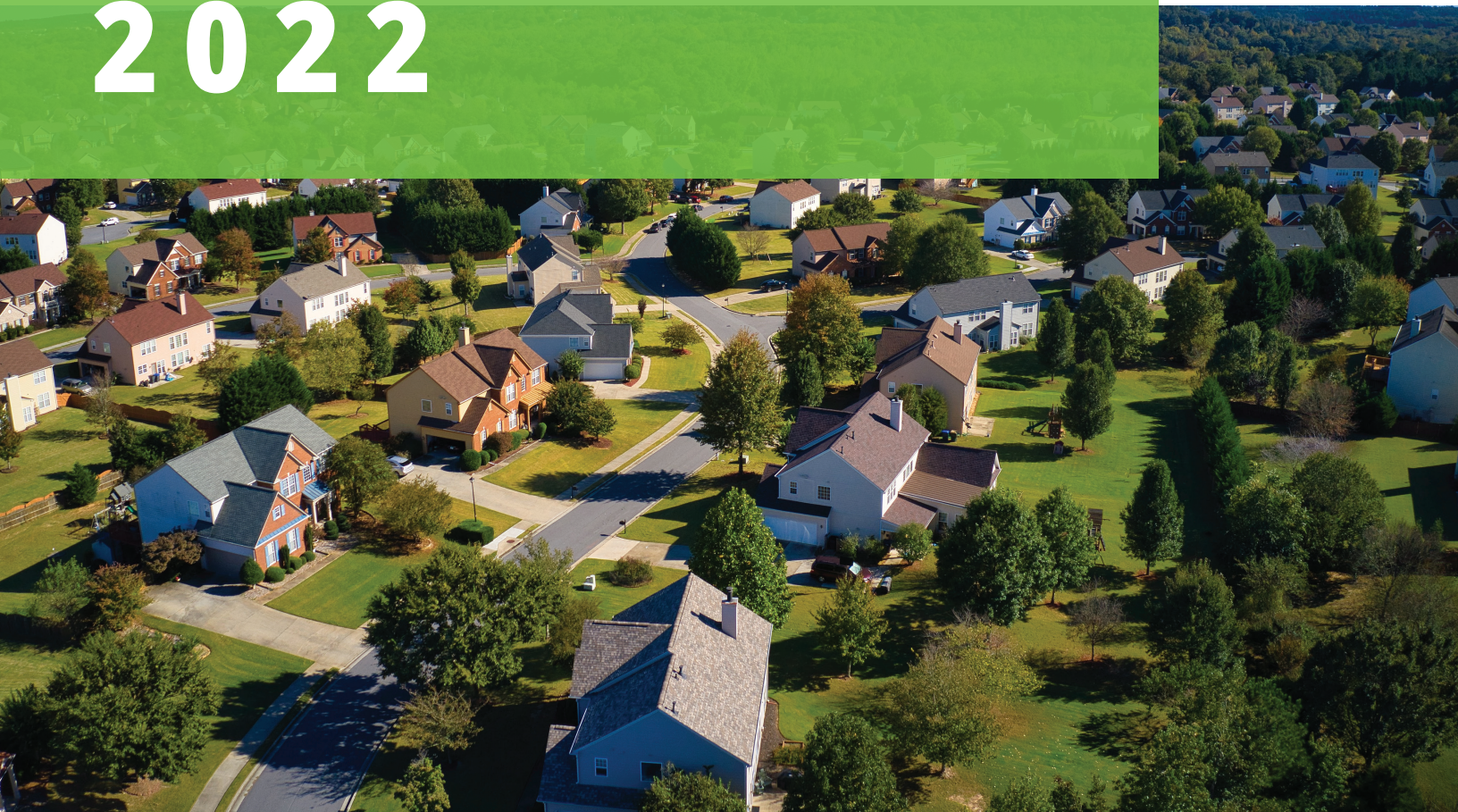




Planet Financial Group®

ENVIRONMENTAL, SOCIAL,
AND GOVERNANCE REPORT

2022



**PLANET WITH
A PURPOSE™**

Message from our CEO

I'm proud to present to you the Planet Financial Group's first Environmental, Social, and Governance (ESG) report. This report highlights Planet's commitment to our core values and our ongoing efforts to create a positive impact on the world.

