



SUSTAINABLE FINANCE FRAMEWORK

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STARWOOD PROPERTY TRUST OVERVIEW

OUR COMPANY

Starwood Property Trust (NYSE: STWD) is a leading diversified real estate finance company. With a portfolio of over \$26 billion across the company's Commercial and Residential Lending, Infrastructure Lending, Investing and Servicing and Real Estate Property business segments, we are the largest commercial mortgage real estate investment trust in the United States.

While other commercial real estate finance companies remain focused solely on specific sectors of the market, Starwood Property Trust's multi-cylinder investment platform allows us to dynamically seek out investment opportunities across a much broader universe. As an affiliate organization of Starwood Capital Group, a 30-year-old private investment firm with AUM greater than \$120 billion, Starwood Property Trust's management team can collaborate with Starwood Capital Group and its approximately 4,000 employees across 16 offices globally on a top-down and bottom-up approach to find the best risk/reward opportunities. By leveraging the scale and global relationships of Starwood Capital Group and its affiliates, Starwood Property Trust can identify potential transactions that the company believes cannot be sourced by many of today's market participants.



As mentioned above, we have four core business segments in which we operate:

- Starwood's Real Estate Commercial and Residential Lending business engages in originating, acquiring, financing and managing commercial first mortgages, non-agency residential mortgages, commercial mortgage-backed securities ("CMBS"), residential mortgage-backed securities ("RMBS") and other real estate and real estate-related debt investments in the U.S., Europe and Australia.
- Our Infrastructure Lending business primarily participates in originating, financing and managing infrastructure debt investments.
- The Real Estate Investing and Servicing segment includes (i) a servicing business in the U.S. that manages and works out problem assets, (ii) an investment business that selectively acquires and manages unrated, investment grade and non-investment grade rated CMBS, including subordinated interests of securitization and resecuritization transactions, (iii) a mortgage loan business which originates conduit loans for the primary purpose of selling these loans into securitization transactions and (iv) an investment business that selectively acquires commercial real estate assets, including properties acquired from CMBS trusts.
- The Real Estate Property segment engages in acquiring and managing equity interests in stabilized commercial real estate properties, including multifamily properties and commercial properties subject to net leases, that are held for investment.

STARWOOD PROPERTY TRUST ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) STRATEGY

At Starwood Property Trust, we focus on the ways in which we can have the most positive impact on both people's lives and the planet, in a way that is sustainable for our shareholders and demonstrates leadership to our stakeholders. Through our strategy, we have three core focus areas where we can drive solutions to important environmental and social challenges:



Making affordable housing viable for thousands of families



Investing in renewable energy and integrating environmental due diligence into our lending practices



Helping to make home ownership possible for people who can't access traditional bank loans

A core strategy since 2009, our Commercial Real Estate Lending portfolio finances a significant number of assets that either have or are seeking building certifications. As of 6/30/2022, our portfolio included \$4.4 billion of loans where the underlying asset has or is seeking an energy certification, representing 27% of our Commercial Real Estate Lending Portfolio.

Our Residential Lending business, which was launched in 2016, has deployed \$12 billion of capital and provides mortgages to high-quality borrowers who would otherwise struggle to secure access to housing credit. These borrowers often have significant financial assets, but they do not fit a traditional lending model (e.g. small business owners, contractors and other members of the 'gig' economy) but still have strong credit profiles.

FINANCIAL INCLUSION

\$12B
residential lending

Provide mortgages to high-quality borrowers, (e.g. small business owners, contractors and other members of the 'gig' economy) who would otherwise struggle to secure access to housing credit

