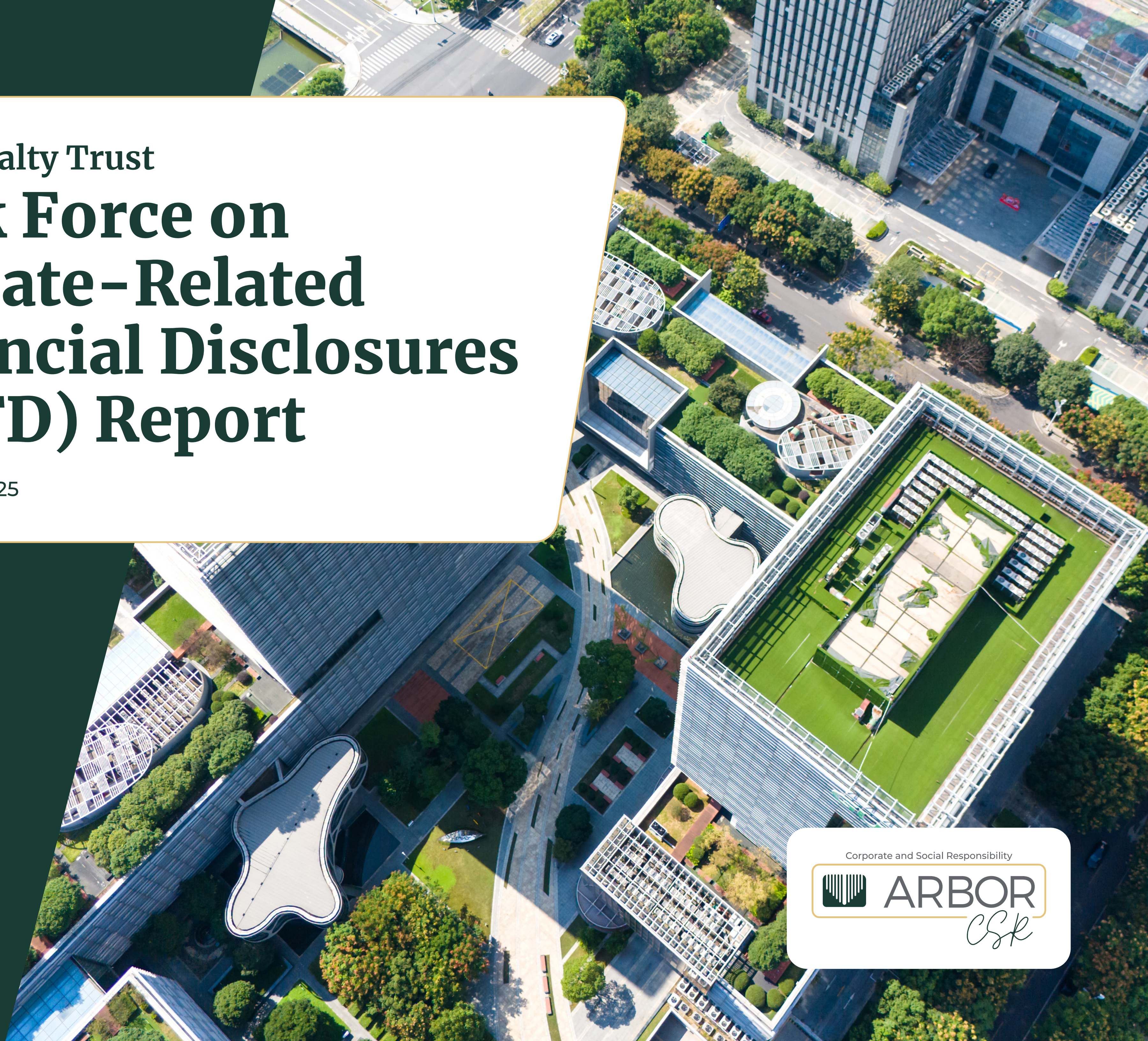
Arbor Realty Trust

Task Force on Climate-Related Financial Disclosures (TCFD) Report

December 2025



Corporate and Social Responsibility
ARBOR CSR

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About TCFD

The Task Force on Climate-related Financial Disclosures (TCFD) is an organization that provides a framework for companies to disclose climate-related financial risks and opportunities. It was established by the Financial Stability Board (FSB) to improve and increase the reporting of climate-related financial information. The TCFD framework is structured around four core areas: governance, strategy, risk management, and metrics and targets.

