

First American

2023 Sustainability Report



First American





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2023 At-A-Glance



Social Responsibility

- For the eighth consecutive year, we were named to the **Fortune 100 Best Companies to Work For[®]** and the **Best Workplaces for Women[™]** lists.
- We received a **perfect score of 100%** on the Human Rights Campaign Foundation's Corporate Equality Index.
- First American was named to **PEOPLE[®] 100 Companies that Care** list.
- Approximately **38%** of our employees have been with the company for over 10 years.
- According to our 2023 survey, based on the Trust Index[®] survey by Great Place to Work[®], **90% of respondents reported that First American is a great place to work.**
- We continued our commitment to gender, racial, and ethnic diversity in the workplace.
 - Approximately **31% of our employees self-identify as being from racial or ethnic minority groups.**
 - We have established ten employee resource groups that are organized around particular interests, affiliations, or affinities.

2023 At-A-Glance



Environmental Responsibility

- Achieved **100% facility coverage**, both owned and leased, for our energy and GHG inventory.
- **First American's total water consumption declined** at its corporate headquarters campus in Santa Ana, California by **approximately 25% year-over-year** due to weather related conditions and equipment upgrades.
- 2023 marks First American's first year reporting scope 2 greenhouse gas (GHG) emissions using the market-based approach in addition to location-based emissions as recommended by the GHG Protocol.
- Participated in the CDP Climate Change disclosure program for the **ninth consecutive year**.

2023 At-A-Glance



Governance

- The Governance Committee of the Board of Directors reviews and considers material environmental, social, and governance (ESG) trends that are applicable to the company and related company practices on an annual basis, including a review of this Sustainability Report.
- We have been publicly reporting on our corporate responsibility and sustainability performance in our proxy statement since 2018.
- First American continues to report the status of our efforts towards implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in this report, adding transparency to our efforts.
- 2023 Board of Directors composition:
 - **7 of 10 members of the Board of Directors** are “independent,” as defined by the New York Stock Exchange.
 - **3 members** of the Board of Directors are women.
 - **1 member** of the Board of Directors self-identified as belonging to a racial/ethnic minority group.



About this Report

This 2023 Sustainability Report marks First American's seventh year publishing a public annual report on our actions related to environmental, social, and governance (ESG) matters.

This year's report continues to be aligned to the standards set forth by the Sustainability Accounting Standards Board (SASB). The International Sustainability Standards Board (ISSB) of the IFRS Foundation is responsible for the ongoing management of the SASB Standards.

The SASB Standards define metrics for disclosure of sustainability-related risks and opportunities that could reasonably be expected to affect a company's prospects or be financially material within specific industry sectors. We believe that SASB Standards alignment adds an important level of validity and transparency to our reporting and supports consistent and comparable sustainability disclosures.

Our disclosures are aligned to two industry standards as defined by SASB. The primary is the Services Sector: Professional & Commercial Services Standard (SV-PS), and the secondary is the Financials Sector: Insurance

Standard (FN-IN). The ISSB amended certain of the non-climate-related topics and metrics in December 2023, which have not been fully implemented in this report. These topics and metrics will become effective in 2025. Refer to the SASB Index at the end of this report for more information.

In addition, this report continues to summarize our efforts towards implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The recommendations provide a framework for companies to disclose their efforts on mitigating climate-related risks and realizing opportunities through four core elements: governance, risk management, business strategy, and tracked metrics and goals. Beginning in 2024, the IFRS Foundation will assume responsibility for monitoring progress to the TCFD recommendations from the Financial Stability Board.

Unless otherwise noted, this report is as of December 31, 2023, and excludes the company's international and home warranty operations, which together accounted for approximately 13% of the company's revenue in 2023.



Letter from the CEO

I'm pleased to present First American's seventh annual report on our sustainability efforts. Each year, we strive to improve our practices by incorporating feedback from shareholders and adopting updated standards.

Over the past year, we have continued to broadly align our reporting with the Sustainability Accounting Standards Board (SASB) disclosures, ensuring a comprehensive and measurable view of our sustainability initiatives. Furthermore, we are preparing for impending regulations, including those in California and Canada, as well as new requirements from the Securities and Exchange Commission (SEC). By proactively aligning our program with these evolving standards, we aim to maintain transparency and accountability in our operations along with timely compliance.

Our success in sustainability is inseparable from the dedication and talent of our workforce. Our team has demonstrated great resilience, adaptability, and unwavering commitment to our customers and their communities. Their contributions have been instrumental in building and maintaining our world-class culture.

In 2023, First American was named to the 100 Best Companies to Work For® by Great Place to Work and Fortune Magazine for the eighth consecutive time. The company was also honored to be included in *Fast Company* 2023 Best Workplaces for Innovators list and PEOPLE; Companies That Care list. Recognitions such as these and many others speak to our ongoing commitment to creating value and serving our communities, enabling us to deliver certainty and trust to power seamless real estate transactions.

Sincerely,

Ken DeGiorgio, CEO

Why we do what we do.

**130 years of
financial strength,
stability, and
continuous
innovation.**

IN THIS SECTION



About First American

With over 130 years of history defined by financial strength, stability and continuous innovation, First American Financial Corporation (“First American”) continues to fortify its place as a premier global provider of title, settlement, and risk solutions for real estate transactions.

We believe that buying and selling property must be simple and safe and that everyone should enjoy the freedom to own property and benefit from the economic strength that comes from ownership. **Our purpose is to deliver certainty and trust by powering seamless real estate transactions.** We help our customers to move forward with confidence.

We are leading the digital transformation of our industry through ongoing development of proprietary technologies, which leverage our unmatched data assets. First American also provides data products to the title industry and other third parties; valuation products and services; mortgage subservicing; home warranty products; and banking, trust, and wealth management services; and other related products and services.



Leading the
digital transformation
of our industry.



Fast Facts



In 2023, the company issued approximately **450,000 title insurance policies** through our direct operations across the U.S. generating 43% of the company's title premiums and escrow revenue, with agent title policies accounting for the remaining 57%.



12,244 employees in the U.S. (19,210 worldwide).



Approximately **800 office locations** in the U.S. with our corporate headquarters in Santa Ana, California.



Total company revenue of **\$6.0 billion**.



Achieved **\$2.07 earnings** per diluted share.



2023 total return to shareholders of **27.6%** (10-year return of 12.1% annualized).



First American: The Standard Bearer

Since its establishment in 1889, **First American has remained dedicated to the values, standards, and commitments by which we conduct business.** These values, along with our outstanding team of leaders and employees who embody them every day, guide us in our pursuit of growth and maintain our course as a leader in our field.

Our Vision

To be the premier title insurance and settlement services company – for customers, employees and shareholders.

Our Purpose

At First American, we deliver certainty and trust to power seamless real estate transactions.

Our Values

Integrity

We earn trust by conducting ourselves with uncompromising standards— simply put, we do what's right.

Commitment

We stand by our commitments in every transaction we insure, service we provide and agreement we make.

Service

We pursue operational excellence by leveraging our expertise and ingenuity to provide customers with high-quality solutions.

Leadership

We take a leadership role in our industry by anticipating customers' needs and developing innovative products to meet them.

Teamwork

We operate as a team: empowered, accountable, inclusive and respectful of each other, and mindful of our shared vision.

Our People First culture guides us to prioritize the human aspect in everything we do. Through a genuine care for our customers and our communities, our people bring our values to life through behaviors that make us uniquely First American and guide us to consistently deliver value for everyone we serve.



Supporting Homeownership

At First American, we value our role as a company that enables and supports people in their journey towards homeownership. For many people, their home is their most valuable asset and a key driver of household wealth. We help people secure their investment with the provision of title insurance and closing services, which are essential in real estate transactions. Buying a home is never without risk, and therefore, most mortgage lenders and purchasers of real estate choose to be protected from loss or impaired value in the event of defects in the title of the subject property through the purchase of a title insurance policy. We also provide additional risk protection for homebuyers so they can have confidence that their ownership rights are secured for generations, including comprehensive policy options and a secure portal as part of our settlement services.

The Closing Process

In the U.S., title insurance is essential to the real estate closing process in almost every transaction. Depending on local custom or regulation, the closing or settlement function (also known as “escrow”) may be performed by a lawyer, an escrow company, or a title insurance company or agent, generally referred to as a “closer.” Once all documentation has been prepared and signed, and any required mortgage lender payoff demands are obtained, the transaction closes. The closer typically records the appropriate title documents and arranges the transfer of funds to pay off all prior loans and extinguishes the liens securing such loans. Title policies are issued as part of the closing process.





Title Policies

We support homeownership by providing services to close transactions for a wide array of customers from homebuyers and sellers to real estate agents and brokers, mortgage lenders, commercial property professionals, homebuilders and developers, title agencies, and legal professionals. Providing title insurance to homebuyers and lenders protects against losses from issues including forgery, fraud, and liens that may limit a homeowner's use and enjoyment of their property.

The beneficiaries of title insurance policies generally are real estate buyers and mortgage lenders. A title insurance policy indemnifies the named insured and certain successors in interest against specified title defects, liens, and encumbrances existing as of the date of the policy and not specifically excepted from its provisions. The policy typically provides coverage for the real property mortgage lender in the amount of its outstanding mortgage loan balance and for the buyer in the amount of the purchase price of the property.

Title insurance differs from other types of insurance in that much of the work and related expense is incurred by taking preventative measures to eliminate title defects before the policy is issued. This critical curative work protects consumers and lenders, among others, from hundreds of

billions of dollars in title risk exposure each year. Common issues include settling existing liens for unpaid taxes and mortgages, or other debts, and legal issues resulting from death, divorce and judgements along with other issues. The cost of these curative efforts is not reflected in the industry's relatively low claims rate, which is determined only by the remaining covered losses that are not identified and corrected in the title examination and curative process before the policy is issued.

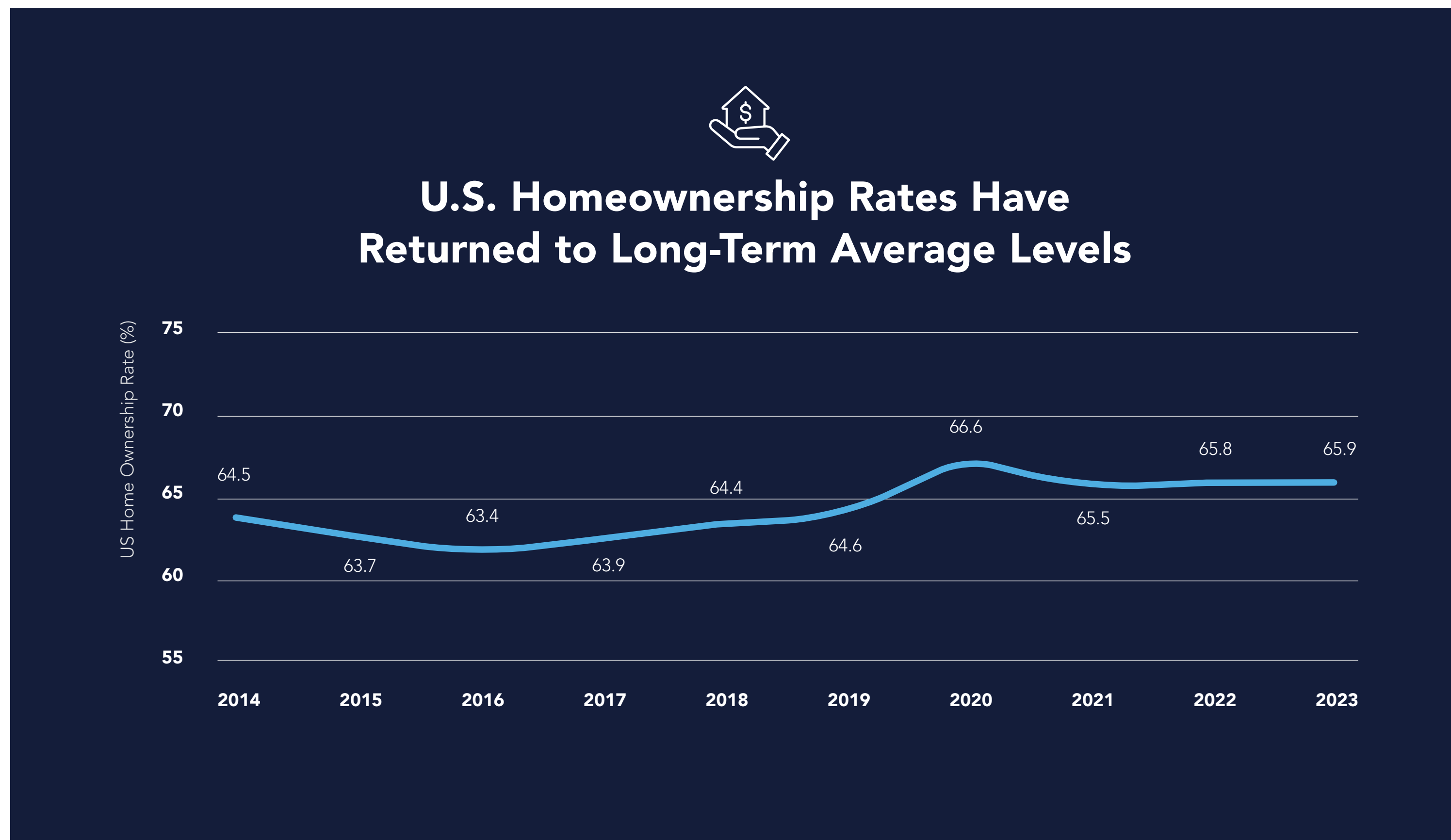
The Importance of Homeownership

Homeownership and the real estate sector play a crucial role in the U.S. economy and in contributing to the growth of communities and the quality of life of overall. While providing access to housing, the residential real estate market represents a significant source of wealth and savings for individuals and families. Meanwhile, commercial real estate facilitates economic activities, such as manufacturing, retail, and other integral activities at the bedrock of resilient and prosperous communities. Beyond the benefits of owning a home to the homeowners themselves, the positive economic impacts ripple across a host of industries, firms, and countries, highlighting the important role housing plays in the economy and global marketplace.



Fostering first-time homebuyer demand is critical for the future growth of the housing market. Over the past three decades homeownership rates in the U.S. have ranged from approximately 63% to 69% of households. These rates peaked in 2004 near the height of the mortgage cycle fueled, in part, by lax mortgage lending standards which ultimately led to the global financial crisis of 2007-2008. In the aftermath of the global financial crisis, homeownership rates declined for the next 12 years, bottoming at 63.4% in 2016. The overall U.S. average rate has since recovered to 65.9% as of the end of 2023, with Black and Hispanic homeownership rates at 45.9% and 49.8% , respectively. Currently, given high interest rates and elevated home values, housing affordability remains challenging.