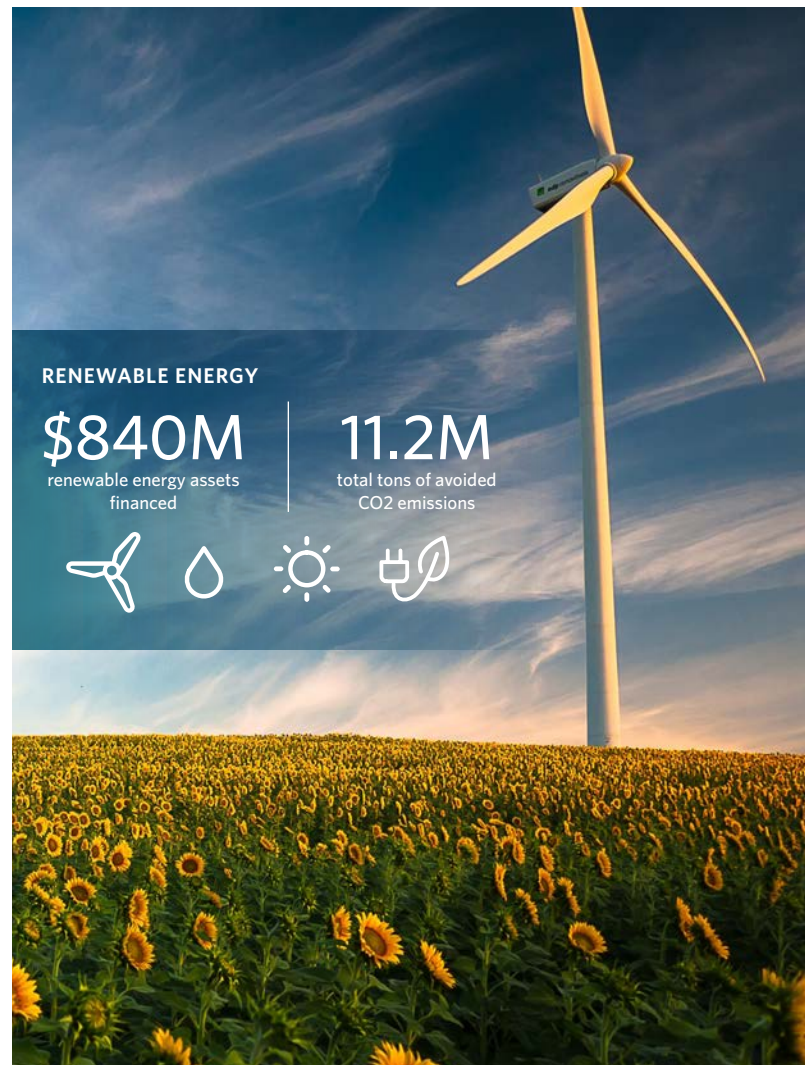
In 2015, Starwood Property Trust began making investments in affordable multifamily housing communities which provide rent-restricted housing to low-income families. In each affordable housing community held within our affordable housing fund we have preserved all in-place affordability restrictions. In 2021, Starwood Property Trust established its first affordable housing fund, in which we own a 79.4% interest. The assets in the fund, which were valued at \$2.3 billion at inception, consist of 15,027 rent-restricted multifamily units, providing housing for approximately 35,000 people. This investment makes our company a top 10 owner of affordable housing in the United States. As of 6/30/2022, 98% of these homes are occupied by households earning 60% or less of the household median income of each respective property's region according to the United States Department of Housing and Urban Development. In addition to affordable rents, Starwood Property Trust provides support services to residents such as Soldiers to Scholars program, which offers free rent, utilities and maintenance to military veterans who are obtaining a college degree; and free transportation to medical and retail destinations at seniors-only communities.

Through Starwood Property Trust's infrastructure lending platform, since 2018 we have financed nearly \$840+ million of renewable energy assets as of 6/30/2022, including wind, hydro, solar and geothermal projects. The energy transition is a critical issue globally and investing in clean energy infrastructure is an increasing focus of our strategy. As of 6/30/2022, our renewables portfolio has generated over 11,200 Gigawatt hours, avoiding approximately 11.2 million tons of CO2 emissions.

Starwood Property Trust's manager, Starwood Capital Group became a signatory to the United Nations-supported Principles for Responsible Investment (PRI) in 2019. The PRI provides a framework, through its six principles, for consideration of environmental, social and governance ("ESG") factors in portfolio management and investment decision-making.

