus leading to increased insurance premiums for the properties we finance and service which are located in related high-risk areas. Many



insurance companies draw from reinsurance policies to protect themselves from natural catastrophes; however, the reinsurance industry is currently passing along cost increases to insurers, which will ultimately impact property owners through higher insurance premium expenses and costly deductible buy-downs. Most significantly, the unaffordability of insurance coverage on properties we finance could wipe out certain borrowers with properties concentrated in these high-risk areas or reduce the number and amount of transactions our borrowers enter into, thereby reducing our potential to earn revenues.

Over the past several years, insurance premiums have increased as carriers repriced risk to address elevated catastrophic losses, particularly in high-risk regions such as Florida, Louisiana, and southern Texas. While the pace of increases has moderated in certain markets, premiums remain elevated following multiple years of substantial upward adjustments.

We continue to observe constraints in coverage availability in certain regions. For example, in California, limited capacity of wildfire coverage has driven greater reliance on the California FAIR Plan. In coastal markets such as Florida, Louisiana, and southern Texas,

obtaining competitive named storm coverage remains challenging. Although coverage is generally available, it is often at significantly higher cost and with more restrictive terms. The insurance landscape remains dynamic, with ongoing uncertainty as climate-related risks continue to influence carrier capacity, underwriting standards, and pricing.

As insurance costs remain elevated and coverage availability continues to evolve, we actively work with clients to identify and implement appropriate risk mitigation and insurance strategies. These efforts are focused on managing premium expenses, while ensuring adequate and compliant coverage is maintained.

Chronic Physical

Risk of extreme variability in weather patterns, rising mean temperatures, and rising sea levels impacting the Company's borrower base located in susceptible high-risk areas.

The rise in the frequency and intensity of severe weather events could negatively impact the business operations of some of our clients and borrowers located in high-risk areas. For example, with rising sea levels, coastal areas might eventually be subject to frequent flooding and ultimately become uninhabitable



in the long term. For clients with properties and portfolio concentrations in these areas, they will no longer be able to operate in those locations. In turn, we would also lose that business and the ability to transact with certain clients operating in those locations, negatively impacting our revenues and fund returns to our investors. We will continue to monitor the long-term impacts of climate change on these high-risk areas and use our recently conducted scenario analysis to better understand and mitigate these risks.

