

# LADDER CAPITAL CORP

## ENVIRONMENTAL, SOCIAL, AND CORPORATE GOVERNANCE POLICY FOR RESPONSIBLE INVESTMENT

May 1, 2024

### 1. Introduction

Ladder Capital Corp (“Ladder”) believes that the proactive development and oversight of the environmental, social, and governance (“ESG”) factors that may materially impact our business can help promote long-term value creation for our shareholders, employees, clients, communities, and other stakeholders. We evaluate our business operations and investment portfolio on an ongoing basis, guided by our commitment to execute the strategic ESG focus areas we consider accretive to our long-term business success.

In furtherance of this commitment, Ladder intends for this policy (this “ESG Policy”) to guide its consideration of material ESG issues throughout the investment process, consistent with, and subject to, any applicable fiduciary or contractual duties. Notwithstanding anything in this ESG Policy to the contrary, Ladder does not expect to subordinate Ladder’s investment returns or materially increase Ladder’s investment risks as a result of (or in connection with) the consideration of any ESG factors.

This ESG Policy is intended to convey our principles and objectives with respect to responsible investment. For Ladder, responsible investment is the integration of ESG considerations into investment management processes and ownership practices with the belief that these factors can have a positive impact on our financial performance, our environment, and our communities. Ladder recognizes that material ESG risks could affect the performance of investments, and, furthermore, that the effective management of ESG issues may contribute positively to returns through alignment of interests of Ladder investors, joint venture partners, employees, and other key stakeholders.

For the purposes of this ESG Policy, “material” ESG issues are defined as those issues that Ladder determines have - or have the potential to have - a material impact on an organization’s going-forward ability to create or preserve economic value, as well as environmental and social value, for the organization and its stakeholders.

### 2. Scope and Limitations

This ESG Policy is intended to reflect our general framework for managing ESG issues through the lifecycle of an investment across Ladder’s commercial real estate finance business. Ladder’s ability to influence and exercise control over its clients will vary depending on the investment structure and terms. In cases where Ladder determines it has limited ability to conduct diligence or to influence and control the consideration of ESG issues in connection with an investment, whether at the investment or at the Ladder-level, Ladder will only apply those elements of this ESG policy that it determines to be practicable.

### 3. Enhancing ESG Management Acumen

To support the integration of the principles set forth in this ESG Policy, Ladder will seek to develop ESG management acumen among its employees. This commitment will be supported by:

- (a) making this ESG Policy available to employees;
- (b) building ESG awareness among professionals through annual trainings on ESG issues and their impact on Ladder’s business;
- (c) empowering Ladder’s ESG Committee (the “ESG Committee”) as responsible for the development, implementation, and oversight of this ESG Policy and, over time, to proposing updates or enhancements;
- (d) maintaining documentation relevant to the implementation of this ESG Policy;
- (e) using commercially reasonable efforts to remain reasonably informed about ESG developments and best practices within the commercial real estate finance industry; and
- (f) disclosing this ESG Policy to investors and prospective investors (as required and upon request).

#### **4. Investment Due Diligence and Operations**

As fiduciaries and responsible stewards of capital for our shareholders, we seek to employ a disciplined investment process that seeks to both uncover opportunities and evaluate potentially material risks, while striving for the best possible outcomes within our investment guidelines. We recognize that relevant and material ESG issues can meaningfully affect investment performance, and these factors are critical components of our research, analysis, decision-making, and asset operations. Subject to Ladder’s reasonable determination based on the attendant facts and circumstances at the time, for each investment we will seek to:

- (a) assess material ESG issues, risks and opportunities related to potential investments and, as needed, perform internal diligence, or engage external advisors in furtherance of the same;
- (b) as part of the approval process for each investment, consider material ESG issues, risks and opportunities identified during due diligence;
- (c) once invested, encourage compliance with applicable laws and regulations with respect to environment, health and safety issues and corporate governance at the investment level; and
- (d) using commercially reasonable efforts, monitor material ESG issues throughout the lifecycle of an investment and address, where deemed necessary, material ESG-related negative incidents or risks.

#### **5. Accountability, Transparency, and Industry Participation**

Given the institutional focus on ESG matters, the ESG Committee will have ultimate oversight and responsibility for this ESG Policy and its implementation.

Ladder will seek to promote accountability within the firm and transparency to investors with respect to its consideration of ESG issues. Ladder will seek to do this by:

- (a) integrating information concerning ESG issues, management activities and

progress in periodic reporting (including Ladder’s annually reported ESG disclosures) and other communications internally and, from time to time, with investors, as considered appropriate;

(b) where considered appropriate, engaging relevant stakeholders, and supporting local communities, including through initiatives with nonprofits or other charitable organizations; and

(c) collaborating with industry organizations and nonprofits to promote sustainability practices.

***This ESG Policy was last updated in May 2024 and is subject to change as Ladder considers necessary or advisable.***

Annex A

**LADDER CAPITAL CORP**

**ENVIRONMENTAL, SOCIAL, AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

**May 1, 2024**

Ladder Capital Corp (“Ladder”) recognizes the importance of integrating sustainability and other environmental, social, and governance (“ESG”) practices in connection with its investment activities and business operations. Ladder has established an ESG Committee (the “Committee”) to oversee Ladder’s ESG practices, including the implementation of its ESG Policy, as well as to periodically evaluate whether the principles set forth in the ESG Policy and Ladder’s ESG practices generally are appropriate and determine whether any changes may be necessary or desirable in the future.

The Committee shall endeavor to stay apprised of developments in the sustainability and ESG-related best practices in the commercial real estate finance industry, any applicable ESG-related mandate or other requirement, and any ESG-related requests or concerns of any stakeholder.

**Meetings**

The Committee shall meet at least annually, but as often as needed, to consider Ladder’s ESG practices, including the development, where appropriate, of commercially reasonable processes for considering and monitoring the impact of ESG issues on the performance of any investment and any ESG factors which comprised a material component of an investment decision. The Committee also has the authority to review any applicable ESG-related mandates or requirements, as well as any ESG-related requests or concerns of any stakeholder, and any developments in ESG-related best practices in the commercial real estate finance industry generally.

**Quorum**

A quorum is necessary for all meetings of the Committee where any action or determination by the members shall be made. A quorum shall be constituted by the presence of a majority of the members in person or by means of conference telephone or any other means of communication by which all persons participating in the meeting are able to communicate with each other. Any action or determination taken by the Committee must be ratified by a majority of the members of the Committee.

**Books and Records**

Minutes of the Committee’s meetings may be retained electronically.