The six principles ask an investment manager, to the extent consistent with its fiduciary duties, to seek to:

1. Incorporate ESG issues into investment analysis and decision-making processes
2. Be an active owner and incorporate ESG issues into its ownership policies and practices
3. Obtain appropriate disclosure on ESG issues by the entities in which it invests
4. Promote acceptance and implementation of the PRI principles within the investment industry
5. Work to enhance its effectiveness in implementing the PRI principles
6. Report on its activities and progress toward implementing the PRI principles



Furthering our commitment to sustainability, Starwood Property Trust has taken the step of aligning our ESG disclosures to market-leading frameworks SASB (Sustainability Accounting Standards Board) and TCFD (Task Force on Climate-related Financial Disclosures). These disclosures highlight certain key metrics as requested by both frameworks, a description of how we incorporate ESG factors into our regular-way business and due diligence processes across the various business lines, ESG oversight at the organization and climate-related considerations for Starwood Property Trust. Our SASB and TCFD disclosures can be found within the [Corporate Responsibility page](#) on our website.

Beyond disclosures, this commitment extends into the high ethical standards set for our Company and is reinforced by strong policies and practices related to fair, ethical and honest business dealings, robust governance, and compliance with applicable laws. In addition to a [Code of Business Conduct and Ethics](#), Starwood Property Trust offers competitive compensation, including a discretionary, performance-based bonus program available to over 80% of employees, and several competitive non-compensation benefits to all our employees.

We strive to be a good corporate citizen for our community by supporting charitable organizations that promote education and social well-being and by encouraging employees to contribute to organizations that are meaningful to them. Starwood Property Trust is proud to support charities such as the United Way Campaign and the Best Buddies annual walk. In addition



to charitable donations, Starwood Property Trust's employees have completed beach cleanups, volunteered at shelters serving food for Thanksgiving with the help of the Chapman Partnership, and supported many other charitable organizations.

As a company, we taken steps to reduce our environmental footprint where we can have an impact. In our owned real estate portfolio, we have implemented a third-party utility tracking platform across Starwood Property Trust's owned multifamily portfolio, which will enable us to monitor water and electricity usage across our properties. We have also partnered with a third party to assist with the implementation of water conservation solutions through investment in more efficient fixtures, which has reduced water usage by 35% on average where installed and realizing an average water bill savings of 37% in the year 2021. In 2021-dollar values, these savings were approximately \$20 million.

Starwood Property Trust is now a certified carbon neutral firm. Through investments in carefully vetted projects that help combat the climate crisis, we are now offsetting 100% of our company's Scope 1 and 2 operational footprint, as well as our Scope 3 Category 6 business travel emissions. We are committed to helping improve the environment and will continue to focus our efforts to look for ways to reduce our firm's footprint going forward.

ESG FINANCING STRATEGY

To date, Starwood Property Trust has priced three private offerings of Sustainability Bonds, of which the proceeds were intended for eligible green and/or social projects. The projects met specific eligibility criteria in alignment with the Green Bond Principles and Sustainability Bond Guidelines in 2018 in addition to the Social Bond Principles in 2020; these include investments in, financings of, and/or acquisitions of (i) Energy, (ii) Green Buildings, and (iii) Affordable Housing via Starwood Property Trust's owned portfolio. The impact of these offerings are discussed in our Sustainability Bond Report, which details the allocations of that capital to eligible projects.

Our prior issuances demonstrate our firm commitment to creating impact, and this Sustainable Finance Framework is our next step in expanding our ESG financing strategy to encompass the broader context of our organization's focus and sustainability initiatives. We believe this framework and sustainable financing program positions Starwood Property Trust well to execute on our business plan while simultaneously demonstrating our leadership in impact and contributions to the UN Sustainable Development Goals (SDGs).

SUSTAINABLE FINANCE FRAMEWORK

Starwood Property Trust's Sustainable Finance Framework ("Framework") aligns with the Green Bond Principles ("GBP") 2021 (with June 2022 Appendix 1), Social Bond Principles ("SBP") 2021 (with June 2022 Appendix 1) and Sustainability Bond Guidelines ("SBG") 2021 as administered by the International Capital Market Association ("ICMA"), and addresses the following four core components:

1. Use of proceeds
2. Process for loan evaluation and selection
3. Management of proceeds
4. Reporting

We intend to utilize this Framework as a foundation for our green and social financing strategies across our various business lines moving forward, while providing insight and specificity into the Framework's application by aligning with the GBP, SBP and SBG.