Arbor is in the process of building out our climate risk strategy and programs. The report below details our progress to date as we work towards full alignment with TCFD.

This TCFD Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect Arbor Realty Trust, Inc.'s ("Arbor" or "our") current expectations, estimates, and projections regarding future events, including, but not limited to, our climate-related strategies, goals, risk management practices, transition plans, and anticipated impacts of climate-related risks and opportunities on our business, operations, and financial performance.

Forward-looking statements are based on current assumptions and beliefs of management and are subject to known and unknown risks, uncertainties, and changes in circumstances that are difficult to predict and beyond our control. Actual outcomes and results may differ materially from those expressed or implied in these statements due to a variety of factors, including, but not limited to: changes in environmental, social, or other regulations or government policies at the federal, state, or local level; evolving investor, tenant, and market expectations regarding sustainability and climate disclosure; physical and transitional risks associated with climate change, including extreme weather events, sea-level rise, and shifting insurance availability or costs; shifts in real estate valuations, borrower performance, or tenant demand driven by climate factors; and broader economic, financial, capital markets, and geopolitical conditions.

These statements are not guarantees of future performance and should not be relied upon as such. Arbor undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of December 2025.

About Arbor

For 30+ years, Arbor Realty Trust, Inc. (Arbor, NYSE: ABR), headquartered in Uniondale, NY, has been a premier provider of loan solutions for multifamily and commercial real estate clients. As a nationwide Real Estate Investment Trust (REIT) and direct lender, we help clients achieve their financial goals by focusing on long-term relationships. We conduct business not simply as another real estate lender, but as a partner.

Arbor employs 661 employees in 21 states, primarily in the Northeast Region. Our partners own and operate real estate across the country, ranging from multifamily housing to single-family rentals, seniors housing, and other diverse commercial real estate assets.

Arbor is a Top 10 Fannie Mae DUS® Loan Lender by origination volume, a Freddie Mac Program Plus Seller/Servicer, an FHA Multifamily Accelerated Processing (MAP)/LEAN Lender, a HUD-Approved LIHTC Lender as well as a CMBS, Bridge, and Mezzanine lender. With a current servicing portfolio of more than $35 billion, Arbor is a primary commercial loan servicer and special servicer rated by Fitch Ratings and Standard & Poor's. We hold an Above Average rating from Standard & Poor's, and in 2024, we received an upgraded rating from Fitch Ratings. Arbor is also on the Standard & Poor's Select Servicer List. In June 2023, Arbor was added to the S&P SmallCap 600® Index.

Mission, Vision & Values

Mission

Dedicated to providing bespoke financing solutions for commercial and multifamily investment opportunities.

Vision

To be the best mortgage lender in the commercial and multifamily space by being a reliable financing source for clients; becoming a front-of-mind choice for all mortgage financing needs.

Values

Innovation, entrepreneurship, loyalty, quality, efficiency, and appreciation.

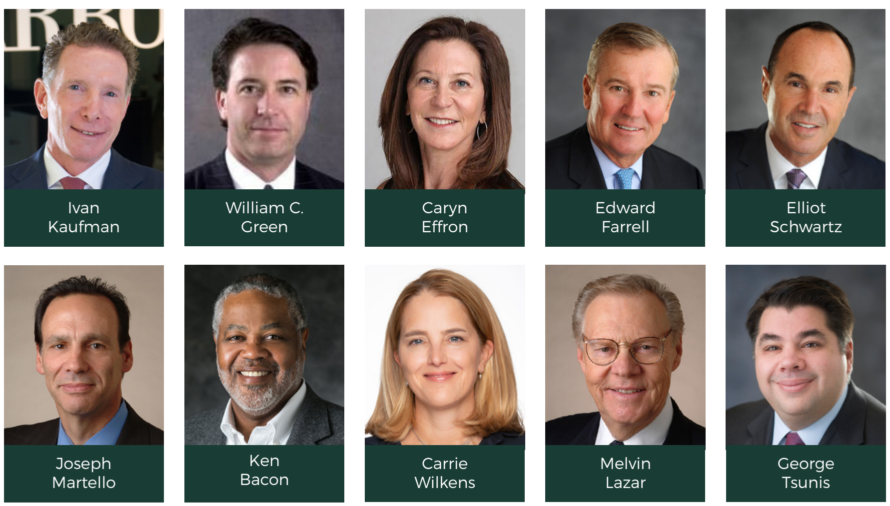
To learn more about Arbor's commitment to Corporate Responsibility and Impact, read the Statement of Corporate Responsibility and Impact Principles.

