

Exhibit G:
Annual Loan Products Narrative Reporting Template

FREDDIE MAC
 AFFORDABLE HOUSING PRESERVATION
 2022
 LOAN PRODUCT

ACTIVITY:

9 – Financing of Energy or Water Efficiency Improvements on Single-Family Properties: Regulatory Activity

OBJECTIVE:

A – Develop Automation and Industry Standards to Support Loan Purchases on Energy-Efficient First-Lien Properties

SUMMARY OF RESULTS:

Freddie Mac met our goals under this objective in 2022 by supporting the issuance of Single-Family Green Bonds, confirming our commitment to promote environmentally sustainable single-family housing that helps reduce climate-related risks and increase affordability.

Objective’s components detailed in the Plan	Corresponding actions or deliverables
1. Develop the framework for a Single-Family Green Bond in alignment with ICMA Green Bond principles.	<p>Complete</p> <ul style="list-style-type: none"> • Announced the Single-Family Green Bond framework. • Obtained a second-party opinion on the framework from CICERO Shades of Green to assure investors of an objective opinion on and transparency into the “greenness” of the properties secured by mortgages that are eligible under the framework. According to International Capital Market Association (ICMA) standards, an organization offering a green bond should have an external review and assessment of the framework performed. • Expanded the framework to include new construction mortgages with a RESNET Home Energy Rating System (HERS®) Index score.
2. Establish a process to support the impact reporting of Single-Family Green Bond issuances.	<p>Complete</p> <ul style="list-style-type: none"> • In collaboration with non-profit vendor Earth Advantage®, developed a methodology and tools for reporting on Green Bond performance and impact.

	<ul style="list-style-type: none"> The vendor validated the energy-efficiency performance of homes backing loans contained in Single-Family Green Bond issuances by measuring the reduction in greenhouse gas emissions and energy savings associated with those homes.
<p>3. Socialize our Single-Family Green Bond framework with investors in MBS.</p>	<p>Complete</p> <ul style="list-style-type: none"> Conducted calls with investors in mortgage-backed securities (MBS) to socialize the Green Bond framework. Highlights of feedback: <ul style="list-style-type: none"> European clients are very focused on environment, social, and corporate governance (ESG); the U.S. market to a lesser extent; and Asian accounts are neutral. Market price premiums (pay-ups, or Greeniums) relative to non-Green Bonds are expected to grow as investors better understand the details of green programs. Green data currently are not standardized; the market is looking for more standardization. Previous ESG bonds focused on the social aspect, but clients now are open to both environment and social components.
<p>4. Regularly issue Green MBS in the capital market.</p>	<p>Complete</p> <ul style="list-style-type: none"> Regularly issued Green MBS into the market. Greeniums received on the issuances in 2022 were lower than in 2021 and performed in line with overall MBS. Broadened issuances to include newly constructed homes with a HERS score of 60 or less, expanding the eligible pool of mortgages for this offering. Green MBS issuance for 2022 totaled \$1.37 billion, more than twice the previous year's amount.

SELF-ASSESSMENT RATING OF PROGRESS:

- Target met
- Target exceeded
- Objective partially completed
- No milestones achieved

PARTIAL CREDIT JUSTIFICATION:

Not applicable.

IMPACT:

- 50 – Very Large Impact
 40
 30 – Meaningful Impact
 20
 10 – Minimal Impact
 0 – No Impact

IMPACT EXPLANATION:

1. How and to what extent were the actions or deliverables under this objective impactful in addressing the applicable underserved market's needs, or in laying the foundation for future impact in addressing the underserved market's needs?

Freddie Mac's effort under this objective expanded our leadership in providing standards and scale to the nation's housing finance market and increased visibility, understanding of benefits, and liquidity for home energy- and/or water-efficiency improvements and energy-efficient homes. The attention that our increased presence and participation brought to this part of the market laid the foundation for greater availability of and demand for green construction and home improvements. Energy and water efficiencies help lower the cost of homeownership and impacts on the environment.

The continued issuances from our Single-Family Green Bond Program brought visibility and liquidity to the market for financing environmentally sustainable single-family homes that help reduce climate-related risks and increase affordability. The Single-Family Green Bond Framework that we developed received a Light Green Second Opinion rating from CICERO Shades of Green. Eligible projects that included homes with renewable energy (for example, solar) as part of Freddie Mac's framework were rated Dark Green. Receiving this independent second opinion from CICERO gave investors confidence in our bonds. Ensuring that our framework aligned with International Capital Market Association (ICMA) standards reinforced their confidence. Investor appetite for our Green Bond issuances was evident from the consistent bids we received when issuances entered the marketplace.

Introducing the Green Bond Framework also allowed us to broaden the criteria for mortgages eligible for securitization into Single-Family Green MBS. GreenCHOICE Mortgage[®] refinance loans used to pay off existing debt on solar panel installations had composed all Green MBS initially. Under the framework, mortgages backed by newly constructed homes with renewable energy sources and mortgages backed by newly constructed homes with HERS Index scores of 60 or less also meet Freddie Mac's energy-efficiency requirements. As refinances waned, our issuances were backed mainly by new-home mortgages. This expansion of eligible energy efficient mortgages will help encourage green construction as well as energy-efficiency home improvements.