Starwood Headquarters - Miami Beach, FL




USE OF PROCEEDS

Starwood Property Trust will allocate an amount equal to the net proceeds of any sustainability bond issuance to acquire, in part or in full, a portfolio of projects that generate specific green or social attributes. These specific green or social attributes contribute to the Green or Social Project Categories listed below as defined by the GBP and SBP:



- Building certifications
- Renewable energy
- Energy efficiency
- Clean transportation
- Climate change adaptation
- Sustainable water and wastewater management
- Affordable housing

Starwood Property Trust's sustainability bonds will align and contribute toward meeting the United Nations Sustainable Development Goals (SDGs). The 17 UN Sustainable Development Goals, established by member states in 2015, are a call to action to promote prosperity while protecting our planet.

In order to align with the above eligible Social and Green Project Categories and directly contribute to the UN Sustainable Development goals, the selected projects under the Framework must fall under one of the Eligible Program Categories, and if relevant, Target Populations described in the below table. Starwood Property Trust will determine the appropriate allocation per green and social project category as bonds are issued in reference to this framework.

Program Category	Description	UN SDGs Alignment
Building Certifications (GBP Project Category: Green Buildings)	Investments involving projects or properties that have either received or are projected to receive green building or health and well-being certifications, such as: <ul style="list-style-type: none"> - LEED (Silver, Gold, Platinum) - BREEAM (Very Good, Excellent, Outstanding) - ENERGY STAR (Rating of ≥ 75) - Fitwel Certification - WELL Certification (Silver, Gold, Platinum) 	<div style="display: flex; flex-direction: column; gap: 10px;"> <div style="display: flex; align-items: flex-start;">  <div style="margin-left: 10px;"> <p>7.3 By 2030, double the global rate of improvement in energy efficiency</p> </div> </div> <div style="display: flex; align-items: flex-start;">  <div style="margin-left: 10px;"> <p>11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries</p> <p>11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management</p> <p>11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities</p> </div> </div> <div style="display: flex; align-items: flex-start;">  <div style="margin-left: 10px;"> <p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> </div> </div> </div>

Program Category	Description	UN SDGs Alignment
Renewable Energy (GBP Project Category: Renewable Energy)	Investments related to the design, procurement, and operation of renewable energy sources, including through power purchase agreements, installation of solar panels, or investments into renewable energy infrastructure projects. May include both on-site or off-site renewable energy sources. Renewable energy infrastructure projects can include wind and solar project investments (such as material procurement, installation and maintenance).	 <p>7.1 By 2030, ensure universal access to affordable, reliable and modern energy services</p> <p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</p>  <p>9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p>  <p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>  <p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>
Energy Efficiency (GBP Project Category: Energy Efficiency)	Investments in energy efficiency projects such as LED lighting upgrades, HVAC replacements, energy management systems, and other technologies or projects that improve energy efficiency.	 <p>7.1 By 2030, ensure universal access to affordable, reliable and modern energy services</p>  <p>12.2 By 2030, achieve sustainable management and efficient use of natural resources</p>
Clean Transportation (GBP Project Category: Clean Transportation)	Investments that support the transition to clean transportation, including the installation of electric vehicle charging stations or bicycle accommodations.	 <p>11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p>

Program Category	Description	UN SDGs Alignment
<p>Climate Change Adaptation (GBP Project Category: Climate Change Adaptation)</p>	<p>Investments involving projects or properties that either include or are seeking property resiliency improvements and retrofits, as well as investments in information support systems, which help inform climate risk assessment for properties and allow the company to be able to respond to risks accordingly. Examples of resiliency improvements can include:</p> <ul style="list-style-type: none"> - Flooding barriers - Relocation of building equipment to above grade locations - Regrading parking areas - Up sizing storm-water drainage systems - Replacing windows with impact-resistant glass - Installing wildfire defense systems - Installing high quality air filters - Installing cool roofs to combat temperature rise 	<p> 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning signs</p>
<p>Sustainable Water and Wastewater Management (GBP Project Category: Sustainable Water and Wastewater Management)</p>	<p>Investments involving projects to decrease overall water consumption, including improving efficiency and reuse of wastewater (i.e. collecting and using for landscaping). Includes smart irrigation systems, low flow fixtures, xeriscaping, and other technology.</p>	<p> 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p> <p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p>

Program Category

Affordable Housing
(SBP Project Category:
Affordable Housing)

Description

Investments related to the support of affordable housing, including multi-family projects with access restricted to households who earn under a minimum threshold relative to the area's median income, as well as non-qualified mortgage investments that provide financing to typically underserved borrowers. STWD's owned affordable housing portfolio rents only to qualifying tenants at a below market rate.