At First American, we are committed to facilitating homeownership across all communities. We acknowledge the persistent gaps in homeownership, and we currently engage in activities that support all individuals in their efforts to become homeowners and continue to look for further opportunities to do so.



We value our role as a company that enables and supports people in their journey towards homeownership.



Enhancing the Customer Experience

We make an active effort to keep our consumers informed and communicate relevant information on a market-by-market and state-by-state basis.

First American acknowledges the inherent complexity of real estate transactions, given the numerous steps and multiple parties involved. We therefore always aim to be proactive in engaging our customers to keep them sufficiently informed and to streamline processes as much as possible to reduce confusion and risk when we manage real estate transactions.

For most Americans, buying a home necessitates securing a mortgage loan. During the mortgage application and closing process, homebuying consumers will receive required disclosure forms intended to provide a more transparent transaction, help the consumer understand the loan costs and settlement services fees, and understand which services the consumer can shop for. A detailed

explanation of the homebuying process, our products, as well as the required forms, are provided on our company's website, [firstam.com](https://www.firstam.com), in the Ownership Center. We also provide similar guidance, including videos, in English, Spanish, Chinese, Korean, Japanese, and Vietnamese at [firstam.com/title/multiculturalresources/](https://www.firstam.com/title/multiculturalresources/).

Digital transformation of our products and services plays a significant role in our strategy to continuously improve the customer experience and the company's operational efficiency. We have implemented strategic initiatives, such as digital closing and title automation, which are fueled by the expansion and enhancement of our data assets.

Our new, customer-facing platforms make it easier to conduct transactions with improved security to reduce the risk of wire fraud and personal information theft. Our push to digitize transactions has also reduced the use of paper documents and related environmental footprint.

These customer platforms include IgniteRE™ in our direct division, focused on local residential transactions; ClarityFirst® in our national commercial services division, focused on commercial transactions; and Endpoint, focused on centralized residential transactions, including, but not limited to, proptech and institutional single-family residential customers.



Leading in Innovation

First American is leading the digital transformation of the title industry with its long-standing focus on growing our data assets and technical capabilities.

Having developed a strong data foundation over the past decade, the company has built a competitive advantage in delivering products and services faster and with less risk to our customers as we continuously work to improve the customer experience through digital transformations. In 2023, we expanded the IT leadership team with the appointment of Jody Mulkey as Chief Technology Officer, to accelerate and enhance the company's technology product development efforts associated with improving the process of buying and selling real estate. Our Chief Innovation Officer, Paul Hurst, is dedicated to driving innovation throughout the company.



Data Assets

First American has the strongest data foundation in the industry having built the most comprehensive and up-to-date title and property record information database.

This data, together with the company's patented extraction technology, has enabled the expansion of our county-based title plants (online databases) to 1,800 from approximately 500 counties from just a few years ago. These 1,800 county title plants cover approximately 80% of the U.S. population and related real estate transactions. Further, the application of the company's patented extraction technology now allows for the collection of all key data fields on recorded documents for a modest incremental cost relative to previous manual methods of data collection of a more limited data set. It is this data that drives many of the company's other innovation initiatives and enables First American to lead the digital transformation of the industry.



Title Automation

Title automation for residential real estate refinance transactions is a practice implemented in recent years by leading companies in the title industry.

First American has achieved full or partial automation for approximately 80% of eligible refinance transactions. The next phase of this initiative is to apply automated underwriting to residential purchase transactions which is significantly more complex and heavily dependent on title data. We refer to this initiative as Sequoia, and based on the success of our development and testing, we launched a pilot of this technology in two markets in April 2024.



Digital Settlement

We have made significant investments over the past five years in customer-facing platforms aimed at digitizing and automating the settlement process.

The unique needs of customers across residential and commercial transactions require a more nuanced approach than simply building a single platform. ClarityFirst, FirstAm IgniteRE, and Endpoint have each been built with these unique needs in mind.

ClarityFirst is an innovative customer portal for our commercial business. First introduced in 2020, it is now well-established with approximately 80,000 active customers at the end of 2023, with every transaction utilizing the portal in some way. New product enhancements were added this year, including the ability to effectively manage multisite transactions, with property searches and reports continuing to be the most actively used features.



FirstAm IgniteRE is a secure, unified platform for our direct residential business providing a wide range of on-demand tools and functionalities for real estate professionals, buyers, and sellers. Launched in 2022, the platform hosted over 260,000 buyers and sellers in 2023, helping to facilitate a growing percentage of purchase and refinance transactions where the company provided settlement services in addition to the title insurance policy.

Endpoint is a fully owned startup, operating largely independently of First American with the goal of providing a fully digital closing process for customers while enhancing the company's productivity. We tested the concept in Seattle in 2018 and quickly achieved a 2% market share. Since then, we have expanded to over 30 states, effectively achieving a national presence by the end of 2022. Endpoint is also targeting institutional customers within proptech (property technology) and single-family leasing and management that value digital closing platforms, and is beginning to transfer its developed process technology to First American Title. In 2023, for example, Endpoint announced the launch of Jot™ — a new platform to streamline the notary scheduling process to improve the overall experience for buyers, sellers and notaries while handling real estate transactions managed by Endpoint or divisions of First American Title. As Endpoint continues to re-engineer the closing process, it will drive efficiency and improve the customer experience not only for itself, but for the company as a whole.



eClosing

An eClosing is a type of mortgage closing in which the entire process of signing loan documents and funding the loan is completed electronically. The loan package is digitized, eSigned, and eNotarized, including an eNote, which is an electronic promissory note.

The adoption of eClosings has been growing and the pandemic accelerated this trend. However, full eClosings are still the exception for real estate transactions. Hybrid eClosings are more common, in which some of the closing documents are signed digitally while others require in-person “wet signatures,” primarily the mortgage loan document and related note. To execute a full eClosing, a remote online notarization (RON) is required which is currently legal in over 40 states. However, lenders and other parties to the real estate transaction are in various stages of adoption of eClosings. First American's direct division continues to increase the use of eClosings, primarily the hybrid approach, completing nearly 20,000 RON transactions in 2023, which represents a growing share of its purchase transactions. The company's previous acquisition of **Docutech**®, a leader in the eClosing space, and our venture division's strategic investment in Proof (formerly Notarize)—the leading online notarization platform — positions the company at the forefront of the market adoption curve.



2023 Technology and Innovation Awards

- First American recognized as **Most Innovative Company of the Year (large company)** at the **Best in Biz Awards**.
- First American's Chief Innovation Officer, **Paul Hurst** was named an **Inman Best of Proptech** award winner.
- First American named one of the **100 Best Workplaces for Innovators** by **Fast Company**.
- First American's **Data & Analytics** division named **HousingWire Magazine's Tech100 Mortgage** winner for a second time and **Tech100 Real Estate** winner for the third year in a row.
- First American's **Docutech** named **HousingWire Magazine's Tech100 Mortgage** winner.



Our Social Responsibility.

Our success is
fueled by the
passion and
potential of
our people.

IN THIS SECTION



Caring for Our Community

First American takes great pride in our tradition of contributing to the communities where our employees reside and work. Our employees continually devote their enthusiasm, time, and resources to propel the company's charitable initiatives via the FirstAmCares program.

FirstAmCares works with these national programs, as well as other local and regional organizations, to focus efforts and make the greatest impact by supporting **three core causes**:

- **Community Development**
- **Human Services**
- **Women's Advocacy**

The program has identified the following enterprise-wide charities as ongoing partners:

- **American Cancer Society**
- **American Heart Association**
- **American Red Cross**
- **Feeding America**
- **Habitat for Humanity**
- **Team Rubicon**
- **YouGiveGoods**





FirstAmCares works with national programs and local organizations to support three core causes:



Community Development



Human Services



Women's Advocacy

Community Development

First American is deeply committed to providing support and assistance to underserved communities, fostering their growth and prosperity. Our company, along with our dedicated employees, actively collaborates with organizations that aim to establish and maintain affordable housing, rejuvenate neighborhoods with low-to-moderate income, and bolster community services and economic development.

Habitat for Humanity

In partnership with the nonprofit entity Habitat for Humanity, we contribute to community growth by constructing and refurbishing homes. Since 2017, First American has been involved in 113 construction events and has generously donated more than \$334,000 to foster community development. **In 2023, we sponsored six construction events nationwide and donated over \$21,000 to the organization.** We continue to support our employees who volunteer at builds during the work week by providing paid time off.

Disaster Relief

Natural disasters can be devastating for communities and recovery is often difficult. Our company collaborates with Team Rubicon, an organization that harnesses the expertise

and experiences of military veterans and first responders to swiftly assemble emergency response teams in areas of need. Our contribution of more than \$10,000 to Team Rubicon in 2023 played a crucial role in providing aid for those affected by Hurricane Idalia and bolstering general disaster relief readiness.

Our executive team plays a pivotal role in shaping how we, as an organization, provide support during times of crisis. Their thoughtful approach considers critical factors, such as whether our employees are impacted in the affected location or if the disaster has significant international ramifications. Their unwavering commitment drives our humanitarian initiatives, ensuring that we make a meaningful difference when it matters most. As a result, over the years, we have stood by numerous relief organizations, helping to provide aid in the aftermath of disasters. Our humanitarian efforts have not gone unnoticed, and in 2023, we were honored to be included in PEOPLE's 100 Companies That Care.

“Whenever a disaster or emergency situation has developed, the company keeps us informed and advises of what [efforts] we can become involved in. This is a compassionate and community-friendly company.

Trust Survey Respondent



Human Services

First American supports organizations that open doors to services, benefits, and opportunities for the disadvantaged. Our ethos is deeply intertwined with the betterment of the communities we are part of and serve. This commitment is reflected in the unwavering dedication of our employees, who consistently invest their time and energy in these philanthropic initiatives.

National Volunteer Month

First American's workforce continues to exemplify dedication, enthusiasm, and resolve in their volunteer activities. In alignment with our National Volunteer Month 2023, our Employee Resource Groups (ERG) participated in a spirited competition. ERG affiliates and supporters vied throughout the month, either by logging donor-sponsored miles or contributing goods, all aiming for the finish line. An impressive tally of nearly 10,000 donor-sponsored miles were contributed, and 2,900 items were donated to various foodbanks through YouGiveGoods.

In the spirit of the remarkable achievements of our 2023 events, we are excited to explore new and innovative ways to strengthen our unity and deepen our ties with the community. Our enthusiasm is not just fueled by past accomplishments, but also by the potential of what we can achieve together.

Other Engagements

First American's commitment to community stretches far beyond our annual events. Our employees, unwavering in their pursuit of positive change, seize every opportunity to lend a helping hand. Let's take a moment to highlight some of the notable engagements that took place in 2023:

- Our IT team volunteered at the Second Harvest Food Bank of Orange County by sorting oranges as part of the packages to distribute to over 300 community partners including schools, after-school programs, senior centers, shelters, soup kitchens, and housing facilities.
- Our Miami office partnered up with a local elementary school to work with students on a STEAM activity. Fourth-grade students created solar ovens and enjoyed s'mores.
- Ten of our Tri-County Oregon employees volunteered at Habitat for Humanity's SE Foster build site in Portland, Oregon.
- Employees from our Bend, Oregon office cooked for their largest group yet (19 guests) at their local Ronald McDonald House.





Women's Advocacy

With women making up approximately 67% of First American's workforce, we take great pride in supporting charities that provide benefits, programs, and services which promote women's health, professional growth, and quality of life

Our collaboration with the American Cancer Society's Making Strides Against Breast Cancer initiative marked 2023 as another year of amazing employee dedication and participation. During October's Breast Cancer Awareness Month, we hosted several challenges aimed at promoting awareness and celebrating survivors:

- The **Go Pink Decorating Challenge** inspired employees to get creative and embellish their desks or office doors with pink items. The challenge witnessed 23 innovative submissions, with over 4,500 employees casting their votes for their favorite creation.
- The **On Wednesdays We Wear Pink** initiative had employees sporting pink every Wednesday, with First American making a contribution for each photo posted by employees. Over 700 photos were posted in support of cancer patients and survivors.

We take great pride in supporting charities which promote women's health, professional growth, and quality of life.





- Employees were able to get competitive in our fourth annual **Go Pink Virtual Relay**. We had 228 employees running and walking across 20 teams.
- We proudly served as a platinum sponsor at **Orange County's Making Strides Against Breast Cancer Walk**, donating \$10,000 to support those in our local community effected by breast cancer. During the event, we distributed pink gift items to participants, with many of our employees also taking part in the walk.

Thanks to our employees' incredible efforts, First American raised nearly \$40,000 for the American Cancer Society.

Heart health continues to be another key focus of our women's advocacy philanthropic activities, with our company honoring Heart Month throughout the month of February. We marked National Wear Red Day on February 3rd, with our employees donning red attire as a symbol of our collective effort to dismantle the obstacles hindering women from attaining optimal health and wellbeing. Our collective efforts culminated in raising over \$5,500 for the American Heart Association, contributing to their noble mission to eradicate heart disease and stroke.



Investing in Our People

Employee Engagement and Tenure

Employee Engagement

We firmly believe that when our employees are engaged, they deliver superior service to our customers. This customer satisfaction, coupled with our business's efficient operation, ultimately yields benefits for our shareholders. This conviction has led us to embrace a "People First" approach, which honors the contributions of every team member and appreciates the unique attributes each individual brings to our organization.

We are proud to have been included on the **Fortune 100 Best Companies to Work For®** and **Fortune Best Workplaces for Women™** list for the eighth year in a row. In 2023, we were recognized as a best workplace on four other lists:

- **Fortune Best Workplaces for Financial Services & Insurance™**
- **PEOPLE® Companies that Care**
- **Human Rights Campaign Foundation Equality 100 Award**
- **Fast Company 100 Best Workplaces for Innovators**





We view these awards as validation that the company’s “People First” culture resonates with our employees and is indicative of a highly engaged workforce.

Our journey toward excellence doesn’t stop there. As part of our ongoing commitment to enhance the company and prioritize employee well-being, we leverage employee surveys to empower our executive management, charting a course toward even greater success. Proudly, our 2023 Great Place to Work® Trust Index® engagement score stands at an impressive 87%. This remarkable achievement is a testament to the collective efforts of every individual who contributes to our vibrant community.