TRANSITION RISKS

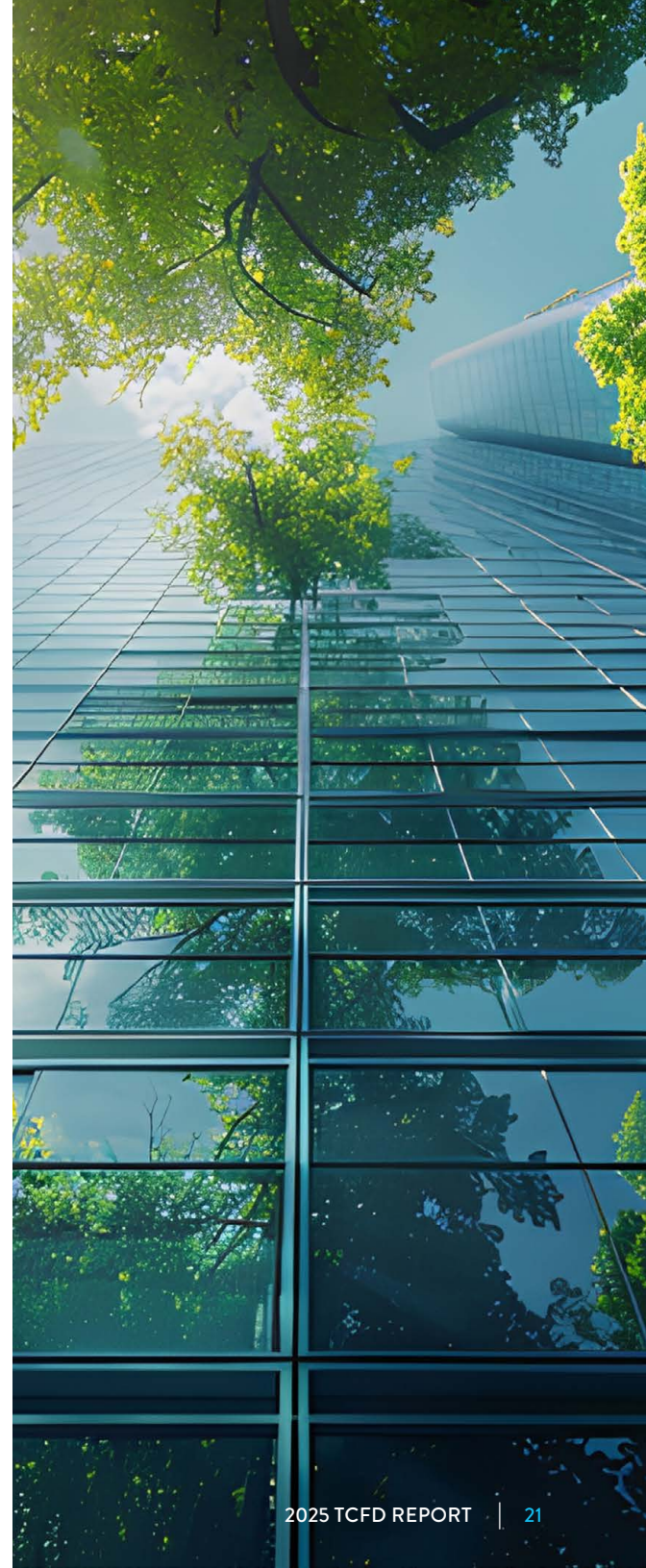
Policy & Legal

Risk of regulatory change as it relates to emissions-related obligations as a corporation, or any federal/regional regulatory changes that impact the offices we lease and occupy and commercial real estate properties we finance and invest in.

Energy use and emissions reporting are fundamental requirements of effective resource management and will increase across our leased office portfolio and at-risk servicing portfolio as we continue to grow. Reporting obligations vary by location across the country and those locations with more stringent reporting requirements increase risk of noncompliance and costs of compliance.

For example, California has imposed climate-related disclosure laws for U.S.-based companies that do business in California. SB253, the Climate Corporate Data Accountability Act, requires businesses with annual revenues of more than \$1 billion that do business in California to disclose Scope 1 and 2 GHG emissions, starting in 2026; and Scope 3 GHG emissions, starting in 2027, including obtaining third-party assurance for these disclosures. We measure and disclose our Scope 1, 2, and 3 emissions utilizing a third-party consultant. Our 2024 emissions were verified by an independent third party, and we will seek third-party assurance for our emissions as required by future regulations. SB261 applies to businesses with annual revenues of more than \$500 million that do business in California, and mandates disclosure of climate-related financial risks and mitigation measures taken to address such risks. By assessing our climate-related risks through the TCFD framework, we are currently in compliance with this measure and will assess any additional regulations made to ensure compliance.

The financial impact of noncompliance with different reporting obligations or mortgage financing regulations is not quantifiable, as fines and penalties for non-compliance vary by incident, location, and over time. We currently



manage this risk by monitoring and evaluating regulatory requirements at both federal, state, and local levels, and communicating these updates both internally through the firm and externally with our clients.

To mitigate the risk of borrower non-compliance with applicable regulations, our loan documents contain provisions requiring compliance with all laws and regulations, including climate-related regulations. In addition to our own surveillance of the rapidly evolving regulatory environment, we also work with industry organizations, such as the Mortgage Bankers Association, to ensure we are informed of all disclosure regulations in the markets we serve. We will continue to actively monitor applicable regulatory developments in this space.

Market

Risk of climate migration shifting markets we serve and in which we operate.

Severe weather events could have permanent impacts on the commercial real estate markets in which we transact and operate. Major markets at high risk of severe weather events could make those areas less desirable and more expensive to maintain, weakening the real estate market demand in those respective

areas, which would impact our business opportunities. As people relocate to areas less susceptible to severe weather events, the U.S. multifamily housing market — the primary industry we serve — could experience significant changes. According to the National Flood Insurance Program, to prevent major locational shifts from areas affected by severe weather events, some state and regional governments have been subsidizing or replacing private insurance to incentivize property owners to remain in their affected locations.