The company pursues certain qualifications that must be present for each loan, including:

- Minimum FICO score of 580
- Typically no bankruptcy or foreclosure in the last two years, although shortened time-frames are considered by exception
- Minimum DSCR of 1.0x, although a lower rate is considered on exception with compensation factors
- Maximum DTI of 50%

Target Population: Low to moderate income households making less than 80% of the area's median income, first-time homebuyers, low-income area borrowers, self-employed borrowers, non-prime borrowers, small business owners or single-family rental investor properties.

U.S. Dept of Housing and Urban Development (HUD) defines income limits as Low ($\leq 80\%$ of AMI), Very Low ($\leq 50\%$), and Extremely Low ($\leq 30\%$).

UN SDGs Alignment



1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance



10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard



11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries action in this regard

In the above outlined Eligible Program Category descriptions, "investments" represent Starwood Property Trust acting as either the lender or equity investor.

PROCESS FOR PROJECT EVALUATION AND SELECTION

The project evaluation and selection process will ensure that the capital allocated under this financing program will be assigned to eligible initiatives that support one of the Project Categories and Target Populations described in our Use of Proceeds, which in turn contributes to the UN SDGs identified.

Our Sustainability Bond Allocation Committee is responsible for the ultimate selection of projects that will fall under the sustainable finance program. The Committee includes individuals from our executive management and finance teams and will work in consultation with the various business lines when considering project inclusion to understand the due diligence related to the specific transaction and evaluate the project's eligibility for the sustainability bond program. A summation of the Sustainability Bond Allocation Committee's responsibilities for the sustainable finance program are as follows:

- Review and approval of the Sustainable Finance Framework and any future amendments
- Review and approval of projects selected for sustainability bond capital allocation
- Review and approval of the annual Sustainability Bond Impact Report

Starwood Property Trust's Sustainability Bond Allocation Committee is an independent committee comprising a cross-functional group of ESG Committee members and individuals from our relevant business lines. The Committee reports directly to the Board of Directors at least quarterly.

Investment memos that will be prepared for the ultimate approval and purchase of each investment will include the following relevant items from each business line:

- Commercial Real Estate Lending
 - o Has or is seeking sustainable building certifications
 - o Any green building initiatives related to renewable energy, energy efficiency, clean transportation, climate change adaptation or sustainable water and wastewater management
 - o Affordable housing attributes under the non-QM financing strategy, including the target populations (First-time homebuyer, low-income, self-employed, non-primer, small business owner or single family rental investor borrowers) and eligible program categories (Full documentation, alternative documentation or investor program) of mortgages in consideration
- Infrastructure Lending
 - o Renewable / clean energy investment opportunities to support clean energy infrastructure development
- Real Estate Property
 - o Has or is seeking sustainable building certifications
 - o Any green building initiatives related to renewable energy, energy efficiency, clean transportation, climate change adaptation or sustainable water and wastewater management
 - o Affordable Housing investment opportunities to provide rent-restricted housing to low-income families

Part of the investment memo will also consider the relevant social and environmental risks associated with the project categories in question, which is initially identified by the deal team and then escalated and evaluated by Starwood Property Trust's Sustainability Bond Allocation Committee.

Loans or acquisitions that have already been originated or procured under other existing programs can qualify for selection in the sustainable finance program if they align with one of the Eligible Program Categories or Target Populations described in the Use of Proceeds section.



MANAGEMENT OF PROCEEDS

We intend to allocate an amount equal to the net proceeds from each sustainability bond issuance under this Framework to acquire or underwrite investment opportunities according to the use of proceeds criteria and process for project evaluation and selection discussed above.