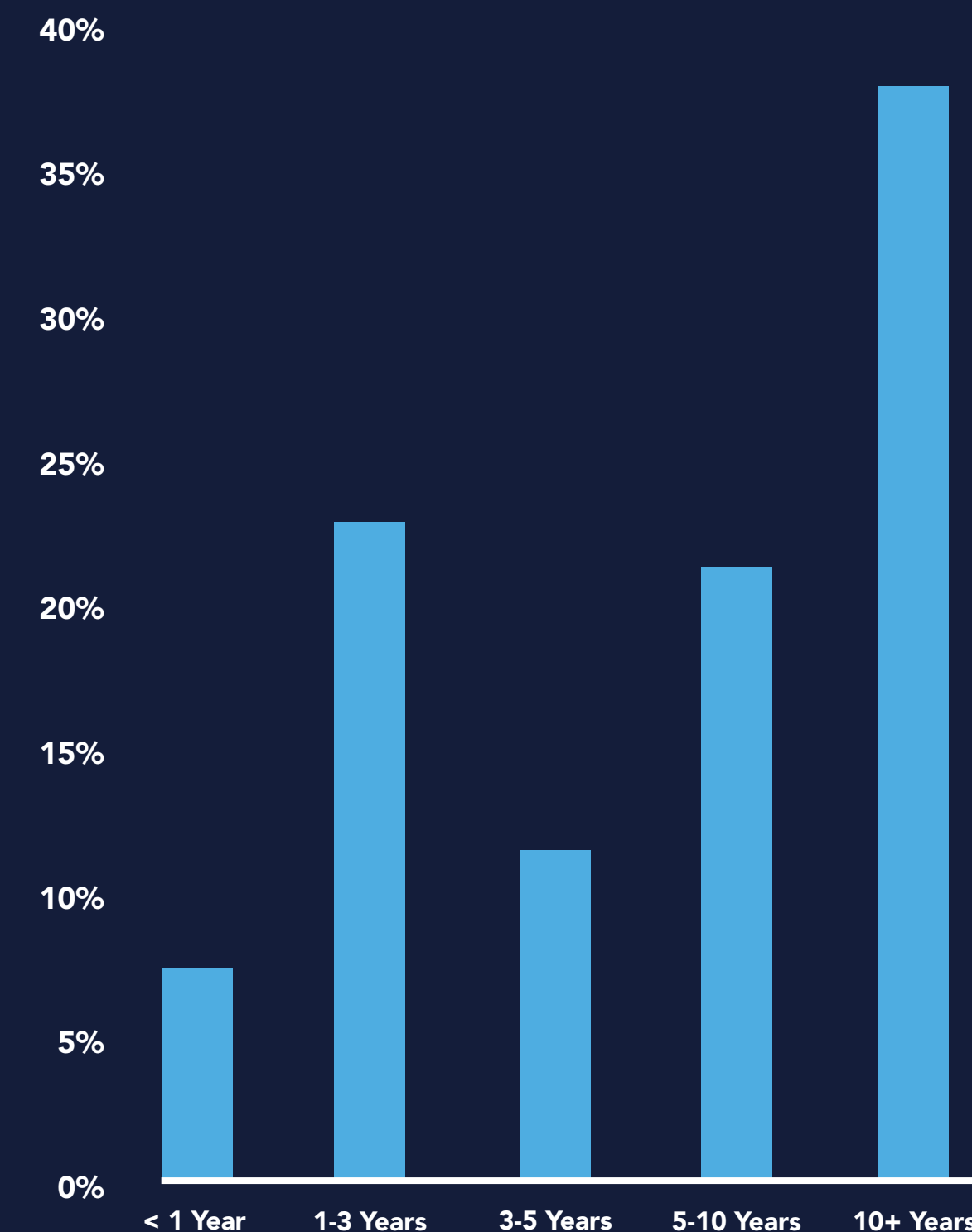
As we move forward, we remain steadfast in our commitment to listen, learn, and act. Employee feedback will continue to guide our decisions, ensuring that we create an environment where everyone thrives. Together, we will fortify our reputation as an exceptional place to work—one that fosters growth, collaboration, and genuine fulfillment.

Employee Tenure

Our enduring commitment to employee growth is evident in the fact that approximately 38% of our workforce has been with the company for over a decade. As we continue to welcome new team members, we ensure that our existing employees thrive alongside us, contributing to our collective success.



Employee Tenure





As testaments to our ongoing efforts to promote **diversity, equity, and inclusion** in the workplace, here are some highlights from the 2023 Great Place to Work® Trust Index® survey which included:

96%

→ feel treated fairly regardless of their **race**

97%

→ of people feel treated fairly regardless of their **sexual orientation**

95%

→ feel treated fairly regardless of their **gender**

93%

→ feel treated fairly regardless of their **age**

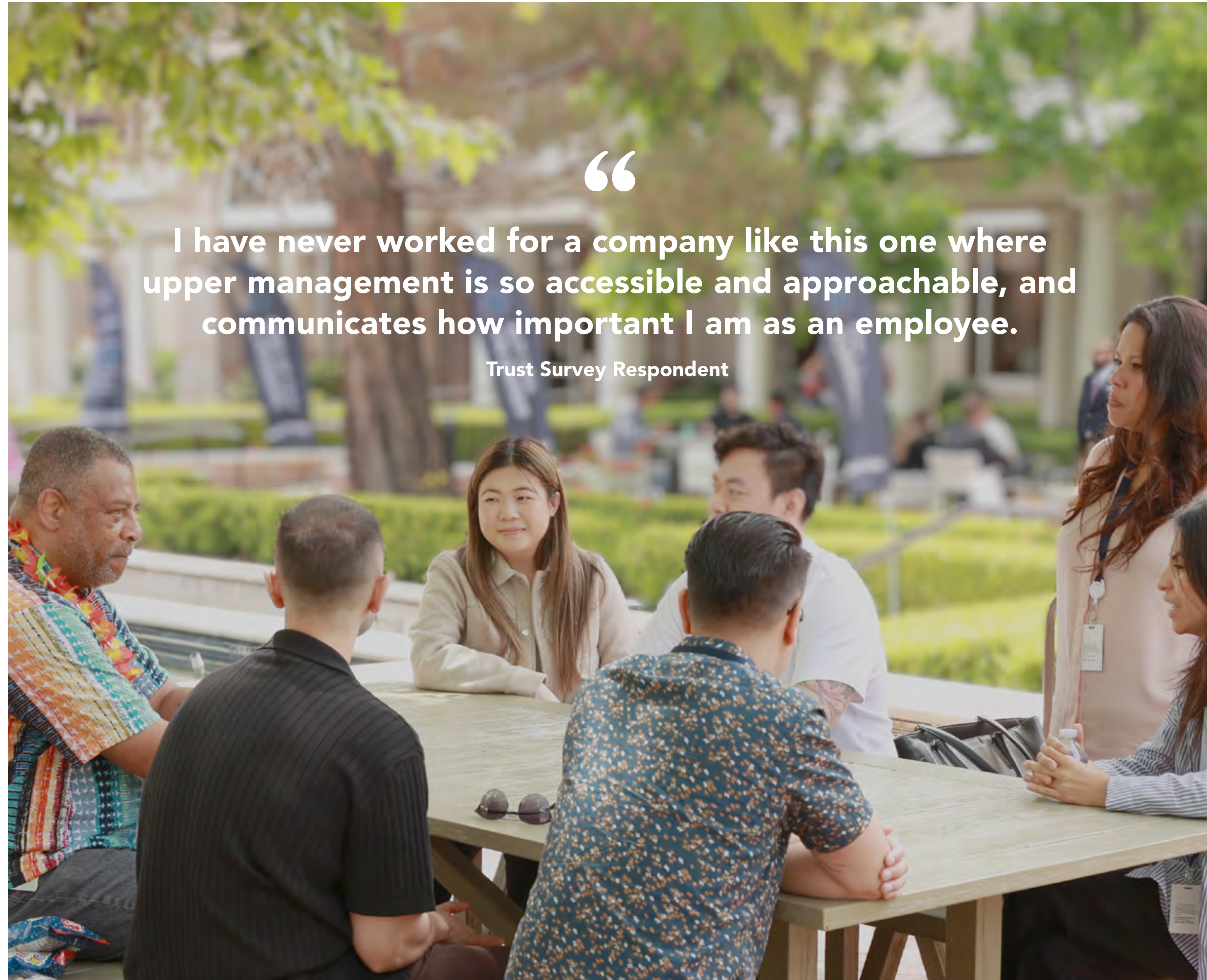




First American Appreciation

In the rhythm of our corporate journey, it's essential to acknowledge the unwavering commitment of our First American employees. In 2023, during Employee Appreciation Week, we orchestrated special festivities to honor our remarkable team members under the theme "You Rock." These dedicated individuals are the driving force behind First American's reputation as the preferred choice for our customers, a supportive neighbor in our communities, and an outstanding workplace.

Managers recognized our employees' contributions by awarding recognition points and heartfelt thank-you notes. Simultaneously, our digital stage came alive: Microsoft Teams backgrounds resonated with the week's theme, and Outlook email signatures proudly displayed our recent placement on the Fortune 100 Best Companies to Work For® List. Our executive and divisional leaders also lent their voices, sharing inspiring blog posts and videos on the company intranet to amplify this powerful message.



“

I have never worked for a company like this one where upper management is so accessible and approachable, and communicates how important I am as an employee.

Trust Survey Respondent



“

This is really a great place to work. I have worked for the company for over 37 consecutive years, and I can still honestly say that I love my job.

Trust Survey Respondent





Growth and Development

At First American, our success is fueled by the passion and potential of our people. That's why we're dedicated to a holistic approach to employee development, fostering well-being and growth at every stage of their career journey.

Our Strategic Transformation

2023 marked a turning point. We formed a centralized Employee Growth & Development (EGD) team, uniting our expertise in leadership development, business unit learning, talent acquisition, and diversity, equity, and inclusion. This move is already paying dividends:

- **Streamlined Support:** Our employees now have a one-stop shop for their development needs, making it easier to unlock their potential. Virtual and hybrid delivery models ensure inclusivity, and employee learning hours soared by 93% compared to 2022. This commitment is reflected in our new UFirst learning platform, offering curated pathways for leadership, professional, technical, and wellness-focused development.
- **Building Community from Day One:** Our "First Connections" program launched in 2023 to take our new hire experience to the next level. It fosters a sense of inclusion, ensuring employees feel welcomed by the entire organization. New hires receive a warm welcome

video from our CEO and Chief Human Resources Officer (CHRO), and they connect with others starting at the same time across the company, building a cohort and strong connections beyond their individual work groups.

- **Investment in Professional Growth:** According to our recent Great Place to Work survey, an impressive 83% of employees reported that they are offered training or development opportunities to further themselves professionally.

Leadership as a Growth Engine

We're arming our leaders with the tools to champion growth within their teams. Our 2023 initiatives delivered tangible results:

- **Situational Leadership® Essentials:** This training reached over 170 leaders, with a measured impact on leadership style and employee outcomes. We're scaling this program for even broader reach in 2024.
- **Mentorship Multipliers:** We believe mentorship is a powerful catalyst for personal and professional development. In 2023, we piloted three targeted mentorship programs with outstanding results, engaging 69 employees.



- **Building Diverse Leadership:** Our ERG Mentorship Program connected underrepresented talent with senior leaders, fostering career growth and facilitating conversations on DEI topics between mentors and mentees.
- **Empowering Women Leaders:** We launched a program specifically designed to support our women leaders, providing them with the guidance and networks to thrive in their careers.
- **Pathways to Advancement:** Our targeted divisional mentorship program helped prepare high-potential employees for greater responsibility and leadership roles within the organization. The pilot program's success confirms we're on the right track, and we're excited to expand these offerings in 2024.

Each of these programs achieved 100% engagement, underscoring their value and impact on our employees. Due to this overwhelming success, we're committed to significantly expanding the reach of these in the coming year.

Additional Wins

- **Emerging Leaders Rising:** Participation in this program increased by over 10% in 2023, with 155 employees developing their leadership mindsets.
- **Leading Through Others: Strength from Within:** This program boasts an 88% retention rate, demonstrating the power of investing in our leaders.
- **Internships That Open Doors:** 33 interns gained valuable experience through our program in 2023.
- **Tuition Reimbursements That Invest in the Future:** 88 employees grew their knowledge and skills, backed by over \$300,000 in company support.

The Future: Building a Culture of Limitless Growth

First American's focus is to empower employees to own their development journey, foster accountability, and cultivate a culture where everyone embraces challenges as steppingstones to greater success. Together, we're building a workforce ready to navigate the ever-evolving business landscape.

Occupational Health and Safety

We consistently strive to maintain a clean, safe, and healthy environment for all employees. The First American safety guidelines, available through the employee handbook and our HR portal, cover a range of safety topics. These topics include general safety rules, ergonomics, hazard identification, accident reporting, and procedures for medical emergencies, fires, earthquakes, and bomb threats.

To further enhance our commitment to our people, our Facilities team has undertaken a number of workspace modernization projects to reinvigorate the employee experience. The scope of workplace enhancement ranged from new furniture and refreshed paint to demolition, reconstruction, and configuration of existing office space.

We're building a workforce ready to navigate the ever-evolving business landscape.



Benefits and Perks

We offer a comprehensive wellbeing program that offers a variety of services and support to help our employees get and stay healthy physically, mentally, and financially. FA Wellbeing offers interactive programs that are fun and easy to use. Employees can earn points for taking steps to improve their overall wellbeing through personal health coaching, online health programs, and biometric screenings. We provide incentives, such as fitness discounts and gym reimbursements, to encourage healthy lifestyles for employees. First American provides a number of less traditional benefits to our employees to promote overall wellbeing and success within the company.

Strengthening Families

Paid Family Leave

Our program ensures that employees receive full pay for up to 16 weeks of leave for the birthing parent and six weeks for non-birthing, adoption, or foster parents. This program fulfills a direct request from employees and reinforces our People First culture.

Adoption Assistance

We want to help and encourage employees who choose to adopt. First American financially supports employees through our reimbursement program which provides up to \$6,000 per child with a \$10,000 maximum. The reimbursement can be applied to all aspects of adoption, including application fees, legal fees, lodging, and transportation.

WINFertility

Our ongoing partnership with WINFertility offers comprehensive fertility management services to eligible First American employees and their spouses or domestic partners. This family-building benefit provides personalized guidance and support for those who are struggling with infertility.

Ensuring Wellbeing

Calm

The Calm app helps people develop skills in mindfulness and can help our employees' wellbeing by promoting better sleep and reducing stress and anxiety. The app offers accessible, effective content to meet the needs of our diverse workforce and gives employees access to an ever-growing content library from any device, any time.





Talkspace

With a largely remote workforce, we endeavor to ensure our employees are supported emotionally, financially, and mentally so they stay engaged and healthy at home. Through our wellness platform, employees can build their skills to improve their overall wellbeing, including how to improve home office ergonomics, how to manage finances, and healthy recipes for immune support. We also support their mental health through our partnership with Talkspace. Talkspace is an online therapy platform offered to all employees at no cost and connects them to a dedicated licensed therapist via secure text messaging or live video, anywhere, anytime.

