

Compensation Committee Charter

R E D W O O D
T R U S T

(Amended and Restated November 3, 2021)

I. Purpose

There shall be a committee of the Board of Directors (the “Board”) of Redwood Trust, Inc. (“Redwood”) to be known as the Compensation Committee (the “Committee”). The purpose of the Committee is to assist Redwood’s Board in discharging the Board’s responsibilities regarding, among other things, compensation of Redwood’s executives.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with Redwood’s Bylaws.

II. Composition and Qualifications

The Committee shall consist of three or more directors, as determined by the Board, each of whom (a) satisfies the applicable independence requirements under New York Stock Exchange rules, as may be amended from time to time, (b) qualifies as a “Non-Employee Director” as defined in Rule 16b-3 promulgated under Section 16 of the Securities Exchange Act of 1934, as amended, (c) meets such other criteria as may be applicable from time to time under applicable law, regulation, or stock exchange rules, and (d) has experience, in the business judgment of the Board, that would be helpful in addressing matters delegated to the Committee. Unless a Chair is designated by the Board, the Committee may designate a chair by majority vote of all Committee members.

III. Committee Member Appointment and Removal

The members of the Committee shall be appointed by the Board, after review of any recommendations of the Governance and Nominating Committee, and shall serve at the discretion of the Board for such term or terms as the Board may determine and until their qualified successors are appointed. Members of the Committee may be removed by the Board at any time, with or without cause.

IV. Duties and Responsibilities

In carrying out the purpose set forth herein, the Committee will, among other things:

1. Review and approve corporate goals and objectives relevant to the compensation of Redwood's Named Executive Officers (NEOs) and Executive Officers (EOs), evaluate their performance in light of those goals and objectives, and have authority (as delegated by the Board) to determine the compensation of the NEOs and EOs based on this evaluation.
2. Establish salary level for the Chief Executive Officer ("CEO"), the target annual bonus level for the CEO, as well as other elements of compensation for the CEO.
3. Review and approve the recommendations of the CEO for salary adjustments for other EOs, target annual bonus levels for other EOs, as well as other elements of compensation for other EOs.
4. Supervise Redwood's administration of its incentive compensation plans, equity-based plans, and benefit plans. This includes, among other things, interpreting, modifying, and amending such plans and related agreements, and approving coverage and awards thereunder individually for the NEOs and EOs and for all other participants in aggregate.
5. Approve aggregate long-term incentive grants and awards, and aggregate annual incentive awards for all employees below the NEOs and EOs.
6. Review and approve employment agreements for the NEOs and EOs, including any severance benefits.
7. Produce a Committee Report on executive compensation as required by the Securities and Exchange Commission (the "SEC") to be included in Redwood Trust's annual proxy statement or annual report on Form 10-K filed with the SEC.
8. Together with the Governance and Nominating Committee, provide guidance and input regarding investor relations with stockholders on executive compensation matters, including stockholder proposals, advisory votes, and communications/engagement with proxy advisory firms and other stockholder representatives regarding executive compensation.

9. Together with the Governance and Nominating Committee, review and recommend to the Board for approval the compensation of outside Directors.
10. Together with the Audit Committee, conduct an annual assessment of potential risks to Redwood related to compensation policies and programs (including any incentive and commission plans at all levels) and prepare disclosure relating to such assessment, as and when required by the SEC, to be included in Redwood's annual proxy statement or annual report on Form 10-K filed with the SEC.
11. Determine and annually review compliance with Redwood stock ownership guidelines for EOs and outside Directors.
12. As it determines appropriate, consider in the course of its work such environmental, social, and governance matters as may arise, and make recommendations to the Board and/or appropriate committee(s) regarding such matters.
13. Conduct an annual self-evaluation of the Committee's performance.
14. Periodically review and assess this Charter and submit any recommended changes to the Board for its consideration.
15. The Committee will perform such other functions as assigned by law and regulations, the SEC's or New York Stock Exchange's rules and regulations, Redwood's charter or bylaws, or the Board.

V. Committee Meetings

The Committee shall meet periodically as necessary to act upon any matter within its authority. The Committee shall conduct its business in accordance with Redwood's Bylaws. Minutes shall be kept of each meeting of the Committee.

VI. Organization and Procedures

The Chair (or in the Chair's absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as such rules and procedures are not inconsistent with any provisions of Redwood's Bylaws that are applicable to the Committee.

The Committee shall have full access to Redwood's management as it deems necessary to carry out its responsibilities. The Committee may, at its discretion, include in its meetings members of Redwood's management, or any person whose presence the Committee believes to be desirable or appropriate. Directors that are not members of the Committee may attend and observe meetings of the Committee but shall not be entitled to vote on matters before the Committee.

VII. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, to the extent consistent with Redwood's Articles of Incorporation, Bylaws, Corporate Governance Standards and applicable law and stock exchange rules.

The Committee shall, in its sole discretion, have the power to retain and/or replace, as needed, any independent counsel, compensation advisors, and other outside experts or advisors that the Committee believes to be necessary or appropriate, and shall be directly responsible for appointing, compensating, and providing oversight of the work of such outside service providers. Preceding any such retention or advice, the Committee shall take into consideration all factors, including any applicable factors under NYSE rules, relevant to the adviser's independence from management. The Committee may also utilize the services of Redwood's regular legal counsel or other advisors to Redwood. Redwood shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee.

VIII. Disclosure of Charter

This charter will be made available on Redwood Trust's website at www.redwoodtrust.com.