We manage this risk by maintaining a geographically diverse portfolio and monitoring our geographic concentration in certain areas most susceptible to these climate change events.

Additionally, we take climate risk into account when underwriting transactions. The underwriting for each property includes an asset-level engineering and environmental analysis along with an insurance review.

Reputation

Risk to reputation (with stakeholders, clients, workforce, general marketplace) based on our response, or lack thereof, to climate change-related advice.

Our failure to adopt new technologies/ methodologies as it related to creating sustainable practices to address climate change can be an important factor in our investors' investment decision making process and for clients and employees who take climate change-related action seriously. This could create reputational risk, reduce client and employee loyalty, or potentially lead to shareholder divestment and/or activism.

Additionally, Walker & Dunlop Investment Partners does not currently make specific representations to investors that we use ESG factors in our investment approval or underwriting process. Subsequently, if an investment was impacted by a severe climate change-related event, this could impact returns on the fund, thus hurting the reputation and viability of our business as a whole. We mitigate that risk through insurance and various indemnification obligations related to climate-related losses.

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 in adapting to new market needs arising from population and demographic changes linked to climate impacts. › Opportunity to initiate new business offerings 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 operations, services, and related costs and revenues. › Opportunity for improved reputation by offering sustainability consulting advice via our partnerships with the Fannie Mae Green Rewards, Freddie Mac Green Advantage, and HUD Green MIP programs, ultimately maximizing value to clients.
REPUTATION	Medium-term (1–5 years) Long-term (5–10>10 years)	› Opportunity for improved reputation with all stakeholders (including clients, fund investors, our own workforce, and in the marketplace) based on our response to climate change-related advice (adopting improved technologies, providing advisory services to clients, etc.).



Market

Opportunity in adapting to new market needs arising from population and demographic changes linked to climate impacts.

While climate change is only one factor causing market shifts, we expect our business to adapt and grow as new commercial real estate markets emerge, capital and people relocate, or other changes take place due to physical impacts of climate change. Rising sea levels and increased flooding, for example, may encourage people to seek a new location, resulting in demographic shifts and the creation of new markets. By monitoring market trends and educating ourselves on societal location shifts, we can assist clients in taking advantage of low property values in areas that may become new key markets at less risk from climate change. In tandem, as we adjust to new markets, we have the ability to expand our geographic footprint and overall addressable market, creating additional business opportunities.

Market

Opportunity to initiate new business offerings to provide sustainability services and advice to clients to help them achieve sustainable building improvements.

Walker & Dunlop has an opportunity to expand our sustainability advisory business beyond our current partnership with Fannie Mae, Freddie Mac, and HUD's Green financing programs. Today, we solely offer energy consulting through these programs, advising clients on obtaining green building certifications and energy and water efficiencies in their buildings, including preferential pricing and additional loan proceeds for property improvements that increase energy and water efficiency. As we continue to scale, regulations on sustainable buildings expand, and tenant expectations increase the need for sustainable apartment operations, we will likely see an increased demand for this type of service and have an opportunity to enhance our sustainability advisory services beyond our Agency business to help our clients achieve their sustainability goals.

Additionally, through our Walker & Dunlop Investment Partners business, we have the opportunity to raise commercial real estate funds that invest in more sustainable properties.

Technology

Opportunity from technological advances (such as office building automations and renewable technologies) that would positively impact our operations, services, and related costs and revenues.

We have an opportunity to develop a competitive advantage by developing and/or adopting the latest building technologies and other lower emission advancements throughout the offices we lease and occupy, to the extent allowed by our lease agreements. For example, we are committed to increasing our use of public cloud computing and completed our migration to cloud-based servers in 2025. Additionally, we maintain a modern fleet of energy efficient personal computers that carry the Energy Star certification.

Adopting other sustainable business practices (such as virtual property inspections that result in reduced business travel) would also put us in a competitive position as a market leader and would allow us to greatly improve our expense and revenue management, in turn creating increased shareholder value.