The methodology and tools that we developed in partnership with non-profit vendor Earth Advantage enabled us to glean information about the amount of energy and cost savings realized from the renewable improvements present in the properties secured by the mortgages included in our Green MBS. Such insights verify the benefits of home energy efficiencies. We published the insights that we gained based on our 2021 issuances in our Green MBS Impact Report to share them widely and generate more participation in the energy-efficiency market.

Released in November 2022, the Freddie Mac Single-Family [Green MBS Impact Report 2021](#) highlighted the difference that our green mortgage purchases and securitizations made to homeowners and homebuyers, the housing and capital markets, and the environment. Single-Family Green MBS issuances totaled \$617 million of bonds backed by 2,454 GreenCHOICE Mortgage refinance loans in 2021. Around 43% of properties with

mortgages included in Green MBS issued in 2021 were in states with a carbon intensity of energy production greater than the national average. Nearly 20% of these properties were in states that were among the 10 highest in terms of carbon intensity of energy production.

Using the methodology developed with Earth Advantage, we estimated that our 2021 Single-Family Green MBS issuances supported the following results:

- Saved an estimated average of \$1,027 in annual utility costs for each homeowner with a GreenCHOICE Mortgage included in a 2021 Freddie Mac Single-Family Green MBS, representing a 50% anticipated average decrease in total annual utility bills for these borrowers.
- Avoided greenhouse gas emissions equivalent to removing 2,433 cars from the road for a year, representing an estimated 69% decrease in emissions.¹

Freddie Mac intends to release a Green MBS impact report yearly. The 2022 impact report will be available in the second half of 2023.

2. What did the Enterprise learn from its work about the nature of the underserved market’s needs and how to address them?

We learned that including a mix of loan types in our Green MBS is essential to sustaining regular issuances and increasing liquidity for green mortgages. While interest rates were at or near historic lows, bonds were backed mainly by refinance loans that homeowners used to pay off debt previously incurred to finance the purchase and installation of solar panels. As interest rates rose, green mortgage refinances declined along with other refinance transactions. To identify eligible properties for our Single-Family Green MBS in the rising interest rate environment, we worked with lenders to encourage them to use Freddie Mac mortgage offerings to finance newly built, energy-efficient homes for which an energy assessment was obtained and then to sell us those loans. However, the energy-efficient new construction deliveries required a manually intensive process via our product delivery paths, highlighting a gap in our GreenCHOICE product scope that we plan to address during this Plan cycle.

3. Optional: If applicable, why was the Enterprise unable to achieve the Plan target?

Not applicable.

¹ Calculated using EPA GHG Equivalencies Calculator <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Exhibit C:
Second Quarter Loan Products Narrative Reporting Template

FREDDIE MAC
 AFFORDABLE HOUSING PRESERVATION
 Q2: JANUARY-JUNE 2022
 LOAN PRODUCT

ACTIVITY:

9 – Financing of Energy- and/or Water-Efficiency Improvements on Single-Family Properties: Regulatory Activity

OBJECTIVE:

A – Develop Automation and Industry Standards to Support Loan Purchases on Energy-Efficient First-Lien Properties

SUMMARY OF PROGRESS:

Freddie Mac made progress during the first half of 2022 toward our goals under this objective by supporting the issuance of Single-Family Green Bonds, confirming our commitment to promote environmentally sustainable single-family housing to help reduce climate-related risks and increase affordability. We are on track to meet or exceed expectations.

Action	2022 Achievements through Q2
1. Develop the framework for a Single-Family Green Bond in alignment with ICMA Green Bond principles.	Complete <ul style="list-style-type: none"> • Announced the Single-Family Green Bond framework. • Obtained a second-party opinion on the framework from CICERO Shades of Green to assure investors of an objective opinion on and transparency into the “greenness” of the properties secured by mortgages that are eligible under the framework. According to International Capital Market Association (ICMA) standards, an organization offering a green bond should have an external review and assessment of the framework performed.
2. Establish a process to support the impact reporting of Single-Family Green Bond issuances.	In progress <ul style="list-style-type: none"> • Established agreements and methodology with a vendor around Green Bond reporting. • Began actively working with the vendor to conduct initial validation of the energy-efficiency performance of homes backing loans contained in Single-Family Green Bond issuances.
3. Socialize our Single-Family Green Bond framework with investors in MBS.	In progress <ul style="list-style-type: none"> • Conducted calls with investors in mortgage-backed securities (MBS) to socialize the Green Bond framework. Highlights of the feedback received to date: <ul style="list-style-type: none"> ○ European clients are very focused on environment, social, and corporate governance (ESG); the U.S. market to a lesser extent; and Asian accounts are neutral. ○ Market price premiums (pay-ups, or Greeniums) relative to non-Green Bonds are expected to grow

	<p>as investors better understand the details of Green programs.</p> <ul style="list-style-type: none"> ○ Green data currently are not standardized; the market is looking for more standardization. ○ Previous ESG bonds focused on the social aspect, but clients now are open to both environment and social components. ○ Analyzing prepayment speeds and pool performance for these securities will be an important data point moving forward.
<p>4. Regularly issue Green MBS in the capital market.</p>	<p>In progress</p> <ul style="list-style-type: none"> • Regularly issued Green MBS into the market. Greeniums received on the issuances in 2022 have been lower than in 2021 and have been performing in line with overall MBS.

SELF-ASSESSMENT RATING OF PROGRESS:

- On track to meet or exceed the target
- Progress delayed and/or partial completion of the objective expected
- Unlikely to achieve any milestones of the objective

ADDITIONAL INFORMATION (IF APPLICABLE):

Not applicable.