

NYSE: ARR

ARMOUR Residential REIT, Inc.

Environmental, Social &
Governance Report

As of April 13, 2026

Managed by ARMOUR Capital Management LP

ESG FRAMEWORK



Governance

Board oversight, ethics
& compliance frameworks



Environment

Operational sustainability
& resource stewardship



Social

Housing finance impact
& human capital

Company Overview & ESG Framework

About ARMOUR

ARMOUR Residential REIT, Inc. (NYSE: ARR) is an externally managed mortgage REIT that invests exclusively in Agency MBS issued or guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Substantially all assets consist of Agency MBS, supplemented by cash and U.S. Treasury securities.

ARMOUR is managed by ARMOUR Capital Management LP (ACM), which employs 18 professionals. ARMOUR has no direct employees.

ESG Governance Structure

The Nominating and Corporate Governance Committee (NGC) of the Board holds primary oversight responsibility for ARMOUR's ESG policies, activities, and disclosures. The NGC reviews ESG practices against industry and peer benchmarks periodically and reports findings to the full Board.

Business Model & ESG Alignment

ARMOUR's investment mandate is structurally aligned with U.S. housing finance objectives. By deploying private capital into Agency MBS markets, ARMOUR supports the liquidity, pricing efficiency, and availability of residential mortgage credit.

REPORTING FRAMEWORK

01

Corporate Governance

Board composition, independence, ethics, and oversight structures

02

Environmental

Operational sustainability practices and resource efficiency

03

Social Responsibility

Housing finance impact, stakeholder relations, and community

04

Human Capital

Workforce metrics, diversity, benefits, and employee development

Board of Directors

8

Total Directors

5

Independent Directors

25%

Gender Diversity

13%

Racial/Ethnic Diversity

Director	Age	Since	Current Position	Audit Cmte	Compensation	Nom. & Gov.	Fin. Expert	Indep.
Daniel C. Staton	73	2009	Non-Executive Chairman					No
Marc H. Bell	58	2009	Director					No
Carolyn Downey	76	2013	Independent Director			Co-Chair		Yes
Robert C. Hain	73	2009	Independent Director	x	Chair		x	Yes
John P. Hollihan III	76	2009	Independent Director	x		x	x	Yes
Stewart J. Paperin	78	2009	Independent Director	Chair	x		x	Yes
Z. Jamie Behar	68	2019	Independent Director	x	x	Co-Chair	x	Yes
Scott J. Ulm	67	2009	CEO, Vice Chairman					No

"Chair" = Committee Chair | "Co-Chair" = Committee Co-Chair | "x" = Member | "Fin. Expert" = Audit Committee Financial Expert (SEC Rule 10A-3)

Ethics, Compliance & Information Security

Ethics & Compliance

ARMOUR maintains a Code of Business Conduct and Ethics applicable to all officers, directors, and ACM employees, addressing anti-corruption, anti-money laundering, insider trading, and USA PATRIOT Act compliance.

All personnel certify compliance annually. A Whistleblower Policy is in place; retaliation is strictly prohibited. Annual compliance training covers ethical obligations, regulatory developments, and ESG-related matters. Anti-harassment training is mandatory for all employees.

- ✓ Code of Business Conduct & Ethics
- ✓ Insider Trading Policy
- ✓ Whistleblower Policy
- ✓ Anti-Harassment Training
- ✓ Annual Compliance Certification

Cybersecurity

ACM maintains a formal information security program overseen by an IT Governance Committee, with results reported to the Board. The program includes policies and controls addressing cybersecurity risk, incident response, access management, and data protection.

Third-Party Assessment

Periodic penetration testing, vulnerability scanning, and social engineering exercises conducted by external experts.

Employee Training

Mandatory cybersecurity training for all users annually since 2015, covering phishing, PII, insider threats, and mobile security.

Oversight & Audit

Program subject to internal audit with results reported to the Board. Robust incident response plan in place.

Environmental Responsibility

As an externally managed investment company with 18 office-based employees, ARMOUR's direct operational environmental footprint is limited. ACM integrates environmental considerations into office operations and procurement to reduce energy consumption, waste, and resource use.

Energy Efficiency

LED lighting throughout office, window film for HVAC load reduction, power management on all devices, video conferencing as standard travel alternative

Sustainable Procurement

ENERGY STAR® certified equipment; UPLIFT desks with Moso bamboo tops; PVC-free, Cradle to Cradle Certified recyclable carpet tile

Waste Reduction

Elimination of single-use plastics; reusable and compostable kitchen products; electronic document management and e-invoicing

Recycling Program

Paper, glass, plastics, aluminum, electronic equipment, batteries, and ink cartridges; HEPA air purification; USA-made EWS water filtration

Social Responsibility



Housing Finance & Market Impact

ARMOUR's core social contribution is channeling private capital into U.S. residential mortgage markets through the purchase of Agency MBS. This activity supports the liquidity and pricing efficiency of mortgage finance, influencing availability and affordability for a broad range of American households.