Reputation

Opportunity for improved reputation by offering sustainability consulting advice via our partnerships with the Fannie Mae Green Rewards, Freddie Mac Green Advantage, and HUD Green MIP programs, ultimately maximizing value to clients.

Through expanding our sustainability advisory services via our partnerships with Fannie Mae, Freddie Mac, and HUD's Green financing programs, we could maximize our value to clients who are focused on sustainable operations at their properties. Today, we offer energy consulting through these programs, advising clients on obtaining green building certifications and energy and water efficiencies in their buildings, including preferential pricing and additional loan proceeds for property improvements that increase energy and water efficiency. As regulations advocating for sustainable buildings increase and tenant expectations increase the need for sustainable apartment operations, we will likely experience increased demand for these services, and we will be able to enhance our reputation with clients who are focused on achieving certain sustainability goals.

Reputation

Opportunity for improved reputation among our stakeholders (including clients, fund investors, our own workforce, and in the marketplace) based on our response to climate change-related advice (adopting improved technologies, providing advisory services to clients, incorporating ESG-related criteria into our underwriting process, etc.).

Using new technologies and methodologies as discussed above would allow us to be seen as a leader in navigating climate risks and creating sustainable change in our communities. These efforts would, in turn, improve our reputation with our investors who consider climate risk and resiliency as an important part of their investment decision process and our employees, who consider climate change-related action and responses as an important factor in their employment with us. We are committed to creating a positive impact on the environment and the communities we serve and will make a sustained effort to combat climate change throughout our business practices and operations.



METRICS AND TARGETS

CARBON FOOTPRINT

We do not own or operate any buildings that our employees occupy, but of the 58 buildings in which we leased space in 2025, 36% of our total occupied square footage (139,968 square feet of 386,435 square feet) was in a green-certified building, higher than 33% in 2024.

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. We currently have 11 offices with either a LEED or Energy Star certification.

We are focused on minimizing the environmental impact of our operations at all levels of our business. We seek to reduce our carbon footprint through operational efficiencies. The measurement of our carbon footprint involves an assessment of direct and indirect emissions resulting from our annual operations. Our total carbon footprint, which includes direct (energy consumption at offices) and indirect emissions (business travel, commuting, and waste) was 4,615 MTCO₂e in 2025, up 10% from 4,212 MTCO₂e in 2024.

At the end of 2021, Walker & Dunlop acquired Walker & Dunlop Affordable Equity (formerly known as Alliant Capital), which develops and finances affordable housing communities. Its subsidiary, Walker & Dunlop Affordable Preservation (WDAP, formerly known as Alliant Strategic Investments), invests in preserving historic affordable and workforce housing, but in December 2024 sold the WDAP business and its portfolio of assets, as it was determined to no longer be a long-term strategic growth opportunity. As such, a majority of our emissions from 2022-2024 were due to our expanded scope to include WDAP's portfolio. We previously included the emissions from WDAP's portfolio under Category 15: Investments of our scope 3 emissions.

Our total emissions increased mainly due to increased business travel (including both air and ground travel), which increased 55% and 40%, respectively, from 2023. Our office square footage decreased by 4% and our employee count increased 4% from year-end 2024 to year-end 2025. Thus, our 2025 total carbon footprint per employee, 3.15 MTCO₂e/Employee, increased 5% in step from 3.02 MTCO₂e/Employee in 2024 due to increased overall emissions.

GREEN FINANCING

As the largest Fannie Mae Delegated Underwriting and Servicing ("DUS") Lender, the third-largest Freddie Mac Multifamily Optigo® Lender, and the fifth-largest HUD lender in the country, we are actively involved in the Fannie Mae Green Rewards, Freddie Mac Green Advantage, and HUD's Green Mortgage Insurance Premium (MIP) programs, which provide financing to multifamily properties that includes the financing of energy and water efficiency improvements. 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 and are active in financing LEED and other green-certified properties. In 2025, we closed \$3.2 billion of Green Financing with Fannie Mae, Freddie Mac, and HUD, totaling 17% of our total Agency financing.

