



Ocwen Financial Corporation Corporate Governance Guidelines

Last Reviewed and Approved
December 5, 2023

These Corporate Governance Guidelines were first adopted by the Board of Directors (the "Board") of Ocwen Financial Corporation (the "Company") at its meeting on November 7, 2002 to assist the Board in the exercise of its responsibilities. These Corporate Governance Guidelines reflect the Board's commitment to monitor the effectiveness of policy and decision making both at the Board and management level, with a view to enhancing long-term stockholder value. These Corporate Governance Guidelines are not intended to change or interpret any Federal or State law or regulation, including the Florida Business Corporation Act, or the Articles of Incorporation or By-laws of the Company. These Corporate Governance Guidelines are subject to modification from time to time by the Board.

THE BOARD

Role of Directors

The business and affairs of the Company shall be under the direction of the Board. A director is expected to spend the time and effort necessary to properly discharge such director's responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and committees on which such director sits and to review prior to meetings material distributed in advance for such meetings. Directors are also expected to attend the annual meeting of shareholders. A director who is unable to attend a meeting (which it is understood will occur on occasion) is expected to notify the Secretary in advance of such meeting. "Attendance" includes telephonic participation and any other means of electronic participation in which the director may hear, and be heard by, the other attendees.

The Board's Goals

The Board's goal is to build long-term value for the Company's stockholders and to assure the vitality of the Company for its customers, employees and the other individuals and organizations who depend on the Company.

To achieve these goals, the Board will monitor both the performance of the Company (in relation to its goals, strategy and competitors) and the performance of the Chief Executive Officer and offer him or her constructive advice and feedback. The Board is also responsible for assuring that the Company's management and employees operate in a legal and ethically responsible manner. When it is appropriate or necessary, it is the Board's responsibility to remove the Chief Executive Officer and to select his or her successor.

Selection of the Chair of the Board; Lead Independent Director

The Board does not believe that it is in the best interests of the Company and its shareholders to mandate the separation of the offices of Chair of the Board of Directors and Chief Executive Officer. Rather, the Board retains the discretion to make determinations on this matter from time to time as may be in the best interests of the Company and its shareholders.

In the event that the Board determines that the same individual shall serve as Chair and Chief Executive Officer, the Board shall appoint a lead independent director (“Lead Independent Director”) who shall exercise such responsibilities as are set forth in the Lead Independent Director Charter in order to appropriately address corporate governance considerations arising from the service of the same individual as Chair and Chief Executive Officer.

Size of the Board

The Board believes that it should generally have no fewer than five and no more than eleven directors. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability. The size of the Board could, however, be increased or decreased if determined to be appropriate by the Board. For example, it may be desirable to increase the size of the Board in order to accommodate the availability of an outstanding candidate for director. In all circumstances, the Board size will comply with the requirements of the Company's By-laws.

Selection of New Directors

The Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Nomination/Governance Committee is responsible for identifying, screening and recommending candidates to the Board for Board membership. When formulating its Board membership recommendations, the Nomination/Governance Committee shall also consider advice and recommendations from others as it deems appropriate.

Board Membership Criteria

Nominees for director shall be selected on the basis of, among other things, experience, knowledge, skills, expertise, integrity, diversity, ability to make independent analytical inquiries, understanding of the Company's business environment and willingness to devote adequate time and effort to Board responsibilities.

The Nomination/Governance Committee shall be responsible for assessing the appropriate balance of criteria required of Board members.

Stock Ownership and Retention Guidelines for Directors

Directors are expected to own shares in the Company worth at least five times the base annual cash retainer for service as a director. Such threshold shall apply as of the fifth anniversary of August 18, 2015 (the date of adoption of the stock ownership guidelines set forth in this paragraph) for directors serving as of such date and shall apply as of the fifth anniversary of the appointment of any subsequent director (in each case, the “Initial Measurement Date”). Shares that count toward these stock ownership guidelines shall include (i) shares held in trust for the benefit of the director or his or her family members and (ii) shares with respect to which a deferral election has been made pursuant to the Company's Deferral Plan for Directors.

If a director has met his or her applicable ownership threshold (including as of a date prior to the Initial Measurement Date) and a subsequent decline in the Company's share price causes the value of his or her ownership to fall below the applicable threshold, the director will be considered to be in compliance with the stock ownership guidelines so long as he or she continues to hold at least the number of shares that were owned at the time when he or she achieved the threshold.

It is expected that a director who has not met the ownership threshold will not sell any shares of the Company's stock until such director attains the ownership threshold. Thereafter, it is expected that a director will not sell shares of the Company's stock if, following such sale, the director would not own stock worth at least five times the annual cash retainer for director service, measured by reference to the closing trading price of the Company's stock immediately prior to such sale.