Employee Assistance Program

This no-cost program helps employees with work/life services, including counseling services, home services, and elder care assistance.

Enrich

We partner with Enrich, a company focused on financial wellbeing, to provide incentives through the FA Wellbeing platform. We launched the Enrich series during the Financial Wellness month of September. This ongoing series featured financial literacy courses and videos to help employees improve their financial capability.

Paid Time Off (PTO) Sharing

The PTO Sharing program allows employees to donate a portion of their PTO balance to a pool that allows other employees to request the use of these additional hours in a time of serious need. Employees can donate up to 40 hours to the pool, and qualified employees can request up to 80 hours for medical emergencies or natural disasters.

Floating Holidays – New for 2023

In addition to the nine paid holidays employees receive throughout the year, in 2023 we added two floating holidays, allowing employees the flexibility to select and celebrate the days that are most meaningful to them. Our Diversity, Equity and Inclusion Advisory Council worked with our Human Resources team to add these days so we can better support our diverse workforce and the desire to celebrate cultural, religious and other days of significance to each employee.

Maintaining Health

Updated Paid and Sick Time Off – New for 2023

Knowing how important time off is to being your best at work, whether it be to rest and recharge, or to take care of themselves or an ill family member, we increased the Paid Time Off (PTO) accrual rate for new employees and the amount of Sick Time Off (STO) for all full-time and part-

time employees. Employees with less than three years of service will now receive two additional days of PTO annually. With the new STO policy, employees scheduled to work 30 hours or more per week receive an additional 16 hours of sick time off, giving them a total of 40 hours annually. Employees scheduled to work less than 30 hours will receive an additional eight hours, for a total of 24 hours of STO each year.

Telehealth Services

For many employees, healthcare is just as important as their salary. First American ensures everyone has healthcare access, regardless of employment status, via Telehealth services. It is accessible to all employees and their families, enabling them to consult with medical providers by telephone or video chat at any time.

SWORD Health

SWORD Health supports the improvement of the physical health of our employees and their families. SWORD Health is a virtual physical care program that pairs employees with a licensed physical therapist to treat back, joint, and muscle pain.



Diversity, Equity, and Inclusion

Our workplace strives to be representative of the diverse communities where we live and work. We proactively recruit from a diverse talent pool by posting jobs on platforms that reach underrepresented communities. And to mitigate bias in hiring, we provide training on unbiased practices and offer learning resources on diversity and inclusion topics for our employees. Support programs promote growth from recruitment to retirement and our culture welcomes new ideas and professional aspirations. We believe that true strength lies in embracing individuality, celebrating unique perspectives, and fostering a culture that thrives on innovation and professional growth.

Our guiding principle is simple: People First. It resonates across our organization, uniting a vast array of unique individuals who contribute to the core strength of First American. We don't merely accept individuality; we wholeheartedly embrace it. Our People First culture champions diversity, equity, and inclusion—not just because it's the right thing to do, but because it's the key to our success.

As a company, we are committed to operating with fairness and integrity. We actively seek equitable systems and practices that empower all employees. Our goal is to create a welcoming workplace where everyone feels valued and heard. We regularly elicit feedback from our employees to help ensure that our leadership remains dynamic and forward-thinking. **For the eighth consecutive year, employees who took the 2023 Great Place to Work® Trust Index® survey overwhelmingly agreed that they are treated fairly, regardless of age, race, gender, or sexual orientation.** In our most recent survey, 93% to 97% of respondents affirmed this commitment to trust and respect.

At First American, we uphold longstanding principles of integrity and care. These values not only sustain us but also define who we are as an organization. Our unwavering dedication to a People First approach ensures that every voice matters, every perspective enriches, and every individual thrives.

Where People First is **For All**.

“

The energy and resources that have been directed to our DEI efforts show we are committed to making 'People First For All' a true reflection of First American culture – not just a slogan.

Shawna Mixon





Diversity Policy

As an equal opportunity employer, we are dedicated to fostering an inclusive workplace where every individual's unique perspective and background is celebrated. Our nondiscrimination policy is documented in our employee handbook, which team members review and acknowledge on an annual basis.

The following programs and initiatives are supported to maintain inclusion and belonging within First American:

Diversity, Equity, and Inclusion Advisory Council

In 2020 we established our Diversity, Equity, and Inclusion (DEI) Advisory Council. The council serves as a vital platform, fostering dialogue across diverse cultures and different business units within our organization.

Fast-forward to 2023, where we enthusiastically welcomed a new cohort of ten leaders to serve a two-year term on the council. Seven new members with representation across the company were selected by our DEI executive sponsors, while three dedicated members from previous years remained to facilitate a seamless transition for the incoming team.

Our commitment to DEI is unwavering. By creating a focused DEI framework, we aim to propel positive change and systematically measure our progress. Each council member dedicates their time and effort, alongside their regular responsibilities, to uphold our workplace's **diverse, equitable, and inclusive culture**.

The DEI Advisory Council is responsible for defining specific strategies and objectives to enhance our DEI programs.

Throughout their tenure, the DEI Advisory Council will prioritize the following key areas:

- 1 Implement inclusion and belonging training and certificate program for people leaders.**
- 2 Strengthen communication and drive engagement.**
- 3 Increase mentorship opportunities for our employee resource groups (ERGs).**
- 4 Implement new initiatives that enhance our commitment to DEI externally, such as launch of the Allyship at Work Program .**



Employee Resource Groups

At First American, we recognize that our most valuable asset is our people. As a global company, we celebrate the passion and dedication our employees bring to their work. Equally important is our commitment to creating an environment that supports their overall well-being.

Employee Resource Groups (ERGs), though not new to the business world, have evolved significantly over the decades. These employee-led groups come together to champion specific genders, ethnicities, abilities, or interests. Their purpose is twofold: to provide support and facilitate personal and career development, and to create a safe space where employees can bring their authentic selves to the table. We actively encourage allies to join ERGs, as it broadens their understanding and appreciation of their colleagues and peers.

Our ERGs are dedicated to building a sense of community, enhancing the visibility of diverse cultures, and promoting inclusion and belonging. Through various initiatives and monthly events, they offer valuable support, education, and resources to their members and allies.

Over the past several years, First American has launched ten ERGs, each with a unique focus. As of December 31, 2023, 1,408 employees identify as members or allies of one or more ERGs:



These ERGs play a vital role in shaping our inclusive and supportive workplace, fostering connections, and empowering our employees to thrive.

Additional ERGs

New ERGs for 2023





“
First American is really a People First company and having ERGs really tells employees that we are important – that our voices are important.

Veronica Zapien



Women in Leadership

As a company made up of about 67% women, the Women in Leadership (WIL) program was created to support and advance the career path of women in company leadership roles. Leaders are nominated, and those who participate in WIL work together to provide solutions to advance company initiatives. This program is designed to provide participants with the opportunity to continue their professional development, grow their self-awareness, build deep relationships across business lines, drive results, and lead change.

As part of the program, a cross-functional WIL project team works to address business challenges and opportunities identified across the organization and presents their recommendations to senior management.

Building upon the triumph of WIL's initial onboarding idea, we officially launched a company-wide onboarding initiative in mid-2023. This program extends a warm invitation to new hires, encouraging them to connect with fellow team members and immerse themselves in our organizational culture. Emails with embedded videos from our CEO and CHRO welcome new employees into the organization, with a spotlight on a core value that speaks most meaningfully to them. Additionally, communications from other parts of First American now have a consistent look and feel, so that new

employees know that our connections are consistent across the company.

Since its inception in 2012, the WIL program has witnessed remarkable growth. Of the approximately 70 current employees who have participated in the program, nearly 40% of them have earned promotions since they completed the program.

In 2019, First American introduced SPARK, an initiative born from the collective wisdom of WIL alumnae. The mission of SPARK is to extend leadership development and networking opportunities to a wider group of First American women through regional events. It also provides a platform for current WIL alumnae to actively contribute to the professional growth of women within our organization. When the pandemic forced us to shift from in-person to virtual interactions, we seized the opportunity to expand SPARK's reach. As a result, significantly more women have been able to participate, and the impact has been nothing short of extraordinary. **As of 2023, we proudly count 430 SPARK alumnae among our ranks.**

Additionally, we recognize the importance of nurturing future talent. That's why we proudly sponsor Advancing Women in Technology (AWT), a nonprofit organization dedicated to educational scholarships and creating opportunities for women's personal and professional



development. Our Chief Information Officer (CIO) and an IT director actively serve on the AWT Board. First American has been a platinum sponsor for seven years, making an annual contribution of \$10,000 to a technology-focused scholarship fund which awarded scholarships to women in college in California. Two of our employees were also awarded the AWT Outstanding Executive award, a testament to their success, community engagement, and commitment to paying it forward.

Allyship at Work

With the goal of narrowing the gap between intention and action, this five-part program uses video, self-directed learning, and small group discussions to understand the impact of our actions so that each of us can commit to allyship on individual, interpersonal, and structural levels. The program teaches participants to show up in both private and public ways for coworkers with historically under-represented marginalized identities - such as women, visible minorities, people with disabilities, the LGBTQ+ community, and those with intersecting identities. The program was piloted in 2022 with 22 employees. In 2023, we expanded the audience to include members of our ERGs and 100 employees went through the program which served as the springboard for the Allyship LinkedIn Learning Course Club.

Human Rights Campaign

In 2023, First American was recognized in the [Human Rights Campaign Foundation's 2023 Corporate Equality Index \(CEI\)](#) and received the [Equality 100 Award](#) for the sixth consecutive year.





This national benchmarking survey and report evaluates corporate policies and practices related to workplace equality. CEI evaluates companies using four main criteria: nondiscrimination policies across business entities; equitable benefits for LGBTQ+ employees and their families; supporting an inclusive culture; and accountability metrics to promote LGBTQ+ inclusion, competency, and public commitment to LGBTQ+ equality.

First American is enriched by our diversity and it's clear from this recognition that it's a place where employees can be themselves and feel supported. We know that there is still work to be done and we are dedicated to ensuring our employees continue to feel heard, represented and respected at work.

Over the years, First American has implemented the following in support of the Human Rights Campaign and the CEI:

- Updated company policy in the employee handbook to include equal opportunity for gender identity and expression, including our policy against harassment, discrimination, and retaliation;
- Implemented a supplier diversity policy to promote fair opportunities for businesses owned by minorities, women, people with disabilities, veterans, disabled veterans, and LGBTQ+ community;
- Sponsored local Orange County LGBTQ+ Center event;
- Implemented gender affirming benefits and created a gender identity tool kit;
- Prioritized the establishment of our LGBTQplus employee resource group in 2021; and
- Developed quantitative metrics to evaluate workforce inclusion efforts.



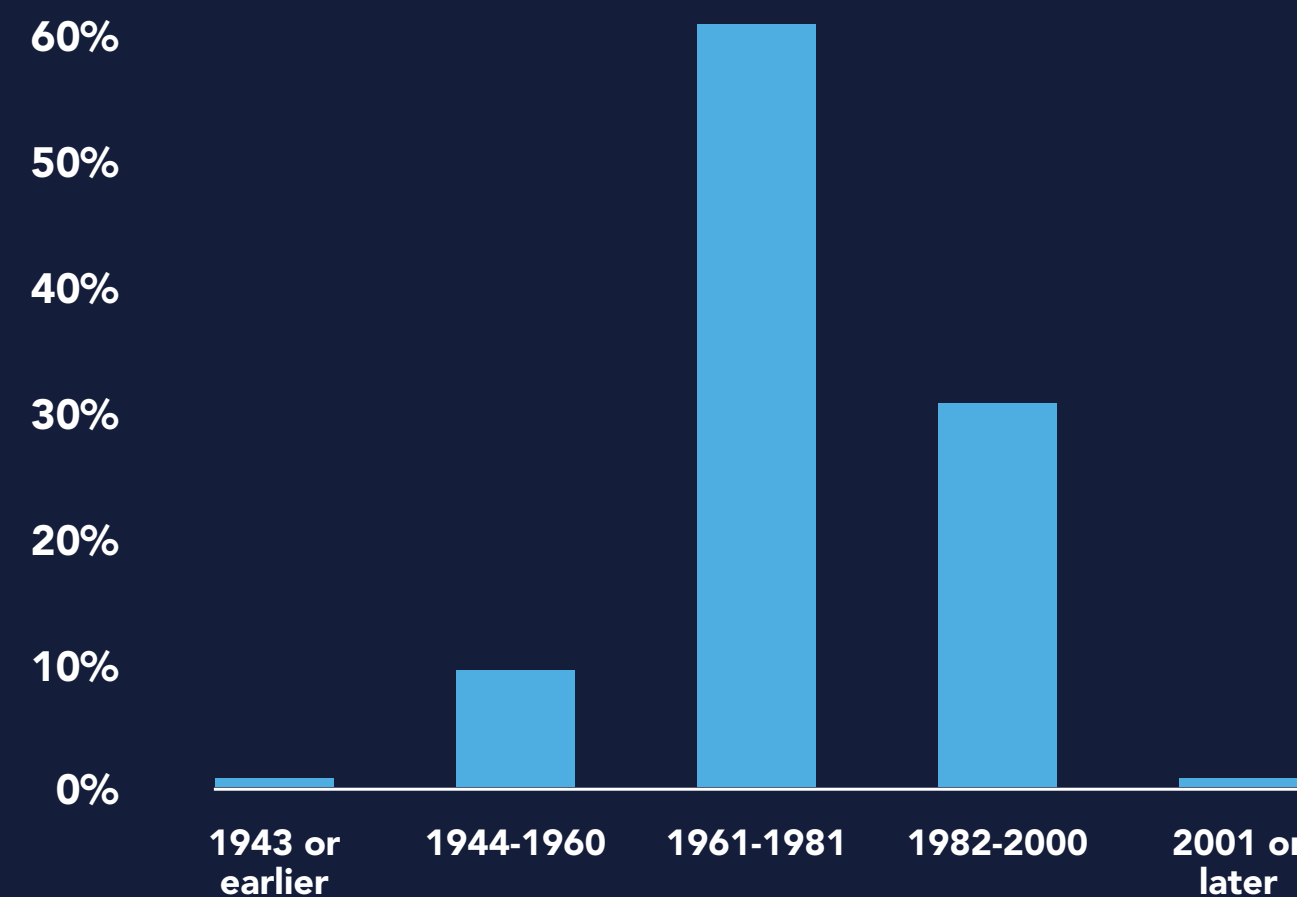
Employee Demographics

First American has a dynamic workforce, which helps us maintain our vibrant and productive work environment. We track demographics for almost all regular employees in our U.S. workforce.