Governance

Arbor's history as a premier provider of commercial and multifamily loans is in part possible thanks to our commitment to clear and strong corporate governance. This commitment now extends to our governance of corporate responsibility and climate-related matters, including our processes for measuring, disclosing, and reporting corporate responsibility, climate, and impact metrics. In 2021, we took our first steps towards defining the governance of Corporate Responsibility at Arbor, from our Board of Directors to our senior management. We continue to expand the responsibilities across the firm, creating a foundation for collaboration across departments.

Our Board of Directors

The Board of Directors' (Board) goals are to build long-term value for Arbor's shareholders and to assure the vitality of the firm for our customers, employees, and the other individuals and organizations that depend on our firm. To achieve these goals, the Board will periodically monitor and provide feedback on both the performance of the company as it relates to goals, strategy, and competitors, and the performance of the Chief Executive Officer and other officers.



Our Board oversees Arbor at the highest level, ensuring that Arbor continues to provide the highest quality service to our borrowers, a good work environment for our employees, and long-term value to our shareholders. The Board of Directors is comprised of nine directors, including Arbor's CEO Ivan Kaufman as the Chairman, and William C. Green as Lead Director. All Directors except for Messrs. Kaufman and Martello qualify as Independent Directors.

The Board has four committees: the Audit Committee, the Corporate Governance Committee, the Compensation Committee, and the Special Financing Committee, all of which are comprised solely of Independent Directors. The Corporate Governance Committee is responsible for assisting in the identification, recruitment, and interviewing of potential board candidates, as well as ensuring the orientation and continuing education of directors.

For more detailed information about our board makeup, committees, nomination and compensation, and corporate governance, please refer to our most recent reporting.

For more information about our Board goals, qualifications, continuing education, and evaluation, please refer to our Corporate Governance Guidelines.

Responsible Governance

Arbor is committed to responsible corporate governance and has implemented structures and procedures to govern the Corporate Responsibility program and climate-related strategy, including assigning responsibility to the Board and leadership to oversee the program and embed corporate responsibility and impact principles into Arbor's practices and policies.

Board Oversight

The Board is kept apprised of corporate responsibility and climate-related initiatives and progress. However, the primary responsibility for driving the day-to-day corporate responsibility and climate strategy resides with the Corporate Governance Committee. The Board Corporate Governance Committee is responsible for monitoring and advising on Arbor's commitment, as defined in its charter, and includes discussion of corporate responsibility, climate, and impact topics at nearly every meeting of the Committee. This includes oversight of Arbor's corporate responsibility, climate, and impact reporting and disclosures, policies, and practices. The Committee discusses these matters with Arbor's management as appropriate. The Chairman of the Corporate Governance Committee provides regular updates to the Board.

Management Oversight

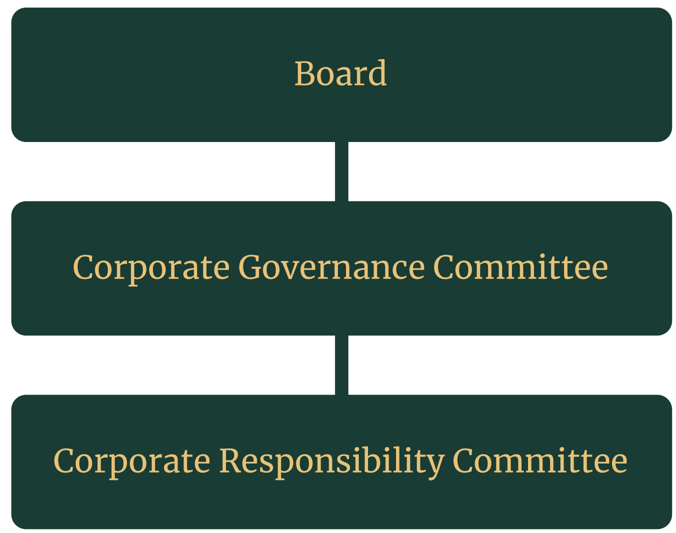
In 2021, Arbor established our Corporate Responsibility Taskforce to lead the development and implementation of the corporate responsibility, climate, and impact strategy with oversight from the Board. In 2022, the Taskforce expanded to include additional employees, including senior management, across various areas of the business. The Taskforce is headed by the MD, Special Projects, Governance and Risk.