Other Public Company Directorships

The Company's general policy is to limit the number of other public company boards of directors upon which a director may sit to three. The Board retains the discretion to appoint or nominate for election by the shareholders individuals who sit on more than three other public company boards of directors if the Board considers the addition of such individual to the Board to be in the best interests of the Company and its shareholders.

The Nomination/Governance Committee shall consider the number of other public company boards and other boards (or comparable governing bodies) on which a prospective nominee is a member and shall consider (and make recommendations to the Board as to) whether that prospective nominee's membership on such other board(s) is, or has the potential to be, in conflict with the duties of membership of the Board.

In addition, the number of other public company audit committees on which a member of the Audit Committee may sit shall be limited by the Audit Committee charter.

Independence of the Board

Directors shall act in the best interests of the Company and its shareholders collectively in accordance with their fiduciary duties to the Company.

The Board shall be comprised of a majority of directors who qualify as independent directors ("Independent Directors") under the listing standards of the New York Stock Exchange (the "NYSE") and applicable law. In addition, the Board shall have no more than two directors who are employees of the Company.

The Board shall review annually the relationships that each director has with the Company (directly or as a partner, shareholder or officer of an organization that has a relationship with the Company or otherwise). Following such annual review, only those directors whom the Board affirmatively determines have no material relationship with the Company (directly or as a partner, shareholder or officer of an organization that has a relationship with the Company or otherwise) will be considered Independent Directors, subject to additional qualifications prescribed under the listing standards of the NYSE or under applicable law. The Board may adopt and disclose categorical standards to assist it in determining director independence.

Directors Who Change Their Present Job Responsibility

The Board does not believe that the directors (including employee directors) who retire or change the position they held when they became a member of the Board should necessarily leave the Board. Promptly following such event, the director must notify the Nomination/Governance Committee, which shall review the continued appropriateness of the affected director remaining on the Board under the circumstances. The affected director is expected to act in accordance with the Nomination/Governance Committee's recommendation following such review.

Director Tenure

In connection with each director nomination recommendation, the Nomination/Governance Committee shall consider the issue of continuing director tenure and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo. An individual director's re-nomination is dependent upon such director's performance evaluation, as well as a suitability review, each to be conducted by the Nomination/Governance Committee in connection with each director nomination recommendation.

Board Compensation

The Company believes that compensation for directors should be competitive and should encourage increased ownership of the Company's stock through the payment of a portion of director compensation in Company stock, options to purchase Company stock or similar compensation. The Compensation and Human Capital Committee of the Board will periodically review the level and form of the Company's director compensation, including how such compensation relates to director compensation of companies of comparable size, industry and complexity. Pursuant to the Compensation and Human Capital Committee's charter, decisions on director compensation have been delegated to the Compensation and Human Capital Committee.

Director's fees (including any additional amounts paid to chairs of committees and to members of committees of the Board) are the only compensation a member of the Audit Committee and the Compensation and Human Capital Committee may receive from the Company.

Separate Sessions of Non-Management Directors

The non-management directors of the Company shall meet in executive session without management on a regularly scheduled basis but no less than four times a year. In the event that third parties have Board observer rights, the Board shall also periodically meet in executive session without Board observers present, subject to the Chair's discretion and any applicable regulatory requirements. Whenever the Chair is a non-management director, the Chair shall chair such executive sessions. Whenever the Chair is a management director, the Lead Independent Director shall chair such executive sessions. Anyone who desires to contact the non-management directors regarding the Company may do so in accordance with the method and conditions specified on the Company's website and in the Company's annual proxy statement.

Self-Evaluation by the Board

The Nomination/Governance Committee will sponsor an annual self-assessment of the Board's performance. The self-assessment process shall also include self-assessments by those committees designated by the Nomination/Governance Committee. The Board shall receive reports of the results of such committee self-assessments and shall discuss the results of the Board and committee self-assessments. The Nomination/Governance Committee shall, to the extent it deems appropriate, consider the results of the self-assessment process in discharging its responsibilities to identify, screen and recommend candidates for Board membership and in making recommendations to the Board with respect to assignments of Board members to various committees.

Strategic Direction of the Company

It is management's job to formalize, propose and implement strategic choices and the Board's role to approve strategic direction and evaluate strategic results. As a practical matter, the Board and management will be better able to carry out their respective strategic responsibilities if there is an ongoing dialogue among the Chief Executive Officer, other members of top management and other Board members. To facilitate such discussions, members of senior management who are not directors may be invited to participate in Board meetings when appropriate.

Board Access to Management

Board members shall have access to the Company's management and, as appropriate or required, to the Company's outside advisors. Board members shall coordinate such access through the Secretary of the Company, and Board members will use judgment to assure that this access is not distracting to the business operation of the Company.

Attendance of Management Personnel at Board Meetings

The Board encourages the Chief Executive Officer to bring members of management into Board meetings as appropriate to (i) provide management insight into items being discussed by the Board which involve the manager; (ii) make presentations to the Board on matters which involve the manager; and (iii) bring managers with significant potential into contact with the Board. Attendance of such management personnel at Board meetings is at the discretion of the Board.