Employee Age

Although the majority of our workforce was born before 1982, we are witnessing a remarkable shift. Our Millennial and Gen Z employees have grown from 15% of our workforce in 2015 to 32% in 2023.

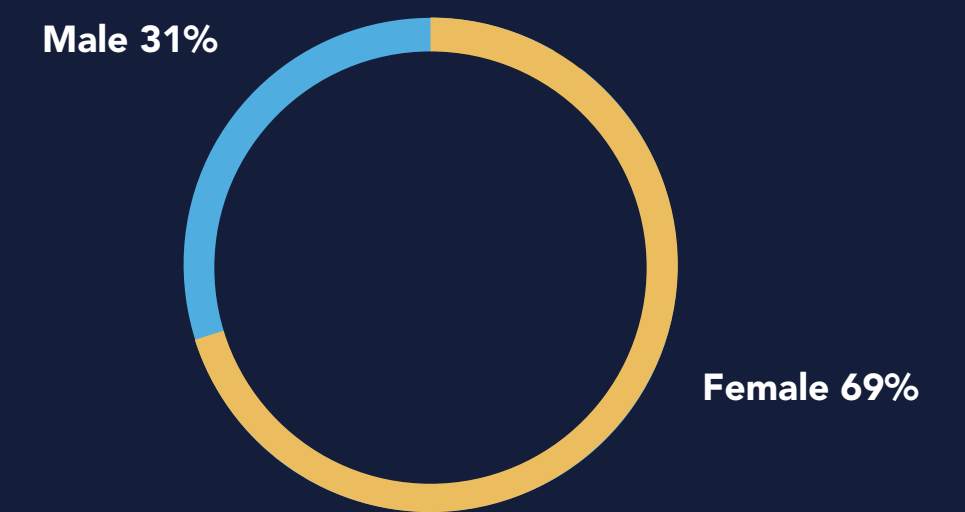
Employees by Birth Year (2023)



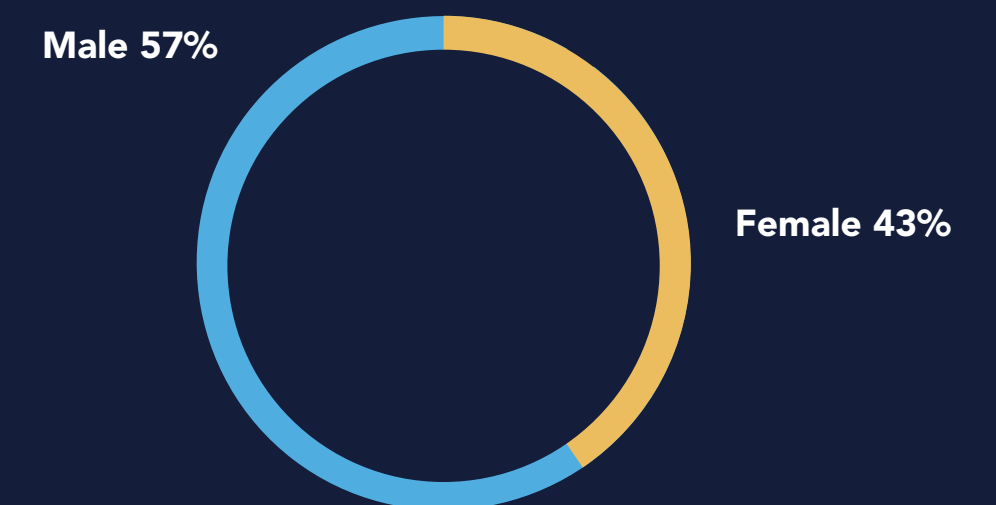
Employee Gender

Gender equality is important to First American. Approximately 67% of our employees are women, and 61% of mid-level management positions are held by women. We are proud to again be named among Fortune Magazine's Best Workplaces for Women™ in 2023.

All Employees (Excluding Senior Leadership)



Senior Leadership

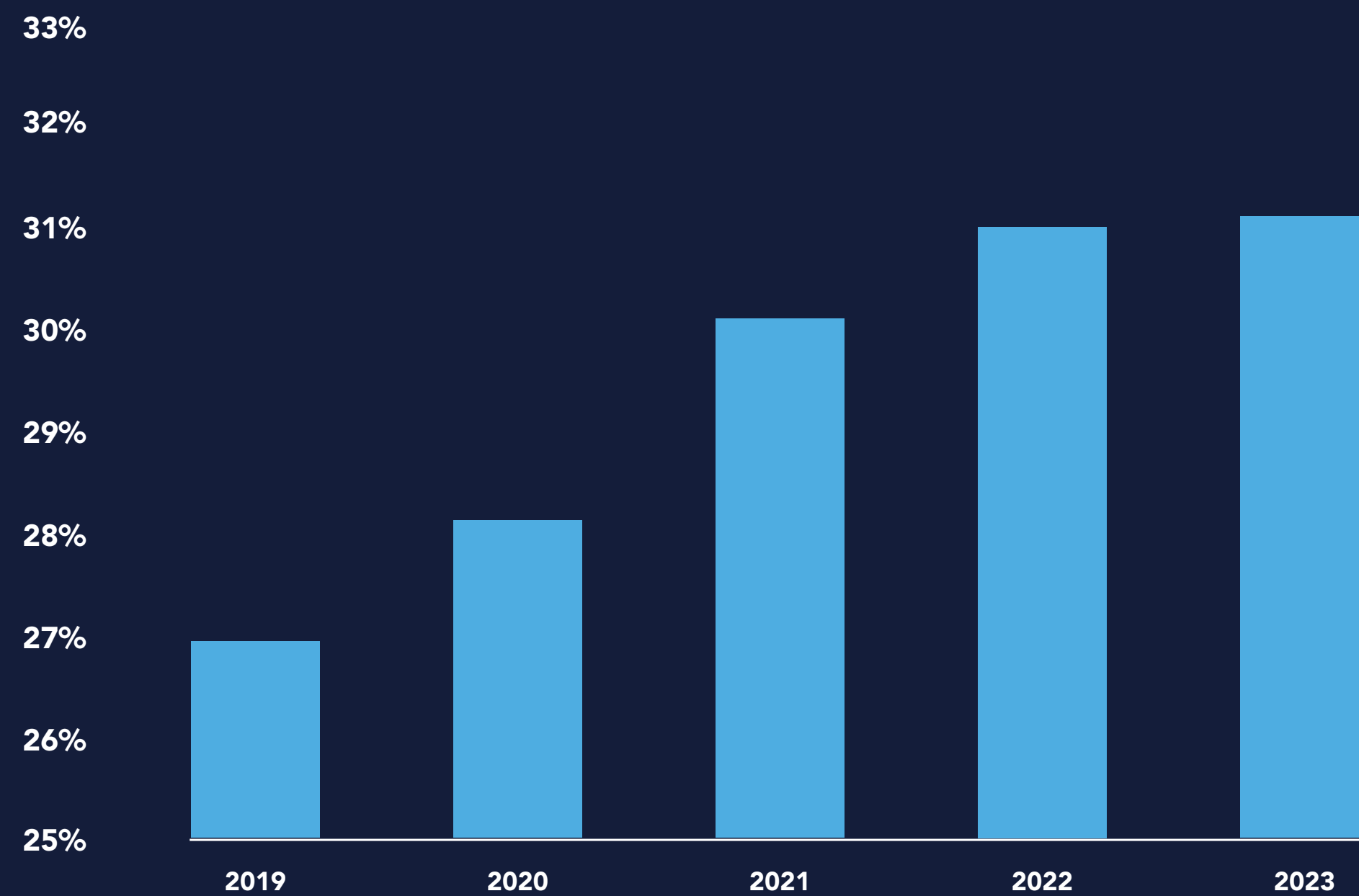




Workplace Diversity

We strive to support a diverse and inclusive work environment. In 2023, 31% of our employees self-identified as belonging to racial or ethnic minority groups. This figure is a slight increase from 2022 and reflects a positive trend from the 26.9% reported in 2019.

**Racial/Ethnic Minority (REM) Percentage
(all employees)**



	Senior Leadership	All Employees (Excluding Senior Leadership)
Racial/Ethnic Minority	18.7%	32%
Asian	9.0%	9.4%
Black or African American	1.6%	5.6%
Hispanic-Latino	6.1%	13.4%
American Indian or Alaska Native	0.2%	0.7%
Native Hawaiian or Other Pacific Islander	0.6%	0.8%
Two or More Races	1.2%	2.1%
White	81.1%	67.3%
Not Specified or Blank	0.2%	0.7%



Our Environmental Responsibility.

Continuously improving our environmental performance, monitoring, and reporting.

IN THIS SECTION



Our Approach

Since establishing our sustainability program, First American has expanded its engagement with our third-party sustainability advisor to continuously improve our environmental performance, monitoring, and reporting.

Each year, we collect and analyze environmental metrics for our operations to support the development of an inventory of our scope 1 and 2 GHG emissions, select categories for scope 3, and water and waste for certain owned facilities. Based on the quality and availability of data, calculations may be based on actual utility bills or modeled using estimates based on square footage.

First American's management team strives to improve environmental performance, through energy efficiency investments and sustainability initiatives, where possible, and continuously looks to improve our sustainability reporting using GHG, environmental information, and other relevant data.



Prioritizing energy efficiency investments and sustainability programs.



Key Disclosures: CDP Climate Change and TCFD

Similar to the way our financial performance is assessed, First American is regularly evaluated by various groups on its ESG performance. Our goal is to be transparent by providing our investors and other stakeholders with useful information, such as risk management, governance practices, and our approach to sustainability.

Since 2015, we have participated in CDP's Climate Change Program, a global disclosure platform that highlights environmental impacts of reporting companies. We currently report to CDP Climate Change for the Financial Services sector; which **is aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework.**

First American continues to report publicly to CDP as a commitment to climate-related issues and incorporating sustainability in our core business values. This year marks the ninth consecutive year of disclosure to CDP's climate change questionnaire. We strive to incorporate ongoing improvements in our sustainability reporting and management processes in our annual CDP submission.

For more information about our TCFD reporting, see the TCFD Index on p. 75.

First American's 2023 CDP Climate Change Performance



First American



Global Average



North American Average

Areas of Strength



Emissions reduction initiatives



Governance



Opportunity disclosures



Energy and Greenhouse Gases

Scope 1 and 2 Inventory

First American’s GHG inventory includes scope 1 and 2 emissions. We have performed empirical calculations for our owned facilities for which we have invoice or usage data from third-party utility providers. For these facilities, we calculated emissions associated with direct energy use, including from natural gas and company-owned vehicles (scope 1), and electricity use (scope 2).

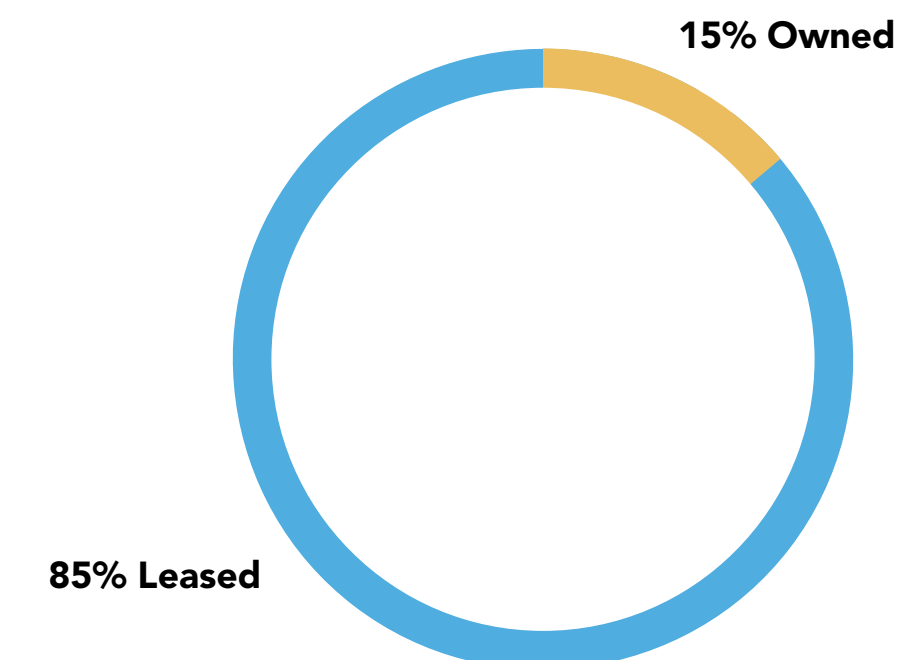
Historically, the scope of our GHG inventory covered emissions only from owned facilities. Beginning in 2021, we built upon our existing data and estimated electricity usage and associated scope 2 emissions for our leased facilities in the U.S. where square footage information was available. To estimate those emissions, we used average intensities based on square footage from owned sites’ 2023 empirical data.

In 2023, monthly data on electricity, natural gas, water, and waste usage was collected for owned facilities in the U.S., which includes our corporate headquarters campus in Santa Ana, California. We modeled scope 2 emissions for the owned and leased facilities where we have facility square footage information. In summary, we are reporting GHG emissions for 100% of our owned and leased facilities (861 sites) with owned facilities comprising about 15% of reported square footage, primarily from our corporate headquarters campus in Santa Ana (12%), with leased facilities accounting for the remaining 85%.

Facilities and emission sources included in GHG reporting

	Total US. owned or leased Sites	Included in GHG Reporting	Scope 1	Scope 2
Owned	20	20	Natural Gas: Actual use for 10 sites, the rest are excluded	Electricity: Actual use for 11 sites, the rest are modeled based on square footage
Leased	841	841	Excluded	Electricity: Actual use for 3 sites, the rest are modeled based on square footage
Total	861	861		

Breakdown of the square footage for owned vs. leased sites





Looking forward, our goal is to expand our reporting scope to include all relevant owned and leased facilities utilizing natural gas.

Each year, we strive to improve our GHG inventory to be more comprehensive and to enhance data quality. For our 2023 inventory:

- Expanded the number of sites included in the scope 2 emissions calculations by including all leased and owned sites.
- Expanded our reporting to include both market-based and location-based methodologies for calculating emissions.

In 2023, 32 facilities were excluded from GHG reporting due to the following reasons:

- We have 30 sites outside the U.S. which are excluded from U.S. GHG emissions inventory.
- Two additional leased sites are virtual offices which are excluded from the organizational boundary of GHG reporting, as we do not have any operational control over these facilities.

Scope 3 Calculations

Scope 3 emissions associated with business travel, employee commuting, and waste were calculated utilizing vendor data or spend data and prepared following the GHG Protocol. Waste emissions were calculated for our owned facilities and, for the first time, our leased facilities were also included. GHG emissions from business travel represent company-wide activities throughout the U.S. while employee commute data is available only for our Santa Ana campus.