Arbor engaged Stok, a sustainability consultant, to support the development of the Corporate Responsibility strategy. Periodically, Stok hosts trainings for the Taskforce to build capacity around corporate responsibility market updates and trends, climate disclosure regulations, and greenhouse gas emissions (GHG) accounting.

Corporate Responsibility Policies

Arbor has adopted a Corporate Responsibility Policy as well as other corporate responsibility-related policies that govern our commitment to responsible business and provide employees and partners with clear guidelines. The Policy provides a framework for Arbor to identify and establish corporate responsibility and impact goals, objectives, and initiatives across our entire business operation. Additional related polices have been adopted that support this document and the overall program. These policies can be found on the [Our Responsibility webpage](#).

Our employees are responsible for complying with these policies, and compliance is overseen by our senior management team and Board of Directors. These policies are reviewed at least annually by the appropriate Arbor personnel and updated as needed.



Strategy

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Arbor's business strategy recognizes both the risks and opportunities associated with climate change in the short, medium, and long term. Arbor is exposed to both transitional and physical climate risks. Transitional risks include evolving regulatory requirements, such as anticipated federal climate disclosure rules and California's SB 253 and SB 261, as well as the potential for stricter building performance standards at the state level. These shifts could impact borrower creditworthiness, property valuations, and market access. Changes in tenant expectations and increasing investor demand for sustainable portfolios may also influence Arbor's competitive positioning.

Physical risks, including extreme weather events like hurricanes, floods, and wildfires, also present potential threats to the real estate collateral that underpins Arbor's loans. Many of these underlying real estate assets are located in regions vulnerable to climate-related weather impacts, which may lead to the possibility of value erosion, increased insurance costs, and/or business interruption for borrowers. While Arbor has not yet conducted a comprehensive climate scenario analysis, we acknowledge the necessity of assessing the resilience of our loan portfolio to climate-driven events. The company has retained a sustainability consulting partner to help Arbor start evaluating our exposure to these risks and modeling future climate-related scenarios aligned with global warming pathways. This includes developing a more granular understanding of long-term physical and transitional risk exposure.

At the same time, Arbor recognizes that the transition to a low-carbon economy presents strategic opportunities. Through our longstanding lending partnerships with Fannie Mae, Freddie Mac, and HUD, Arbor provides financing for green-certified and energy-efficient properties. These green lending programs, which offer longer loan terms and preferential rates , not only support environmental goals but also help meet growing market demand for sustainable housing, aligned with Arbor's business model. For example, Arbor recently closed a $34 million green refinance loan for a multifamily property in Houston, demonstrating our ability to align business growth with environmental goals.

To support our transition efforts for long-term climate resilience, Arbor has also begun to incorporate corporate responsibility considerations and sustainability factors into our underwriting practices, exploring how borrower sustainability performance can strengthen long-term credit quality.

Risk/Opportunity	Short-Term (0-3 Years)	Medium-Term (3-5 Years)	Long-Term (5+ Years)
Physical Risks	**Risk**: Increased prevalence and severity of physical risks such as weather and storm events and wildfires.	**Risk**: Increased prevalence and severity of physical risks such as weather and storm events and wildfires.	**Risk**: Increased prevalence of chronic physical risks such as sea level rise.
Physical Opportunities	N/A	N/A	N/A
Transitional Risks	**Risk**: Increasing regulatory requirements in states in which Arbor operates, including immediate reporting requirements for CA SB 219 (SB 253 and SB 261) and potential near-term reporting requirements in New York, New Jersey, Illinois, Washington, Minnesota, and Colorado. **Risk**: Increasing regulations for borrowers, such as California's embodied carbon in new construction regulations. **Risk**: Increasing insurance premiums or lack of insurance coverage in high-risk areas.	**Risk**: Increasing insurance premiums or lack of insurance coverage in high-risk areas. **Risk**: Increased CapEx due to climate-related damage to properties or need for preventative maintenance and mitigation costs. **Risk**: Increased stakeholder and investor pressure to decarbonize assets and implement resiliency and mitigation measures. **Risk**: Potential for higher default rates in vulnerable regions.	**Risk**: Re-pricing of assets. **Risk**: Higher operating costs.
Transitional Opportunities	Reputational benefit as a firm committed to risk management and preservation of long-term value.	Enhanced portfolio resiliency due to proactive risk evaluation processes.	N/A