Board Materials Distributed in Advance

Information and materials that are important to the Board's understanding of the agenda items and other topics to be considered at a Board meeting should, to the extent practicable, be distributed sufficiently in advance of the meeting to permit prior review by the directors. In the event of a pressing need for the Board to meet on short notice or if such materials would otherwise contain highly confidential or sensitive information, it is recognized that written materials may not be available in advance of the meeting.

Board Interaction with Institutional Investors, Analysts, Press and Customers

The Board believes that management generally should speak for the Company. Unless otherwise determined by the Board, each director shall refer all inquiries from institutional investors, analysts, the press or customers to the Chief Executive Officer or his or her designee.

Board Orientation and Continuing Education

The Company shall provide new directors with information serving to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of business conduct and ethics, corporate governance guidelines, principal officers, internal auditors and independent auditors. Each director should consider participation, as appropriate, in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a director.

BOARD MEETINGS

Frequency of Meetings

There shall be four regularly scheduled meetings of the Board, held quarterly each year. The Board shall hold additional meetings as, and when, the Chair (in consultation with the Lead Independent Director, when applicable) deems necessary in order to accomplish the Board's business and fulfill its oversight responsibilities.

Selection of Agenda Items for Board Meetings

The Chair of the Board and, when applicable, the Lead Independent Director, shall annually review a "Board of Directors Master Agenda" prepared by the Company Secretary. This Master Agenda shall set forth a general agenda of items to be considered by the Board at each of its specified meetings during the year. Thereafter, the Chair of the Board in consultation with the Board and management may adjust the agenda to include special items not contemplated during the initial preparation of the annual Master Agenda.

Upon completion, a copy of the Master Agenda shall be provided to the entire Board. Each Board member shall be free to suggest inclusion of items on the agenda as well as free to raise at any Board meeting subjects that are not specifically on the agenda for that meeting.

COMMITTEE MATTERS

Number and Names of Board Committees

The Company shall have five standing committees: Audit, Compensation and Human Capital, Nomination/Governance, Risk and Compliance and Executive. The purpose and responsibilities for the standing committees shall be outlined in committee charters adopted by the Board. The Board may determine, from time to time, to form a new committee or disband a current committee depending on circumstances. In addition, the Board may determine to form ad hoc committees from time to time and determine the composition and areas of responsibility of such committees.

Independence of Board Committees

Each of the Audit Committee, the Compensation and Human Capital Committee, and the Nomination/Governance Committee shall be composed entirely of Independent Directors satisfying applicable legal, regulatory and stock exchange requirements necessary for an assignment to any such committee. The Risk and Compliance Committee shall also be composed entirely of Independent Directors. All other standing Board committees shall be chaired by Independent Directors unless the Board determines otherwise.

Assignment and Rotation of Committee Members

The Nomination/Governance Committee, after consultation with the Chair of the Board and, when applicable, the Lead Independent Director, shall be responsible for making recommendations to the Board with respect to the assignment of Board members to various committees. After reviewing the Nomination/Governance Committee's recommendations, the Board shall be responsible for appointing the Chair, the Lead Independent Director (when applicable) and members to the committees on an annual basis.

The Nomination/Governance Committee shall annually review the Committee assignments and shall consider the rotation of the Chair, the Lead Independent Director (when applicable) and members with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors.

LEADERSHIP DEVELOPMENT

Selection of the Chief Executive Officer

The Board shall be responsible for identifying potential candidates for, and selecting, the Company's Chief Executive Officer. In identifying potential candidates for, and selecting, the Company's Chief Executive Officer, the Board shall consider, among other things, a candidate's experience, understanding of the Company's business environment, leadership qualities, knowledge, skills, expertise, integrity and reputation in the business community.

Evaluation of the Chief Executive Officer

The Board will provide the Chief Executive Officer with an annual performance review for the prior year during the first quarter of each fiscal year. The following steps will be utilized to carry out this review:

- The Compensation and Human Capital Committee will review the performance of the Chief Executive Officer pursuant to the goals approved by the Compensation and Human Capital Committee and in consultation with the non-management directors during the first quarter of the fiscal year.
- The chair of the Compensation and Human Capital Committee or, if so determined by the non-management directors in executive session, the non-management directors, will meet with the Chief Executive Officer, to discuss the assessment of the Chief Executive Officer.

Succession Planning

The Board shall plan for the succession to the position of the Chief Executive Officer. To assist the Board, the Chief Executive Officer or his or her designee shall periodically brief the Board on succession planning for the Chief Executive Officer and other senior officers of the Company.

Management Development

The Board shall determine that a satisfactory system is in effect for education, development and orderly succession of senior and mid-level managers throughout the Company.