Sources of scope 3 GHG emissions





Comparing 2023 to 2022, there are a few key points to note:

- Emissions are reported for 100% of all U.S. owned and leased sites for the first time.
- Scope 2 market-based emissions are reported for the first time as per the recommendations by the GHG protocol.
- Business travel emissions were expanded to include rail travel and hotel stay, in addition to flight and car rental emissions.
- Waste emissions were calculated for all owned and leased sites for the first time. Where actual waste data was unavailable, emissions were estimated using waste intensity factors.
- First American subleases 26 sites which are now categorized under Scope 3 Category 13, whereas they were classified under Scope 2 in the 2022 inventory reported last year.

Total First American GHG Emissions			
<i>(in metric tons CO₂e)</i>			
Scope 1 – Owned & leased sites with empirical data; fleet		Scope 3	
2023	Fleet/natural gas:	1,015	Category 5: Waste – Recycled paper & other landfill waste
2022 ^{††}	Fleet/natural gas:	1,119	2023 929
Scope 2 (Location-based) – Owned & leased		2022	121
2023	Electricity:	19,830	Category 6: Business Travel – Company-wide
2022 ^{††}	Electricity:	21,793	2023 1,567
Scope 2 (Market-based) – Owned & leased		2022	1,241
2023 [†]	Electricity:	20,764	Category 7: Employee Commuting - Santa Ana campus only
2022 ^{†††}	Electricity:	21,793	2023 12,123
		2022	12,750
		Category 13: Downstream leased assets	
		2023	404
		2022	-
2023 Total Scope 1 + 2 (location-based): 20,845 metric tons CO₂e			
2023 Total Scope 1 + 2 (market-based): 21,779 metric tons CO₂e			
2023 Total Scope 1 + 2 (location-based) + Scope 3: 35,868 metric tons CO₂e			
2023 Total Scope 1 + 2 (market-based) + Scope 3: 36,802 metric tons CO₂e			

[†] 2023 was the first year that scope 2 market-based emissions were calculated.

^{††} Note that upon review, there were corrections made to the 2022 GHG calculations, the updated numbers are reported in the table above.

^{†††} Note that 2022 data reported here is scope 2 location-based emissions since 2023 was the first year that market-based emissions were calculated.



Energy Efficiency

We are committed to continuously evaluating opportunities to reduce energy consumption at our owned facilities.

Energy usage at our owned facilities that were included in both the 2023 and 2022 inventory declined by 1,640 MWh or 17%, compared with 2022. This reduction was primarily attributable to the decommissioning of our data center at the corporate headquarters campus in Santa Ana, California.

As a result, while we included 20 owned facilities in our inventory in 2023, compared with 5 last year, energy use increased only slightly by approximately 126 MWh, or 1%.

Below are the major drivers of the change in energy use in 2023:

- **Expansion of reporting sites:** For the 2022 reporting period, energy usage from 5 owned facilities were reported, compared with 20 owned facilities in 2023.

- **Data center decommissioning:** By migrating to a cloud-based solutions provider, First American decommissioned its data center, which was a significant energy user and source of GHG emissions. The decommissioning of the data center resulted in a reduction in Scope 2 energy consumption by approximately 1,385 MWh.
- **Change in owned facilities:** Three facilities were sold or leased to other tenants, resulting in a decline in energy consumption of approximately 487 MWh.
- **Building occupancy changes:** Due to a decline in occupancy at the corporate headquarters campus, energy consumption was reduced by approximately 115 MWh.

Sustainability and energy efficiency will continue to be a key business objective as part of our facilities management team's approach to the identification and execution of capital projects.



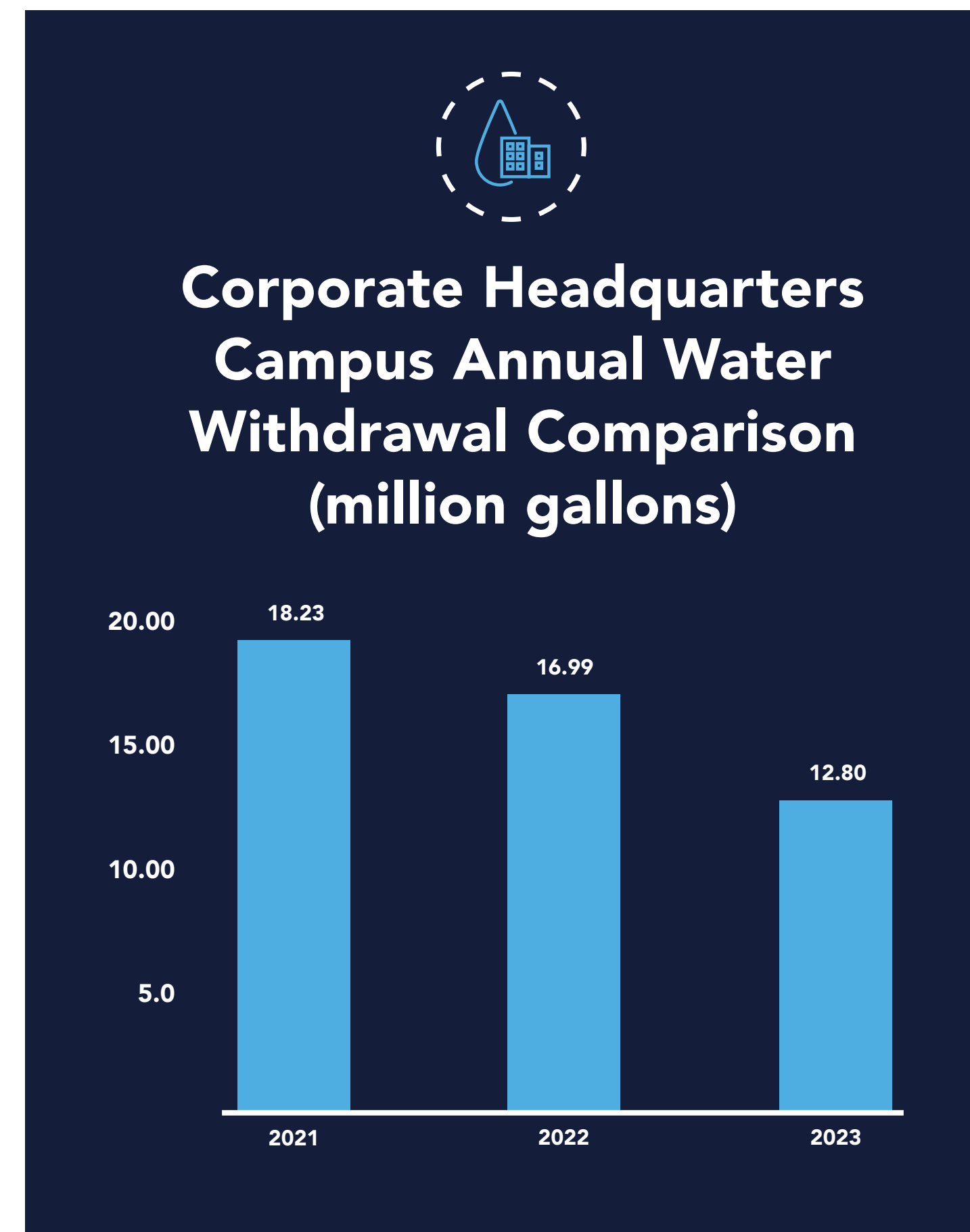
Waste and Water

As a professional services company, First American does not generate significant amounts of waste compared to a company with manufacturing operations. However, we are cognizant that our business still creates an environmental footprint through our operations and purchasing decisions. To minimize impacts, we strive to partner with companies that also share our passion and commitment to sustainability.

In 2023, First American launched a **new organic waste program at the head office campus**. Employees are now able to divert waste in three separate streams, enhancing the trash and recycling program. In addition, First American collects and recycles “green” waste, which is turned into mulch by a recycling partner. The green waste is generated through site landscape maintenance activities. **In 2023, we recycled approximately 140 tons of green waste through this program, which would have otherwise gone to landfill.**

We also continued efforts to help ensure that materials from First American offices are recycled properly. **In 2023, First American recycled over 3.2 million pounds of paper from our owned facilities.** In 2023, over 1300 pounds of batteries were recycled as part of our battery recycling program collection effort. We collect spent dry cell batteries, ballasts, fluorescent lamps, incandescent lamps, and LED lamps at battery recycling stations located in every breakroom throughout our corporate headquarters campus.

First American also monitors the use of water within our corporate headquarters campus. Our water consumption is attributed primarily to usage in restrooms, breakrooms, and our cafeteria, as well as landscape irrigation. In 2022, we upgraded a portion of our headquarters campus irrigation system. In 2023, we saw a reduction of water usage specifically for irrigation by about 23% compared to 2022, which can be attributed to multiple factors, including weather effects and the installation of more efficient equipment. Overall water withdrawal at our corporate headquarters campus decreased by roughly 25% compared to 2022.



Our water consumption is reducing year-on-year due to a combination of favorable weather and upgrades to our landscape irrigation system.



Our Governance.

**Policies and
governance
structures that
help protect our
stakeholders.**

IN THIS SECTION



Governance Overview

At First American, we are committed to integrity, expert leadership, and sound governance in the daily conduct of our business.

First American Financial Corporation complies with corporate governance requirements and practices as a publicly listed company trading on the New York Stock Exchange (NYSE: ticker symbol "FAF"). The company is subject to the rules and regulations promulgated by the United States Securities and Exchange Commission (SEC) as both an insurance holding company and a savings and loan holding company. Our corporate governance practices are periodically reviewed by the SEC and NYSE, and our Board of Directors and Committees undergo annual performance evaluations.

Our Corporate Governance Guidelines; Code of Ethics and Conduct; Committee Charters; and Board, Executive Management and Committee Composition are available to the public through our website at firstam.com/investors. To ensure that our committees are guided by fairness towards the interest of our stakeholders, our Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee are composed entirely of independent directors guided by the written charters.





ESG Oversight

Our ESG Committee’s charter is to provide strategic oversight, direction, and execution support for our ESG journey. The executive-level committee was sponsored by Mark Seaton, our Chief Financial Officer, and spans cross-functional teams including investor relations, human resources, risk management, facilities, legal, finance, and marketing and communications. The Committee focuses on building audit quality GHG inventories for our operations and comprehensive ISSB standards reporting, primarily oriented towards reporting in compliance with environmental and climate-related disclosures.

The ESG Committee also prepares the company for the implementation of upcoming regulations in the U.S. and Canada. These regulations include those approved by the SEC, the State of California, and Canada’s Office of the Superintendent of Financial Institutions.

At the board level, our Board’s Nominating and Corporate Governance Committee reviews ESG issues and topics relevant to First American and the financial sector. We evaluate the board competence on sustainability and ESG through annual self-reporting. **In 2023, 90% of our directors said they were “experienced to highly experienced” in sustainability/ESG issues.**



ESG Committee provides strategic oversight, direction, and execution support for our ESG journey.



ESG in Executive Compensation

Our Compensation Committee oversees our executive compensation program. Designed to enhance stockholder value, a significant portion of total compensation given to executives are linked to First American's financial performance.

Non-financial performance metrics are also considered in recognition of the relevance of ESG issues in driving growth and ethical business practices. ESG-related considerations can include:

- employee development,
- employee engagement survey results and responsiveness,
- inclusion efforts,
- privacy and data protection,
- community involvement/development,
- sustainability/environmental impact, and
- business ethics.

The Compensation Committee also allocates 50% of the long-term incentive ("LTI awards") for executive officers based on multi-year, metric-based performance.





Engaging Employees in ESG

Our Planet First Council, which has existed in its current form for nearly a decade, continues to be charged with identifying and managing specific environmentally-focused projects. The Council spans departments and aims to engage and educate employees on ESG issues, for instance through our EcoFair event. At this event, we typically share information on the company's conservation and environmental practices and activities. Employees can also learn about energy efficiency, water conservation, recycling, and other sustainability topics applicable to their home. Although the EcoFair was suspended during the pandemic, we are excited for its planned re-launch.





A Foundation of Integrity

Code of Ethics and Conduct

First American has a long-standing [Code of Ethics and Conduct](#) that provides comprehensive guidelines for our employees to comply with relevant laws and regulations and adhere to ethical business conduct. Reviewed annually, the Code covers rules on Conflicts of Interest (COI), Corporate Opportunities, Use of Inside Information, Fair Dealing, Confidentiality, Protection and Use of Company Assets, Fraud, and use of Electronic Communications Resources. For our leadership, we have a separate, supplementary Code of Ethics for our Chief Executive Officer and Senior Financial Officers. The Code of Ethics and waivers to the company's Code of Ethics for directors and certain executive officers are available on our website.

Any violations of the Code of Ethics and Conduct witnessed by employees are advised to be reported to direct supervisors or through appropriate channels. These channels include First American's Financial Accuracy and Compliance Hotline, which is available in multiple languages, toll free,

24 hours a day, seven days a week. Reports are handled with discretion and anonymity to provide a safe environment for our employees to raise concerns and issues.

We also manage compliance programs to support adherence to government regulations and statutory guidelines. The program includes employee training, investigations, and remediation tracking of identified issues. Any complaints we receive directly from customers or from regulatory agencies are collected in our complaints management system, where appropriate processes for follow-up and resolution are identified. These processes may be used to identify training opportunities.

Anti-Corruption

We are guided by our Anti-Bribery and Foreign Corrupt Practices Act (FCPA) policy to prevent corruption at any level of our organization. Anti-corruption is part of our onboarding process for new employees and ongoing training for our employees. The policy is readily available through our employee handbook and intranet, and our employees are encouraged to report potential incidents of corruption using our Financial Accuracy and Compliance hotline. Reports can be done anonymously and are thoroughly investigated. Our Internal Audit and Corporate Compliance teams also perform audits on compliance with FCPA and potential sources of corruption. For our

U.S.-based employees with international duties and procurement-related roles, an extensive training program on anti-corruption is mandatory and taken every two years.

Political Advocacy

The company supports our employees, as private citizens, taking an active interest in current issues and supporting the interests of sound government and healthy communities. Our approach remains entirely non-partisan, and employees are welcome to participate in civic and political activities, so long as it is not on behalf of the company. As a corporation, First American follows applicable laws when engaging in political activities or making political contributions.



Protecting Your Data and Privacy

Fraud Prevention

At First American, we know that buying a home is an exciting and important life milestone. For many people, their home will be their most valuable asset. Unfortunately, property and real estate transactions are increasingly targeted by opportunistic criminals looking to divert fund transfers or sales proceeds to their own accounts. First American is committed to minimizing fraud risks through effective and strategic internal controls that detect and prevent fraud.