Risk Management

a. Describe the organization's processes for identifying and assessing climate-related risks.

b. Describe the organization's processes for managing climate-related risks.

c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Arbor continues to assess our current processes for measuring, disclosing, and reporting sustainability and climate metrics. In preparation for compliance with state GHG emissions reporting regulations, such as legislation in California, Illinois, New York, Minnesota, and Washington, Arbor conducted a Scope 1 and 2 GHG Inventory in 2024 and expanded to Scope 3 in 2025. Furthermore, we continue to evaluate potential climate-related risks and opportunities and maintain the firm's ability to stay resilient and profitable in the future. Arbor is currently evaluating providers to support the identification of physical climate risks and implementation of scenario-analysis.

The company has taken initial steps to assess operational sustainability, including audits of office energy use, water consumption, and waste generation. These data points provide a foundation for identifying environmental performance trends and informing climate-related operational decisions.

As climate risks are increasingly being viewed through a financial lens, Arbor's risk management team is actively exploring how physical climate events could impact loan servicing, repayment risk, and collateral valuation. These assessments help Arbor understand where climate considerations should be embedded in underwriting criteria, property-level due diligence, and post-loan monitoring processes.

Although Arbor is still developing a formal, quantified methodology for integrating climate risk into all lending and investment decisions, our governance structures and internal coordination demonstrate early-stage alignment with SB 261's mandate to disclose how climate risks are managed.

Corporate responsibility considerations are integrated at Arbor through robust corporate governance policies and practices internally and externally. Arbor is committed to conducting business in a legal, ethical, and responsible manner and requires that all our workforce and approved vendors follow the same high level of standards.

Responsible Parties

Arbor's executive management team is responsible for promoting our Corporate Responsibility Principles and for ensuring corporate strategies are developed and implemented in a manner consistent with corporate responsibility and climate goals, objectives, and initiatives.

- Our lending function and the management responsible for those functions will oversee the integration of Corporate Responsibility Principles into the loan origination processes and will be responsible for ensuring responsible investment practices across all lending platforms and product offerings.
- Our dedicated Corporate Responsibility Taskforce will work cross-functionally with relevant internal and external stakeholders to ensure alignment with the Corporate Responsibility Policy.
- The Corporate Governance Committee of the Board of Directors, the General Counsel, and the Office of the Corporate Secretary provide oversight of corporate responsibility- and climate-related policy creation and relevant disclosures.
- Arbor's Board of Directors will, from time to time, consider corporate responsibility and climate-related topics for discussion and appropriate prioritization.
- The Finance and Legal teams will engage from time to time with outside legal and other advisors to remain current with all applicable corporate responsibility rules, regulations, and reporting obligations.

Metrics and Targets

a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

As part of our commitment to corporate responsibility and climate transparency, Arbor monitors and reports on select environmental metrics with a goal to expand our metrics tracking in the future. Our corporate offices are outfitted with high-efficiency lighting systems, low-flow water fixtures, ENERGY STAR appliances, and other green building features. Several facilities are certified under LEED or NGBS. Arbor also operates internal waste management programs, including e-waste recycling and double-sided printing initiatives, and has supported tree planting efforts, resulting in over 17,000 trees planted across the U.S. and more than 3,400 trees planted internationally since 2021.

1991
Core part of Arbor history, tree planting program initiated

17,000
Trees planted domestically since 2021

3,400
Trees planted internationally since 2021

Within our financed portfolio, Arbor discloses notable green lending activity, including loans issued through energy-efficiency, green certification programs, and reporting through Agency Product (e.g., Freddie Mac, Fannie Mae). However, the company has not yet disclosed Scope 1 or Scope 2 greenhouse gas emissions, nor has it published any reduction targets at this time. Arbor is currently working with a sustainability consultant to develop our 2025 greenhouse gas inventory, prepare for Scope 1 and 2 emissions assurance, and to prepare to assess climate-related risks, aligning with emerging investor expectations and the disclosure provisions outlined in CA SB 219 (SB 253 and SB 261).

Through this process, Arbor is evaluating our exposure to transitional and physical climate risks to strengthen our readiness for future regulatory and voluntary disclosures. In parallel, Arbor is exploring how to quantify and report “financed emissions,” the indirect emissions associated with our lending portfolio, which are increasingly important for assessing climate-related financial exposure, particularly for financial institutions.