At Planet, we believe that we have a responsibility to make a difference in the lives of our customers, employees, business partners, and the communities we serve. Our unwavering commitment to treating people with honesty, fairness, and integrity is at the heart of everything we do.



We also recognize the importance of protecting our planet and supporting sustainable initiatives. Through our Planet With a Purpose (PWaP) ESG platform, we partner with organizations that share our values and help us reduce the environmental effects of our operations. This includes planting trees with the National Forest Foundation, supporting The Farmlink Project to reduce food waste, and funding modernization of aging homes.

Diversity, equity, and inclusion are also core values at Planet. Knowing our differences make us stronger, we're committed to promoting a culture that celebrates diversity and recognizes and rewards talented individuals who bring unique perspectives and insights to our team.

Finally, we are dedicated to strong, ethical governance, including doing our utmost to protect the financial information entrusted to us.

In short, this ESG report represents our ongoing commitment to our customers, employees, and the world around us. We believe that we have a responsibility to make a positive impact, and we're proud of the progress we have made thus far. We're also committed to ongoing improvement, and look forward to sharing our progress with you in the years to come.

Thank you for your continued support.

Sincerely,

Michael Dubeck
CEO and President
Planet Financial Group

2022 ESG Highlights

100,000

Trees planted via
National Forest Foundation

**TOP
10**

PLANET'S RANKING AMONG
"FAIREST LENDERS"
(OUT OF 4,300!)



4.5 INDEED RATING

1,813.36

METRIC TONS

Carbon offsets funded
/carbon avoided



4.06
GOOGLE RATING

6,562

HOMEOWNERS

received COVID-19 forbearance

#13

**TOP
WORKPLACES**
USA RANKING

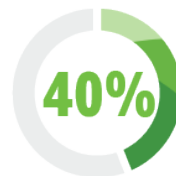
A+ Better Business
Bureau Rating



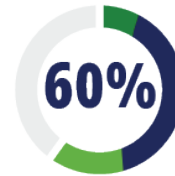
OF OUR
ORGANIZATION



PROMOTIONS WENT
TO WOMEN OR
MINORITY EMPLOYEES



OF THE EXECUTIVE
TEAM ARE WOMEN



OF FIRST/MID-LEVEL OFFICIALS
AND MANAGERS ARE WOMEN
OR MINORITIES

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Planet's Environmental, Social, and Governance (ESG) Mission

Every day, we strive for a better home, a better community, and a better Planet through our ESG values. At the heart of our ethos is an unwavering commitment to treating our customers with honesty, fairness, and integrity in all our dealings.

We embrace our responsibility to make a positive impact on the world by actively supporting initiatives and programs that champion sustainable global initiatives and have the power to truly transform lives.

We're committed to Fair Lending and Fair Mortgage Servicing because we know that having a safe and stable home is the foundation for a happy life. We take deep personal care in helping individuals and families thrive throughout the journey home, including when they hit financial bumps in the road.

We foster a collaborative corporate culture that celebrates diversity and recognizes and rewards talented, open-minded individuals who bring unique perspectives and insights to our team.

We're dedicated to confidentiality and the physical and electronic security and protection of customers' financial information.

Planet With a Purpose

Through our Planet With a Purpose (PWaP) ESG platform, we partner with organizations that share our ongoing commitment to care for people, the communities we serve, and our planet. Our 2022 PWaP partners include the National Forest Foundation, The Farmlink Project, and The Army Scholarship Foundation.