We do a significant amount of training for employees, including:

- “Flash” trainings and enterprise-wide education campaigns on general and targeted fraud schemes;
- Annual Fraud Awareness Week, which has a heavy focus on education and training on procedures;

- Phishing email reporting to First American’s information security department; and
- Wire fraud prevention recognition programs for employees.

For phishing-specific training, any employee who fails is required to do additional training.

Fraud and loss prevention tips and education are available to consumers via our website and wire fraud prevention information is proactively provided to customers engaged in certain transactions. In addition, we provide tools to customers to reduce fraud risk, such as:

- **Transaction portal** – A simple, mobile, and secure communication tool between participants in the real estate transaction that helps lower the risk of wire fraud attempts by reducing risky email communications.
- **Notification letters** – As a safety precaution in appropriate circumstances, First American sends the property owner a letter to confirm that the property owner is aware of the transaction.
- **FraudGuard®** – A mortgage support tool that helps lenders identify potential fraud risk and errors in

mortgage applications, comply with regulations, improve the application review process, and increase loan quality.

- **SAFEvalidation®** – An information validation tool, which helps safeguard against funds being sent to the wrong bank account through verification of recipient account ownership and payoff instructions.

Adoption of SAFEvalidation grew significantly in our agent division in 2023. Together with our direct division, approximately 1 million wire transfers used the SAFEvalidation service or other internal tools to protect their customers funds. We plan to implement SAFEvalidation in our commercial division in 2024.



SAFEvalidation[®]: Protecting our Customers from Wire Fraud

We take security seriously at First American. Our SAFEvalidation service helps safeguard against funds being sent to the wrong bank account.

It works by using a two-pronged approach: 1) validating ownership of the recipient account by authenticating the payee bank account information, and 2) validating that the payoff instructions are associated with a valid account. Adoption and use of SAFEvalidation has grown quickly over the past few years as it has proven to be a cost-effective tool in reducing the risk of wire fraud.

“SAFEvalidation is a critical tool we utilize to combat our industry’s ongoing battle with cyber security and erroneous wire transfers. Protecting all parties in our transactions is paramount. SAFEvalidation’s leading technology allows us to concentrate on our business, without having to worry about our funds ending up in wrong hands.

Joe Montag, Timios

(West Coast title agency)



Information Security Program

Structure and Oversight

First American has an established executive-level Information Security Oversight Committee (ISO) that regularly reviews identified information security risks, vulnerabilities, and remediation actions. With our Audit Committee, the ISO also oversees the management of our information security program led by our Chief Information Officer (CISO), who reports twice a year to our Board of Directors on information security matters. Regular reports from our information security department, business technology groups, and Chief Risk Officer (CRO) are also reviewed by our Audit Committee, alongside information security reports from internal and external auditors. We also maintain insurance coverage for costs associated with information security risk exposure.

Rigor and Assurance

First American's information security program is based on the National Institute of Standards and Technology (NIST) Special Publication 800-53, which guides organizations on how to select security controls based on their level of risk. Our offshore entities are certified to the ISO 27001 standard for information security management. Selected entities have undergone Service Organization Control (SOC) audits and

generated SOC1 and SOC2 reports to provide an extra level of assurance. We align with these recognized frameworks and allocate significant resources in these endeavors to protect non-public personal information and ensure confidentiality. We implement intrusion prevention (firewalls, endpoint protection, behavior analysis tools), vulnerability identification (vulnerability scans and penetration tests), and remediation.

In the event of a data breach, we activate our crisis management plan. The plan is periodically reviewed by our executive team, and we perform tabletop exercises to assess the effectiveness of our incident response measures. One of the key risks we take into consideration are events that compromise the availability of our critical technology systems and infrastructure, which would trigger the enactment of our Disaster Recovery Plans to restore operations.

We also have our Information Security Helpline, which was designed to detect, deter, and respond to threats to First American's data, property, physical security, infrastructure, or information in a professional and consistent manner.

Safeguarding Privacy

Data privacy is immensely important to First American given the breadth and diversity of information we collect and manage. To comply with current privacy regulations and

provide guidance on our privacy principles and practices, we developed our Data Privacy Program and data privacy policy. Several controls are present to protect consumer privacy, including adherence to our information management policy and records retention schedule, data encryption during transit and rest, and data management of NPPI data throughout the product (process or data) life cycle. We are taking advantage of leading-edge technologies and data science techniques to detect, highlight, and mask NPPI data across our historical archives and new documents.

We conduct in-depth business process reviews on key platforms that include analyzing data, as well as document ingestion and retention practices, with a focus on reducing or avoiding ingestion, storage, and retention of NPPI data and limiting its use only when necessary to conduct business or to adhere to customer, legal, or product requirements. These business process reviews, when practicable, also include the modification or enhancement of technology platforms so that NPPI data is not allowed to be introduced if not needed. Additionally, maintenance schedules are developed so that data and documents can be periodically redacted or deleted.



Managing Risk

Enterprise Risk Management

First American's enterprise risk management (ERM) program is crucial in achieving our business goals, and it is overseen by our Board of Directors and the Audit Committee. The program is structured with a hierarchy of responsibility across senior executives from our various teams, including operations, human resources, finance, accounting, treasury, information technology, legal/regulatory, internal audit, compliance, underwriting, and real estate.

Our ERM activities are coordinated by our CRO, whose primary functions include the identification, evaluation, and monitoring of First American's top risks, as well as driving our ERM strategy by guiding senior officers and risk management teams. The CRO also reports regularly to the Audit Committee and the Board of Directors regarding the company's risk profile and mitigation efforts. Lastly, the program is assessed internally and externally by our Internal Audit function and state and federal regulators, respectively.

Vendor Risk Management

Our Vendor Security Risk Management (VSRM) program and activities are supported by our Enterprise Vendor Management Program, which contains the organizational structure and practices for overseeing vendor risk. The latter program facilitates managing vendor relationships, vendor risk categorization, and the completion of required vendor assessments. These assessments may cover information security and privacy, business continuity and disaster recovery, financial stability, and insurance coverage.





Vendors that meet certain risk profiles are assessed annually through the VSRM program, whose structure is based on industry accepted security due diligence practices. Vendors are evaluated against our information security control scheme to determine if our guidelines are being met. A standard format is used to gather and evaluate information across a broad spectrum of data security control areas.

Supplier Code of Conduct

We aim to build and maintain relationships with suppliers who share our standards of ethical business conduct. First American's Supplier Code of Conduct outlines our expectations from our suppliers to operate with integrity at the same level of rigor and commitment as we do in our own operations. We expect all suppliers who conduct business with, or on behalf of, First American to avoid all forms of conflicts of interest and to uphold our same commitments to cultivate a diverse, equal, and safe workplace for our people. For more information, refer to our Supplier Code of Conduct available on our website at firstam.com/supplier-code-of-conduct/.

Business Continuity

First American acknowledges that potential negative impacts may occur from operational challenges in a volatile business environment. We maintain our Business Continuity Management (BCM) Program to adapt to various forms of disruptions to our business and minimize economic losses to the greatest extent possible.

The program is overseen by our Audit Committee, with plans in place to address operational disruption (business continuity), technology disruption (disaster recovery), mass absenteeism (infectious disease management), and crisis management to properly manage risks across operations. Each plan details specific procedures to ensure that our services continue to be delivered to our customers with minimal interruption and proper communication. We review, test, and update these plans on at least an annual basis, ensuring that our procedures are relevant and responsive to disruptions and crises we may face.



SASB Index

We have identified two SASB sector standards that most closely align with our business operations: Primary - Services Sector: Professional & Commercial Services Standard (SV-PS) and Secondary - Financials Sector: Insurance Standard (FN-IN).

This report uses the 2023-12 version of the SASB Standards. Unless otherwise noted, the SASB Index is as of December 31, 2023, and excludes disclosures specific to the company's international and home warranty business operations, which together account for approximately 13% of the company's revenue.



Professional and Commercial Services

Data Security

SASB Metric	SASB Code	Response	Reference
Description of approach to identifying and addressing data security risks	SV-PS-230a.1	First American has a formal information security program managed by our Chief Information Security Officer and overseen by the Audit Committee of the Board of Directors.	2023 Corporate Sustainability Report: Protecting Your Data and Privacy, Pg. 57
Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS-230a.2	<p>We are subject to laws and regulations that enact standards to protect the confidentiality and security of customer non-public personal information. Our Internal Audit and Compliance team conducts audits to the regulations.</p> <p>First American’s records retention policy and schedule are informed by laws, regulations, statutory requirements, audit requirements, and other operational requirements.</p> <p>First American’s data privacy policy outlines our commitment to the protection of personal information. This comprehensive privacy policy discusses how we collect, use, and share data across our businesses, and provides greater detail on the types of data we collect. The company’s data privacy program provides governance around our privacy principles and standards.</p>	<p>2023 Corporate Sustainability Report: Protecting Your Data and Privacy, Pg. 57</p> <p>First American Privacy Policy</p>
(1) Number of data breaches, (2) percentage that (a) involve customers’ confidential business information and (b) are personal data breaches and (3) number of (a) customers and (b) individuals affected	SV-PS-230a.3	Except as a matter of public record, the company does not disclose information concerning data security breaches. In accordance with SEC requirements, First American discloses all material cybersecurity incidents.	2023 Annual Report: Cybersecurity , Pgs. 23-24



Workforce Diversity & Engagement

SASB Metric	SASB Code	Response	Reference
Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, and (c) all other employees	SV-PS-330a.1	Approximately 69% of our employees are women. Approximately 32% of our employees are from racial/ethnic minority backgrounds.	2023 Corporate Sustainability Report: Employee Demographics Pgs. 41-42
(1) Voluntary and (2) involuntary turnover rate for employees	SV-PS-330a.2	In 2023, First American’s voluntary and involuntary turnover rates were 9.5% and 11.9%, respectively.	
Employee engagement as a percentage	SV-PS-330a.3	Our 2023 Great Place to Work® Trust Index® engagement score was 87%. The Trust Index measures trust, pride and camaraderie in an organization through a series of positive statements that employees can rate using a sliding scale from 1-5, with 5 being the most positive score. The results show the percentage of respondents that answer 4 or 5 in the survey.	2023 Corporate Sustainability Report: Employee Engagement Pgs. 24-25 Great Place to Work – Certified



Professional Integrity

SASB Metric	SASB Code	Response	Reference
Description of approach to ensuring professional integrity	SV-PS-510a.1	<p>First American has a comprehensive program to promote ethical business practices and regulatory compliance, including a Financial Accuracy and Compliance Hotline which provides 24/7, anonymous reporting of any legal or ethical concerns by its employees. Significant elements of the program are disclosed in Governance Documents section on the company's website.</p> <p>The company also maintains a records and information management policy, which details the record retention schedule for different types of information.</p>	<p>2023 Corporate Sustainability Report: A Foundation of Integrity, Pg. 56</p> <ul style="list-style-type: none"> ■ Governance Documents ■ Governance Guidelines ■ Code of Ethics and Conduct ■ Code of Ethics for Chief Executive Officer and Senior Financial Officers ■ Code of Ethics Waivers <p>2023 Annual Report: Report of Independent Registered Public Accounting Firm, Pgs. 47-48</p>
Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	In accordance with SEC requirements, First American discloses all material or significant legal proceedings, other than ordinary course lawsuits and regulatory proceedings, in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.	<p>2023 Annual Report: Litigation and Regulatory Contingencies, Pg. 91</p>



Activity Metrics

SASB Metric	SASB Code	Response	Reference
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	SV-PS-000.A	As of December 31, 2023, First American had 12,244 employees in the United States and 19,210 employees worldwide. In the U.S., approximately 99% of our employees are full-time and the company employed approximately 200 contract/temporary workers at year end.	
Employee hours worked, percentage billable	SV-PS-000.B	Not relevant to our business.	



Insurance

Transparent Information & Fair Advice for Customers

SASB Metric	SASB Code	Response	Reference
Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers	FN-IN-270a.1	In accordance with SEC requirements, First American discloses all material or significant legal proceedings, other than ordinary course lawsuits and regulatory proceedings, in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.	2023 Annual Report: Litigation and Regulatory Contingencies, Pg. 91
Complaints-to-claims ratio	FN-IN-270a.2	<p>First American’s complaints-to-claims ratio was 0.34 complaints per 1,000 claims for 2023 for our title and settlement services business. This ratio covers closed, confirmed complaints as reported by the National Association of Insurance Commissioners (NAIC).</p> <p>NAIC also reports a National Complaint Index which measures closed and confirmed title claims relative to a company’s market share. First American’s National Complaint Index score was 0.81 in 2023 based on the information provided by the NAIC as of August 13, 2024 for Title policies. This represents an average performance as our complaints were slightly below the National Average, which is represented as 1.0.</p>	Link to the NAIC National Complaint Index page
Customer retention rate	FN-IN-270a.3	Not applicable as title policies are long term and policies in force are not tracked.	



Transparent Information & Fair Advice for Customers (cont'd)

SASB Metric	SASB Code	Response	Reference
Description of approach to informing customers about products	FN-IN-270a.4	<p>First American is committed to empowering consumers and informing those who buy and sell real estate about their rights to select service providers and receive transparent disclosures. The company also seeks to inform homebuyers about the importance of safeguarding their investment and securing their transactions.</p> <p>The scope of First American’s internal guidelines for marketing & communications includes all efforts to promote our brand image, products, services, or related experiences to customers, employees, investors, and other important audiences. This would include almost any form of communication between the company and our customers (both individuals and businesses), agents, and the general public. Communication and marketing vary by business division and could include, but is not limited to, website, online advertising, email, and printed materials.</p> <p>The guidelines also include guidance on how to comply with First American’s Privacy Policy and applicable regulation, including the Real Estate Settlement Procedures Act (RESPA) and the Federal Trade Commission’s (FTC) Unfair and Deceptive Acts and Practices (UDAP).</p> <p>For more information on how we distribute our title insurance policies and related products and services through our direct and agent channels, as well as our marketing and communication efforts, refer to our 2023 Annual Report.</p>	<p>2023 Corporate Sustainability Report: Enhancing the Customer Experience, Pg. 13</p> <p>Ownership Information Center</p> <p>Security and Privacy Center</p> <p>Multicultural Resources Center</p> <p>2023 Annual Report: Distribution, Sales and Marketing, Pgs. 8-9</p>



Incorporation of ESG Factors in Investment Management

SASB Metric	SASB Code	Response	Reference
Description of approach to incorporation of ESG factors in investment management processes and strategies	FN-IN-410a.2	First American does not directly incorporate ESG factors into investment management processes and strategies through any formal process. As of December 31, 2023, external investment managers who manage approximately 30% of the company's investment portfolio do consider various ESG criteria in the investment selection process for client portfolios. The company generally uses external fund managers who manage to a limited set of investment guidelines established by the company.	