CLIMATE METRICS

The following table details the Company's carbon emissions footprint, green building certifications, and waste metrics for the trailing eight-year period.

	UNIT	2018	2019	2020	2021	2022	2023	2024	2025
GHG EMISSIONS									
Scope 1 (absolute)	Metric tons CO ₂ e	397	401	288	258	419	339	359	459
Scope 2 (absolute)	Metric tons CO ₂ e	888	1,116	934	1,131	1,670	1,366	1,302	1,426
Scope 1 + 2 (absolute)	Metric tons CO ₂ e	1,266	1,427	1,276	1,896	2,121	1,705	1,661	1,885
Scope 1 + 2 (intensity)	Metric tons CO ₂ e per \$M Total Revenues	1.8	1.8	1.3	1.4	1.8	1.6	1.6	1.6
Scope 3 emissions (absolute) ⁴	Metric tons CO ₂ e	3,578	4,023	1,947	2,922	4,326	3,463	3,827	4,142
Total GHG Emissions (Scope 1, 2, and 3)		3,975	4,424	2,235	3,281	4,768	3,824	3,059	4,615
SUSTAINABLE BUILDINGS⁵									
With a green building certification (absolute)	Square feet	—	—	49,190	52,544	136,798	136,798	136,798	139,968
WASTE (IF APPLICABLE)⁶									
Landfill Diversion Rate	Percent	54%	52%	21%	51%	21%	21%	19%	40%

⁴ Scope 3 includes employee travel (air, rental cars, employee-owned vehicles, taxi/car service, rail, and hotel stays), employee commuting, and waste.

⁵ We do not own or operate any buildings that our employees occupy, but of the 58 buildings in which we leased space in 2025, 36% of our total occupied square footage (139,968 square feet of 386,435 square feet) was in a green-certified building, higher than 33% in 2024.

⁶ Based on reported data. Some sites only reported recycling data, which likely skews the diversion rate upward.

CLIMATE TARGETS

By 2025, we set a goal to reduce emissions (Scope 1, 2, and 3) by 50% from 2019 levels on a per employee basis. We engaged a third-party consultant, ICF, to help measure our emissions and determine a viable emissions reduction goal adhering to the Greenhouse Gas Protocol. For target tracking purposes, Walker & Dunlop uses totals and intensity metrics that incorporate the market-based electricity approach. The market-based electricity approach accounts for reductions in electricity emissions as a result of Renewable Energy Credit (REC) purchases. At the time of setting our goal, we had most recently completed our 2019 GHG inventory and subsequently selected 2019 as the baseline year, which aligns with guidance from the Science Based Targets initiative (SBTi). Because 2019 is Walker & Dunlop's base year for its target and we purchased RECs for the 2019 inventory, this approach reflects the REC purchases in reporting and target tracking.

This reduction goal is derived from a base level of 2019 emissions, which totaled 4,424 metric tons CO₂e- equivalent (MT CO₂e), or 5.3 MT CO₂e/Employee. In 2025, our emissions totaled 3.15 MT CO₂e per employee. Accounting for REC purchases, we achieved a 41% reduction in emissions per employee between our 2019 base year and 2025. While we fell slightly short of our emissions reduction goal, we are proud of the meaningful progress we have made. We will continue to evaluate climate- and emissions-related targets as part of our ongoing sustainability efforts. This data and related claims have not been validated by an independent third party.

Our flexible work policy includes two or more remote days per week, which we expect to continue to have an ongoing positive impact on our Scope 3 emissions from corporate operations. In addition, the number of fully

remote employees has gone from 6% of our total employee base in 2019 to 29% in 2025. Also, as our leases expire, we prioritize transitioning to LEED, Energy Star, or other green-certified buildings. As of 2025, we had 11 offices in green-certified buildings.

More information about our Corporate Responsibility efforts and the Corporate Responsibility components of our Drive to '25 strategy, including Sustainability Accounting Standards Board (SASB) disclosures, can be found in our most recent [Corporate Responsibility Report published on our website](#).





WALKER & DUNLOP