**PLANET WITH
A PURPOSE** 



Planting Trees With the National Forest Foundation

Our nation's one million acres of forest are one of the most efficient natural systems for pulling carbon dioxide out of the atmosphere. That's why Planet partnered with the National Forest Foundation (NFF), the official nonprofit partner of the U.S. Forest Service, to fund the planting of 100,000 trees in National Forests in 2022.

Through this partnership, we planted more than a quarter million trees in the last four years. Good for the planet, good for people, good for the future.

Planet's support funded NFF's efforts across the Arapaho and Roosevelt National Forests, Colorado; Chippewa National Forest, Minnesota and Francis Marion and Sumter National Forests, South Carolina, respectively. The reforestation projects included habitat restoration for endangered species, wildfire restoration, and the planting of native seedlings. The trees planted can store 50,000 MT CO₂ over their lifetimes, NFF estimates.

“We are thrilled to be supported by environmentally conscious companies that ensure the health of our environment is a top priority. Planet Home Lending continues to show its dedication and support to restore and enrich our planet, and more specifically, our shared national forests.”

**- Mindy Crowell,
Reforestation Partnerships Director at NFF**



ADDRESS CLIMATE CHANGE RESTORE OUR FORESTS

In the United States, our forests are one of the most efficient systems for pulling carbon dioxide (CO₂) out of atmosphere

U.S. FORESTS SEQUESTER
UP TO **15%**
OF THE COUNTRY'S
CO₂ EMISSIONS
EACH YEAR

THE PROBLEM

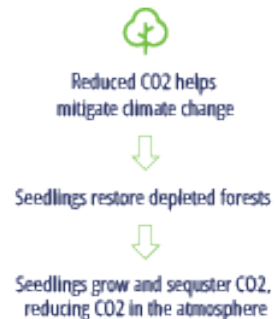


SEVERE FIRES DROUGHT INSECTS DISEASE

FOREST LOSS

LIMITING CARBON SEQUESTRATION

WHY PLANTING TREES HELPS



Feeding Americans With The Farmlink Project

Each year in the United States, billions of pounds of food go to waste, while millions of Americans suffer from food insecurity. By supporting The Farmlink Project through a \$100,000 contribution in 2022, Planet worked to solve both problems by funding the movement of 1.92 million pounds of food, equivalent to 1.6 million meals.

More than a third of U.S.-grown produce is wasted – left unharvested, lost in transit, processing, retail, or thrown away by consumers. To reduce food waste, The Farmlink Project connects farms with a surplus of fresh, nutritious produce to communities in need.

The Farmlink Project's work also contributes environmental dividends because food waste is a significant contributor to methane emissions. If food waste was a country, it would be the third-largest contributor to global greenhouse gas emissions.¹

In 2022, Planet funded programming designed to offset 1,600 metric tons of carbon via The Farmlink Project's Carbonlink program, which invests in projects that reduce emissions from the food system. Carbonlink aims to change the food system so that it no longer contributes to carbon pollution but instead helps remove carbon from the air.



100,000,000

lbs of food moved



40,907,240

lbs CO2 Emissions Prevented



83,000,000

meals delivered

Since inception

1."Foodwastage footprint & climate change." FAO, 2015. <https://www.fao.org/documents/card/en/c/7338e109-45e8-42da-92f3-ceb8d92002b0/>

Revitalizing U.S. Homes

Planet provides funds to real estate investors committed to modernizing America's aging housing stock, which often includes energy-efficiency improvements. With the median age of U.S. homes reaching 40 years, it's clear that far too many of us live in energy-inefficient homes.

Through our Correspondent, Retail, and Retention mortgage origination channels we fund major home improvements for existing homes that are vacant, abandoned, or otherwise in need of repair and modernization. Many times, these improvements include upgrades to mechanical systems, insulation, and other energy-efficiency repairs. The loan programs we use to finance these projects help reduce urban sprawl and result in more affordable and sustainable homes. Through our Correspondent channel, we also help our lending partners increase their production of renovation loans, which amplifies the environmental benefits of these loans beyond those purchased by Planet.