Homeownership is widely recognized as a driver of individual wealth accumulation and community stability. ARMOUR considers support for an effective U.S. housing finance market a fundamental aspect of its social mandate.

Community Involvement

ACM supports community engagement through corporate charitable contributions and employee volunteerism.

- ✓ Food Security
- ✓ Affordable Housing
- ✓ Cancer Support
- ✓ Children's Health & Social Services
- ✓ Financial Literacy



Stakeholder Engagement

ARMOUR recognizes obligations to a broad set of stakeholders — stockholders, funding and trading counterparties, vendors, and communities. Business relationships are conducted with a commitment to professional integrity and mutual respect.

Human Rights

- Prohibition of child labor (ILO Convention 138)
- No forced labor in any form
- Freedom of association & collective bargaining
- Equal pay for equal work
- Zero tolerance for harassment or coercion

Human Capital Management

WORKFORCE METRICS

18
Office-Based Employees
(via ACM)

94%
Full-Time
Employees

11.5 yrs
Avg. Employee
Tenure

2.58%
Avg. Annual Voluntary
Turnover (2016–2025)

Diversity & Inclusion



Employment decisions are made without regard to race, ethnicity, religion, sex, sexual orientation, gender identity, age, disability, veteran status, or any other protected characteristic. ACM maintains an equal pay policy with compensation determined by experience, seniority, education, and performance.

Compensation & Benefits

- ✓ Medical Insurance – Company-paid coverage
- ✓ Health Savings Account (HSA) – Company contributes up to the IRS maximum allowable amount
- ✓ Dental Insurance – Company-paid coverage
- ✓ Basic Life & AD&D Insurance – Company-paid coverage
- ✓ Short-Term Disability – Company-paid coverage
- ✓ Long-Term Disability – Company-paid coverage
- ✓ Telemedicine & Teletherapy (AllyHealth) – Free to employees and dependents
- ✓ Employee Assistance Program (EAP) – Confidential counseling and support services available at no cost

Development & Safety

Professional Development

Blended learning: on-the-job, mentoring, and formal training. Tuition reimbursement for continued education and relevant certifications.

Annual Compliance Certification

All employees certify the Code of Conduct, Insider Trading Policy, Whistleblower Policy, and IT Policies each year.

Health & Safety

OSHA-compliant protocols; CPR/AED certification (Red Cross); 62% employee participation in most recent course. Business Continuity & Disaster Recovery plan in place.

Open Communication & Employee Engagement



Communication Framework

Transparent and consistent communication is a core component of our governance and culture framework. We maintain structured and informal channels to ensure alignment across the organization and provide employees with visibility into Company performance and strategic priorities.

The Company periodically evaluates its human capital practices to ensure alignment with evolving regulatory expectations and investor priorities.



Workplace Practices

We are committed to maintaining a professional and respectful workplace that supports employee well-being, performance, and retention.

Work Environment & Flexibility: Structured office environment with flexibility when appropriate to support productivity and business continuity.

Tools & Resources: Employees are equipped with the technology, systems, and administrative support necessary to perform their roles effectively.

Training & Compliance: Required training programs and certifications support regulatory compliance and ongoing professional development.



Employee Engagement

Biannual Company-Wide Town Halls

Two Town Hall meetings held annually where senior leadership shares updates on performance, market conditions, and strategic initiatives, with Q&A and open discussion.

Direct Access to Leadership

Employees have regular, direct interaction with senior management, facilitating timely communication, feedback, and informed decision-making throughout the organization.

Cross-Functional Collaboration

Teams work closely across departments, supporting organizational alignment and efficient execution of strategic priorities.

ARMOUR

Residential REIT, Inc.

Forward-Looking Disclosures

This ESG report contains forward-looking statements regarding ARMOUR's plans, objectives, and commitments with respect to environmental, social, and governance matters. Such statements involve known and unknown risks and uncertainties, and actual results may differ materially.

This report should be read in conjunction with ARMOUR's public filings, including its Annual Report on Form 10-K and proxy statement filed with the U.S. Securities and Exchange Commission.

ESG data is as of April 13, 2026, unless otherwise noted.

Additional Information

Corporate governance, ESG policies, and investor relations materials are available at:

www.armoureit.com

KEY FACTS

NYSE TICKER

ARR

STRUCTURE

Externally Managed REIT

ASSET FOCUS

Agency MBS

MANAGER

ARMOUR Capital Management LP

EMPLOYEES (ACM)

18

ESG OVERSIGHT

Nominating & Corporate
Governance Committee

REPORT DATE

As of April 13, 2026