We cannot guarantee that there will be investment opportunities that meet the requirements of Starwood Property Trust to deliver returns for our shareholders while meeting the requirements of our sustainable finance program at any given time, therefore any unallocated proceeds will be held in accordance with our internal investment policy and temporarily invested in a combination of cash and cash equivalents or used to pay down Starwood Property Trust's revolving debt. We take a portfolio approach to the management of proceeds, which will be monitored on an aggregated basis. Once the proceeds are allocated appropriately, our finance department will track the allocated projects until the conclusion of that investment, which will be discussed in our annual Sustainability Bond Impact Report. In the case of divestment or if a project no longer meets the eligibility criteria for the program, Starwood Property Trust will reallocate the funds to other eligible projects during the term of the bond.



THeis Hotel, Coral Gables, FL



ICON Residences at the Rotunda - Baltimore, MD



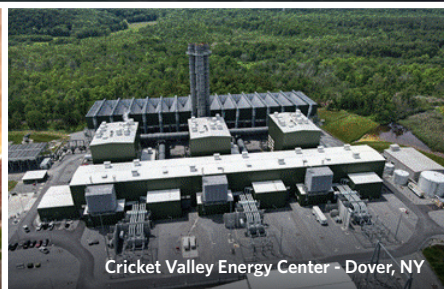
Scape Franklin - Melbourne, Australia



Termini - Sandyford, Ireland



Sorrel River Ranch Resort - Moab, UT



Cricket Valley Energy Center - Dover, NY



1213 Walnut - Philadelphia, PA

REPORTING

Allocation Reporting

Starwood Property Trust will report on the allocation of the net proceeds of each sustainability bond issuance on the company website on an annual basis until the loans in the portfolio are no longer outstanding, and at a minimum, will include the following:

- A list of Eligible Projects funded
- The amount of net proceeds from the sale of any sustainability bonds that have been allocated to one or more Eligible Projects
- The outstanding amount of net proceeds yet to be allocated to Eligible Projects at the end of the reporting period

Impact Reporting

Starwood Property Trust may provide relevant information on selected projects to quantify the impact of Eligible Projects funded by the sustainability bond issuances. Example metrics may include Key Performance Indicators (KPIs) such as the below.

Program Category	Example KPIs
Building Certifications	<ul style="list-style-type: none"> ▪ Green and health and well-being building certifications ▪ Total square feet certified and percentage of overall company square feet certified ▪ Square footage certified at various levels (i.e. LEED Silver, Gold, Platinum)
Renewable Energy	<ul style="list-style-type: none"> ▪ Renewable energy capacity sourced and developed (MW) ▪ Emissions avoided or reduced
Energy Efficiency	<ul style="list-style-type: none"> ▪ Energy savings ▪ Square footage of upgrades (LED retrofits, HVAC installations, etc.) ▪ Emissions avoided or reduced
Clean Transportation	<ul style="list-style-type: none"> ▪ Number of EV charging ports installed
Climate Change Adaptation	<ul style="list-style-type: none"> ▪ Number of properties and total square footage of resiliency upgrades
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> ▪ Number of properties with water efficiency improvements ▪ Volume of water consumption avoided or reduced (YoY change) ▪ Volume of water treated or recycled water
Affordable Housing	<ul style="list-style-type: none"> ▪ Number of units ▪ Number of families/individuals benefitting from affordable housing ▪ Average Median Income (AMI) of tenants ▪ Average rent compared to the national or regional rent index ▪ Number and Unpaid Principal Balance (UPB) of non-QM loans to various eligible target populations ▪ Number and UPB of loans in low-income areas

EXTERNAL REVIEW

Starwood Property Trust has obtained a second-party opinion (SPO) through ISS to review our Sustainable Finance Framework and its alignment with Green Bond Principles (GBP), Social Bond Principles (SBP), Sustainability Bond Guidelines (SBG), in addition to the Green Loan Principles (GLP) and Social Loan Principles (SLP). The SPO also provides an opinion on the contribution of projects under this Framework to the UN SDGs. The SPO is available on the provider's website.