While comprehensive home energy makeovers are still relatively rare, they're often an important part of the remodeling projects Planet funds for homeowners and professional renovators.²

On average, a little over a third of residential remodeling spending goes toward projects likely to pay energy-efficiency dividends: heating and AC systems, exterior improvements, disaster repairs, kitchen renovations, and bathroom upgrades, according to the Joint Center for Housing Studies at Harvard.³

Applying that standard, it is possible that the \$212 million in renovation mortgages Planet made supported \$72 million in energy-efficiency home improvements.



2. "Energy Efficiency Measures to Incorporate into Remodeling Projects." National Renewable Energy Laboratory, 2015. <https://www.nrel.gov/docs/fy15osti/63154.pdf>.

3. "Improving America's Housing 2023." <https://www.jchs.harvard.edu/sites/default/files/reports/files/JCHS-Improving-Americas-Housing-2023-Report.pdf>
Joint Center for Housing Studies of Harvard University. pg 18

Social Commitments

Planet is proud to support our nation's veterans, current service members, and their families on their homeownership journey. To provide additional support, Planet also endowed a \$30,000 scholarship with The Army Scholarship Foundation, a nonprofit organization providing college scholarships to children of current and former members of the U.S. Army and spouses of currently serving soldiers.

Each year, the scholarship helps families of soldiers and those who have served in the U.S. Army reach their educational goals.

Planet's endowment furthers the nonprofit's mission: Rewarding Army families for the sacrifices soldiers make every day in serving their nation and helping service members' spouses and children become leaders.



Building True Partnership Through Equal Lending

Planet Home Lending is a true partner for all borrowers looking to begin their journey to homeownership, as well as those seeking to put home equity to work to achieve additional financial goals.

FairPlay, the world's first Fairness-as-a-Service™ solution, identified Planet Home Lending as a 2022 Top 10 Fairest Lender after a comprehensive study of official Home Mortgage Disclosure Act data for 23 million mortgage applications taken by 4,300 lenders.

Planet believes fairness includes removing barriers to homeownership wherever we can by offering down payment and closing cost assistance, having human underwriters step in when borrowers face unique credit challenges, and avoiding adding unnecessary rules.

Before turning down any application, a special Fair Lending team takes a second look to make sure the denial is based solely on objective measurements, such as credit history or asset strength.

Making Homeownership Affordable

As an organization of people looking to make a difference in the lives of those around us, Planet continually seeks out ways to make homeownership more affordable.

We help people become homeowners by providing:

- Mortgages for borrowers who can't put a lot of money down
- Help finding down payment and closing cost assistance
- Mortgages that don't require any down payment for military members, and rural and exurban homebuyers
- Mortgages for affordable manufactured homes
- Mortgages for families who pool their income, credit, and savings to buy multigenerational homes
- Mortgages to purchase and renovate aging, energy-inefficient homes
- Renovation Loans that allow first-time homebuyers to purchase properties at affordable price points and make equity-building improvements

**PLANET WAS HUMBLLED AND
HONORED TO BE NAMED A
TOP 10 FAIREST LENDER
AMONG MORE THAN 4,300
U.S. MORTGAGE LENDERS.**

Removing Barriers to Homeownership

To build homeownership for all Americans, Planet takes action to remove barriers that prevent people, especially first-generation homebuyers, from taking the first step in the homeownership journey.

- We make it easier for people to get home loans by limiting the use of additional requirements, like not raising the minimum credit scores on certain home loans
- We offer manual underwriting for people who have unique financial circumstances and need help getting FHA, VA, or USDA home loans
- We help people who may not have a traditional credit history by reporting payment history for rent, utility, or other regular payments to show that they're responsible with their finances, which can increase their chances of getting a mortgage loan.⁴

Down Payment and Closing Cost Assistance

At Planet, we understand that not everyone starts off on the same financial footing. That's why we're passionate about promoting sustainable homeownership by connecting customers to down payment and closing cost assistance through a variety of local and government programs.