Policies Designed to Incentivize Responsible Behavior

SASB Metric	SASB Code	Response	Reference
Net premiums written related to energy efficiency and low carbon technology	FN-IN-410b.1	Not applicable given the nature of title insurance policies.	
Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	FN-IN-410b.2	Not applicable given the nature of title insurance policies.	



Financed Emissions

SASB Metric	SASB Code	Response	Reference
Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	FN-IN-410c.1	This SASB disclosure topic is under review for future implementation.	
Gross exposure for each industry by asset class	FN-IN-410c.2	This SASB disclosure topic is under review for future implementation.	
Percentage of gross exposure included in the financed emissions calculation	FN-IN-410c.3	This SASB disclosure topic is under review for future implementation.	
Description of the methodology used to calculate financed emissions	FN-IN-410c.4	This SASB disclosure topic is under review for future implementation.	



Physical Risk Exposure

SASB Metric	SASB Code	Response	Reference
Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	Not applicable given the nature of title insurance policies.	
Total amount of monetary losses attributable to insurance pay-outs from (1) modelled natural catastrophes and (2) non-modelled natural catastrophes, by type of event and geographical segment (net and gross of reinsurance)	FN-IN-450a.2	Not applicable given the nature of title insurance policies which do not directly cover these perils.	
Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of entity-level risks and capital adequacy	FN-IN-450a.3	<p>Environmental risks are not relevant in the underwriting of individual title policies.</p> <p>Due to the nature of First American’s core business of title insurance, the company is unlikely to be substantively affected by any climate-related risks. We have conducted risk assessments, and, to date, no environmental risks have been identified that would have a substantive impact on the company. While some physical risk exists related to our distributed office network in the U.S., First American has sufficient insurance coverage and an enterprise risk management (ERM) program, business continuity plans (BCP) and crisis management plans to minimize the financial and operational impact on our business.</p> <p>As part of our ERM process, department/division leaders respond to a survey to categorize potential substantive risks affecting First American. Climate-related risk was expressly considered in the company’s most recent enterprise risk assessment survey, and the risk assessment process concluded that climate-related risk is not a top risk of the Company. If any substantive environmental risks were to be identified in the future, our Audit Committee would oversee any that were top risks to the company and our business continuity program would oversee the management and mitigation of other environmental risks, assisted by the ESG Committee.</p>	<p>2023 Corporate Sustainability Report: Managing Risk, Pgs. 60-61</p> <p>2023 CDP Climate Change Disclosure</p> <p>2023 Annual Report: Risk Factors, Pgs. 13-23</p>



Systematic Risk Management

SASB Metric	SASB Code	Response	Reference
<p>Exposure to derivative instruments by category:</p> <p>(1) total exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse, and (3) total exposure to centrally cleared derivatives</p>	FN-IN-550a.1	First American did not use derivative financial instruments in any material or significant amount in 2023.	2023 Annual Report : Interest Rate Risk, Pgs. 44-45
Total fair value of securities lending collateral assets	FN-IN-550a.2	First American did not engage in any securities lending activity in 2023.	
Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	<p>First American has defined policies and procedures in place to effectively manage capital and liquidity-related risks.</p> <p>The company maintains capital monitors, which are reviewed quarterly, to assess the adequacy of capital at the holding company and our significant regulated subsidiaries. Stress testing our investment portfolio is performed on a quarterly basis assuming several different interest rate scenarios. At the beginning of each year, management reviews with the Board of Directors an annual financial plan or budget which outlines the expected financial results for the current calendar year. Subsequently, regular financial updates are provided to the Board of Directors as the year progresses. Management also prepares, and reviews with the Board of Directors, a five-year financial plan which includes a base case and scenarios that stress test the plan under differing market and economic conditions.</p> <p>For liquidity management purposes, First American maintains a five-year annual holding company cash flow forecast. The Board of Directors reviews holding company liquidity levels on a quarterly basis.</p> <p>On an annual basis, the Board of Directors reviews and approves policies regarding liquidity risk and contingent funding. These policies establish cash and liquidity targets and delineate a full spectrum of liquidity management tools that could be deployed if our operating cash on hand is insufficient.</p> <p>First American does not have any material or significant exposure to derivatives.</p>	2024 Proxy Statement : Risk Oversight, Pgs. 16-17



Activity Metric

SASB Metric	SASB Code	Response	Reference
Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	FN-IN-000.A	Not relevant to our business.	



TCFD Index

This report uses the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations to outline our approach to climate change across four key areas: Governance, Strategy, Risk Management and Metrics & Targets.

Our responses are primarily drawn from our 2023 CDP Climate Change Disclosure, which is aligned with TCFD. The content of these responses is also referenced throughout different sections of this report.



Governance

TCFD Recommendation	Response	Reference
a) Describe the board's oversight of climate-related risks and opportunities.	<p>Climate-related risks and opportunities are primarily overseen by First American's Board of Directors and its Audit Committee. One of the structures in place at First American that has responsibility over climate-related issues is the Audit Committee. First American maintains an extensive and structured enterprise risk management (ERM) program overseen by our Board of Directors and its Audit Committee; the program would encompass any environmental risks that could be a top risk to the company. The program's hierarchy and structure encompass senior executive leaders in various committees from all facets of the business, including operations, human resources, finance, accounting, treasury, information technology, legal/regulatory, internal audit, compliance, underwriting, and real estate.</p> <p>The Company's Chief Risk Officer (CRO) coordinates ERM activities identifying, evaluating, and monitoring top risks to help our businesses achieve their goals. In addition, the CRO drives our ERM strategy by providing strategic guidance to senior officers and risk management teams.</p> <p>The Audit Committee and the full Board of Directors regularly receive reports regarding the company's ERM activities from the CRO including the company's top risks, mitigation efforts, and risk monitors. On a quarterly basis, the Audit Committee, comprised entirely of independent directors, reviews risk factors disclosed in the company's SEC filings, which include climate-related issues. In addition, our ERM program is assessed regularly via internal reviews by our Internal Audit function as well as various state and federal regulatory bodies.</p>	<p>The below references pertain to all responses in the TCFD Index:</p> <p>2023 Corporate Sustainability Report: Supporting Home Ownership: Pgs. 10-13</p> <p>2023 Corporate Sustainability Report: Environmental Responsibility Pg. 43</p> <p>2023 Corporate Sustainability Report: Energy and Greenhouse Gases, Pgs. 46-49</p> <p>2023 Corporate Sustainability Report: Managing Risk, Pgs. 60-61</p> <p>2023 CDP Climate Change Disclosure</p> <p>SASB FN-IN-450a.3</p> <p>2023 Annual Report: Risk Factors, Pgs. 13-23</p>



Governance (cont'd)

TCFD Recommendation	Response	Reference
b) Describe management's role in assessing and managing climate-related risks and opportunities.	<p>First American's CRO and ESG Committee are responsible for assessing and managing climate-related risks and opportunities, which are overseen at the executive level by the Chief Executive Officer and Chief Financial Officer.</p> <p>The Chief Risk Officer (CRO) coordinates ERM activities identifying, evaluating, and monitoring top risks to help our businesses achieve their goals. The CRO, assisted by the ERM Committee, administers a biennial company risk survey that ultimately enables management to determine and prioritize its risks, while subsequently integrating appropriate controls to mitigate identified risks. The CRO coordinates ERM activities identifying, evaluating, and monitoring top risks to help First American's businesses achieve their goals. In addition, the CRO drives the ERM strategy by providing strategic guidance to senior officers and risk management teams. In addition, the CRO drives our ERM strategy by providing strategic guidance to senior officers and risk management teams. The Audit Committee and the full Board of Directors regularly receive reports regarding the company's ERM activities from the CRO, including the company's top risks, mitigation efforts, and risk monitors.</p> <p>The ESG Committee has oversight in assessing potential risks, including risks related to current and emerging regulation, technology, the legal environment, market, reputation, and acute and chronic physical risks.</p>	



Strategy

TCFD Recommendation	Response	Reference
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>Due to the nature of First American’s core business of title insurance, First American is unlikely to be substantively affected by any climate-related risks. We have conducted risk assessments, and no climate-related risks that would have a substantive impact on the company have been identified. While some risk exists to our distributed offices within First American’s network in the US, First American has sufficient insurance coverage and an enterprise risk management program, business continuity plans (BCP) and crisis management plans to minimize the financial and strategic impact on our business and to ensure continual operation of our business.</p> <p>First American has an Enterprise Risk Management process in place where department/division leaders answer a survey to categorize potential substantive risks affecting First American. Climate-related risk was expressly considered in the company’s most recent enterprise risk assessment survey, and the risk assessment process concluded that climate-related risk is not a top risk of the company. If any substantive climate-related risks were to be identified, our Audit Committee would oversee any that were top risks to the company and our business continuity program would oversee the management and mitigation of other environmental risks, assisted by the ESG Committee.</p> <p>We have identified a climate-related opportunity in our direct operations through improved sustainability ratings that may lead to increased market valuation. Individual investors and institutional investors increasingly value socially responsible companies that have a commitment to ESG principles. A significant and growing portion of institutional equity investments in the US incorporate ESG considerations into their equity selection process. If First American earns a favorable reputation, we could potentially attract incremental investor demand and trade at a higher share valuation. We have been continuously enhancing our sustainability reporting practices and programs, such as the development of a comprehensive Corporate Sustainability Responsibility (CSR) report, tracking and monitoring our GHG inventory, and reporting through CDP and ISS, all of which have the potential to improve our ESG reputation with investors. In 2022, as a result of increased investor interest in our ESG program, the decision was made to align the company’s 2022 CSR report to the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD), providing more comprehensive and rigorous disclosure platforms. First American is closely monitoring the evolving requirements for climate-related reporting from regulators such as the Securities Exchange Commission (SEC) and International Sustainability Standards Board (ISSB) and is continuously assessing how best to strengthen our approach to ESG and potentially earn increased market valuation.</p>	



Strategy (cont'd)

TCFD Recommendation	Response	Reference
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	First American does not anticipate being substantively impacted by any climate-related risks, so financial planning elements have not been substantially influenced by climate-related risks. Capital expenditures are primarily related to software development costs and purchases of property and equipment and software licenses, but facilities-related projects such as energy efficient equipment are accounted for and included in facilities management budgets with minor impact on the company's capital expenditures.	
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>First American's strategy has not been significantly influenced by climate-related risks and opportunities. While we have created an ESG Committee to address topics such as climate change and portfolio impacts, we do not currently have a transition plan that aligns to a 1.5°C world. In the company's most recent annual report on Form 10-K and in our subsequent quarterly reports on Form 10-Q, First American disclosed that risks related to climate change, such as severe weather or other catastrophic events, may have adverse effects on First American. The recent shutdown of our property and casualty business has significantly mitigated the most immediate potential impact of these risks. As climate-related risks are not top risks to the company, developing such a plan is not seen as an immediate priority item, however, this could change in future years.</p> <p>First American has not identified any climate-related risks that could have a substantive financial impact on our business. As such, we have not seen an immediate need yet to perform a climate-related scenario analysis.</p>	



Risk Management

TCFD Recommendation	Response	Reference
a) Describe the organization's processes for identifying and assessing climate-related risks.	The company maintains a formal ERM program. With direct oversight by the company's Board of Directors and its Audit Committee, the company's ERM hierarchy/structure encompasses senior executive leaders from all facets of the business, including operations, finance, accounting, treasury, information technology, legal/regulatory, internal audit, compliance, underwriting, and human resources. The company's Chief Risk Officer administers a biennial company risk survey that ultimately enables management to determine and prioritize its risks, while subsequently integrating appropriate controls to mitigate identified risks. The Audit Committee and the full Board of Directors regularly receive reports regarding the company's ERM activities from the Chief Risk Officer including the company's top risks, mitigation efforts, and risk monitors. Our ERM program is assessed regularly via internal reviews by our Internal Audit function as well as various state and federal regulatory bodies.	
b) Describe the organization's processes for managing climate-related risks.	If any substantive environmental risks were to be identified, First American's Audit Committee would oversee any that were top risks to the company and the business continuity program would oversee the management and mitigation of other environmental risks, assisted by the ESG Committee. On a quarterly basis, the Audit Committee reviews risk factors disclosed in the company's SEC filings, which include climate-related issues and other risks informed, in part, by the ERM process.	



Risk Management (cont'd)

TCFD Recommendation	Response	Reference
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Climate-related risk was expressly considered in the company's most recent enterprise risk assessment survey (performed in 2022), and the risk assessment process concluded that climate-related risk is not a top risk of the company.</p> <p>In the company's 2023 annual report on Form 10-K and in its subsequent quarterly reports on Form 10-Q, First American disclosed that risks related to climate change, such as severe weather or catastrophic events, may have adverse effects on First American. Climate and environmental risks that could have a significant impact on the company (but that do not rise to the level of a top risk overseen by our Board of Directors), would be managed under business continuity management (BCM) and business continuity risk assessment programs, which would likely include specific procedures and actions to be implemented in the event of an emergency.</p> <p>The recent shutdown of our property and casualty business has significantly mitigated the most immediate potential impact of these risks.</p>	



Metrics and Targets

TCFD Recommendation	Response	Reference
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Within our ERM program, First American has established a tiered system to define the level of effect a risk may have on our business. 'Low impact' risks may result in a loss of assets, resources, or sensitive data or in an occurrence that may impede the company's mission, reputation, or financial standings with an assumed dollar impact under \$20 million. 'Moderate impact' risks may result in a costly loss of assets, resources, or sensitive data or in an occurrence that may harm the company's mission, reputation, or financial standings with an assumed dollar impact ranging from \$20 - \$100 million. 'High impact' risks may result in a major loss of assets, resources, or sensitive data or in an occurrence that may significantly harm the company's mission, reputation, or financial standings with an assumed dollar impact over \$100 million. A substantive financial or strategic impact on our business for purposes of this report, including any impact related to climate-related risks, is defined as the equivalent of a 'High impact' risk under our ERM program.	
b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	First American's current approach is to improve the quality of data associated with our scope 1 and 2 GHG emissions inventory. We will continue to improve emissions measurement and management of any related risks.	
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	First American's current approach is to improve the quality of data associated with our scope 1 and 2 GHG emissions inventory. While the company has no active, quantifiable emissions reduction targets, we have an internal goal to reduce the energy and GHG emissions in our owned operations year-over-year. We anticipate that with ongoing emission reduction initiatives to more energy efficient equipment and processes, our GHG emissions will likely decrease over the next five years.	

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