DISCLAIMER

This Sustainable Finance Framework is provided by Starwood Property Trust for informational purposes only and is subject to change without notice. Starwood Property Trust engaged HXE Partners to support the development of this Framework.

Starwood Property Trust does not assume any responsibility or obligation to update or revise any statements in this document, regardless of whether those statements are affected by the results of new information, future events or otherwise. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained herein. No liability whatsoever is or will be accepted by Starwood Property Trust for any loss or damage howsoever arising out of or in connection with the use of, or reliance upon, the information contained in this document.

This Sustainable Finance Framework does not constitute, or form part of, any offer or invitation to purchase, underwrite, subscribe for or otherwise acquire or dispose of, or any solicitation of any offer to purchase, underwrite, subscribe for or otherwise acquire or dispose of, any debt, certificates or other securities (“securities”) of, or sponsored or sold by Starwood Property Trust or any of its affiliates, and is not intended to provide the basis for any credit or any other third-party evaluation of securities. If any such offer or invitation is made, it will be done so pursuant to separate and distinct documentation in the form of a prospectus or a private placement memorandum or other equivalent document (collectively, the “Offering Documents”) and any decision to purchase or subscribe for any securities pursuant to such offer or invitation should be made solely on the basis of such Offering Documents and not this Sustainable Finance Framework.

This Sustainable Finance Framework is not incorporated by reference into, or a part of, any Offering Documents or any security. Any failure of Starwood Property Trust to comply with this Sustainable Finance Framework will not constitute a default under or breach of any security or related document.

This Sustainable Finance Framework should not be considered as a recommendation that any investor should subscribe for or purchase any securities, nor as an assessment of the economic performance and creditworthiness of the securities. Any person who subsequently acquires securities must rely solely on the Offering Documents prepared by Starwood Property Trust or an affiliate thereof in connection with such securities, on the basis of which alone purchases of or subscription for such securities should be made. In particular, investors should pay special attention to any sections of Offering Documents describing any risk factors. The merits or suitability of any securities or any transaction described in these materials to a particular person’s situation should be independently determined by such person. Any such determination should involve, inter alia, an assessment of the legal, tax, accounting, regulatory, financial, credit and other related aspects of the securities or such transaction.

This Sustainable Finance Framework is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation.

This Sustainable Finance Framework may contain projections and forward-looking statements within the meaning of the rules and regulations of the U.S. Securities and Exchange Commission. Generally, forward-looking statements are not based on historical facts but instead represent only management’s beliefs regarding future events. Such statements may be identified by words such as believe, expect, anticipate, intend, estimate, may increase, may fluctuate, target, illustrate, and similar expressions, or future or conditional verbs such as will, should, would and could. Such statements are based on management’s current expectations and are subject to risks, uncertainties and changes in circumstances. Actual results and the use of proceeds from any sustainability bond issuance may differ materially from those included in these statements due to a variety of factors, including without limitation the precautionary statements included in the Offering Documents, and the factors and uncertainties summarized under “Special Note Regarding Forward-Looking Statements” in Starwood Property Trust’s most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q and the factors listed and described under “Risk Factors” in Starwood Property Trust’s most recent Annual Report on Form 10-K.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, our actual results and the use of proceeds from any sustainability bonds may vary materially from what we may have expressed or implied by these forward-looking statements. Our execution of the Sustainable Finance Framework is subject to the risk that we will be unable to execute our strategy because of economic, market or competitive conditions or other factors. Providing this Sustainable Finance Framework does not mean that Starwood Property Trust or any of its affiliates certifies the materiality, the excellence or the irreversibility of the projects facilitated by any sustainability bond(s). We caution you not to place undue reliance on these forward-looking statements that speak only as of the date on which they were made. We do not undertake any obligation to update or revise these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events or the non-occurrence of anticipated events, whether as a result of new information, future developments or otherwise, except as required by law.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green,” “social,” “sustainable” or an equivalently labelled project or as to what precise attributes are required for a particular project to be defined as “green,” “social,” “sustainable” or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any “eligible green and/or social projects” will meet any or all investor expectations regarding such “green,” “social,” “sustainable” or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any “eligible green and/or social projects.”