Buying a home can be an exciting milestone, but rising home prices and other financial burdens can make it difficult for first-time homebuyers to save up for a large down payment and closing costs. Rent prices and student loan debt only add to the challenge.

We know that relying on gifts from family and friends isn't an option for everyone. We believe in evening the playing field. We're proud to have provided \$35 million in home loans for customers who have used down payment and closing cost assistance programs, or received housing-related tax credits.

At Planet, we're committed to making sustainable homeownership accessible to all, regardless of financial background. We believe that everyone deserves the opportunity to own a home and create a better future for themselves and their families.

4. Ginnie Mae. Annual Report, 2022, p. 49. https://www.ginniemae.gov/about_us/what_we_do/Annual_Reports/annual_report22.pdf.

Helping Investors Achieve Their Dreams

We believe in the power of real estate to revitalize communities and create business growth opportunities, and our business-purpose loans are designed to make that happen.

Planet proudly supports the modernization of aging homes in 44 states through our Residential Transition Loans, also known as “fix-and-flip” loans. This flexible financing supports real estate investors who want to scale up their business from one project to multiple projects.

Planet’s Debt Service Coverage Ratio loans help landlords expand portfolios through acquisition and refinance home loans based on a property’s cash flows. And with our ground-up construction financing, we’re increasing housing stock and adding properties to the local tax base.

Ensuring Fair Servicing

At Planet, we believe that servicing is about more than just your monthly payment. We understand that life can be unpredictable, and financial challenges can arise when we least expect them. That’s why we treat our borrowers with compassion, care, and understanding. Planet goes the extra mile to ensure borrowers remain informed every step of the way.

We’re dedicated to treating all borrowers fairly, including those who face financial challenges, and to keeping people in their homes whenever possible. We believe that a home is more than just a place to live; it’s a place of security, comfort, and memories. That’s why we give customers a single point of contact to help them if they run into payment difficulties.

Planet has extensive procedures in place from early to late-stage delinquency to ensure every possible effort is made to prevent foreclosure. In cases where foreclosure is unavoidable, we still don’t just give up. Instead, our foreclosure committee, consisting of an attorney and senior executives, conducts a thorough review to confirm that we have exhausted all loss mitigation options and pursued every avenue available to address the financial challenge. We do everything in our power to ensure that our borrowers receive fair and compassionate treatment. Every step of the way. At Planet, we’re not just a lender, we’re a partner for life. We believe that everyone deserves a chance to keep their home and build a better future for themselves and their families.

24,675
FORECLOSURES
AVERTED

+

REPAYMENT PLANS
FORBEARANCE
CHARGE-OFFS
PAYMENT DEFERRALS
SHORT SALES
DEED-IN-LIEUS

Continuing Care for Homeowners Affected by the Pandemic

Planet's dedication and care for the homeowners we serve goes beyond just words. In 2022, we stood by our commitment to our borrowers, working closely with over 4,000 homeowners whose financial lives continued to be disrupted by the COVID-19 pandemic.

We're proud to have provided COVID-19 forbearance to approximately 30,000 borrowers since the start of the pandemic, giving them the financial breathing room they need during this challenging time.

Diversity, Equity, and Inclusion at Planet

We're proud to be an organization that values inclusivity and recognizes that our differences make us stronger. We believe that a diverse leadership team is not only the right thing to do, but also the smart thing to do. It allows us to better understand and serve the needs of all our borrowers, no matter their background or circumstances.

We're proud of our incredibly diverse organization of employees, managers, and executive leaders.



OF OUR ORGANIZATION



PROMOTIONS WENT TO WOMEN OR MINORITY EMPLOYEES



OF THE EXECUTIVE TEAM ARE WOMEN



OF FIRST/MID-LEVEL OFFICIALS AND MANAGERS ARE WOMEN OR MINORITIES

Pay Equity

To make sure Planet salaries are fair across gender and racial groups, we regularly monitor our pay-equity performance by benchmarking roles and salaries against national compensation data. In 2022, Planet's women and minority employees average \$1.02 in pay for every \$1.00 earned by others working in similar jobs at other companies.

**WE PAY WOMEN
102%
OF US MEDIAN MARKET
PAY FOR THEIR POSITION**

**WE PAY MINORITIES
102%
OF US MEDIAN MARKET
PAY FOR THEIR POSITION**

Partnering to Increase Industry Diversity

Planet encourages and advocates for diversity, equity, and inclusion in the mortgage banking industry through partnerships with organizations dedicated to increasing inclusion in the workforce and increasing homeownership among underserved populations.

National Association of Minority Mortgage Bankers

National Association of Hispanic Real Estate Professionals

American Mortgage Diversity Council (AMDC)

Fannie Mae Future Housing Leaders

Mortgage Bankers Association of America

Workplace Accolades

At Planet, we believe success starts from within, which is why we provide endless opportunities for our employees to thrive and grow with us. Here are some of the awards, ratings, and recognition we garnered in 2022 that make us proud:

Top Workplaces USA #13

Top Workplaces Financial Services

Top Workplaces *Baltimore Sun* and *Dallas News*

***National Mortgage Professional* Most Loved Employer**

***National Mortgage Professional* Best Military Lenders**

Glassdoor 3.83

Indeed 4.50

Google 4.06

LendingTree 5.00

Protecting Your Financial Information

At Planet, we take the security of our customers, clients, and employees seriously. We use industry-leading technologies and controls to detect and prevent any misuse of our networks, data, applications, user accounts, and computer systems. Plus, we make sure we comply with all applicable Cybersecurity and Data Privacy laws and regulations to maintain our reputation and fulfill our ethical and legal responsibilities.

We want to make sure everyone at Planet is aware of the importance of cybersecurity, so all employees complete mandatory privacy, email phishing, CCPA, and IT security training at hire and annually. We even send monthly IT security awareness videos and some tricky phishing, smishing, and vishing email challenges to keep everyone on their toes.

Planet also limits who can access your consumer information and secures files, offices, and buildings.

Governance

At our roots, Planet is a trustworthy, straightforward, ethical company proudly committed to “Doing the Right Thing.”

Code of Ethics

Planet’s Code of Ethics requires every employee to deal honestly, fairly, and truthfully with customers and business partners.

Whistleblower Policy

Planet’s Whistleblower Policy protects employees who report wrongdoing and guards against reprisals.

Ethics Hotline

Allows employees to confidentially and anonymously report inappropriate or illegal behavior.

Vision and Mission

These core values drive and guide our decisions:

Planet Home Lending delivers a streamlined lending experience to get you home. We offer a comprehensive suite of home loans, then make sure every step in the process is covered, every question answered, and every variable considered. We believe borrowers should know their options and feel at ease and empowered throughout the home loan journey.

Planet Home Lending's Servicing Division strives to simplify servicing and provide clarity to borrowers by building financial confidence and offering a direct path supporting customers' financial goals. Servicing is more than an avenue for payment. It's a multidimensional process that includes education, support, and constant communication. Planet Home Lending prioritizes customer service, providing access to live agents committed to resolving issues and offering guidance in a single phone call or chat session.

Planet Renovation Capital connects real estate investors to business loans to improve our nation's rapidly aging housing stock and purchase and refinance loans for rental properties. By providing reliable funding, it supports the growth of small business owners seeking to scale their real estate investments.

We're characterized by a deep desire to make a difference in the lives of those around us. We think bigger, work smarter and perform better, constantly striving to uplift each other on our collective path home. Our sense of community and shared purpose allow us to build a stronger Planet.